

City of Long Beach California

Annual Comprehensive Financial Report

Fiscal Year Ended September 30, 2023



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Annual Comprehensive Financial Report

City of Long Beach, California

For the Fiscal Year Ended
September 30, 2023

Prepared by the Department of Financial Management



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City of Long Beach, California
Annual Comprehensive Financial Report

For the Fiscal Year Ended September 30, 2023

Prepared by the Department of Financial Management

Kevin Riper
Director of Financial Management

Ruby Carrillo-Quincey
City Controller

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Assistant City Controller

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Accounting Operations Officer

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Accounting Management Officer

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Administrative Analyst

Cover Photography by Hartono Tai

Insert Photography by Hartono Tai



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City of Long Beach
Annual Comprehensive Financial Report
For the Fiscal Year Ended September 30, 2023

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INTRODUCTORY SECTION

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May 2, 2024

To the Honorable Mayor, Members of City Council, and Residents of the City of Long Beach:

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) of the City of Long Beach (City) for the fiscal year ended September 30, 2023. This report was prepared in accordance with appropriate rules and guidelines and audited by KPMG LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the City's financial statements are free of material misstatement. As anticipated, the independent auditors concluded that there was a reasonable basis for rendering an unmodified opinion for this fiscal year. The independent auditors' report is presented as the first component of the financial section of this report.

This ACFR contains management's representations concerning the City's finances, is free of material misstatement, and management assumes full responsibility for the completeness and reliability of the information presented. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for this report. As the cost of internal controls should not exceed the benefits derived from those controls, the City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditors' report and provides a narrative overview and analysis of the basic financial statements. The MD&A was designed to complement this letter of transmittal and the financial statements and should be read along with them.

Financial data for all funds of the City, as well as all its blended component units, are included within the ACFR. Though legally separate entities, blended component units are, in substance, part of the City's operations. A discretely presented component unit, Long Beach Transit, is reported in a separate column in the combined financial statements to emphasize that it is legally separate from the City and to differentiate its financial position and results of operations from that of the City.

A specialized audit of City financial transactions, called the Single Audit, is separately required due to the City's receipt and use of federal funding. The unique standards governing Single Audit engagements require the independent auditor to report on the City's fair presentation of the financial statements, internal controls, and compliance with legal requirements, with a special emphasis on those involving federal awards. The City's separately issued Single Audit report will be available on the Financial Management Department's webpage when completed in June.

Budgetary Controls

In accordance with the City Charter, the City Manager must submit the Proposed Budget to the Mayor no later than 90 days prior to the beginning of the fiscal year, or July 3. Then the Mayor must transmit the Proposed Budget to the City Council no later than 60 days prior to the beginning of the fiscal year, or August 2. The City Council must adopt a budget no later than 15 days prior to the end of the current fiscal year, or September 15, at which time the Mayor has an additional five (5) days to review the Adopted Budget. The Mayor may concur or exercise a line-item veto of any expenditure. The City Council has until the end of the fiscal year to concur with the Mayor's changes or override any veto.

The City Council may amend the budget by motion during the fiscal year. The City Manager may transfer appropriations within the departments or within a given fund, provided that the total appropriations at the fund level and at the department level do not change. Transfers of appropriation between funds or departments require City Council approval.



The City uses encumbrance accounting to ensure effective budgetary control and accountability. Unencumbered appropriations lapse at the end of the fiscal year, and encumbrances outstanding at the time are reported as restricted, committed, or assigned fund balances for subsequent year expenditures.

About the City and its Government

Long Beach is a charter city, incorporated in 1897 within the County of Los Angeles. Having an estimated 458,222 residents, it is the seventh most populous city in the state. The City has a Mayor, elected at-large, and a nine-member council, elected by district, all serving four-year terms. The City Auditor, City Prosecutor and City Attorney are elected at-large and serve four-year terms, as well. The City Council appoints the City Clerk, the City Manager, and the Director of Police Oversight. As head of the municipal government, the City Manager is responsible for the efficient administration of all departments, with the exception of the elective offices, City Clerk, Police Oversight, and the three semi-autonomous commission-led departments. The City has a diverse economic base including international trade, oil, aerospace, aviation, healthcare, education, and tourism.

Many award-winning facilities and services are available to Long Beach residents and visitors. These include public safety, parks, recreation, libraries, health and human services, public works, water, sewer and gas utilities, oil and gas production, a world class port, and a nationally recognized airport.

In 2023, the Long Beach Police Department continued to partner with the community to build positive relationships and prevent crime in the community. This partnership was fostered by the Police Department reaching out to community members about safety and crime prevention relevant to their community. Together, the Long Beach Police Department and Long Beach communities have raised awareness (and enforcement) of a range of dangerous activities such as underage drinking and irresponsible fireworks use and established a Community Crisis Team to provide unarmed response to Police Department calls. This team provides de-escalation and mental health support and 92% of the calls have been resolved without the need for further law enforcement. To assure the continued safety of the City neighborhoods the Long Beach Police Department maintains a vigorous recruitment strategy and assuring that training of officers in the field and the Academy have strong and useful tools and technology at their disposal.

The Long Beach Fire Department continued to serve the City by responding to 80,000 calls and assisting Long Beach Police Department to make 96 arson-related arrests during 2023. The Department used a robust strategy for training and recruitment of Firefighters and Ambulance Operators and sound facility and maintenance measures to assure they will be prepared to meet emergencies of the community.

Long Beach's Public Safety staff are not alone in making life better for the City's residents. The City's fleet has been recognized as a Top 20 Fleet in Government Fleet Magazine competition and was ranked in the top 25 best Green Fleet in the country. It continues to improve the safety and efficiency of the City's vehicles and equipment. Charging stations have been installed throughout Long Beach, outdated LNG equipment has been decommissioned, and orders have been placed for the first heavy-duty electric vehicles for the City, to be used by the City's Utilities Department. The Utilities Department remains a low-cost provider of clean and great tasting water, performing over 61,000 water quality tests during 2023 to ensure the City's drinking water meets or exceeds all regulatory standards. This high level of quality makes it one of only three water utilities in the nation to receive the President's Award from the American Water Works Association. During 2023, despite an increase in population, conservation outreach reduced the City's water usage to 1950 levels.

The Long Beach Airport continues to serve the community by providing jobs and welcoming 3.5 million passengers to Long Beach. It was voted one of the Top Ten Airports in the nation by Conde Nast Traveler Magazine and has received awards for both technical expertise and operational efficiencies. The successes in Long Beach kept happening all the way through to the very end of the year 2023. In November, the Long Beach Partners of Parks along with the Daniel Hernandez Youth Foundation and California Department of Fish and Wildlife, co-sponsored the annual Youth Fishing Derby for more than 500 youth and families.

Long Beach is making continuous improvement in livability throughout the community with its award-winning inclusion, increased resources for streets and infrastructure, awards for technology, and more.



Long Beach continues to demonstrate the City's commitment to serving all the diverse members of the community. Rather than isolating the City's work on equity issues to a single group or department, the City has blended the principles into all departments. Many efforts are already underway to advance racial equity and create a vision for Long Beach's future where race does not determine social and economic outcomes. An award-winning Health Equity Investment Framework has been established, while policing, open space and housing policies are being reviewed, and communities are being engaged for needs, input, and opportunities.

Long Beach remains one of the most bike friendly cities in the nation, adding 1.5 miles of bike lanes and over 120 new bicycle racks. Throughout the year, the City continued to add safety barriers, separate street and bike lanes, and improved pavement conditions, all of these increasing safety and comfort for both riders and motorists.

For the thirteenth consecutive year, Long Beach was recognized as a Top 10 Digital City and received the Visionary Digital Inclusion Trailblazer designation by the Center for Digital Government. The City continues to provide an on-line interactive map, available to the public, to provide information about street conditions, and several 'Dashboard' applications. These Dashboards allow citizens and stakeholders to find authoritative information about their topic of interest such as the Long Beach Recovery Act or self-service utility portals. The City is enhancing the electronic well-being of the City's qualifying residents by administering nearly 2,800 hotspots and computing devices and developing a Digital Rights Platform and is making an investment in the future with pilot programs, immersive experiences and outreach to industry professionals and community members for guidance.

The City remains committed to providing support services and a healthy environment for Long Beach residents. Thousands of housing units were built or rehabilitated to provide clean and safe housing opportunities for residents in all economic situations. Several City departments (e.g., Health and Human Services, Police, and Fire) provide outreach services to address the causes affecting persons experiencing homelessness and the impact on the community. Most recently, the City adopted an emergency proclamation on homelessness in January 2023 that allowed the City to mobilize local resources, coordinate interagency response, accelerate procurement of housing units and seek assistance from the state and federal government.

The Homeless Services Bureau expanded the Restorative Engagement to Achieve Collective Health (REACH) teams to three, each with a licensed mental health clinician and Public Health nurse. The City received Housing Authority vouchers for over 7,000 people experiencing homelessness or at-risk of homelessness, provided technical support and assistance to community partners, made a range of loans available to developers and citizens to support investment in affordable housing and assisted 20 families to become First Time homeowners and enjoy the security of permanent housing. The City conducted 1,320 homeless encampment clean-ups, removed over 1.2 million square feet of graffiti, and collected over 19,000 tons of litter and illegally dumped items from City and private properties and alleyways. The City's Environmental Services Bureau swept over 144,000 miles of street surfaces, filled over 42,000 potholes, and collected 195,000 tons of trash, which was processed by the City's waste-to-energy plant, helping to generate clean power and preventing over 30,000 tons of recyclable materials from being disposed in landfills.

The Port of Long Beach continues to be a world class green port, protecting the environment while helping Long Beach to grow and prosper. The Port has one of the highest credit ratings for any U.S. seaport, allowing the Port to embrace growth opportunities at a modest cost. The Port is a valued team member to the other departments within the City, and sponsors programs such as "I Dig Long Beach", which planted 383 street and park trees throughout the City.

Economic Outlook

Long Beach has drawn from the strength and adaptability of the local economy to maximize opportunities in today's global world economy. Local, national, and international businesses keep Long Beach growing and adapting to meet the constantly changing needs of modern life. The City continued to enjoy the ongoing



benefits of the television and film industry in 2023 despite labor disagreements between management and two important workforces within the industry. Long Beach continued the filming of many familiar television shows like "NCIS:LA", "Lonestar 911", "Physical", and "SWAT". Long Beach is also a desired location for filming of popular movies such as "Barbie" and "1923", which was filmed on the Queen Mary.

As the City's business community grows, the need for housing of all types also grows. To accommodate this need, many diverse new residential projects have been approved for construction. In addition to the improvements that can be easily seen, equally important to the safety of residents and visitors were the 14.5 lane-miles of residential streets (including 6.5 miles of sidewalks) and 91 alleys rehabilitated, and 92 new ADA ramps installed.

The City is committed to protecting the environment and the City's resources. The Port continues to actively manage pollution generated by vessels stopping in Long Beach. Long Beach Police continues to build on the success of the hybrid police Interceptors by placing 30 additional vehicles into service allowing for a reduction in fuel use, and lower carbon emissions and maintaining proper levels of community safety. Through Long Beach Transit, the City continues to maintain and improve a reliable, low-polluting public transportation system, improving the mobility and livability of Long Beach's diverse communities. As buses and City vehicles are replaced, they are converted to compressed natural gas and electric power. Transitioning to renewable energy sources will allow these services to continue, but with a lower cost to the environment. Improvement and cleaning of bus stops, updating crosswalks and coordinating the timing of traffic signals have provided a safer and more secure environment for bus riders, pedestrians, and motorists. The Long Beach Airport has converted 95% of airfield lights to LED for better energy use, recycled nearly 4.5 tons of recyclables and 6 tons of food scraps, continued to decrease carbon emissions and began offering unleaded aviation fuel, reducing the effect of airport operations on the environment and the community.

The City continues to use innovation to maintain and improve services. The 2023 budget included innovative changes throughout the City's organization. Some of these improvements included: outreach focused on meeting the specialized needs of persons experiencing homelessness; responding to 4,514 calls reporting leaks; providing library services to over 651,000 visitors and specialized programing for 43 youth; and hosting 40 offsite events resulting in over 2,000 adoptions at Long Beach Animal Care Services. The Long Beach Airport began rehabilitation work on the Historic Terminal Improvements, which will allow both residents and visitors to appreciate the Airport's small but mighty beginnings, while enjoying modern conveniences like the new baggage claim area with a video wall showing scenes of Long Beach and traveler information. Many improvements have been made to roadway and plane-way signage, screening and badging to keep passengers and residents safe and comfortable during their aviation journey to Long Beach. In addition to operating and maintaining a busy airport, Long Beach Airport has hosted national and international events such as the Festival of Flight and an internship program for local High school students interested in careers in aviation.

The 2023 year included many improvements to the services and facilities available in Long Beach. The City constructed 230 affordable housing units and through community partners, awarded \$14 million for new affordable housing projects and approved over \$8 million for land acquisition for an additional 335 units. Emergency and Safe Parking Sites were set up in parks and coordinated with site locations needed by other departments. The City reached out to the community for input, developed a strategic plan and began revitalization of a dozen existing parks based on community priority. The Parks, Recreation and Marine Department continues to provide healthy meals to children through the Summer Youth Program and interactive physical activities and a Teen Academy during the spring and summer. Outreach and education events from all departments will continue to bring quality-of-life improvements to Long Beach residents.

There have been and will always be challenges that the City must address. The COVID-19 pandemic has become one of the City's historic challenges. The City continues to be a leader in addressing the lingering effects of the pandemic and mitigating the impact on the City, its residents, and its businesses. Long Beach will continue to meet these health challenges and is continuously searching for new opportunities to reduce the economic hardship endured by its residents and economic partners. Through the Long Beach Recovery



Act (LBRA), the City has programmed a total of \$296.9 million in federal, state, and City funding for this purpose. LBRA programs fall under three categories. The Economic Recovery programs focus on residents and businesses and provide funding to promote an effective and inclusive economic recovery that strengthens revenue generation and leverages consumer spending to stimulate lasting economic growth. The Healthy and Safe Community programs address the underlying social determinants of health and prioritize basic needs and the mental and physical health of residents. The Securing our City's Future category funds the restoration of City services and helping the City's financial position by replacing lost revenues due to the pandemic, and developing financial and service strategies to address projected future budget shortfalls. At the end of fiscal year 2023, 78 percent of the total LBRA funding has been spent through variety of programs within the three categories.

Acknowledgments and Certificate of Achievement for Financial Reporting

We wish to acknowledge the participation and professional contribution of the Financial Management Department and other City departments' staff in the preparation of this document. The ACFR requires much *effort* and time, above that of normal daily job duties. The continued dedication of all staff involved in the development of this ACFR is most appreciated.

For the sixteenth year in a row, the Government Finance Officers Association (GFOA) of the United States and Canada has awarded the Certificate of Achievement for Excellence in Financial Reporting to the City for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2022. To be awarded a Certificate of Achievement, a government must publish an easy to read and efficiently organized ACFR. This report must satisfy both Generally Accepted Accounting Principles (GAAP) and applicable legal requirements. We believe that our current Annual Comprehensive Financial Report will meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Respectfully submitted,



Thomas B. Modica
City Manager



Kevin Riper
Director of Financial Management



Directory of City Officials
As of September 30, 2023

Rex Richardson
Mayor

Cindy Allen
Vice Mayor
2nd District

Mary Zendejas
Councilmember
1st District

Daryl Supernaw
Councilmember
4th District

Dr. Sueley Saro
Councilmember
6th District

Al Austin
Councilmember
8th District

Kristina Duggan
Councilmember
3rd District

Megan Kerr
Councilmember
5th District

Roberto Uranga
Councilmember
7th District

Dr. Joni Ricks-Oddie
Councilmember
9th District

Elected Department Heads

City Attorney
City Auditor
City Prosecutor

Dawn McIntosh
Laura L. Doud
Douglas P. Haubert

Appointed by Council or Commission

City Clerk
Executive Director – Civil Service
Executive Director – Harbor
Police Oversight Director
General Manager – Utilities

Monique De La Garza
Christina P. Winting
Mario Cordero
Francine Kerridge
Christopher J. Garner

City Manager

Thomas B. Modica

Assistant City Manager

Linda F. Tatum

Director of Development Services
Director of Economic Development
Director of Energy Resources
Director of Financial Management
Director of Health and Human Services
Director of Human Resources
Director of Library Services
Director of the Long Beach Airport
Director of Parks, Recreation, and Marine
Director of Public Works
Director of Technology and Innovation
Director of Disaster Preparedness and Emergency Communications
Fire Chief
Chief of Police

Christopher Koontz
Bo Martinez
Robert Dowell
Kevin Riper
Kelly Colopy
Joseph Ambrosini
Cathy De Leon
Cynthia Guidry
Brent Dennis
Eric Lopez
Lea Eriksen
Reginald Harrison
Dennis Buchanan
Wally Hebeish



Council District 1
Mary Zendejas



Council District 2
Cindy Allen



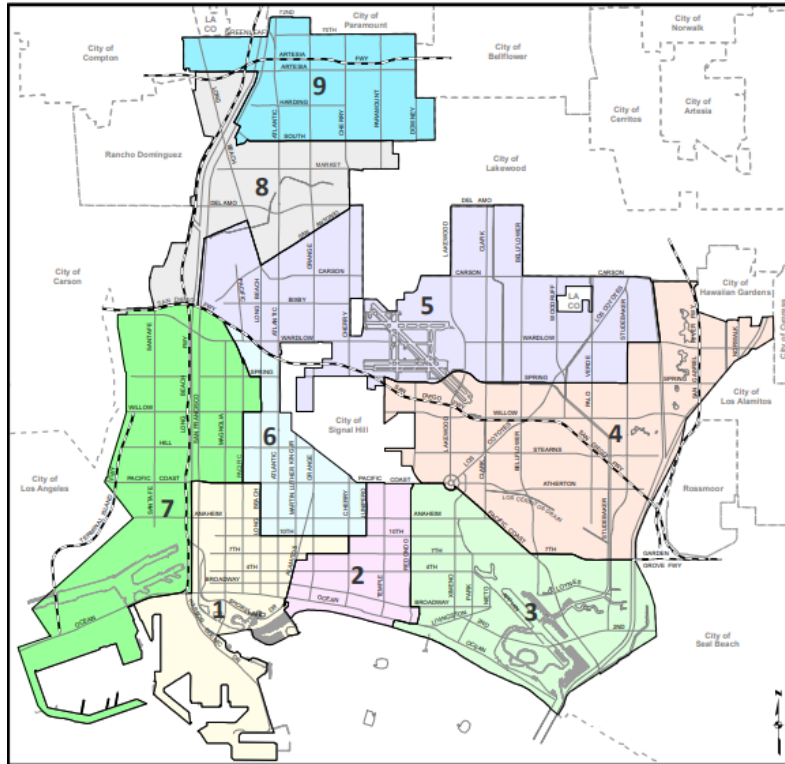
Mayor
Rex Richardson



Council District 3
Kristina Duggan



Council District 4
Daryl Supernaw



Council District 5
Megan Kerr



Council District 6
Dr. Suely Saro



Council District 7
Roberto Uranga

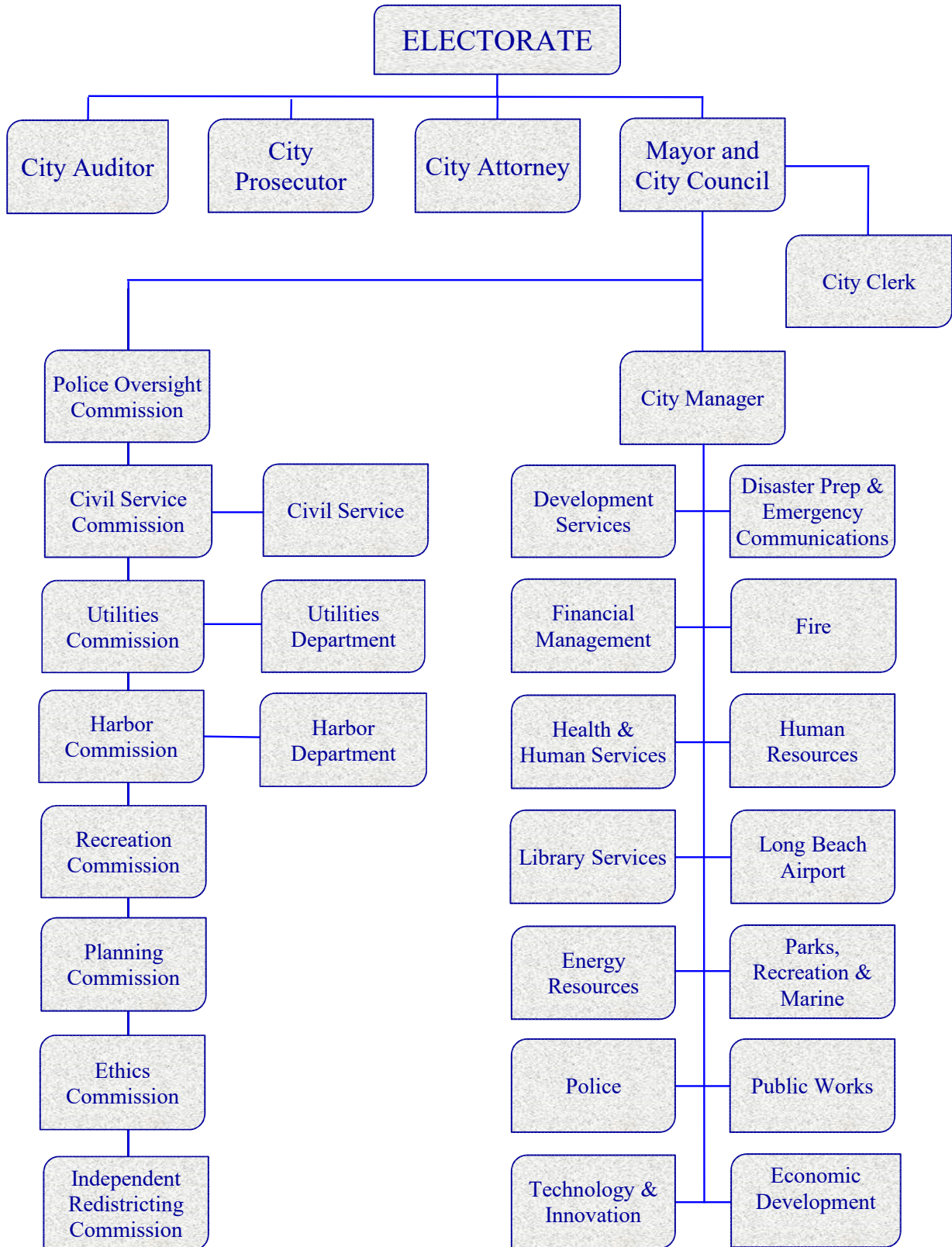


Council District 8
Al Austin



Council District 9
Dr. Joni Ricks-Oddie

ORGANIZATIONAL CHART
CITY OF LONG BEACH, CALIFORNIA
 As of September 30, 2023





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

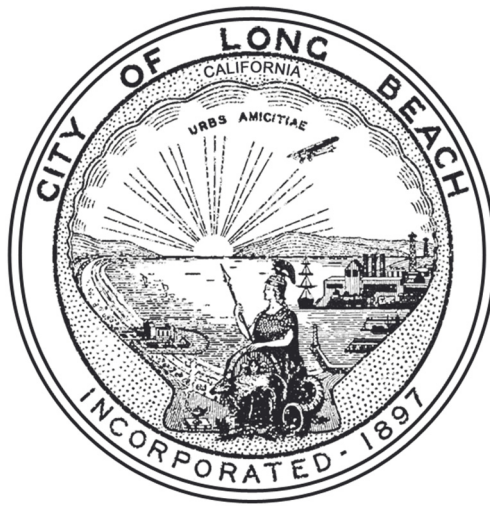
**City of Long Beach
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morill

Executive Director/CEO



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FINANCIAL SECTION



KPMG LLP
Suite 1500
550 South Hope Street
Los Angeles, CA 90071-2629

Independent Auditors' Report

The Honorable Mayor and City Council
City of Long Beach, California:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Long Beach, California (the City), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and Housing Assistance Special Revenue Fund for the year then ended in accordance with U.S. generally accepted accounting principles.

We did not audit the financial statements of Long Beach Public Transportation Company (the Company), which represents 100% of the discretely presented component unit as of and for the year ended September 30, 2023. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as they relate to the amounts included for the Company, are based solely on the report of the other auditors.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles, 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 auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City'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

U.S. generally accepted accounting principles require that the management's discussion and analysis and the schedules listed under required supplementary information under the financial section 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



Supplementary Information

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

Other Information

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

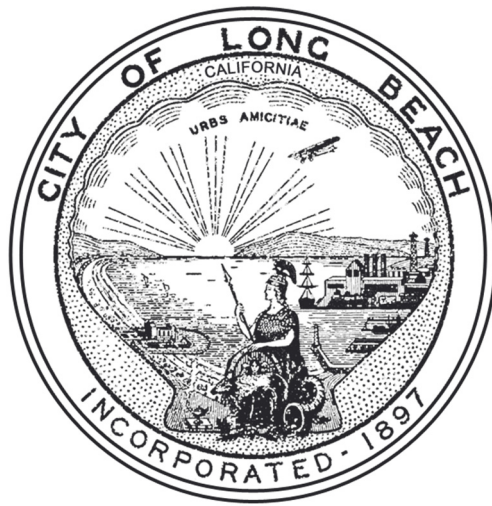
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated.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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 2, 2024 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

KPMG LLP

Los Angeles, California
May 2, 2024



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MANAGEMENT'S
DISCUSSION
AND ANALYSIS

City of Long Beach
 Management's Discussion and Analysis (Unaudited)
 For the Fiscal Year Ended September 30, 2023

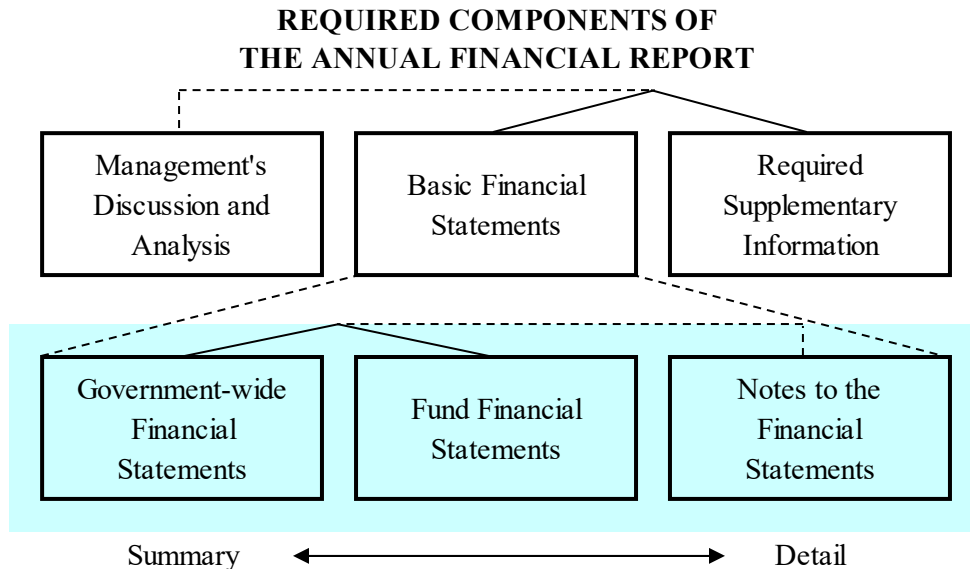
As the management team for the City of Long Beach (the City), we present to the readers of the City's basic financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2023. We encourage readers to consider this information in conjunction with the information found in the letter of transmittal.

Financial Highlights

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows by \$4.9 billion. Of this amount, \$4.1 billion represents net investment in capital assets, and \$951.7 million represents resources that are subject to restrictions on how they may be used (*restricted net position*). The City reports a deficit unrestricted net position of \$195.0 million.
- At the close of the fiscal year, the City's governmental funds reported combined fund balances of \$637.2 million, an increase of \$87.8 million or 16.0 percent, from the prior fiscal year end. Of these balances, \$4.6 million are nonspendable, \$320.6 million are restricted, \$80.8 million are committed, \$249.0 million are assigned, and a deficit \$17.8 million is unassigned.
- The fund balance of the General Fund was \$217.7 million. This represents a decrease of \$13.1 million or 5.7 percent from the prior fiscal year. Of this balance, \$1.3 million is nonspendable, \$3.2 million is restricted, \$79.5 million is committed, and \$133.7 million is assigned.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements include three components: The *Government-wide Financial Statements*, the *Fund Financial Statements*, and the *Notes to the Basic Financial Statements*. This report also contains other supplementary information in addition to the basic financial statements, including non-major fund financial statements and a statistical section.



City of Long Beach
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended September 30, 2023

Basic Financial Statements

The Basic Financial Statements contain the Government-wide Financial Statements, the Fund Financial Statements and the Notes to the Basic Financial Statements. This report also includes supplementary information intended to furnish additional detail to support the Basic Financial Statements.

Government-wide financial statements: The Government-wide Financial Statements provide a long-term view of the City's activities as a whole and include the Statement of Net Position and the Statement of Activities. The *statement of net position* includes the City's capital assets and long-term liabilities on a full accrual basis of accounting, similar to that used by private sector companies. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. The *statement of activities* provides information about the City's revenues and expenses on a full accrual basis, with an emphasis on measuring net revenues or expenses for each of the City's programs. The Statement of Activities explains in detail the change in net position for the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

The amounts in the statement of net position and the statement of activities are separated into Governmental and Business-type Activities in order to provide a summary of each type of activity.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues, such as grant revenue (*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*). Governmental activities of the City include legislative and legal, general government, public safety, public health and human services, community and cultural, public works, and City oil operations. Business-type activities include those related to gas, water and sewer utilities, airport and solid waste management operations, towing, Tidelands, Marina area operations, as well as Tidelands oil revenue operations and the Port of Long Beach (the Harbor Department).

The government-wide financial statements include not only the City itself (known as the *primary government*), but also the legally separate Long Beach Transit Company (LBT) for which the City is the sole stakeholder and, therefore, has authority to affect the company. Financial information for this *component unit* is reported separately from the financial information presented for the primary government itself.

Fund financial statements: The *fund financial statements* focus on current available resources and are organized and operated on the basis of funds, each of which is defined as a fiscal and accounting entity with a self-balancing set of accounts, established for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The funds of the City can be divided into three categories: *governmental funds*, *proprietary funds*, and *fiduciary funds*. The focus of governmental and proprietary fund financial statements is on major funds. Major funds are determined based on minimum criteria set forth by the Governmental Accounting Standards Board (GASB). Like states and other local governments, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Fund accounting is also used to aid financial management by segregating transactions related to certain government functions or activities.

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

City of Long Beach
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended September 30, 2023

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. Reconciliations are provided for both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances, to facilitate a comparison between *governmental funds* and *governmental activities*.

The City maintains numerous individual governmental funds. Information is presented separately for the General Fund, General Capital Projects Fund, and Housing Assistance Special Revenue Fund and the aggregate of all non-major governmental funds. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements*, located in the Additional Financial Information Section of this report.

The City adopts an annual appropriated budget for its funds. A budgetary comparison is provided for each of the City's governmental funds to demonstrate budgetary compliance. The budgetary comparison statement for the General Fund is located in the basic financial statements.

Proprietary funds: *Proprietary funds* are generally used to account for operations that provide services to the general public on a continuing basis or to internal City departments. Enterprise and Internal Service Fund financial statements are prepared on the full accrual basis of accounting, similar to that used by private sector companies. These statements include all of their assets, deferred outflows and inflows of resources and liabilities, both current and long-term.

Since the City's Internal Service Funds provide goods and services exclusively to the City's governmental and business-type activities, their activities are only reported in total at the fund level. Internal Service Funds cannot be considered major funds because their revenues are derived from other City funds. Revenues between funds are eliminated in the Government-wide Financial Statements, and any related profits or losses in Internal Service Funds are returned to the activities in which they were created, along with any residual net position of the Internal Service Funds.

Fiduciary funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds include *Private Purpose Trust Funds* such as the Miller Library Fund and the Mayor's Fund to End Homelessness, and *Custodial Funds* such as special parking and business assessment districts. The City's fiduciary activities are reported in the separate Statement of Fiduciary Net Position and the supplemental Custodial and Private Purpose Trust fund combining statements. These activities are excluded from the City's other financial statements because the City cannot utilize these assets to finance its own operations. The fiduciary fund financial statements can be found in the Basic Financial Statements section of this report.

The Notes to the Basic Financial Statements: The *Notes to the Basic Financial Statements* provide additional information and narrative disclosures that are essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information: In addition to the basic financial statements and accompanying notes, this report also presents certain *Required Supplementary Information* concerning the City's progress in funding its obligation to provide pension and post-employment healthcare benefits to its employees. The combining statements referred to above in connection with non-major governmental funds and internal service funds are presented in the Required Supplementary Information along with information regarding capital assets. The table on the following page provides a summary of the significant features of the financial statements as well as insight into how the information is compiled for statement presentation.

City of Long Beach
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended September 30, 2023

	Government-wide Statements	Fund Financial Statements		
		Governmental	Proprietary	Fiduciary
Scope	Entire Entity (except fiduciary funds)	The day-to-day operating activities of the City for basic governmental services	The day-to-day operating activities of the City for business-type enterprises	Instances in which the City administers resources on behalf of other entities or groups
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset and liability information	All assets and liabilities, both financial and capital, short-term and long-term	Current assets and liabilities that come due during the year or soon thereafter. Excludes capital assets and long-term debt.	All assets and liabilities, both financial and capital, short and long-term	All assets held in trustee or custodial capacity for others
Type of inflow and outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during the year or soon thereafter; expenditures when goods and services have been received and the related liability is due and payable	All revenues and expenses during year regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

Government-Wide Financial Analysis - Analysis of Net Position

As noted earlier, *net position* may serve over time as a useful indicator of a government's financial position. As of September 30, 2023, the City's assets and deferred outflows exceeded liabilities and deferred inflows by \$4.9 billion, an increase of \$280.2 million from the prior year.

Net investment in capital assets accounted for \$4.1 billion of the City's total net position. This component of net position consists of capital assets (land, structures and improvements, equipment, infrastructure, and construction-in-progress) net of accumulated depreciation, reduced by outstanding debt attributable to the acquisition, construction, or improvement of the assets. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources as the capital assets themselves cannot be used to liquidate these liabilities. Net investment in capital assets increased by \$135.2 million, or 3.4 percent, from the prior fiscal year. The increase of \$52.9 million in governmental activities is mostly attributable to three property purchases including housing for persons experiencing homelessness, and property to provide City departments with more office space. The increase of \$82.3 million in business-type activities is primarily due to increased investments by the Harbor and Airport Departments.

Restricted net position amounted to \$951.7 million. This component of net position represents resources that are subject to external restrictions imposed by creditors and grantors, laws and regulations of other governments, and restrictions imposed by law through constitutional provisions or enabling legislation.

The remaining deficit balance of \$195.0 million is the net of the \$686.1 million governmental activities deficit unrestricted net position (mostly related to pension liabilities) and \$491.1 million business-type unrestricted net position.

City of Long Beach
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended September 30, 2023

	Governmental Activities		Business-type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Assets:						
Current and Other Assets	\$1,614,008	\$1,401,494	\$ 2,472,179	\$ 2,335,477	\$ 4,086,187	\$ 3,736,971
Capital Assets	1,099,918	1,024,822	5,129,336	5,090,661	6,229,254	6,115,483
Total Assets	2,713,926	2,426,316	7,601,515	7,426,138	10,315,441	9,852,454
Deferred Outflows of Resources	340,360	357,455	104,606	121,291	444,966	478,746
Total Assets and Deferred Outflows of Resources	3,054,286	2,783,771	7,706,121	7,547,429	10,760,407	10,331,200
Liabilities:						
Current Liabilities	326,700	292,937	337,570	325,373	664,270	618,310
Noncurrent Liabilities, Net	1,981,381	1,809,699	2,462,192	2,505,917	4,443,573	4,315,616
Total Liabilities	2,308,081	2,102,636	2,799,762	2,831,290	5,107,843	4,933,926
Deferred Inflows of Resources	320,753	331,886	435,365	449,119	756,118	781,005
Total Liabilities and Deferred Inflows of Resources	2,628,834	2,434,522	3,235,127	3,280,409	5,863,961	5,714,931
Net Position:						
Net Investment in Capital Assets	509,197	456,247	3,630,537	3,548,274	4,139,734	4,004,521
Restricted	602,376	517,994	349,335	361,377	951,711	879,371
Unrestricted	(686,121)	(624,992)	491,122	357,369	(194,999)	(267,623)
Total Net Position	\$ 425,452	\$ 349,249	\$ 4,470,994	\$ 4,267,020	\$ 4,896,446	\$ 4,616,269

Key Changes in the Statement of Net Position:

The City's current and other assets increased \$349.2 million when compared to the prior fiscal year. Governmental activities increased \$212.5 million due to increased cash balances from a bond issuance that provided \$61.1 million in funding for capital improvement projects, and the City's decision not to make the prepayment to the California Public Employees Retirement System (CalPERS) for the unfunded accrued liability. There was also an increase in receivables of \$38.9 million from grant reimbursements to the City that were pending at the end of the fiscal year. Business-type activities reported current and other assets increasing \$136.7 million due to increased cash balances in the Harbor Department. Citywide, capital assets increased \$113.8 million or 1.9 percent. Governmental activities reported an increase of \$75.1 million due to property purchases, and investments in vehicles and equipment. Business-type activities reported capital assets increasing \$38.7 million due to bridge improvements at the Harbor, and taxiway and baggage system improvements at the Airport.

Deferred outflows of resources decreased \$33.8 million, with governmental activities decreasing \$17.1 million and business-type activities decreasing \$16.7 million, due to changes in actuarial assumptions in the Other Post Employment Benefits (OPEB) plan mostly related to an increase in the discount rate.

Current liabilities increased \$46.0 million, with governmental activities increasing \$33.8 million and business-type activities increasing \$12.2 million. The increase was due to higher accounts payable, and grant funds received in advance of program expenses. Noncurrent liabilities increased \$128.0 million or 3.0 percent, with an increase of \$171.7 million in governmental activities due to a higher net pension liability of \$81.0 million and a bond issuance of \$77.9 million. Business-type activities decreased \$43.7 million, mostly attributed to principal payments made on outstanding bonds.

In total, deferred inflows of resources decreased \$24.9 million mostly due to a decrease in leases of \$7.3 million and decrease of \$9.1 million in the fair value of the gas commodity swap.

City of Long Beach
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended September 30, 2023

Analysis of Changes in Net Position

The following table presents condensed information from the statement of activities for the fiscal years 2023 and 2022. As previously stated, all changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

Changes in Net Position						
September 30, 2023 and 2022						
(In Thousands)						
	Governmental		Business-type		Totals	
	Activities		Activities			
	2023	2022	2023	2022	2023	2022
Revenues:						
Program Revenues:						
Charges for Services	\$ 196,001	\$ 168,054	\$ 1,269,965	\$ 1,256,767	\$ 1,465,966	\$ 1,424,821
Operating Grants and Contributions	292,313	302,613	535	219	292,848	302,832
Capital Grants and Contributions	110,649	86,781	118,726	131,479	229,375	218,260
General Revenues:						
Taxes:						
Property	242,374	234,386	-	-	242,374	234,386
Sales	156,500	174,257	-	-	156,500	174,257
Utility Users	48,660	40,349	-	-	48,660	40,349
Other	56,535	56,868	-	-	56,535	56,868
Franchise Taxes	28,501	20,813	-	-	28,501	20,813
Unrestricted Investment Earnings	20,618	1,495	35,829	11,461	56,447	12,956
Total Revenues	<u>1,152,151</u>	<u>1,085,616</u>	<u>1,425,055</u>	<u>1,399,926</u>	<u>2,577,206</u>	<u>2,485,542</u>
Expenses:						
Legislative and Legal	16,764	16,722	-	-	16,764	16,722
General Government	60,982	41,335	-	-	60,982	41,335
Public Safety	478,186	407,420	-	-	478,186	407,420
Public Health	90,921	101,438	-	-	90,921	101,438
Community and Cultural	201,820	259,577	-	-	201,820	259,577
Public Works	227,659	170,385	-	-	227,659	170,385
Oil Operations	3,673	6,830	-	-	3,673	6,830
Interest on Long-Term Debt	16,115	18,253	-	-	16,115	18,253
Gas Utility	-	-	165,351	128,684	165,351	128,684
Water Utility	-	-	120,124	136,550	120,124	136,550
Tidelands Operating	-	-	143,954	146,178	143,954	146,178
Tideland Oil	-	-	120,329	164,564	120,329	164,564
Harbor	-	-	454,419	1,871,078	454,419	1,871,078
Non-Major Enterprise Funds	-	-	196,732	213,374	196,732	213,374
Total Expenses	<u>1,096,120</u>	<u>1,021,960</u>	<u>1,200,909</u>	<u>2,660,428</u>	<u>2,297,029</u>	<u>3,682,388</u>
Increase (Decrease) in Net Position before Transfers	56,031	63,656	224,146	(1,260,502)	280,177	(1,196,846)
Transfers	20,172	13,607	(20,172)	(13,607)	-	-
Total Change in Net Position	76,203	77,263	203,974	(1,274,109)	280,177	(1,196,846)
Net Position, Beginning of Year	349,249	271,986	4,267,020	5,541,129	4,616,269	5,813,115
Net Position, End of Year	<u>\$ 425,452</u>	<u>\$ 349,249</u>	<u>\$ 4,470,994</u>	<u>\$ 4,267,020</u>	<u>\$ 4,896,446</u>	<u>\$ 4,616,269</u>

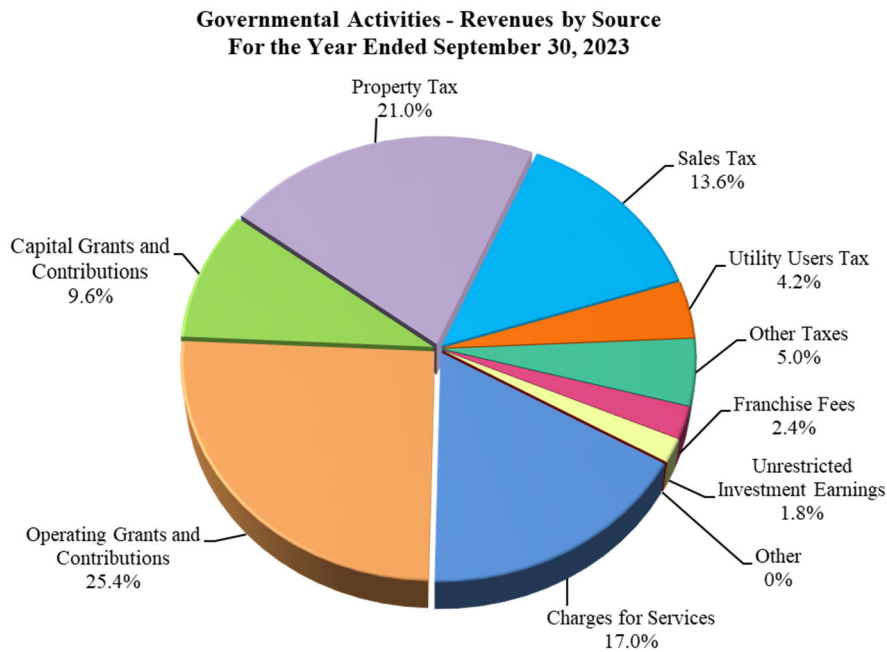
City of Long Beach
 Management’s Discussion and Analysis (Unaudited)
 For the Fiscal Year Ended September 30, 2023

Governmental activities

Governmental activities net position increased \$76.2 million when compared to the Fiscal Year 2022 financial report.

Total revenues for governmental activities (excluding transfers) increased \$66.5 million, or 6.1 percent, with the majority of the increase in charges for services, capital grants and contributions, and investment earnings. Total governmental program expenses increased \$74.2 million, or 7.3 percent, mostly due to higher pension expenses resulting from lower investment returns of the CalPERS pension plans that reported a negative 6.1% net return on investments. Other changes are further discussed in the paragraphs that follow.

The following chart illustrates governmental activities revenues by source.



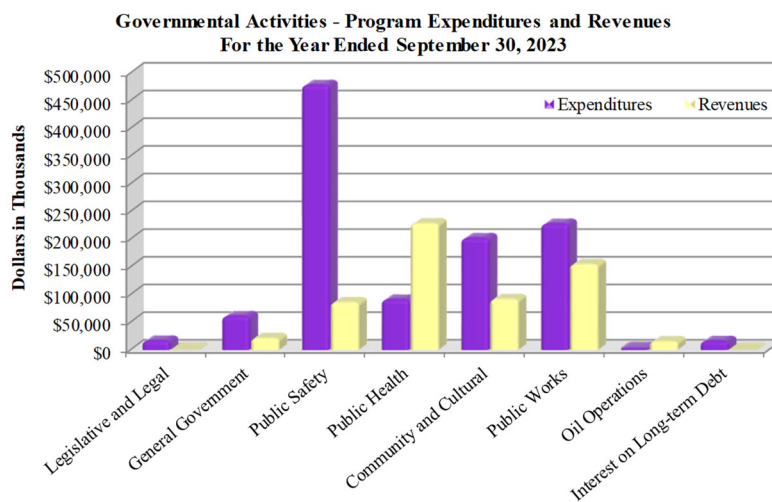
- The largest revenue sources for governmental activities were operating grants and contributions, property taxes, and charges for services. Excluding transfers, these sources accounted for 63.4 percent of revenues.
- Operating grants and contributions decreased \$10.3 million due to the recognition of less federal American Rescue Plan Act (ARPA) federal grant revenue in the current year. Property tax revenues increased \$8.0 million due to higher assessed valuations due to a continued active housing market and new development projects. Charges for services increased \$27.9 million resulting from increased revenues for security services, special events, litigation settlements, and the sale of capital assets. Sales tax decreased \$17.8 million due to the decrease from 1.0 percent to 0.75 percent in the City’s voter-authorized “Measure A” transactions and use tax rate, effective January 1, 2023.
- Capital grants and contributions increased \$23.9 million due to Department of Housing and Community Development (HCD) grants including the Homekey Program Round 2 grant, that funded the acquisition of property to provide housing to people experiencing homelessness.
- Unrestricted investment earnings increased \$19.1 million due to higher cash balances, increasing interest rates, and a positive change in fair value of the City’s investment pool.

City of Long Beach
 Management’s Discussion and Analysis (Unaudited)
 For the Fiscal Year Ended September 30, 2023

Governmental activities expenses, excluding transfers, increased \$74.2 million or 7.3 percent. The most significant changes were as follows:

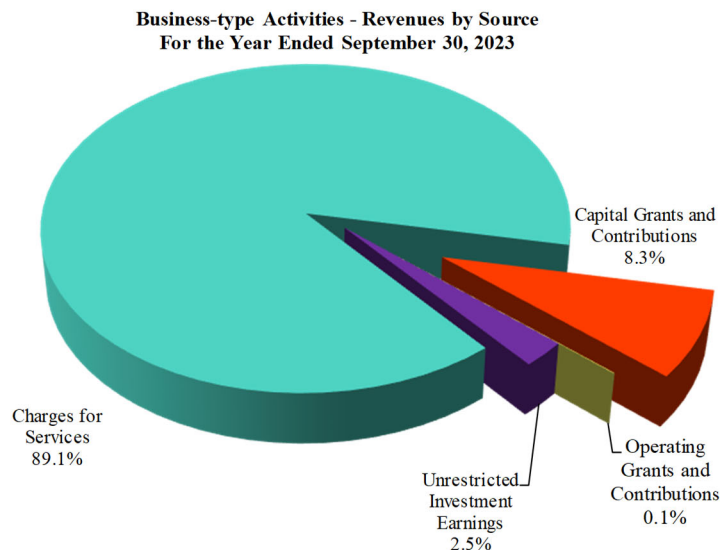
- Public safety expenses reported the largest increase of \$70.8 million, primarily due to police and fire personnel expenses from increased pension costs due to lower investment returns of the CalPERS pension plans, which also resulted in an increase in the City’s net pension liability.
- Public Works expenses increased \$57.3 million due to significant investments in capital improvement projects including street repairs, curb ramp improvements, and storm water improvements.
- A decrease in Community and Cultural expenses of \$57.8 million mostly due to a reduction related to grant funding for the Emergency Rental Assistance Program (ERAP); most of the grant funds were expended in fiscal year 2022.

The following chart illustrates governmental activities program expenses and revenues by function.

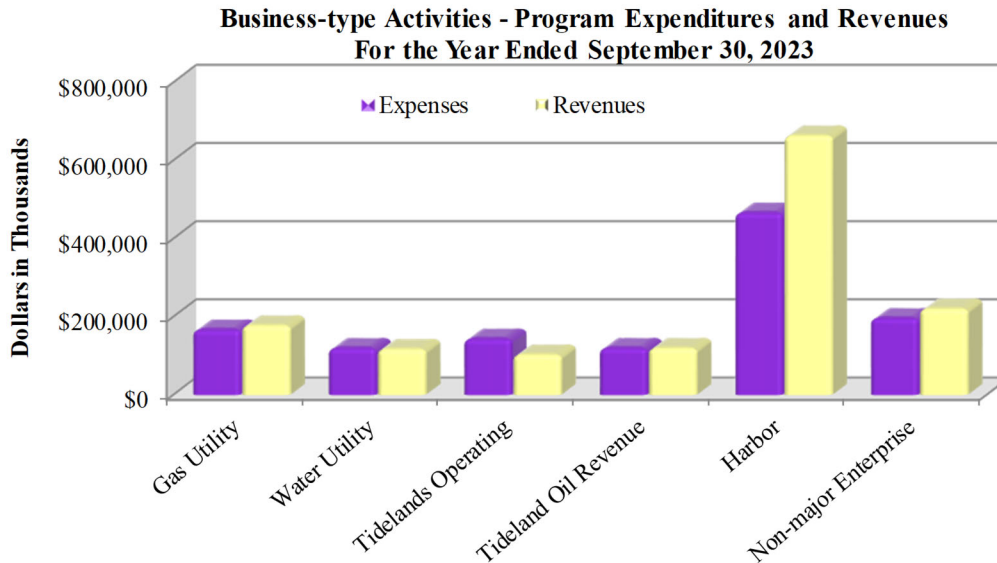


Business-type activities

The City’s major enterprise funds include the Gas Utility, Water Utility, Tidelands Operating, Tidelands Oil Revenue, and Harbor. The non-major enterprise funds (“other proprietary funds”) comprise Sewer, Airport, Solid Waste Management, Towing, Subsidence, and Development Services.



City of Long Beach
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended September 30, 2023



Business-type activities increased net position by \$204.0 million. Key elements in the current year's change in net position for various funds include:

- Gas Utility net position at fiscal year-end was deficit \$11.0 million, a decrease of \$6.5 million from the prior fiscal year. Due to the significant gas price increase during the winter months of the fiscal year, revenues from gas operations increased by \$32.4 million, however expenses also increased by a similar amount due to increased costs for the purchase of gas. The Gas Utility also reported increased personnel expenses related to increased pension costs.
- Water Utility net position at fiscal year-end was \$338.1 million, a slight decrease of \$1.5 million from the prior fiscal year. The Water Utility realized lower charges for service revenues than in the prior year due to decreased consumption resulting from the significant rainfall experienced early in the fiscal year. There was also an increase in personnel expenses related to increased pension costs.
- Tidelands Operating net position increased \$16.7 million, totaling \$309.3 million at fiscal year-end. Tidelands transfers in from Tideland Oil and Harbor amounted to \$50.7 million, a decrease of \$7.1 million from the prior year. Harbor transferred \$25.8 million, consistent with City Charter mandated revenue sharing. Tideland Oil Revenue transferred \$24.9 million. During the year, the Tidelands Operating Fund and Harbor Fund entered into an agreement for the Harbor to provide funding for operating and capital needs of the Queen Mary, whereby the Harbor Fund will advance a total of \$12.0 million over a three-year period. For fiscal year 2023, the amount advanced was \$6.3 million. Overall, expenses were \$12.1 million higher than the prior year, with Queen Mary operations accounting for \$5.7 million, and the Convention Center for \$1.3 million as a result of operating at a loss during the year.
- Tideland Oil Revenue net position decreased \$25.1 million due to increased expenses resulting from the oil field abandonment liability.
- Harbor net position increased \$187.1 million. Capital grants and contributions reported \$89.5 million, of which \$49.6 million was attributed to grant funds for the Long Beach International Gateway Bridge. Other increases resulted from charges for services of \$28.9 million, \$11.8 million increase in interest earnings due to higher yields and cash balances, and \$28.6 million from a positive change in fair value of the City's investment pool.

City of Long Beach
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended September 30, 2023

- Overall, total net position for non-major business-type activities increased \$31.8 million, to \$597.4 million at fiscal year-end. Significant changes in the non-major funds included increased net position in the Airport Fund by \$14.6 million due to increased airline and parking revenues from a busy summer travel season. The Solid Waste Fund also reported an increased net position of \$6.8 million, as a result of lower operating and maintenance expenses for the Southeast Resource Recovery Facility (SERRF) operations.

Governmental Funds Financial Analysis

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

As of September 30, 2023, the City's governmental funds reported combined fund balances of \$637.2 million, an increase of \$87.8 million from the prior year. Further information can be found in Note 16 to the basic financial statements.

Governmental fund assets increased \$126.4 million, or 10.4 percent, from the prior fiscal year. Pooled and Non-Pooled Cash and Investments increased \$43.1 million mostly due to a bond issue that provided the General Capital Projects Fund with \$61.1 million of funding for future capital improvement projects. Net Receivables, including Noncurrent Receivables, increased \$76.0 million due to increased federal and state grant reimbursements pending at fiscal year-end.

Governmental fund liabilities increased \$27.1 million, or 14.7 percent. The increase was reported in accounts payable in the amount of \$8.4 million and unearned revenues for \$16.6 million due to increased advances from grantors to be used in the subsequent fiscal period.

Of the \$637.2 million total fund balances, \$320.6 million or 50.3 percent have some form of external limitation on their use. Significant restrictions of fund balance at the close of the fiscal year include:

Restricted for Debt Service

Amounts restricted for debt service totaled \$28.2 million. This amount is restricted for payment of former Redevelopment Agency and City related debt.

Restricted for Public Safety

Amounts restricted for public safety totaled \$8.8 million. Restrictions include:

- Asset seizure funds from federal and state court forfeitures are restricted to support the Police Department. These funds amounted to \$3.2 million at the end of the fiscal year.
- Proposition H (Prop H), the Police and Fire Public Safety Oil Production Tax proceeds may be used only for police officers, fire fighters, and related costs, including but not limited to equipment, facilities, and training in order to ensure timely responses to public needs. As of September 30, 2023, Prop H funds for police and fire amounted to \$189 thousand.
- Impact fees restricted for public safety amounted to \$5.5 million.

Restricted for Community and Cultural

Amounts restricted for community and cultural activities totaled \$98.7 million. Restrictions include the following:

- Fund balance restricted within the Housing Development fund for the provision of low-and-moderate-income housing amounted to \$26.4 million. Of this, \$3.8 million offsets advances to other funds.
- Fund balance restricted within the Housing Assistance fund for programs to assist very low-income families, the elderly, and the disabled amounted to \$32.2 million.

City of Long Beach
Management's Discussion and Analysis (Unaudited)
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- Former Redevelopment Agency capital projects fund balance restricted for the purposes of winding down the activities of the Agency amounted to \$8.5 million.
- The Belmont Shore Parking Meter fund has restricted \$373 thousand as the first pledge of revenue for special assessment debt that benefited the Belmont Shore area.
- Fund balance restricted within the Community Development Grant fund amounted to \$10.6 million.
- Fund balance restricted within the Other Special Revenue fund for economic development totaled \$12.0 million at the close of the fiscal year.
- Impact fees restricted for community development amounted to \$8.6 million.

Restricted for Public Works

As of September 30, 2023, fund balance restricted for public works amounted to \$184.8 million. The most significant restrictions include:

- \$18.4 million is restricted pursuant to the provisions of Proposition A. Proposition A funds are to be used exclusively to benefit public transit.
- \$27.6 million pursuant to the provisions of Proposition C that benefits public transit but has a wider range of uses than Proposition A, including congestion management programs, bikeways and bike lanes, street improvement supporting public transit, and pavement management projects.
- \$2.4 million pursuant to Air Quality Management District AB2766 requirements. AB2766 funding is used to assist the City in meeting federal and state Clean Air Act requirements.
- \$19.7 million pursuant to County Measure M. County Measure M is a one-half cent sales tax approved by Los Angeles County voters and is restricted for transportation purposes.
- \$15.9 million is restricted for Measure R, a separate one-half cent sales tax approved by Los Angeles County voters and is restricted for transportation purposes, including bus and highway corridor projects, streets and roads, and traffic control management.
- \$8.4 million is restricted for Measure W, a special tax for parcels located in the Los Angeles County Flood Control District, for infrastructure and to capture, treat and recycle rainwater.
- \$10.1 million is restricted for the Road Maintenance and Rehabilitation Account (RMRA), a state apportionment to be used for basic road maintenance, rehabilitation, and critical safety projects.
- \$11.9 million is restricted related to State gas tax funding. Gas tax funding is restricted to constructing and maintenance of streets and sidewalks.
- \$55.5 million is restricted for capital improvement projects funded by bond proceeds from the issuance of the 2023 Lease Revenue Bonds.

The General Fund reported a year-end fund balance of \$217.7 million. The City's operating reserve, at \$16.8 million, is 2.7% of normal operating expenditures, which is within the policy required range of 2 to 7 percent. The Emergency Reserve, at \$47.8 million, is 7.6 percent of normal operating expenditures and is slightly below the target range of 8 to 10 percent.

The General Capital Projects Fund reported a year-end fund balance of \$291.0 million, which represented an increase of \$89.9 million in fund balance. The change in fund balance was primarily due to increased transfers from the Debt Service fund related to bond proceeds, and higher grant revenues, Measure W, and sales tax allocations through Prop A and Prop C funding that is used for transportation related programs and projects.

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The Housing Assistance Special Revenue Fund reported a year-end fund balance of \$32.1 million, a slight increase of \$1.8 million. The change in fund balance was primarily due to higher grant reimbursement revenues for the Section 8 Housing Choice Voucher program.

General Fund Revenues and Other Financing Sources

The table below shows General Fund revenues and other financing sources for the current and prior years:

General Fund Revenues and Other Financing Sources
Fiscal Years Ending September 30, 2023 and 2022
(In Thousands)

<i>Revenues and Other Financing Sources</i>	<i>Fiscal Year 2023</i>	<i>Percent of Total</i>	<i>Fiscal Year 2022</i>	<i>Percent of Total</i>
Taxes	\$ 463,407	61.9%	\$ 460,859	65.8%
Franchise Fees	28,501	3.8%	20,813	3.0%
Licenses and Permits	45,475	6.1%	42,376	6.0%
Fines and Forfeitures	17,006	2.3%	17,670	2.5%
Use of Money and Property	53,383	7.1%	24,867	3.5%
From Other Agencies	10,058	1.3%	7,883	1.1%
Charges for Services	52,992	7.1%	46,217	6.6%
Other Revenue	9,102	1.2%	1,386	0.2%
Other Financing Sources	68,575	9.2%	78,818	11.2%
	<u>\$ 748,499</u>	<u>100%</u>	<u>\$ 700,889</u>	<u>100%</u>

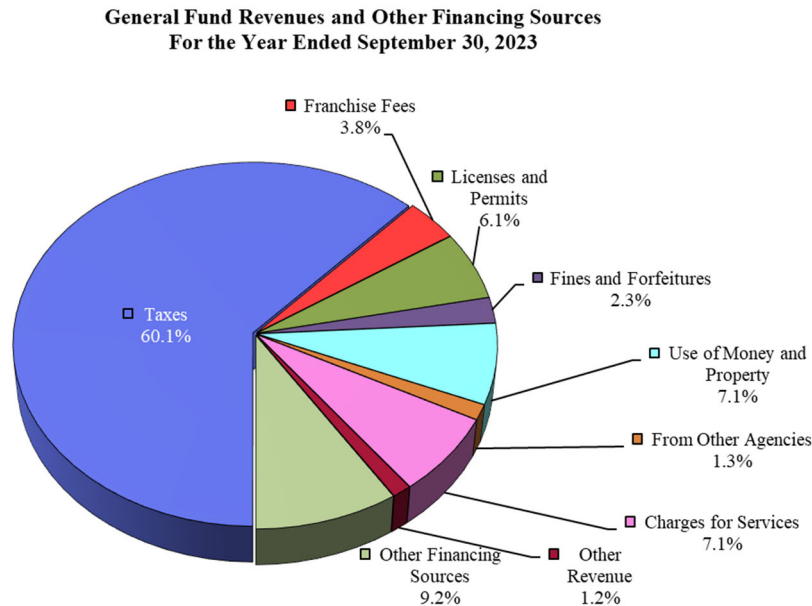
General Fund revenues and other financing sources increased \$47.6 million, or 6.8 percent, from the prior fiscal year. Significant year-over-year changes include:

- Overall, taxes increased a slight \$2.5 million. Property tax revenue increased \$14.8 million due to citywide valuation increases from new development and improvements, as well as adjustments such as supplemental tax revenues that are based on the change in valuation following the completion of a property sale, transfer of ownership, or new construction. A significant increase was also reported in utility users tax revenues of \$8.3 million mostly from gas and electricity, due to higher energy prices, particularly for natural gas during the winter months. These revenue increases were offset by decreases in other revenue sources such as sales tax, which decreased \$18.5 million due to the one-quarter percentage point decrease in the Measure A transactions and use tax rate mentioned above.
- Similar to utility users tax, franchise fee revenues reported an increase of \$7.7 million resulting from increased natural gas and other energy prices.
- Use of Money and Property increased by \$28.5 million from the prior year, due to increased interest earnings of \$8.1 million and a positive change in fair value of the City's investment pool of \$21.5 million.
- Revenues derived from other sources increased \$7.7 million from the prior year, with the increase due to a \$7.5 million settlement payment from the class action lawsuit against Bayer AG's Monsanto Company due to the company's contamination of City waters with chemical compounds over several decades.
- Other Financing Sources decreased \$10.2 million. Reported transfers included \$19.9 million from the Health Grants Fund for the purchase of property for Homeless Services Housing, and a transfer from the Debt Service Fund of \$21.2 million for the purchase of property to be used by various

City of Long Beach
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended September 30, 2023

departments for additional office space. Offsetting these increases, was a decrease of transfers from the General Grants Fund, as a result of the City spending the majority of ARPA federal funding in previous years.

The chart below shows total General Fund revenues and other financing sources by major category.



General Fund Expenditures

Expenditures and other financing uses for the General Fund, including comparative amounts from the preceding year, are shown in following table:

General Fund Expenditures and Other Financing Uses
Fiscal Years Ending September 30, 2023 and 2022
(In Thousands)

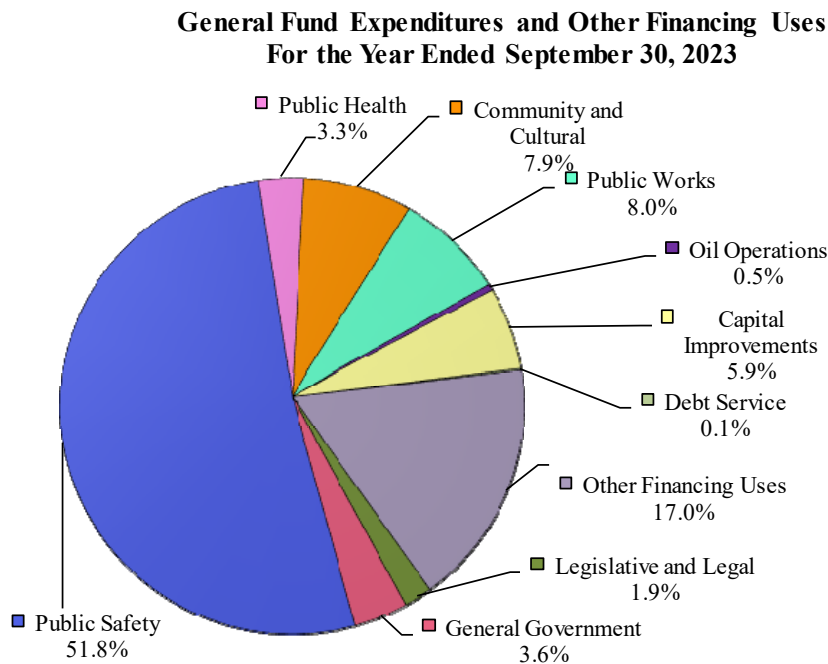
<i>Expenditures and Other Financing Uses</i>	<i>Fiscal Year 2023</i>	<i>Percent of Total</i>	<i>Fiscal Year 2022</i>	<i>Percent of Total</i>
Legislative and Legal	\$ 14,452	1.9%	\$ 17,124	2.6%
General Government	27,582	3.6%	35,007	5.4%
Public Safety	394,508	51.8%	392,868	61.1%
Public Health	24,939	3.3%	15,051	2.3%
Community and Cultural	60,358	7.9%	57,045	8.9%
Public Works	60,496	8.0%	61,622	9.6%
Oil Operations	3,458	0.5%	2,979	0.5%
Capital Improvements	45,088	5.9%	116	0.0%
Debt Service	906	0.1%	1,473	0.2%
Other Financing Uses	129,831	17.0%	59,435	9.2%
	<u>\$ 761,618</u>	<u>100%</u>	<u>\$ 642,720</u>	<u>100%</u>

Expenditures, including other financing uses, increased \$118.9 million, or 18.5 percent, from the prior year. Significant changes include:

City of Long Beach
 Management's Discussion and Analysis (Unaudited)
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- Public Health reported an increase of \$9.9 million mostly related to carrying out Long Beach Recovery Act programs serving the community, and administrative/indirect costs that were non-reimbursable for Homeless Services, Youth, and Violence Prevention Program grants.
- Capital improvements reported an increase of \$45.0 million mostly attributable to property purchases including housing for persons experiencing homelessness, and a building to provide various departments with office space.
- There was an increase of \$70.4 million in Other Financing Uses compared to the prior year, due to higher transfers from the General Fund to various funds: to the Employee Benefits Fund, a transfer of \$56.3 million related to pension costs (offset by a reduction in pension expenditures to departments); to the General Capital Projects Fund, increased transfers of \$10.3 million for capital improvement projects; to the General Services Fund, a transfer of \$2.8 million for communications technology and network camera modernization; and to the Gas Utility, a transfer of \$2.2 million that represented the fiscal benefit to the General Fund from higher natural gas prices during the winter months that realized increased utility users tax revenues and indirect cost charges.

The chart below shows total General Fund expenditures and other financing uses by function.



Proprietary Funds Financial Analysis

The City's proprietary fund statements provide the same type of information that is reported in the business-type activities of the government-wide financial statements, but in more detail.

City of Long Beach
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended September 30, 2023

Enterprise Funds

The combined net position of enterprise funds totaled \$4.5 billion at the close of the fiscal year. Total unrestricted net position amounted to \$522.4 million before the allocation of internal service fund activities. The total increase in net position was \$202.5 million before the internal service fund activities allocation to enterprise funds. Factors affecting the finances of these funds are addressed in the discussion of the City's business-type activities.

The Water Utility Fund reported net position of \$338.1 million, a slight decrease of \$1.5 million from the prior year. Tidelands Operating reported net position of \$309.3 million, an increase of \$16.7 million from the prior year. The Harbor reported net position of \$3.4 billion, an increase of \$187.1 million. The Gas Utility reported a deficit net position of \$11.0 million and the Tideland Oil Revenue Fund reported a deficit net position of \$88.7 million. Other Proprietary funds reported net position of \$597.4 million.

Internal Service Funds

Internal service funds are used to finance and account for goods and services provided internally to City departments. As of September 30, 2023, internal service funds reported a net position of \$101.0 million, an increase of \$66.5 million.

There were deficit net positions reported in the Workers' Compensation Insurance Fund and General Liability Insurance Fund, which reported deficit balances of \$108.9 million and \$48.6 million, respectively. It is the City's practice to bill City departments on a pay-as-you-go basis for functions performed by both funds, therefore, the long-term portions of related liabilities associated with these funds are not fully funded. City management believes that, over the long-term, current and future billing rates are sufficient to remediate eventually any deficit net position.

The Civic Center fund reported \$53.9 million and the General Services fund reported \$7.3 million in net position, mostly attributed to the net investment in capital assets. For the Fleet Services fund, net position was \$102.5 million, mostly from the net investment in capital assets and cash available for future replacement of the City's fleet of vehicles and equipment. The Employee Benefits Fund reported an increase in net position of \$71.4 million, totaling \$94.9 million. This was due to the City's decision not to prepay in July 2023 the unfunded accrued liability owed to CalPERS for the State fiscal year ending June 30, 2024. The City determined that short-term U.S. Treasury yields were significantly higher than the CalPERS discount rate the City would have been credited by making the prepayment. As a result, the City did not prepay CalPERS and instead held on to the cash and invested it in the higher-yielding securities, resulting in lower expenses for the City fiscal year ending September 30, 2023, and a higher net position as of that same date.

Fiduciary Funds

The City maintains fiduciary funds for the assets of private purpose trust and custodial funds including the Miller Library Fund, the Mayor's Fund to End Homelessness Fund, and various custodial funds held by the City as an agent for individuals, private organizations, and other governmental units. The private purpose trust funds are held in trust for the benefit of the Main Library Miller Room (i.e., staffing and books), and for homeless services.

General Fund Budgetary Highlights

The City adopts an annual budget for the governmental funds that include the General Fund, Capital Projects, Debt Service, and Special Revenue funds. The City Council adopts budget adjustments during the year that are generally contingent upon new or additional revenue.

- The General Fund's Fiscal Year 2023 final budget for estimated revenues and expenditure appropriations reflected a net decrease to budgeted fund balance of \$163.7 million. The change

City of Long Beach
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For the Fiscal Year Ended September 30, 2023

between original and final budgeted amounts was \$67.7 million and consisted of additional appropriation for expenditures and other financing uses of \$112.4 million and an increase in revenue and other financing sources of \$44.7 million.

Significant changes in the appropriations budget include:

- An increase of \$47.4 million in Economic Development for three property purchases that consisted of housing for homelessness services and a building providing additional office space for departments.
- An increase of \$43.9 million to fund Long Beach Recovery Act programs focused on public health and economic recovery for residents and businesses in the community, and for the City to replace the loss of revenues during the COVID-19 pandemic. This was made possible due to the use of ARPA federal grant funds paying for parks and recreation and police services, that would normally be funded by the General Fund.
- An increase of \$25.5 million in Public Safety. The increase consisted of \$11.9 million in the Fire Department for various purposes including labor agreements, operating a larger academy, and increased callback costs to maintain constant staffing for fire suppression and emergency medical services; and \$13.6 million in the Police Department related to labor agreements.

The actual budgetary basis results of the General Fund as compared to the final budget reflect a net positive variance of \$148.1 million. This consists of favorable variances in both revenues and other financing sources of \$70.7 million and expenditures and other financing uses of \$77.4 million.

The General Fund revenues and other financing sources positive budget to actual variance of \$70.7 million is mostly due to increased property taxes, and utility users taxes and franchise fees resulting from higher natural gas and other energy prices. There was also a positive budget variance in the use of money and property related to increased interest earnings.

General Fund expenditures and other financing uses reflect a positive budget to actual variance of \$77.4 million primarily due to lower personnel costs than anticipated in the Police and Public Works Departments.

Capital Assets and Debt Administration

Capital Assets: As of September 30, 2023, the City's capital assets held by governmental and business-type activities amounted to \$6.2 billion (net of accumulated depreciation). There was an overall increase of \$103.2 million in the City's capital assets over the prior fiscal year.

City of Long Beach
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended September 30, 2023

Capital Assets, Net of Depreciation
September 30, 2023 and 2022
(In Thousands)

	Governmental		Business-type		Totals	
	Activities		Activities			
	2023	2022	2023	2022	2023	2022
Land	\$ 226,921	\$ 223,449	\$ 1,434,746	\$ 1,434,082	\$ 1,661,667	\$ 1,657,531
Rights-of-way	81,340	81,340	203,832	203,304	285,172	284,644
Water Rights	-	-	40	40	40	40
Historic Collections	-	-	3,442	3,442	3,442	3,442
Construction in Progress	83,810	74,519	619,049	574,926	702,859	649,445
Buildings	446,873	418,620	1,833,971	1,910,442	2,280,844	2,329,062
Improvements Other than Buildings	77,492	61,359	338,065	328,070	415,557	389,429
Infrastructure	47,931	55,870	574,299	525,363	622,230	581,233
Machinery and Equipment	41,571	35,799	26,891	23,886	68,462	59,685
Vehicles and Aircrafts	56,760	57,069	79,897	81,712	136,657	138,781
Software and Patents	16,716	16,797	8,723	5,394	25,439	22,191
Right-to-Use Assets	20,504	8,204	6,381	2,341	26,885	10,545
Total Net Capital Assets	\$ 1,099,918	\$ 1,033,026	\$ 5,129,336	\$ 5,093,002	\$ 6,229,254	\$ 6,126,028

Governmental activities net capital assets increased by \$66.9 million, due to an increase of \$28.3 million in Buildings resulting from property purchases during the year, an increase of \$16.1 million in Improvements Other than Buildings mostly from the Pier B Pump Station, and an increase of \$12.3 million from Right-To-Use assets from leased and subscription-based information technology assets.

Business-type activities' net capital assets increased \$36.3 million over the prior fiscal year. Significant capital asset activities during the year include:

- Harbor Fund capital assets decreased by \$41.1 million. The decrease was due to depreciation on capital assets of \$160.7 million, which was offset by increases in infrastructure assets of \$108.9 million related to bridge improvements.
- Airport Fund capital assets increased by \$49.6 million due to the reconstruction of Taxiway L, which is the primary taxiway for all departing commercial aircraft at the Airport, and baggage system improvements.

Additional information on the City's capital assets can be found in Note 6 to the basic financial statements, and information related to commitments for future capital asset acquisitions can be found in Note 21 to the basic financial statements.

Long-Term Indebtedness: As of September 30, 2023, the City's net long-term debt outstanding totaled \$2.6 billion. Of this amount, \$2.3 billion relates to notes, bonds, financed purchase obligations, and \$279.3 million to the Civic Center complex.

The implied issuer ratings assigned to the City's bond issues are as follows:

- Moody's Investors Service: Aa2, Stable Outlook
- S&P Global Ratings: AA, Stable Outlook
- Fitch Ratings: AA, Stable Outlook

The table that follows provides information for the City's outstanding long-term debt obligations at the close of the current and prior fiscal years.

City of Long Beach
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended September 30, 2023

Outstanding Debt Obligations
September 30, 2023 and 2022
(In Thousands)

	<i>Governmental Activities</i>		<i>Business-type Activities</i>		<i>Totals</i>	
	2023	2022	2023	2022	2023	2022
Notes Payable	\$ 6,898	\$ 7,233	\$ 510,925	\$ 513,207	\$ 517,823	\$ 520,440
Bonds Payable	287,029	231,920	1,435,131	1,519,722	1,722,160	1,751,642
Financed Purchase Obligations	42,226	47,042	27,179	30,105	69,405	77,147
Other Obligations	299,986	307,576	5,599	-	305,585	307,576
Total Outstanding	\$ 636,139	\$ 593,771	\$ 1,978,834	\$ 2,063,034	\$ 2,614,973	\$ 2,656,805

Major changes in long-term obligations during the year include:

Governmental Activities

- Bonds payable increased by \$55.1 million due to the issuance of bonds for \$77.9 million to finance the acquisition of a building to be used for office space and to finance capital improvement projects, offset by principal payments made during the year of \$27.1 million. For financed purchase obligations, the City is reporting a decrease of \$4.8 million mostly due to principal payments on obligations related to technology equipment, fire apparatus, and refuse trucks. The Other Obligations of \$300.0 million is attributable to liabilities related to leases, SBITA, City Hall and Civic Center complex.

Business-Type Activities

- Bonds payable reported a decrease of \$84.6 million, primarily due to principal payments in the amount of \$73.8 million made by various enterprise funds. The Other Obligations of \$5.6 million is attributable to liabilities related to lease and SBITA liabilities. Additional information on the City's long-term obligations can be found in Notes 7 through 9 to the basic financial statements.

Budget Outlook

The City Council adopted the fiscal year 2024 Budget in September 2023. The \$3.2 billion adopted budget included key investments that reflect a strategic and comprehensive approach to achieving the Long Beach Strategic Vision 2023. This includes significant enhancements to address homelessness, community safety, equity and quality of life, business development, arts and tourism, and climate change. The budget also includes the Elevate '28 Infrastructure Investment Plan to revitalize the City's infrastructure and continue improvements and enhancements to parks, major corridors, and visitor-serving areas. Due to the use of one-time funds, these investments were achieved without implementing service reductions. It is anticipated there will be fiscal challenges to be addressed in coming years.

Information related to the economy of the City is discussed in the accompanying Transmittal Letter.

Requests for Information

This financial report is designed to provide a general overview of the City's finances. Questions concerning any of the information should be addressed to the City of Long Beach, Department of Financial Management, 411 West Ocean Boulevard, 6th Floor, Long Beach, California 90802.

BASIC
FINANCIAL
STATEMENTS

City of Long Beach
Statement of Net Position
September 30, 2023
(In Thousands)

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Long Beach Public Transportation Company
ASSETS				
Current Assets:				
Pooled Cash and Cash Equivalents	\$ 101,205	\$ 200,724	\$ 301,929	\$ -
Non-Pooled Cash and Cash Equivalents	106,588	20,868	127,456	52,434
Pooled Investments	191,391	379,591	570,982	-
Interest Receivable	808	826	1,634	-
Property Tax Receivable, Net	120,628	-	120,628	-
Accounts and Loans Receivables, Net	45,001	172,122	217,123	12,525
Due from Other Governments	144,872	91,802	236,674	-
Lease Receivables	5,740	2,909	8,649	655
Internal Balances	69,372	(69,372)	-	-
Inventory	4,601	13,065	17,666	3,760
Other Assets and Deposits	12,004	45,978	57,982	1,243
Land Held for Resale	5,426	-	5,426	-
Total Current Assets	<u>807,636</u>	<u>858,513</u>	<u>1,666,149</u>	<u>70,617</u>
Noncurrent Restricted Assets:				
Non-Pooled Investments	-	35,825	35,825	15,912
Total Noncurrent Restricted Assets	<u>-</u>	<u>35,825</u>	<u>35,825</u>	<u>15,912</u>
Other Noncurrent Assets:				
Pooled Investments	427,730	848,329	1,276,059	-
Other Noncurrent Receivables	372,642	141,458	514,100	2,780
Prepaid Gas - Long-Term	-	262,685	262,685	-
Fair Value - Commodity Swap	-	285,831	285,831	-
Land and Other Capital Assets not being Depreciated	392,071	2,261,109	2,653,180	32,193
Capital Assets, Net of Accumulated Depreciation/Amortization	707,847	2,868,227	3,576,074	84,013
Other Assets	6,000	39,539	45,539	8,710
Total Other Noncurrent Assets	<u>1,906,290</u>	<u>6,707,178</u>	<u>8,613,468</u>	<u>127,696</u>
Total Assets	<u>2,713,926</u>	<u>7,601,515</u>	<u>10,315,441</u>	<u>214,225</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows of Resources	340,360	104,606	444,966	11,915
Total Assets and Deferred Outflows of Resources	<u>3,054,286</u>	<u>7,706,121</u>	<u>10,760,407</u>	<u>226,140</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable	85,271	133,031	218,302	7,060
Accrued Wages and Benefits Payable	5,934	1,257	7,191	5,389
Accrued Interest Payable	3,254	26,750	30,004	-
Unearned Revenue, Credits, and Other Payables	84,444	63,403	147,847	38,570
Employee Benefits and Accrued Long-Term Obligations	103,062	28,625	131,687	22,306
Bonds, Loans, Financed Purchase, and Other Long-Term Obligations	44,735	84,504	129,239	821
Total Current Liabilities	<u>326,700</u>	<u>337,570</u>	<u>664,270</u>	<u>74,146</u>
Noncurrent Liabilities:				
Fair Value - Interest Rate Swap	-	646	646	-
Unearned Revenue, Credits, and Other Payables	-	9,079	9,079	3,286
Employee Benefits and Accrued Long-Term Obligations	307,212	197,683	504,895	5,947
Bonds, Loans, Financed Purchase, and Other Long-Term Obligations	591,404	1,894,330	2,485,734	9,958
Total OPEB Liability	35,522	11,660	47,182	-
Net Pension Liability	1,047,243	348,794	1,396,037	34,055
Total Noncurrent Liabilities	<u>1,981,381</u>	<u>2,462,192</u>	<u>4,443,573</u>	<u>53,246</u>
Total Liabilities	<u>2,308,081</u>	<u>2,799,762</u>	<u>5,107,843</u>	<u>127,392</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows of Resources	320,753	435,365	756,118	3,178
Total Liabilities and Deferred Inflows of Resources	<u>2,628,834</u>	<u>3,235,127</u>	<u>5,863,961</u>	<u>130,570</u>
NET POSITION				
Net Investment in Capital Assets	509,197	3,630,537	4,139,734	110,464
Restricted for:				
Debt Service	23,271	64,313	87,584	-
Capital Projects	220,918	84,011	304,929	291
Public Safety	8,844	-	8,844	-
Community and Cultural	330,732	-	330,732	-
Healthcare Insurance	18,611	-	18,611	-
Airport	-	9,802	9,802	-
Subsidence	-	191,209	191,209	-
Unrestricted	(686,121)	491,122	(194,999)	(15,185)
Total Net Position	<u>\$ 425,452</u>	<u>\$ 4,470,994</u>	<u>\$ 4,896,446</u>	<u>\$ 95,570</u>

The notes to the basic financial statements are an integral part of this statement.

City of Long Beach
Statement of Activities
For the Fiscal Year Ended September 30, 2023
(In Thousands)

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<u>FUNCTIONS/PROGRAMS</u>				
GOVERNMENTAL ACTIVITIES:				
Legislative and Legal	\$ 16,764	\$ 48	\$ -	\$ -
General Government	60,982	16,025	5,462	-
Public Safety	478,186	64,199	22,033	-
Public Health	90,921	10,801	217,911	-
Community and Cultural	201,820	50,144	39,641	2,099
Public Works	227,659	39,193	7,266	108,550
Oil Operations	3,673	15,591	-	-
Interest on Long-Term Debt	16,115	-	-	-
Total Governmental Activities	1,096,120	196,001	292,313	110,649
BUSINESS-TYPE ACTIVITIES				
Gas Utility	165,351	174,612	-	-
Water Utility	120,124	111,499	-	6,068
Tidelands Operating	143,954	103,212	133	-
Tideland Oil Revenue	120,329	120,164	-	-
Harbor	454,419	563,199	-	89,479
Non-Major Enterprise Funds	196,732	197,279	402	23,179
Total Business-Type Activities	1,200,909	1,269,965	535	118,726
Total Primary Government	\$ 2,297,029	\$ 1,465,966	\$ 292,848	\$ 229,375
COMPONENT UNIT				
Long Beach Public Transportation Company	\$ 132,857	\$ 12,253	\$ 100,325	\$ 28,768
			Taxes: Property Sales Utility Users Other Franchise Taxes Unrestricted Investment Earnings Transfers Total General Revenues and Transfers Change in Net Position Net Position, Beginning of Year Prior Period Adjustment Net Position, End of Year	

The notes to the basic financial statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-Type Activities	Total	Long Beach Public Transpor- tation Company
\$ (16,716)	\$ -	\$ (16,716)	\$ -
(39,495)	-	(39,495)	-
(391,954)	-	(391,954)	-
137,791	-	137,791	-
(109,936)	-	(109,936)	-
(72,650)	-	(72,650)	-
11,918	-	11,918	-
(16,115)	-	(16,115)	-
<u>(497,157)</u>	<u>-</u>	<u>(497,157)</u>	<u>-</u>
-	9,261	9,261	-
-	(2,557)	(2,557)	-
-	(40,609)	(40,609)	-
-	(165)	(165)	-
-	198,259	198,259	-
-	24,128	24,128	-
<u>-</u>	<u>188,317</u>	<u>188,317</u>	<u>-</u>
<u>(497,157)</u>	<u>188,317</u>	<u>(308,840)</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>8,489</u>
242,374	-	242,374	-
156,500	-	156,500	-
48,660	-	48,660	-
56,535	-	56,535	-
28,501	-	28,501	-
20,618	35,829	56,447	1,228
20,172	(20,172)	-	-
<u>573,360</u>	<u>15,657</u>	<u>589,017</u>	<u>1,228</u>
76,203	203,974	280,177	9,717
349,249	4,267,020	4,616,269	85,746
<u>-</u>	<u>-</u>	<u>-</u>	<u>107</u>
<u>\$ 425,452</u>	<u>\$ 4,470,994</u>	<u>\$ 4,896,446</u>	<u>\$ 95,570</u>

The notes to the basic financial statements are an integral part of this statement.

City of Long Beach
Governmental Funds
Balance Sheet
September 30, 2023
(In Thousands)

	General	General Capital Projects	Housing Assistance Special Revenue	Other Governmental Funds	Total September 30, 2023
ASSETS					
Pooled Cash and Cash Equivalents	\$ 160,157	\$ 225,881	\$ 20,701	\$ 93,099	\$ 499,838
Non-Pooled Cash and Cash Equivalents	1,420	61,111	12,560	16,898	91,989
Receivables:					
Interest Receivable	636	-	-	4	640
Property Taxes	126,172	-	-	-	126,172
Accounts Receivable	47,831	227	255	5,443	53,756
Due from Other Governments	34,275	41,410	3,124	66,063	144,872
Due from Other Funds	48,161	1,890	-	2,224	52,275
Lease Receivables	138,962	-	-	2,828	141,790
Allowance for Receivables	(9,517)	(77)	(199)	(5,705)	(15,498)
Inventory	-	-	-	1,482	1,482
Other Assets - Current	1,278	1,591	-	268	3,137
Advances to Other Funds	-	-	-	3,809	3,809
Land Held for Resale	-	-	-	5,426	5,426
Other Noncurrent Receivables	-	-	-	236,592	236,592
Total Assets	<u>\$ 549,375</u>	<u>\$ 332,033</u>	<u>\$ 36,441</u>	<u>\$ 428,431</u>	<u>\$ 1,346,280</u>
LIABILITIES					
Liabilities:					
Accounts Payable	\$ 22,454	\$ 32,979	\$ 996	\$ 10,310	\$ 66,739
Accrued Wages and Benefits Payable	2,666	63	38	359	3,126
Due to Other Governments	262	-	44	-	306
Due to Other Funds	8,277	727	107	21,890	31,001
Unearned Revenues	7,574	6,148	1,678	58,230	73,630
Deposits and Collections Held in Trust	4,708	1,103	1,431	3,396	10,638
Advances from Other Funds	21,832	-	-	3,809	25,641
Total Liabilities	<u>67,773</u>	<u>41,020</u>	<u>4,294</u>	<u>97,994</u>	<u>211,081</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred Inflows of Resources	263,871	-	-	234,171	498,042
FUND BALANCES					
Nonspendable	1,278	1,591	-	1,750	4,619
Restricted	3,179	174,119	32,147	111,162	320,607
Committed	79,572	-	-	1,200	80,772
Assigned	133,702	115,303	-	-	249,005
Unassigned	-	-	-	(17,846)	(17,846)
Total Fund Balances	<u>217,731</u>	<u>291,013</u>	<u>32,147</u>	<u>96,266</u>	<u>637,157</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 549,375</u>	<u>\$ 332,033</u>	<u>\$ 36,441</u>	<u>\$ 428,431</u>	<u>\$ 1,346,280</u>

The notes to the basic financial statements are an integral part of this statement.

City of Long Beach
 Reconciliation of the Governmental Funds Balance Sheet to
 Governmental Activities in the Statement of Net Position
 September 30, 2023
 (In Thousands)

Total governmental fund balances \$ 637,157

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets, consisting of \$385,164 of non-depreciable assets and \$272,310 of depreciable assets, used in the governmental activities, which are not included in the internal service funds, are not financial resources and, therefore, are not reported in the funds. 657,474

Deferred outflows of resources related to postemployment and economic losses from refinancing of debt are not included in the governmental funds. 315,347

Deferred inflows of resources related to postemployment and economic gains from refinancing of debt are not included in the governmental funds. 183,975

Governmental long-term liabilities, excluding those liabilities in the internal service funds, are not due and payable in the current period and, therefore, are not reported in the funds. Liability amounts have been reduced by interest receivables for federal subsidy on Build America and Recovery Zone Economic Development Bonds. (1,500,737)

Internal service funds are used by management to charge the cost of operations and financing related to the Civic Center complex; operations, maintenance, financing, timely replacement of information technology assets and vehicles; and to account for the City's risk management, self-insurance, and employee benefits' programs to individual user funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. 132,236

Net position of governmental activities \$ 425,452

The notes to the basic financial statements are an integral part of this statement.

City of Long Beach
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Fiscal Year Ended September 30, 2023
(In Thousands)

	General	General Capital Projects	Housing Assistance Special Revenue	Other Governmental Funds	Total September 30, 2023
Revenues:					
Taxes:					
Property	\$ 219,726	\$ -	\$ -	\$ 22,430	\$ 242,156
Sales	152,647	-	-	3,853	156,500
Utility Users	48,660	-	-	-	48,660
Other Taxes	42,374	-	-	14,161	56,535
Franchise Fees	28,501	-	-	-	28,501
Licenses and Permits	45,475	-	-	13,964	59,439
Fines and Forfeitures	17,006	-	-	-	17,006
Use of Money and Property	53,383	3,895	590	7,053	64,921
From Other Agencies	10,058	111,299	123,375	158,216	402,948
Charges for Services	52,992	-	-	1,676	54,668
Other	9,102	488	432	5,321	15,343
Total Revenues	679,924	115,682	124,397	226,674	1,146,677
Expenditures:					
Current:					
Legislative and Legal	14,452	-	-	-	14,452
General Government	27,582	-	8	2,693	30,283
Public Safety	394,508	-	-	17,575	412,083
Public Health	24,939	-	-	86,223	111,162
Community and Cultural	60,358	-	122,579	46,936	229,873
Public Works	60,496	8,719	-	886	70,101
Oil Operations	3,458	-	-	-	3,458
Total Current Expenditures	585,793	8,719	122,587	154,313	871,412
Capital Improvements	45,088	137,386	-	15,323	197,797
Debt Service:					
Principal	457	-	-	25,520	25,977
Interest	436	-	-	9,161	9,597
Debt Administration Fees	13	-	-	697	710
Total Expenditures	631,787	146,105	122,587	205,014	1,105,493
Excess of Revenues over (under) Expenditures	48,137	(30,423)	1,810	21,660	41,184
Other Financing Sources (Uses):					
Issuance of Refunding Debt	-	-	-	82,026	82,026
Premium on Refunding Debt Issuance	-	-	-	6,415	6,415
Transfers In	68,575	121,236	-	13,454	203,265
Transfers Out	(129,831)	(893)	-	(114,372)	(245,096)
Total Other Financing Sources (Uses)	(61,256)	120,343	-	(12,477)	46,610
Net Change in Fund Balances	(13,119)	89,920	1,810	9,183	87,794
Fund Balances - October 1	230,850	201,093	30,337	87,083	549,363
Fund Balances - September 30	\$ 217,731	\$ 291,013	\$ 32,147	\$ 96,266	\$ 637,157

The notes to the basic financial statements are an integral part of this statement.

City of Long Beach
 Reconciliation of Statement of Revenues, Expenditures, and Changes
 in Fund Balances of Governmental Funds to the Statement of Activities
 For the Fiscal Year Ended September 30, 2023
 (In Thousands)

Excess of expenditures and other uses over revenue and other sources - total governmental funds \$ 87,794

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

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost associated with the acquisition of those assets is allocated over their estimated useful life and reported as depreciation expense. This is the amount by which capital outlay (\$129,762) is more than depreciation (\$29,103) in the current period. 100,659

The net effect of miscellaneous transactions involving capital assets (e.g., sales, trade-ins, disposal of capital assets, and donations) results in a decrease to net position. (14,138)

Under the modified accrual basis of accounting, revenue cannot be recognized until it is available to liquidate liabilities of the current period. Under accrual accounting, revenue is recognized when it is earned regardless of its availability. In addition, governmental funds report expenditures pertaining to the establishment of certain long-term loans. Payments on these long-term receivables are recorded as revenue in the governmental funds. These deferred credits are not reported on the statement of net position and, therefore, the corresponding net expense is not reported on the statement of activities. 7,386

Pension and OPEB contributions made subsequent to the measurement date are an expenditure in the governmental funds, but reported as a deferred outflow of resources in the statement of net position. (43,104)

Pension expense reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenses in governmental funds. (107,447)

The issuance of long-term debt (e.g., bonds and leases) provides current financial resources to governmental funds, while the payment of the principal of long-term debt and other long-term obligations consumes current financial resources. Neither transaction, however, has any affect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when long-term debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. (39,344)

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 government funds. 19,357

Internal service funds are used by management to charge the cost of certain services to individual funds. The net loss of certain activities of internal service funds is reported as governmental activities. 65,040

Change in net position of governmental activities \$ 76,203

The notes to the basic financial statements are an integral part of this statement.

City of Long Beach
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended September 30, 2023
(In Thousands)

	Budgeted Amounts		Actual on Budgetary Basis ¹	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Property Taxes	\$ 212,778	\$ 212,778	\$ 219,726	\$ 6,948
Sales Taxes	149,513	149,513	152,647	3,134
Utility Users Taxes	38,076	38,076	48,660	10,584
Other Taxes	39,545	39,545	42,374	2,829
Franchise Fees	22,351	22,351	28,501	6,150
Licenses and Permits	35,379	39,020	45,475	6,455
Fines and Forfeitures	16,257	16,257	17,006	749
Use of Money and Property	33,702	38,058	53,383	15,325
From Other Agencies	7,119	7,772	10,058	2,286
Charges for Services	49,948	44,132	52,992	8,860
Other	4,072	4,907	9,102	4,195
Transfers In	24,355	65,355	68,575	3,220
Total Revenues	633,095	677,764	748,499	70,735
Expenditures:				
Current:				
Legislative and Legal				
Mayor and City Council	7,232	10,603	6,387	4,216
City Attorney	4,149	4,173	3,293	880
City Clerk	5,385	5,506	4,780	726
General Government				
City Auditor	3,300	3,286	2,730	556
City Manager	10,209	14,576	10,564	4,012
Civil Service	4,055	4,048	3,633	415
Financial Management	35,232	25,841	10,169	15,672
Development Services	1,277	1,525	1,034	491
Public Safety				
Police	268,782	283,534	251,669	31,865
Fire	119,677	136,057	123,052	13,005
Disaster Preparedness	13,864	13,956	11,954	2,002
City Prosecutor	7,437	7,863	6,249	1,614
Development Services - Code Enforcement	4,235	4,273	3,322	951
Public Health	18,207	39,748	24,967	14,781
Community and Cultural				
Development Services	1,447	7,003	2,770	4,233
Library	23,523	25,623	20,669	4,954
Parks and Recreation	38,477	41,001	36,983	4,018
Public Works	56,720	78,777	60,557	18,220
Oil Operations	3,291	7,647	3,458	4,189
Debt Service	12	12	906	(894)
Capital Outlay	45,718	45,718	45,088	630
Transfers Out	56,853	80,684	129,831	(49,147)
Total Expenditures	729,082	841,454	764,065	77,389
Net Change in Budgetary Fund Balance:	\$ (95,987)	\$ (163,690)	\$ (15,566)	\$ 148,124
Reconciliation of Fund Balances, Budgetary Basis to GAAP Basis				
Change in Fund Balance - September 30, Budgetary Basis			\$ (15,566)	
Add: Encumbrances			2,447	
Change in Fund Balance - September 30, GAAP Basis			(13,119)	
Fund Balance, October 1, GAAP Basis			230,850	
Fund Balance, September 30, GAAP Basis			\$ 217,731	

¹ Incorporates adjustments due to prepayment of the CalPERS unfunded liability. See page 155 for details.

City of Long Beach
Housing Assistance Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended September 30, 2023
(In Thousands)

	<u>Budgeted Amounts</u>		Actual on Budgetary Basis	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Use of Money and Property	\$ 92	\$ 92	\$ 590	\$ 498
From Other Agencies	104,967	112,239	123,375	11,136
Other	177	177	432	255
Total Revenues	<u>105,236</u>	<u>112,508</u>	<u>124,397</u>	<u>11,889</u>
Expenditures:				
General Government				
Financial Management	325	325	8	317
Development Services	114,256	124,110	122,879	1,231
Total Expenditures	<u>114,581</u>	<u>124,435</u>	<u>122,887</u>	<u>1,513</u>
Net Change in Budgetary Fund Balance	<u>\$ (9,345)</u>	<u>\$ (11,927)</u>	<u>\$ 1,510</u>	<u>\$ 13,402</u>

Reconciliation of Fund Balances, Budgetary Basis to GAAP Basis

Change in Fund Balance - September 30, Budgetary Basis	<u>\$ 1,510</u>
Add: Encumbrances	<u>300</u>
Change in Fund Balance - September 30, GAAP Basis	<u>1,810</u>
Fund Balance, October 1, GAAP Basis	<u>30,337</u>
Fund Balance, September 30, GAAP Basis	<u>\$ 32,147</u>

The notes to the basic financial statements are an integral part of this statement.

City of Long Beach
Proprietary Funds
Statement of Net Position (Deficit)
September 30, 2023
(In Thousands)

	Business-type Activities - Enterprise Funds			
	Gas Utility	Water Utility	Tidelands Operating	Tidelands Oil Revenue
ASSETS				
Current Assets:				
Pooled Cash and Cash Equivalents	\$ 63,329	\$ 2,733	\$ 161,226	\$ 68,417
Non-Pooled Cash and Cash Equivalents	150	2,250	5,213	-
Receivables:				
Interest Receivable	-	-	820	-
Accounts Receivable	20,417	10,856	7,619	25,711
Due from Other Governments	-	1,764	823	-
Due from Other Funds	7,015	656	33,542	1
Lease Receivable - Current	-	311	2,381	-
Allowance for Receivables	(7,854)	(859)	(2,152)	-
Deposits	-	-	-	-
Inventory	4,783	7,283	-	-
Prepaid Gas - Current	24,202	-	-	-
Other Assets - Current	322	4,874	52	13
Total Current Asset	<u>112,364</u>	<u>29,868</u>	<u>209,524</u>	<u>94,142</u>
Noncurrent Assets:				
Restricted Noncurrent Assets:				
Non-Pooled Investments	31,490	743	3,592	-
Noncurrent Receivables:				
Lease Receivable	-	1,592	122,002	-
Other Noncurrent Receivables, Net	-	-	-	-
Advances to Other Funds	-	-	-	-
Fair Value - Commodity Swap	285,831	-	-	-
Capital Assets:				
Land and Other Capital Assets not being Depreciated	25,188	132,806	97,782	-
Capital Assets, Net of Accumulated Depreciation/Amortization	168,037	289,730	240,593	7,656
Prepaid Gas - Long Term	262,685	-	-	-
Other Assets - Long-Term	-	-	-	-
Total Noncurrent Assets	<u>773,231</u>	<u>424,871</u>	<u>463,969</u>	<u>7,656</u>
Total Assets	<u>885,595</u>	<u>454,739</u>	<u>673,493</u>	<u>101,798</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows of Resources	<u>11,393</u>	<u>11,885</u>	<u>20,783</u>	<u>2,528</u>

The notes to the basic financial statements are an integral part of this statement.

Business-type Activities - Enterprise Funds			Governmental Activities
Harbor	Other Proprietary Funds	Total Proprietary Funds	Internal Service Funds
\$ 799,046	\$ 333,893	\$ 1,428,644	\$ 220,488
1	13,254	20,868	14,599
-	6	826	-
106,913	21,298	192,814	1,215
79,099	10,116	91,802	-
768	3,674	45,656	20,186
-	216	2,909	-
(3,042)	(6,785)	(20,692)	(16)
-	-	-	8,334
761	238	13,065	3,119
-	-	24,202	-
16,300	215	21,776	533
999,846	376,125	1,821,870	268,458
-	-	35,825	-
-	2,287	125,881	-
15,577	-	15,577	-
6,347	-	6,347	24,919
-	-	285,831	-
1,949,096	56,237	2,261,109	6,907
1,753,538	408,673	2,868,227	435,537
-	-	262,685	-
39,539	-	39,539	6,000
3,764,097	467,197	5,901,021	473,363
4,763,943	843,322	7,722,890	741,821
38,356	19,661	104,606	25,013

(Continued)

The notes to the basic financial statements are an integral part of this statement.

City of Long Beach
Proprietary Funds
Statement of Net Position (Deficit)
September 30, 2023
(In Thousands)

(Continued)

	Business-type Activities - Enterprise Funds			
	Gas Utility	Water Utility	Tidelands Operating	Tideland Oil Revenue
LIABILITIES				
Current Liabilities Payable from Current Assets				
Accounts Payable	8,514	22,314	13,319	17,786
Accrued Wages	138	160	169	25
Accrued Interest Payable	9,247	116	2,698	-
Due to Other Funds	21,703	10,008	827	96
Unearned Revenues	2,391	60	1,567	-
Collections Held in Trust	-	-	152	-
Customers Deposits	2,739	959	1,891	-
Advances from Developers	-	1,333	-	-
Accrued Self-Insurance Claims - Current	-	-	-	-
Environmental Remediation - Current	-	-	-	-
Due to State of California	-	-	-	8,454
Compensated Absences and Accrued Employee Benefits	2,553	2,163	3,977	309
Financed Purchase Obligations - Current	1,215	1,753	45	-
Bonds Payable Due Within One Year	21,655	3,720	9,675	-
Other Long-Term Obligations - Current	-	-	31	-
Lease Liability - Current	-	-	-	-
SBITAs Payable- Current	-	-	-	-
Total Current Liabilities	<u>70,155</u>	<u>42,586</u>	<u>34,351</u>	<u>26,670</u>
Noncurrent Liabilities:				
Advances from Other Funds	-	-	6,347	-
Unearned Revenues	-	-	4,353	-
Accrued Self-Insurance Claims	-	-	-	-
Accrued Oil Field Abandonment Costs	-	-	-	158,290
Environmental Remediation	-	-	-	-
Fair Value - Interest Rate Swap	646	-	-	-
Compensated Absences and Accrued Employee Benefits	5,720	3,563	8,966	453
Financed Purchase Obligations	7,932	16,137	97	-
Other Long-Term Obligations	-	14,000	219	-
Bonds Payable	498,612	2,671	144,899	-
Lease Liability	-	-	-	-
SBITAs Payable	-	-	-	-
Total OPEB Liability	1,711	1,148	2,656	151
Net Pension Liability	35,488	43,276	55,626	7,039
Total Noncurrent Liabilities	<u>550,109</u>	<u>80,795</u>	<u>223,163</u>	<u>165,933</u>
Total Liabilities	<u>620,264</u>	<u>123,381</u>	<u>257,514</u>	<u>192,603</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows of Resources	<u>287,741</u>	<u>5,159</u>	<u>127,455</u>	<u>445</u>
NET POSITION (DEFICIT)				
Net Investment in Capital Assets	179,297	378,509	186,535	7,656
Restricted for:				
Debt Service	-	2,409	58,494	-
Capital Projects	17,921	-	564	-
Insurance	-	-	-	-
Airport	-	-	-	-
Subsidence	-	-	-	-
Unrestricted	<u>(208,235)</u>	<u>(42,834)</u>	<u>63,714</u>	<u>(96,378)</u>
Total Net Position (Deficit)	<u>\$ (11,017)</u>	<u>\$ 338,084</u>	<u>\$ 309,307</u>	<u>\$ (88,722)</u>
Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds				
Net Position of Business-type Activities				

The notes to the basic financial statements are an integral part of this statement.

Business-type Activities - Enterprise Funds			Governmental Activities
Harbor	Other Proprietary Funds	Total Proprietary Funds	Internal Service Funds
53,907	17,191	133,031	18,532
471	294	1,257	2,808
12,731	1,958	26,750	608
46,986	1,082	80,702	6,414
24,798	2,723	31,539	-
5,768	1	5,921	5,032
-	2,891	8,480	-
-	16,130	17,463	-
500	-	500	34,757
-	-	-	88
-	-	8,454	-
6,783	3,886	19,671	7,634
-	-	3,013	6,771
38,945	3,585	77,580	1,693
2,350	-	2,381	5,373
-	289	289	-
1,241	-	1,241	-
<u>194,480</u>	<u>50,030</u>	<u>418,272</u>	<u>89,710</u>
3,087	-	9,434	-
-	4,726	9,079	-
-	-	-	158,577
-	-	158,290	-
-	-	-	482
-	-	646	-
14,484	6,207	39,393	9,048
-	-	24,166	31,336
494,325	-	508,544	273,923
589,022	122,347	1,357,551	11,569
-	3,266	3,266	370
803	-	803	3,793
4,038	1,956	11,660	2,780
137,447	69,918	348,794	77,563
<u>1,243,206</u>	<u>208,420</u>	<u>2,471,626</u>	<u>569,441</u>
<u>1,437,686</u>	<u>258,450</u>	<u>2,889,898</u>	<u>659,151</u>
<u>7,416</u>	<u>7,149</u>	<u>435,365</u>	<u>6,686</u>
2,538,581	339,959	3,630,537	121,629
-	3,410	64,313	-
37,463	28,063	84,011	1,553
-	-	-	18,611
-	9,802	9,802	-
-	191,209	191,209	-
781,153	24,941	522,361	(40,796)
<u>\$ 3,357,197</u>	<u>\$ 597,384</u>	<u>4,502,233</u>	<u>\$ 100,997</u>
		(31,239)	
		<u>\$ 4,470,994</u>	

The notes to the basic financial statements are an integral part of this statement.

City of Long Beach
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Fund Net Position (Deficit)
For the Fiscal Year Ended September 30, 2023
(In Thousands)

	Business-type Activities - Enterprise Funds			
	Gas Utility	Water Utility	Tidelands Operating	Tideland Oil Revenue
Operating Revenues:				
Licenses and Permits	\$ -	\$ -	\$ 721	\$ -
Fines and Forfeitures	-	-	261	-
Fees, Concessions, and Rentals	-	-	40,721	115,054
From Other Agencies	-	-	-	-
Charges for Services	163,130	108,431	31,525	5,033
Other	2,203	1,707	9,854	-
Total Operating Revenues	<u>165,333</u>	<u>110,138</u>	<u>83,082</u>	<u>120,087</u>
Operating Expenses:				
Personnel Services	27,860	27,501	43,354	4,483
Purchases of Gas and Water	72,153	30,987	-	-
Maintenance and Other Operations	30,512	39,186	74,845	5,736
Rental Expense	-	-	-	-
Insurance Premiums	-	-	-	-
Self-Insured Losses	-	-	-	-
Compensated Absences	-	-	-	-
Employee Benefits	-	-	-	-
Payments to Other Entities	-	-	-	77,439
Depreciation/Amortization	7,848	13,606	18,876	825
Total Operating Expenses	<u>138,373</u>	<u>111,280</u>	<u>137,075</u>	<u>88,483</u>
Operating Income (Loss)	<u>26,960</u>	<u>(1,142)</u>	<u>(53,993)</u>	<u>31,604</u>
Non-Operating Income (Expenses):				
Interest Income	2,549	708	5,988	-
Interest Expense	(26,432)	(1,794)	(6,096)	-
Unrealized Investment Gain	250	1,816	885	-
Gain (Loss) on Disposition of Capital Assets	(127)	(51)	4	-
Capital Assets to / (from) Other Funds	-	-	-	-
Oil Field Abandonment	-	-	-	(31,812)
Operating Grants	-	-	133	-
Other Income	1,191	1,361	20,130	77
Other Expense	8,088	(8,459)	(2,702)	-
Total Non-Operating Income (Expenses)	<u>(14,481)</u>	<u>(6,419)</u>	<u>18,342</u>	<u>(31,735)</u>
Income (Loss) Before Contributions and Transfers	12,479	(7,561)	(35,651)	(131)
Capital Grants and Contributions	-	6,068	-	-
Transfers:				
Transfers In	2,194	-	52,321	-
Transfers Out	(21,168)	-	-	(24,953)
Change in Net Position	<u>(6,495)</u>	<u>(1,493)</u>	<u>16,670</u>	<u>(25,084)</u>
Net Position (Deficit) - October 1	<u>(4,522)</u>	<u>339,577</u>	<u>292,637</u>	<u>(63,638)</u>
Net Position (Deficit) - September 30	<u>\$ (11,017)</u>	<u>\$ 338,084</u>	<u>\$ 309,307</u>	<u>\$ (88,722)</u>
Change in Net Position of Business - Enterprise Funds				

Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds
Change in Net Position of Business-type Activities

The notes to the basic financial statements are an integral part of this statement.

Business-Type Activities - Enterprise Funds			Governmental Activities
Harbor	Other Proprietary Funds	Total Proprietary Funds	Internal Service Funds
\$ -	\$ 33,451	\$ 34,172	\$ -
-	30	291	-
44,157	53,152	253,084	-
-	2,726	2,726	-
468,025	106,437	882,581	559,301
3,214	1,270	18,248	4,643
<u>515,396</u>	<u>197,066</u>	<u>1,191,102</u>	<u>563,944</u>
88,380	58,169	249,747	60,381
-	-	103,140	-
71,056	115,374	336,709	85,878
-	374	374	-
-	-	-	17,621
-	-	-	36,455
-	-	-	75,497
-	-	-	248,041
40,563	-	118,002	-
<u>160,670</u>	<u>20,967</u>	<u>222,792</u>	<u>38,375</u>
<u>360,669</u>	<u>194,884</u>	<u>1,030,764</u>	<u>562,248</u>
<u>154,727</u>	<u>2,182</u>	<u>160,338</u>	<u>1,696</u>
17,225	9,359	35,829	1,864
(26,447)	(5,190)	(65,959)	(7,505)
656	2,519	6,126	(1,070)
(50,673)	-	(50,847)	1,234
-	714	714	-
-	-	(31,812)	-
-	402	535	878
47,803	213	70,775	9,117
<u>(17,618)</u>	<u>(1,021)</u>	<u>(21,712)</u>	<u>(1,744)</u>
<u>(29,054)</u>	<u>6,996</u>	<u>(56,351)</u>	<u>2,774</u>
125,673	9,178	103,987	4,470
89,479	23,179	118,726	-
17	-	54,532	64,346
<u>(28,046)</u>	<u>(537)</u>	<u>(74,704)</u>	<u>(2,343)</u>
187,123	31,820	202,541	66,473
3,170,074	565,564	4,299,692	34,524
<u>\$ 3,357,197</u>	<u>\$ 597,384</u>	<u>4,502,233</u>	<u>\$ 100,997</u>
		202,541	
		1,433	
		<u>\$ 203,974</u>	

The notes to the basic financial statements are an integral part of this statement.

City of Long Beach
Proprietary Funds
Statement of Cash Flows
For the Fiscal Year Ended September 30, 2023
(In Thousands)

<u>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</u>	<u>Business-Type Activities - Enterprise Funds</u>			
	<u>Gas Utility</u>	<u>Water Utility</u>	<u>Tidelands Operating</u>	<u>Tideland Oil Revenue</u>
Cash Flows from Operating Activities:				
Receipts from Customers	\$ 162,877	\$ 107,337	\$ 83,703	\$ -
Receipts from Oil Companies	-	-	-	115,899
Receipts from Other Entities	-	-	-	-
Receipts from Other Funds	-	-	91	-
Payments for Employees Salaries and Benefits	(22,173)	(25,111)	(35,632)	(4,145)
Payments for Goods and Services	(82,032)	(69,101)	(72,949)	(4,949)
Payments for Compensated Absences	-	-	-	-
Payments for Liability Claims	-	-	-	-
Payments to Other Funds	-	-	(8,942)	-
Payments to Other Entities	-	(1,285)	(563)	(74,158)
Other Income	-	166	20,130	77
Other Expense	-	(4,028)	(2,702)	-
Net Cash Provided by (Used for) Operating Activities	<u>58,672</u>	<u>7,978</u>	<u>(16,864)</u>	<u>32,724</u>
Cash Flows from Non-Capital Financing Activities:				
Operating Grants Received from Other Governments	6,599	1,311	133	-
Operating Subsidies Received from Other Funds	-	9,000	-	-
Utility Credit to Customers	(1,191)	(4,552)	-	-
Payments of Principal on Bonds Payable	(18,645)	-	-	-
Payments of Interest	(5,643)	-	-	-
Transfers In	2,194	-	52,321	-
Transfers Out	(21,168)	-	-	(24,953)
Net Cash Provided by (Used for) Non-Capital Financing Activities	<u>(37,854)</u>	<u>5,759</u>	<u>52,454</u>	<u>(24,953)</u>
Cash Flows from Capital and Related Financing Activities:				
Receipt of Capital Grants	-	-	-	-
Proceeds from the Sale of Capital Assets	-	79	4	-
Receipts of Contributed Capital	3,231	5,181	-	-
Receipts from Passenger Facility Charges	-	-	-	-
Proceeds from Capital Leases Receivable from Other Funds	-	-	6,347	-
Payments for Capital Acquisitions	(13,294)	(56,239)	(23,011)	(165)
Payments of Principal on Bonds Payable	-	(3,450)	(11,615)	-
Payments of Principal on Other Long-Term Obligations	(1,186)	(1,697)	(74)	-
Payments to Defeasance Bonds	-	-	-	-
Payments of Interest	(574)	(1,840)	(6,694)	-
Net Cash Used for Capital and Related Financing Activities	<u>(11,823)</u>	<u>(57,966)</u>	<u>(35,043)</u>	<u>(165)</u>
Cash Flows from Investing Activities:				
Proceeds from the Sale of Investments	-	-	2,248	-
Receipts of Interest	2,540	865	5,736	-
Receipt from Joint Venture	-	-	-	-
Payments for Purchase of Investments	(2,353)	-	-	-
Changes in Investments	250	1,816	1,156	-
Net Cash Provided by Investing Activities	<u>437</u>	<u>2,681</u>	<u>9,140</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	9,432	(41,548)	9,687	7,606
Cash and Cash Equivalents - October 1	54,047	46,531	156,752	60,811
Cash and Cash Equivalents - September 30	<u>\$ 63,479</u>	<u>\$ 4,983</u>	<u>\$ 166,439</u>	<u>\$ 68,417</u>

The notes to the basic financial statements are an integral part of this statement.

Business-Type Activities - Enterprise Funds			Governmental Activities
Harbor	Other Proprietary Funds	Total Proprietary Funds	Internal Service Funds
\$ 478,099	\$ 195,989	\$ 1,028,005	\$ 3,854
-	-	115,899	-
-	7,547	7,547	(1,343)
-	336	427	553,609
(86,137)	(52,780)	(225,978)	(299,140)
(97,716)	(127,077)	(453,824)	(84,563)
-	-	-	(73,924)
-	-	-	(40,447)
-	(19)	(8,961)	-
-	-	(76,006)	-
45,915	213	66,501	9,117
-	(1,196)	(7,926)	(1,744)
<u>340,161</u>	<u>23,013</u>	<u>445,684</u>	<u>65,419</u>
1,226	24	9,293	878
17	184	9,201	-
-	-	(5,743)	-
-	-	(18,645)	-
-	-	(5,643)	-
-	-	54,515	64,346
<u>(28,046)</u>	<u>(537)</u>	<u>(74,704)</u>	<u>(2,343)</u>
<u>(26,803)</u>	<u>(329)</u>	<u>(31,726)</u>	<u>62,881</u>
87,135	-	87,135	-
17,100	1,718	18,901	1,281
-	16,329	24,741	-
-	6,850	6,850	-
-	-	6,347	-
(169,268)	(49,273)	(311,250)	(16,294)
(37,090)	(2,975)	(55,130)	(1,600)
(30,115)	-	(33,072)	(12,874)
-	-	-	(5,725)
<u>(36,335)</u>	<u>(5,795)</u>	<u>(51,238)</u>	<u>(7,876)</u>
<u>(168,573)</u>	<u>(33,146)</u>	<u>(306,716)</u>	<u>(43,088)</u>
-	-	2,248	-
17,882	9,360	36,383	-
2,000	-	2,000	-
-	-	(2,353)	1,864
-	2,519	5,741	(1,070)
<u>19,882</u>	<u>11,879</u>	<u>44,019</u>	<u>794</u>
<u>164,667</u>	<u>1,417</u>	<u>151,261</u>	<u>86,006</u>
<u>634,380</u>	<u>345,730</u>	<u>1,298,251</u>	<u>149,081</u>
<u>\$ 799,047</u>	<u>\$ 347,147</u>	<u>\$ 1,449,512</u>	<u>\$ 235,087</u>

(continued)

The notes to the basic financial statements are an integral part of this statement.

(Continued)

	Business-Type Activities - Enterprise Funds			
	Gas	Water	Tidelands	Tideland
	Utility	Utility	Operating	Oil
	Utility	Utility	Operating	Revenue
Operating Income (Loss)	\$ 26,960	\$ (1,142)	\$ (53,993)	\$ 31,604
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for)				
Operating Activities:				
Depreciation and Amortization Expense	7,848	13,606	18,876	825
Other Income	-	166	20,130	77
Other Expense	-	(4,028)	(2,702)	-
(Increase) Decrease in Accounts Receivable, Net	3,928	(1,956)	859	(4,188)
(Increase) Decrease in Amounts Due from Other Governments	-	-	(673)	3,866
(Increase) Decrease in Amounts Due from Other Funds	(7,005)	(555)	1,300	(1)
(Increase) in Inventory	(1,104)	(258)	-	-
(Increase) Decrease in Other Assets	23,575	-	195	(13)
(Increase) in Other Non-Operating Assets	-	(2,228)	-	-
Increase (Decrease) in Accounts Payable	(964)	2,262	1,945	198
Increase (Decrease) in Accrued Wages Payable	5,687	2,390	7,722	338
Increase (Decrease) in Amounts Due to Other Funds	-	20	(10,709)	18
(Decrease) in Accrued Claims Payable	-	-	-	-
Increase (Decrease) in Unearned Revenues	(79)	(177)	(5)	-
(Decrease) in Other Liabilities	-	-	-	-
Increase (Decrease) in Collections Held in Trust	(174)	(122)	191	-
Total Adjustments	31,712	9,120	37,129	1,120
Net Cash Provided by (Used for) Operating Activities	\$ 58,672	\$ 7,978	\$ (16,864)	\$ 32,724
<u>NON-CASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:</u>				
Amortization of Bond Premium (Discount), Net	\$ 23,893	\$ -	\$ -	\$ -
Accrued Capital Assets	-	-	-	-
Accrued Oil Field Abandonment Costs	-	-	-	31,210
Amortization of Deferred Outflows of Resources on Debt Refunding	-	-	(575)	-
Amortization of Deferred Inflows of Resources on Debt Refunding	-	-	-	-
Accrued Transfers to Other Fund	-	-	-	-
Transfers to CalTrans	-	-	-	-
Prepaid Capital Projects	-	-	-	-
Discontinued Capital Projects	-	-	-	-

The notes to the basic financial statements are an integral part of this statement.

Business-Type Activities - Enterprise Funds			Governmental Activities
Harbor	Other Proprietary Funds	Total Proprietary Funds	Internal Service Funds
\$ 154,727	\$ 2,182	\$ 160,338	\$ 1,696
160,670	20,967	222,792	38,375
45,915	213	66,501	9,117
-	(1,196)	(7,926)	(1,744)
(36,343)	446	(37,254)	193
(2,344)	5,146	5,995	-
-	(3,291)	(9,552)	(4,316)
(11)	-	(1,373)	-
-	(151)	23,606	(892)
-	-	(2,228)	(13)
(6,336)	(11,468)	(14,363)	(3,370)
(83)	5,389	21,443	10,147
17,716	191	7,236	2,104
(3,250)	-	(3,250)	13,629
955	1,216	1,910	-
8,545	-	8,545	-
-	3,369	3,264	493
185,434	20,831	285,346	63,723
\$ 340,161	\$ 23,013	\$ 445,684	\$ 65,419

\$ 8,030	\$ (3,165)	\$ 28,758	\$ -
35,681	-	35,681	-
-	-	31,210	-
-	-	(575)	-
1,152	-	1,152	-
25,770	-	25,770	-
50,696	-	50,696	-
25,229	-	25,229	-
2,248	-	2,248	-

The notes to the basic financial statements are an integral part of this statement.

City of Long Beach
Statement of Fiduciary Net Position
Fiduciary Funds
September 30, 2023
(In Thousands)

	Private Purpose Trust Funds	Custodial Funds
ASSETS:		
Pooled Cash and Cash Equivalents	\$ 580	\$ 11,012
Non-Pooled Cash and Cash Equivalents	-	10,493
Property Taxes Receivable	-	83
Accounts Receivable	-	2,032
Prepaid Expense	-	8
Land	-	11,000
Total Assets	580	34,628
LIABILITIES:		
Accounts Payable	-	1,964
Collections Held in Trust	-	47
Total Liabilities	-	2,011
NET POSITION:		
Restricted for:		
Miller Library Trust	575	-
Mayor's Fund for the Homeless	5	-
Oil Rights	-	1,728
Special Assesment Districts	-	11,837
Intermodal Container Transfer Facility	-	3,522
Los Cerritos Wetlands Authority	-	11,677
Other Custodial Funds	-	3,853
Total Restricted Net Position	\$ 580	\$ 32,617

City of Long Beach
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended September 30, 2023
(In Thousands)

	Private Purpose Trust Funds	Custodial Funds
ADDITIONS:		
Contributions	\$ -	\$ 3,433
Taxes	-	15,001
Grants	-	716
Use of Money and Property	19	621
Miscellaneous Revenue	-	8
Total Additions	19	19,779
DEDUCTIONS:		
Administrative Expense	-	79
Payments to Bond Holders	-	5,670
Payments to Others	-	13,230
Total Deductions	-	18,979
Change in Net Position	19	800
Net Position, October 1	561	31,817
Net Position, September 30	\$ 580	\$ 32,617

The notes to the basic financial statements are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

NOTE 1 – REPORTING ENTITY

Organization

The City of Long Beach (City) operates under a City Charter originally adopted in 1921 and last amended in 2022. The City Charter establishes the Mayor-Council-City Manager form of government, sets forth the powers and duties of the Mayor and City Council, and defines the roles, duties, and form of organization of the City's various boards, commissions, and other offices. The City is divided into nine council districts, with Councilmembers elected to serve within their respective districts. The Mayor, City Auditor, City Attorney, and City Prosecutor are all elected Citywide. The City Council appoints a City Manager who serves at the discretion of the Council.

Financial Reporting Entity

The City provides a full range of municipal services including police and fire, health and social services, library, parks and recreation, planning and community development, and public works improvements. The City also provides for sanitation, gas, water, and towing services. The City operates its own airport, five golf courses, international harbor facility, and a tidelands trust area (consisting of the beaches, Convention and Entertainment Center, Queen Mary, Rainbow Harbor, marinas, and oil extraction administration), under a trust agreement with the State of California. It is the City's policy to establish fees and charges designed to recover the full cost of providing services, including capital costs such as depreciation and debt service. Accordingly, the financial activities of these operations are accounted for as enterprise funds.

The accompanying basic financial statements present the financial activity of the City and its component units, entities for which the primary government is considered to be financially accountable. Blended component units, although separate legal entities, are in substance part of the government's operations. The City's discretely presented component unit represents a legally separate organization for which the nature and significance of its relationship to the primary government are such that exclusion would cause the City's reporting entity to be misleading or incomplete. Brief descriptions of these related blended and discretely presented component financial reporting units/entities and the method of incorporating their financial information in the accompanying basic financial statements are as follows:

Blended Component Entities

Housing Authority of the City of Long Beach (Authority) is a public agency created by action of the City Council in 1969 to administer housing assistance programs for qualified residents. The Authority is governed by an 11-member Board of Commissioners, comprised of the nine City Council members and two representatives elected by housing assistance benefit recipients. The Authority's administrative functions are directed and performed by City employees. The financial activity of the Authority is included in the Housing Assistance Special Revenue Fund.

Successor Agency to the Redevelopment Agency of the City of Long Beach (Agency): Consistent with the dissolution legislation, the Redevelopment Agency ceased operation effective February 1, 2012. The City exercised its option to become the Successor Agency for the former Redevelopment Agency and the Housing Successor Agency (HSA) for the Low and Moderate Income Housing function. The City is responsible for the winding down of Agency business to include the completion of ongoing projects and the disposition of assets. As the HSA, the City is responsible for executing the former mission of the Low and Moderate Income Housing function as long as funding permits. Like its predecessor, the Agency is considered a blended component unit of the City. The financial activities of the Agency were blended with those of the City in the accompanying basic financial statements and are reported as the Agency's Capital Projects and Debt Service Funds.

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For the Fiscal Year Ended September 30, 2023

Long Beach Community Investment Company (Company) is a non-profit corporation formed by action of the City Council in 1987 to plan, direct, perform, and assist the City in meeting its responsibility to provide adequate housing to low-and-moderate-income residents, senior citizens, and disabled persons. The Company provides services that indirectly benefit the City even though it does not provide services directly to the City. The City Council appoints the Company’s Board of Directors, approves the Company’s bylaws and changes thereto, approves the Company’s budget, and has ultimate authority over the Company’s activities. In addition, the City provides all staffing, facilities, and funding for the Company’s operations and the City’s management has operational responsibility for the Company. The financial activities are blended with those of the City in the accompanying basic financial statements and are accounted for in the Housing Development Fund. By electing to form a non-profit corporation to carry out functions that would ordinarily revert to the City, it is the City Council’s intention that a greater potential for public/private partnerships be created.

Southeast Resource Recovery Facility Authority (SERRF) is a joint powers authority between the City and the Los Angeles County Sanitation District Number 2. SERRF was created to finance the construction of a waste-to-energy facility through the issuance of lease revenue bonds which have been fully paid off. The City Council appoints the SERRF’s members of the Board and has authority to remove appointed members of the Board at will. The City Council also has the ability to appoint, hire, reassign, or dismiss those persons responsible for the day-to-day operations and management of the SERRF. The financial activities of SERRF are included in the Solid Waste Management Enterprise Fund.

Non-profit Financing Corporations and Authorities

The financial operations of several non-profit financing corporations and authorities organized for the purpose of financing various capital improvements within the City or the refinancing of debt are also included as blended component units in the accompanying basic financial statements. The activities of the organizations listed below are generally restricted to financing City-related capital improvements. In this regard, the City Council either serves as the governing board or appoints the voting majority of the governing board, and otherwise exercises significant oversight and direct operational and financial control over these entities. Therefore, such entities meet established criteria for inclusion in the accompanying basic financial statements.

For the most part, these non-profit corporations enter into capitalizable leases with the City. However, for financial reporting purposes, such lease transactions are eliminated, and the related financing obligations and related capital assets are carried at cost in the accompanying basic financial statements. There is no requirement to separately issue financial statements for these component units.

The non-profit financing corporations established by the City are as follows:

Entity	Fund Type	Affected Funds
Long Beach Financing Authority	Governmental	Custodial Funds
Long Beach Bond Financing Authority	Governmental and Business-type	Internal Service Funds Enterprise Funds Governmental Funds
Long Beach Capital Improvement Company	Business-type	Enterprise Funds
Finance Authority of Long Beach	Governmental and Business-type	Internal Service Funds Enterprise Funds Governmental Funds

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

Discretely Presented Component Unit

The Long Beach Public Transportation Company (LBT) is a non-profit corporation formed in 1963 to purchase the local public transit system from a private carrier. The City is the LBT's sole stakeholder.

The LBT is governed by a seven-member Board of Directors (Board), which provides broad policy and financial decisions, setting direction for management. The Mayor, with the approval of the City Council, appoints residents of the community to the Board to serve overlapping four-year terms. In addition, two designees of the City Manager's Office serve as ex-officio Board members but do not have voting authority. The LBT's mission is "to provide public transit services that enhance and improve the quality of life for the people in our community."

The LBT's governing body does not share common membership with that of the City and its service area overlaps other communities. The financial operations of the LBT are reported as a separate column in the basic financial statements to emphasize that the LBT is legally and operationally separate from the City. Separate financial statements can be obtained from the Senior Vice President and Chief Financial Officer, Long Beach Transit, P.O. Box 731, Long Beach, California 90801.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Government-wide and Fund Financial Statements

The Statement of Net Position and the Statement of Activities report information on all of the non-fiduciary activities of the primary government and its component units. The effect of interfund activity has been removed from these statements with the exception of exchange or exchange-like transactions between governmental functions that if eliminated would distort direct cost and program revenue. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely on fees and charges for services.

The Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities and for each function of governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include: (a) charges paid by the recipients for goods and services offered by the programs, (b) grants and contributions that are restricted to meeting the operational needs of a particular program, and (c) fees, grants and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the accompanying government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the accompanying fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Measurement focus is concerned with what financial transactions and events, the inflow and outflow of resources, will be recognized in the accounting records and reported in the financial statements. The term "basis of accounting" is used to describe the timing of recognition or when the effects of transactions or events should be recognized.

The government-wide, proprietary, fiduciary private purpose trust and custodial funds financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and an expense is recorded when a liability is incurred,

City of Long Beach
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For the Fiscal Year Ended September 30, 2023

regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met and if collection is expected within the next fiscal year.

The governmental funds financial statements are prepared on a current financial resources measurement focus and modified accrual basis of accounting. To conform to the modified accrual basis of accounting, certain modifications must be made to the accrual method. These modifications are outlined below:

- Revenue is recorded when it becomes both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, and except for reimbursement-basis government revenues that are recognized when earned and collected within a year, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Property taxes and taxpayer-assessed tax revenues (e.g., franchise taxes, sales taxes, business license taxes, etc.), net of estimated refunds and uncollectible amounts, and interest associated with the current fiscal period are all considered susceptible to accrual and have been recognized as revenues of the current fiscal period.
- An expenditure is recorded when the related liability is incurred. Principal and interest on long-term debt are recorded when payment is due.
- Expenditures are presented in functional categories such as general government and public safety. For the City, the amounts presented include an allocation of indirect costs.
- Disbursements for the purchase of capital assets providing future benefits are considered expenditures. Bond proceeds and financing through leases are reported as other financing sources.

With this measurement focus, operating statements present increases and decreases in net current assets and unrestricted fund balance that is either committed, assigned, or unassigned, as a measure of available spendable resources. This is the traditional basis of accounting for governmental funds and is the manner in which these funds are normally budgeted. This presentation is deemed most appropriate to demonstrate both legal compliance and how the City's actual revenues and expenditures conform to the annual budget. Since the governmental funds financial statements are presented on a different basis than the governmental activities column of the government-wide financial statements, a reconciliation is provided immediately following each fund statement. These reconciliations briefly explain the adjustments necessary to transform the fund financial statements into the governmental activities column of the government-wide financial statements.

The City reports the following major governmental and enterprise funds:

Major Governmental Funds

The *General Fund* is used to account for financial resources applicable to the general governmental operations of the City, which are not required to be accounted for in another fund.

The *General Capital Projects Fund* was established to account for the acquisition, construction, maintenance and improvement of facilities and infrastructure. These activities are financed by grants, bond proceeds, gasoline and voter approved transportation taxes, and operating transfers from other City funds.

The *Housing Assistance Special Revenue Fund* is used to account for programs administered by the City's Housing Authority under regulations of the U.S. Department of Housing and Urban Development (HUD).

City of Long Beach
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Major Enterprise Funds

The *Gas Utility Fund* is used to account for the activities associated with the transmission and distribution of natural gas to the City's customers by the Utilities Department. The Long Beach Financing Authority Gas Prepay Function is combined with the City's Gas Operating Function for the purpose of financial statement presentation.

The *Water Utility Fund* is used to account for the activities associated with the sourcing, purification, and delivery of water to the City's customers by the Utilities Department.

The *Tidelands Operating Fund* is used to account for operations, maintenance, and development of the beaches, marinas, Convention and Entertainment Center, Queen Mary, and the Aquarium of the Pacific.

The *Tideland Oil Revenue Fund* is used to account for the proceeds from oil operations within the City's tidelands area and related payments to the State Lands Commission.

The *Harbor Fund* is used to account for the operations and development of the tidelands area harbor district, commonly referred to as the Port of Long Beach (Harbor).

The City also reports the following other fund types:

Internal Service Funds account for a variety of services provided to other departments or agencies of the City on a cost-reimbursement basis. These services include civic center and related maintenance and financing, information technology, fleet services, workers' compensation, general liability, unemployment insurance, and employee benefits.

Fiduciary Funds include private trust and custodial funds. Private trust funds account for assets and activities restricted to a specific purpose in accordance with a trust agreement. These include the Miller Library and Mayor's Fund to End Homelessness, from which both principal and interest may be spent for the purposes outlined in the trusts. Custodial funds account for assets held by the City as an agent for individuals, private organizations, and other governmental units. The City's custodial funds include Los Cerritos Wetlands Authority, which holds land and cash for the protection and restoration of the Los Cerritos Wetlands area, and Special Assessment Districts that issue various debts for the benefit of Long Beach area property owners.

Amounts reported as program revenues include charges to customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, operating grants and contributions that are restricted to meeting the operational requirements of a particular function or segment, and capital grants and contributions, including special assessments, that are restricted to meeting the capital requirements of a particular function or segment. Internally dedicated resources, including all taxes, are reported as general revenues rather than as program revenues.

Business-type activities distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services along with producing and delivering goods in connection with a business-type activity's principal ongoing operations. The principal operating revenues of the City's business-type activities are charges for services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation/amortization on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

City of Long Beach
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City of Long Beach Investment Pool

The City pools the cash resources of its various funds into the City of Long Beach Investment Pool (Pool) to facilitate the management of cash and provide income through conservative investment activities.

The Pool's investments are designed to meet any demand for funding by using a combination of short-term on demand accounts and highly liquid investments. Interest income arising from pooled investments is apportioned to the participating funds based on the relationship of their respective daily cash balances to the total of pooled cash and investments.

One of the Pool's highly liquid investments is the Local Agency Investment Fund (LAIF), a money market like external investment pool. The fair value of the City's investment in the LAIF pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF, for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The City is a voluntary participant in the LAIF which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California.

Cash Equivalents

The governmental and business-type fund statements present all cash, cash equivalents, and investments as cash and cash equivalents regardless of their maturity. The government-wide statements do not present the Pool as a demand deposit account and thus all cash, cash equivalents, and investments with a maturity of less than 90 days of the statement of net position date are presented as cash. Cash equivalents and investments with a maturity between 90 days and one year of the statement of net position date, excluding those restricted for long-term purposes, are presented as investments, and all other cash equivalents and investments are presented as long-term investments.

Fair Value

Fair value is defined as the exchange price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction. The City categorizes investments and derivative instruments reported at fair value within the fair value hierarchy established by generally accepted accounting principles.

The hierarchy is based on the valuation inputs used to measure the fair value of the asset, as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs.

The City's investments, including the individual holdings of the Pool, are valued at fair value and consist primarily of U.S. Treasury Notes, Federal Agency Securities and units of the LAIF. See note 3 and note 11 to the basic financial statements for more information on the City's investments and derivative instruments, respectively.

Receivables and Payables

Activities between funds that represent lending/borrowing arrangements are referred to as either "due to/from other funds" for the current portion of interfund loans or "advances to/from other funds" for the non-current portion of interfund loans. Any residual balances between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable, available financial resources. Trade and property tax receivables are shown net of any provisions for uncollectible accounts.

For the purposes of the fund financial statements, the governmental funds expenditures relating to long-term loans arising from loan subsidy programs are charged to operations upon funding and the loans are recorded, net of an estimated allowance for potentially uncollectible loans, with an offset to a deferred inflow of resources. For purposes of the government-wide financial statements, long-term loans are not offset by deferred inflows of resources.

Inventories and Prepaid Items

Inventory and supplies are accounted for using the consumption method and are stated at average cost, applied on a first-in, first-out basis. They are accounted for as expenditures at the time of purchase and reported in governmental funds as an asset with an offsetting nonspendable fund balance amount. Proprietary fund types are carried at average cost and are expended when consumed. Prepaid items reflect payments for costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements, with expenditures/ expenses recorded when consumed. Inventories and prepaid items recorded in the governmental funds are not in spendable form and thus, an equivalent portion of fund balance is reported as nonspendable.

Capital Assets

Capital assets include property, plant, equipment, right-to-use assets, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and are reported in the applicable governmental or business-type activities columns in the accompanying government-wide financial statements.

The City defines capital assets as items with an initial, individual cost of more than ten thousand dollars (five thousand dollars for grant-funded assets) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Right-to-use assets are defined as subscriptions or leased assets with a useful life of more than one year and are recorded at the present value of future subscription/lease payments, including expenses to place the asset into service. Donated capital assets and donated works of art and similar items are recorded at acquisition value (an entry price) at the date of donation. The costs of normal maintenance and repairs that do not add to the value or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest costs incurred during the construction phase of capital assets of business-type activities are included as part of the capitalized value of the constructed asset.

Capital assets of the primary government are depreciated/amortized on a straight-line basis, over the estimated useful lives of the assets, as follows:

Land Improvements	15 - 35 years
Buildings and Utility Plant	20 - 50 years
Structures and Facilities	10 - 35 years
Infrastructure	20 - 50 years
Automobiles	2 - 6 years
Automotive Equipment	10 - 20 years
Software, Machinery and Equipment	5 - 20 years
Office Furniture, Fixtures, and Equipment	3 - 20 years
Patent	20 years
Right-to-Use Assets	Shorter of the leased/subscription asset's useful life or the lease/subscription term.

City of Long Beach
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Land parcels held for resale are recorded at the lower of cost or estimated net realizable value, and are adjusted for estimated declines in fair value. All land held for resale by the Successor Agency is valued at \$0 as the proceeds from the sale of this land are remitted to the County for distribution to various agencies including the City.

Lease Receivables

The City is a lessor for noncancellable leases of land and buildings. The City recognizes a lease receivable and a corresponding deferred inflow of resources in the Government-wide, Governmental, and Proprietary Fund financial statements.

At the commencement of a lease, the City measures the lease receivable at the present value of payments expected to be received over the course of the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the lease term.

Key estimates and judgments related to leases in which the City is lessor are as follows:

- The City uses its estimated implicit rate or incremental borrowing rate as the discount rate for leases, whichever is applicable. The present values of the lease payments were calculated using discount rates of 1.34% to 5.00% applicable for the term of each lease agreement.
- The lease term includes the noncancellable period of the lease.
- Projected lease revenues included in the measurement of the lease receivable are comprised of fixed payments required per the lease terms.
- Extension options are included in the lease term unless it is reasonably certain that they will not be exercised.
- Leases with rent payments that depend on an index or rate, such as the Consumer Price Index or market rate, are initially measured using the index or rate as of the commencement of the lease term.
- Leases with periodic percentage rent increases or flat rate rent increases that are specified in the lease terms are included in the measurement of the lease receivable.

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

Lease Payable and Subscription-Based Information Technology Arrangements (SBITA)

The City is a lessee for various noncancellable leases of buildings and equipment. The City is also a subscriber of certain subscription-based information technology arrangements (SBITAs). In each case, the City recognizes both a liability and an intangible right-to-use asset in the Government-Wide, Proprietary, and Fiduciary Fund financial statements.

At the commencement of a lease contract or SBITA, the City initially measures the liability at the present value of payments expected to be made over the course of the contract or subscription term. Subsequently, the liability is reduced by the principal portion of lease or subscription payments made. The lease and SBITA right-to-use assets are measured as the initial amount of the lease or SBITA liability, adjusted for any payments made at or before the contract commencement date, plus certain initial direct costs. Subsequently, the right-to-use asset is amortized on a straight-line basis over the lease contract or subscription term.

City of Long Beach
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Key estimates and judgments related to leases in which the City is a lessee and subscriber of a SBITA are as follows:

- The City uses its estimated implicit rate or incremental borrowing rate as the discount rate for leases and subscriptions, whichever is applicable. The present values of the subscription and lease payments were calculated using discount rates of 3.10% to 3.24% and 4.18% to 5.00% applicable for the term of each subscription and lease agreement, respectively.
- The lease and subscription term includes the noncancellable period of the contract plus all available extension options, unless it is reasonably certain they will not be exercised.
- Projected lease or subscription payments included in the measurement of the subscription right-to-use asset are comprised of fixed payments required per the contract terms.
- Lease contracts or subscriptions with payments that depend on an index or rate, such as the Consumer Price Index or current market rate, are initially measured using the index or rate as of the commencement of the contract term.
- Lease contracts or subscriptions with periodic percentage payment increases or flat rate payment increases that are specified in the contract terms are included in the measurement of the liability.

The City monitors changes in circumstances that would require a remeasurement of its leases or SBITAs and will remeasure the right-to-use assets and liabilities if certain changes occur that are expected to significantly affect the amount of the liabilities.

Long-Term Obligations

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable statement of net position. Initial-issue bond premiums and discounts are amortized using the effective-interest-rate method. Bonds payable are reported net of the unamortized portion of applicable premium, discount, and gain or loss on refunding. Bond issuance costs, including underwriters' discount, are expensed during the period issued. Amortization of bond premiums or discounts, and the gain or loss on refunding are generally included in interest expense unless otherwise noted.

In the City's governmental fund statements bond premiums, discounts, and issuance costs are recognized during the period the debt is issued. The face amount of debt issued has been reported as other financing sources. Premiums received are reported as other financing sources, while discounts are reported as other financing uses. Issuance costs are reported as debt service expenditures.

Pensions

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

Pension liabilities are being funded over time through burden rates, applied as a percentage of current pensionable salaries, and charged to the various City funds including governmental funds.

City of Long Beach
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Employee Benefits, Compensated Absences and Termination Benefits

Historically, benefits for City employees have been paid and compensated leave balances at year-end have been reported in the City's Employee Benefits Internal Service Fund (EBF). Vacation and holiday benefits are recognized when earned. The City's accounting policy is to report the compensated leave balances of the City employees in the government-wide financial statements for reporting consistency of governmental funds long-term employee benefits.

For the fiscal year ended September 30, 2023, a proprietary fund liability is accrued for leave benefits in the respective fund's statement of net position. The City's policy is to pay all accumulated vacation and holiday pay when an employee retires or terminates. Beginning August 1, 2007, management employees, upon retirement, may have 75 percent of their outstanding vacation leave converted to sick leave. The City also allows retirees the option of purchasing additional pension benefits from CalPERS with their unused sick leave balances.

The City makes annual contributions in varying amounts to deferred compensation plans for certain employee groups who serve in sensitive, confidential capacities. No other City employees received such benefit.

Accumulated sick leave becomes vested only when an employee meets the City's minimum requirements for retirement. Accumulated sick leave is forfeited upon termination for reasons other than retirement. In accordance with the City's Personnel Ordinance, upon retirement from the City, the City allows retirees, their spouses, and eligible dependents to use the cash value at retirement of the retiring employee's accumulated unused sick leave to pay for health, dental, and long-term care insurance premiums until such time as the unused sick leave is exhausted.

The conversion of unused sick leave for postemployment benefits is reflected as accrued compensated absences benefits and accrued as other post-employment benefits (OPEB) liability in the accompanying financial statements. The employee benefits and OPEB liability of \$32.7 million associated with governmental funds will be reported within the government-wide financial statements. These liabilities are being funded over time through burden rates, applied as a percentage of current productive salaries, and charged to the various City funds.

As of September 30, 2023, the City has recorded compensated absence and OPEB liabilities in the following categories and funds (in thousands):

<i>Recorded In</i>	<i>Reported in Fund Financial Statements as</i>			
	<i>Compensated Absences</i>		<i>Total OPEB</i>	
	<i>Vacation</i>	<i>Sick</i>	<i>Liability</i>	<i>Total</i>
<i>IS Funds</i>	\$ 6,702	\$ 9,980	\$ 2,780	\$ 19,462
<i>Enterprise Funds</i>	17,235	41,829	11,660	70,724
Total	\$ 23,937	\$ 51,809	\$ 14,440	\$ 90,186

<i>Recorded In</i>	<i>Reported In Government-wide Financial Statements as</i>			
	<i>Employee Benefits</i>		<i>Total OPEB</i>	
	<i>Vacation</i>	<i>Sick</i>	<i>Liability</i>	<i>Total</i>
<i>Governmental Activities</i>	\$ 55,183	\$ 127,436	\$ 35,522	\$ 218,141
<i>Business-Type Activities</i>	17,235	41,829	11,660	70,724
Total	\$ 72,418	\$ 169,265	\$ 47,182	\$ 288,865

City of Long Beach
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Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods.

Specific disclosures of items representing deferred outflows and deferred inflows of resources can be found in Note 22 to the basic financial statements.

Net Position and Fund Balance

In the government-wide financial statements and proprietary fund financial statements, net position is reported in three categories: net investment in capital assets; restricted net position; and unrestricted net position. Restricted net position represents amounts restricted by parties outside of the City, such as creditors, grantors, or laws and regulations of other governments. Nonexpendable portions of the private-purpose trust funds are reported as held in trust. All other net position is considered unrestricted. When both the restricted and unrestricted components of net position are available, restricted resources are used first and then unrestricted resources are used to the extent necessary. At September 30, 2023, the restricted net position balances were \$602.4 million and \$349.3 million for governmental activities and business type activities, respectively.

Fund balance reported in governmental funds is calculated as assets and deferred outflows of resources less liabilities and deferred inflows of resources. There are five categories of fund balances, each of which is based upon the extent to which the City is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The fund balances reported on the governmental fund statements consist of the following categories:

<i>Classification</i>	<i>Definition</i>	<i>Examples</i>
Nonspendable	Amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.	1. Inventories, prepaid items, long-term receivables, and permanent principal of endowment funds.
Restricted	Fund balance should be reported as restricted when constraints placed on the use of resources are either (a) Externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) Imposed by law through constitutional provisions or enabling legislation.	1. Restricted by state statute; 2. Unspent bond proceeds; 3. Grants earned but not spent; 4. Debt covenants; 5. Taxes dedicated to a specific purpose; 6. Revenues restricted by enabling legislation.
Unrestricted	Committed	Used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority.
	Assigned	Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed.
	Unassigned	Unassigned fund balance is the residual classification for the General Fund. This is fund balance that has not been reported in any other classification. The General Fund is the only fund that can report a positive unassigned fund balance. Other governmental funds would report deficit fund balances as unassigned.

Committed fund balance classifications may be created by formal action of the City Council through either adopted resolution or ordinance. Commitments can be modified or rescinded through the same formal action that created the commitment. Both of these actions are binding upon the City.

City of Long Beach
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Consistent with the City's adopted Fund Balance Policy, assignments may be designated for a purpose by the City Council or, if delegated, the Council's designee who, for the purpose of this disclosure, is the City Manager. It is a policy goal of the City Council to maintain an overall unrestricted fund balance of no less than two months or 16.7 percent of General Fund ongoing operating expenditures, including transfers. This percentage includes committed, assigned, and unassigned balances.

When expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) fund balances are available, the City's policy is to apply restricted fund balance first. When expenditures are incurred for purposes for which committed, assigned, or unassigned fund balances are available, the City's policy is to apply committed fund balance first, then assigned fund balance, and finally unassigned fund balance.

Property Tax Calendar

Under the State Constitution, the property tax rate is limited to one percent of assessed value, but may be adjusted for specific voter-approved indebtedness. Property taxes are levied by the Los Angeles County (County) Tax Assessor and shared among all other local taxing authorities within the City. Accordingly, the County collects property taxes and distributes such taxes on the basis of the taxing authorities' tax rate percentages, allowing for adjustments as authorized for voter-approved debt.

Secured property taxes are levied during September of every year and become a lien on real property on January 1 of the calendar year for which taxes are levied. These tax payments can be made in two equal installments: the first is due November 1st and the second is due February 1st. The City recognizes property tax receivable when levied and defers the portion that is neither intended nor available to finance current year expenditures.

Budgetary Principles

The City Council adopted the fiscal year 2023 budget prior to October 1, 2022 for all funds except for fiduciary funds. The City Council may amend the budget by motion during the fiscal year. The City Manager may transfer appropriations within the departments or within a given fund, provided that the total appropriations at the fund level and at the department level do not change. Transfers of appropriation between funds or departments require City Council approval. Unencumbered appropriations lapse at the end of the fiscal year.

Budgeted appropriations are presented in the accompanying financial statements on a non-GAAP accrual plus encumbrances budgetary basis with the exception of transactions related to long-term debt, which are recorded on a cash basis. Budgeted revenues are presented on a GAAP based budgetary basis as revenues are recognized when they become measurable, available and earned. Total expenditures may not exceed fund appropriations, and total expenditures for each department may not exceed departmental appropriations. For budgetary purposes, the City records an encumbrance as a charge against appropriations in the accounting period in which a purchase order is issued, rather than in the accounting period when goods or services are received.

Implementation of New Accounting Pronouncements

The City applies all Governmental Accounting Standards Board (GASB) Statements and Interpretations. Application of the following Statements was effective for the City's fiscal year ended September 30, 2023:

In March of 2020, GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objective of this Statement is to address the accounting and financial reporting implications that result

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

from the replacement of an InterBank Offered Rate. Application of this Statement did not have a material impact to the City's financial statements for the fiscal year ended September 30, 2023.

In March of 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements. Application of this Statement did not have a material impact to the City's financial statements for the fiscal year ended September 30, 2023.

In May of 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. As a result of the implementation of GASB Statement No. 96, capital assets and long-term liabilities as of September 30, 2023 were each restated by \$10.5 million, with no impact to beginning net position.

In April 2022, GASB issued Statement No. 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The City implemented GASB Statement No. 99 for the requirements related to leases, Public-Private Partnerships (PPPs), and Subscription-Based Information Technology Arrangements (SBITAs) and application of this Statement did not have a material impact to the City's financial statements for the fiscal year ended September 30, 2023.

The City is currently analyzing its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

In April 2022, GASB issued Statement No. 99, *Omnibus 2022*. This Statement is effective for the City's fiscal year ending September 30, 2024 for the requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement No. 53.

In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections – an Amendment of GASB Statement No. 62*. This Statement is effective for the City's fiscal year ending September 30, 2024.

In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*. This Statement is effective for the City's fiscal year ending September 30, 2025.

Estimates

The preparation of the City's basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

NOTE 3 – CASH AND INVESTMENTS

Cash and investments as of September 30, 2023 are classified in the accompanying financial statements as follows (in thousands):

Cash and Investments

Pooled cash and investments	\$ 2,160,562
Non-pooled cash and investments	173,774
Total cash and investments	\$ 2,334,336

Cash and investments as of September 30, 2023 consist of the following:

Cash and deposits	\$ 46,455
Investments	2,287,881
Total cash and investments	\$ 2,334,336

A breakdown of cash, cash equivalents, and investments between the basic financial statements and the fair value of the investment portfolio at September 30, 2023 is as follows (in thousands):

	<i>Governmental Activities</i>	<i>Business-type Activities</i>	<i>Fiduciary Funds</i>	<i>Total</i>
Pooled Cash and Cash Equivalents	\$ 101,205	\$ 200,724	\$ 11,592	\$ 313,521
Non-Pooled Cash and Cash Equivalents	106,588	20,868	10,493	137,949
Pooled Investments	191,391	379,591	-	570,982
Noncurrent Pooled Investments	427,730	848,329	-	1,276,059
Restricted Assets:				
Non-Pooled Investments	-	35,825	-	35,825
Total Cash and Investments	\$ 826,914	\$ 1,485,337	\$ 22,085	\$ 2,334,336

Investments Authorized by Debt Agreements

Investments of debt proceeds held by bond trustees are governed by provisions of the debt agreements and authorized by the City Council.

Investments with Fair Values Highly Sensitive to Interest Rate Risk

The City had no investments that were highly sensitive to market interest rate changes as of September 30, 2023. Highly sensitive investments are investments whose sensitivity to market interest rate fluctuations are not fully addressed by use of one of the five methods for reporting interest rate risk.

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

The table on the following page identifies the investment types that are authorized by the City's investment policy for the City’s Investment Pool. The table also identifies certain provisions of the City's investment policy that address interest rate risk, credit risk, and concentration of credit risk. This table does not include debt proceeds held by bond trustees that are governed by the provisions of debt agreements.

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

<i>Authorized Investment Type</i>	<i>Maximum Maturity</i>	<i>Maximum Percentage of Portfolio</i>	<i>Maximum Investment in One Issuer</i>
Bonds Issued by the City	5 years *	30%	None
U.S. Treasury Notes, Bonds, or Bills	5 years *	None	None
Registered State Warrants, Treasury Notes, or Bonds of the state of California	5 years *	30%	None
Local Agency Bonds	5 years *	30%	None
Federal Agency Securities	5 years *	None	None
Bankers' Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	5%
Negotiable Certificates of Deposit	5 years *	30%	10%
Time Certificates of Deposit	5 years *	100%	10%
Repurchase Agreements	90 days	100%	None
Reverse Repurchase Agreements	92 days	20%	None
Securities Lending Program	92 days	20%	None
Medium-Term Notes	5 years *	30%	5%
Money Market Mutual Funds	N/A	20%	20%
Local Agency Investment Fund (LAIF) (per account)	N/A	None	\$75 million
Asset-Backed Securities	5 years	20%	None
Mortgage-Backed Securities	5 years	20%	None
Supranational Bonds	5 years	30%	5%

* Maximum maturity of five (5) years unless a longer maturity is approved by the City Council, either specifically or as part of an investment program, at least three (3) months prior to purchase.

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. The City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and timing cash flows from maturities so that a near-level portion of the portfolio is maturing or coming closer to maturity over time to provide the cash flow and liquidity needed for operations.

At September 30, 2023, the weighted average maturity in years for the City's pooled investments was 1.93 years. The following schedule indicates the interest rate risk of the City's investments as of September 30, 2023 (in thousands):

<i>Investment Type</i>	<i>Fair Value</i>	<i>Weighted Average Maturity (in years)</i>
Pooled Cash and Investments		
Money market mutual funds	\$ 125,295	-
U.S. Treasury notes	1,186,345	1.46
Federal agency securities	629,679	2.42
Corporate notes	185,302	3.30
Local Agency Investment Fund (LAIF)	348	1.00
Subtotal Pooled Cash and Investments	<u>2,126,969</u>	
Cash and deposits	33,593	N/A
Total Pooled Cash and Investments	<u>\$ 2,160,562</u>	
Non-Pooled Cash And Investments		
Money market mutual funds	\$ 125,087	-
U.S. Treasury notes	4,335	1.66
Guaranteed Investment Contracts (GIC)	31,490	14.14
Subtotal Non-Pooled Cash And Investments	<u>160,912</u>	
Cash and deposits	12,862	N/A
Total Non-Pooled Cash And Investments	<u>\$ 173,774</u>	

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

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. The minimum rating requirements for commercial paper, asset-backed securities, and medium-term notes is an A rating. Mortgage-backed security issuers must have a minimum AAA rating. State Warrants, State Treasury Notes, or bonds of the State are to be rated at a minimum of A1 / SP-1 for short-term investments and Aa/AA for long-term investments.

The following are the actual ratings as of September 30, 2023 for each investment type (in thousands):

<i>Rating as of Year End</i>						
<i>Investment Type</i>	<i>Minimum Legal Rating</i>	<i>Total</i>	<i>A-/A/A+</i>	<i>AA-/AA/AA+</i>	<i>AAA</i>	<i>Unrated</i>
Pooled cash and investments						
Money market mutual funds	N/A	\$ 125,295	\$ -	\$ 125,295	\$ -	\$ -
U.S. Treasury notes	N/A	1,186,345	-	1,186,345	-	-
Federal agency securities	N/A	629,679	-	629,679	-	-
Corporate notes	N/A	185,302	66,083	82,958	36,261	-
Local Agency Investment Fund (LAIF)	N/A	348	-	-	-	348
Total pooled investments		\$ 2,126,969	\$ 66,083	\$ 2,024,277	\$ 36,261	\$ 348
Non-pooled cash and investments						
Money market mutual funds	N/A	\$ 125,087	\$ -	\$ -	\$ -	\$ 125,087
U.S. Treasury notes	N/A	4,335	-	4,335	-	-
Guaranteed Investment Contracts (GIC)	N/A	31,490	-	-	-	31,490
Total non-pooled investments		\$ 160,912	\$ -	\$ 4,335	\$ -	\$ 156,577

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. Investments in any one issuer that represent five percent or more of the Pool are as follows (in thousands):

<i>Issuer</i>	<i>Investment Type</i>	<i>Reported Amount</i>
Federal Farm Credit Bank	Federal agency securities	\$ 124,771
Federal Home Loan Bank	Federal agency securities	214,855
Federal Home Loan Mtg Corp	Federal agency securities	216,652

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits. The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

(unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits. All securities owned by the City are deposited in trust for safekeeping with a custodial bank different from the City's primary bank.

As of September 30, 2023, the City reported deposits of \$62.6 million, collateralized in compliance with California Government Code, \$16.1 million for checks outstanding.

Fair Value Hierarchy

The City has the following recurring fair value measurements as of September 30, 2023:

- U.S. Treasury Notes totaling \$1,190.6 million, Federal Agency Securities totaling \$629.7 million, and Corporate Notes totaling \$185.3 million are classified in Level 2 of the fair value hierarchy, as the valuation uses a market-based model which considers yield, price of comparable securities, coupon rate, maturity, credit quality and dealer-provided prices. These prices are obtained from various pricing sources by the City's custodian bank.
- Local Agency Investment Funds (LAIF) totaling \$348 thousand is measured at fair value, however, the investment is not subject to the fair value hierarchy.
- Money Market Funds and Guaranteed Investment Contracts totaling \$250.4 million and \$31.5 million, respectively, are not subject to the fair value hierarchy as the investments are reported at amortized cost and contract value, respectively.

The following table categorizes the City's investments within the fair value hierarchy as of September 30, 2023 (in thousands):

<i>Investments at Fair Value Level</i>	<i>Total</i>	<i>Fair Value Measurement</i>		
		<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>
Debt Securities				
U.S. Treasury notes	\$ 1,190,680	\$ -	\$ 1,190,680	\$ -
Federal agency securities	629,679	-	629,679	-
Corporate Notes	185,302	-	185,302	-
Total investments at fair value	2,005,661	<u>\$ -</u>	<u>\$ 2,005,661</u>	<u>\$ -</u>
<i>Other Investments at Fair Value</i>				
Local Agency Investment Fund (LAIF)	348			
<i>Other Investments at Cost or Contract Value</i>				
Money market mutual funds	250,382			
Guaranteed investment contracts	31,490			
Total investments	<u>\$ 2,287,881</u>			

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

NOTE 4 – RECEIVABLES

The City’s receivables are comprised mainly of property taxes receivable, accounts receivable, due from other governments, lease receivable, and other noncurrent receivables. Governmental activities interest receivable in the Statement of Net Position includes \$168 thousand in federal interest subsidies of the Agency’s Build America and Recovery Zone Economic Development Bonds. All receivables are expected to be collected within one year except for delinquent property taxes, lease receivable and other noncurrent receivables.

Receivables at September 30, 2023 for the City’s individual major funds, nonmajor and internal service funds in the aggregate, including applicable allowances for uncollectible accounts, are as follows (in thousands):

	<i>General Fund</i>	<i>General Capital Projects</i>	<i>Housing Assistance Special Revenue</i>	<i>Nonmajor Governmental Funds</i>	<i>Internal Service Funds</i>	<i>Total</i>
Governmental Activities:						
Receivables:						
Interest Receivable ¹	\$ 636	\$ -	\$ -	\$ 4	\$ -	\$ 640
Property Taxes Receivable	126,172	-	-	-	-	126,172
Accounts Receivable	47,831	227	255	5,443	1,215	54,971
Due from Other Governments	34,275	41,410	3,124	66,063	-	144,872
Lease Receivable	138,962	-	-	2,828	-	141,790
Other Noncurrent Receivables	-	-	-	236,592	-	236,592
Total Receivables	347,876	41,637	3,379	310,930	1,215	705,037
Less: Allowance for Receivables	(9,517)	(77)	(199)	(5,705)	(16)	(15,514)
Net Receivables	<u>\$ 338,359</u>	<u>\$ 41,560</u>	<u>\$ 3,180</u>	<u>\$ 305,225</u>	<u>\$ 1,199</u>	<u>\$ 689,523</u>

¹ Excludes \$168 thousand for Build America Subsidy

	<i>Gas Utility</i>	<i>Water Utility</i>	<i>Tidelands Operating</i>	<i>Tideland Oil Revenue</i>	<i>Harbor</i>	<i>Nonmajor Proprietary Funds</i>	<i>Total</i>
Business-type Activities:							
Receivables:							
Interest Receivable	\$ -	\$ -	\$ 820	\$ -	\$ -	\$ 6	\$ 826
Accounts Receivable	20,417	10,856	7,619	25,711	106,913	21,298	192,814
Due from Other Governments	-	1,764	823	-	79,099	10,116	91,802
Lease Receivable	-	1,903	124,383	-	-	2,503	128,789
Other Noncurrent Receivables	-	-	-	-	15,577	-	15,577
Total Receivables	20,417	14,523	133,645	25,711	201,589	33,923	429,808
Less: Allowance for Receivables	(7,854)	(859)	(2,152)	-	(3,042)	(6,785)	(20,692)
Net Receivables	<u>\$12,563</u>	<u>\$13,664</u>	<u>\$ 131,493</u>	<u>\$ 25,711</u>	<u>\$ 198,547</u>	<u>\$27,138</u>	<u>\$ 409,116</u>

Lease receivable amount represents various lease agreements as described in Note 10 to the basic financial statements.

Other noncurrent receivables had a balance of \$236.6 million for governmental funds as of September 30, 2023. This amount primarily consists of \$146.6 million for Home Investments Partnerships Program (HOME) loan program reimbursements from the Department of Housing and Urban Development (HUD) and \$82.1 million for Community Development Block Grant (CDBG) loan distribution from developers.

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

NOTE 5 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of September 30, 2023 is as follows (in thousands):

	<i>Receivable - Due From Other Funds:</i>				
	<i>General</i>	<i>General Capital Projects</i>	<i>Nonmajor Governmental Funds</i>	<i>Gas Utility</i>	<i>Water Utility</i>
<i>Payable - Due To Other Funds:</i>					
General	\$ -	\$ 21	\$ 782	\$ -	\$ -
General Capital Projects	550	-	-	-	-
Housing Assistance Special Revenue	-	-	-	-	-
Nonmajor Governmental	17,868	1,354	257	15	14
Gas Utility	20,718	421	-	-	-
Water Utility	547	-	8	7,000	-
Tidelands Operating	347	-	-	-	-
Tideland Oil Revenue	27	-	-	-	-
Harbor	6,769	46	796	-	642
Nonmajor Proprietary	199	48	-	-	-
Internal Service	1,136	-	381	-	-
Total	\$ 48,161	\$ 1,890	\$ 2,224	\$ 7,015	\$ 656

	<i>Receivable - Due From Other Funds:</i>					<i>Total</i>
	<i>Tidelands Operating</i>	<i>Tideland Oil Revenue</i>	<i>Harbor</i>	<i>Nonmajor Proprietary Funds</i>	<i>Internal Service Funds</i>	
<i>Payable - Due To Other Funds:</i>						
General	\$ 1	\$ -	\$ -	\$ 16	\$ 7,457	\$ 8,277
General Capital Projects	-	-	-	-	177	727
Housing Assistance Special Revenue	-	-	-	-	107	107
Nonmajor Governmental	-	-	768	7	1,607	21,890
Gas Utility	-	-	-	2	562	21,703
Water Utility	-	-	-	2,000	453	10,008
Tidelands Operating	-	-	-	-	480	827
Tideland Oil Revenue	-	-	-	-	69	96
Harbor	33,541	1	-	35	5,156	46,986
Nonmajor Proprietary	-	-	-	-	835	1,082
Internal Service	-	-	-	1,614	3,283	6,414
Total	\$ 33,542	\$ 1	\$ 768	\$ 3,674	\$ 20,186	\$118,117

	<i>Receivable - Advances To Other Funds:</i>				
	<i>Nonmajor Governmental Funds</i>		<i>Internal Service</i>		<i>Total</i>
	<i>Funds</i>	<i>Harbor</i>	<i>Service</i>	<i>Total</i>	
<i>Payable - Advances From Other Funds:</i>					
General	\$ -	\$ -	\$21,832	\$ -	\$ 21,832
Nonmajor Governmental	3,809	-	-	-	3,809
Tidelands Operating	-	6,347	-	-	6,347
Harbor	-	-	3,087	-	3,087
Total	\$ 3,809	\$6,347	\$24,919	\$ -	\$ 35,075

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

Due to / Due from Other Funds

The General Fund has provided \$17.9 million to various grant funds to cover operating expenses prior to receipt of reimbursements, with the largest amount owed by the Health Fund as a result of pending reimbursements from the Federal Emergency Management Agency (FEMA) for COVID-19 costs.

The General Fund recorded a total amount due from the Gas Utility Fund of \$20.7 million, that will be paid in the subsequent fiscal year. Of this amount, \$13.8 million is for the voter approved Utility Revenue Charter Amendment (Measure M), that provides an annual payment of funds to the General Fund at a maximum 12% of audited annual gross revenue. An additional \$6.0 million pertains to the share of a property purchase that will provide additional office space for the department.

The City, under authority of the City Charter Chapter XII, Section 1209(c)(4), and with the approval of the Board of Harbor Commissioners, adopted a resolution to transfer 5 percent of the Harbor operating revenues to the Tidelands Operating Fund. The amount accrued for the Harbor's 2023 operating revenues is \$33.5 million and will be paid in fiscal year 2024.

The General Fund recorded a total due to Internal Service Funds of \$7.5 million. This amount pertains to wages and benefits accrued at fiscal year-end in the Employee Benefits Fund to be reimbursed by the General Fund in the subsequent fiscal period.

Advances to/from Other Funds

Advances to/from other funds have been recorded for amounts that will be repaid usually with interest over an extended period of time.

In fiscal year 2001, the Housing Development Fund entered into a \$4.0 million zero interest loan agreement with the Community Development Grants Fund for the acquisition of 26 parcels of land for low and very low-income affordable rental housing. The Housing Fund is required to make principal payments using 25 percent of the proceeds from repayments of promissory notes from the developer. Any remaining balance of the promissory note owed on April 1, 2034 shall be immediately due and payable. The outstanding balance is \$3.8 million at September 30, 2023.

In fiscal year 2020, the City identified paid time off amounts paid in prior years by the Employee Benefits Fund on behalf of Harbor Fund employees. Repayment for these costs by the Harbor Fund will be over a ten-year period. The balance outstanding as of September 30, 2023 is \$5.1 million, of which \$3.1 million is long-term and \$2.0 million is current.

In fiscal year 2022, the Fleet Services Fund entered into a loan with the General Fund in the amount of \$21.8 million, for the General Fund to reimburse the Water Fund \$21.8 million pursuant to the outcome of Measure M litigation. The term of the interfund loan is 10 years with an interest only payment in the amount of \$436 thousand in fiscal year 2023, and both principal and interest payments beginning in fiscal year 2024. Annual principal payments from fiscal year 2024 through 2032 will be \$2.4 million, payable on the anniversary date of the loan. The General Fund will pay simple interest to the Fleet Services Fund based on the rate earned by the pooled cash investment portfolio.

In fiscal year 2023, the Tidelands Operating Fund and Harbor Fund entered into an agreement for the Harbor to provide funding for operating and capital needs of the Queen Mary, whereby the Harbor Fund will advance a total of \$12.0 million over a three-year period. Per the agreement, the City transferred identified oil operations areas to the Harbor for potential leases for port-related activities. For fiscal year 2023, the amount advanced was \$6.3 million. Repayment of payment and interest will occur through the Harbor's use of the City's share of new lease generated net revenue.

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

Interfund Transfers

The City regularly executes transfers from one fund to another, such as for the reimbursement of services. At September 30, 2023, interfund transfers are as follows (in thousands):

	<i>Transfers In:</i>							<i>Total Transfers Out</i>
	<i>General Capital Projects</i>	<i>Nonmajor Governmental Funds</i>	<i>Gas Utility</i>	<i>Tidelands Operating</i>	<i>Harbor</i>	<i>Internal Service Funds</i>	<i>General</i>	
<i>Transfers Out:</i>								
General	\$ -	\$ 54,429	\$ 8,707	\$ 2,186	\$ 1,598	\$ -	\$ 62,911	\$ 129,831
General Capital Projects	190	-	-	-	-	-	703	893
Nonmajor Governmental	46,201	64,308	3,226	8	-	17	612	114,372
Gas Utility	19,817	1,301	50	-	-	-	-	21,168
Tidelands Oil Revenue	-	-	-	-	24,953	-	-	24,953
Harbor	128	743	1,405	-	25,770	-	-	28,046
Nonmajor Proprietary	-	351	66	-	-	-	120	537
Internal Service Funds	2,239	104	-	-	-	-	-	2,343
<i>Total Transfers In</i>	<u>\$ 68,575</u>	<u>\$ 121,236</u>	<u>\$ 13,454</u>	<u>\$ 2,194</u>	<u>\$ 52,321</u>	<u>\$ 17</u>	<u>\$ 64,346</u>	<u>\$ 322,143</u>

Significant transfers include the following:

The General Fund transferred \$54.4 million to the General Capital Projects funds to fund various capital projects. Of this amount, \$42.1 million was City Measure A funds.

The General Fund transferred a total of \$8.7 million to non-major governmental funds in fiscal year 2023. Of this amount, \$5.9 million was transferred to the General Debt Service Fund for debt service payments and fiscal agent fees.

The General Fund reported a transfer of \$62.9 million to the Internal Service Funds. Of this amount, \$56.3 million was transferred to the Employee Benefits Fund for pension unfunded liability payments, which was entirely offset by reduced pension expenditures to departments.

Non-major Governmental Funds transferred \$46.2 million to the General Fund. Of this amount, \$19.9 million was transferred from the General Grants Fund for the purchase of property for the Homekey project, and \$21.2 million was transferred from the Debt Service Fund for purchase of property that will provide additional office space for City Departments. The Debt Service Fund also transferred \$60.3 million to the General Capital Projects Fund to provide bond proceeds for various infrastructure projects.

The Harbor transferred \$25.8 million to the Tidelands Operating Fund as allowed by the City Charter.

The Tidelands Oil Revenue Fund transferred \$25.0 million under the optimized water flood program to the Tidelands Operating Fund.

The Gas Utility Fund reported a transfer of \$19.8 million to the General Fund. Of this amount, \$13.8 million was transferred in compliance with the voter approved Utility Revenue Charter Amendment (Measure M). This amendment authorized the annual payment of funds to the General Fund, provided that the maximum amount does not exceed 12% of audited annual gross revenue. An additional \$6.0 million was transferred from the Gas Utility for its share of a property purchase that will provide additional office space for the department.

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

NOTE 6 – CAPITAL ASSETS

Capital asset activity for governmental activity for the year ended September 30, 2023 is as follows (in thousands):

<u>Governmental Activities:</u>	<i>Balance at October 1, 2022</i>	<i>Increase</i>	<i>Decrease</i>	<i>Transfers</i>	<i>Balance at September 30 2023</i>
Capital Assets not being Depreciated/Amortized:					
Land	\$ 223,449	\$ 9,772	\$ (6,300)	\$ -	\$ 226,921
Rights-of-way	81,340	-	-	-	81,340
Construction In Progress	74,519	35,021	-	(25,730)	83,810
Total Capital Assets not being Depreciated/Amortized	<u>379,308</u>	<u>44,793</u>	<u>(6,300)</u>	<u>(25,730)</u>	<u>392,071</u>
Capital Assets being Depreciated/Amortized:					
Buildings	588,563	35,085	(18,261)	15,685	621,072
Improvements Other than Buildings	158,728	100	(1,900)	25,730	182,658
Infrastructure	430,415	-	-	-	430,415
Machinery and Equipment	97,969	16,077	(1,550)	-	112,496
Vehicles and Aircraft	147,611	13,868	(2,924)	(1,087)	157,468
Software and Patents	37,809	1,695	(34)	-	39,470
Right- to-Use Assets:					
Building	-	22,216	-	-	22,216
SBITA ⁽¹⁾	8,204	122	-	-	8,326
Total Capital Assets being Depreciated/Amortized	<u>1,469,299</u>	<u>89,163</u>	<u>(24,669)</u>	<u>40,328</u>	<u>1,574,121</u>
Less Accumulated Depreciation/Amortization for:					
Buildings	(169,943)	(14,366)	10,421	(311)	(174,199)
Improvements Other than Buildings	(97,369)	(9,697)	1,900	-	(105,166)
Infrastructure	(374,545)	(7,939)	-	-	(382,484)
Machinery and Equipment	(62,170)	(10,304)	1,549	-	(70,925)
Vehicles and Aircraft	(90,542)	(13,042)	2,876	-	(100,708)
Software and Patents	(21,012)	(1,776)	34	-	(22,754)
Right- to-Use Assets:					
Building	-	(7,091)	-	-	(7,091)
SBITA	-	(2,947)	-	-	(2,947)
Total Accumulated Depreciation/Amortization	<u>(815,581)</u>	<u>(67,162)</u>	<u>16,780</u>	<u>(311)</u>	<u>(866,274)</u>
Total Capital Assets being Depreciated/Amortized, Net	<u>653,718</u>	<u>22,001</u>	<u>(7,889)</u>	<u>40,017</u>	<u>707,847</u>
Governmental Activities Capital Assets, Net	<u>\$ 1,033,026</u>	<u>\$ 66,794</u>	<u>\$ (14,189)</u>	<u>\$ 14,287</u>	<u>\$ 1,099,918</u>

¹ Beginning balance was reclassified as a result of GASB Statement No. 96 implementation.

Depreciation/amortization has been charged to functions/programs of governmental activities as follows (in thousands):

Legislative and Legal	\$ 44
General Government	987
Public Safety	5,647
Public Health	4,834
Community and Cultural	7,105
Public Works	10,170
Capital Assets held by City's internal services funds allocated to various functions on a prorated basis based on their usage of the assets	<u>38,375</u>
Total governmental activities depreciation/amortization	<u>\$ 67,162</u>

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

Capital asset activity for business-type activities for the year ended September 30, 2023 is as follows (in thousands):

<i>Business-type Activities:</i>	<i>Balance at October 1, 2022</i>	<i>Increase</i>	<i>Decrease</i>	<i>Transfers</i>	<i>Balance at September 30, 2023</i>
Capital Assets not being Depreciated/Amortized:					
Land	\$ 1,434,082	\$ -	\$ (824)	\$ 1,488	\$ 1,434,746
Rights-of-way	203,304	528	-	-	203,832
Water Rights	40	-	-	-	40
Historic Collections	3,442	-	-	-	3,442
Construction In Progress	574,926	322,098	(9,442)	(268,533)	619,049
Total Capital Assets not being Depreciated/Amortized:	<u>2,215,794</u>	<u>322,626</u>	<u>(10,266)</u>	<u>(267,045)</u>	<u>2,261,109</u>
Capital Assets being Depreciated/Amortized:					
Buildings	4,475,462	-	(7,378)	77,751	4,545,835
Improvements Other than Buildings	764,243	-	(2)	35,277	799,518
Infrastructure	1,307,659	215	(51,425)	126,921	1,383,370
Machinery and Equipment	240,035	4,841	(2,834)	6,453	248,495
Vehicles and Aircraft	118,410	887	(693)	1,087	119,691
Software and Patents	31,495	-	-	4,958	36,453
Right- to-Use Assets:					
Building	-	3,969	-	-	3,969
SBITA ⁽¹⁾	2,341	2,338	-	-	4,679
Total Capital Assets being Depreciated/Amortized	<u>6,939,645</u>	<u>12,250</u>	<u>(62,332)</u>	<u>252,447</u>	<u>7,142,010</u>
Less Accumulated Depreciation/Amortization for:					
Buildings	(2,565,020)	(154,478)	7,323	311	(2,711,864)
Improvements Other than Buildings	(436,173)	(25,280)	-	-	(461,453)
Infrastructure	(782,296)	(27,166)	391	-	(809,071)
Machinery and Equipment	(216,149)	(8,181)	2,726	-	(221,604)
Vehicles and Aircraft	(36,698)	(3,791)	695	-	(39,794)
Software and Patents	(26,101)	(1,629)	-	-	(27,730)
Right- to-Use Assets:					
Building	-	(618)	-	-	(618)
SBITA	-	(1,649)	-	-	(1,649)
Total Accumulated Depreciation/Amortization	<u>(4,062,437)</u>	<u>(222,792)</u>	<u>11,135</u>	<u>311</u>	<u>(4,273,783)</u>
Total Capital Assets being Depreciated/Amortized, Net	<u>2,877,208</u>	<u>(210,542)</u>	<u>(51,197)</u>	<u>252,758</u>	<u>2,868,227</u>
Business-type Activities Capital Assets, Net	<u>\$ 5,093,002</u>	<u>\$ 112,084</u>	<u>\$ (61,463)</u>	<u>\$ (14,287)</u>	<u>\$ 5,129,336</u>

¹ Beginning balance was reclassified as a result of GASB Statement No. 96 implementation.

Depreciation/amortization has been charged to functions/programs of business-type activities as follows (in thousands):

Gas Utility	\$ 7,848
Tidelands Operating	18,876
Tideland Oil Revenue	825
Harbor	160,670
Water Utility	13,606
Nonmajor Business-type Funds:	
Sewer Utility	3,022
Solid Waste Management	777
Airport	17,166
Development Services	<u>2</u>
Total Business-type Activities Depreciation	<u>\$ 222,792</u>

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

NOTE 7 – CHANGES IN LONG-TERM LIABILITIES

Changes in long-term liabilities for the year ended September 30, 2023, are as follows (in thousands):

	<i>Balance at October 1, 2022</i>	<i>Additions</i>	<i>Reductions</i>	<i>Balance at September 30, 2023</i>	<i>Due Within One Year</i>
Governmental Activities:					
Bonds Payable:					
Revenue Bonds	\$ 61,285	\$ 77,905	\$ (7,465)	\$ 131,725	\$ 8,240
Tax Allocation Bonds	155,910	-	(19,655)	136,255	17,625
Plus (Less) Unamortized Amounts:					
Premium	14,725	6,415	(2,091)	19,049	-
Total Bonds Payable	<u>231,920</u>	<u>84,320</u>	<u>(29,211)</u>	<u>287,029</u>	<u>25,865</u>
Notes, Loans and LOC Payable	7,233	142	(477)	6,898	443
Financed Purchase Obligations	47,068	6,121	(10,963)	42,226	7,106
Police and Fire Annuities	3,409	-	(150)	3,259	-
Estimated Oil Field Abandonment Costs	26,930	30	-	26,960	-
Environmental Remediation	3,997	203	(98)	4,102	3,620
Accrued Self-Insured Claims	179,705	35,339	(21,710)	193,334	34,757
Accrued Employee Benefits	173,109	9,510	-	182,619	64,685
Lease Liability	-	16,058	-	16,058	3,501
SBITA Liability ¹	8,204	122	(3,694)	4,632	2,447
Total OPEB Liability	3,156	32,366	-	35,522	-
Net Pension Liability	966,212	81,031	-	1,047,243	-
Community Hospital-Seismic Work	23,000	-	(23,000)	-	-
Other LT Obligations-Civic Center	284,576	-	(5,280)	279,296	5,373
Total, Governmental Activities	<u>\$ 1,958,519</u>	<u>\$ 265,242</u>	<u>\$ (94,583)</u>	<u>\$ 2,129,178</u>	<u>\$ 147,797</u>
Business-Type Activities:					
Bonds Payable:					
Revenue Bonds	\$ 1,410,125	\$ -	\$ (73,775)	\$ 1,336,350	\$ 77,580
Plus (Less) Unamortized Amounts:					
Premium	109,597	-	(10,816)	98,781	-
Total Bonds Payable	<u>1,519,722</u>	<u>-</u>	<u>(84,591)</u>	<u>1,435,131</u>	<u>77,580</u>
Notes, Loans and LOC Payable	513,207	-	(2,282)	510,925	2,381
Financed Purchase Obligations	30,105	-	(2,926)	27,179	3,013
Due to State of California	4,588	8,454	(4,588)	8,454	8,454
Estimated Oil Field Abandonment Costs	127,080	31,210	-	158,290	-
Fair Value of Derivative	2,037	646	(2,037)	646	-
Environmental Remediation	5,909	-	(5,909)	-	-
Accrued Claims Liability	3,750	-	(3,250)	500	500
Accrued Employee Benefits	54,440	4,624	-	59,064	19,671
Lease Liability	-	3,555	-	3,555	289
SBITA Liability ¹	2,341	2,338	(2,635)	2,044	1,241
Total OPEB Liability	1,009	10,651	-	11,660	-
Net Pension Liability	339,203	9,591	-	348,794	-
Site Restoration	1,000	-	(1,000)	-	-
Total, Business-Type Activities	<u>\$ 2,604,391</u>	<u>\$ 71,069</u>	<u>\$ (109,218)</u>	<u>\$ 2,566,242</u>	<u>\$ 113,129</u>

¹Beginning balance was reclassified as a result of GASB Statement No. 96 implementation.

For governmental activities, the General Fund, other governmental funds, and Internal Service funds have been used to liquidate accrued claims liability, accrued employee benefits, litigation, and self-insurance. Pension and OPEB liabilities are paid out of operating funds based on a percentage of covered payroll.

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

NOTE 8 – BONDS PAYABLE

At September 30, 2023, bonded indebtedness consisted of the following (in thousands):

<i>Description</i>	<i>Date Issued</i>	<i>Final Maturity</i>	<i>Range of Interest Rates</i>	<i>Authorized and Issued</i>	<i>Outstanding September 30, 2023</i>
GOVERNMENTAL ACTIVITIES					
2016 Courthouse Demolition	01/13/16	08/01/26	2.00% - 5.00%	\$ 13,150	\$ 4,465
FALB2019A PS Parking Garage	05/22/19	08/01/39	3.00% - 5.00%	9,245	8,070
FALB2019B Lease Rev Ref Bonds	05/22/19	08/01/31	5.00%	13,350	8,925
FALB 2022 Lease Rev Ref Bonds	05/18/22	08/01/31	5.00%	25,411	20,039
FALB 2023 Lease Rev Bonds	05/23/23	08/01/53	5.00%	77,905	77,905
Premium/Discount				-	9,549
Subtotal, General City Bonds				139,061	128,953
TAX ALLOCATION BONDS:					
2002B West Long Beach Industrial Project	12/05/02	11/01/22	2.25% - 5.50%	21,860	-
2002B Downtown Project	12/05/02	11/01/22	2.25% - 5.50%	25,920	-
2005C Downtown Project	02/01/06	08/01/24	3.25% - 5.50%	7,900	1,265
2005C North Long Beach Project	02/01/06	08/01/31	3.25% - 5.50%	27,145	12,415
2015AB SA	06/23/15	08/01/40	4.00% - 5.00%	155,820	105,305
2021 SA Lease Revenue Bonds	02/11/21	08/01/39	3.00% - 4.00%	19,765	17,270
Premium/Discount				-	8,559
Subtotal, Tax Allocation Bonds				258,410	144,814
INTERNAL SERVICE FUND BONDS:					
2022 FALB	05/18/22	08/01/31	5.00%	15,729	12,321
Premium/Discount				-	941
Subtotal, Internal Service Fund Bonds				15,729	13,262
Total, Governmental Activities				\$ 413,200	\$ 287,029

(continued)

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

<i>Description</i>	<i>Date Issued</i>	<i>Final Maturity</i>	<i>Range of Interest Rates</i>	<i>Authorized and Issued</i>	<i>Outstanding September 30, 2023</i>
<u>BUSINESS-TYPE ACTIVITIES</u>					
ENTERPRISE FUND BONDS:					
Gas Utility Fund:					
2007A Natural Gas Purchase	10/18/07	11/15/37	4.25% - 5.50%	\$ 635,665	442,865
2007B Natural Gas Purchase	10/18/07	11/15/33	4.90% - 5.07%	251,695	69,005
Premium/Discount				-	8,397
Subtotal, Gas Utility Bonds				887,360	520,267
Tidelands Operating Fund:					
2015 Marina	06/03/15	05/15/45	4.00% - 5.00%	114,015	104,095
2016 Rainbow	07/26/16	08/01/23	3.00% - 5.00%	19,115	-
2017A Tidelands	11/01/17	11/01/27	1.35% - 2.55%	10,190	6,540
2017B Tidelands	11/01/17	11/01/27	1.79% - 3.49%	17,705	7,385
2022 Tidelands	09/14/22	11/01/29	5.00%	32,090	28,985
Premium/Discount				-	7,569
Subtotal, Tidelands Operating Bonds				193,115	154,574
Harbor Fund:					
2014B Harbor	04/24/14	05/15/27	3.00% - 5.00%	20,570	4,050
2015A Harbor	04/16/15	05/15/23	4.00% - 5.00%	44,845	-
2015B Harbor	04/16/15	05/15/25	5.00%	20,130	10,355
2015C Harbor	07/15/15	05/15/32	5.00%	66,085	66,085
2015D Harbor	07/15/15	05/15/42	5.00%	66,865	66,865
2017A Harbor	06/15/17	05/15/40	5.00%	101,610	101,610
2017B Harbor	06/15/17	05/15/43	5.00%	25,985	25,985
2017C Harbor	06/15/17	05/15/47	5.00%	42,660	42,660
2019A Harbor	07/11/19	05/15/49	5.00%	161,310	161,310
2020A Harbor	05/15/20	05/15/27	4.00% - 5.00%	55,725	55,725
2020B Harbor	05/15/20	05/15/24	3.00% - 5.00%	74,940	21,540
Premium/Discount				-	71,782
Subtotal, Harbor Bonds				680,725	627,967
Water Utility Fund:					
2010A Water	09/15/10	05/01/24	3.00% - 5.00%	22,740	2,945
2012 Water	08/30/12	05/01/27	2.00% - 5.00%	9,850	3,250
Premium/Discount				-	196
Subtotal, Water Utility Bonds				32,590	6,391
Non-Major Enterprise Funds:					
2022A Airport	06/01/22	06/01/40	5.00%	47,505	45,945
2022B Airport	06/01/22	06/01/40	5.00%	32,855	31,845
2022C Airport	06/01/22	06/01/40	5.00%	30,140	30,140
2016 Sewer	08/24/16	05/01/36	4.00% - 5.00%	9,830	7,165
Premium/Discount				-	10,837
Subtotal, Non-Major Enterprise Bonds				120,330	125,932
Total, Business-Type				1,914,120	1,435,131
Grand Total, Primary Government Bonds Payable				\$ 2,327,320	\$ 1,722,160

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

Governmental Funds

Debt service requirements to maturity for governmental activities bonds are as follows (in thousands):

<i>Year Ending</i>	<i>Governmental Funds</i>		<i>Internal Service Funds</i>	<i>Annual Debt Service Requirements</i>		
	<i>Lease Revenue</i>	<i>Tax Allocation</i>	<i>Lease Revenue</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2024	\$ 6,547	\$ 17,625	\$ 1,693	\$ 25,865	\$ 13,104	\$ 38,969
2025	7,346	7,475	1,788	16,609	11,230	27,839
2026	8,012	7,880	1,883	17,775	10,499	28,274
2027	5,629	8,245	1,996	15,870	9,668	25,538
2028	5,453	8,645	1,792	15,890	8,903	24,793
2029 - 2033	18,397	44,050	3,169	65,616	33,469	99,085
2034 - 2038	13,500	32,445	-	45,945	19,768	65,713
2039 - 2043	14,035	9,890	-	23,925	11,369	35,294
2044 - 2048	17,030	-	-	17,030	7,122	24,152
2049 - 2053	20,950	-	-	20,950	3,206	24,156
2054 - 2058	2,505	-	-	2,505	190	2,695
Subtotal	119,404	136,255	12,321	267,980	128,528	396,508
Premium / Discount	9,549	8,559	941	19,049	-	19,049
Totals	\$ 128,953	\$ 144,814	\$ 13,262	\$ 287,029	\$ 128,528	\$ 415,557

New Debt Issuance

In May 2023, the Finance Authority of Long Beach (FALB) issued \$77.9 million Lease Revenue Bonds, Series 2023 (Series 2023 Bonds). The Series 2023 Bonds were issued to: (a) finance the acquisition and refurbishment of an existing building for municipal uses; (b) finance certain capital improvement of the City; (c) fund a portion of the interest on the Series 2023 Bonds through August 1, 2025; and (d) pay costs of issuance of the Series 2023 Bonds.

The Series 2023 Bonds will mature on August 1 in each of the years and in the respective principal amounts and will bear interest at the respective rates. Interest on the Series 2023 Bonds is payable on February 1 and August 1 of each year, commencing February 1, 2024.

Pledged Revenues

The Agency has pledged a portion of property tax revenues attributable to the Project Areas of the former Redevelopment Agency to repay tax allocation bonds issued between 1992 and 2015. The bonds were issued to finance either redevelopment activities within various project areas or to refinance existing debt that was originally issued for the same purpose. Property tax revenues attributable to the Project Areas of the former Redevelopment Agency are projected to produce 100 percent of the debt service requirements over the life of the bonds. As of September 30, 2023, total principal and interest requirement for the bonds is \$183.9 million (\$136.2 million for principal and \$47.7 million for interest), payable semiannually through 2040. For the current year, tax increment revenues received and total debt service paid were \$26.7 million which were sufficient to pay debt service costs.

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

Business-Type Funds

Debt service requirements to maturity for business-type activities bonds are as follows (in thousands):

<i>Year Ending</i>	<i>Enterprise Funds</i>					<i>Annual Debt Service Requirements</i>		
	<i>Major Funds</i>				<i>Non Major Funds</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
	<i>Gas Utility</i>	<i>Tidelands Operating</i>	<i>Harbor</i>	<i>Water</i>				
2024	\$ 21,655	\$ 9,675	\$ 38,945	\$ 3,720	\$ 3,585	\$ 77,580	\$ 66,620	\$ 144,200
2025	25,280	10,130	32,000	795	3,760	71,965	62,818	134,783
2026	19,195	8,735	33,525	820	3,945	66,220	59,351	125,571
2027	25,175	9,195	30,050	860	4,130	69,410	55,880	125,290
2028	29,600	9,700	15,475	-	4,330	59,105	52,345	111,450
2029 - 2033	106,510	28,415	87,740	-	25,065	247,730	221,027	468,757
2034 - 2038	284,455	24,705	95,290	-	30,250	434,700	147,242	581,942
2039 - 2043	-	31,525	121,460	-	21,585	174,570	60,747	235,317
2044 - 2048	-	14,925	85,560	-	18,445	118,930	19,283	138,213
2049 - 2053	-	-	16,140	-	-	16,140	807	16,947
Subtotal	511,870	147,005	556,185	6,195	115,095	1,336,350	746,120	2,082,470
Premium / Discount	8,397	7,569	71,782	196	10,837	98,781	-	98,781
Totals	\$ 520,267	\$ 154,574	\$ 627,967	\$ 6,391	\$ 125,932	\$ 1,435,131	\$ 746,120	\$ 2,181,251

Special Assessment Debt

The City serves as the facilitating agent for a number of no-obligation special assessment debt issues. Funding from these issues has been used to improve streets and other City infrastructure, as well as assisting City residents and businesses with the cost of major structural repairs and installation of seismic resistant improvements to their properties. The City has no obligation to service the debt on these special assessment issues; therefore, no liability has been recorded in the City's books for the special assessment debt.

At September 30, 2023, aggregate special assessment debt issued through the City consisted of five issues and is summarized as follows:

- Dates Issued: 7/11/02 – 6/15/10
- Final Maturities: 10/01/25 – 10/01/40
- Range of Interest Rates: 5.05% – 6.30%
- Amounts Authorized and Issued: \$1,060,000 – \$43,000,000
- Range of Amounts Outstanding: \$650,000 – \$28,020,000
- Aggregate Outstanding at September 30, 2023: \$38,350,000

The proceeds from special assessment debt issued for City infrastructure improvements are usually accounted for in the General Capital Projects Fund. The proceeds from special assessment debt issued for the Pike Public Improvements are accounted for in the Tidelands Operating Fund. Special assessment revenues used to repay these debt issues are accounted for in Custodial Funds.

Long Beach Towne Center CFD No. 5: In May of 2008 the City of Long Beach Community Facilities District No 5 issued \$14.6 million of Special Tax Refunding Bonds (Long Beach Towne Center) under the provisions of the Mello-Roos Community Facilities Act of 1982. The bonds were issued to refund the 2000 Special Tax bonds, to fund a reserve and to provide funds for the District's

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

improvement fund for sidewalk and drainage improvements. The bonds do not constitute a debt of the City; therefore, no liability has been recorded in the City's books. The debt is payable from special tax revenues levied on the property within the district. The bonds will mature in October 2025 and bear interest rates ranging from 5.40 percent to 5.75 percent.

Pike Public Improvements CFD No. 6: In June 2002, the City of Long Beach Community Facilities District No. 6 issued \$43.0 million of 2002 Special Tax Bonds (Pike Public Improvement Bonds) under the provisions of the Mello-Roos Community Facilities Act of 1982. The Pike Public Improvement Bonds were issued (a) to finance a portion of the costs of the acquisition, construction, installation, and equipping of various public capital improvements in the Pike Development Project adjacent to downtown Long Beach. A substantial portion of the proceeds were applied to finance the cost of a parking structure. The bonds do not constitute a debt of the City; therefore, no liability has been recorded in the City's books. The debt is payable from special tax revenues levied on the property within the district. The remaining two term bonds will mature in October 2026 and October 2032 with an interest rate of 6.25 percent and 6.30 percent, respectively.

Douglas Park Commercial Area CFD No. 2007-1: In July of 2007, Community Facilities District No. 2007-1 issued \$15.1 million of 2007 Special Tax Bonds. The Bonds are payable solely from proceeds of a special assessment tax levied annually on land within the district. The funds were used to finance the acquisition and construction of various public improvements in Area A, fund a reserve fund, and pay the costs related to the issuance of the bonds. The bonds do not constitute a debt of the City; therefore, no liability has been recorded in the City's books. The remaining two term bonds will mature in September 2026 and September 2037, both with an interest rate of 5.25 percent.

Belmont Shore CFD No. 2007-2: In December 2009, Community Facilities District No. 2007-2 (Belmont Shore) issued \$3.7 million of 2009 Special Tax Bonds. The Bonds are payable solely from proceeds of a special assessment tax levied annually on land within the district and certain pledged Belmont Shore area parking meter revenues. Proceeds were used to finance a new City parking lot in the Belmont Shore area and to finance other improvements to enhance parking. The bonds do not constitute a debt of the City; therefore, no liability has been recorded in the City's books. The bonds will mature in October 2040 and carry interest rates ranging from 5.12 percent to 6.0 percent.

Toledo Utility Underground: In June 2010, Assessment District No. 08-01 (the Toledo Utility Underground) issued \$1.1 million of Limited Obligation Improvement Bonds. The Bonds were issued under the provisions of the City Code, and where applicable, the Improvement Bond Act of 1915. The Bonds are secured by the tax assessments levied against parcels within the District. Proceeds were used to finance the costs of certain undergrounding of overhead electrical, telephone, and cable facilities between Second Street and the Geneva Walkway in the City. The bonds will mature in September 2030 and bear interest rates from 5.05 percent to 5.50 percent.

Such bonds described above do not constitute indebtedness of the City. The City is in no way obligated for their repayment and is only acting on behalf of the bond owners in collecting the assessments and special taxes from the property owners, forwarding the collections to the bond owners, and initiating foreclosure proceedings, when necessary. Accordingly, these special assessment bonds payable have been excluded from the accompanying basic financial statements.

Conduit Debt

The bond issues described below do not constitute general obligations of either the City, the Authority, or the Agency. There is no legal or ethical obligation on the part of the City to make debt service payments on the conduit debt issues. Likewise, the City has no responsibility for bond administration, as the issues are completely administered by independent trustees. Accordingly, these programs and issues have been excluded from the accompanying basic financial statements.

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

Bonds have been issued in the City’s name for Carnival Cruises to facilitate construction of pier and wharf improvements for a cruise line docking in the tidelands area adjacent to the Queen Mary. The bonds are payable by a tariff assessed to Carnival Cruises.

Several multi-family mortgage bonds have been issued under the auspices of the Authority and the Agency. These issues provided for the financing of acquisitions and construction of an apartment complex. The resulting bonds are not obligations of the City and only constitute special limited obligations of the Authority and the Agency and are payable solely from the revenue and assets of the homeowner obtaining funding under this program.

At September 30, 2023, the City’s Conduit Debt outstanding consisted of the following (in thousands):

<i><u>Description</u></i>	<i><u>Final Maturity</u></i>	<i><u>Amount Authorized</u></i>	<i><u>Outstanding at September 30, 2023</u></i>
Carnival Bonds	2030	\$ 30,000	\$ 16,480
Grisham Housing Bonds Series A	2035	10,245	849
Total Conduit Debt		<u>\$ 40,245</u>	<u>\$ 17,329</u>

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

NOTE 9 – NOTES, LOANS PAYABLE AND OTHER LONG-TERM OBLIGATIONS

At September 30, 2023, the City had notes, loans payable and other long-term obligations, consisting of the following (in thousands):

<u>Description</u>	<u>Date Issued</u>	<u>Final Maturity</u>	<u>Range of Interest Rates</u>	<u>Authorized and Issued</u>	<u>Outstanding at September 30, 2023</u>
GOVERNMENTAL ACTIVITIES					
NOTES, LOANS AND LINES OF CREDIT PAYABLE:					
General Fund:					
Southern California Edison	12/08/17	05/25/25	2.11%	\$ 396	\$ 98
Southern California Edison	01/09/18	02/25/25	2.18%	877	195
Southern California Edison	05/08/18	10/23/24	2.69%	869	15
Southern California Edison	01/31/19	02/27/27	2.37%	715	321
Premium/Discount				-	19
Total General Fund				<u>2,857</u>	<u>648</u>
Successor Agency Fund:					
Los Angeles County	01/21/92	N/A	3.75%	-	<u>6,250</u>
OTHER LONG-TERM OBLIGATIONS:					
General Fund:					
Financed Purchase Obligations	09/18/23	09/18/33	4.46%	4,119	4,119
Police and Fire Annuity	N/A	N/A	N/A	37,600	3,259
MWN Community Hospital	N/A	N/A	N/A	25,000	-
Total General Fund				<u>66,719</u>	<u>7,378</u>
General Services Fund:					
Financed Purchase Obligations	Various	Various	0.87% - 3.82%	<u>53,829</u>	<u>21,967</u>
Fleet Services Fund:					
Financed Purchase Obligations	Various	Various	1.91% - 2.94%	<u>25,720</u>	<u>16,140</u>
Civic Center Fund:					
New Civic Center Complex	8/1/2019	12/31/61	1.78%	<u>300,702</u>	<u>279,296</u>
Total, Governmental Activities				<u>\$ 449,827</u>	<u>\$ 331,679</u>
BUSINESS-TYPE ACTIVITIES					
NOTES, LOANS AND LINES OF CREDIT PAYABLE:					
Gas Utility Fund:					
Financed Purchase Obligations	08/03/15	05/01/30	2.40%	\$ 18,000	\$ 9,147
Water Fund:					
Financed Purchase Obligations	12/20/18	12/20/33	3.35%	27,394	17,890
Water 2022 Line of Credit	08/04/22	05/19/25	N/A	14,000	14,000
Total Water Fund				<u>41,394</u>	<u>31,890</u>
Tidelands Operating Fund:					
Financed Purchase Obligations	10/01/05	10/01/25	4.99%	649	142
State of Calif DBAW - Lighthouse	06/23/00	08/01/30	4.50%	700	252
Total Tidelands Operating Fund				<u>1,349</u>	<u>394</u>
Harbor Fund:					
Harbor 2021 TIFIA Loan	05/03/21	05/15/55	1.26%	495,000	496,673
Total, Business-Type Activities				<u>\$ 555,743</u>	<u>\$ 538,104</u>

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

Governmental Activities

Other Long-term Obligation – MWN Community Hospital, LLC

In fiscal year 2020, the City entered into a short-term lease with MWN Community Hospital, LLC (Tenant), for the lease of property owned by the City at 1720 Termino Avenue, 1760 Termino Ave, and 4111 East Wilton Street. During the two years following the lease agreement, the Tenant worked to reopen the hospital and secure approval for seismic construction plans prior to the statutory deadline; however, seismic construction costs increased substantially over initial estimates, and demand for acute care services failed to reach levels needed to sustain acute care hospital operations. As a result, the Tenant determined that it was no longer economically feasible to operate the property as an acute care hospital and issued the City a lease termination notice. In the event of a lease termination, pursuant to lease terms, the Tenant was entitled to reimbursement by the City for all hospital capital costs expended by the Tenant to start up and reopen the hospital less any revenue received from operations. Should hospital capital costs exceed the value of the property, the City could transfer the property to the Tenant as full and complete payment.

In October 2022, the City Council approved the transfer of the property to the Tenant. The fair market value of the property was established at \$17.7 million and hospital capital costs were verified by an independent third party at \$26.6 million. Since the City’s financial obligation is limited to the fair market value of the property, hospital capital costs are deemed to be fully and completely paid.

Successor Agency Fund Loans

The Agency has an agreement with the Los Angeles County Office of Education and the County of Los Angeles (County Entities) whereby the County Entities’ share of the net tax increment generated by the Los Altos Project area shall be deferred through 2020. The deferral accrues simple interest at a rate of 3.8%. The outstanding balance of the deferral and any accrued interest are due prior to the termination of the project area in 2031. The balance at September 30, 2023 totaled \$6.3 million.

General Fund Loans

The City participated in the Energy Management Solutions Incentives program by Southern California Edison (SCE). By completing installation of eligible energy efficient equipment that included Street Light LED conversions, SCE provided the City with zero-percent interest financing to be repaid over a specified period through the City’s electric utility bill. The balance at September 30, 2023 totaled \$629 thousand.

Payments over the next five years and thereafter will be made as follows (in thousands):

<i>Year ending</i>	<i>Governmental Activities</i>					
	<i>General Fund</i>	<i>Successor Agency</i>	<i>Annual Debt Service Requirements</i>			
			<i>Principal</i>	<i>Interest</i>	<i>Total</i>	
2024	\$ 301	\$ 142	\$ 443	\$ 11	\$ 454	
2025	191	-	191	5	196	
2026	96	-	96	2	98	
2027	41	-	41	1	42	
2028	-	-	-	-	-	
2029 - 2033	-	-	-	-	-	
2034 - 2038	-	6,108	6,108	-	6,108	
Subtotal	629	6,250	6,879	19	6,898	
Premium/Discount	19	-	19	-	19	
Total	<u>\$ 648</u>	<u>\$ 6,250</u>	<u>\$ 6,898</u>	<u>\$ 19</u>	<u>\$ 6,917</u>	

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

Financed Purchase Obligations

As a result of GASB Statement No. 87 implementation, the City reclassified capital lease obligations to financed purchase obligations, where the asset transfers ownership to the City by the end of the agreement. The City entered into various direct borrowing agreements with lenders to finance the acquisition of governmental assets including computers, technology equipment, machinery, and vehicles for City staff and operations. Repayments are secured from revenues of the General Services Internal Service Fund and the Fleet Internal Service Fund, which primarily come from billing revenues from other City departments. The General Fund primarily benefits from the finance purchased assets.

During fiscal year 2023, the City executed new obligations for equipment and vehicles, where the asset transfers ownership to the City by the end of the agreement. Under various agreements with different entities, the obligations totaled \$6.1 million to be paid over terms ranging from 5 to 10 years at rates between 3.64% to 4.46%.

Aggregate future debt service payments under the City’s governmental activities financed purchase obligations are as follows (in thousands):

<i>Year Ending</i>	<i>Governmental Activities</i>					
	<i>Principal Payments</i>			<i>Annual Debt Service Requirements</i>		
	<i>General Fund</i>	<i>General Services</i>	<i>Fleet Services</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2024	\$ 335	\$ 3,621	\$ 3,150	\$ 7,106	\$ 1,191	\$ 8,297
2025	350	3,440	2,018	5,808	1,015	6,823
2026	366	3,301	1,970	5,637	855	6,492
2027	382	2,689	2,015	5,086	697	5,783
2028	400	2,369	2,060	4,829	546	5,375
2029 - 2033	2,286	6,547	4,927	13,760	908	14,668
Totals	\$ 4,119	\$ 21,967	\$ 16,140	\$ 42,226	\$ 5,212	\$ 47,438

Availability Payment Arrangement (APA)- New Civic Center Complex

During fiscal 2016, the City entered into a multi-party Public-Private Partnership agreement (P3) with Plenary-Edgemoor Civic Partners (PECP). The Project comprises two components; a City project consisting of a new City Hall, new Main Library and revitalized Lincoln Park (Project Assets) and a new Harbor headquarters building. Certain common areas are jointly owned by both the City and the Harbor. The Project Agreement required PECP to design, build, operate, and maintain the Civic Center complex.

During fiscal year 2019, the City moved into the new City Hall and the new Library. Consistent with the agreement, the City began paying PECP the Base Service fees, as defined, over 40 years consisting of a Fixed Growth Fee attributable to construction costs of the Project Assets and a Variable Growth Fee attributable primarily to operation and maintenance services and life-cycle replacement costs of Project Assets. Both the Fixed Growth and Variable Growth Fee have scheduled annual increases. The Fixed Growth component is a stable 2.18% per annum and the Variable Growth is subject to annual increases in the CPI-U index.

The City will also pay PECP for various operating and maintenance and life-cycle replacement costs related (FM Charges) to the Harbor Headquarters building and for the Harbor’s portion of the jointly owned common areas. These costs have a fixed component totaling \$71 thousand a month and

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

a variable component ranging from zero to \$128 thousand a month depending on the scope of lifecycle costs. The FM charges are also to be paid over a 40-year term.

The City implemented GASB Statement No. 94, “*Public-Private and Public-Public Partnerships (PPPs) and Availability Payment Arrangements (APAs)*”. An APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. Under the GASB Statement No. 94 definition, the City’s agreement with PECP met the definition of an APA.

Payments relating to these activities over the next five years and thereafter will be made as follows (in thousands):

<i>Year Ending</i>	<i>Principal</i>	<i>Base Interest</i>	<i>Sub Total</i>	<i>Variable Growth</i>	<i>Harbor Fee</i>	<i>Total</i>
2024	\$ 5,373	\$ 4,919	\$ 10,292	\$ 8,680	\$ 689	\$ 19,661
2025	5,467	4,827	10,294	8,922	725	19,941
2026	5,563	4,732	10,295	9,170	725	20,190
2027	5,661	4,636	10,297	9,423	725	20,445
2028 - 2032	29,834	21,679	51,513	51,106	3,623	106,242
2033 - 2037	32,549	19,011	51,560	58,313	3,589	113,462
2038 - 2042	35,512	16,099	51,611	66,341	3,478	121,430
2043 - 2047	38,744	12,923	51,667	75,284	5,943	132,894
2048 - 2052	42,270	9,458	51,728	85,243	5,095	142,066
2053 - 2057	36,570	5,677	42,247	96,338	4,328	142,913
2058 - 2062	41,753	1,596	43,349	89,700	3,258	136,307
	<u>\$ 279,296</u>	<u>\$ 105,557</u>	<u>\$ 384,853</u>	<u>\$558,520</u>	<u>\$32,178</u>	<u>\$ 975,551</u>

Business-Type Activities

Notes and loan payments relating to business-type activities over the next five years and thereafter will be made as follows (in thousands):

<i>Year Ending</i>	<i>Business-Type Activities</i>					
	<i>Principal Payments</i>		<i>Annual Debt Service Requirements</i>			
	<i>Operating</i>	<i>Harbor</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>	
2024	\$ 31	\$ 2,350	\$ 2,381	\$ 3,123	\$ 5,504	
2025	33	2,415	2,448	3,099	5,547	
2026	34	2,500	2,534	3,082	5,616	
2027	36	2,565	2,601	3,065	5,666	
2028	37	2,690	2,727	3,056	5,783	
2029 - 2033	81	14,798	14,879	14,961	29,840	
2034 - 2038	-	34,940	34,940	14,353	49,293	
2039 - 2043	-	53,940	53,940	12,928	66,868	
2044 - 2048	-	118,860	118,860	10,791	129,651	
2049 - 2053	-	180,485	180,485	5,996	186,481	
2054 - 2058	-	81,130	81,130	765	81,895	
Subtotal	252	496,673	496,925	75,219	572,144	
Premium / Discount	-	-	-	-	-	
Totals	<u>\$ 252</u>	<u>\$ 496,673</u>	<u>\$ 496,925</u>	<u>\$ 75,219</u>	<u>\$ 572,144</u>	

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

Harbor TIFIA Loan Subordinate Indebtedness

In May 2014, Harbor entered into a loan agreement (the 2014 TIFIA Loan) with the United States Department of Transportation (USDOT) under the TIFIA for an approved amount of \$325.0 million. In May 2020, Harbor entered into a revised new TIFIA loan agreement (the 2020 TIFIA Loan) for an approved amount up to \$500.0 million that replaced the 2014 TIFIA Loan. Under the 2020 TIFIA Loan, the USDOT will allow Harbor to borrow up to \$500.0 million, provided the amount so borrowed be used to finance and refinance the costs related to the replacement of the Gerald Desmond Bridge, including, but not limited to, the repayment of the 2018A Notes and the 2020C Notes. The loan is secured by a subordinate lien on the Harbor's gross revenue. The loan agreement defines the permissible period for the drawdown of funds to be within one year after substantial completion of the replacement bridge that was retroactively declared in December of 2020. The Harbor has fully drawn down on the \$500.0 million TIFIA Loan as of fiscal year ending 2022. The TIFIA Loan will be repaid over a period not to exceed 35 years at an interest rate of 1.26%.

Water Revenue 2022 Revolving Line of Credit

On April 2020, the Utility Department Board approved and authorized the issuance of up to \$60,000 of Second Lien Water Revenue Short-Term Obligations pursuant to the Master Subordinate Trust Indenture, the Fourth Supplemental Subordinate Trust Indenture, and a Credit Agreement with JPMorgan Chase Bank, National Association, the provider of the Revolving Line of Credit. Obligations under this line of credit are secured and payable solely from the Water Fund revenues. The line of credit would accrue interest at a variable rate per annum equal to a percentage of the One Month London Interbank Offered Rate (LIBOR) plus a spread. The purpose of establishing the line of credit is to facilitate increased investment in the Utility Department's water system infrastructure. As of September 30, 2023, and for the year then ended, there was a \$14 million draw on the Water LOC.

Financed Purchase Obligations

The City entered into multiple direct borrowing agreements with lenders to finance the installation of a surface membrane to the Convention and Entertainment Center roof and for the implementation of an Advanced Metering Infrastructure (AMI). Repayments are secured from charges for services of the Tidelands Operating Fund for the Convention and Entertainment Center financed purchase obligations, and from charges for services of the Water Fund and the Gas Utility Fund for the AMI financed purchase obligations.

Annual debt service requirements to maturity for business-type activities financed purchase obligations are as follows (in thousands):

<i>Year Ending</i>	<i>Business-type Activities</i>					
	<i>Principal Payments</i>			<i>Annual Debt Service Requirements</i>		
	<i>Gas Utility</i>	<i>Water Utility</i>	<i>Tidelands Operating</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2024	\$ 1,215	\$ 1,753	\$ 45	\$ 3,013	\$ 792	\$ 3,805
2025	1,244	1,813	47	3,104	701	3,805
2026	1,274	1,875	50	3,199	607	3,806
2027	1,305	1,938	-	3,243	510	3,753
2028	1,337	2,004	-	3,341	412	3,753
2029 - 2033	2,772	8,507	-	11,279	663	11,942
Totals	\$ 9,147	\$ 17,890	\$ 142	\$ 27,179	\$ 3,685	\$ 30,864

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

NOTE 10 – LEASES

Lease Receivables

The City is a lessor in various noncancelable leases of City-owned properties such as land and buildings. During fiscal year 2023, the City recognized \$16.6 million in lease revenue that included \$6.4 million in interest revenue. The noncurrent portion of the City's lease receivables for governmental activities and business-type activities are accounted for in the Other Noncurrent Receivables in the Statement of Net Position in the amount of \$136.1 million and \$125.9 million, respectively.

The following is a schedule of future minimum lease payment receipts on noncancelable leases as of September 30, 2023 (in thousands):

<i>Year Ending September 30,</i>	<i>Governmental Activities</i>		<i>Business-type Activities</i>	
	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>
2024	\$ 5,740	\$ 3,242	\$ 2,909	\$ 2,871
2025	5,961	3,019	2,851	2,769
2026	6,886	2,779	2,669	2,679
2027	7,109	2,524	2,733	2,590
2028	7,645	2,258	2,746	2,503
2029-2033	21,761	8,869	11,574	11,418
2034-2038	18,475	7,139	8,835	10,180
2039-2043	22,054	5,258	10,308	9,192
2044-2048	24,647	3,127	11,415	8,056
2049-2053	21,512	734	11,396	6,919
2054-2058	-	-	12,826	5,701
2059-2063	-	-	14,788	4,307
2064-2068	-	-	15,870	2,704
2069-2073	-	-	4,954	1,669
2074-2078	-	-	5,497	1,118
2079-2083	-	-	7,418	389
Total	<u>\$ 141,790</u>	<u>\$ 38,948</u>	<u>\$ 128,789</u>	<u>\$ 75,064</u>

The following is the schedule of lease payment income for the fiscal year ended September 30, 2023(in thousands):

	<i>Governmental Activities</i>	<i>Business-type Activities</i>
Minimum Lease Payments	\$ 8,988	\$ 5,667
Variable Lease Payments	1,804	198
Total	<u>\$ 10,792</u>	<u>\$ 5,865</u>

The minimum lease payment is a fixed amount based on the lease agreements. The variable lease payment is a percentage of revenue above a certain base for the asset development leases or a calculated percentage of the gross revenue less the minimum rent payment for the other leases.

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

Business-Type Activities

The City has various Harbor marine terminal leases that are considered regulated leases, at all times subject to federal, state, regional and municipal laws, ordinances and regulations (e.g., including but not limited to State Lands Commission and Federal Maritime Commission). These regulated leases are not included in the measurement of lease receivables, in accordance with the requirements of GASB Statement No. 87. The City recognized \$402.2 million in lease revenue during fiscal year 2023 for these leases.

The City also has various aeronautical leasing agreements for land and hangar space at the Airport. These qualify as regulated leases and are not included in the measurement of lease receivables, in accordance with the requirements of GASB Statement No. 87. The City recognized \$7.3 million in lease revenue during fiscal year 2023 for these leases.

As of September 30, 2023, the minimum payments expected to be received over the remaining lease terms totaled \$5.9 billion, as shown in the following table:

<i>Year Ending</i> <i>September 30,</i>	<i>Harbor</i>	<i>Airport</i>	<i>Total</i>
2024	\$ 409,700	\$ 6,777	\$ 416,477
2025	403,724	6,406	410,130
2026	402,779	6,423	409,202
2027	392,523	6,363	398,886
2028	227,078	6,214	233,292
2029 - 2033	1,077,029	27,121	1,104,150
2034 - 2038	1,016,630	26,412	1,043,042
2039 - 2043	867,204	21,686	888,890
2044 - 2048	958,317	20,230	978,547
2049 - 2053	-	17,900	17,900
2054- 2058	-	11,015	11,015
2059 - 2063	-	8,651	8,651
2064 - 2068	-	7,337	7,337
2069 - 2073	-	4,894	4,894
2074 - 2078	-	4,668	4,668
2079 - 2083	-	4,668	4,668
2084 - 2088	-	741	741
Total	<u>\$ 5,754,984</u>	<u>\$ 187,506</u>	<u>\$ 5,942,490</u>

Lease Liabilities

The City has entered into various leases as a lessee. These leases vary in the nature, substance, terms and conditions dependent upon the asset being leased. Examples of the types of assets leased range from office space, special events space, and warehouse space. GASB 87 requires that leases be categorized as either short-term (12 months or less in length, including options) or long-term. In determining the future minimum lease payments and receipts, the City includes the right to extend option terms in the non-cancelable lease term. Short-term lease financial transactions are reflected in the government-wide Statement of Activities and in the fund financial statements.

During fiscal year 2023, the City executed multiple new leases and amendments to existing leases for office space. Under various agreements with different entities, the lease contracts include lease terms ranging from three to fifteen years.

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

The following is a schedule of future minimum lease payments for the lease liabilities as of September 30, 2023 (in thousands):

<i>Year Ending September 30,</i>	<i>Governmental Activities</i>		<i>Business-Type Activities</i>	
	<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>
2024	\$ 3,501	\$ 725	\$ 289	\$ 142
2025	3,595	549	318	130
2026	3,187	370	339	116
2027	1,791	251	314	102
2028	1,617	164	347	89
2029-2033	2,366	167	1,947	189
Total	<u>\$ 16,058</u>	<u>\$ 2,225</u>	<u>\$ 3,555</u>	<u>\$ 767</u>

Rent expenses related to leases for governmental activities were \$4.3 million and \$400 thousand for business-type activities, for the year ended September 30, 2023. Variable payments not previously included in the measurement of the lease liability were \$311 thousand for the year ended September 30, 2023. There were no payments for residual value guarantees or termination penalties during the reporting period.

The following is a schedule of right-to-use lease assets by major classes at September 30, 2023 (in thousands):

	<i>Governmental Activities</i>	<i>Business-Type Activities</i>
Leased Building	\$ 22,216	\$ 3,968
Leased Asset Accumulated Depreciation	(7,091)	(618)
	<u>\$ 15,125</u>	<u>\$ 3,350</u>

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

NOTE 11 – SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The City is a lessee in various noncancelable Subscription-Based Information Technology Arrangements (SBITAs). These arrangements are for software as a service, platform as a service or infrastructure as a service and vary in terms and conditions. Beginning with fiscal year 2023, SBITAs are presented in the financial statements and accompanying footnote disclosures in accordance with GASB 96. GASB 96 requires that SBITAs be categorized as either short-term (12 months or less in length, including options) or long-term. In determining the future minimum subscription payments, the City includes the right to extend option terms in the non-cancelable lease term if it is reasonably certain that the option will be exercised. Variable payments based on a per seat subscription or based on transaction volumes are not included in the measurement of the SBITA payable. Short-term SBITAs are reflected in the government-wide Statement of Activities and in the fund financial statements.

The following is the schedule of future minimum SBITA payments for the fiscal year ended September 30, 2023 (in thousands):

Year Ending September 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2024	\$ 2,447	\$ 77	\$ 1,241	\$ 43
2025	2,045	20	570	18
2026	68	2	103	6
2027	72	1	109	2
2028	-	-	21	-
Total	<u>\$ 4,632</u>	<u>\$ 100</u>	<u>\$ 2,044</u>	<u>\$ 69</u>

The minimum SBITA payment is a fixed amount based on the SBITA agreements. There was no variable subscription payment that was not included in the measurement of the subscription liability for governmental activities for the fiscal year ended September 30, 2023. Additionally, there were no payments for termination penalties during the reporting period.

The following is a schedule of the right-to-use (RTU) assets and accumulated amortization for subscription leases at September 30, 2023, (in thousands):

	Governmental Activities	Business-type Activities
Subscription Asset	\$ 8,326	\$ 4,679
Subscription Asset Accumulated Amortization	(2,947)	(1,649)
	<u>\$ 5,379</u>	<u>\$ 3,030</u>

City of Long Beach
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NOTE 12 – DERIVATIVE INSTRUMENTS

At September 30, 2023, the City had the following hedging derivative instruments outstanding within business-type activities:

<i>Type</i>	<i>Objective</i>	<i>Notional Amount</i>	<i>Effective Date</i>	<i>Various Maturity Dates to:</i>	<i>Terms</i>
Pay-Fixed Interest Rate Swap	To reduce the risks associated with the change in interest rates related to the 2007 Series B Variable-rate Bonds.	\$69.0 million	8/15/2023	11/15/2033	Receive 67% SOFR plus 1.725%, pay fixed at 5.088%
Commodity Forward Contract	To hedge against a reduction in revenues resulting from changes in monthly commodity prices.	77.0 million MMBtu ¹	11/18/2007	9/30/2037	Pay variable receive fixed for scheduled notional quantities.

¹ MMBtu is one million British Thermal Units.

Interest Rate Swap Objective and Terms: As a means to lower financing costs and to reduce the risks associated with the fluctuation of market interest rates, the Long Beach Bond Finance Authority (LBBFA) entered into a series of interest rate swaps in connection with the 2007 Gas Prepay Bonds, Series B (Prepay Bonds) in the amount of \$251.7 million. In July 2009, a tender offer was submitted to bondholders reducing the Prepay Bonds' outstanding notional amounts to \$69.0 million as follows:

<i>Maturity Date</i>	<i>Notional Amounts (In Thousands)</i>	<i>Synthetic Fixed Rate</i>	<i>Variable Rate</i>	<i>Spread</i>
11/15/2025	\$ 19,195	4.940%	5.200%	1.585%
11/15/2026	25,175	4.965%	5.220%	1.605%
11/15/2027	24,630	4.992%	5.240%	1.625%
11/15/2033	5	5.088%	5.340%	1.725%
	<u>\$ 69,005</u>	4.968%	5.222%	1.607%

² Percentages are weighted average.

³ The weighted average floating rate is based on the present value of 67% of the forward three-month SOFR rate curve at September 30, 2023, plus the indicative spread. In 2023, LIBOR rate was switched to SOFR Rate.

The objective of the swap was to effectively change the variable interest rate on the Prepay Bonds to a synthetic weighted average fixed rate of 4.9 percent (pay-fixed interest rate swap). The Prepay Bonds and the related swap agreements mature on the dates specified above and the swap's notional amount of \$69.0 million matches the \$69.0 million variable-rate Prepay Bonds. The swap was effective at the same time the Prepay Bonds were issued on October 18, 2007. The effective date was later amended on August 15, 2023, to update the reference index rate to SOFR from LIBOR.

Starting in fiscal year 2008-09, under the swap agreement, LBBFA paid Merrill Lynch Capital Services, Inc. fixed payments based on the above schedule. In October 2007, the Alternative Floating Rate Option was used to calculate interest paid to LBBFA. The Alternate Floating Rate Option means a per annum rate, not to exceed the maximum interest rate payable on the Prepay Bonds, expressed as a decimal, equal to 67 percent of the three-month SOFR, as quoted by the British Bankers Association (BBA), plus a spread as defined above, not to exceed a rate of 15 percent per annum for any calculation period.

City of Long Beach
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For the Fiscal Year Ended September 30, 2023

Commodity Swap Objective and Terms: The City entered into a natural gas commodity price sale agreement with Royal Bank of Canada Capital Markets (RBC) to hedge against a reduction in its gas sale revenues resulting from changes in monthly market index prices. Under the swap agreement, the City pays a floating natural gas price over a 30-year period and receives specified fixed natural gas prices for notional quantities of natural gas as determined in the Prepaid Gas Agreement. In consideration for the agreement, the City remitted \$892.6 million to the seller. Settlement provisions of the contract permit the City to take delivery of the gas or to pay a settlement price equal to the applicable Index Price (NGI So Cal Border Index) for the month in which the gas delivery occurs, less \$0.83 per one million MMBtu. The swap was effective at the same time the Prepay Bonds were issued on October 18, 2007 and continues through September 30, 2037.

Tender Offer: In July 2009, the City executed a tender offer for a portion of the underlying Prepay Bonds. The results of the tender offer reduced the amount of outstanding variable-rate Prepay Bonds associated with the interest rate swap by \$182.7 million and the City's purchase volume of natural gas over the life of the commodity swap agreement by 60 million MMBtu.

Fair Value: The interest rate swap, with the market price quoted by Bank of America-Merrill Lynch, had a negative fair value of approximately \$2 million on October 1, 2022. During the fiscal year ending September 30, 2023, the fair value increased by \$1.4 million to a negative fair value of \$647 thousand. The fair value for the interest rate swap is described as the exit price, which is based on the Secured Overnight Financing Rate (SOFR) swap rate. In January 2022, the US stopped using London Interbank Offered Rate (LIBOR) to issue new loans and replaced it with Secured Overnight Financing Rate (SOFR). LIBOR was discontinued as of June 30, 2023.

The commodity swap, with the market price quoted by RBC, had a fair value of \$294.9 million on October 1, 2022. During the fiscal year, fair value decreased \$9.1 million to a fair value of \$285.8 million as of September 30, 2023. The fair value for the commodity swap is based on RBC's quoted price. The commodity swap is classified as Level 3 as the valuation relies primarily on unobservable inputs.

Fair values are based on mark-to-market valuations provided by the swap counterparties. The following table provides the details for the changes in fair value for both derivative instruments (in thousands):

<i>Maturity Date</i>	<i>Fair Value, October 1, 2022</i>	<i>Change in Fair Value</i>	<i>Fair Value, September 2023</i>
<i>Interest Rate Swap</i>			
11/15/2025	\$ (384)	\$ 345	\$ (39)
11/15/2026	(724)	502	(222)
11/15/2027	(928)	543	(385)
11/15/2033	-	-	-
	(2,036)	1,390	(646)
<i>Commodity Swap</i>			
9/30/2037	294,922	(9,091)	285,831
Total	\$ 292,886	\$ (7,701)	\$ 285,185

City of Long Beach
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Information on the effects of these transactions on the financial statement presentation can be found in Note 22 to the basic financial statements.

Credit Risks: As of September 30, 2023, the interest rate swap counterparty was rated AA- by Fitch Ratings with a Stable outlook. It aligns with the counterparties ratings upgrade of Bank of America Corporation's (BAC) Long-Term Issuer Default Rating (IDR) to AA-. Further, these ratings reflect the credit quality of the BAC and Long Beach Energy Resources (LBER), the City's gas distribution utility.

Merrill Lynch Commodities, Inc., a wholly owned subsidiary of Merrill Lynch and Co. Inc. (Guarantor), entered into a Prepaid Natural Gas Purchase and Sale Agreement with the LBBFA to sell and deliver gas to the LBBFA. On July 12, 2012, the City, the Guarantor, and the Bank of New York Mellon Trust Company, N.A. (Custodian) entered into a Pledge Collateral and Custodial Agreement, pursuant to Section 21.2 of the Prepaid Gas Agreement, for purposes of securing the obligations of the Seller and Guarantor to pay the Purchaser the Unearned Amount in the event an Early Termination Date occurs and the Unearned Amount is owed by the Seller or Guarantor to the Purchaser. The Custodian for benefit of the City holds a perfected interest in the collateral pledged. BNY Mellon remains in its role as Trustee since inception of the bonds while the custodian role migrated first to Wells Fargo and most recently to Principal Custody Solutions.

Credit risk exposure was deemed to be sufficiently mitigated through collateral as stipulated in the investment agreement. The RBC as the commodity swap provider has a strong credit profile. The proceeds of the bond issue are used to prepay the Guarantor for specified quantities of natural gas, deliverable to the LBBFA over a 30-year period. Bond holders rely on the supplier to deliver the gas or make a cash payment to the issuer in lieu of delivery over the life of the bonds. LBBFA delivers the gas to the City, which is obligated to purchase delivered gas as an operating expense of LBER, its gas distribution utility.

In March 2019, Moody's upgraded its long-term rating from A3 to A2 to correspond to BAC's upgrade, the parent of Merrill Lynch Commodities, Inc. and the City's Gas utility.

Interest Rate Swap Payment and Associated Debt: Using rates as of September 30, 2023, debt service requirements of the variable-rate debt and net swap payments, assuming the current interest rate remains the same for their term, were as follows (in thousands):

<i>Fiscal Year</i> <i>Ending</i> <i>September 30</i>	<i>Variable-Rate Bonds</i>		<i>Net Swap</i> <i>Payments</i>	<i>Total</i> <i>Interest</i>
	<i>Principal</i>	<i>Interest</i>		
2024	-	3,403	178	3,581
2025	19,195	2,697	226	2,923
2026	25,175	1,531	176	1,707
2027	24,630	305	99	404
2028 - 2033	5	1	18	19
Total	<u>\$ 69,005</u>	<u>\$ 7,937</u>	<u>\$ 697</u>	<u>\$ 8,634</u>

As rates vary, variable-rate bond interest payments and net swap payments will vary.

Termination Risks: In accordance with the Trust Indenture and the Prepaid Natural Gas Purchase and Sale Agreement, the issuer has the right to optionally redeem Prepay Bonds either pursuant to the covered indenture at no market risk or a Triggering Event as described in the Prepaid Natural Gas Purchase and Sale Agreement.

City of Long Beach
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For the Fiscal Year Ended September 30, 2023

NOTE 13 – RETIREMENT PROGRAMS

Plan Description – California Public Employees’ Retirement System (CalPERS)

Plan Description – The City contributes to the CalPERS agent multiple-employer defined benefit pension plans (Plans). CalPERS acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans including benefit provisions, assumptions and membership information. All qualified permanent employees are eligible to participate in the City’s separate Safety (police and fire) or Miscellaneous (all other) Plans. The reports can be found on the CalPERS website.

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

The Plans’ provisions and benefits in effect at September 30, 2023, are summarized in the following table:

<i>Miscellaneous</i>			
	Prior to October 1, 2006	On or after October 1, 2006 and prior to January 1, 2013	On or after January 1, 2013
Hire date			
Benefit formula	2.7% @ 55	2.5% @ 55	2.0% @ 62
Benefit vesting schedule		5 years of service	
Benefit payments		Monthly for life	
Retirement age	50- 55	50 - 55	52 - 62
Required Contribution Rates			
Employee	8.0%	8.0%	6.5%
Employer	30.58%	30.58%	30.58%
Percentage of Eligible Compensation			
Monthly benefits	2.0% to 2.7%	2.0% to 2.5%	1.0% to 2.0%
<i>Safety</i>			
	Prior to October 1, 2006	On or after October 1, 2006 and prior to January 1, 2013	On or after January 1, 2013
Hire date			
Benefit formula	3.0% @ 55	3.0% @ 50	2.7% @ 57
Benefit vesting schedule		5 years of service	
Benefit payments		Monthly for life	
Retirement age	50 - 55	50	50 - 57
Required Contribution Rates			
Employee	9.0%	9.0%	12.3%
Employer	48.40%	48.40%	48.40%
Percentage of Eligible Compensation			
Monthly benefits	2.4% to 3.0%	3.00%	2.0% to 2.7%

City of Long Beach
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Employees Covered – Based on the June 30, 2022 funding valuation report, the following employees were covered by the benefit terms for each Plan:

	<i>Miscellaneous</i>	<i>Safety</i>
Active employees	3,612	1,155
Inactive employees or beneficiaries currently receiving benefits	4,816	1,906
Inactive employees entitled to but not yet receiving benefits	4,684	360

Contributions – California Public Employees’ Retirement Law 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 City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The City’s contribution rates may change if plan contracts are amended. Payments made by the City to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions.

Net Pension Liability

The City’s net pension liability for both Plans is measured as the total pension liability, less the plan’s fiduciary net position. Net pension liability is measured as of June 30, 2023 (measurement date), using the actuarial valuation report as of June 30, 2022 rolled forward using standard actuarial procedures. At September 30, 2023, the City reported net pension liability of \$1.4 billion for both plans. A summary of principal assumptions and methods used to determine the net pension liability is as follows:

Actuarial Assumptions – The total pension liabilities were determined using the following actuarial assumptions:

	<i>Miscellaneous</i>	<i>Safety</i>
Valuation Date (VD)	June 30, 2022	June 30, 2022
Measurement Date (MD)	June 30, 2023	June 30, 2023
Actuarial Cost Method	Entry Age Actuarial Cost Method	
Actuarial Assumptions:		
Discount Rate	6.90%	6.90%
Inflation	2.30%	2.30%
Salary Increase	Varies by Entry Age and Service	
Mortality	Derived using CalPERS' membership data for all funds	

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

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

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

<i>Asset Class</i> ¹	<i>Assumed Asset Allocation</i>	<i>Real Return</i> ^{1,2}
Global Equity - Cap-Weighted	30.00 %	4.54 %
Global Equity - Non-Cap-Weighted	12.00	3.84
Private Equity	13.00	7.28
Treasury	5.00	0.27
Mortgage-Backed Securities	5.00	0.50
Investment Grade Corporates	10.00	1.56
High Yield	5.00	2.27
Emerging Market Debt	5.00	2.48
Private Debt	5.00	3.57
Real Assets	15.00	3.21
Leverage	(5.00)	(0.59)

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

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

Discount Rate – The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from the City 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 Long Beach
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Changes in the CalPERS Net Pension Liability

The following tables show the changes in the net pension liability for each Plan (in thousands):

<i>Miscellaneous Plan</i>	<i>Increase (Decrease)</i>		
	<i>Total Pension Liability</i>	<i>Plan Fiduciary Net Position</i>	<i>Net Pension Liability/(Asset)</i>
Balance at July 1, 2022 (MD)	\$ 3,028,741	\$ 2,326,863	\$ 701,878
Changes in the year:			
Service Cost	52,133	-	52,133
Interest on Total Pension Liability	207,669	-	207,669
Changes of Benefit Terms	2,976	-	2,976
Differences between Actual and Expected Experience	36,365	-	36,365
Contribution - Employer	-	87,338	(87,338)
Contribution - Employee	-	23,576	(23,576)
Net Investment Income	-	143,128	(143,128)
Administrative Expenses	-	(1,711)	1,711
Benefit Payments, including Refunds of Employee Contributions	(168,898)	(168,898)	-
Net Changes	130,245	83,433	46,812
Balance at June 30, 2023 (MD)	\$ 3,158,986	\$ 2,410,296	\$ 748,690

<i>Safety Plan</i>	<i>Increase (Decrease)</i>		
	<i>Total Pension Liability</i>	<i>Plan Fiduciary Net Position</i>	<i>Net Pension Liability/(Asset)</i>
Balance at July 1, 2022 (MD)	\$ 2,961,636	\$ 2,358,099	\$ 603,537
Changes in the year:			
Service Cost	47,858	-	47,858
Interest on Total Pension Liability	202,912	-	202,912
Changes of Benefit Terms	1,023	-	1,023
Differences between Actual and Expected Experience	32,814	-	32,814
Contribution - Employer	-	78,314	(78,314)
Contribution - Employee	-	19,499	(19,499)
Net Investment Income	-	144,718	(144,718)
Administrative Expenses	-	(1,734)	1,734
Benefit Payments, including Refunds of Employee Contributions	(157,282)	(157,282)	-
Net Changes	127,325	83,515	43,810
Balance at June 30, 2023 (MD)	\$ 3,088,961	\$ 2,441,614	\$ 647,347

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following table presents the net pension liability of the City for each plan as of the measurement date, calculated using the discount rate of 6.90 percent, compared to a discount rate that is 1 percentage point lower (5.90%) or 1 percentage point higher (7.90%). Amounts shown below are in thousands:

<i>Net Pension Liability/(Asset)</i>	<i>1% Decrease (5.90%)</i>	<i>Discount Rate (6.90%)</i>	<i>1% Increase (7.90%)</i>
Miscellaneous	\$ 1,157,930	\$ 748,690	\$ 410,807
Safety	1,059,781	647,347	308,993

City of Long Beach
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Pension Plan Fiduciary Net Position – Detailed information about each Plan’s fiduciary net position is available in the separately issued CalPERS financial report.

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

For the year ended September 30, 2023, the City recognized pension expense of \$127.2 million and \$113.3 million for the Miscellaneous and Safety Plan, respectively.

At September 30, 2023, the City reported pension related deferred outflows of resources and deferred inflows of resources from the following sources (in thousands):

	Miscellaneous Plan:		Safety Plan:		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to the Measurement Date	\$ 22,748	\$ -	\$ 19,108	\$ -	\$ 41,856	\$ -
Differences Between Actual and Expected Experience	24,635	(5,807)	24,873	(16,134)	49,508	(21,941)
Changes in Assumptions	21,868	-	35,202	-	57,070	-
Net Differences between Projected and Actual Earnings on Plan Investments	112,263	-	114,041	-	226,304	-
Change in Proportion	12,080	(12,080)	1,951	(1,951)	14,031	(14,031)
Total	\$ 193,594	\$ (17,887)	\$ 195,175	\$ (18,085)	\$ 388,769	\$ (35,972)

Deferred outflows of resources and deferred inflows of resources above represent the unamortized portion of changes to net pension liability to be recognized in future periods in a systematic and rational manner. Net difference between projected and actual earnings on pension plan investments are recognized in pension expense over a 5-year period and the other economic/demographic gains or losses and assumption changes or inputs are recognized over the expected average remaining service lifetime (EARSLS) for all active and inactive members, which is 3.1 years as of measurement date of June 30, 2023.

The \$41.9 million reported as deferred outflows of resources related to contributions made by the City subsequent to the measurement date of June 30, 2023 will be recognized as a reduction of the net pension liability in the year ending September 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension income as follows (in thousands):

<i>Miscellaneous Plan:</i>		<i>Safety Plan:</i>		<i>Total</i>	
<i>Year Ending September 30</i>	<i>Amount</i>	<i>Year Ending September 30</i>	<i>Amount</i>	<i>Year Ending September 30</i>	<i>Amount</i>
2024	\$ 46,871	2024	\$ 38,720	2024	\$ 85,591
2025	24,899	2025	29,464	2025	54,363
2026	78,139	2026	86,638	2026	164,777
2027	3,050	2027	3,160	2027	6,210
Total	\$ 152,959	Total	\$ 157,982	Total	\$ 310,941

City of Long Beach
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NOTE 14 – POSTEMPLOYMENT HEALTHCARE BENEFITS

Plan Description

The City provides postemployment healthcare benefits through its City of Long Beach Retiree Health Care plan (OPEB Plan), a single-employer plan. The OPEB Plan covers all eligible full-time employees of the City. City Council has the authority to establish and amend the benefit terms currently permitted by Ordinance No. C-7556. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Benefits Provided

The OPEB Plan provides health, dental and long-term care insurance for retirees and their dependents as long as (a) that employee participated in a City provided insurance program of that type during the year immediately preceding retirement, (b) the employee has not attained the eligibility age for Medicare payments, and (c) the employee has attained the minimum retirement age for the employee’s retirement plan.

Benefits are administered through a third-party provider, and the full cost of benefits is covered by the OPEB Plan up to the point where the value of the retirees’ unused sick leave has been exhausted. Retirees who have exhausted their unused sick leave can still access the OPEB Plan by paying the OPEB Plan premium out of pocket. As of September 30, 2023, the count of employees covered by the benefit terms was:

Inactive employees currently receiving benefits	1,079
Active employees	<u>4,641</u>
Total	<u><u>5,720</u></u>

Total OPEB Liability

At September 30, 2023, the City’s total OPEB liability was \$47.2 million. The total OPEB liability in the September 30, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	September 30, 2022	
Measurement Date	September 30, 2022	
Actuarial Cost Method	Entry Age	
Actuarial Assumptions:		
Inflation	2.50%	
Discount Rate	4.40%	Based on Fidelity Municipal Bond GO AA 20-year Bond Index
Payroll Increases	Aggregate 2.75%	
	Merit	CalPERS 2000-2019 Experience Study
Health Care Cost Trend Rates	8.50% for 2024, decreasing to an ultimate rate of 3.45% in 2076	
Mortality, Termination, Disability, Retirement	CalPERS 2000-2019 Experience Study	
Mortality Improvement	Mortality projected fully generational with Scale MP-2021	
Participation Rates:		
Miscellaneous Plan	75%, 100% select City plans	
Safety	90%, 85% select City plans	

City of Long Beach
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Changes in the Total OPEB Liability (in thousands)

Balance at October 1, 2022		\$ 4,166
Service Cost	1,371	
Interest on Total OPEB liability	82	
Difference between Expected and Actual Experience	(2,828)	
Change in Assumptions	47,923	
Benefit Payments	<u>(3,532)</u>	
Net Changes		43,016
Balance at September 30, 2023		<u>\$ 47,182</u>

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

	<i>1% Decrease (3.40%)</i>	<i>Discount Rate (4.40%)</i>	<i>1% Increase (5.40%)</i>
Total OPEB Liability (Asset)	\$ 32,215	\$ 47,182	\$ 56,559

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate

	<i>1% Decrease</i>	<i>Healthcare Cost Trend Rate</i>	<i>1% Increase</i>
Total OPEB Liability (Asset)	\$ 54,479	\$ 47,182	\$ 34,376

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

For the year ended September 30, 2023, the City recognized an OPEB expense of \$932 thousand. At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources (in thousands):

	<i>Deferred Outflows of Resources</i>	<i>Deferred Inflows of Resources</i>
Amounts paid subsequent to measurement date	\$ 5,042	\$ -
Difference between expected and actual experience	836	(4,829)
Change in assumptions	44,866	(25,685)
Change in proportion	3,504	(3,504)
Total	<u>\$ 54,248</u>	<u>\$ (34,018)</u>

The \$5.0 million reported as deferred outflows of resources related to contributions made by the City subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending September 30, 2024. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expenses (income) over the next 10 years, as follows (in thousands):

<i>Year Ending September 30</i>	<i>Amount to be Recognized</i>
2024	\$ (521)
2025	(706)
2026	(637)
2027	(542)
2028	1,125
2029 -2032	<u>16,469</u>
Total	<u>\$ 15,188</u>

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

NOTE 15 – SELF-INSURANCE PROGRAMS

The City has adopted separate insurance programs for workers' compensation and general liability claims. The City is self-insured for workers' compensation and general liability for the first \$5 million per occurrence, except for law enforcement's general liability which has \$10 million per occurrence self-insured retention. In addition, the City has excess insurance coverage for workers' compensation and general liability claims up to \$150 million and \$50 million, respectively.

At September 30, 2023, the City accrued non-discounted estimates totaling \$193.3 million for workers' compensation and general liability claims. This represents estimates of amounts to be paid for actual and incurred-but-not-reported claims based upon past experience, modified for current trends and developments. The City has recorded in the Workers' Compensation Insurance Fund a current liability of \$21.0 million and a long-term liability of \$114.3 million. The City has recorded in the General Liability Insurance Fund a current liability of \$13.7 million and a long-term liability of \$44.3 million.

The ultimate amount of losses incurred through September 30, 2023 is dependent on future developments. Based upon actuary evaluation, City's management believes that the aggregate accrual adequately represents such losses.

A summary of the City's claims activity for the fiscal years ended September 30, 2023 and 2022 is as follows (in thousands):

	<i>Workers' Compensation Claims</i>	<i>General Liability Claims</i>	<i>Total</i>
Balance at October 1, 2021	\$ 132,080	\$ 44,305	\$ 176,385
Additions	11,711	14,068	25,779
Payments	<u>(11,149)</u>	<u>(11,310)</u>	<u>(22,459)</u>
Balance at September 30, 2022	132,642	47,063	179,705
Additions	15,841	19,498	35,339
Payments	<u>(13,145)</u>	<u>(8,565)</u>	<u>(21,710)</u>
Balance at September 30, 2023	<u>\$ 135,337</u>	<u>\$ 57,997</u>	<u>\$ 193,334</u>

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

NOTE 16 – GOVERNMENTAL FUND BALANCES AND FUND DEFICITS

As of September 30, 2023, total fund balances for the City’s major and non-major governmental funds are as follows (in thousands):

	<i>General</i>	<i>General Capital Projects</i>	<i>Housing Assistance Special Revenue</i>	<i>Other Governmental Funds</i>	<i>Total Governmental Funds</i>
Fund Balances (Deficit):					
Nonspendable:					
Prepaid Expense and Deposits	\$ 1,278	\$ 1,591	\$ -	\$ 268	\$ 3,137
Inventory	-	-	-	1,482	1,482
Subtotal	<u>1,278</u>	<u>1,591</u>	<u>-</u>	<u>1,750</u>	<u>4,619</u>
Restricted for:					
Debt Service	-	-	-	28,240	28,240
Public Safety	3,179	-	-	5,665	8,844
Community and Cultural	-	-	32,147	66,581	98,728
Public Works	-	174,119	-	10,676	184,795
Subtotal	<u>3,179</u>	<u>174,119</u>	<u>32,147</u>	<u>111,162</u>	<u>320,607</u>
Committed to:					
Community and Cultural	-	-	-	1,200	1,200
Other Purposes - Emergency Reserve	47,764	-	-	-	47,764
Other Purposes - Operating Reserve	15,719	-	-	-	15,719
Oil Abandonment	16,089	-	-	-	16,089
Subtotal	<u>79,572</u>	<u>-</u>	<u>-</u>	<u>1,200</u>	<u>80,772</u>
Assigned to:					
Subsequent Year's Appropriations	111,737	-	-	-	111,737
Unfunded Liabilities and Commitments	21,965	-	-	-	21,965
Public Works	-	115,303	-	-	115,303
Subtotal	<u>133,702</u>	<u>115,303</u>	<u>-</u>	<u>-</u>	<u>249,005</u>
Unassigned (Deficit)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(17,846)</u>	<u>(17,846)</u>
Total Fund Balances	<u>\$ 217,731</u>	<u>\$ 291,013</u>	<u>\$ 32,147</u>	<u>\$ 96,266</u>	<u>\$ 637,157</u>

Fund Deficits

The Other Governmental Funds reported a deficit \$17.8 million in unassigned fund balance due to pending reimbursements from the Federal Emergency Management Agency (FEMA) for COVID-19 costs that were incurred in the Health and General Grants funds.

The Gas Utility Fund, a major proprietary fund, reported a deficit net position of \$11.0 million as of September 30, 2023. This deficit was primarily attributed to an increase of \$35.5 million in the net pension liability. City management believes that the cash position of the fund is sufficient to support the utilities ongoing operations.

The Tideland Oil Revenue Fund, a major proprietary fund, reported a deficit net position of \$88.7 million as of September 30, 2023. Tideland Oil Revenue Fund deficit net position is due to a future oil field abandonment liability of \$158 million, reflecting an increase of \$31.2 million during the fiscal year. The City will continue to set aside funding annually with the intent to accumulate sufficient resources to fully fund the oil field abandonment liability. It is anticipated that oil operations will cease in 2035, at which time the City will pay for oil field abandonment costs.

The Towing Fund, a nonmajor enterprise fund, reported a deficit net position of \$2.9 million as of September 30, 2023. This deficit primarily resulted from the recognition of a net pension liability of \$4.4 million and compensated absences of \$0.4 million. City management believes that the cash position of the fund is currently sufficient at 40 days of expenses to support ongoing operations.

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

As of September 30, 2023, the Workers' Compensation insurance fund reflected a deficit net position of \$108.9 million. This deficit included the impact of accrued liabilities for Accrued Claims and Net Pension Liability of \$114.3 million and \$14.2 million respectively. City management believes the deficit net position will be recovered through future charges for services, adjusted as appropriate, and has made reasonable adjustments to amounts charged to City departments to ensure adequate cash positions are maintained.

As of September 30, 2023, the General Liability insurance fund reflected a deficit net position of \$48.6 million. This deficit included the impact of accrued liabilities for Accrued Claims and Net Pension Liability of \$44.3 million and \$2.0 million respectively. City management believes the deficit net position will be recovered through future charges for services, adjusted as appropriate, and has made reasonable adjustments to amounts charged to City departments to ensure adequate cash positions are maintained.

NOTE 17 – OIL FIELD ABANDONMENT LIABILITY

Tideland Oil Revenues

In 1911 the State of California (State) committed to the trusteeship of the City certain tidelands properties the City has been required to administer. Revenues received from the City's tidelands area are restricted by State law to tidelands-related purposes. Oil production revenue is allocated under a net profits agreement where the State, City, and operator receive a percentage of the profits. The trust agreement provides for the establishment of separate operating funds to account for the various activities conducted in the City's tideland areas.

The City utilizes contractors to oversee oil production on the tidelands portion of the Wilmington Oil Field. Oil revenues (net of administrative and operating expenses, a \$1,000,000 fixed annual retention by the City, and the City's participation in the Optimized Waterflood Program Agreement) are remitted to the State. The use of the funds retained by the City are restricted for tidelands-related purposes to include the City's marinas, beaches, waterways, and convention center.

Annually, the City estimates the State's share in the costs of future abandonment and site clearance of the oil properties. At September 30, 2023, the State's total estimated abandonment cost liability is \$1.0 billion, which increased by \$106.7 million from the prior fiscal year. This estimate is based on the number and life of productive wells, general changes in the life of the oil field, and changes in oil prices. As of September 30, 2023, and as provided for in Assembly Bill (AB) 137, the State has put aside and deposited approximately \$311.4 million of the \$1.0 billion estimated liability into the State's Oil Trust Fund - Abandonment Reserve. In the Tideland Oil fund, the abandonment reserve set aside for the estimated liability is \$62.8 million.

At September 30, 2023, the Tideland Oil Fund recorded an estimated oil field abandonment cost liability of \$158.3 million increasing by \$31.2 million from fiscal year 2022. This estimate is based on the number and life of productive wells, general changes in the life of the oil field, and changes in oil prices. The City's ownership interests in the Wilmington Oil Field also results in the City recording a proportionate share of oil field abandonment costs currently estimated at \$27.2 million of which \$16.1 million has been funded in the Upland Oil Fund as of September 30, 2023.

Subsidence

In accordance with State law, the City established a Reserve for Subsidence Contingencies to indemnify the City, State, and contractors for claims or costs arising from subsidence alleged to have resulted from oil operations. A maximum of \$40.0 million, plus accrued interest, was originally set aside for this purpose. At present, 100 percent of the interest accrues to the Reserve for Subsidence. As of September 30, 2023, the reserve balance within the Subsidence Fund is \$191.2 million.

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

NOTE 18 – POLLUTION REMEDIATION OBLIGATIONS

The City is involved in several remediation actions to clean up pollution sites within its boundaries. These matters generally coincide with the City’s ownership of land, buildings, and infrastructure assets. In some cases, regulatory agencies (e.g., California State Water Resources Control Board, Regional Water Quality Board, State Department of Toxic Substances Control) notified the City of the need for remedial action. In addition, the City conducts its own environmental monitoring and this activity identifies pollution sites and matters requiring further investigation and possible remediation. Once the City is aware of these conditions, it commences monitoring, assessment, testing and/or cleanup activities, and recognizes a pollution remediation obligation when estimates can reasonably be determined. The pollution remediation obligation is an estimate and is subject to revision because of price increases or reductions, changes in technology, or changes in applicable laws or regulations. The types of pollution that have been identified include groundwater and soil contamination, leaking underground storage tanks, asbestos and lead paint contamination, methane gas detection, and excessive levels of other contaminants. Remediation efforts include continuous groundwater monitoring on a recurring semi-annual basis, developing remediation and feasibility studies, source identification studies, site testing, sampling and analysis, ground water cleanup, and removal of storage tanks, asbestos tiles, and other hazardous materials.

As of September 30, 2023, the City’s estimated pollution remediation obligation totaled \$4.1 million, which was related to governmental activities as shown in the following table (in thousands):

	<i>GASB 34 Conversion Adjustments</i>	<i>Internal Service Funds</i>	<i>Total Governmental Activities</i>
Governmental Activities:			
Environmental Remediation:			
55th Way Landfill (formerly Paramount Landfill)	\$ 2,880	\$ -	\$ 2,880
El Cortez (formerly El Ranchito)	320	-	320
Cowelco	332	-	332
Leaking Underground Storage Tanks	-	570	570
Total Environmental Remediation	\$ 3,532	\$ 570	\$ 4,102

The estimated liability was determined by project managers, based on historical cost information for projects of the same type, size and complexity and measured at their current value. In subsequent periods, the City will adjust the estimated obligation when new information indicates that such changes are required. At this time, the City has determined there are no estimated recoveries reducing the obligation. The City has an Environmental Pollution Insurance Policy that may cover some costs for the period in question.

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

NOTE 19 – INVESTMENT IN JOINT VENTURES

Intermodal Container Transfer Facility Joint Powers Authority (ICTF)

The City's Harbor Department and the Port of Los Angeles (Venturers) entered into a joint venture agreement to form ICTF for the purposes of financing and constructing an intermodal container transfer facility (facility) to transfer cargo containers between trucks and railroad cars. The facility was leased to Southern Pacific, which merged with Union Pacific (Tenant) in 1996. The facility was developed by the Tenant who assumed operational responsibility for the facility. The Venturers share net income and equity distributions from ICTF equally. The Harbor's share of the ICTF's net position as of September 30, 2023 totaled \$2.1 million. The ICTF financial statements for the year ended June 30, 2023 can be obtained from the Harbor.

NOTE 20 – DEFERRED COMPENSATION

The City offers its employees a deferred compensation plan (457 Plan) created in accordance with Internal Revenue Code, Section 457. The 457 Plan permits employees to defer a portion of their salary and all amounts of compensation deferred under the 457 Plan and all income attributable to those amounts are held in trust accounts for the exclusive benefit of the participants and their beneficiaries.

All investment decisions under the 457 Plan are the responsibility of the 457 Plan participants. The City has no liability for losses under the 457 Plan, but does have the duty of due care that would be required of an ordinary prudent investor. The accumulated assets of the 457 Plan are not required to be reported in the accompanying basic financial statements. If 457 Plan participants retire or terminate service with the City, they may be eligible to receive payments under the 457 Plan in accordance with provisions thereof. In the event of serious financial emergency, the City may approve, upon request, withdrawals from the 457 Plan by the participants.

The City also provides a pension benefit through a 401a Pension Plan for certain full-time employees. The City is responsible for the administration of the Plan with the City Council having the authority to amend or terminate contribution provisions. Retirement benefits depend on amounts contributed plus investment earning. Employer contribution rates to the Plan are determined by negotiation between the City and the employee associations, and detailed along with other wage and benefit issues in MOUs between the entities.

Effective October 1, 2022, the City contributes 2 to 5 percent of eligible participants' base compensation into the Plan, based on the various employee associations' Memorandum of Understanding. Plan participants have the right to 100 percent of contributions made on their behalf and related earning upon their death, permanent and total disability or upon attainment of normal retirement age. Annual Pension Cost Employer contributions to the Plan as of September 30, 2023, was \$1.5 million.

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

NOTE 21 – COMMITMENTS AND CONTINGENCIES

Encumbrances

The City uses encumbrances to control expenditure commitments for the year. Encumbrances represent commitments related to executory contracts not yet performed and purchase orders not yet filled. Commitments for such expenditure of monies are encumbered to reserve applicable appropriations. Encumbrances still open at year-end are not accounted for as expenditures and liabilities, but as restricted or committed fund balance on the governmental funds balance sheet. Encumbrances related to capital projects are funded through the current year appropriated budget, which carries over to the following fiscal year.

At September 30, 2023, business-type and governmental funds had outstanding operating and capital contractual commitments for construction projects and purchases of goods and services, as follows (in thousands):

<u>Governmental Activities</u>	
General Fund	\$ 2,447
General Capital Projects	82,035
Non-major Governmental Funds	10,697
Housing Assistance	300
Internal Service Fund	22,189
Total	<u>\$ 117,668</u>

<u>Business-Type Activities</u>	
Gas Utility	\$ 37
Water	14,307
Tidelands Operating	28,074
Harbor	24,460
Non-major Business-Type Funds	10,988
Total	<u>\$ 77,866</u>

Pike Public Improvements

In fiscal year 2003, the City issued special assessment debt under the authority of the Mello-Roos Community Facilities Act for public improvements, mainly for a parking facility, in the Pike Development Project area. Although the debt does not constitute an indebtedness of the City, in order to facilitate such financing, the parking facility was subleased to the City for the purposes of issuing the Mello-Roos Bonds pursuant to a City sublease. According to the sublease, the City is subject to an annual calculated lease payment up to \$1.2 million through October 2032, plus net revenues from certain other Pike area parking operations, in the event the Pike garage does not generate sufficient net revenue to make bond payments.

Environmental Mitigation Credits

In September 2019, the Harbor entered into a nonoperating Memorandum of Understanding (MOU) with the City of Long Beach Public Works Department to purchase 19.7 mitigation credits from the Colorado Lagoon Restoration project for \$26.3 million. In August 2022 the amount was increased to a total of \$32.0 million due to the revised project budget. An advance of \$1.3 million has already been received by the department of Public Works as of September 30, 2023. The remaining funds of \$30.7 million will be reimbursement for actual costs incurred per the MOU terms from fiscal year 2020 through 2025.

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

Self-Insurance

The City is the subject of numerous claims seeking recovery of monetary amounts. Such claims generally occur in the normal course of business and arise from several causes of action including general liability, employment-related matters, alleged violations of civil rights, recovery of questioned grant costs, and other incidental issues.

As stated in Note 15 to the basic financial statements, the City is self-insured for its workers' compensation and liability claims. As claims are made against the City, they are routinely evaluated and appropriate accrued liabilities are recorded. Certain of these claims may ultimately reach the trial level and could result in judgments against the City. While the ultimate adverse effect, if any, of claims and judgments against the City cannot be estimated with certainty, it is the opinion of management, based upon consultation with the City Attorney and outside legal counsel as applicable, that such judgments against the City will not have a material adverse effect on the City's financial position beyond that already accrued for within the basic financial statements.

Potential Obligations Related to the Alameda Corridor Transportation Authority

The Alameda Corridor Use and Operating Agreement was executed by the Harbor, the Harbor Department of the City of Los Angeles (POLA), Alameda Corridor Transportation Authority (ACTA), and the Burlington Northern Santa Fe and Union Pacific Railroads (the Railroads) in 1998. This agreement provides for a payment of funds, known as a "Shortfall Advance," to be made, under certain circumstances, to ACTA by the Harbor and the POLA. Revenue generated by use fees and container charges, paid by the Railroads, will be used to pay debt service on ACTA financing, establish and maintain bond repayment and reserve funds, establish and replenish a reserve account, and reimburse ACTA for reasonable expenses relating to administration of the rail corridor.

To the extent that the revenue from use fees and container charges is not sufficient to meet ACTA's obligations, the Harbor and the POLA have agreed to advance the funds necessary to make up the difference. This obligation began after completion of the corridor project and is limited to a total of 40% of the total annual debt service. In that situation, the Harbor and the POLA would each be responsible for one-half or 20% of the total amount due in such calendar year.

Any shortfall advances made by the Harbor and the POLA are reimbursable, with interest, upon ACTA's ability to pay, which is undefined in the near term. The previously paid Shortfall Advances remained unchanged as of September 30, 2023. The most recent notice date, August 14, 2023, indicates that there is no projected shortfall for ACTA's fiscal year ending June 30, 2024. The most recent notice date, August 14, 2023, indicates that there is no projected shortfall for ACTA's fiscal year ending June 30, 2024.

Gerald Desmond Bridge Replacement (GDBR) Project

The new Gerald Desmond Bridge Replacement (Long Beach International Gateway) has been completed and transferred to the California Department of Transportation (Caltrans) as a component of the state highway system in March 2022. The Harbor has an agreement with Caltrans for maintenance costs of the new GDBR for a 30-year period commencing on the date in March 2022 when the ownership was transferred to Caltrans.

The demolition phase on the old bridge that began in 2022 was completed and transferred to Caltrans in September 2023.

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

NOTE 22 – DEFERRED OUTFLOWS AND DEFERRED INFLOWS OF RESOURCES

At September 30, 2023, Deferred Outflows of Resources and Deferred Inflows of Resources are as follows:

Governmental Funds					
Schedule of Deferred Outflows of Resources and Deferred Inflows of Resources					
For the Fiscal Year Ended September 30, 2023					
(In Thousands)					
	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>	<u>GASB 34 Conversion Adjustments</u>	<u>Total Adjusted Governmental Funds</u>
<i>Deferred Outflows of Resources:</i>					
Economic loss from the refunding of debt	\$ -	\$ -	\$ -	\$ 729	\$ 729
Pension contributions after measurement date	-	-	-	28,930	28,930
CalPERS Change in assumptions, experience, and expected investment returns	-	-	-	240,569	240,569
Change in pension allocation proportion	-	-	-	9,310	9,310
OPEB contributions after measurement date	-	-	-	3,500	3,500
OPEB Change in assumptions, experience, and expected investment returns	-	-	-	31,714	31,714
Change in OPEB allocation proportion	-	-	-	595	595
Total deferred outflows of resources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 315,347</u>	<u>\$ 315,347</u>
<i>Deferred Inflows of Resources:</i>					
Economic gain from the refunding of debt	\$ -	\$ -	\$ -	\$ 3,656	\$ 3,656
Unavailable revenue and property taxes	129,644	231,385	361,029	(229,224)	131,805
Leases	134,227	2,786	137,013	-	137,013
CalPERS Change in assumptions, experience, and expected investment returns	-	-	-	18,061	18,061
Change in pension allocation proportion	-	-	-	615	615
OPEB Change in assumptions, experience, and expected investment returns	-	-	-	21,175	21,175
Change in OPEB allocation proportion	-	-	-	1,742	1,742
Total deferred inflows of resources	<u>\$ 263,871</u>	<u>\$ 234,171</u>	<u>\$ 498,042</u>	<u>\$(183,975)</u>	<u>\$ 314,067</u>

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

Internal Service Funds
Schedule of Deferred Outflows of Resources and Deferred Inflows of Resources
(In Thousands)

	<i>Civic Center</i>	<i>General Services</i>	<i>Fleet Services</i>	<i>Workers' Compensation Insurance</i>	<i>General Liability Insurance</i>	<i>Employee Benefits</i>	<i>Total Internal Service Funds</i>	<i>Total Governmental Activities</i>
Deferred Outflows of Resources:								
Economic loss from the refunding of debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 729
Pension contributions after measurement date	25	1,096	445	431	59	301	2,357	31,287
CalPERS Change in assumptions, experience, and expected investment returns	173	7,647	3,102	3,008	414	2,102	16,446	257,015
Change in pension allocation proportion	-	-	-	2,327	90	373	2,790	12,100
OPEB contributions after measurement date	-	152	66	23	18	38	297	3,797
OPEB Change in assumptions, experience, and expected investment returns	-	1,370	602	209	169	344	2,694	34,408
Change in OPEB allocation proportion	-	143	10	138	131	7	429	1,024
Total deferred outflows of resources	<u>\$ 198</u>	<u>\$ 10,408</u>	<u>\$ 4,225</u>	<u>\$ 6,136</u>	<u>\$ 881</u>	<u>\$ 3,165</u>	<u>\$ 25,013</u>	<u>\$ 340,360</u>
Deferred Inflows of Resources:								
Economic gain from the refunding of debt	\$ -	\$ -	\$ 350	\$ -	\$ -	\$ -	\$ 350	\$ 4,006
Unavailable revenue	-	-	-	-	-	-	-	131,805
Leases	-	-	-	-	-	-	-	137,013
CalPERS Change in assumptions, experience, and expected investment returns	6	280	113	110	15	77	601	18,662
Change in pension allocation proportion	94	547	568	31	2,094	125	3,459	4,074
OPEB Change in assumptions, experience, and expected investment returns	-	915	402	140	111	230	1,798	22,973
Change in OPEB allocation proportion	-	155	128	6	39	150	478	2,220
Total deferred inflows of resources	<u>\$ 100</u>	<u>\$ 1,897</u>	<u>\$ 1,561</u>	<u>\$ 287</u>	<u>\$ 2,259</u>	<u>\$ 582</u>	<u>\$ 6,686</u>	<u>\$ 320,753</u>

Enterprise Funds
Schedule of Deferred Outflows of Resources and Deferred Inflows of Resources
(In Thousands)

	<i>Gas Utility</i>	<i>Water Utility</i>	<i>Tidelands</i>	<i>Tideland Oil Revenue</i>	<i>Harbor</i>	<i>Nonmajor Enterprise Funds</i>	<i>Total Enterprise Funds</i>
Deferred Outflows of Resources:							
Issuance costs - Bond Insurance	\$ -	\$ -	\$ 46	\$ -	\$ -	\$ -	\$ 46
Economic loss from the refunding of debt	-	115	403	-	-	10	528
Pension contributions after measurement date	1,078	1,315	1,661	214	4,177	2,124	10,569
CalPERS Change in assumptions, experience, and expected investment returns	7,526	9,177	13,697	1,493	29,147	14,827	75,867
Change in pension allocation proportion	-	-	913	637	-	381	1,931
OPEB contributions after measurement date	183	122	284	16	431	209	1,245
OPEB Change in assumptions, experience, and expected investment returns	1,657	1,112	2,572	147	3,911	1,895	11,294
Change in OPEB allocation proportion	303	44	1,207	21	690	215	2,480
Derivative instrument Interest rate swap	646	-	-	-	-	-	646
Total deferred outflows of resources	<u>\$ 11,393</u>	<u>\$ 11,885</u>	<u>\$ 20,783</u>	<u>\$ 2,528</u>	<u>\$ 38,356</u>	<u>\$ 19,661</u>	<u>\$ 104,606</u>
Deferred Inflows of Resources:							
Economic gain from the refunding of debt	\$ -	\$ -	\$ -	\$ -	\$ 1,250	\$ 15	\$ 1,265
Leases	-	1,808	122,008	-	-	2,392	126,208
CalPERS Change in assumptions, experience, and expected investment returns	275	336	1,005	55	1,066	542	3,279
Change in pension allocation proportion	346	1,862	2,609	167	2,409	2,564	9,957
OPEB Change in assumptions, experience, and expected investment returns	1,107	742	1,717	98	2,611	1,266	7,541
Change in OPEB allocation proportion	182	411	116	125	80	370	1,284
Derivative instrument Commodity swap	285,831	-	-	-	-	-	285,831
Total deferred inflows of resources	<u>\$ 287,741</u>	<u>\$ 5,159</u>	<u>\$ 127,455</u>	<u>\$ 445</u>	<u>\$ 7,416</u>	<u>\$ 7,149</u>	<u>\$ 435,365</u>

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

NOTE 23 - TAX ABATEMENTS

For financial reporting purposes, a tax abatement is defined as a reduction in tax revenues that results from an agreement between one or more governments and an individual, business or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual, business or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the residents in the areas governed by those governments.

The City enters into economic development agreements designed to promote development within the City, spur economic improvement, stimulate commercial activity, generate additional sales tax and enhance the property tax base and economic vitality of the City. These programs/agreements abate or rebate sales taxes, Transient Occupancy Taxes (TOT) and property taxes.

Recipients may be eligible to receive economic assistance based on the employment impact, economic impact or community impact of the project requesting assistance. Recipients receiving assistance generally commit to expanding operations, renewing facility leases, bringing targeted businesses to the City, building, or remodeling real property and related infrastructure, or demolishing and redeveloping outdated properties. Agreements generally contain recapture provisions which may require repayment or termination if recipients do not meet the required provisions of the economic incentives. The City currently employs three categories of economic development agreements.

Retail Sales Tax Incentive Program (RSTIP) & Location Agreement Program (LAP)

The RSTIP was established by the City Council in March 1992, to encourage large-scale retail development, improve retail sales tax productivity, and stimulate private investment in the retail sector of the City's economy. Used as a business retention or attraction tool, the program allows either a developer or end user seeking to complete a commercial project, to request economic incentives from the City. The City undertakes an analysis, including determining if the business has the ability to generate retail sales in excess of \$5 million annually, and if the project has an economic need. When such criteria are met, the City may choose to participate in a sales tax sharing agreement. Generally, active agreements range between 50% to 75% of sales tax revenue generated by the business and received by the City, in excess of an established base-year amount. These agreements continue for the period of time necessary to offset construction or improvement costs to a new or expanded project, not to exceed 15 years.

Based on the success of the Retail Sales Tax Program, the City also has a Location Agreement Program. The Location Agreement Program is designed to attract new businesses, create jobs and enhance business-to-business sales tax revenue to the City. To qualify for assistance, new businesses would be required to generate sales in excess of \$50 million annually. The sales performance of these businesses would have to be verified by a business evaluation, which would include sales performance analysis. The program will return a negotiated portion of the sales taxes generated by it for an agreed upon period of time.

During the fiscal year, the City had eight active agreements. Depending on available financial information, the sales tax abatement amounts were derived from payments made during the fiscal year, accrual estimates based on sales tax history, or actual sales tax abatements for the fiscal year. For the year ended September 30, 2023, sales tax abatements totaled \$9.6 million.

City of Long Beach
Notes to the Basic Financial Statements
For the Fiscal Year Ended September 30, 2023

Transient Occupancy Tax (TOT) Incentive Agreement

TOT is paid through the occupancy of a hotel or other guest room. The tax is collected by the hotel operator from each guest with room payment and subsequently remitted to the City. The City's current TOT rate is 13%, and includes a 1% rate increase approved by voters through Measure B. The rate increase was effective July 2020 with revenues deposited to the General Fund and intended for the City's arts organizations and the Long Beach Convention and Entertainment Center. A TOT incentive program is available for new hotels with desired location, design, operational characteristics, a minimum of 100 rooms, a projected minimum TOT generation of \$500 thousand and an identified financial gap. The program will return a negotiated portion of TOT generated by the hotel for an agreed upon period of time. There were no transient occupancy taxes abated in fiscal year 2023.

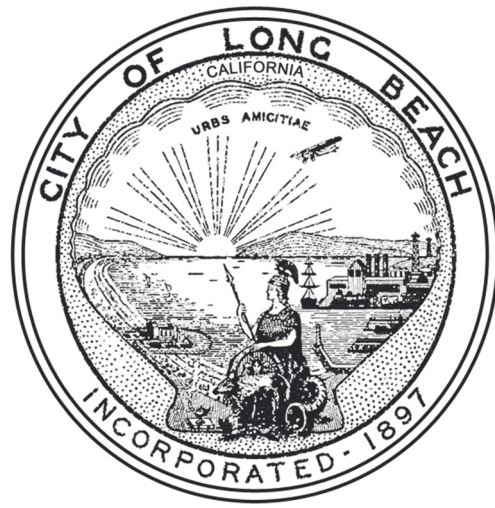
Mills Act Property Tax Incentive Program

The Mills Act is a State of California program enacted in 1972 that is administered and implemented by local governments. The act offers economic incentives to qualifying owners of historic or designated landmark sites upon agreement to rehabilitate, restore, and protect their property.

The purpose of the Mills Act Program is to encourage the designation, restoration, and protection of historic properties. Properties must be designated City of Long Beach historic properties. Participating property owners enter into a formal agreement with the City for a minimum 10-year term; contracts are automatically renewed at the end of their 10-year term and annually thereafter. The contract runs with the land, meaning that it will transfer from owner to owner if the property is sold or transferred.

Property owners agree to restore, maintain, and protect the property in accordance with specific historic preservation standards and conditions identified in the contract. Entering into a Mills Act contract results in a property tax reassessment by the County Assessor using the income-capitalization method, which may result in an approximately 30 to 50 percent reduction in property tax. Owners are guaranteed that the Mills Act cannot trigger a tax increase. A breach of contract by the property owner can result in cancellation of the contract and a penalty equal to 12.5 percent of the property's fair market value.

For fiscal year 2023, the City had agreements for which re-assessments were completed by the County Assessor's office with a total property tax valuation of \$250 million, and an estimated tax abatement of \$276 thousand.



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REQUIRED
SUPPLEMENTARY
INFORMATION

City of Long Beach
Required Supplementary Information
(Unaudited)

**Schedule of Changes in the Net Pension Liability (NPL) and Related Ratios
Miscellaneous Plan**

(Calculated as of June 30 and reported as of September 30)

Last 10 Years¹
(In Thousands)

	2015	2016	2017	2018
Total Pension Liability (TPL)				
TPL - beginning	\$ 2,362,579	\$ 2,368,500	\$ 2,431,211	\$ 2,612,351
Service cost	37,502	37,306	42,500	43,138
Interest in the TPL	171,128	175,727	177,096	178,030
Changes in benefit terms	-	-	-	-
Differences between actual and expected experience	(45,118)	(29,800)	(56,898)	(28,799)
Changes in assumptions ²	(40,892)	-	144,164	(49,554)
Benefit payments ³	(116,699)	(120,522)	(125,722)	(131,268)
Net change in TPL	5,921	62,711	181,140	11,547
TPL - ending (a)	\$ 2,368,500	\$ 2,431,211	\$ 2,612,351	\$ 2,623,898
Plan Fiduciary Net Position				
Plan fiduciary net position - beginning	\$ 1,881,680	\$ 1,857,249	\$ 1,802,786	\$ 1,936,477
Net Plan to Plan Resource Movement	-	-	(39)	(5)
Contribution - employer	35,136	39,877	45,864	53,278
Contribution - employees	17,652	17,959	17,793	18,339
Net investment income	41,570	9,355	198,457	162,226
Administrative expenses	(2,090)	(1,132)	(2,662)	(3,018)
Benefit payments ³	(116,699)	(120,522)	(125,722)	(131,268)
Other miscellaneous expense	-	-	-	(5,730)
Net change in fiduciary net position	(24,431)	(54,463)	133,691	93,822
Plan fiduciary net position - ending (b)	\$ 1,857,249	\$ 1,802,786	\$ 1,936,477	\$ 2,030,299
Net pension liability - ending (a)-(b)	\$ 511,251	\$ 628,425	\$ 675,874	\$ 593,599
Fiduciary net position as a percentage of the TPL	78.41%	74.15%	74.13%	77.38%
Covered payroll	\$ 223,225	\$ 228,212	\$ 234,782	\$ 242,227
NPL as percentage of covered payroll	229.03%	275.37%	287.87%	245.06%

Notes to Schedule:

¹ Fiscal year 2015 was the first year of implementation.

² Changes in assumptions: Effective with the June 30, 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates 2017 through 2021, 7.65% for measurement dates 2015 through 2016, and 7.50% for measurement date 2014.

³ Benefit payments include refunds of employee contributions.

2019	2020	2021	2022	2023
\$ 2,623,898	\$ 2,726,916	\$ 2,813,763	\$ 2,891,887	\$ 3,028,741
43,491	44,000	45,016	50,653	52,133
185,085	191,098	196,483	198,959	207,669
-	-	-	-	2,976
11,466	(4,185)	(13,138)	(16,364)	36,365
-	-	-	61,627	-
(137,024)	(144,066)	(150,237)	(158,021)	(168,898)
103,018	86,847	78,124	136,854	130,245
\$ 2,726,916	\$ 2,813,763	\$ 2,891,887	\$ 3,028,741	\$ 3,158,986
\$ 2,030,299	\$ 2,105,327	\$ 2,153,414	\$ 2,577,251	\$ 2,326,863
(5)	-	7	-	-
62,484	71,565	78,158	81,488	87,338
18,876	19,350	19,885	21,568	23,576
132,140	104,205	478,175	(193,818)	143,128
(1,449)	(2,967)	(2,151)	(1,605)	(1,711)
(137,023)	(144,066)	(150,237)	(158,021)	(168,898)
5	-	-	-	-
75,028	48,087	423,837	(250,388)	83,433
\$ 2,105,327	\$ 2,153,414	\$ 2,577,251	\$ 2,326,863	\$ 2,410,296
\$ 621,589	\$ 660,349	\$ 314,636	\$ 701,878	\$ 748,690
77.21%	76.53%	89.12%	76.83%	76.30%
\$ 248,064	\$ 254,926	\$ 265,736	\$ 267,155	\$ 286,764
250.58%	259.04%	118.40%	262.72%	261.08%

See accompanying Independent Auditors' Report

City of Long Beach
Required Supplementary Information
(Unaudited)

Schedule of Contributions
Miscellaneous Plan

As of and for the year ended September 30

Last 10 Years¹
(In Thousands)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Actuarially Determined Contribution ²	\$ 35,136	\$ 39,877	\$ 45,864	\$ 53,278
Contributions in relation to the actuarially determined contribution ³	(35,136)	(39,877)	(45,864)	(53,278)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 239,897	\$ 246,490	\$ 258,248	\$ 269,936
Contributions as a percentage of covered payroll	14.65%	16.18%	17.76%	19.74%

Notes to schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2023 were from the June 30, 2020 funding valuation report.

Actuarial Cost Method	Entry Age Actuarial Cost Method
Amortization Method	For details, see June 30, 2020 Funding Valuation Report.
Asset Valuation Method	Fair Value of Assets. For details, see June 30, 2020 Funding Valuation Report.
Inflation	2.50%
Salary Increases	Varies by entry age and service
Payroll Growth	2.75%
Investment Rate of Return	7.00%, net of pension plan investment and administrative expenses, including inflation.
Retirement Age	The probabilities of retirement are based on the 2017 CalPERS Experience Study for the period 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.

Notes

¹Historical information is required only for years for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation.

²Actuarially Determined Calculation is based on a CalPERS projection of the Miscellaneous payroll.

³Amount represents actual contributions as recorded by CalPERS.

2019	2020	2021	2022	2023
\$ 62,484	\$ 71,565	\$ 78,158	\$ 81,488	\$ 87,338
(62,484)	(71,565)	(78,158)	(81,488)	(87,338)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 270,237	\$ 285,980	\$ 279,318	\$ 295,145	\$ 338,983
23.12%	25.02%	27.98%	27.61%	25.76%

See accompanying Independent Auditors' Report

City of Long Beach
Required Supplementary Information
(Unaudited)

Schedule of Changes in the Net Pension Liability (NPL) and Related Ratios
Safety Plan

(Calculated as of June 30 and reported as of September 30)

Last 10 Years¹
(In Thousands)

	2015	2016	2017	2018
Total Pension Liability				
TPL - beginning	\$ 2,209,454	\$ 2,222,223	\$ 2,286,528	\$ 2,458,914
Service cost	34,835	34,636	38,622	40,757
Interest in the TPL	160,374	165,092	166,486	170,018
Changes in benefit terms	-	-	-	-
Differences between actual and expected experience	(38,807)	(27,528)	(61,909)	(102)
Changes in assumptions ²	(39,710)	-	139,900	(43,795)
Benefit payments ³	(103,922)	(107,895)	(110,713)	(115,029)
Net change in TPL	12,770	64,305	172,386	51,849
TPL - ending (a)	\$ 2,222,224	\$ 2,286,528	\$ 2,458,914	\$ 2,510,763
Plan Fiduciary Net Position				
Plan fiduciary net position - beginning	\$ 1,889,902	\$ 1,866,598	\$ 1,811,258	\$ 1,948,660
Net Plan to Plan Resource Movement	-	-	39	(5)
Contribution - employer	29,815	32,845	39,371	46,437
Contribution - employees	11,737	11,733	12,802	14,047
Net investment income	41,167	9,115	198,577	162,720
Administrative expenses	(2,101)	(1,138)	(2,674)	(3,037)
Benefit payments ³	(103,922)	(107,895)	(110,713)	(115,029)
Other miscellaneous expense	-	-	-	(5,766)
Net change in fiduciary net position	(23,304)	(55,340)	137,402	99,367
Plan fiduciary net position - ending (b)	\$ 1,866,598	\$ 1,811,258	\$ 1,948,660	\$ 2,048,027
Net pension liability - ending (a)-(b)	\$ 355,626	\$ 475,270	\$ 510,254	\$ 462,736
Fiduciary net position as a percentage of the TPL	84.00%	79.21%	79.25%	81.57%
Covered payroll	\$ 127,265	\$ 127,789	\$ 126,530	\$ 136,458
NPL as percentage of covered payroll	279.44%	371.92%	403.27%	339.10%

Notes to Schedule:

¹ Fiscal year 2015 was the first year of implementation.

² Changes in assumptions: Effective with the June 30, 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates 2017 through 2021, 7.65% for measurement dates 2015 through 2016, and 7.50% for measurement date 2014.

³ Benefit payments include refunds of employee contributions

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 2,510,763	\$ 2,630,341	\$ 2,723,971	\$ 2,825,833	\$ 2,961,636
42,335	43,862	45,592	49,374	47,858
178,200	184,631	191,618	194,259	202,912
-	-	-	-	1,023
21,708	(5,180)	1,763	(31,255)	32,814
-	-	-	68,729	-
(122,665)	(129,683)	(137,111)	(145,304)	(157,282)
119,578	93,630	101,862	135,803	127,325
\$ 2,630,341	\$ 2,723,971	\$ 2,825,833	\$ 2,961,636	\$ 3,088,961
\$ 2,048,027	\$ 2,126,671	\$ 2,178,824	\$ 2,612,594	\$ 2,358,099
4	-	(7)	-	-
55,248	64,654	71,008	71,361	78,314
14,287	15,089	16,780	17,840	19,499
133,226	105,091	485,277	(196,765)	144,718
(1,461)	(2,998)	(2,177)	(1,627)	(1,734)
(122,665)	(129,683)	(137,111)	(145,304)	(157,282)
5	-	-	-	-
78,644	52,153	433,770	(254,495)	83,515
\$ 2,126,671	\$ 2,178,824	\$ 2,612,594	\$ 2,358,099	\$ 2,441,614
\$ 503,670	\$ 545,147	\$ 213,239	\$ 603,537	\$ 647,347
80.85%	79.99%	92.45%	79.62%	79.04%
\$ 141,252	\$ 148,487	\$ 156,245	\$ 154,439	\$ 149,930
356.57%	367.14%	136.48%	390.79%	431.77%

See accompanying Independent Auditors' Report

City of Long Beach
Required Supplementary Information
(Unaudited)

Schedule of Contributions
Safety Plan

As of and for the year ended September 30

Last 10 Years¹
(In Thousands)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Actuarially Determined Contribution ²	\$ 29,815	\$ 32,845	\$ 39,371	\$ 46,437
Contributions in relation to the actuarially determined contribution ³	(29,815)	(32,845)	(39,371)	(46,437)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 155,208	\$ 159,773	\$ 177,401	\$ 186,217
Contributions as a percentage of covered payroll	19.21%	20.56%	22.19%	24.94%

Notes to schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2023 were from the June 30, 2020 funding valuation report.

Actuarial Cost Method	Entry Age Actuarial Cost Method
Amortization Method	For details, see June 30, 2020 Funding Valuation Report.
Asset Valuation Method	Fair Value of Assets. For details, see June 30, 2020 Funding Valuation Report.
Inflation	2.50%
Salary Increases	Varies by entry age and service
Payroll Growth	2.75%
Investment Rate of Return	7.00%, net of pension plan investment and administrative expenses, including inflation.
Retirement Age	The probabilities of retirement are based on the 2017 CalPERS Experience Study for the period 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.

Notes

¹Historical information is required only for years for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation

²Actuarially Determined Calculation is based on a CalPERS projection of the Safety payroll.

³Amount represents actual contributions as recorded by CalPERS.

2019	2020	2021	2022	2023
\$ 55,248 (55,248)	\$ 64,654 (64,654)	\$ 71,008 (71,008)	\$ 71,361 (71,361)	\$ 78,314 (78,314)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 182,947 30.20%	\$ 191,903 33.69%	\$ 189,019 37.57%	\$ 196,182 36.37%	\$ 215,849 36.28%

See accompanying Independent Auditors' Report

City of Long Beach
Required Supplementary Information
(Unaudited)

Schedule of Changes in Total OPEB Liability and Related Ratios¹

As of September 30
Last 10 Years²
(In Thousands)

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Total OPEB liability - beginning	\$ 42,493	\$ 45,122	\$ 49,940	\$ 51,502	\$ 23,248
Service cost	2,077	2,145	2,818	2,675	2,167
Interest on total OPEB liability	1,655	1,754	1,622	1,878	917
Difference between expected and actual experience	-	(8,920)	-	(1,874)	-
Changes of assumptions	-	11,093	(2,023)	(29,859)	(13,756)
Benefit payments	(1,103)	(1,254)	(855)	(1,074)	(2,921)
Net change in total OPEB liability	2,629	4,818	1,562	(28,254)	(13,593)
Total OPEB liability - ending	\$ 45,122	\$ 49,940	\$ 51,502	\$ 23,248	\$ 9,655
Covered-employee payroll	\$ 395,105	\$ 406,263	\$ 435,649	\$ 417,383	\$ 442,631
Total OPEB liability as a percentage of covered-employee payroll	11.4%	12.3%	11.8%	5.6%	2.2%
	<u>2021</u>	<u>2022</u>	<u>2023</u>		
Total OPEB liability - beginning	\$ 9,655	\$ 8,786	\$ 4,166		
Service cost	1,718	1,492	1,371		
Interest on total OPEB liability	265	212	82		
Difference between expected and actual experience	1,211	-	(2,828)		
Changes of assumptions	(539)	(3,296)	47,923		
Benefit payments	(3,525)	(3,028)	(3,532)		
Net change in total OPEB liability	(870)	(4,620)	43,016		
Total OPEB liability - ending	\$ 8,785	\$ 4,166	\$ 47,182		
Covered-employee payroll	\$ 437,870	\$ 453,717	\$ 475,772		
Total OPEB liability as a percentage of covered-employee payroll	2.0%	0.9%	9.9%		

Notes to Schedule:

¹ No assets are accumulated in a trust to pay related benefits.

² Fiscal year 2016 was the first year of implementation.

ADDITIONAL
FINANCIAL
SECTION

City of Long Beach
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2023
(In Thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
ASSETS				
Pooled Cash and Cash Equivalents	\$ 68,141	\$ 14,543	\$ 10,415	\$ 93,099
Non-Pooled Cash and Cash Equivalents	37	16,792	69	16,898
Receivables:				
Interest Receivable	1	-	3	4
Accounts Receivable	5,431	-	12	5,443
Due from Other Governments	66,063	-	-	66,063
Due from Other Funds	1,843	381	-	2,224
Lease Receivables	211	-	2,617	2,828
Allowance for Receivables	(5,705)	-	-	(5,705)
Inventory	1,482	-	-	1,482
Other Assets	268	-	-	268
Advances to Other Funds	3,809	-	-	3,809
Land Held for Resale	5,426	-	-	5,426
Other Noncurrent Receivables	231,052	-	5,540	236,592
Total Assets	<u>\$378,059</u>	<u>\$ 31,716</u>	<u>\$ 18,656</u>	<u>\$ 428,431</u>
LIABILITIES				
Accounts Payable	\$ 10,306	\$ -	\$ 4	\$ 10,310
Accrued Wages and Benefits Payable	359	-	-	359
Due to Other Funds	21,091	799	-	21,890
Unearned Revenues	58,200	-	30	58,230
Deposits and Collections Held in Trust	522	2,677	197	3,396
Advances from Other Funds	3,809	-	-	3,809
Total Liabilities	<u>94,287</u>	<u>3,476</u>	<u>231</u>	<u>97,994</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows of Resources	<u>226,051</u>	<u>-</u>	<u>8,120</u>	<u>234,171</u>
FUND BALANCES				
Nonspendable	1,750	-	-	1,750
Restricted	72,617	28,240	10,305	111,162
Committed	1,200	-	-	1,200
Unassigned	(17,846)	-	-	(17,846)
Total Fund Balance	<u>57,721</u>	<u>28,240</u>	<u>10,305</u>	<u>96,266</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$378,059</u>	<u>\$ 31,716</u>	<u>\$ 18,656</u>	<u>\$ 428,431</u>

See accompanying Independent Auditors' Report

City of Long Beach
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended September 30, 2023
(In Thousands)

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
Revenues:				
Taxes:				
Property	\$ 6,210	\$ 15,601	\$ 619	\$ 22,430
Sales	3,853	-	-	3,853
Other Taxes	14,161	-	-	14,161
Licenses and Permits	13,964	-	-	13,964
Use of Money and Property	5,195	1,137	721	7,053
From Other Agencies	158,216	-	-	158,216
Charges for Services	1,676	-	-	1,676
Other	5,062	-	259	5,321
Total Revenues	208,337	16,738	1,599	226,674
Expenditures:				
Current:				
General Government	2,693	-	-	2,693
Public Safety	17,575	-	-	17,575
Public Health	86,223	-	-	86,223
Community and Cultural	46,174	57	705	46,936
Public Works	886	-	-	886
Total Current Expenditures	153,551	57	705	154,313
Capital Improvements	15,323	-	-	15,323
Debt Service:				
Principal	-	25,520	-	25,520
Interest	-	9,161	-	9,161
Debt Administration Fees	-	697	-	697
Total Expenditures	168,874	35,435	705	205,014
Excess of Revenues over (under) Expenditures	39,463	(18,697)	894	21,660
Other Financing Sources (Uses):				
Issuance of Refunding Debt	-	82,026	-	82,026
Premium on Refunding Debt Issuance	-	6,415	-	6,415
Transfers In	5,023	8,431	-	13,454
Transfers Out	(30,080)	(82,004)	(2,288)	(114,372)
Total Other Financing Sources (Uses)	(25,057)	14,868	(2,288)	(12,477)
Net Change in Fund Balances	14,406	(3,829)	(1,394)	9,183
Fund Balances - October 1	43,315	32,069	11,699	87,083
Fund Balances - September 30	<u>\$ 57,721</u>	<u>\$ 28,240</u>	<u>\$ 10,305</u>	<u>\$ 96,266</u>

See accompanying Independent Auditors' Report

NONMAJOR SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service and capital projects.

The General Grants Fund was established to separately account for Federal, State, and other agency grants related to general City of Long Beach (City) operations.

The Police and Fire Public Safety Oil Production Act Fund accounts for the special tax assessed to oil producers on a per barrel basis and the associated police and fire expenditures that the revenue supports.

The Community Development Grants Fund accounts for U. S. Departments of Housing and Urban Development (HUD), Labor, Education, and others for economic and community development programs. The fund includes activities for neighborhood improvement programs that target low and moderate-income areas of the city, workforce development strategies, business assistance efforts, and support for youth development.

The Health Fund was established to separately account for Federal, State, and other revenues related to health care programs that the City operates in lieu of Los Angeles County (County).

The Belmont Shore Parking Meter Revenue Fund was established by City Ordinance C-6219 to account for parking revenues in the Belmont Shore area of the City.

The Housing Development Fund is used to account for amounts designated for the development of low-and-moderate-income housing. The operations of the Company and the Housing Successor Agency are accounted for in the Housing Development Fund.

The Development Impact Fund was established to account for the receipt and expenditure of Development Impact Fees.

The Other Special Revenue Fund consists of the *Certified Unified Program Agency Fund*, a fund established by the City to account for services relating to hazardous waste material, the *Special Advertising and Promotion Fund*, a fund required by the City's Municipal Code Section 3.64.100 to account for a portion of the transient occupancy tax revenue, and the *Business Assistance Fund* which is used to account for monies used to fund commercial rehabilitation loans and rebates, business outreach, and commercial and retail services, including business attraction, retention, and expansion.

City of Long Beach
Nonmajor Special Revenue Funds
Combining Balance Sheet
September 30, 2023
(In Thousands)

	Special Revenue			
	General Grants	Police and Fire Public Safety Oil Production Act	Community Development Grants	Health
ASSETS				
Pooled Cash and Cash Equivalents	\$ 19	\$ 181	\$ 6,694	\$ 104
Non-Pooled Cash and Cash Equivalents	-	-	29	1
Receivables:				
Interest Receivable	-	-	-	1
Accounts Receivable	5	253	27	2,374
Due from Other Governments	14,605	-	7,134	44,324
Due from Other Funds	739	-	92	979
Lease Receivables	-	-	-	211
Allowance for Receivables	(5)	-	(5,202)	(322)
Inventory	-	-	-	1,482
Other Assets-Current	138	-	130	-
Advances to Other Funds	-	-	3,809	-
Land Held for Resale	-	-	821	-
Other Noncurrent Receivables (net)	25	-	82,100	-
Total Assets	\$ 15,526	\$ 434	\$ 95,634	\$ 49,154
LIABILITIES				
Accounts Payable	\$ 337	\$ -	\$ 2,348	\$ 7,169
Accrued Wages	21	-	41	268
Due to Other Funds	4,802	-	677	14,722
Unearned Revenues	15,548	245	4,895	37,395
Deposits and Collections Held in Trust	-	-	-	418
Advances from Other Funds	-	-	-	-
Total Liabilities	20,708	245	7,961	59,972
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows of Resources	25	-	76,898	201
FUND BALANCES (DEFICIT)				
Nonspendable	138	-	130	1,482
Restricted	-	189	10,645	-
Committed	-	-	-	-
Unassigned	(5,345)	-	-	(12,501)
Total Fund Balances	(5,207)	189	10,775	(11,019)
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 15,526	\$ 434	\$ 95,634	\$ 49,154

See accompanying Independent Auditors' Report

Special Revenue					
Belmont Shore Parking Meter Revenue	Housing Development	Development Impact Fees	Other Special Revenue Funds	Total Special Revenue Funds	
					ASSETS
\$ 438	\$ 25,668	\$ 23,554	\$ 11,483	\$ 68,141	Pooled Cash and Cash Equivalents
-	7	-	-	37	Non-Pooled Cash and Cash Equivalents
					Receivables:
-	-	-	-	1	Interest Receivable
-	37	-	2,735	5,431	Accounts Receivable
-	-	-	-	66,063	Due from Other Governments
-	-	-	33	1,843	Due from Other Funds
-	-	-	-	211	Lease Receivables
-	-	-	(176)	(5,705)	Allowance for Receivables
-	-	-	-	1,482	Inventory
-	-	-	-	268	Other Assets-Current
-	-	-	-	3,809	Advances to Other Funds
-	4,605	-	-	5,426	Land Held for Resale
-	146,628	-	2,299	231,052	Other Noncurrent Receivables
<u>\$ 438</u>	<u>\$ 176,945</u>	<u>\$ 23,554</u>	<u>\$ 16,374</u>	<u>\$ 378,059</u>	Total Assets
					LIABILITIES
\$ 52	\$ 63	\$ 190	\$ 147	\$ 10,306	Accounts Payable
-	3	-	26	359	Accrued Wages
3	8	381	498	21,091	Due to Other Funds
-	25	-	92	58,200	Unearned Revenues
10	(9)	-	103	522	Deposits and Collections Held in Trust
-	3,809	-	-	3,809	Advances from Other Funds
<u>65</u>	<u>3,899</u>	<u>571</u>	<u>866</u>	<u>94,287</u>	Total Liabilities
					DEFERRED INFLOWS OF RESOURCES
-	146,628	-	2,299	226,051	Deferred Inflows of Resources
					FUND BALANCES (DEFICIT)
-	-	-	-	1,750	Nonspendable
373	26,418	22,983	12,009	72,617	Restricted
-	-	-	1,200	1,200	Committed
-	-	-	-	(17,846)	Unassigned
<u>373</u>	<u>26,418</u>	<u>22,983</u>	<u>13,209</u>	<u>57,721</u>	Total Fund Balances
<u>\$ 438</u>	<u>\$ 176,945</u>	<u>\$ 23,554</u>	<u>\$ 16,374</u>	<u>\$ 378,059</u>	Total Liabilities, Deferred Inflows of Resources and Fund Balances

See accompanying Independent Auditors' Report

City of Long Beach
Nonmajor Special Revenue Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Fiscal Year Ended September 30, 2023
(In Thousands)

	Special Revenue			
	General Grants	Police and Fire Public Safety Oil Production Act	Community Development Grants	Health
Revenues:				
Taxes:				
Property	\$ -	\$ -	\$ -	\$ 6,210
Sales	-	-	-	3,853
Other Taxes	-	2,934	-	-
Licenses and Permits	-	-	-	4,803
Use of Money and Property	115	22	761	642
From Other Agencies	26,460	-	37,550	94,150
Charges for Services	28	-	-	1,634
Other	463	-	1,114	1,271
Total Revenues	<u>27,066</u>	<u>2,956</u>	<u>39,425</u>	<u>112,563</u>
Expenditures:				
Current:				
General Government	1,544	-	2	-
Public Safety	13,970	2,938	667	-
Public Health	361	-	-	83,483
Community and Cultural	4,213	-	36,809	-
Public Works	886	-	-	-
Total Current Expenditures	<u>20,974</u>	<u>2,938</u>	<u>37,478</u>	<u>83,483</u>
Capital Improvements	3,777	-	-	830
Total Expenditures	<u>24,751</u>	<u>2,938</u>	<u>37,478</u>	<u>84,313</u>
Excess of Revenues over (under) Expenditures	<u>2,315</u>	<u>18</u>	<u>1,947</u>	<u>28,250</u>
Other Financing Sources (Uses)				
Transfers In	1,267	-	381	3,103
Transfers Out	(5,696)	-	(1,146)	(20,576)
Total Other Financing Sources (Uses)	<u>(4,429)</u>	<u>-</u>	<u>(765)</u>	<u>(17,473)</u>
Net Change in Fund Balances	(2,114)	18	1,182	10,777
Fund Balances - October 1	<u>(3,093)</u>	<u>171</u>	<u>9,593</u>	<u>(21,796)</u>
Fund Balances - September 30	<u>\$ (5,207)</u>	<u>\$ 189</u>	<u>\$ 10,775</u>	<u>\$ (11,019)</u>

See accompanying Independent Auditors' Report

Special Revenue

Belmont Shore Parking Meter Revenue	Housing Development	Development Impact Fees	Other Special Revenue Funds	Total Special Revenue Funds	
					Revenues:
					Taxes:
\$ -	\$ -	\$ -	\$ -	\$ 6,210	Property
-	-	-	-	3,853	Sales
-	-	-	11,227	14,161	Other Taxes
-	215	4,963	3,983	13,964	Licenses and Permits
1,043	1,577	606	429	5,195	Use of Money and Property
-	56	-	-	158,216	From Other Agencies
-	-	-	14	1,676	Charges for Services
-	1,873	-	341	5,062	Other
<u>1,043</u>	<u>3,721</u>	<u>5,569</u>	<u>15,994</u>	<u>208,337</u>	Total Revenues
					Expenditures:
					Current:
58	246	-	843	2,693	General Government
-	-	-	-	17,575	Public Safety
-	-	-	2,379	86,223	Public Health
811	2,635	-	1,706	46,174	Community and Cultural
-	-	-	-	886	Public Works
<u>869</u>	<u>2,881</u>	<u>-</u>	<u>4,928</u>	<u>153,551</u>	Total Current Expenditures
-	-	288	10,428	15,323	Capital Improvements
<u>869</u>	<u>2,881</u>	<u>288</u>	<u>15,356</u>	<u>168,874</u>	Total Expenditures
					Excess of Revenues Over (Under) Expenditures
<u>174</u>	<u>840</u>	<u>5,281</u>	<u>638</u>	<u>39,463</u>	
					Other Financing Sources (Uses)
-	-	-	272	5,023	Transfers In
-	(286)	(2,357)	(19)	(30,080)	Transfers Out
<u>-</u>	<u>(286)</u>	<u>(2,357)</u>	<u>253</u>	<u>(25,057)</u>	Total Other Financing Sources (Uses)
174	554	2,924	891	14,406	Net Change in Fund Balances
<u>199</u>	<u>25,864</u>	<u>20,059</u>	<u>12,318</u>	<u>43,315</u>	Fund Balances - October 1
<u>\$ 373</u>	<u>\$ 26,418</u>	<u>\$ 22,983</u>	<u>\$ 13,209</u>	<u>\$ 57,721</u>	Fund Balances - September 30

See accompanying Independent Auditors' Report

City of Long Beach
 Nonmajor Special Revenue Funds
 Schedule of Revenues, Expenditures, and Changes in Fund Balances -
 Budget and Actual (Budgetary Basis)
 For the Fiscal Year Ended September 30, 2023
 (In Thousands)

	General Grants			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual on Budgetary Basis	
	Original	Final		
Revenues:				
Use of Money and Property	\$ -	\$ -	\$ 115	\$ 115
From Other Agencies	9,128	18,251	26,460	8,209
Charges for Services	203	353	28	(325)
Other Revenues	345	808	463	(345)
Transfers In	27	303	1,267	964
Total Revenues	9,703	19,715	28,333	8,618
Expenditures:				
General Government	-	1,540	2,259	(719)
Public Safety	6,866	18,153	16,115	2,038
Public Health	-	1,894	372	1,522
Community and Cultural	2,797	5,978	4,360	1,618
Public Works	300	226	886	(660)
Capital Improvements	-	2,193	3,777	(1,584)
Transfers Out	-	-	5,696	(5,696)
Total Expenditures	9,963	29,984	33,465	(3,481)
Net Change in Budgetary Fund Balance	\$ (260)	\$ (10,269)	\$ (5,132)	\$ 5,137
Reconciliation of Fund Balances, Budgetary Basis to GAAP Basis				
Change in Fund Balance - September 30, Budgetary Basis			\$ (5,132)	
Add: Encumbrances			3,018	
Change in Fund Balance - September 30, GAAP Basis			(2,114)	
Fund Balance, October 1, GAAP Basis			(3,093)	
Fund Balance, September 30, GAAP Basis			\$ (5,207)	

See accompanying Independent Auditors' Report

City of Long Beach
 Nonmajor Special Revenue Funds
 Schedule of Revenues, Expenditures, and Changes in Fund Balances -
 Budget and Actual (Budgetary Basis)
 For the Fiscal Year Ended September 30, 2023
 (In Thousands)

	Police and Fire Public Safety Oil Production Tax			
	Budgeted Amounts		Actual on Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Other Taxes	\$ 2,693	\$ 2,938	\$ 2,934	\$ (4)
Use of Money and Property	-	-	22	22
Total Revenues	2,693	2,938	2,956	18
Expenditures:				
Public Safety	2,694	2,938	2,938	-
Total Expenditures	2,694	2,938	2,938	-
Net Change in Budgetary Fund Balance	\$ (1)	\$ -	\$ 18	\$ 18
Reconciliation of Fund Balances, Budgetary Basis to GAAP Basis				
Change in Fund Balance - September 30, Budgetary Basis			\$ 18	
Add: Encumbrances			-	
Change in Fund Balance - September 30, GAAP Basis			18	
Fund Balance, October 1, GAAP Basis			171	
Fund Balance, September 30, GAAP Basis			\$ 189	

See accompanying Independent Auditors' Report

City of Long Beach
 Nonmajor Special Revenue Funds
 Schedule of Revenues, Expenditures, and Changes in Fund Balances -
 Budget and Actual (Budgetary Basis)
 For the Fiscal Year Ended September 30, 2023
 (In Thousands)

	Community Development Grants			
	Budgeted Amounts		Actual on Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Use of Money and Property	\$ 223	\$ 223	\$ 761	\$ 538
From Other Agencies	9,155	24,618	37,550	12,932
Other Revenues	1,338	3,616	1,114	(2,502)
Transfers In	-	-	381	381
Total Revenues	10,716	28,457	39,806	11,349
Expenditures:				
General Government	25	25	2	23
Public Safety	1,234	1,234	667	567
Community and Cultural	15,425	27,243	37,272	(10,029)
Transfers Out	-	-	1,146	(1,146)
Total Expenditures	16,684	28,502	39,087	(10,585)
Net Change in Budgetary Fund Balance	\$ (5,968)	\$ (45)	\$ 719	\$ 764
Reconciliation of Fund Balances, Budgetary Basis to GAAP Basis				
Change in Fund Balance - September 30, Budgetary Basis			\$ 719	
Add: Encumbrances			463	
Change in Fund Balance - September 30, GAAP Basis			1,182	
Fund Balance, October 1, GAAP Basis			9,593	
Fund Balance, September 30, GAAP Basis			\$ 10,775	

See accompanying Independent Auditors' Report

City of Long Beach
 Nonmajor Special Revenue Funds
 Schedule of Revenues, Expenditures, and Changes in Fund Balances -
 Budget and Actual (Budgetary Basis)
 For the Fiscal Year Ended September 30, 2023
 (In Thousands)

	Health			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual on Budgetary Basis	
	Original	Final		
Revenues:				
Property Taxes	\$ 5,800	\$ 5,800	\$ 6,210	\$ 410
Sales Taxes	2,886	2,886	3,853	967
Licenses and Permits	3,889	3,889	4,803	914
Use of Money and Property	45	55	642	587
From Other Agencies	45,412	116,618	94,150	(22,468)
Charges for Services	3,356	5,498	1,634	(3,864)
Other Revenues	59	109	1,271	1,162
Transfers In	325	325	3,103	2,778
Total Revenues	<u>61,772</u>	<u>135,180</u>	<u>115,666</u>	<u>(19,514)</u>
Expenditures:				
Public Health	59,478	133,306	90,600	42,706
Capital Improvements	2,253	1,766	830	936
Transfers Out	14	14	20,576	(20,562)
Total Expenditures	<u>61,745</u>	<u>135,086</u>	<u>112,006</u>	<u>23,080</u>
Net Change in Budgetary Fund Balance	<u>\$ 27</u>	<u>\$ 94</u>	<u>\$ 3,660</u>	<u>\$ 3,566</u>

Reconciliation of Fund Balances, Budgetary Basis to GAAP Basis

Change in Fund Balance - September 30, Budgetary Basis	<u>\$ 3,660</u>
Add: Encumbrances	<u>7,117</u>
Change in Fund Balance - September 30, GAAP Basis	<u>10,777</u>
Fund Balance, October 1, GAAP Basis	<u>(21,796)</u>
Fund Balance, September 30, GAAP Basis	<u>\$ (11,019)</u>

See accompanying Independent Auditors' Report

City of Long Beach
 Nonmajor Special Revenue Funds
 Schedule of Revenues, Expenditures, and Changes in Fund Balances -
 Budget and Actual (Budgetary Basis)
 For the Fiscal Year Ended September 30, 2023
 (In Thousands)

	Belmont Shore Parking Meter Revenue			
	Budgeted Amounts		Actual on Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Use of Money and Property	\$ 899	\$ 899	\$ 1,043	\$ 144
Total Revenues	899	899	1,043	144
Expenditures:				
General Government	4	4	58	(54)
Community and Cultural	783	880	821	59
Total Expenditures	787	884	879	5
Net Change in Budgetary Fund Balance	\$ 112	\$ 15	\$ 164	\$ 149
 Reconciliation of Fund Balances, Budgetary Basis to GAAP Basis				
Change in Fund Balance - September 30, Budgetary Basis			\$ 164	
Add: Encumbrances			10	
Change in Fund Balance - September 30, GAAP Basis			174	
Fund Balance, October 1, GAAP Basis			199	
Fund Balance, September 30, GAAP Basis			\$ 373	

See accompanying Independent Auditors' Report

City of Long Beach
 Nonmajor Special Revenue Funds
 Schedule of Revenues, Expenditures, and Changes in Fund Balances -
 Budget and Actual (Budgetary Basis)
 For the Fiscal Year Ended September 30, 2023
 (In Thousands)

	Housing Development			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual on Budgetary Basis	
	Original	Final		
Revenues:				
Licenses and Permits	\$ 370	\$ 370	\$ 215	\$ (155)
Use of Money and Property	385	385	1,577	1,192
From Other Agencies	12,940	12,940	56	(12,884)
Other Revenues	1,542	1,542	1,873	331
Total Revenues	15,237	15,237	3,721	(11,516)
Expenditures:				
General Government	245	245	246	(1)
Community and Cultural	15,755	15,660	2,646	13,014
Transfers Out	-	-	286	(286)
Total Expenditures	16,000	15,905	3,178	12,727
Net Change in Budgetary Fund Balance	\$ (763)	\$ (668)	\$ 543	\$ 1,211
Reconciliation of Fund Balances, Budgetary Basis to GAAP Basis				
Change in Fund Balance - September 30, Budgetary Basis			\$ 543	
Add: Encumbrances			11	
Change in Fund Balance - September 30, GAAP Basis			554	
Fund Balance, October 1, GAAP Basis			25,864	
Fund Balance, September 30, GAAP Basis			\$ 26,418	

See accompanying Independent Auditors' Report

City of Long Beach
 Nonmajor Special Revenue Funds
 Schedule of Revenues, Expenditures, and Changes in Fund Balances -
 Budget and Actual (Budgetary Basis)
 For the Fiscal Year Ended September 30, 2023
 (In Thousands)

	Development Impact Fees			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual on Budgetary Basis	
	Original	Final		
Revenues:				
Licenses and Permits	\$ 3,495	\$ 3,287	\$ 4,963	\$ 1,676
Use of Money and Property	-	-	606	606
Total Revenues	3,495	3,287	5,569	2,282
Expenditures:				
Capital Improvements	7	1,950	346	1,604
Transfers Out	3,723	3,723	2,357	1,366
Total Expenditures	3,730	5,673	2,703	2,970
Net Change in Budgetary Fund Balance	\$ (235)	\$ (2,386)	\$ 2,866	\$ 5,252

Reconciliation of Fund Balances, Budgetary Basis to GAAP Basis

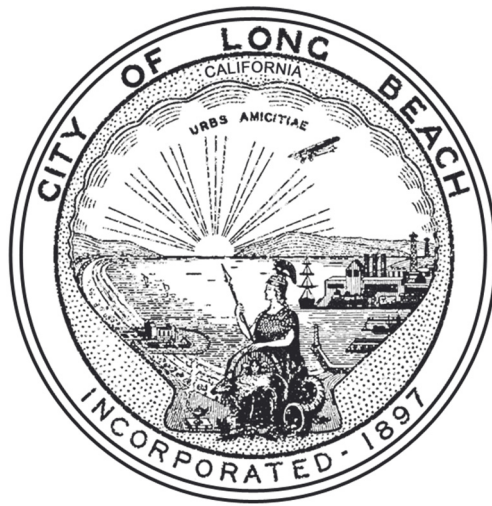
Change in Fund Balance - September 30, Budgetary Basis	\$ 2,866
Add: Encumbrances	58
Change in Fund Balance - September 30, GAAP Basis	2,924
Fund Balance, October 1, GAAP Basis	20,059
Fund Balance, September 30, GAAP Basis	\$ 22,983

See accompanying Independent Auditors' Report

City of Long Beach
 Nonmajor Special Revenue Funds
 Schedule of Revenues, Expenditures, and Changes in Fund Balances -
 Budget and Actual (Budgetary Basis)
 For the Fiscal Year Ended September 30, 2023
 (In Thousands)

	Other Special Revenue Funds			
	Budgeted Amounts		Actual on Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Other Taxes	\$ 7,271	\$ 7,271	\$ 11,227	\$ 3,956
Licenses and Permits	2,998	3,523	3,983	460
Use of Money and Property	36	36	429	393
Charges for Services	-	-	14	14
Other Revenues	768	805	341	(464)
Transfers In	106	123	272	149
Total Revenues	11,179	11,758	16,266	4,508
Expenditures:				
General Government	661	661	843	(182)
Public Health	2,728	2,728	2,379	349
Community and Cultural	1,144	1,198	1,726	(528)
Capital Improvements	10,588	11,230	10,428	802
Transfers Out	-	-	19	(19)
Total Expenditures	15,121	15,817	15,395	422
Net Change in Budgetary Fund Balance	\$ (3,942)	\$ (4,059)	\$ 871	\$ 4,930
Reconciliation of Fund Balances, Budgetary Basis to GAAP Basis				
Change in Fund Balance - September 30, Budgetary Basis			\$ 871	
Add: Encumbrances			20	
Change in Fund Balance - September 30, GAAP Basis			891	
Fund Balance, October 1, GAAP Basis			12,318	
Fund Balance, September 30, GAAP Basis			\$ 13,209	

See accompanying Independent Auditors' Report



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NONMAJOR DEBT SERVICE FUND

Governmental fund type used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest and to account for financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

The General Debt Service Fund was established to account for financial resources that are restricted, committed, or assigned to expenditure for principal and interest of City long-term debt.

The Successor Agency Debt Service Fund was established to account for financial resources that are restricted to expenditure for principal and interest of Successor Agency long-term debt.

City of Long Beach
 Nonmajor Debt Service Funds
 Combining Balance Sheet
 September 30, 2023
 (In Thousands)

	General Debt Service	Successor Agency Debt Service	Total Debt Service Funds
ASSETS			
Pooled Cash and Cash Equivalents	\$ 14,543	\$ -	\$ 14,543
Non-Pooled Cash and Cash Equivalents	9,913	6,879	16,792
Due from Other Funds	381	-	381
Total Assets	<u>\$ 24,837</u>	<u>\$ 6,879</u>	<u>\$ 31,716</u>
LIABILITIES			
Due to Other Funds	\$ 799	\$ -	\$ 799
Deposits and Collections Held in Trust	2,677	-	2,677
Total Liabilities	<u>3,476</u>	<u>-</u>	<u>3,476</u>
FUND BALANCES			
Restricted	<u>21,361</u>	<u>6,879</u>	<u>28,240</u>
Total Fund Balance	<u>21,361</u>	<u>6,879</u>	<u>28,240</u>
Total Liabilities and Fund Balances	<u>\$ 24,837</u>	<u>\$ 6,879</u>	<u>\$ 31,716</u>

See accompanying Independent Auditors' Report

City of Long Beach
Nonmajor Debt Service Funds
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Fiscal Year Ended September 30, 2023
(In Thousands)

	General Debt Service	Successor Agency Debt Service	Total Debt Service Funds
Revenues:			
Taxes:			
Property	\$ -	\$ 15,601	\$ 15,601
Use of Money and Property	414	723	1,137
Total Revenues	<u>414</u>	<u>16,324</u>	<u>16,738</u>
Expenditures:			
Current:			
Community and Cultural	-	57	57
Total Current Expenditures	<u>-</u>	<u>57</u>	<u>57</u>
Debt Service:			
Principal	5,865	19,655	25,520
Interest	2,162	6,999	9,161
Debt Administration Fees	686	11	697
Total Expenditures	<u>8,713</u>	<u>26,722</u>	<u>35,435</u>
Excess of Revenues over (under) Expenditures	<u>(8,299)</u>	<u>(10,398)</u>	<u>(18,697)</u>
Other Financing Sources (Uses):			
Issuance of Refunding Debt	82,026	-	82,026
Premium on Refunding Debt Issuance	6,415	-	6,415
Transfers In	6,176	2,255	8,431
Transfers Out	(82,004)	-	(82,004)
Total Other Financing Sources	<u>12,613</u>	<u>2,255</u>	<u>14,868</u>
Net Change in Fund Balances	4,314	(8,143)	(3,829)
Fund Balances - October 1	<u>17,047</u>	<u>15,022</u>	<u>32,069</u>
Fund Balances - September 30	<u>\$ 21,361</u>	<u>\$ 6,879</u>	<u>\$ 28,240</u>

See accompanying Independent Auditors' Report

City of Long Beach
 Nonmajor Debt Service Funds
 Schedule of Revenues, Expenditures, and Changes in Fund Balances -
 Budget and Actual (Budgetary Basis)
 For the Fiscal Year Ended September 30, 2023

(In Thousands)

General Debt Service Fund				
	Budgeted Amounts		Actual on Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Use of Money and Property	\$ 250	\$ 250	\$ 414	\$ 164
Issuance of Refunding Debt	-	82,079	82,026	(53)
Premium on Refunding Debt Issuance	-	-	6,415	6,415
Transfers In	6,294	6,294	6,176	(118)
Total Revenues	6,544	88,623	95,031	6,408
Expenditures:				
Debt Service	8,135	8,741	8,713	28
Transfers Out	81,586	81,586	82,004	(418)
Total Expenditures	89,721	90,327	90,717	(390)
Net Change in Budgetary Fund Balance	\$ (83,177)	\$ (1,704)	\$ 4,314	\$ 6,018
Reconciliation of Fund Balances, Budgetary Basis to GAAP Basis				
Change in Fund Balance - September 30, Budgetary Basis			\$ 4,314	
Add: Encumbrances			-	
Change in Fund Balance - September 30, GAAP Basis			4,314	
Fund Balance, October 1, GAAP Basis			17,047	
Fund Balance, September 30, GAAP Basis			\$ 21,361	

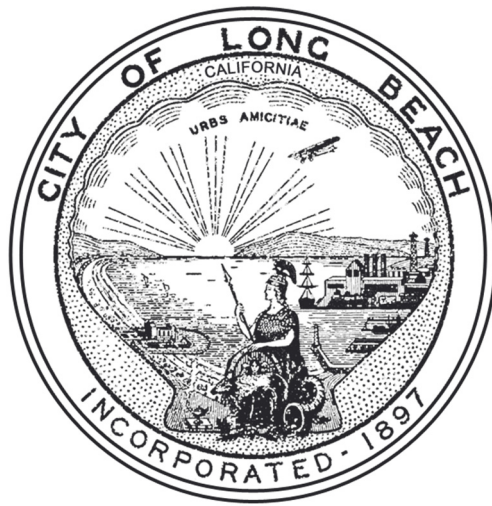
See accompanying Independent Auditors' Report

City of Long Beach
 Nonmajor Debt Service Funds
 Schedule of Revenues, Expenditures, and Changes in Fund Balances -
 Budget and Actual (Budgetary Basis)
 For the Fiscal Year Ended September 30, 2023

(In Thousands)

	Successor Agency Debt Service Fund			
	Budgeted Amounts		Actual on Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Property Taxes	\$ 30,162	\$ 30,162	\$ 15,601	\$ (14,561)
Use of Money and Property	-	-	723	723
Transfers In	-	-	2,255	2,255
Total Revenues	30,162	30,162	18,579	(11,583)
Expenditures:				
Community and Cultural	-	-	57	(57)
Debt Service	26,743	26,743	26,665	78
Total Expenditures	26,743	26,743	26,722	21
Net Change in Budgetary Fund Balance	\$ 3,419	\$ 3,419	\$ (8,143)	\$ (11,562)
Reconciliation of Fund Balances, Budgetary Basis to GAAP Basis				
Change in Fund Balance - September 30, Budgetary Basis			\$ (8,143)	
Add: Encumbrances			-	
Change in Fund Balance - September 30, GAAP Basis			(8,143)	
Fund Balance, October 1, GAAP Basis			15,022	
Fund Balance, September 30, GAAP Basis			\$ 6,879	

See accompanying Independent Auditors' Report



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NONMAJOR CAPITAL PROJECTS FUND

Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The Special Assessment Capital Projects Fund was established to account for the acquisition, construction, and improvement of capital facilities financed through special assessments.

The Successor Agency Capital Projects Fund was established to account for the wind-down of Redevelopment Agency operations. This includes the completion of authorized projects and the disposition of properties owned by the former Redevelopment Agency. The activities of this fund are primarily financed through remaining bond proceeds and Redevelopment Property Tax Trust Fund allocations provided through the County for this purpose.

City of Long Beach
Nonmajor Capital Project Funds
Combining Balance Sheet
September 30, 2023
(In Thousands)

	Special Assessment Capital Projects	Successor Agency Capital Projects	Total Capital Projects Funds
ASSETS			
Pooled Cash and Cash Equivalents	\$ 1,743	\$ 8,672	\$ 10,415
Non-Pooled Cash and Cash Equivalents	35	34	69
Receivables:			
Interest Receivable	-	3	3
Accounts Receivable	-	12	12
Lease Receivables	-	2,617	2,617
Other Noncurrent Receivables	-	5,540	5,540
Total Assets	\$ 1,778	\$ 16,878	\$ 18,656
LIABILITIES			
Accounts Payable	\$ -	\$ 4	\$ 4
Unearned Revenues	-	30	30
Deposits and Collections Held in Trust	-	197	197
Total Liabilities	-	231	231
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows of Resources	-	8,120	8,120
FUND BALANCES			
Restricted	1,778	8,527	10,305
Total Fund Balance	1,778	8,527	10,305
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 1,778	\$ 16,878	\$ 18,656

See accompanying Independent Auditors' Report

City of Long Beach
 Nonmajor Capital Project Funds
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
 For the Fiscal Year Ended September 30, 2023
 (In Thousands)

	Special Assessment Capital Projects	Successor Agency Capital Projects	Total Capital Projects Funds
Revenues:			
Taxes:			
Property	\$ -	\$ 619	\$ 619
Use of Money and Property	2	719	721
Other	-	259	259
Total Revenues	2	1,597	1,599
Expenditures:			
Current:			
Community and Cultural	-	705	705
Total Expenditures	-	705	705
Excess of Revenues Over (under) Expenditures	2	892	894
Other Financing Sources (Uses):			
Transfers Out	(33)	(2,255)	(2,288)
Net Change in Fund Balances	(31)	(1,363)	(1,394)
Fund Balances - October 1	1,809	9,890	11,699
Fund Balances - September 30	\$ 1,778	\$ 8,527	\$ 10,305

See accompanying Independent Auditors' Report

City of Long Beach
 Nonmajor Capital Projects Funds
 Schedule of Revenues, Expenditures, and Changes in Fund Balances -
 Budget and Actual (Budgetary Basis)
 For the Fiscal Year Ended September 30, 2023
 (In Thousands)

	Special Assessment Capital Projects Fund			
	Budgeted Amounts		Actual on Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Use of Money and Property	\$ 15	\$ 15	\$ 2	\$ (13)
Total Revenues	15	15	2	(13)
Expenditures:				
Transfers Out	-	-	33	33
Total Expenditures	-	-	33	33
Net Change in Budgetary Fund Balance	\$ 15	\$ 15	\$ (31)	\$ (46)
Reconciliation of Fund Balances, Budgetary Basis to GAAP Basis				
Change in Fund Balance - September 30, Budgetary Basis			\$ (31)	
Add: Encumbrances			-	
Change in Fund Balance - September 30, GAAP Basis			(31)	
Fund Balance, October 1, GAAP Basis			1,809	
Fund Balance, September 30, GAAP Basis			\$ 1,778	

See accompanying Independent Auditors' Report

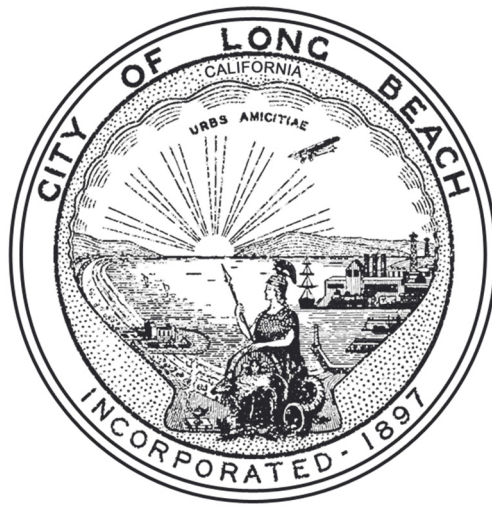
City of Long Beach
 Nonmajor Capital Projects Funds
 Schedule of Revenues, Expenditures, and Changes in Fund Balances -
 Budget and Actual (Budgetary Basis)
 For the Fiscal Year Ended September 30, 2023
 (In Thousands)

	Successor Agency Capital Projects Fund			
	Budgeted Amounts		Actual on Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Property Taxes	\$ 3,000	\$ 3,000	\$ 619	\$ (2,381)
Use of Money and Property	797	797	719	(78)
Other Revenues	408	408	259	(149)
Total Revenues	4,220	4,220	1,597	(2,623)
Expenditures:				
Community and Cultural	4,284	4,284	705	3,579
Transfers Out	-	-	2,255	(2,255)
Total Expenditures	4,249	4,249	2,960	1,289
Net Change in Budgetary Fund Balance	\$ (29)	\$ (29)	\$ (1,363)	\$ (1,334)

Reconciliation of Fund Balances, Budgetary Basis to GAAP Basis

Change in Fund Balance - September 30, Budgetary Basis	\$ (1,363)
Add: Encumbrances	-
Change in Fund Balance - September 30, GAAP Basis	(1,363)
Fund Balance, October 1, GAAP Basis	9,890
Fund Balance, September 30, GAAP Basis	\$ 8,527

See accompanying Independent Auditors' Report



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NONMAJOR ENTERPRISE FUNDS

Enterprise Funds are used to account for City operations that are financed and operated in a manner similar to private business enterprises. The intent of the City in using this type of fund is to determine that the costs (expenses, including depreciation) of providing these services to the general public on a continuing basis are financed or recovered primarily through user charges.

The Sewer Utility Fund is used to account for the maintenance and replacement of the City's sewer pipelines and sewage facilities.

The Airport Fund is used to account for the operations, maintenance and facility improvements of the Airport.

The Solid Waste Management Fund is used to account for the City's refuse collection, recycling, and resource recovery operations. The SERRF Authority Function is combined with the City's Solid Waste Management Function for the purpose of financial statement presentation.

The Towing Fund is used to account for the City's towing services, which are used primarily by the Police and Public Works Departments to remove vehicles that have been abandoned or parked illegally on the City's streets.

The Subsidence Fund is used to account for the accumulation of resources to minimize and remedy future land sinkage due to oil operations in the tidelands area.

The Development Services Fund was established to segregate long-range planning and property use and development services and give visibility of the City's planning, building, and inspection fees and the associated cost the City incurs to provide these services.

City of Long Beach
Nonmajor Enterprise Funds
Combining Statement of Net Position
September 30, 2023
(In Thousands)

	Sewer	Airport	Solid Waste Management	Towing	Subsidence	Development Services	Total Nonmajor Proprietary Funds
ASSETS							
Current Assets:							
Pooled Cash and Cash Equivalents	\$10,199	\$ 55,717	\$ 32,290	\$ 1,413	\$ 191,209	\$ 43,065	\$ 333,893
Non-Pooled Cash and Cash Equivalents	-	13,249	3	2	-	-	13,254
Interest Receivable	-	6	-	-	-	-	6
Accounts Receivable	1,573	4,607	12,279	266	-	2,573	21,298
Due from Other Governments	-	9,329	454	-	-	333	10,116
Due from Other Funds	2,000	19	37	3	-	1,615	3,674
Lease Receivable - Current	-	216	-	-	-	-	216
Allowance for Receivables	(157)	(350)	(4,447)	(236)	-	(1,595)	(6,785)
Inventory	238	-	-	-	-	-	238
Other Assets - Current	-	215	-	-	-	-	215
Total Current Assets	13,853	83,008	40,616	1,448	191,209	45,991	376,125
Noncurrent Assets:							
Noncurrent Receivables							
Lease Receivable	-	2,287	-	-	-	-	2,287
Capital Assets:							
Land and Other Capital Assets Not Being Depreciated	10,081	39,977	6,179	-	-	-	56,237
Capital Assets, Net of Accumulated Depreciation/Amortization	82,823	320,560	5,287	-	-	3	408,673
Total Noncurrent Assets	92,904	362,824	11,466	-	-	3	467,197
Total Assets	106,757	445,832	52,082	1,448	191,209	45,994	843,322
DEFERRED OUTFLOWS OF RESOURCES							
Deferred Outflows of Resources	2,113	5,046	4,823	1,231	-	6,448	19,661
LIABILITIES							
Current Liabilities Payable from Current Assets							
Accounts Payable	1,756	8,271	4,867	68	-	2,229	17,191
Accrued Wages	32	67	95	17	-	83	294
Accrued Interest Payable	128	1,830	-	-	-	-	1,958
Due to Other Funds	103	188	362	103	-	326	1,082
Unearned Revenues	-	396	933	-	-	1,394	2,723
Collections Held in Trust	-	-	-	-	-	1	1
Customers Deposits	-	378	749	-	-	1,764	2,891
Advances from Developers	286	-	-	-	-	15,844	16,130
Compensated Absences and Accrued Employee Benefits	381	1,119	1,091	250	-	1,045	3,886
Bonds Payable Due within One Year	420	3,165	-	-	-	-	3,585
Lease Liability - Current	-	289	-	-	-	-	289
Total Current Liabilities	3,106	15,703	8,097	438	-	22,686	50,030
Noncurrent Liabilities:							
Unearned Revenues	-	4,726	-	-	-	-	4,726
Compensated Absences and Accrued Employee Benefits	662	2,017	1,857	415	-	1,256	6,207
Bonds Payable	7,581	114,766	-	-	-	-	122,347
Lease Liability	-	3,266	-	-	-	-	3,266
Total OPEB Liability	200	619	579	130	-	428	1,956
Net Pension Liability	7,790	17,146	16,987	4,425	-	23,570	69,918
Total Noncurrent Liabilities	16,233	142,540	19,423	4,970	-	25,254	208,420
Total Liabilities	19,339	158,243	27,520	5,408	-	47,940	258,450
DEFERRED INFLOWS OF RESOURCES							
Deferred Inflows of Resources	1,056	3,380	1,911	201	-	601	7,149
NET POSITION							
Net Investment in Capital Assets	83,291	245,199	11,466	-	-	3	339,959
Restricted for:							
Debt Service	302	3,108	-	-	-	-	3,410
Capital Projects	-	28,063	-	-	-	-	28,063
Airport	-	9,802	-	-	-	-	9,802
Subsidence	-	-	-	-	191,209	-	191,209
Unrestricted	4,882	3,083	16,008	(2,930)	-	3,898	24,941
Total Net Position	\$88,475	\$ 289,255	\$ 27,474	\$(2,930)	\$ 191,209	\$ 3,901	\$ 597,384

See accompanying Independent Auditors' Report

City of Long Beach
Nonmajor Enterprise Funds
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
For the Fiscal Year Ended September 30, 2023
(In Thousands)

	Sewer	Airport	Solid Waste Management	Towing	Subsidence	Development Services	Total Nonmajor Proprietary Funds
Operating Revenues:							
Licenses and Permits	-	-	3,393	-	-	30,058	33,451
Fines and Forfeitures	-	30	-	-	-	-	30
Fees, Concessions and Rentals	-	53,152	-	-	-	-	53,152
From Other Agencies	-	1,602	799	-	-	325	2,726
Charges for Services	20,207	416	77,181	6,488	-	2,145	106,437
Other	86	-	-	-	-	1,184	1,270
Total Operating Revenues	20,293	55,200	81,373	6,488	-	33,712	197,066
Operating Expenses:							
Personnel Services	5,554	13,836	17,140	3,927	-	17,712	58,169
Maintenance and Other Operations	7,618	30,754	58,200	3,169	-	15,633	115,374
Rental Expense	-	-	374	-	-	-	374
Depreciation/Amortization	3,022	17,166	777	-	-	2	20,967
Total Operating Expenses	16,194	61,756	76,491	7,096	-	33,347	194,884
Operating Income (Loss)	4,099	(6,556)	4,882	(608)	-	365	2,182
Non-Operating Income (Expenses):							
Interest Income	373	2,333	995	53	4,531	1,074	9,359
Interest Expense	(199)	(4,991)	-	-	-	-	(5,190)
Unrealized Investment Gain (Loss)	128	744	(28)	8	1,469	198	2,519
Gain (Loss) on Disposition of Capital Assets	-	(5)	719	-	-	-	714
Operating Grants	-	24	378	-	-	-	402
Other Income	3	166	-	44	-	-	213
Other Expense	(1,017)	(4)	-	-	-	-	(1,021)
Total Non-Operating Income (Expenses)	(712)	(1,733)	2,064	105	6,000	1,272	6,996
Income Before Contributions	3,387	(8,289)	6,946	(503)	6,000	1,637	9,178
Capital Grants and Contributions	138	23,041	-	-	-	-	23,179
Transfers:							
Transfers Out	-	(136)	(115)	-	-	(286)	(537)
Change in Net Position	3,525	14,616	6,831	(503)	6,000	1,351	31,820
Net Position - October 1	84,950	274,639	20,643	(2,427)	185,209	2,550	565,564
Net Position - September 30	\$ 88,475	\$ 289,255	\$ 27,474	\$ (2,930)	\$ 191,209	\$ 3,901	\$ 597,384

See accompanying Independent Auditors' Report

City of Long Beach
Nonmajor Enterprise Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended September 30, 2023
(In Thousands)

<u>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS:</u>	Sewer	Airport	Solid Waste Management	Towing	Subsidence	Development Services	Total Nonmajor Proprietary Funds
Cash Flows from Operating Activities:							
Receipts from Customers	\$ 18,294	\$ 55,365	\$ 81,868	\$ 6,461	\$ -	\$ 34,001	\$ 195,989
Receipts from Other Entities	-	6,748	799	-	-	-	7,547
Receipts from Other Funds	-	-	306	30	-	-	336
Payments for Employees Salaries and Benefits	(5,473)	(12,058)	(15,850)	(3,425)	-	(15,974)	(52,780)
Payments for Goods and Services	(7,334)	(37,428)	(64,421)	(3,138)	-	(14,756)	(127,077)
Payments to Other Funds	-	(19)	-	-	-	-	(19)
Other Income	3	166	-	44	-	-	213
Other Expense	(1,192)	(4)	-	-	-	-	(1,196)
Net Cash Provided by (Used for) Operating Activities	4,298	12,770	2,702	(28)	-	3,271	23,013
Cash Flows from Non-Capital Financing Activities:							
Operating Grants Received from Other Governments	-	24	-	-	-	-	24
Operating Subsidies Received from Other Funds	-	-	184	-	-	-	184
Transfers Out	-	(136)	(115)	-	-	(286)	(537)
Net Cash Provided by (Used for) Non-Capital Financing Activities	-	(112)	69	-	-	(286)	(329)
Cash Flows from Capital and Related Financing Activities:							
Proceeds from the Sale of Capital Assets	175	-	1,543	-	-	-	1,718
Receipts of Contributed Capital	138	16,191	-	-	-	-	16,329
Receipts from Passenger Facility Charges	-	6,850	-	-	-	-	6,850
Payments for Capital Acquisitions	(6,867)	(43,056)	1	-	-	649	(49,273)
Payments of Principal on Bonds Payable	(405)	(2,570)	-	-	-	-	(2,975)
Payments of Interest	(323)	(5,472)	-	-	-	-	(5,795)
Net Cash Provided by (Used for) Capital and Related Financing Activities	(7,282)	(28,057)	1,544	-	-	649	(33,146)
Cash Flows from Investing Activities:							
Receipts of Interest	373	2,334	995	53	4,531	1,074	9,360
Changes in Investments	128	744	(28)	8	1,469	198	2,519
Net Cash Provided by Investing Activities	501	3,078	967	61	6,000	1,272	11,879
Net Increase (Decrease) in Cash and Cash Equivalents	(2,483)	(12,321)	5,282	33	6,000	4,906	1,417
Cash and Cash Equivalents - October 1	12,682	81,287	27,011	1,382	185,209	38,159	345,730
Cash and Cash Equivalents - September 30	\$ 10,199	\$ 68,966	\$ 32,293	\$ 1,415	\$ 191,209	\$ 43,065	\$ 347,147
<u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:</u>							
Operating Income (Loss)	\$ 4,099	(6,556)	\$ 4,882	\$ (608)	\$ -	\$ 365	\$ 2,182
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:							
Operating Activities:							
Depreciation and Amortization Expense	3,022	17,166	777	-	-	2	20,967
Other Income	3	166	-	44	-	-	213
Other Expense	(1,192)	(4)	-	-	-	-	(1,196)
(Increase) Decrease in Accounts Receivable, Net	9	2,617	409	(27)	-	(2,562)	446
Increase in Amounts Due from Other Governments	-	5,146	-	-	-	-	5,146
(Increase) Decrease in Amounts Due from Other Funds	(2,000)	(19)	306	(3)	-	(1,575)	(3,291)
(Increase) in Other Operating Assets	-	(151)	-	-	-	-	(151)
Increase (Decrease) in Accounts Payable	284	(6,654)	(5,917)	31	-	788	(11,468)
Increase in Accrued Wages Payable	81	1,778	1,290	502	-	1,738	5,389
Increase (Decrease) in Amounts Due to Other Funds	(1)	-	70	33	-	89	191
Increase (Decrease) in Unearned Revenues	(7)	(850)	877	-	-	1,196	1,216
Increase in Collections Held in Trust	-	131	8	-	-	3,230	3,369
Total Adjustments	199	19,326	(2,180)	580	-	2,906	20,831
Net Cash Provided by (Used for) Operating Activities	\$ 4,298	\$ 12,770	\$ 2,702	\$ (28)	\$ -	\$ 3,271	\$ 23,013

See accompanying Independent Auditors' Report

INTERNAL SERVICE FUNDS

Internal Service Funds are established to finance and account for goods and services provided by one City department to other City departments on a cost-reimbursement basis, including depreciation.

The Civic Center Fund is used to account for the operation and maintenance of the City Hall and Main Library Complex.

The General Services Fund is used to account for the operation, maintenance, and replacement of the City's electronic data processing equipment and software, radio systems, telephone, mailing and reprographics services.

The Fleet Services Fund is used to account for the operation, maintenance, and replacement of the City's fleet of vehicles and equipment.

The Workers' Compensation Insurance Fund is used to finance and account for the City's Workers' Compensation Insurance Program programs.

The General Liability Insurance Fund is used to finance and account for the City's General Liability insurance programs.

The Employee Benefits Fund is used to finance and account for compensated absences, employer payroll taxes, and health and retirement benefits.

City of Long Beach
Internal Service Funds
Combining Statement of Net Position (Deficit)
September 30, 2023
(In Thousands)

	Civic Center	General Services	Fleet Services	Workers' Compensation Insurance	General Liability Insurance	Employee Benefits	Total Internal Service Funds
ASSETS							
Current Assets:							
Pooled Cash and Cash Equivalents	\$ 2	\$ 22,638	\$ 49,108	\$ 33,443	\$ 18,123	\$ 97,174	\$ 220,488
Non-Pooled Cash and Cash Equivalents	-	1,212	13,387	-	-	-	14,599
Receivables:							
Accounts Receivable	1	1,174	40	-	-	-	1,215
Due from Other Funds	1,902	791	36	3,084	1	14,372	20,186
Allowance for Receivables	-	-	(16)	-	-	-	(16)
Deposits	-	-	-	-	-	8,334	8,334
Inventory	-	-	3,119	-	-	-	3,119
Other Assets - Current	-	533	-	-	-	-	533
Total Current Assets	1,905	26,348	65,674	36,527	18,124	119,880	268,458
Noncurrent Assets:							
Noncurrent Receivables:							
Advances to Other Funds	-	-	21,832	-	-	3,087	24,919
Capital Assets:							
Land and Other Capital Assets Not Being Depreciated	6,907	-	-	-	-	-	6,907
Capital Assets, Net of Accumulated Depreciation/Amortization	322,483	48,144	64,907	-	3	-	435,537
Other Assets - Long-Term	6,000	-	-	-	-	-	6,000
Total Noncurrent Assets	335,390	48,144	86,739	-	3	3,087	473,363
Total Assets	337,295	74,492	152,413	36,527	18,127	122,967	741,821
DEFERRED OUTFLOWS OF RESOURCES							
Deferred Outflows of Resources	198	10,408	4,225	6,136	881	3,165	25,013
LIABILITIES							
Current Liabilities Payable from Current Assets:							
Accounts Payable	1,360	4,193	3,971	143	1,071	7,794	18,532
Accrued Wages and Benefits	3	136	62	80	20	2,507	2,808
Accrued Interest Payable	-	490	118	-	-	-	608
Due to Other Funds	2,044	416	319	237	3,165	233	6,414
Collections Held in Trust	-	-	-	-	-	5,032	5,032
Compensated Absences and Accrued Employee Benefits	-	2,192	856	436	445	3,705	7,634
Accrued Claims - Current	-	-	-	21,044	13,713	-	34,757
Environmental Remediation - Current	-	-	88	-	-	-	88
Financed Purchase Obligations - Current	-	3,621	3,150	-	-	-	6,771
Bonds Payable Due within One Year	-	-	1,693	-	-	-	1,693
Other Long Term Obligation - Current	5,373	-	-	-	-	-	5,373
Total Current Liabilities	8,780	11,048	10,257	21,940	18,414	19,271	89,710
Noncurrent Liabilities:							
Compensated Absences and Accrued Employee Benefits	-	4,631	2,052	661	554	1,150	9,048
Accrued Claims	-	-	-	114,293	44,284	-	158,577
Environmental Remediation	-	-	482	-	-	-	482
Financed Purchase Obligations	-	18,346	12,990	-	-	-	31,336
Other Long Term Obligations	273,923	-	-	-	-	-	273,923
SBITAs Payable	-	3,793	-	-	-	-	3,793
Bonds Payable	-	-	11,569	-	-	-	11,569
Lease Liability	-	370	-	-	-	-	370
OPEB Liability	-	1,414	621	216	173	356	2,780
Net Pension Liability	810	36,062	14,630	14,186	1,956	9,919	77,563
Total Noncurrent Liabilities	274,733	64,616	42,344	129,356	46,967	11,425	569,441
Total Liabilities	283,513	75,664	52,601	151,296	65,381	30,696	659,151
DEFERRED INFLOWS OF RESOURCES							
Deferred Inflows of Resources	100	1,897	1,561	287	2,259	582	6,686
NET POSITION (DEFICIT)							
Net Investment in Capital Assets	50,084	22,650	48,892	-	3	-	121,629
Restricted for:							
Capital Projects	-	1,553	-	-	-	-	1,553
Insurance	-	-	-	-	-	18,611	18,611
Unrestricted	3,796	(16,864)	53,584	(108,920)	(48,635)	76,243	(40,796)
Total Net Position (Deficit)	\$ 53,880	\$ 7,339	\$ 102,476	\$ (108,920)	\$ (48,632)	\$ 94,854	\$ 100,997

City of Long Beach
Internal Service Funds
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position (Deficit)
For the Fiscal Year Ended September 30, 2023
(In Thousands)

	Civic Center	General Services	Fleet Services	Workers' Compensation Insurance	General Liability Insurance	Employee Benefits	Total Internal Service Funds
Operating Revenues:							
Billing to Other Departments	\$ 24,835	\$ 63,822	\$ 59,608	\$ 31,864	\$ 45,464	\$ 333,708	\$ 559,301
Other	-	3,695	658	240	50	-	4,643
Total Operating Revenues	24,835	67,517	60,266	32,104	45,514	333,708	563,944
Operating Expenses:							
Personnel Services	-	28,870	12,222	9,005	3,615	6,669	60,381
Maintenance and Other Operations	12,005	38,829	21,178	3,238	6,538	4,090	85,878
Insurance Premiums	-	-	-	-	17,621	-	17,621
Self-Insured Losses	-	-	-	16,956	19,499	-	36,455
Compensated Absences	-	-	-	10,337	-	65,160	75,497
Employee Benefits	-	-	-	-	-	248,041	248,041
Depreciation/Amortization	13,620	10,999	13,755	-	1	-	38,375
Total Operating Expenses	25,625	78,698	47,155	39,536	47,274	323,960	562,248
Operating Income (Loss)	(790)	(11,181)	13,111	(7,432)	(1,760)	9,748	1,696
Non-Operating Income (Expenses):							
Interest Income	-	38	950	876	-	-	1,864
Interest Expense	(5,831)	(649)	(1,025)	-	-	-	(7,505)
Unrealized Investment Gain (Loss)	-	428	8	898	207	(2,611)	(1,070)
Gain (Loss) on Disposition of Capital Assets	-	-	1,234	-	-	-	1,234
Operating Grants	-	878	-	-	-	-	878
Other Income	4	-	1,211	-	-	7,902	9,117
Other Expense	(1)	-	(1,743)	-	-	-	(1,744)
Total Non-Operating Income (Expenses)	(5,828)	695	635	1,774	207	5,291	2,774
Income (Loss) before Contributions and Transfers	(6,618)	(10,486)	13,746	(5,658)	(1,553)	15,039	4,470
Transfers:							
Transfers In	2,937	4,844	236	-	-	56,329	64,346
Transfers Out	-	(1,609)	(104)	-	(630)	-	(2,343)
Change in Net Position	(3,681)	(7,251)	13,878	(5,658)	(2,183)	71,368	66,473
Net Position (Deficit) - October 1	57,561	14,590	88,598	(103,262)	(46,449)	23,486	34,524
Net Position (Deficit) - September 30	\$ 53,880	\$ 7,339	\$102,476	\$ (108,920)	\$ (48,632)	\$ 94,854	\$ 100,997

See accompanying Independent Auditors' Report

City of Long Beach
Internal Service Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended September 30, 2023
(In Thousands)

<u>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</u>	Civic Center	General Services	Fleet Services	Workers' Compensation Insurance	General Liability Insurance	Employee Benefits	Total Internal Service Funds
Cash Flows from Operating Activities:							
Receipts from Customers	\$ -	\$ 3,739	\$ 115	\$ -	\$ -	\$ -	\$ 3,854
Receipts from Other Funds	24,103	63,113	60,243	29,634	48,775	327,741	553,609
Payments to Other Entities	(1,194)	-	-	(149)	-	-	(1,343)
Payments for Employees Salaries and Benefits	(4)	(25,614)	(11,282)	(7,082)	(4,014)	(251,144)	(299,140)
Payments for Goods and Services	(11,970)	(41,013)	(20,117)	(3,253)	(8,210)	-	(84,563)
Changes on Compensated Absences	-	791	(4)	(10,292)	(62)	(64,357)	(73,924)
Payments for Liability Claims	-	-	-	(14,261)	(26,186)	-	(40,447)
Other Income	4	-	1,211	-	-	7,902	9,117
Other Expense	(1)	-	(1,743)	-	-	-	(1,744)
Net Cash Provided by (Used for) Operating Activities	<u>10,938</u>	<u>1,016</u>	<u>28,423</u>	<u>(5,403)</u>	<u>10,303</u>	<u>20,142</u>	<u>65,419</u>
Cash Flows from Non-Capital Financing Activities:							
Operating Grants Received from Other Governments	-	878	-	-	-	-	878
Operating Subsidies Received from Other Funds	2,937	4,844	236	-	-	56,329	64,346
Operating Subsidies Paid to Other Funds	-	(1,609)	(104)	-	(630)	-	(2,343)
Net Cash Provided by (Used for) Non-Capital Financing Activities	<u>2,937</u>	<u>4,113</u>	<u>132</u>	<u>-</u>	<u>(630)</u>	<u>56,329</u>	<u>62,881</u>
Cash Flows from Capital and Related Financing Activities:							
Proceeds from the Sale of Capital Assets	-	-	1,281	-	-	-	1,281
Payments for Capital Acquisitions	(2,762)	-	(13,532)	-	-	-	(16,294)
Payments of Principal on Bonds Payable	-	-	(1,600)	-	-	-	(1,600)
Payments of Principal on Other Long-Term Obligations	(5,280)	(4,329)	(3,265)	-	-	-	(12,874)
Payments to Defeasance Bonds	-	(5,725)	-	-	-	-	(5,725)
Payments of Interest	(5,831)	(703)	(1,342)	-	-	-	(7,876)
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(13,873)</u>	<u>(10,757)</u>	<u>(18,458)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(43,088)</u>
Cash Flows from Investing Activities:							
Receipts of Interest	-	38	950	876	-	-	1,864
Changes in Investments	-	428	8	898	207	(2,611)	(1,070)
Net Cash Provided by (Used for) Investing Activities	<u>-</u>	<u>466</u>	<u>958</u>	<u>1,774</u>	<u>207</u>	<u>(2,611)</u>	<u>794</u>
Net Decrease in Cash and Cash Equivalents	<u>2</u>	<u>(5,162)</u>	<u>11,055</u>	<u>(3,629)</u>	<u>9,880</u>	<u>73,860</u>	<u>86,006</u>
Cash and Cash Equivalents - October 1	-	29,012	51,440	37,072	8,243	23,314	149,081
Cash and Cash Equivalents - September 30	<u>\$ 2</u>	<u>\$ 23,850</u>	<u>\$ 62,495</u>	<u>\$ 33,443</u>	<u>\$ 18,123</u>	<u>\$ 97,174</u>	<u>\$ 235,087</u>

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET
CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES

Operating Income (Loss)	\$ (790)	\$ (11,181)	\$ 13,111	\$ (7,432)	\$ (1,760)	\$ 9,748	\$ 1,696
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:							
Depreciation and Amortization Expense	13,620	10,999	13,755	-	1	-	38,375
Other Income	4	-	1,211	-	-	7,902	9,117
Other Expense	(1)	-	(1,743)	-	-	-	(1,744)
(Increase) Decrease in Accounts Receivable, Net	13	44	(9)	-	-	145	193
(Increase) Decrease in Amounts Due from Other Funds	(745)	(730)	(23)	(2,470)	167	(515)	(4,316)
(Increase) Decrease in Other Operating Assets	-	(2,586)	-	-	-	1,694	(892)
(Increase) in Other Non-operating Assets	-	-	(13)	-	-	-	(13)
Increase (Decrease) in Accounts Payable	35	402	1,074	(15)	(1,672)	(3,194)	(3,370)
Increase (Decrease) in Accrued Wages Payable	(4)	4,047	936	1,968	(461)	3,661	10,147
Increase (Decrease) in Amounts Due to Other Funds	(1,194)	21	124	(149)	3,094	208	2,104
Increase in Accrued Claims Payable	-	-	-	2,695	10,934	-	13,629
Increase in Collections Held in Trust	-	-	-	-	-	493	493
Total Adjustments	<u>11,728</u>	<u>12,197</u>	<u>15,312</u>	<u>2,029</u>	<u>12,063</u>	<u>10,394</u>	<u>63,723</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ 10,938</u>	<u>\$ 1,016</u>	<u>\$ 28,423</u>	<u>\$ (5,403)</u>	<u>\$ 10,303</u>	<u>\$ 20,142</u>	<u>\$ 65,419</u>

See accompanying Independent Auditors' Report

FIDUCIARY FUNDS

Fiduciary Funds, comprised of Private Purpose Trust and Custodial Funds, are used to account for assets held by the City in a trustee capacity or as an agent for other governmental units, private organizations, or individuals.

Custodial Funds are used to account for funds held by the City as an agent for other governmental units, private organizations, or individuals.

Private Purpose Trust Funds are used to account for trust monies, wherein the principal and interest of the trust can be expended by the City in accordance with the terms of the trust agreement.

The Miller Library and Miller Museum Funds are used to account for bequests from Lorraine Miller Collins. The principal and interest on the trusts are to be used to maintain and purchase materials for the Miller Special Collections room in the City's Main Library.

The Mayor's Fund for the Homeless is used to account for donations from the public for use in assisting the City's homeless population.

City of Long Beach
Combining Statement of Fiduciary Net Position
Custodial Funds
September 30, 2023
(In Thousands)

	Belmont Shore Parking District	Taxes Oil Rights	Special Assessment Districts	Intermodal Container Transfer Facility JPA
ASSETS:				
Pooled Cash and Cash Equivalents	\$ 89	\$ 1,728	\$ 1,012	\$ 3,522
Non-Pooled Cash and Cash Equivalents	-	-	10,018	-
Property Taxes Receivable, Net	-	-	4	-
Accounts Receivable	-	-	-	-
Prepaid Expense	-	-	-	-
Land	-	-	-	-
Total Assets	<u>89</u>	<u>1,728</u>	<u>11,034</u>	<u>3,522</u>
LIABILITIES:				
Accounts Payable	89	-	-	-
Collections Held in Trust	-	-	47	-
Total Liabilities	<u>89</u>	<u>-</u>	<u>47</u>	<u>-</u>
NET POSITION:				
Held in Trust	<u>\$ -</u>	<u>\$ 1,728</u>	<u>\$ 10,987</u>	<u>\$ 3,522</u>

City of Long Beach
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Fiscal Year Ended September 30, 2023
(In Thousands)

	Belmont Shore Parking District	Taxes Oil Rights	Special Assessment Districts	Intermodal Container Transfer Facility JPA
ADDITIONS:				
Contributions	\$ -	\$ -	\$ 3,393	\$ -
Taxes	-	-	2,444	-
Grants	-	-	-	-
Use of Money and Property	-	-	231	262
Miscellaneous Revenue	-	-	8	-
Total Additions	<u>-</u>	<u>-</u>	<u>6,076</u>	<u>262</u>
DEDUCTIONS:				
Administrative Expense	-	-	46	-
Payments to Bond Holders	-	-	5,495	175
Payments to Others	-	105	-	-
Total Deductions	<u>-</u>	<u>105</u>	<u>5,541</u>	<u>175</u>
Change in Net Position	-	(105)	535	87
Net Position, October 1	<u>-</u>	<u>1,833</u>	<u>10,452</u>	<u>3,435</u>
Net Position, September 30	<u>\$ -</u>	<u>\$ 1,728</u>	<u>\$ 10,987</u>	<u>\$ 3,522</u>

See accompanying Independent Auditors' Report

Earthquake Assessment District	Los Cerritos Wetlands Authority	Other Custodial Funds	Total Custodial Funds	
\$ 849	\$ -	\$ 3,812	\$ 11,012	ASSETS:
-	475	-	10,493	Pooled Cash and Cash Equivalents
1	-	78	83	Non-Pooled Cash and Cash Equivalents
-	408	1,624	2,032	Property Taxes Receivable
-	8	-	8	Accounts Receivable
-	11,000	-	11,000	Prepaid Expense
				Land
850	11,891	5,514	34,628	Total Assets
-	214	1,661	1,964	LIABILITIES:
-	-	-	47	Accounts Payable
-	214	1,661	2,011	Collections Held in Trust
				Total Liabilities
\$ 850	\$ 11,677	\$ 3,853	\$ 32,617	NET POSITION:
				Held in Trust

Earthquake Assessment District	Los Cerritos Wetlands Authority	Other Custodial Funds	Total Custodial Funds	
\$ -	\$ 40	\$ -	\$ 3,433	ADDITIONS:
-	-	12,557	15,001	Contributions
-	716	-	716	Taxes
51	72	5	621	Grants
-	-	-	8	Use of Money and Property
51	828	12,562	19,779	Miscellaneous Revenue
				Total Additions
-	6	27	79	DEDUCTIONS:
-	-	-	5,670	Administrative Expense
-	765	12,360	13,230	Payments to Bond Holders
-	771	12,387	18,979	Payments to Others
51	57	175	800	Total Deductions
799	11,620	3,678	31,817	Change in Net Position
\$ 850	\$ 11,677	\$ 3,853	\$ 32,617	Net Position, October 1
				Net Position, September 30

See accompanying Independent Auditors' Report

City of Long Beach
 Fiduciary Funds
 Private Purpose Trust Funds
 Combining Statement of Fiduciary Net Position
 September 30, 2023
 (In Thousands)

	<u>Miller Library</u>	<u>Mayor's Fund to End Homelessness</u>	<u>Total</u>
ASSETS			
Pooled Cash and Cash Equivalents	\$ 575	\$ 5	\$ 580
NET POSITION			
Held in Trust for Private Purpose Trust Funds	\$ 575	\$ 5	\$ 580

City of Long Beach
 Fiduciary Funds
 Private Purpose Trust Funds
 Combining Statement of Changes in Fiduciary Net Position
 For the Fiscal Year Ended September 30, 2023
 (In Thousands)

	<u>Miller Library</u>	<u>Mayor's Fund to End Homelessness</u>	<u>Total</u>
Additions:			
Use of Money and Property	\$ 19	\$ -	\$ 19
Deductions:			
Administrative Expense	-	-	-
Change in Net Position	19	-	19
Net Position, October 1	556	5	561
Net Position, September 30	\$ 575	\$ 5	\$ 580

See accompanying Independent Auditors' Report

OTHER
SUPPLEMENTARY
INFORMATION

City of Long Beach
General Fund
Combining Balance Sheet
September 30, 2023
(In Thousands)

	General Fund	Uplands Oil Fund	Eliminations	Total Combined General Fund
ASSETS				
Pooled Cash and Cash Equivalents	\$ 141,470	\$ 18,687	\$ -	\$ 160,157
Non-Pooled Cash and Cash Equivalents	1,420	-	-	1,420
Receivables:				
Interest Receivable	636	-	-	636
Property Taxes	126,172	-	-	126,172
Accounts Receivable	46,254	1,577	-	47,831
Due from Other Governments	34,275	-	-	34,275
Due from Other Funds	48,161	-	-	48,161
Lease Receivable	138,962	-	-	138,962
Allowance for Receivables	(9,517)	-	-	(9,517)
Other Assets	1,278	-	-	1,278
Total Assets	<u>529,111</u>	<u>20,264</u>	<u>-</u>	<u>549,375</u>
LIABILITIES				
Accounts Payable	22,077	377	-	22,454
Accrued Wages and Benefits Payable	2,666	-	-	2,666
Due to Other Governments	262	-	-	262
Due to Other Funds	8,277	-	-	8,277
Unearned Revenues	7,574	-	-	7,574
Deposits and Collections Held in Trust	4,708	-	-	4,708
Advances from Other Funds	21,832	-	-	21,832
Total Liabilities	<u>67,396</u>	<u>377</u>	<u>-</u>	<u>67,773</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows of Resources	<u>263,871</u>	<u>-</u>	<u>-</u>	<u>263,871</u>
FUND BALANCES				
Nonspendable	1,278	-	-	1,278
Restricted	3,179	-	-	3,179
Committed	60,101	19,471	-	79,572
Assigned	133,702	-	-	133,702
Unassigned	(416)	416	-	-
Total Fund Balances	<u>197,844</u>	<u>19,887</u>	<u>-</u>	<u>217,731</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 529,111</u>	<u>\$ 20,264</u>	<u>\$ -</u>	<u>\$ 549,375</u>

See accompanying Independent Auditors' Report

City of Long Beach
General Fund
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the Fiscal Year Ended September 30, 2023
(In Thousands)

	General Fund	Uplands Oil Fund	Eliminations	Total Combined General Fund
Revenues:				
Taxes:				
Property	\$ 219,726	\$ -	\$ -	\$ 219,726
Sales	152,647	-	-	152,647
Utility Users	48,660	-	-	48,660
Other Taxes	42,374	-	-	42,374
Franchise Fees	28,501	-	-	28,501
Licenses and Permits	45,475	-	-	45,475
Fines and Forfeitures	17,006	-	-	17,006
Use of Money and Property	37,792	15,591	-	53,383
From Other Agencies	10,058	-	-	10,058
Charges for Services	52,992	-	-	52,992
Other	9,102	-	-	9,102
Total Revenues	664,333	15,591	-	679,924
Expenditures:				
Legislative and Legal	14,452	-	-	14,452
General Government	27,582	-	-	27,582
Public Safety	394,508	-	-	394,508
Public Health	24,939	-	-	24,939
Community and Cultural	60,358	-	-	60,358
Public Works	60,496	-	-	60,496
Oil Operations	20	3,438	-	3,458
Total Current Expenditures	582,355	3,438	-	585,793
Capital Improvements	45,088	-	-	45,088
Debt Service:				
Principal	457	-	-	457
Interest	436	-	-	436
Debt Administration Fees	13	-	-	13
Total Expenditures	628,349	3,438	-	631,787
Excess of Revenues over Expenditures	35,984	12,153	-	48,137
Other Financing Sources (Uses):				
Transfers In	78,868	-	(10,293)	68,575
Transfers Out	(129,831)	(10,293)	10,293	(129,831)
Total Other Financing Sources (Uses)	(50,963)	(10,293)	-	(61,256)
Net Change in Fund Balances	(14,979)	1,860	-	(13,119)
Fund Balances - October 1	212,823	18,027	-	230,850
Fund Balances - September 30	\$ 197,844	\$ 19,887	\$ -	\$ 217,731

See accompanying Independent Auditors' Report

City of Long Beach
General Fund
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended September 30, 2023
(In Thousands)

	Final Amended Budget			Actual on Budgetary Basis		CalPERS Prepayment Expense	Combined Actual on Budgetary Basis	Variance with Final Budget - Positive (Negative)
	General	Uplands Oil	Combined	General	Uplands Oil			
Revenues:								
Property Taxes	\$ 212,778	\$ -	\$ 212,778	\$ 219,726	\$ -	\$ -	\$ 219,726	\$ 6,948
Sales Taxes	149,513	-	149,513	152,647	-	-	152,647	3,134
Utility Users Taxes	38,076	-	38,076	48,660	-	-	48,660	10,584
Other Taxes	39,545	-	39,545	42,374	-	-	42,374	2,829
Franchise Fees	22,351	-	22,351	28,501	-	-	28,501	6,150
Licenses and Permits	39,020	-	39,020	45,475	-	-	45,475	6,455
Fines and Forfeitures	16,257	-	16,257	17,006	-	-	17,006	749
Use of Money and Property	21,890	16,168	38,058	37,792	15,591	-	53,383	15,325
From Other Agencies	7,772	-	7,772	10,058	-	-	10,058	2,286
Charges for Services	44,132	-	44,132	52,992	-	-	52,992	8,860
Other	4,907	-	4,907	9,102	-	-	9,102	4,195
Transfers In	65,355	-	65,355	68,575	-	-	68,575	3,220
Total Revenues	661,596	16,168	677,764	732,908	15,591	-	748,499	70,735
Expenditures:								
Current:								
Legislative and Legal								
Mayor and City Council	10,603	-	10,603	6,387	-	(867)	5,520	5,083
City Attorney	4,173	-	4,173	3,293	-	(896)	2,397	1,776
City Clerk	5,506	-	5,506	4,780	-	(381)	4,399	1,107
General Government								
City Auditor	3,286	-	3,286	2,730	-	(207)	2,523	763
City Manager	14,576	-	14,576	10,564	-	(983)	9,581	4,995
Civil Service	4,048	-	4,048	3,633	-	(513)	3,120	928
Financial Management	25,841	-	25,841	10,169	-	(2,571)	7,598	18,243
Development Services	1,525	-	1,525	1,034	-	(517)	517	1,008
Public Safety								
Police	283,534	-	283,534	251,669	-	(22,823)	228,846	54,688
Fire	136,057	-	136,057	123,052	-	(12,761)	110,291	25,766
Disaster Preparedness	13,956	-	13,956	11,954	-	(1,821)	10,133	3,823
City Prosecutor	7,863	-	7,863	6,249	-	(1,177)	5,072	2,791
Development Services - Code Enforcement	4,273	-	4,273	3,322	-	(496)	2,826	1,447
Public Health	39,748	-	39,748	24,967	-	(483)	24,484	15,264
Community and Cultural								
Development Services	7,003	-	7,003	2,770	-	-	2,770	4,233
Library	25,623	-	25,623	20,669	-	(1,631)	19,038	6,585
Parks and Recreation	41,001	-	41,001	36,983	-	(2,587)	34,396	6,605
Public Works	78,777	-	78,777	60,557	-	(5,597)	54,960	23,817
Oil Operations	4,377	3,270	7,647	20	3,438	-	3,458	4,189
Capital Outlay	45,718	-	45,718	45,088	-	-	45,088	630
Debt Service	12	-	12	906	-	-	906	(894)
Transfers Out	70,245	10,439	80,684	119,538	10,293	56,311	186,142	(105,458)
Total Expenditures	827,745	13,709	841,454	750,334	13,731	-	764,065	77,389
Net Change in Budgetary Fund Balance:	\$ (166,149)	\$ 2,459	\$ (163,690)	\$ (17,426)	\$ 1,860	\$ -	\$ (15,566)	\$ 148,124

Reconciliation of Fund Balances, Budgetary Basis to GAAP Basis

	General	Uplands Oil	Combined
Change in Fund Balance - September 30, Budgetary Basis	\$ (17,426)	\$ 1,860	\$ (15,566)
Add: Encumbrances	2,447	-	2,447
Change in Fund Balance - September 30, GAAP Basis	(14,979)	1,860	(13,119)
Fund Balance, October 1, GAAP Basis	212,823	18,027	230,850
Fund Balance, September 30, GAAP Basis	\$ 197,844	\$ 19,887	\$ 217,731

See accompanying Independent Auditors' Report

City of Long Beach
Measure A Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual (Budgetary Basis)
For the Fiscal Year Ended September 30, 2023
(In Thousands)

	<u>Adopted</u> <u>Budget</u>	<u>Final</u> <u>Amended</u> <u>Budget</u>	<u>Actual on a</u> <u>Budgetary</u> <u>Basis</u>	<u>Variance with</u> <u>Final Budget</u> <u>Favorable /</u> <u>(Unfavorable)</u>
Revenues:				
Sales Taxes	\$ 67,448	\$ 67,448	\$ 68,844	\$ 1,396
Use of Money and Property	160	160	-	(160)
Total Revenues	<u>67,608</u>	<u>67,608</u>	<u>68,844</u>	<u>1,236</u>
Expenditures:				
General Government	5,099	5,099	209	4,890
Public Safety	42,368	42,368	40,823	1,545
Public Works	679	3,429	2,894	535
Community and Cultural	-	2,538	1,753	785
Transfers Out ^(a)	41,460	48,541	46,791	1,750
Total Expenditures	<u>89,607</u>	<u>101,974</u>	<u>92,470</u>	<u>9,505</u>
Net Change in Fund Balance (Deficit)	(21,999)	(34,366)	(23,626)	<u>(8,269)</u>
Fund Balance October 1, GAAP Basis	<u>35,232</u>	<u>35,232</u>	<u>35,232</u>	
Fund Balance September 30, Budgetary Basis	<u>\$ 13,233</u>	<u>\$ 866</u>	<u>\$ 11,606</u>	

Fund Balances as of September 30, 2023

Assigned for Subsequent year Programmed Uses, October 1	\$ 35,232	
Less:		
Programmed Releases in Fiscal Year 2023 ^(b)	(35,202)	
Add:		
New Programmed Assignments as of September 30 ^(c)	<u>10,365</u>	
Amounts Assigned for Subsequent Year Programmed Uses		10,395
Unassigned Fund Balance		<u>1,211</u>
Total Measure A Fund Balance		<u>\$ 11,606</u>

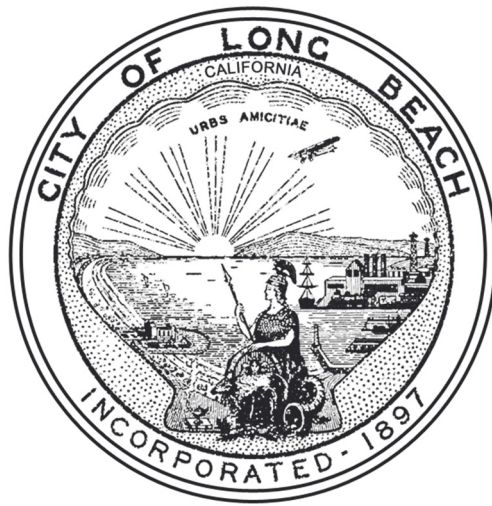
Notes:

- ^(a) Amounts "transferred out" are transferred to the City's Capital Projects fund for use in authorized Measure A projects.
- ^(b) Amounts released from reserves during the fiscal year to fund Measure A projects as programmed in prior fiscal years.
- ^(c) Amounts reserved to fund future Measure A projects.

City of Long Beach
 General Capital Projects Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances -
 Budget and Actual (Budgetary Basis)
 For the Fiscal Year Ended September 30, 2023
 (In Thousands)

	<u>Budgeted Amounts</u>		Actual on Budgetary Basis	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Property Taxes	\$ 3,000	\$ 3,000	\$ -	\$ (3,000)
Other Taxes	1,027	1,027	-	(1,027)
Licenses and Permits	125	125	-	(125)
Use of Money and Property	806	749	3,895	3,146
From Other Agencies	64,871	213,934	111,299	(102,635)
Other	-	-	488	488
Transfers In	111,463	50,747	121,236	70,489
Total Revenues	<u>181,292</u>	<u>269,582</u>	<u>236,918</u>	<u>(32,664)</u>
Expenditures:				
General Government				
Financial Management	200	200	-	200
Public Works	36,636	24,564	8,719	15,845
Capital Improvements	86,703	350,594	219,421	131,173
Transfers Out	62,400	64,890	893	63,997
Total Expenditures	<u>185,939</u>	<u>440,248</u>	<u>229,033</u>	<u>211,215</u>
Net Change in Budgetary Fund Balance (Deficit)	<u>\$ (4,647)</u>	<u>\$ (170,666)</u>	<u>\$ 7,885</u>	<u>\$ 178,551</u>
Reconciliation of Fund Balances, Budgetary Basis to GAAP Basis				
Change in Fund Balance - September 30, Budgetary Basis			<u>\$ 7,885</u>	
Add: Encumbrances			<u>82,035</u>	
Change in Fund Balance - September 30, GAAP Basis			<u>89,920</u>	
Fund Balance, October 1, GAAP Basis			<u>201,093</u>	
Fund Balance, September 30, GAAP Basis			<u>\$ 291,013</u>	

See accompanying Independent Auditors' Report



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GAS UTILITY FUND

The Gas Utility Fund is comprised of the Gas Operating and LBBFA Gas Prepay Functions and is used to account for the activities associated with the distribution of natural gas to the City's customers. The Gas Prepay Function was formed to account for the 2007A and 2007B Natural Gas bonds that were issued for the purchase of gas at a predetermined price.

Summary financial information for the consolidated Gas Utility Fund is presented on the following pages (in thousands) as of September 30, 2023:

City of Long Beach
Gas Utility Fund
Combining Statement of Net Position
September 30, 2023
(In Thousands)

	<i>Gas Operating Function</i>	<i>LBBFA Gas Prepay Function</i>	<i>Total Before Elimination</i>	<i>Elimination Debit (Credit)</i>	<i>Total Gas Utility Fund</i>
ASSETS					
Current Assets:					
Pooled Cash and Cash Equivalents	\$ 63,259	\$ 70	\$ 63,329	\$ -	\$ 63,329
Non-Pooled Cash and Cash Equivalents	1	149	150	-	150
Receivables:					
Accounts Receivable	17,232	3,185	20,417	-	20,417
Due from Other Funds	7,599	-	7,599	(584)	7,015
Allowance for Receivables	(7,854)	-	(7,854)	-	(7,854)
Inventory	4,783	-	4,783	-	4,783
Prepaid Gas - Current	-	24,202	24,202	-	24,202
Other Assets	322	-	322	-	322
Total Current Assets	<u>85,342</u>	<u>27,606</u>	<u>112,948</u>	<u>(584)</u>	<u>112,364</u>
Noncurrent Assets:					
Restricted Noncurrent Assets:					
Non-Pooled Investments	-	31,490	31,490	-	31,490
Fair Value - Commodity Swap	-	285,831	285,831	-	285,831
Capital Assets:					
Land and Other Assets Not Being Depreciated	25,188	-	25,188	-	25,188
Capital Assets, Net of Accumulated Depreciation/Amortization	168,037	-	168,037	-	168,037
Prepaid Gas - Long-Term	-	262,685	262,685	-	262,685
Total Noncurrent Assets	<u>193,225</u>	<u>580,006</u>	<u>773,231</u>	<u>-</u>	<u>773,231</u>
Total Assets	<u>278,567</u>	<u>607,612</u>	<u>886,179</u>	<u>(584)</u>	<u>885,595</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Outflows of Resources	<u>10,747</u>	<u>646</u>	<u>11,393</u>	<u>-</u>	<u>11,393</u>
LIABILITIES					
Current Liabilities Payable from Current Assets:					
Accounts Payable	8,514	-	8,514	-	8,514
Accrued Wages	138	-	138	-	138
Accrued Interest Payable	92	9,155	9,247	-	9,247
Due to Other Funds	21,703	584	22,287	(584)	21,703
Unearned Revenues	2,391	-	2,391	-	2,391
Customers Deposits	2,739	-	2,739	-	2,739
Compensated Absences and Accrued Employee Benefits	2,553	-	2,553	-	2,553
Financed Purchase Obligations - Current	1,215	-	1,215	-	1,215
Bonds Payable Due within One Year	-	21,655	21,655	-	21,655
Total Current Liabilities	<u>39,345</u>	<u>31,394</u>	<u>70,739</u>	<u>(584)</u>	<u>70,155</u>
Noncurrent Liabilities:					
Fair Value - Interest Rate Swap	-	646	646	-	646
Compensated Absences and Accrued Employee Benefits	5,720	-	5,720	-	5,720
Financed Purchase Obligations	7,932	-	7,932	-	7,932
Bonds Payable	-	498,612	498,612	-	498,612
Net OPEB Liability	1,711	-	1,711	-	1,711
Net Pension Liability	35,488	-	35,488	-	35,488
Total Noncurrent Liabilities	<u>50,851</u>	<u>499,258</u>	<u>550,109</u>	<u>-</u>	<u>550,109</u>
Total Liabilities	<u>90,196</u>	<u>530,652</u>	<u>620,848</u>	<u>(584)</u>	<u>620,264</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred Inflows of Resources	<u>1,910</u>	<u>285,831</u>	<u>287,741</u>	<u>-</u>	<u>287,741</u>
NET POSITION (DEFICIT)					
Net Investment in Capital Assets	179,297	-	179,297	-	179,297
Restricted for:					
Capital Projects	17,921	-	17,921	-	17,921
Unrestricted	(10)	(208,225)	(208,235)	-	(208,235)
Total Net Position (Deficit)	<u>\$ 197,208</u>	<u>\$ (208,225)</u>	<u>\$ (11,017)</u>	<u>\$ -</u>	<u>\$ (11,017)</u>

City of Long Beach
Gas Utility Fund
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Fiscal Year Ended September 30, 2023
(In Thousands)

	<i>Gas Operating Function</i>	<i>LBBFA Gas Prepay Function</i>	<i>Total Before Elimination</i>	<i>Elimination Debit (credit)</i>	<i>Total Gas Utility Fund</i>
Operating Revenues:					
Charges for Services	\$ 163,130	\$ 61,870	\$ 225,000	\$ (61,870)	\$ 163,130
Other	2,203	-	2,203	-	2,203
Total Revenues	<u>165,333</u>	<u>61,870</u>	<u>227,203</u>	<u>(61,870)</u>	<u>165,333</u>
Operating Expenses:					
Personnel Services	27,860	-	27,860	-	27,860
Purchases of Gas	96,436	37,587	134,023	(61,870)	72,153
Maintenance and Other Operations	30,506	6	30,512	-	30,512
Depreciation/Amortization	7,848	-	7,848	-	7,848
Total Operating Expenses	<u>162,650</u>	<u>37,593</u>	<u>200,243</u>	<u>(61,870)</u>	<u>138,373</u>
Operating Income	<u>2,683</u>	<u>24,277</u>	<u>26,960</u>	<u>-</u>	<u>26,960</u>
Non-Operating Income (Expense):					
Interest Income	1,578	971	2,549	-	2,549
Interest Expense	470	(26,902)	(26,432)	-	(26,432)
Unrealized Investment Loss	250	-	250	-	250
Loss on Disposition of Capital Assets	(127)	-	(127)	-	(127)
Capital Assets to / (from) Other Funds	-	-	-	-	-
Oil Field Abandonment Costs	-	-	-	-	-
Operating Grants	-	-	-	-	-
Other Income	1,191	-	1,191	-	1,191
Other Expense	8,088	-	8,088	-	8,088
Total Non-Operating Income (Expense)	<u>11,450</u>	<u>(25,931)</u>	<u>(14,481)</u>	<u>-</u>	<u>(14,481)</u>
Income (Loss) before Contributions and Transfers	14,133	(1,654)	12,479	-	12,479
Transfers:					
Transfers In	2,194	-	2,194	-	2,194
Transfers Out	(21,168)	-	(21,168)	-	(21,168)
Change in Net Position	<u>(4,841)</u>	<u>(1,654)</u>	<u>(6,495)</u>	<u>-</u>	<u>(6,495)</u>
Net Position (Deficit), October 1	<u>202,049</u>	<u>(206,571)</u>	<u>(4,522)</u>	<u>-</u>	<u>(4,522)</u>
Net Position (Deficit), September 30	<u><u>\$ 197,208</u></u>	<u><u>\$ (208,225)</u></u>	<u><u>\$ (11,017)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (11,017)</u></u>

City of Long Beach
Gas Utility Fund
Combining Statement of Cash Flows
For the Fiscal Year Ended September 30, 2023
(In Thousands)

<u>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</u>	<i>Gas Operating Function</i>	<i>LBBFA Gas Prepay Function</i>	<i>Eliminations Increase (decrease)</i>	<i>Total Gas Utility Fund</i>
Cash Flows from Operating Activities:				
Receipts from Customers	\$ 100,133	\$ 62,744	\$ -	\$ 162,877
Payments for Employee Salaries	(22,173)	-	-	(22,173)
Payments for Goods and Services	(80,976)	(1,056)	-	(82,032)
Other Income	-	(16,356)	16,356	-
Other Expense	16,356	-	(16,356)	-
Net Cash Provided by Operating Activities	<u>13,340</u>	<u>45,332</u>	<u>-</u>	<u>58,672</u>
Cash Flows from Non-Capital Financing Activities:				
Operating Grants Received from Other Governments	6,599	-	-	6,599
Transfers In	2,194	-	-	2,194
Utility Credit to Customers	(1,191)	-	-	(1,191)
Payments of Principal on Bonds Payable	294	(18,939)	-	(18,645)
Payments of Interest	21,627	(27,270)	-	(5,643)
Transfers Out	(21,168)	-	-	(21,168)
Net Cash Used for Non-Capital Financing Activities	<u>8,355</u>	<u>(46,209)</u>	<u>-</u>	<u>(37,854)</u>
Cash Flows from Capital and Related Financing Activities:				
Receipts of Contributed Capital	3,231	-	-	3,231
Payments for Capital Acquisitions	(13,294)	-	-	(13,294)
Payments of Principal on Other Long-Term Obligations	(1,186)	-	-	(1,186)
Payments of Interest	(574)	-	-	(574)
Net Cash Used for Capital and Related Financing Activities	<u>(11,823)</u>	<u>-</u>	<u>-</u>	<u>(11,823)</u>
Cash Flows from Investing Activities:				
Receipts of Interest	1,549	991	-	2,540
Payments for Investments	(2,353)	-	-	(2,353)
Changes in Investments	250	-	-	250
Net Cash Provided by (Used for) Investing Activities	<u>(554)</u>	<u>991</u>	<u>-</u>	<u>437</u>
Net Increase (Decrease) in Cash and Cash Equivalents	9,318	114	-	9,432
Cash and Cash Equivalents - October 1	53,942	105	-	54,047
Cash and Cash Equivalents - September 30	<u>\$ 63,260</u>	<u>\$ 219</u>	<u>\$ -</u>	<u>\$ 63,479</u>
 <u>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</u>				
Operating Income	\$ 2,683	\$ 24,277	\$ -	\$ 26,960
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation and Amortization Expense	7,848	-	-	7,848
(Increase) Decrease in Accounts Receivable, Net	3,928	874	(874)	3,928
(Increase) in Amounts Due from Other Funds	(7,005)	-	-	(7,005)
Increase in Inventory	(1,104)	-	-	(1,104)
(Increase) Decrease in Other Operating Assets/Gas Prepay	39,931	(16,356)	-	23,575
Increase (Decrease) in Accounts Payable	(797)	(1,041)	874	(964)
(Decrease) in Accrued Wages Payable	5,687	-	-	5,687
(Decrease) in Amounts Due to Other Funds	9	(9)	-	-
Increase in Unearned Revenues	(79)	-	-	(79)
(Increase) Decrease in Other Non-Operating Assets	(37,587)	37,587	-	-
Increase in Collections Held in Trust	(174)	-	-	(174)
Total Adjustments	<u>10,657</u>	<u>21,055</u>	<u>-</u>	<u>31,712</u>
Net Cash Provided by Operating Activities	<u>\$ 13,340</u>	<u>\$ 45,332</u>	<u>\$ -</u>	<u>\$ 58,672</u>
 <u>NON-CASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</u>				
Amortization of Bond Premium (Discount), Net	\$ -	\$ 23,893	\$ -	\$ 23,893

TIDELANDS OPERATING FUND

The Tidelands Operating Fund is used to account for the various business-type operations that the City oversees in the Tidelands Trust area. These operations include the Long Beach Convention and Entertainment Center, Queen Mary, Rainbow Harbor Area, marinas, beach maintenance, and beach/water safety programs directly related to the tidelands area, including lifeguards and patrol boats.

The City has issued revenue bonds to finance the purchase of the Aquarium of the Pacific and the Rainbow Harbor Area infrastructure improvements. Each of the revenue bonds is accounted for in the City's Tidelands Operating Fund.

Summary financial information for the consolidated Tidelands Enterprise Fund is presented on the following pages (in thousands) as of September 30, 2023:

City of Long Beach
Tidelands Operating Fund
Combining Statement of Net Position
September 30, 2023
(In Thousands)

	Tidelands Operating	Tidelands Parking	Marina	Queen Mary	Aquarium of the Pacific	Total Before Elimination	Adjustments and Eliminations	Consolidated Tidelands Operating Total
ASSETS								
Current Assets:								
Pooled Cash and Cash Equivalents	\$ 103,264	\$ 10,581	\$ 43,003	\$ 4,376	\$ 2	\$ 161,226	\$ -	\$ 161,226
Non-Pooled Cash and Cash Equivalents	40	-	5,170	3	-	5,213	-	5,213
Receivables:								
Interest Receivable	795	-	25	-	-	820	-	820
Accounts Receivable	5,368	196	1,272	783	-	7,619	-	7,619
Due from Other Governments	152	621	50	-	-	823	-	823
Due from Other Funds	33,524	18	-	378	-	33,920	(378)	33,542
Lease Receivable - Current	1,674	-	707	-	-	2,381	-	2,381
Allowance for Receivables	(622)	(3)	(766)	(761)	-	(2,152)	-	(2,152)
Other Assets	52	-	-	-	-	52	-	52
Total Current Assets	144,247	11,413	49,461	4,779	2	209,902	(378)	209,524
Noncurrent Assets:								
Non-Pooled Investments	-	-	3,592	-	-	3,592	-	3,592
Noncurrent Receivables:								
Lease Receivable	120,006	-	1,996	-	-	122,002	-	122,002
Capital Assets:								
Land and Other Capital Assets Not Being Depreciated	82,411	-	2,029	3,442	9,900	97,782	-	97,782
Capital Assets, Net of Accumulated Depreciation/Amortization	128,047	5,371	92,757	4,690	9,728	240,593	-	240,593
Total Noncurrent Assets	330,464	5,371	100,374	8,132	19,628	463,969	-	463,969
Total Assets	474,711	16,784	149,835	12,911	19,630	673,871	(378)	673,493
DEFERRED OUTFLOWS OF RESOURCES								
Deferred Outflows of Resources	15,925	-	4,829	29	-	20,783	-	20,783
Total Assets and Deferred Outflows	490,636	16,784	154,664	12,940	19,630	694,654	(378)	694,276
LIABILITIES								
Current Liabilities Payable from Current Assets:								
Accounts Payable	10,268	853	359	1,839	-	13,319	-	13,319
Accrued Wages	113	-	55	1	-	169	-	169
Accrued Interest Payable	674	-	1,927	97	-	2,698	-	2,698
Due to Other Funds	990	26	189	-	-	1,205	(378)	827
Unearned Revenues	391	-	1,151	25	-	1,567	-	1,567
Collections Held in Trust	152	-	-	-	-	152	-	152
Customers Deposits	-	-	1,891	-	-	1,891	-	1,891
Compensated Absences and Accrued Employee Benefits	3,209	-	768	-	-	3,977	-	3,977
Financed Purchase Obligations - Current	45	-	-	-	-	45	-	45
Bonds Payable Due Within One Year	4,860	-	2,300	2,515	-	9,675	-	9,675
Other Long Term Obligation - Current	31	-	-	-	-	31	-	31
Total Current Liabilities	20,733	879	8,640	4,477	-	34,729	(378)	34,351
Noncurrent Liabilities:								
Advances from Other Funds	-	-	-	6,347	-	6,347	-	6,347
Unearned Revenues	4,230	-	123	-	-	4,353	-	4,353
Compensated Absences and Accrued Employee Benefits	8,323	-	643	-	-	8,966	-	8,966
Financed Purchase Obligations	97	-	-	-	-	97	-	97
Other Long Term Obligations	219	-	-	-	-	219	-	219
Bonds Payable	33,128	-	106,901	4,870	-	144,899	-	144,899
Total OPEB Liability	2,431	-	225	-	-	2,656	-	2,656
Net Pension Liability	40,065	-	15,561	-	-	55,626	-	55,626
Total Noncurrent Liabilities	88,493	-	123,453	11,217	-	223,163	-	223,163
Total Liabilities	109,226	879	132,093	15,694	-	257,892	(378)	257,514
DEFERRED INFLOWS OF RESOURCES								
Deferred Inflows of Resources	123,187	-	4,268	-	-	127,455	-	127,455
Total Liabilities and Deferred Inflows	232,413	879	136,361	15,694	-	385,347	(378)	384,969
NET POSITION								
Net Investment in Capital Assets	166,434	5,371	(5,645)	747	19,628	186,535	-	186,535
Restricted for:								
Debt Service	58,054	-	440	-	-	58,494	-	58,494
Capital Projects	-	564	-	-	-	564	-	564
Unrestricted	33,735	9,970	23,508	(3,501)	2	63,714	-	63,714
Total Net Position	\$ 258,223	\$ 15,905	\$ 18,303	\$ (2,754)	\$ 19,630	\$ 309,307	\$ -	\$ 309,307

See accompanying Independent Auditors' Report

City of Long Beach
Tidelands Operating Fund
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
For the Fiscal Year Ended September 30, 2023
(In Thousands)

	Tidelands Operating	Tidelands Parking	Marina	Queen Mary	Aquarium of the Pacific	Total Before Elimination	Adjustments and Eliminations	Consolidated Tidelands Operating Total
Operating Revenues:								
Licenses and Permits	\$ 91	\$ 159	\$ -	\$ 471	\$ -	\$ 721	\$ -	\$ 721
Fines and Forfeitures	261	-	-	-	-	261	-	261
Fees, Concessions, and Rentals	4,105	9,824	26,792	-	-	40,721	-	40,721
Charges for Services	31,026	264	235	-	-	31,525	-	31,525
Other	9,821	1	32	-	-	9,854	-	9,854
Total Revenues	45,304	10,248	27,059	471	-	83,082	-	83,082
Operating Expenses:								
Personnel Services	31,922	305	10,989	138	-	43,354	-	43,354
Maintenance and Other Operations	48,956	4,568	9,178	12,141	2	74,845	-	74,845
Depreciation/Amortization	9,417	1,524	4,041	672	3,222	18,876	-	18,876
Total Operating Expenses	90,295	6,397	24,208	12,951	3,224	137,075	-	137,075
Operating Income (Loss)	(44,991)	3,851	2,851	(12,480)	(3,224)	(53,993)	-	(53,993)
Non-Operating Income (Expense):								
Interest Income	4,070	246	1,611	8	53	5,988	-	5,988
Interest Expense	(60)	-	(4,922)	(237)	(877)	(6,096)	-	(6,096)
Unrealized Investment Loss	885	-	-	-	-	885	-	885
Gain (Loss) on Disposition of Capital Assets	-	-	4	-	-	4	-	4
Operating Grants	91	-	42	-	-	133	-	133
Other Income	14,065	-	1,733	4,332	-	20,130	-	20,130
Other Expense	(648)	(1,977)	(5)	(2)	(70)	(2,702)	-	(2,702)
Total Non-Operating Income (Expense)	18,403	(1,731)	(1,537)	4,101	(894)	18,342	-	18,342
Income (Loss) before Contributions and Transfers	(26,588)	2,120	1,314	(8,379)	(4,118)	(35,651)	-	(35,651)
Transfers:								
Transfers In	52,321	-	-	4,695	39,379	96,395	(44,074)	52,321
Transfers Out	(44,074)	-	-	-	-	(44,074)	44,074	-
Change in Net Position	(18,341)	2,120	1,314	(3,684)	35,261	16,670	-	16,670
Net Position, October 1	276,564	13,785	16,989	930	(15,631)	292,637	-	292,637
Net Position, September 30	\$ 258,223	\$ 15,905	\$ 18,303	\$ (2,754)	\$ 19,630	\$ 309,307	\$ -	\$ 309,307

See accompanying Independent Auditors' Report

City of Long Beach
Fleet Services Fund
Combining Statement of Net Position (Deficit)
September 30, 2023
(In Thousands)

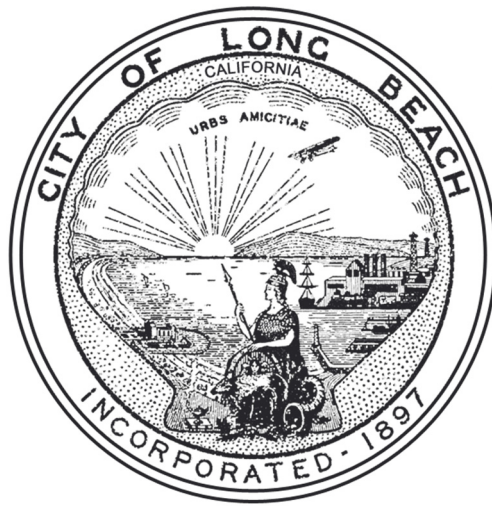
	Fleet Operating	Fleet Vehicle Acquisitions	Fleet Debt Service	Fleet Other	Adjustments and Eliminations	Total Fleet Service Fund
ASSETS						
Current Assets:						
Pooled Cash and Cash Equivalents	\$ -	\$ 41,888	\$ -	\$ 7,220	\$ -	\$ 49,108
Non-Pooled Cash and Cash Equivalents	-	13,387	-	-	-	13,387
Receivables:						
Accounts Receivable	39	1	-	-	-	40
Due from Other Funds	36	7,719	-	-	(7,719)	36
Allowance for Receivables	(16)	-	-	-	-	(16)
Inventory	3,119	-	-	-	-	3,119
Total Current Assets	<u>3,178</u>	<u>62,995</u>	<u>-</u>	<u>7,220</u>	<u>(7,719)</u>	<u>65,674</u>
Noncurrent Assets:						
Noncurrent Receivables:						
Advances to Other Funds	-	21,832	-	-	-	21,832
Capital Assets:						
Capital Assets, Net of Accumulated Depreciation/Amortization	64,907	-	-	-	-	64,907
Total Noncurrent Assets	<u>64,907</u>	<u>21,832</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>86,739</u>
Total Assets	<u>68,085</u>	<u>84,827</u>	<u>-</u>	<u>7,220</u>	<u>(7,719)</u>	<u>152,413</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred Outflows of Resources	4,225	-	-	-	-	4,225
LIABILITIES						
Current Liabilities Payable from Current Assets:						
Accounts Payable	1,943	2,028	-	-	-	3,971
Accrued Wages and Benefits	55	7	-	-	-	62
Accrued Interest Payable	-	14	104	-	-	118
Due to Other Funds	5,051	1,267	1,720	-	(7,719)	319
Compensated Absences and Accrued Employee Benefits	856	-	-	-	-	856
Environmental Remediation - Current	88	-	-	-	-	88
Financed Purchase Obligations - Current	-	3,150	-	-	-	3,150
Bonds Payable Due Within One Year	-	-	1,693	-	-	1,693
Total Current Liabilities	<u>7,993</u>	<u>6,466</u>	<u>3,517</u>	<u>-</u>	<u>(7,719)</u>	<u>10,257</u>
Noncurrent Liabilities:						
Environmental Remediation	482	-	-	-	-	482
Financed Purchase Obligations	-	12,990	-	-	-	12,990
Bonds Payable	-	-	11,569	-	-	11,569
Compensated Absences and Accrued Employee Benefits	2,052	-	-	-	-	2,052
OPEB Liability	621	-	-	-	-	621
Net Pension Liability	14,630	-	-	-	-	14,630
Total Noncurrent Liabilities	<u>17,785</u>	<u>12,990</u>	<u>11,569</u>	<u>-</u>	<u>-</u>	<u>42,344</u>
Total Liabilities	<u>25,778</u>	<u>19,456</u>	<u>15,086</u>	<u>-</u>	<u>(7,719)</u>	<u>52,601</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred Inflows of Resources	1,211	-	350	-	-	1,561
NET POSITION (DEFICIT)						
Net Investment in Capital Assets	64,907	(2,753)	(13,262)	-	-	48,892
Unrestricted	(19,586)	68,124	(2,174)	7,220	-	53,584
Total Net Position (Deficit)	<u>\$ 45,321</u>	<u>\$ 65,371</u>	<u>\$ (15,436)</u>	<u>\$ 7,220</u>	<u>\$ -</u>	<u>\$ 102,476</u>

See accompanying Independent Auditors' Report

City of Long Beach
Fleet Service Funds
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position (Deficit)
For the Fiscal Year Ended September 30, 2023
(In Thousands)

	Fleet Operating	Fleet Vehicle Acquisitions	Fleet Debt Service	Fleet Other	Adjustments and Eliminations	Total Fleet Service Fund
Operating Revenues:						
Billing to Other Departments	\$ 31,043	\$ 27,874	\$ -	\$ 691	\$ -	\$ 59,608
Other	293	11	-	354	-	658
Total Operating Revenues	<u>31,336</u>	<u>27,885</u>	<u>-</u>	<u>1,045</u>	<u>-</u>	<u>60,266</u>
Operating Expenses:						
Personnel Services	10,777	1,445	-	-	-	12,222
Maintenance and Other Operations	8,035	13,136	-	7	-	21,178
Depreciation/Amortization	13,755	-	-	-	-	13,755
Total Operating Expenses	<u>32,567</u>	<u>14,581</u>	<u>-</u>	<u>7</u>	<u>-</u>	<u>47,155</u>
Operating Income (Loss)	<u>(1,231)</u>	<u>13,304</u>	<u>-</u>	<u>1,038</u>	<u>-</u>	<u>13,111</u>
Non-Operating Income (Expenses):						
Interest Income	-	950	-	-	-	950
Interest Expense	(335)	(387)	(303)	-	-	(1,025)
Unrealized Investment Loss	8	-	-	-	-	8
Gain (Loss) on Disposition of Capital Assets	(47)	1,281	-	-	-	1,234
Other Income	1,211	-	-	-	-	1,211
Other Expense	-	(1,998)	255	-	-	(1,743)
Total Non-Operating Income (Expenses)	<u>837</u>	<u>(154)</u>	<u>(48)</u>	<u>-</u>	<u>-</u>	<u>635</u>
Income (Loss) Before Contributions and Transfers	<u>(394)</u>	<u>13,150</u>	<u>(48)</u>	<u>1,038</u>	<u>-</u>	<u>13,746</u>
Transfers:						
Transfers In	236	-	-	-	-	236
Transfers Out	-	-	-	(104)	-	(104)
Change in Net Position	<u>(158)</u>	<u>13,150</u>	<u>(48)</u>	<u>934</u>	<u>-</u>	<u>13,878</u>
Net Position (Deficit) - October 1	45,479	52,221	(15,388)	6,286	-	88,598
Net Position (Deficit) - September 30	<u>\$ 45,321</u>	<u>\$ 65,371</u>	<u>\$(15,436)</u>	<u>\$ 7,220</u>	<u>\$ -</u>	<u>\$ 102,476</u>

See accompanying Independent Auditors' Report



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STATISTICAL SECTION

STATISTICAL SECTION

The Statistical Section is included to provide financial statement users with additional historical perspective, context, and detail for use in evaluating the information contained with the financial statements, notes to the financial statements, and required supplementary information with the goal of providing the user a better understanding of the City's economic condition.

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These schedules contain information to help the reader understand how the City's financial performance and well-being have changed over time.

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Demographics and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

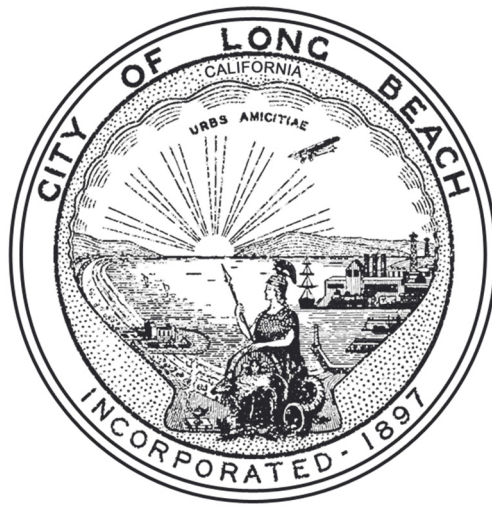
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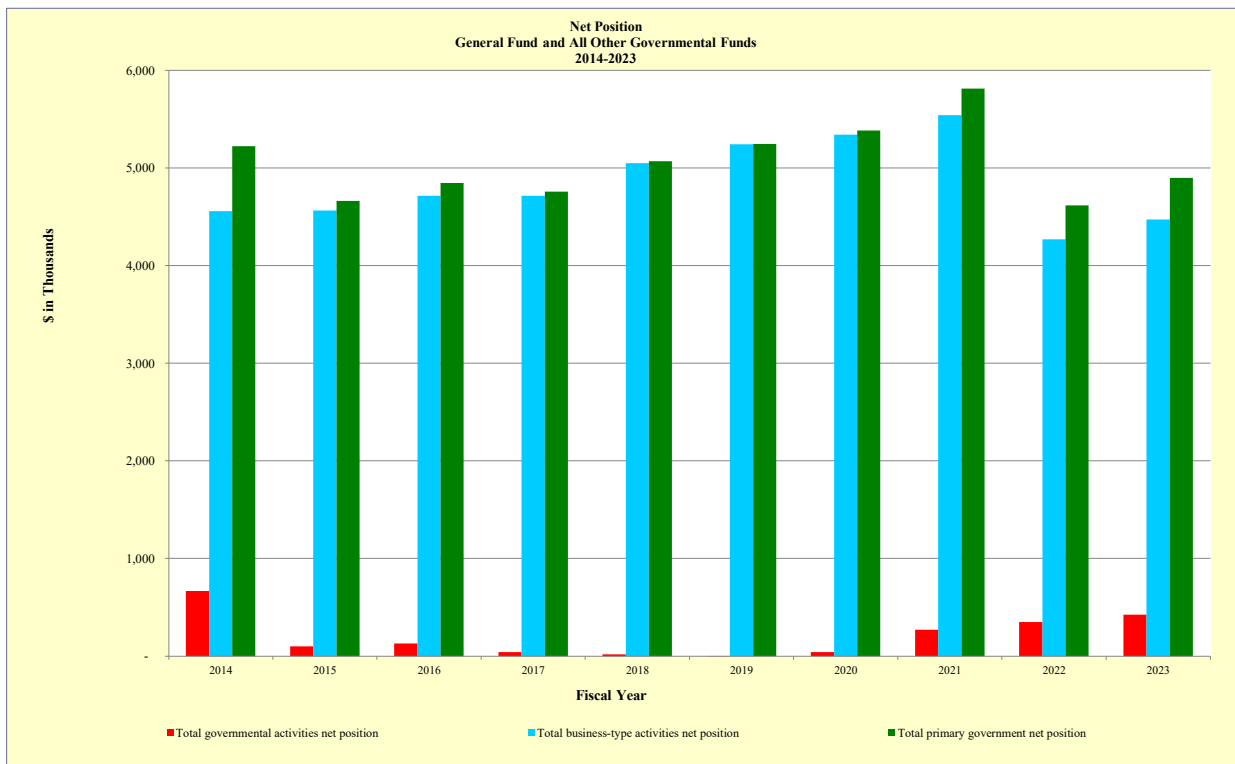
Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant fiscal year.



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City of Long Beach
Net Position by Component
Last Ten Fiscal Years
(Accrual basis of accounting)
(In Thousands)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities:										
Net Investment in Capital Assets	\$ 245,780	\$ 344,839	\$ 346,224	\$ 361,370	\$ 377,098	\$ 418,191	\$ 432,090	\$ 452,155	\$ 456,247	\$ 509,197
Restricted	473,181	351,055	393,588	397,204	403,557	428,903	442,908	475,699	517,994	602,376
Unrestricted	(53,167)	(595,857)	(610,409)	(716,979)	(761,817)	(844,483)	(833,911)	(655,868)	(624,992)	(686,121)
Total governmental activities net position	665,794	100,037	129,403	41,595	18,838	2,611	41,087	271,986	349,249	425,452
Business-type activities:										
Net Investment in Capital Assets	3,698,447	3,829,779	4,229,484	4,229,484	4,477,724	4,604,194	4,707,630	4,727,066	3,548,274	3,630,537
Restricted	439,163	494,526	323,827	323,827	298,613	297,552	312,076	326,665	361,377	349,335
Unrestricted	418,151	237,808	160,569	160,569	272,494	338,972	320,382	487,398	357,369	491,122
Total business-type activities net position	4,555,761	4,562,113	4,713,880	4,713,880	5,048,831	5,240,718	5,340,088	5,541,129	4,267,020	4,470,994
Primary government:										
Net Investment in Capital Assets	3,944,227	4,174,618	4,575,708	4,590,854	4,854,822	5,022,385	5,139,720	5,179,221	4,004,521	4,139,734
Restricted	912,344	845,581	717,415	721,031	702,170	726,455	754,984	802,364	879,371	951,711
Unrestricted	364,984	(358,049)	(449,840)	(556,410)	(489,323)	(505,511)	(513,529)	(168,470)	(267,623)	(194,999)
Total primary government net position	\$ 5,221,555	\$ 4,662,150	\$ 4,843,283	\$ 4,755,475	\$ 5,067,669	\$ 5,243,329	\$ 5,381,175	\$ 5,813,115	\$ 4,616,269	\$ 4,896,446



City of Long Beach
Change in Net Position
Last Ten Fiscal Years
(Accrual basis of accounting)
(In Thousands)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses:										
Governmental Activities:										
Legislative and Legal	\$ 12,001	\$ 10,632	\$ 11,814	\$ 13,343	\$ 13,025	\$ 15,245	\$ 13,155	\$ 13,058	\$ 16,722	\$ 16,764
General Government	21,378	22,400	23,869	29,718	29,189	43,637	40,408	36,564	41,335	60,982
Public Safety	296,817	307,116	344,358	402,361	409,632	430,512	389,489	311,933	407,420	478,186
Public Health	41,877	43,710	46,150	49,688	53,045	57,729	71,880	60,016	101,438	90,921
Community and Cultural	153,206	165,501	155,792	173,637	167,624	183,825	190,370	217,381	259,577	201,820
Public Works	114,303	104,744	103,772	123,268	139,209	171,927	136,067	163,203	170,385	227,659
Oil Operations	4,869	3,961	6,466	9,694	3,755	3,777	1,775	3,679	6,830	3,673
Interest on Long-Term Debt	24,945	22,738	19,104	19,120	17,916	17,473	19,055	19,781	18,253	16,115
Total Governmental Activities										
Expenses	669,396	680,802	711,325	820,829	833,395	924,125	862,199	825,615	1,021,960	1,096,120
Business-type Activities:										
Gas Utility	80,651	68,414	66,896	80,680	83,276	110,991	94,835	83,900	128,684	165,351
Water Utility	93,297	102,501	93,959	96,082	98,204	95,970	111,219	93,075	136,550	120,124
Tidelands Operating	111,074	121,547	107,313	126,123	130,796	124,283	143,249	110,419	146,178	143,954
Tidelands Oil Revenue	327,087	81,565	70,949	93,200	101,495	101,872	30,436	84,298	164,564	120,329
Harbor	233,410	236,186	307,546	298,756	298,441	309,722	327,081	336,106	1,871,078	454,419
Sewer	15,681	16,244	16,151	16,766	14,931	15,375	18,819	14,973	16,871	17,505
Airport	44,067	44,844	47,686	51,917	53,758	55,739	58,627	51,655	67,459	65,966
Development Services	15,753	17,621	20,281	25,907	25,912	27,223	28,928	22,505	28,481	33,371
Solid Waste Management	76,027	73,525	72,745	76,332	71,388	88,967	90,197	76,048	85,257	74,340
Towing	4,938	5,134	5,815	5,524	5,283	6,402	5,421	4,557	7,264	7,019
Subsidence	-	-	-	-	-	-	-	287	8,042	(1,469)
Total Business-Type Activities										
Expenses	1,001,985	767,581	809,341	871,287	883,484	936,544	908,812	877,823	2,660,428	1,200,909
Total Primary Government										
Expenses	1,671,381	1,448,383	1,520,666	1,692,116	1,716,879	1,860,669	1,771,011	1,703,438	3,682,388	2,297,029
Program Revenues:										
Governmental Activities:										
Charges for services:										
Legislative and Legal	163	224	1,804	52	481	34	558	18	186	48
General Government	16,459	16,545	17,955	17,981	17,727	16,473	16,182	15,729	16,244	16,025
Public Safety	34,659	38,961	38,050	34,995	43,536	50,961	50,198	49,116	53,776	64,199
Public Health	8,498	8,178	7,284	8,052	8,550	10,232	9,826	7,471	10,289	10,801
Community and Cultural	12,168	15,084	17,051	25,801	21,980	35,649	32,599	34,452	21,627	50,144
Public Works	25,963	25,246	27,949	29,875	32,208	43,283	38,123	32,872	49,737	39,193
Oil Operations	36,942	19,414	10,900	12,176	16,060	14,926	9,743	11,190	16,195	15,591
Operating Grants and Contributions	183,789	164,621	170,614	176,643	187,038	167,793	200,489	352,336	302,613	292,313
Capital Grants and Contributions	8,530	3,780	2,085	12,286	10,739	67,976	65,232	76,033	86,781	110,649
Total Governmental Activities										
Program Revenues	\$ 327,171	\$ 292,053	\$ 293,692	\$ 317,861	\$ 338,319	\$ 407,327	\$ 422,950	\$ 579,217	\$ 557,448	\$ 598,963

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City of Long Beach
Change in Net Position
Last Ten Fiscal Years
(Accrual basis of accounting)
(In Thousands)

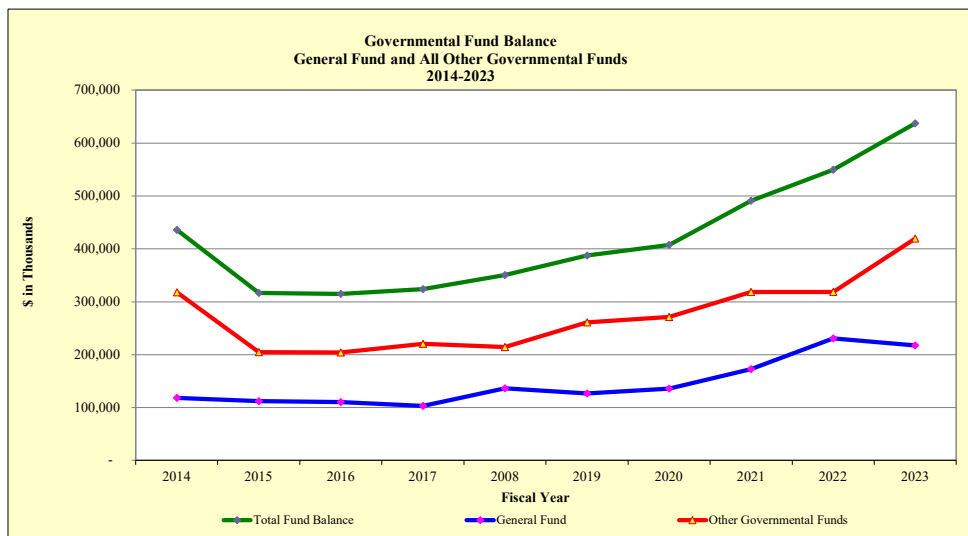
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	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Business-Type activities:										
Charges for Services:										
Gas Utility	\$ 82,293	\$ 77,398	\$ 79,826	\$ 97,033	\$ 92,109	\$ 120,562	\$ 103,869	\$ 112,277	\$ 144,115	\$ 174,612
Water Utility	101,345	101,158	98,677	100,761	104,701	102,474	116,071	122,089	123,932	111,499
Tidelands Operating	64,318	67,894	67,205	76,352	77,734	80,594	72,467	99,458	84,845	103,212
Tidelands Oil Revenue	362,783	99,401	53,630	81,989	124,721	117,528	59,385	99,144	190,336	120,164
Harbor	362,752	363,309	363,343	388,834	406,420	415,321	399,841	440,340	513,989	563,199
Sewer	17,954	17,904	18,355	19,964	19,578	19,750	19,200	19,613	21,694	20,296
Airport	44,811	36,537	39,723	49,607	50,464	46,997	31,034	30,899	51,026	55,366
Development Services	17,573	20,783	23,015	31,039	29,471	30,803	24,293	18,670	34,161	33,712
Solid Waste Management	81,051	80,322	75,637	82,848	75,450	79,627	86,034	82,722	84,838	81,373
Towing	5,440	5,253	5,568	5,310	5,139	5,885	4,583	6,140	7,217	6,532
Subsidence	-	-	-	-	-	499	499	500	614	-
Operating Grants and Contributions	921	753	758	976	2,768	932	3,394	160	219	535
Capital Grants and Contributions	182,021	140,618	150,510	83,681	99,586	96,660	80,020	40,099	131,479	118,726
Total Business-Type Activities										
Program Revenues	1,323,262	1,011,330	976,247	1,018,394	1,088,141	1,117,632	1,000,690	1,072,111	1,388,465	1,389,226
Total Primary Government										
Program Revenues	1,650,433	1,303,383	1,269,939	1,336,255	1,426,460	1,524,959	1,423,640	1,651,328	1,945,913	1,988,189
Net Revenues (expenses):										
Governmental Activities	(342,225)	(388,749)	(417,633)	(502,968)	(495,076)	(516,798)	(439,249)	(246,398)	(464,512)	(497,157)
Business-Type Activities	321,277	243,749	166,906	147,107	204,657	181,088	91,878	194,288	(1,271,963)	188,317
Total Net Expenses	(20,948)	(145,000)	(250,727)	(355,861)	(290,419)	(335,710)	(347,371)	(52,110)	(1,736,475)	(308,840)
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Taxes:										
Property	183,719	180,989	200,766	191,514	199,576	211,007	220,665	225,820	234,386	242,374
Sales	59,097	64,177	67,658	99,528	133,523	138,598	129,095	150,887	174,257	156,500
Utility Users	38,691	38,419	37,079	35,858	36,639	34,898	33,767	38,546	40,349	48,660
Other	41,504	45,517	47,746	46,837	51,558	51,066	39,449	40,098	56,868	56,535
Franchise Taxes	26,175	25,915	24,911	25,912	20,308	18,126	16,481	23,734	20,813	28,501
Unrestricted Investment Earnings	3,688	6,061	13,182	3,581	4,761	14,172	11,426	3,496	1,495	20,618
Gain (Loss) on Sales of Capital Assets	-	-	-	-	-	-	(2)	-	-	-
Capital Asset Transfers	2,365	-	-	-	-	-	(37)	-	-	-
Transfers	14,210	21,661	16,855	11,930	25,954	32,704	26,881	(5,284)	13,607	20,172
Total Governmental Activities	369,449	382,739	408,197	415,160	472,319	500,571	477,725	477,297	541,775	573,360
Business-type Activities:										
Unrestricted Investment Earnings	6,365	8,887	10,802	7,714	13,357	43,503	34,336	1,469	11,461	35,829
Capital Asset Transfers	(2,365)	-	-	-	-	-	37	-	-	-
Transfers	(14,210)	(21,661)	(16,855)	(11,930)	(25,954)	(32,704)	(26,881)	5,284	(13,607)	(20,172)
Total Business-type Activities	(10,210)	(12,774)	(6,053)	(4,216)	(12,597)	10,799	7,492	6,753	(2,146)	15,657
Total Primary Government	359,239	369,965	402,144	410,944	459,722	511,370	485,217	484,050	539,629	589,017
Change in Net Position										
Government activities	27,224	(6,010)	(9,436)	(87,808)	(22,757)	(16,227)	38,476	230,899	77,263	76,203
Business-type Activities	311,067	230,975	160,853	142,891	192,060	191,887	99,370	201,041	(1,274,109)	203,974
Total Primary Government	\$ 338,291	\$ 224,965	\$ 151,417	\$ 55,083	\$ 169,303	\$ 175,660	\$ 137,846	\$ 431,940	\$ (1,196,846)	\$ 280,177

See accompanying Independent Auditors' Report

City of Long Beach
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)
(In Thousands)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund:										
Nonspendable	\$ 6	\$ 2	\$ 102	\$ 500	\$ 1,375	\$ 1,424	\$ 1,503	\$ 2,127	\$ 1,632	\$ 1,278
Restricted	4,266	4,308	4,498	4,469	4,807	5,009	5,864	2,836	2,921	3,179
Committed	61,079	62,598	63,568	64,539	67,640	69,440	50,708	76,543	77,711	79,572
Assigned	49,531	42,953	38,482	31,947	59,463	50,495	75,789	107,658	148,586	133,702
Unassigned	3,397	2,170	3,934	1,926	3,072	138	2,066	(16,483)	-	-
Total General Fund	118,279	112,031	110,584	103,381	136,357	126,506	135,930	172,681	230,850	217,731
Other Governmental Funds:										
Nonspendable	8,012	2,846	2,577	2,613	1,324	2,406	2,377	2,416	2,587	3,341
Restricted	289,497	173,096	173,562	180,084	174,541	199,781	201,777	219,947	251,580	317,428
Committed	1,362	1,422	1,422	1,414	1,414	1,414	1,414	1,414	1,200	1,200
Assigned	36,476	39,197	26,710	36,582	37,067	57,443	65,823	94,482	88,422	115,303
Unassigned	(17,646)	(11,819)	-	-	-	-	-	-	(25,276)	(17,846)
Total Other Governmental Funds	317,701	204,742	204,271	220,693	214,346	261,044	271,391	318,259	318,513	419,426
Total All Governmental Funds	\$ 435,980	\$ 316,773	\$ 314,855	\$ 324,074	\$ 350,703	\$ 387,550	\$ 407,321	\$ 490,940	\$ 549,363	\$ 637,157



See accompanying Independent Auditors' Report

City of Long Beach
Change in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)
(In Thousands)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues:										
Taxes:										
Property	\$ 183,885	\$ 179,999	\$ 201,207	\$ 191,808	\$ 199,336	\$ 210,656	\$ 220,665	\$ 226,143	\$ 234,391	\$ 242,156
Sales	59,097	64,177	67,658	99,528	133,523	138,598	129,095	150,887	174,257	156,500
Utility Users	38,691	38,419	37,079	35,858	36,639	34,898	33,767	38,546	40,349	48,660
Other Taxes	41,504	45,517	47,746	46,837	51,558	51,066	39,449	40,098	56,868	56,535
Franchise Fees	26,175	25,915	24,911	25,912	20,308	18,126	16,481	23,734	20,813	28,501
Licenses and Permits	22,341	23,329	25,456	24,926	26,076	42,728	48,803	47,010	53,489	59,439
Fines and Forfeitures	16,166	15,988	16,292	16,184	15,946	17,674	16,354	14,395	17,670	17,006
Use of Money and Property	56,687	41,816	40,991	33,815	39,419	48,033	39,543	33,846	27,601	64,921
From Other Agencies	191,423	166,988	170,780	187,872	197,570	235,841	290,748	42,857	389,394	402,948
Charges for Services	29,042	28,428	29,482	33,533	41,034	46,987	44,621	41,676	48,011	54,668
Other Contributions	341	556	249	194	137	-	-	-	-	-
Other	10,693	17,615	13,167	19,907	17,599	19,944	10,236	11,444	17,471	15,343
Total Revenues	676,045	648,747	675,018	716,374	779,145	864,551	889,762	670,636	1,080,314	1,146,677
Expenditures:										
Legislative and Legal	11,373	9,604	11,420	11,522	13,378	13,458	13,108	16,537	17,128	14,452
General Government	17,951	18,116	21,793	23,285	25,426	39,002	40,577	41,833	40,812	30,283
Public Safety	300,519	297,901	307,065	353,456	360,879	383,222	369,052	423,769	407,198	412,083
Public Health	41,273	42,108	42,819	44,530	47,658	52,487	69,773	84,751	101,002	111,162
Community and Cultural	158,122	237,433	152,005	160,985	173,542	180,390	188,806	222,778	261,439	229,873
Public Works	66,498	70,921	74,580	73,103	82,450	71,989	61,459	67,115	74,608	70,101
Oil Operations	4,309	3,512	2,352	2,563	2,945	2,774	2,572	2,446	2,979	3,458
Total Current Expenditures	600,045	679,595	612,034	669,444	706,278	743,322	745,347	859,229	905,166	871,412
Capital Improvements	36,427	27,139	38,629	45,693	47,935	90,370	73,355	102,712	102,680	197,797
Debt Service:										
Principal	18,836	18,601	18,717	20,564	28,439	23,356	20,072	22,159	23,503	25,977
Interest	21,044	22,499	16,763	16,156	15,361	14,155	13,679	11,970	10,153	9,597
Debt Administration Fees	57	178	434	90	29	27	24	26	506	710
Total Expenditures	676,409	748,012	686,577	751,947	798,042	871,230	852,477	996,096	1,042,008	1,105,493
(Deficiency) of Revenues over (under) Expenditures	(364)	(99,265)	(11,559)	(35,573)	(18,897)	(6,679)	37,285	50,140	38,306	41,184
Other Financing Sources (Uses):										
Proceeds from Sale of Capital Asset	-	-	-	-	-	-	11,062	1,539	1,180	-
Issuance of Refunding Debt	1,012	155,820	13,150	-	2,306	26,458	-	19,765	25,411	82,026
Premium (Discount) on Debt Issuance	-	6,700	1,045	-	-	-	-	4,170	2,123	6,415
Payment to Refunded Bonds Escrow Agent	-	(179,330)	-	-	-	(15,020)	-	(26,300)	(25,057)	-
Transfers In	106,128	91,363	60,641	104,983	125,473	130,312	126,196	228,486	133,452	203,265
Transfers Out	(105,577)	(92,990)	(65,195)	(60,191)	(82,253)	(97,813)	(154,772)	(193,771)	(116,992)	(245,096)
Total Other Financing Sources	1,563	(19,942)	9,641	44,792	45,526	43,526	(17,514)	33,479	20,117	46,610
Net Change in Fund Balances	\$ 1,199	\$(119,207)	\$ (1,918)	\$ 9,219	\$ 26,629	\$ 36,847	\$ 19,771	\$ 83,619	\$ 58,423	\$ 87,794
Debt Service as a Percentage of Noncapital Expenditures	6.0%	5.6%	5.4%	5.0%	5.6%	4.4%	4.0%	3.6%	3.3%	3.7%

Debt Service as a Percentage of Noncapital Expenditures calculated as follows:

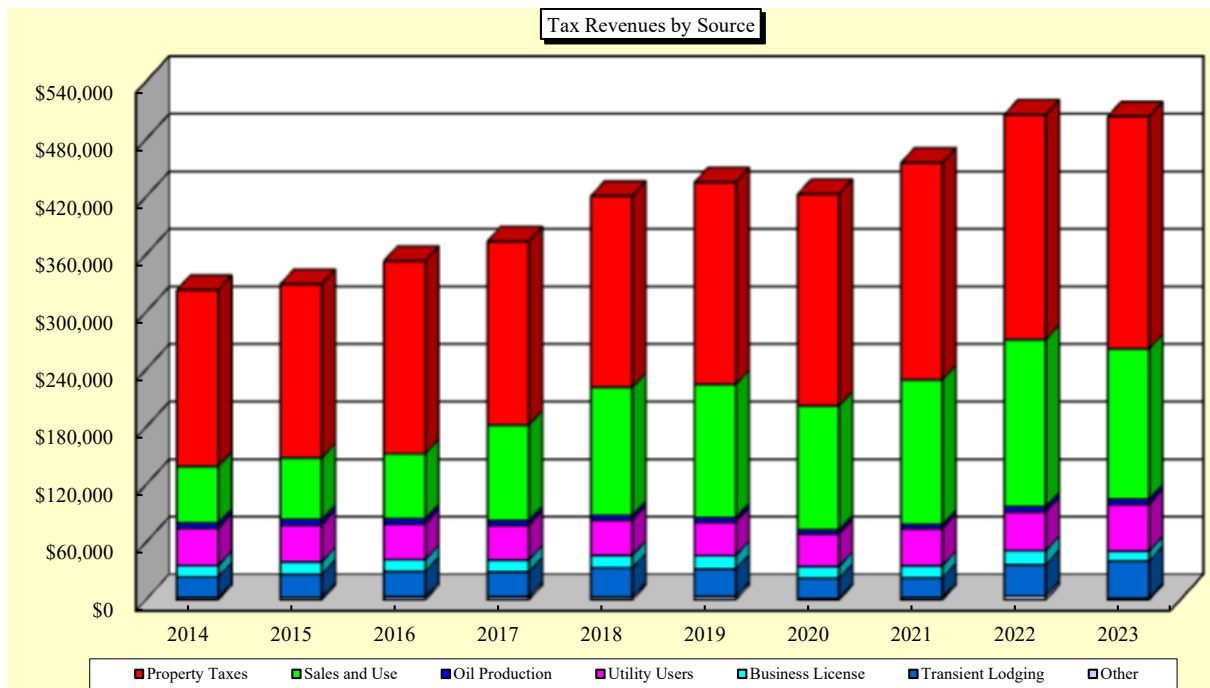
$$\frac{\text{(Principal + Interest)}}{\text{(Total Expenditures - Capital Outlay)}}$$

City of Long Beach
Governmental Funds Tax Revenues by Source
Last Ten Fiscal Years
 (Modified accrual basis of accounting)
 (In Thousands)

Fiscal Year-end (1)	Property Taxes	Sales and Use Taxes	Oil Production Taxes	Utility Users Taxes	Business License Taxes	Transient Lodging Taxes	Other (1) Taxes	Totals
2014	\$ 183,719	\$ 59,097	\$ 5,653	\$ 38,691	\$ 11,862	\$ 21,265	\$ 2,724	\$ 323,011
2015	180,989	64,177	5,787	38,419	12,934	23,999	2,798	329,103
2016	200,766	67,658	5,582	37,079	12,512	26,382	3,271	353,250
2017	191,514	99,528	5,129	35,858	12,501	25,935	3,272	373,737
2018	199,336	133,523	5,026	36,639	12,940	30,612	2,980	421,056
2019	210,656	138,598	4,841	34,898	13,855	28,758	3,612	435,218
2020	220,665	129,095	4,473	33,767	12,351	20,914	1,711	422,976
2021	226,143	150,887	4,327	38,546	12,756	20,324	2,691	455,674
2022	234,391	174,257	5,413	40,349	14,578	32,590	4,287	505,865
2023	242,156	156,500	5,638	48,660	10,331	38,632	1,934	503,851

Notes:

- (1) Includes Real Property Transfer, Special Parking, Miscellaneous Taxes, and transfers from funds in lieu of taxes. Tax revenues by source include all Governmental Fund Types (General, Special Revenue, Debt Service Funds, Capital Projects Funds, and Successor Agency Funds), including property tax for the former Long Beach Redevelopment Agency in accordance with generally accepted accounting principles.



Source: City of Long Beach, Department of Financial Management.

See accompanying Independent Auditors' Report

City of Long Beach
 Assessed Value and Estimated Actual Value of Taxable Property
 Last Ten Fiscal Years
 (In Thousands)

Fiscal Year-end	Secured	Unsecured	Less: Exemptions	Taxable Assessed Value	Total Direct Tax Rate
2014	\$ 47,768,304	\$ 2,730,192	\$ (1,630,080)	\$ 48,868,416	1.00%
2015	48,648,554	3,029,600	(1,572,403)	50,105,751	1.00%
2016	49,939,578	2,959,078	(1,424,373)	51,474,283	1.00%
2017	52,481,371	3,180,877	(1,618,510)	54,043,738	1.00%
2018	55,394,865	3,239,627	(1,580,969)	57,053,523	1.00%
2019	58,432,448	3,456,685	(1,690,820)	60,198,313	1.00%
2020	61,781,691	3,663,861	(1,967,621)	63,477,931	1.00%
2021	64,097,021	3,476,338	(1,852,455)	65,720,904	1.00%
2022	68,114,455	3,865,716	(1,831,667)	70,148,504	1.00%
2023	72,318,166	4,375,513	(1,799,429)	74,894,250	1.00%

In 1978, California voters passed Proposition 13 which set the property tax rate at a 1% fixed amount. Valuations of real property are frozen at the value of the property in 1975, with an allowable adjustment up to 2% per year for inflation. However, property is reassessed to its current value when a change of ownership occurs. New construction, including tenant improvements, is assessed at its current value. This 1% is shared by all taxing agencies for which the subject property resides. In 1986, the State Constitution was amended to allow rates over the 1% base rate for voter approved general obligation debt. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and are subject to the limitations described above.

Source: Los Angeles County Office of Assessor

City of Long Beach
Property Tax Rates -
All Overlapping Governments
Per \$100 of Assessed Value -
Last Ten Fiscal Years

Overlapping Rates						
Fiscal Year-end	City Direct Rate	Los Angeles County	Unified Schools	Community College	Special Districts	Total
2014	1.000000	-	0.146439	0.044541	0.003500	1.194480
2015	1.000000	-	0.146881	0.040174	0.003500	1.190555
2016	1.000000	-	0.129709	0.035755	0.003500	1.168964
2017	1.000000	-	0.122192	0.045990	0.003500	1.171682
2018	1.000000	-	0.123226	0.046213	0.003500	1.172939
2019	1.000000	-	0.125520	0.027175	0.003500	1.156195
2020	1.000000	-	0.139929	0.040162	0.003500	1.183591
2021	1.000000	-	0.113228	0.043759	0.003500	1.160487
2022	1.000000	-	0.121072	0.024882	0.003500	1.149454
2023	1.000000	-	0.124219	0.060231	0.003500	1.187950

Note:

In 1978, California voters passed Proposition 13 which set the property tax rate at a 1% fixed amount. Valuations of real property are frozen at the value of the property in 1975, with an allowable adjustment up to 2% per year for inflation. However, property is reassessed to its current value when a change of ownership occurs. New construction, including tenant improvements, is assessed at its current value. This 1% is shared by all taxing agencies for which the subject property resides. In 1986, the State Constitution was amended to allow rates over the 1% base rate for voter approved general obligation debt.

City of Long Beach
Principal Property Taxpayers
Current Year and Nine Fiscal Years Ago
(In Thousands)

Taxpayer	Fiscal Year 2023		Fiscal Year 2014	
	Assessed Valuation	Percentage of Total Net Assessed Valuation	Assessed Valuation	Percentage of Total Net Assessed Valuation
CF Alpha and Golf Prop Co LLC	\$ 252,452	0.38 %		
GCC Long Beach LLC	211,272	0.32		
TABC Inc.	172,940	0.26		
2009 CUSA Community Owner LLC	162,025	0.24	\$ 143,347	0.32 %
John Hancock Life Insurance	151,881	0.23		
Studio Management Services Inc.	134,004	0.20		
Equity One LLC	127,982	0.19		
IMT Capital IV Gallery LLC	127,732	0.19		
LB Oceanaire Development LLC	126,166	0.19		
W GL Ocean Avenue LB Holdings	114,575	0.17		
Terra Funding Shoreline Square	113,995	0.17		
DP3 Sub 1 & 2 LLC	109,891	0.17		
LBX Douglas Retail Fee Owner LLC	104,227	0.16		
McDonnell Douglas Corp.	99,509	0.15		
GS Long Beach LLC	89,078	0.13		
Long Beach Center LLC	89,062	0.13		
Tesoro Logistics Operations LLC	89,012	0.13		
HCI 333 East Ocean Owner LP	87,810	0.13		
404 Pine LP	82,156	0.12		
Omninet Freeway LP	79,247	0.12	70,380	0.16
The Boeing Company			258,271	0.58
Douglas Park Associates III & IV LLC			90,851	0.20
AES Alamos LLC			197,400	0.44
Legacy Partners II LB World Trade LLC			144,300	0.32
BOP Landmark Square Co. LLC			125,514	0.28
GRE Shoreline Square LP			98,933	0.22
Noble Utah Long Beach LLC			96,276	0.22
Molina Center LLC			82,620	0.18
Long Beach Generation LLC			60,000	0.13
HEI Long Beach LLC			62,303	0.14
Arco Terminal Services Corp.			59,988	0.13
City Place Long Beach LLC			75,410	0.17
Alamos Bay Partnership			59,072	0.13
Sunstone Ocean LLC			57,019	0.13
Pacific Pipeline System LLC			53,338	0.12
Lyon West Gateway LLC			80,656	0.18
Plain West Coast Terminals LLC			50,217	0.11
Los Altos Gateway LLC			50,211	0.11
	<u>\$ 2,525,016</u>	<u>3.78 %</u>	<u>\$ 1,916,106</u>	<u>4.27 %</u>

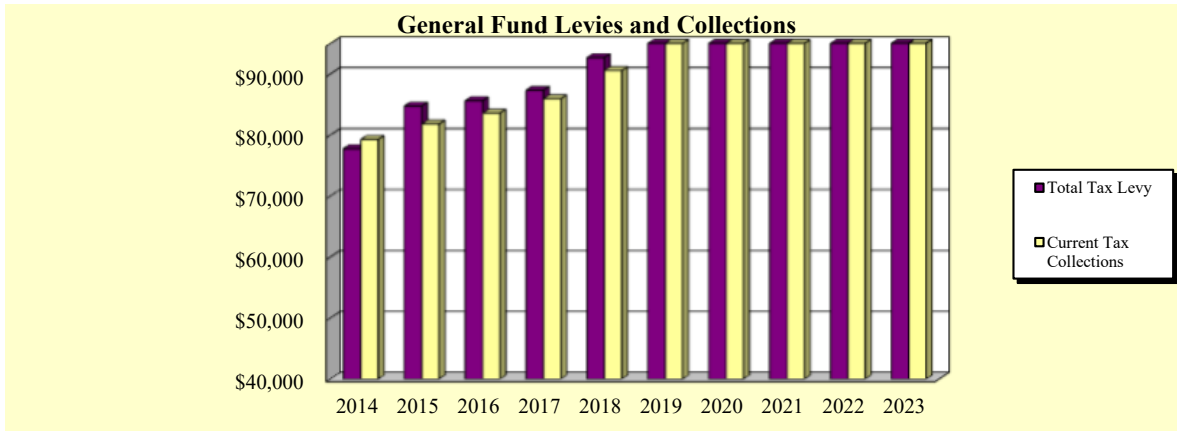
Source: California Municipal Statistics, Inc.

See accompanying Independent Auditors' Report

City of Long Beach
Property Tax Levies and Collections
Last Ten Fiscal Years
(In Thousands)

General Fund¹

Fiscal Year-end	Total Tax Levy	Current Tax Collections	Percentage of Levy Collected	Delinquent Tax Collections	Total Tax Collections ²	Collections as Percentage of Levy	Outstanding Delinquent Taxes	Delinquent Tax as Percentage of Current Levy
2014	\$ 77,740	\$ 79,255	101.9%	\$ 3,975	\$ 83,230	107.1%	\$ 4,458	5.7%
2015	84,726	81,798	96.5%	4,061	85,859	101.3%	5,449	6.4%
2016	85,609	83,582	97.6%	2,821	86,403	100.9%	5,605	6.5%
2017	87,315	85,962	98.5%	7,581	93,543	107.1%	5,430	6.2%
2018	92,661	90,551	97.7%	3,068	93,619	101.0%	5,472	5.9%
2019	97,494	95,437	97.9%	5,019	100,456	103.0%	5,902	6.1%
2020	102,555	98,949	96.5%	5,763	104,712	102.1%	6,761	6.6%
2021	106,411	103,379	97.2%	3,335	106,714	100.3%	7,077	6.7%
2022	111,169	107,794	97.0%	4,376	112,170	100.9%	7,181	6.5%
2023	116,565	114,240	98.0%	4,303	118,543	101.7%	7,172	6.2%



- Notes:
- 1 In FY 2014, a reduction to Prior Years Levies were due to write off of receivables more than 30 years old per County of Los Angeles Auditor-Controller.
 - 2 Excludes motor vehicle and vehicle license fees in-lieu taxes, interests, penalties and Los Angeles County administrative cost.

City of Long Beach
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(In Thousands, Except Per Capita Amount)

Fiscal Year-end	Governmental Activities							Total Governmental Activities
	Revenue Bonds	Pension Obligation Bonds	Tax Allocation Bonds	Notes Payable	Financed Purchase Obligations	Other Long-Term Obligations		
2014	\$ 99,084	\$ 40,822	\$ 309,160	\$ 6,137	\$ 38,150	\$ -	\$ 493,353	
2015	95,189	35,837	276,934	5,117	33,978	-	447,055	
2016	105,349	30,597	262,871	5,258	30,682	-	434,757	
2017	100,107	25,083	248,167	5,400	27,263	-	406,020	
2018	86,754	19,283	233,113	7,751	67,670	-	414,571	
2019	90,393	13,183	217,290	8,241	49,020	299,875	678,002	
2020	83,985	6,765	200,820	7,905	44,676	319,864	664,015	
2021	75,899	-	182,304	7,569	38,943	313,765	618,480	
2022	66,580	-	165,340	7,233	47,068	307,576	593,797	
2023	142,215	-	144,814	6,898	42,226	299,986	636,139	

Fiscal Year-end	Business-type Activities				Total Business-type Activities
	Revenue Bonds	Notes Payable	Financed Purchase Obligations	Other Long-Term Obligations	
2014	\$ 1,534,901	\$ 515,995	\$ 2,215	\$ -	\$ 2,053,111
2015	1,696,772	499,248	19,752	-	2,215,772
2016	1,620,885	379,893	18,167	-	2,018,945
2017	1,736,215	343,821	16,688	-	2,096,724
2018	1,673,774	348,471	15,143	-	2,037,388
2019	1,781,199	339,056	40,356	-	2,160,611
2020	1,670,260	477,885	37,747	-	2,185,892
2021	1,600,382	545,309	32,943	-	2,178,634
2022	1,519,722	513,207	30,105	-	2,063,034
2023	1,435,131	510,925	27,179	5,599	1,978,834

Fiscal Year-end	Total Primary Government	Percentage of Personal Income	Per Capita
2014	\$ 2,546,464	3.307%	\$ 5,425
2015	2,662,827	3.430%	5,623
2016	2,453,702	3.573%	5,175
2017	2,502,744	3.720%	5,324
2018	2,451,959	3.879%	5,223
2019	2,838,613	4.042%	6,074
2020	2,849,907	4.208%	6,160
2021	2,797,114	4.384%	5,993
2022	2,656,831	4.567%	5,767
2023	2,614,973	4.758%	5,707

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

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

Fiscal Year-end	Outstanding General Bonded Debt				Ratio of Net Bonded Debt to Assessed Value (2)	
	Pension Obligation Bonds	Tax Allocation Bonds	Less: Amounts Restricted for Debt Service (1)	Net Bonded Debt (1)		Per Capita (3)
2014	\$ 40,822	\$ 309,160	\$ 32,471	\$ 317,511	68%	\$ 676.38
2015	35,837	276,934	20,331	292,440	63%	617.51
2016	30,597	262,870	20,591	272,876	57%	575.52
2017	25,083	248,167	20,894	252,356	52%	536.78
2018	19,283	233,113	16,769	235,627	45%	501.92
2019	13,183	217,290	17,450	213,023	40%	455.81
2020	6,765	200,820	21,504	186,081	28%	402.23
2021	-	182,304	16,962	165,342	24%	354.25
2022	-	165,340	15,022	150,318	21%	326.29
2023	-	144,814	6,879	137,935	18%	301.02

Notes:

- (1) Includes Redevelopment bonds issued during fiscal years 2002, 2003, 2005, and 2006.
- (2) Assessed value can be found in the Schedule of Assessed Value and Actual Value of Taxable Property. Percentage calculated using the following formula: Net bonded Debt / (Assessed Value - Exemptions)
- (3) Population data can be found in the Schedule of Demographic and Economic Statistics.

City of Long Beach
Schedule of Direct and Overlapping Debt
September 30, 2023 (In Thousands)

2022-23 Assessed Valuation:	\$71,174,746			
		<u>Outstanding</u>		<u>Estimated</u>
<u>DIRECT DEBT:</u>		<u>Debt</u>	<u>Exclusions</u>	<u>Overlapping</u>
City of Long Beach				<u>Debt</u>
Lease Revenue Bonds		\$ 131,725	\$ -	\$ 131,725
Tax Allocation Bonds		144,814	-	144,814
Notes Payable		6,898	-	6,898
Financed Purchase Obligations		42,226	-	42,226
Total Direct Debt		<u>\$ 325,663</u>	<u>\$ -</u>	<u>\$ 325,663</u>
<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>			
Cerritos Community College District	0.415 %	\$ 433,767	\$ 431,967	\$ 1,800
Coast Community College District	0.001	886,956	886,947	9
Compton Community College District	2.703	116,207	113,066	3,141
Long Beach Community College District	86.016	563,144	78,750	484,394
Los Angeles Community College District	0.039	4,634,260	4,632,453	1,807
ABC Unified School District	1.305	116,814	115,290	1,524
Compton Unified School District	0.022	225,715	225,665	50
Long Beach Unified School District	86.017	1,718,791	240,338	1,478,453
Los Angeles Unified School District	0.048	10,115,265	10,110,410	4,855
Paramount Unified School District	9.659	177,307	160,181	17,126
Metropolitan Water District	1.957	19,215	18,839	376
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT (1)		<u>\$ 19,007,441</u>	<u>\$ 17,013,906</u>	<u>\$ 1,993,535</u>
<u>OVERLAPPING GENERAL FUND OBLIGATION DEBT:</u>				
Los Angeles County General Fund Obligations	3.758 %	\$ 2,577,294	\$ 2,480,439	\$ 96,855
Los Angeles County Superintendent of Schools Certificates of Participation	3.758	2,857	2,750	107
Compton Unified School District Certificates of Participation	0.022	24,500	24,495	5
Los Alamitos Unified School District Certificates of Participation	0.010	32,053	32,050	3
Los Angeles Unified School District Certificates of Participation	0.048	482,130	481,899	231
Paramount Unified School District Certificates of Participation	9.659	19,472	17,591	1,881
County Sanitation District No. 1 Certificates of Participation	1.177	503	497	6
County Sanitation District No. 2 Certificates of Participation	0.185	777	776	1
County Sanitation District No. 3 Certificates of Participation	85.939	590	83	507
County Sanitation District No. 8 Certificates of Participation	2.670	307	299	8
County Sanitation District No. 19 Certificates of Participation	30.337	140	98	42
TOTAL GROSS OVERLAPPING GENERAL FUND OBLIGATION DEBT		<u>\$ 3,140,623</u>	<u>\$ 3,040,977</u>	<u>\$ 99,646</u>
<u>OVERLAPPING TAX INCREMENT DEBT (Successor Agency):</u>	100.000 %	\$ 136,255	\$ -	\$ 136,255
TOTAL GROSS OVERLAPPING COMBINED DEBT		<u>\$ 22,284,319</u>	<u>\$ 20,054,883</u>	<u>\$ 2,229,436</u>
Los Angeles Unified School District General Obligation Bonds Election of 2005 Series J (2010) Qualified School Construction Bonds: Amount accumulated in Interest and Sinking Fund and Set Aside Repayment		-	-	-
Los Angeles Unified School District (Qualified Zone Academic Bonds supported by period payments to investment accounts)		299,495	299,351	144
TOTAL NET OVERLAPPING COMBINED DEBT		<u>\$ 21,984,824</u>	<u>\$ 19,755,532</u>	<u>\$ 2,229,292</u>
TOTAL NET DIRECT AND OVERLAPPING COMBINED DEBT		<u>\$ 22,310,487</u>	<u>\$ 19,755,532</u>	<u>\$ 2,554,955</u>

Notes:

(1) Excludes 1915 Act and Mello-Roos Act Bonds

Source: California Municipal Statistics, Inc.

See accompanying Independent Auditors' Report

City of Long Beach
Legal Debt Margin Information
Last Ten Fiscal Years
(In Thousands)

	Fiscal Year				
	2014	2015	2016	2017	2018
Assessed valuation	\$ 50,498,496	\$ 51,678,154	\$ 52,898,656	\$ 55,662,248	\$ 58,634,492
Conversion percentage	25%	25%	25%	25%	25%
Adjusted assessed valuation	12,624,624	12,919,539	13,224,664	13,915,562	14,658,623
Debt limit percentage	15%	15%	15%	15%	15%
Debt limit	1,893,694	1,937,931	1,983,700	2,087,334	2,198,793
Total net debt applicable to limit:					
General obligation bonds	-	-	-	-	-
Legal debt margin	<u>\$ 1,893,694</u>	<u>\$ 1,937,931</u>	<u>\$ 1,983,700</u>	<u>\$ 2,087,334</u>	<u>\$ 2,198,793</u>
Total debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%	0%

	Fiscal Year				
	2019	2020	2021	2022	2023
Assessed valuation	\$ 61,889,133	\$ 65,445,552	\$ 67,573,359	\$ 71,980,171	\$ 76,693,679
Conversion percentage	25%	25%	25%	25%	25%
Adjusted assessed valuation	15,472,283	16,361,388	16,893,340	17,995,043	19,173,420
Debt limit percentage	15%	15%	15%	15%	15%
Debt limit	2,320,842	2,454,208	2,534,001	2,699,256	2,876,013
Total net debt applicable to limit:					
General obligation bonds	-	-	-	-	-
Legal debt margin	<u>\$ 2,320,842</u>	<u>\$ 2,454,208</u>	<u>\$ 2,534,001</u>	<u>\$ 2,699,256</u>	<u>\$ 2,876,013</u>
Total debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%	0%

The Government Code of the State of California provides for a legal debt limit of 15 percent of gross assessed valuation. This provision was enacted when assessed valuation was based on 25 percent of market value. Effective with fiscal year 1982, each parcel is assessed at 100 percent of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25 percent level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the state.

Source: City of Long Beach, Department of Financial Management
County of Los Angeles, Department of Auditor-Controller

City of Long Beach
Pledged Revenue Coverage

Gas Utility Fund Revenue Bond Coverage
Last Ten Fiscal Years
(In Thousands)

Fiscal Year-end	Operating Revenue	Operating Expenses (1)	Net Operating Income	Non-Operating Income (Loss) (1)	Net Revenue or Funds Available for Debt Service	Debt Service Requirements			Times Coverage
						Principal	Interest	Total	
2014	\$ 81,992	\$ 42,503	\$ 39,489	\$ (946)	\$ 38,543	\$ 7,305	\$ 32,079	\$ 39,384	1.0
2015	77,098	30,845	46,253	83	46,336	6,840	31,725	38,565	1.2
2016	79,526	28,135	51,391	(949)	50,442	7,150	31,375	38,525	1.3
2017	96,723	40,459	56,264	192	56,456	8,120	31,024	39,144	1.4
2018	91,786	44,279	47,507	59	47,566	8,925	30,628	39,553	1.2
2019	120,228	71,223	49,005	1,739	50,744	10,290	30,135	40,425	1.3
2020	102,486	56,438	46,048	1,138	47,186	11,905	29,552	41,457	1.1
2021	111,930	46,343	65,587	422	66,009	13,990	28,873	42,863	1.5
2022	144,115	89,010	55,105	(1,795)	53,310	16,040	28,084	44,124	1.2
2023	165,333	130,525	34,808	11,951	46,759	18,645	27,174	45,819	1.0

Water Utility Fund Revenue Bond Coverage
Last Ten Fiscal Years (2)
(In Thousands)

2014	\$ 100,187	\$ 81,767	\$ 18,420	\$ 371	\$ 18,791	\$ 2,385	\$ 1,502	\$ 3,887	4.8
2015	99,475	91,395	8,080	1,561	9,641	2,510	1,390	3,900	2.5
2016	97,650	81,086	16,564	(237)	16,327	2,630	1,264	3,894	4.2
2017	97,383	80,127	17,256	887	18,143	2,730	1,165	3,895	4.7
2018	99,173	82,733	16,440	2,795	19,235	2,815	1,077	3,892	4.9
2019	99,289	81,439	17,850	4,802	22,652	2,930	964	3,894	5.8
2020	113,090	97,712	15,378	3,376	18,754	3,050	847	3,897	4.8
2021	118,968	76,726	42,242	2,108	44,350	3,170	725	3,895	11.4
2022	122,595	94,864	27,731	(24,178)	3,553	3,300	592	3,892	0.9
2023	110,138	97,674	12,464	(4,625)	7,839	3,450	444	3,894	2.0

Notes:

(1) Operating expenses exclude depreciation and amortization; non-operating income (loss) excludes interest expense.

(2) The Water Revenue Refunding Bonds Series 1997A were refunded by the Water Revenue Refunding Bonds Series 2010A. Current debt service payments for the 1997 Bonds were covered by the 2010 Bonds refunding issue proceeds.

Source: City of Long Beach, Department of Financial Management

City of Long Beach
Pledged Revenue Coverage

Airport Revenue Bond Coverage
Last Ten Fiscal Years
(In Thousands)

Fiscal Year-end	Operating Revenue	Operating Expenses (1)(2)	Net Operating Income	Non-Operating Income (Loss) (1)	Net Revenue or Funds Available for Debt Service	Debt Service Requirements			Times Coverage
						Principal (3)	Interest	Total	
2014	\$ 35,802	\$ 27,302	\$ 8,500	\$ 8,661	\$ 17,161	\$ 2,340	\$ 6,927	\$ 9,267	1.9
2015	33,811	27,842	5,969	3,134	9,103	2,420	6,844	9,264	1.0
2016	36,951	30,562	6,389	3,200	9,589	2,515	6,750	9,265	1.0
2017	46,678	33,250	13,428	3,199	16,627	2,625	6,640	9,265	1.8
2018	47,497	35,711	11,786	4,007	15,793	2,740	6,522	9,262	1.7
2019	44,780	36,798	7,982	4,938	12,920	2,875	6,388	9,263	1.4
2020	29,778	26,759	3,019	8,741	11,760	3,015	6,252	9,267	1.3
2021	29,585	24,685	4,900	9,225	14,125	3,160	6,109	9,269	1.5
2022	50,037	39,686	10,351	(4,999)	5,352	3,310	6,309	9,619	0.6
2023	55,200	44,590	10,610	3,258	13,868	2,570	5,256	7,826	1.8

Fleet Services Fund
Temple Willow Revenue Bond Coverage
Last Ten Fiscal Years
(In Thousands)

2014	\$ 31,923	\$ 19,201	\$ 12,722	\$ 351	\$ 13,073	\$ -	\$ 912	\$ 912	14.3
2015	32,660	23,719	8,941	1,592	10,533	-	912	912	11.5
2016	33,502	24,459	9,043	1,968	11,011	-	912	912	12.1
2017	36,539	27,341	9,198	2,036	11,234	-	912	912	12.3
2018	41,177	25,520	15,657	2,055	17,712	773	912	1,685	10.5
2019	45,561	29,937	15,624	2,458	18,082	1,410	884	2,294	7.9
2020	47,481	32,111	15,370	1,785	17,155	1,542	780	2,322	7.4
2021	41,911	23,409	18,502	1,636	20,138	1,542	780	2,322	8.7
2022	56,129	33,843	22,286	(396)	21,890	1,808	737	2,545	8.6
2023	60,266	33,400	26,866	1,660	28,526	1,600	696	2,296	12.4

Marina Fund (4)
Marina Revenue Bond Coverage
Last Ten Fiscal Years
(In Thousands)

2016	\$ 20,358	\$ 14,613	\$ 5,745	\$ 197	\$ 5,942	\$ -	\$ 5,352	\$ 5,352	1.1
2017	22,050	13,975	8,075	261	8,336	-	5,634	5,634	1.5
2018	23,954	15,764	8,190	307	8,497	1,250	5,634	6,884	1.2
2019	23,698	15,802	7,896	3,033	10,929	1,400	5,571	6,971	1.6
2020	24,165	18,220	5,945	2,967	8,912	1,550	5,501	7,051	1.3
2021	25,181	15,719	9,462	1,761	11,223	1,720	5,424	7,144	1.6
2022	26,438	17,242	9,196	(193)	9,003	1,900	5,338	7,238	1.2
2023	27,059	20,167	6,892	3,385	10,277	2,100	5,243	7,343	1.4

Notes:

- (1) Operating expenses exclude depreciation and amortization; non-operating income excludes interest expense. Prior year adjustments to operating expenses were made to exclude amortization.
- (2) FY20-21 Airport Operating Expense adjusted due to Federal Relief Funds from the CARES Act that were used to reimburse Operating Expenses.
- (3) Senior Airport Bonds Series 2009 and Senior Airport Bonds Series 2010 were refunded by the Senior Airport Revenue Refunding Bond Series 2022A, 2022B, and 2022C.
- (4) First year of operations was FY 16.

Source: City of Long Beach, Department of Financial Management

See accompanying Independent Auditors' Report

City of Long Beach
Pledged Revenue Coverage
Tidelands Operating Segment
Revenue Bond Coverage
Last Ten Fiscal Years (2)
(In Thousands)

Fiscal Year-end	Operating Revenue	Operating Expenses (1)	Net Operating Income (Loss)	Non-Operating Income (Loss) (1)	Net Revenue or Funds Available for Debt Service	Debt Service Requirements			Times Coverage
						Principal (3)	Interest	Total	
2014	\$ 32,306	\$ 59,557	\$ (27,251)	\$ 1,157	\$ (26,094)	\$ 3,670	\$ 4,495	\$ 8,165	-
2015	38,858	69,007	(30,149)	1,630	(28,519)	3,780	4,374	8,154	-
2016	35,565	55,280	(19,715)	1,924	(17,791)	3,915	4,229	8,144	-
2017	40,965	58,709	(17,744)	2,845	(14,899)	4,070	4,070	8,140	-
2018	40,403	66,164	(25,761)	4,986	(20,775)	4,235	3,904	8,139	-
2019	39,585	71,075	(31,490)	7,815	(23,675)	1,995	656	2,651	-
2020	40,896	84,123	(43,227)	6,971	(36,256)	2,015	617	2,632	-
2021	49,625	60,087	(10,462)	3,385	(7,077)	3,255	564	3,819	-
2022	46,929	77,171	(30,242)	(3,098)	(33,340)	8,360	3,544	11,904	-
2023	55,552	85,751	(30,199)	16,732	(13,467)	6,495	2,941	9,436	-

Harbor Fund
Revenue Bond Coverage
Last Ten Fiscal Years
(In Thousands)

2014	\$ 356,880	\$ 108,455	\$ 248,425	\$ 4,020	\$ 252,445	\$ 125,460	\$ 30,623	\$ 156,083	1.6
2015	355,450	130,013	225,437	44,386	269,823	145,215	26,558	171,773	1.6
2016	360,660	143,873	216,787	2,712	219,499	45,360	27,666	73,026	3.0
2017	381,010	142,349	238,661	8,445	247,106	44,905	27,171	72,076	3.4
2018	401,678	136,669	265,009	6,761	271,770	47,190	32,378	79,568	3.4
2019	412,273	140,144	272,129	12,277	284,406	45,965	31,059	77,024	3.7
2020	398,629	142,707	255,922	13,335	269,257	37,300	36,834	74,134	3.6
2021	434,644	134,723	299,921	5,696	305,617	24,470	31,889	56,359	5.4
2022	479,577	166,496	313,081	27,340	340,421	35,530	31,058	66,588	5.1
2023	515,396	199,999	315,397	(2,607)	312,790	37,090	29,493	66,583	4.7

Notes:

- (1) Operating expenses exclude depreciation and amortization; non-operating income excludes interest expense.
- (2) The Long Beach Aquarium of the Pacific Lease Revenue Refunding Bonds Series 2012 were issued to (1) refund the Long Beach Aquarium of the Pacific Revenue Bonds 2001 Series bonds, (2) to fund a reserve fund for the Series 2012 Bonds, and (3) pay the costs of issuance of the Series 2012 Bonds.
- (3) The Long Beach Aquarium of the Pacific Lease Revenue Refunding Bonds Series 2012 was refunded by the Tidelands Revenue Refunding Bond Series 2022.

Source: City of Long Beach, Department of Financial Management

City of Long Beach
Demographic Statistics
Last Ten Fiscal Years

Fiscal Year-end	Estimated Population (1)	Personal Income (in millions) (2) (5)	Per Capita Personal Income (2) (5)	Public School Enrollment (3)	Unemployment Rate (4)
2014	469,428	15,525	33,072	81,155	8.6
2015	473,577	16,242	34,296	79,709	6.8
2016	474,140	16,939	35,725	77,812	5.7
2017	470,130	17,490	37,203	76,428	5.3
2018	469,450	18,209	38,789	74,681	4.7
2019	467,354	18,892	40,423	73,221	4.7
2020	462,628	19,467	42,079	72,002	15.9
2021	466,742	20,460	43,836	69,708	8.9
2022	460,682	(6) 21,038	45,667	67,573	4.6
2023	458,222	(6) 21,801	47,578	65,826	4.7

Sources:

- (1) United States Census Bureau
- (2) Bureau of Economic Analysis (BEA)
Personal income and per capita personal income are based on percentage change of per capita personal income for Los Angeles-Long Beach-Anaheim, CA (Metropolitan Statistical Area). The BEA's report does not have personal income and per capita personal income available for 2015, so an average of the last five years was used.
- (3) California Department of Education Educational Demographic Unit. Annual school census from Long Beach Unified School District for preschool, grades kindergarten through 12.
- (4) Average annual rate reported by California Employment Development Department (EDD).
- (5) Data from 2011 - 2014 restated due to annual revisions.
- (6) Data is an estimated value from previous year.

City of Long Beach
Principal Employers
Current Year and Nine Years Ago

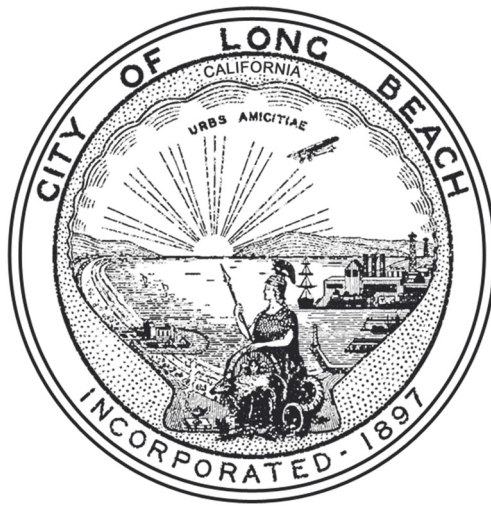
Ranking	Employer	Fiscal Year 2023		Ranking	Fiscal Year 2014	
		Number of Employees (1)	Percentage of Total City Employment (2)		Number of Employees (1)	Percentage of Total City Employment (2)
1	Long Beach Unified School District	11,337	4.80%	1	12,143	5.01%
2	City of Long Beach	5,594	2.37%	3	5,074	2.09%
3	Long Beach Memorial Medical Center	5,477	2.32%	2	5,146	2.12%
4	Veteran Affairs Medical Center	3,612	1.53%	6	2,480	1.02%
5	California State University Long Beach (CSULB)	3,585	1.52%	5	2,881	1.19%
6	Long Beach City College	2,179	0.92%	7	2,456	1.01%
7	St. Mary Medical Center	1,609	0.68%	8	1,420	0.59%
8	CSULB Research Foundation	1,526	0.65%	8	1,420	0.59%
9	The Boeing Company	1,328	0.56%	4	4,203	1.73%
10	Molina Healthcare Inc	591	0.25%	9	861	0.35%

Sources:

(1) Department of Financial Management Accounting and Business License

(2) State of California Employment Development Department Labor Market Info for 2014 and 2023

This data was compiled from various sources by the City of Long Beach Departments of Development Services and Financial Management. Employment data is intended for use as a general guide only. The City of Long Beach does not warrant the accuracy of this data. Inquiries should be directed to the respective employer.



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City of Long Beach
Full-Time Equivalent City Government Employees by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Legislative and Legal	130	130	122	140	136	141	141	148	135	120
General Government ⁽¹⁾	398	415	513	534	556	607	718	609	592	763
Public Safety	1,757	1,843	1,698	1,738	1,729	1,862	1,862	1,638	1,585	1,618
Public Health	249	257	252	259	287	272	272	484	533	490
Community and Cultural ⁽¹⁾	1,046	1,121	1,006	1,040	855	1,008	1,008	874	910	1,006
Public Works	275	258	263	310	305	297	213	329	359	308
Gas Utility	201	198	201	209	199	183	183	191	189	194
Water Utility	217	220	224	224	248	266	266	245	237	246
Airport	88	91	97	98	103	89	89	92	99	104
Solid Waste Management	181	183	177	187	183	198	198	198	177	170
Towing	26	26	26	26	27	27	27	30	28	30
Tideland Oil Revenue	15	15	16	17	15	17	17	13	13	16
Harbor	491	529	527	536	514	509	509	533	538	529
Total	5,074	5,286	5,122	5,318	5,157	5,476	5,503	5,384	5,395	5,594

⁽¹⁾ Restated 2014 as Library Services was included as part of General Government and should have been classified as Community and Cultural.

Source: City of Long Beach, Department of Financial Management as of September 30, 2023

City of Long Beach
Operating Indicators by Function
Last Ten Fiscal Years

Function	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018
Public Safety:					
Police priority one calls response time in minute:	4.69	4.90	4.60	4.80	4.50
Violent crime rate - per 1,000 residents	4.37	4.28	5.79	6.40	7.00
Fire on-scene arrival for emergency calls within six minute	50.0%	46.3%	43.4%	41.7%	41.1%
Public Health:					
Percentage of beach days that are safe for swimming in summer	97%	95%	94%	90%	88%
Homeless population ratio vs. total population (1)	0.75%	0.51%	0.51%	0.51%	0.39%
Community and Cultural					
Public library computer session log-ons	N/A	222,360	218,717	254,974	225,983
Parks, recreation programs - youth and teen attendance	760,641	779,641	835,358	892,556	793,226
Public Works:					
Number of trees trimmed	23,500	23,839	19,500	23,112	21,857
Curbs and alleys swept in miles	156,302	153,527	154,300	141,132	142,851
Sidewalk repaired in square feet	551,597	363,476	333,039	296,865	603,504
Storm drain catch basins cleaned	5,771	5,800	5,800	5,800	5,800
Gas Utility:					
Gas consumption in sales dollars-total	\$ 72,544,000	\$ 62,281,000	\$ 64,382,000	\$ 78,467,000	\$ 77,999,000
Gas consumption in cubic feet (In 000's)	8,183,000	7,689,000	8,542,000	9,237,000	8,802,000
Average daily gas consumption (MCF)	22,421	21,065	23,404	25,307	24,114
Gas mains installed/replaced/relocated in feet (2)	110,900	40,589	22,556	40,737	17,327
Gas meters installed/removed/replaced	3,529	4,440	29,873	34,465	2,944
Water Utility:					
Water daily demand in thousand gallons	52,389	47,441	46,417	45,869	47,620
Water annual demand in thousand gallons	19,122,012	17,315,820	16,942,297	16,742,192	17,381,120
Available supply total in thousand gallon:	21,019,736	19,000,372	19,412,932	19,045,926	19,172,030
Sewer Utility:					
Sewer mains cleaned in miles	498	492	405	113	439
Sewer mains and laterals repaired in number of jobs	213	224	215	169	157
Airport:					
Number of commercial passengers enplaned	1,433,273	1,276,679	1,327,001	1,793,753	2,006,292
Number of commercial passengers deplaned	1,426,830	1,273,232	1,325,537	1,794,245	2,007,872
Number of aircraft landings and take offs	325,527	300,184	295,007	294,303	266,892
Solid Waste Management:					
Number of refuse tons collected	182,452	173,895	187,432	193,622	185,403
Number of recycling tons collected	169,420	161,997	158,852	160,037	133,932
SERRF tons of refuse received	459,160	447,535	417,169	426,430	359,752
SERRF energy sold to So Cal Edison megawatt-hours	223,658	200,994	158,400	201,438	165,702
Harbor:					
Number of container movements in twenty-foot equivalent unit	6,817,590	7,087,699	6,946,255	7,230,758	8,000,929
Cargo in thousands of metric revenue tons	165,526	164,274	161,322	168,100	180,593
Number of ship calls	2,752	2,676	2,227	2,149	2,278

Source: City Departments

(1) The homeless population count is biannual.

(2) Restated prior years (2011-2013), due to updated reports from Gas Department.

Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Function
					Public Safety:
4.30	4.40	4.60	5.10	5.40	Police priority one calls response time in minutes
5.75	4.96	5.60	5.72	7.90	Violent crime rate - per 1,000 residents
38.6%	37.0%	34.0%	33.8%	29.0%	Fire on-scene arrival for emergency calls within six minute
					Public Health:
89%	86%	92%	90%	83%	Percentage of beach days that are safe for swimming in summer
0.40%	0.44%	0.26%	0.71%	0.76%	Homeless population ratio vs. total population (1)
					Community and Cultural
186,873	79,862	12,249	60,860	71,373	Public library computer session log-ons
820,748	4,062	215,621	338,609	383,063	Parks, recreation programs - youth and teen attendance
					Public Works:
22,055	25,000	19,500	30,000	24,000	Number of trees trimmed
147,316	125,254	128,042	149,796	144,488	Curbs and alleys swept in miles
537,666	306,044	416,167	427,831	401,900	Sidewalk repaired in square feet
5,800	5,800	5,800	55,700	5,700	Storm drain catch basins cleaned
					Gas Utility:
\$ 98,355,000	\$ 79,886,282	\$ 87,908,917	\$ 111,662,459	\$ 154,621,175	Gas consumption in sales dollars-total
9,116,009	9,113,067	8,941,456	8,397,277	9,401,836	Gas consumption in cubic feet (In 000's)
24,975	24,967	24,497	23,006	25,758	Average daily gas consumption (MCF)
32,032	22,279	24,500	30,100	22,000	Gas mains installed/replaced/relocated in feet
1,279	1,983	1,459	2,698	861	Gas meters installed/removed/replaced
					Water Utility:
44,478	50,503	45,647	42,616	38,923	Water daily demand in thousand gallons
16,234,549	18,433,521	16,661,155	15,337,807	14,206,816	Water annual demand in thousand gallons
17,439,187	20,238,997	1,983,812	15,565,436	14,960,338	Available supply total in thousand gallons
					Sewer Utility:
477	360	380	343	295	Sewer mains cleaned in miles
164	162	263	191	141	Sewer mains and laterals repaired in number of jobs
					Airport:
1,757,499	904,815	767,207	1,576,552	1,767,380	Number of commercial passengers enplaned
1,752,650	914,487	766,260	1,568,060	1,767,012	Number of commercial passengers deplaned
293,587	294,509	320,601	330,840	340,489	Number of aircraft landings and take offs
					Solid Waste Management:
192,483	202,620	201,510	189,810	194,825	Number of refuse tons collected
40,955	39,481	42,719	31,143	48,657	Number of recycling tons collected
385,541	378,016	386,047	371,746	343,793	SERRF tons of refuse received
182,342	181,000	191,160	189,108	165,636	SERRF energy sold to So Cal Edison / CAISO megawatt-hours
					Harbor:
7,747,251	7,660,975	9,500,860	9,631,901	7,613,939	Number of container movements in twenty-foot equivalent unit
172,961	168,574	198,118	202,766	172,290	Cargo in thousands of metric revenue tons
2,095	2,237	2,561	2,698	2,400	Number of ship calls

See accompanying Independent Auditors' Report

City of Long Beach
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017
Public Safety:				
Number of police stations	1	1	1	1
Number of police substations (full facility)	3	3	3	3
Number of police storefront stations	-	-	-	-
Number of fire stations	23	23	23	23
Community and Cultural:				
Number of parks	162	164	168	169
Parks and golf courses in acres	3,123	3,122	3,124	3,125
Number of libraries	12	12	12	12
Number of library holdings (books, videos, tapes)	798,809	808,957	851,614	795,629
Number of library circulations	1,391,617	1,205,523	1,233,309	1,335,819
Public Works:				
Street in miles	823	823	823	823
Storm drain lines in miles	180	180	180	180
Number of street lights (1)	31,550	31,337	32,283	27,439
Gas Utility:				
Gas mains in miles (2)	928	929	929	931
Water Utility:				
Water mains in miles	912	912	912	912
Number of fire hydrants	6,604	6,631	6,894	6,910
Number of water services	95,999	95,775	95,749	95,667
Sewer Utility:				
Sanitary sewers in miles	714	714	714	715
Number of manholes	16,170	15,129	15,127	15,112
Sanitary sewer pump stations	28	28	28	28
Storm drain pump stations	23	23	22	23
Harbor:				
Sanitary sewer pump stations	37	37	39	39
Storm drain pump stations	23	23	22	22
Solid Waste Management:				
Number of waste-to-energy facilities	1	1	1	1

(1) In 2008, the number of streetlights changed from 34,000 to 31,000 due to updated reports.

(2) Restated prior years (2011-2013), due to updated reports from Gas Department.

Source: City Departments

Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022	Fiscal Year 2023	Function
						Public Safety:
1	1	1	1	1	1	1 Number of police stations
3	3	3	3	3	3	3 Number of police substations (full facility)
-	-	-	-	-	-	- Number of police storefront stations
23	23	23	23	23	23	23 Number of fire stations
						Community and Cultural:
169	169	167	167	166	166	166 Number of parks
3,125	3,126	3,125	3,125	3,122	3,122	3,122 Parks and golf courses in acres
12	12	12	12	12	12	12 Number of libraries
798,760	740,442	728,829	707,151	709,449	717,210	717,210 Number of library holdings (books, videos, tapes)
1,302,021	1,273,997	966,790	756,037	1,026,106	1,034,764	1,034,764 Number of library circulations
						Public Works:
823	823	823	823	1,012	1,012	1,012 Street in miles
180	180	180	180	180	180	180 Storm drain lines in miles
32,481	32,502	32,480	35,254	35,254	35,254	35,254 Number of street lights (1)
						Gas Utility:
916	917	917	917	917	917	917 Gas mains in miles (2)
						Water Utility:
912	916	917	917	917	916	916 Water mains in miles
6,953	7,036	7,049	7,054	7,070	7,082	7,082 Number of fire hydrants
95,586	95,690	95,731	95,891	96,167	96,287	96,287 Number of water services
						Sewer Utility:
714	714	715	715	714	714	714 Sanitary sewers in miles
15,122	15,125	15,126	15,132	15,143	15,142	15,142 Number of manholes
28	28	28	28	28	29	29 Sanitary sewer pump stations
23	23	23	23	23	23	23 Storm drain pump stations
						Harbor:
39	39	39	39	39	39	39 Sanitary sewer pump stations
22	22	22	22	22	22	22 Storm drain pump stations
						Solid Waste Management:
1	1	1	1	1	1	1 Number of waste-to-energy facilities

See accompanying Independent Auditors' Report