

CITY OF LOS ALAMITOS
Council Chamber
3191 Katella Ave., Los Alamitos CA 90720

CITY COUNCIL AGENDA REGULAR MEETING

Monday, May 15, 2023 – 6:00 PM

NOTICE TO THE PUBLIC – This Agenda contains a brief general description of each item to be considered. Except as provided by law, action or discussion shall not be taken on any item not appearing on the agenda. Supporting documents, including staff reports, are available for review at City Hall in the City Clerk's Office or on the City's website at www.cityoflosalamitos.org once the agenda has been publicly posted.

Each matter on the agenda, no matter how described, shall be deemed to include any appropriate motion, whether to adopt a minute motion, resolution, payment of any bill, approval of any matter or action, or any other action. Items listed as "for information" or "for discussion" may also be the subject of an "action" taken by the City Council at the same meeting.

Agenda-related documents provided to a majority of the City Council after distribution of the City Council agenda packet (GC §54957.5) will be made available for public inspection at the meeting. Such documents will also be available at the City Clerk's office, 3191 Katella Ave., Los Alamitos, CA 90720.

In compliance with the Americans with Disabilities Act, Assistive Listening headphones are available and can be checked out from the City Clerk. If you need special assistance to participate in this meeting, please contact the City Clerk at (562) 431-3538, ext. 220. Notification at least 42 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. [28 CFR 35.102.35.104 ADA Title II]. Language translation services are available for this meeting by calling the City Clerk's Office least 42 hours in advance

If you are unable to attend this meeting in person, you may submit comments on any agenda item or on any item not on the agenda by email to cityclerk@cityoflosalamitos.org with the subject line "COUNCIL PUBLIC COMMENT". Comments received by 3:00 p.m. the day of the meeting will be compiled, provided to the City Council, and made available to the public before the start of the meeting. Staff will not read email comments at the meeting. You may also view the meeting live on local cable channel 3.

If, as an attendee, or a participant at this meeting, you will need special assistance beyond what is normally provided, please contact the City Clerk's Office at (562) 431-3538, extension 220, 48 hours prior to the meeting so that reasonable arrangements may be made.

1. CALL TO ORDER

2. ROLL CALL

Mayor Doby
Mayor Pro Tem Nefulda
Council Member Hasselbrink
Council Member Hibard
Council Member Murphy

3. PLEDGE OF ALLEGIANCE

Council Member Murphy will lead the Pledge of Allegiance.

4. INVOCATION

Mayor Doby will give the Invocation.

5. PRESENTATIONS

- A. Presentation of Certificates to Tanya Doby and Wendy Grose in Recognition of Being Named the 36th Senate District's Women of Distinction**
- B. Presentation of Certificates to Wendy Grose, Theresa Murphy, and Trisha Murphy in Recognition of Being Named the 70th Assembly District's Women of Distinction**
- C. Presentation of Certificates to Los Alamitos High School Students in Recognition of Their Participation in 2023 Every 15 Minutes Program**
- D. Presentation of a Certificate to Peter Choi, Owner of Angelino's Pizza, in Recognition of Being Featured in the Mayor's Business Spotlight**
- E. Presentation of a Proclamation to the Public Works Team in Recognition of National Public Work's Week**
- F. Presentation of a Plaque to Wayne Byerly for his Three Years of Service as Police Captain to the City of Los Alamitos**
- G. Presentation by Police Sergeant Krogman Regarding and Update on E-Bike Safety**
- H. Presentation by Rob Thompson, General Manager, Providing an Overview of the Orange County Sanitation District**

6. ORAL COMMUNICATIONS

At this time, any individual in the audience may come forward to speak on any item within the subject matter jurisdiction of the City Council. Remarks are to be limited to not more than five minutes per speaker.

7. UPDATES FROM THE MAYOR

At this time, the Mayor may report on items not specifically described on the Agenda that are of interest to the community, provided no action or discussion is taken.

8. UPDATES FROM THE CITY STAFF

At this time, City Staff also report on items not specifically described on the Agenda that are of interest to the community, provided no action or discussion is taken.

9. WARRANTS

A. Warrants (Finance)

The attached Warrant Register contains checks and electronic fund transfers for the period from April 1, 2023 to April 30, 2023.

Recommendation: Ratify the Warrants for the period April 1, 2023 to April 30, 2023 in the amount of \$1,204,889.20.

Roll Call

Mayor Doby
Mayor Pro Tem Nefulda
Council Member Hasselbrink
Council Member Hibard
Council Member Murphy

10. CONSENT CALENDAR

All Consent Calendar items may be acted upon by one motion unless a Council Member requests separate action on a specific item.

A. Approval of Minutes (Administration)

Approve the City Council Regular Meeting Minutes of April 17, 2023.

B. Annual Comprehensive Financial Report (ACFR) (Finance)

For City Council consideration is the receipt of the fiscal year 2021-2022 audit reports.

Recommendation: Receive and file the annual audit reports for fiscal year 2021-2022, including the Annual Comprehensive Financial Report (ACFR) and Report on Applying Agreed- Upon Procedures Appropriations Limit Worksheets (GANN AUP).

C. Treasurer's Quarterly Investment Report - March 2023 (Finance)

The item for City Council consideration is receipt of the Treasurer's Quarterly Investment Report.

Recommendation: Receive and file the Treasurer's Quarterly Investment Report – March 2023.

D. Amendment No. 3 with West Coast Arborists, Inc. (WCA) for Tree Maintenance Services (Development Services)

This item seeks approval of Amendment No. 3 to the Professional Services Agreement (PSA) with West Coast Arborist, Inc. (WCA) to continue to provide tree maintenance services, a license arborist, and extraordinary work order fulfillment for one (1) year, ending on June 15, 2024. The amount paid to WCA is not to exceed \$75,000 annually. The current

Professional Services Agreement (PSA) expires on June 15, 2023.

Recommendation: Authorize the Mayor to execute Amendment No. 3 to the Professional Services Agreement with West Coast Arborists, Inc. (WCA), extending the term of the agreement for one additional year ending on June 15, 2024, and not to exceed \$75,000 annually, which is inclusive of a 2.5% CPI increase.

E. Approval of two (2) Open-Ended (Equity) Vehicle Lease Rate Agreements with Enterprise Fleet Management, Inc., via the Sourcewell Competitive Purchasing Program (Development Services)

This item seeks approval of two (2) vehicle lease agreements with Enterprise Fleet Management Inc. (EFM), via the Sourcewell Competitive Purchasing Program (Contract #030122-EFM).

Recommendation: Authorize the City Manager to lease two (2) fleet vehicles pursuant to the Master Equity Lease Agreement with Enterprise Fleet Management (EFM) via the Sourcewell Competitive Purchasing Program for an estimated monthly lease of \$1,768.00.

11. DISCUSSION ITEM

A. City Council Ad Hoc Committees (Administration)

This item allows Council to appoint two members to various Ad Hoc Committees to assist Staff with large projects before bringing items to Council for approval.

Recommendation:

1. Appoint two Council Members to the Council Member Handbook Ad Hoc Committee; and,
2. Appoint two Council Members to the Council Member Goal Setting Ad Hoc Committee; and,
3. Appoint two Council Members to the City Branding Ad Hoc Committee.

B. Preliminary Budget for Fiscal Year 2023-24 and Fiscal Year 2024-25 and Proposed Changes to Purchase Policy (Finance)

This report provides for a review of the preliminary budget for the Fiscal Year 2023- 24 and Fiscal Year 2024-25, and proposed changes to the Purchase Policy.

Recommendation:

1. Review and discuss the preliminary budget for Fiscal Year 2023-24 and Fiscal Year 2024-25, provide direction to staff; and
2. Introduce for first reading, read by title only, waive further reading of Ordinance No. 2023-04, and set for adoption; and,
3. City Attorney Daudt read the title of Ordinance No. 2023-04, "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, AMENDING AND RESTATING CHAPTER 2.60 (PURCHASING SYSTEM) OF THE LOS ALAMITOS MUNICIPAL CODE".

12. COUNCIL ANNOUNCEMENTS

At this time, Council Members may also report on items not specifically described on the Agenda that are of interest to the community, provided no action or discussion is taken except to provide Staff direction to report back or to place the item on a future Agenda.

13. ADJOURNMENT

I hereby certify under penalty of perjury under the laws of the State of California, that the foregoing Agenda was posted at the Los Alamitos City Hall, 3191 Katella Ave. and online at www.cityoflosalamitos.org not less than 72 hours prior to the meeting.



Windmera Quintanar, MMC, City Clerk
Dated: May 10, 2023

City of Los Alamitos

CITY COUNCIL AGENDA REPORT

MEETING DATE: May 15, 2023

ITEM NUMBER: 9A

To: Mayor Tanya Doby & Members of the City Council

Presented By: Craig Koehler, Director of Finance

Subject: Warrants

SUMMARY

The attached Warrant Register contains checks and electronic fund transfers for the period from April 1, 2023 to April 30, 2023.

RECOMMENDATION

Ratify the Warrants for the period April 1, 2023 to April 30, 2023 in the amount of \$1,204,889.20.

BACKGROUND

The expenditures noted within this Warrant Register conform to the budget approved by the City Council.

DISCUSSION

The Director of Finance certifies the accuracy of the attached register and the availability of monies thereof.

FISCAL IMPACT

The grand total of \$1,204,889.20 represents checks and electronic fund transfers for the period April 1, 2023 to April 30, 2023.

Attachment: 1. Warrant Register - April 2023

CITY OF LOS ALAMITOS
A/P Warrants
MAY 15, 2023

To Ratify

Pages:

1-4	\$233,638.12	Warrant	04/06/2023
5-10	253,469.88	Warrant	04/20/2023
11-14	27,619.96	Cal-Card	04/24/2023
15	1,750.00	Advanced Warrant	04/27/2023
16	8,596.68	April Retirees	04/01/2023
17	196,022.43	Payroll	04/14/2023
18	98,899.28	Benefits & Withholdings	04/14/2023
19	201,655.72	Payroll	04/28/2023
20	183,237.13	Benefits & Withholdings	04/28/2023
Grand Total	<u>\$ 1,204,889.20</u>		

The attached Warrant Register containing checks and electronic funds transfers for the period from April 1, 2023 to April 30, 2023, is being presented for ratification by the City Council. The expenditures noted within this Warrant Register conform to the budget approved by the City Council. The Director of Finance certifies to the accuracy of the attached register and to the availability of monies for payment thereof.

Statement:

I hereby certify that the claims or demands covered by the forgoing listed warrants have been audited as to accuracy and availability of funds for payment thereof.

Certified by Craig Koehler, Finance Director



this 3rd day of May, 2023

WARRANTS 04/06/23

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
ALLIANCE FOR INNOVATION, INC.	ANNUAL MEMBERSHIP 2023	GENERAL FUND	ADMINISTRATION	750.00
			TOTAL:	750.00
ALL CITY MANAGEMENT SERVICES	CROSSING GUARDS 3/5-3/18	GENERAL FUND	TRAFFIC	5,346.52
			TOTAL:	5,346.52
BARBARA BANNERMAN	YOGA WITH BARBARA	GENERAL FUND	SPECIAL CLASSES	607.75
	YOGA WITH BARBARA	GENERAL FUND	SPECIAL CLASSES	331.50
			TOTAL:	939.25
CHARLES ABBOTT ASSOCIATES, INC.	WQMP REVIEW SVCS FEB 2023	GENERAL FUND	NON-DEPARTMENTAL	485.00
	PROFESSIONAL SVCS FEB 2023	GENERAL FUND	COMMUNITY DEVEL ADMIN	1,435.00
	INDUSTRIAL & COMM INSP FEB	GENERAL FUND	NPDES	52.00
			TOTAL:	1,972.00
CITY OF CYPRESS	EY 22/23 4TH INSTALLMENT (	GENERAL FUND	COMMUNICATIONS TECHNOL	113,622.10
			TOTAL:	113,622.10
COUNTY OF ORANGE TREASURER-TAX	11.08.22 CONS ELECTION EXP	GENERAL FUND	ADMINISTRATION	3,405.00
	OCATS CIRCUIT & SUPPORT 03	GENERAL FUND	COMMUNICATIONS TECHNOL	1,273.33
			TOTAL:	4,678.33
DONALD WENTWORTH	SILVER POLICE BADGE STICKE	GENERAL FUND	COMMUNITY OUTREACH	460.95
			TOTAL:	460.95
DARSHINI AIITHAL	WATERCOLOR PAINTING-SATURD	GENERAL FUND	SPECIAL CLASSES	371.15
	WATERCOLOR PAINTING-MONDAY	GENERAL FUND	SPECIAL CLASSES	560.95
			TOTAL:	932.10
DELTA DENTAL INSURANCE COMPANY	DELTA DENTAL COVERAGE	GENERAL FUND	ADMINISTRATION	360.73
	DELTA DENTAL COVERAGE	GENERAL FUND	ADMINISTRATION	3,937.50
			TOTAL:	4,298.23
DEPARTMENT OF CONSERVATION	SHIP FEES 1ST QUARTER 2023	GENERAL FUND	NON-DEPARTMENTAL	417.68
	BUILDING PERMITS	GENERAL FUND	NON-DEPARTMENTAL	20.88
			TOTAL:	396.80
FEDEX	DNA TO DOJ	GENERAL FUND	POLICE ADMINISTRATION	15.28
			TOTAL:	15.28
KAIN GALLAUGHER	LEADERSHIP TRAINING-MEAL R	GENERAL FUND	INVESTIGATION	100.78
			TOTAL:	100.78
GALLS / QUARTERMASTER	UNIFORMS FOR CAPTAIN SOUTH	GENERAL FUND	PATROL	87.23
	UNIFORMS FOR CAPTAIN SOUTH	GENERAL FUND	PATROL	361.92
			TOTAL:	449.15
GANAHL LUMBER COMPANY	STREET MNTC - RAGS, SHEILD	GENERAL FUND	STREET MAINTENANCE	24.24
	STREET MNTC - DRILLS	GENERAL FUND	STREET MAINTENANCE	30.35
	BUILDING MNTC - PAINT ITEM	GENERAL FUND	BUILDING MAINTENANCE	160.90
	BUILDING MNTC - ENTRY LEVE	GENERAL FUND	BUILDING MAINTENANCE	72.09
			TOTAL:	287.58
GEORGE HILLS COMPANY, INC.	ADMIN & CLAIMS FLAT FEES 0	GENERAL FUND	NON-DEPARTMENTAL	1,250.00
			TOTAL:	1,250.00

WARRANTS 04/06/23

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
HI-WAY SAFETY, INC.	STREET MNTC	GENERAL FUND	STREET MAINTENANCE	513.31
			TOTAL:	513.31
HINDERLITER, DE LLAMAS & ASSOCIATES	AUDIT SALES TAX Q3 JAN-MAR	GENERAL FUND	FINANCE	94.57
	CONTRACT SVCS Q3/2022	GENERAL FUND	FINANCE	600.00
			TOTAL:	694.57
ISEE	SECURITY DEPOSIT	GENERAL FUND	NON-DEPARTMENTAL	12,000.00
	1ST MONTH RENT-MARCH 2023	GENERAL FUND	NON-DEPARTMENTAL	12,000.00
	WAREHOUSE RENT - APRIL 202	GENERAL FUND	NON-DEPARTMENTAL	12,000.00
			TOTAL:	36,000.00
KIMBERLY ESMOND	PRINCESS BALLET	GENERAL FUND	SPECIAL CLASSES	150.15
	"FROZEN" PRINCESS BALLET	GENERAL FUND	SPECIAL CLASSES	600.60
	HIP HOP	GENERAL FUND	SPECIAL CLASSES	265.20
	ALL IN ONE DANCE	GENERAL FUND	SPECIAL CLASSES	188.50
	POP STAR HIP HOP	GENERAL FUND	SPECIAL CLASSES	185.25
			TOTAL:	1,389.70
KONICA MINOLTA BUSINESS SOLUTIONS	PD COPIER LEASE 3/20/23	GENERAL FUND	POLICE ADMINISTRATION	189.74
			TOTAL:	189.74
LOS ALAMITOS AREA CHAMBER OF COMMERCE	BREAKFAST MARCH TRISHA MUR	GENERAL FUND	CITY COUNCIL	25.00
			TOTAL:	25.00
MANHATTAN STITCHING COMPANY, INC.	AQUATICS PROGRAM HATS/VISO	GENERAL FUND	AQUATICS	484.88
			TOTAL:	484.88
MISC. VENDOR	GRACE COMMUNITY CHURCH	GENERAL FUND	NON-DEPARTMENTAL	150.00
	SO CAL RIPPERS	GENERAL FUND	NON-DEPARTMENTAL	48.00
	SO CAL RIPPERS	GENERAL FUND	NON-DEPARTMENTAL	44.00
	SO CAL RIPPERS	GENERAL FUND	NON-DEPARTMENTAL	24.00
	SO CAL RIPPERS	GENERAL FUND	NON-DEPARTMENTAL	22.00
	SO CAL RIPPERS	GENERAL FUND	NON-DEPARTMENTAL	48.00
	SO CAL RIPPERS	GENERAL FUND	NON-DEPARTMENTAL	44.00
	ST HEDWIGS PONY BASEBA	GENERAL FUND	NON-DEPARTMENTAL	36.00
	ST HEDWIGS PONY BASEBA	GENERAL FUND	NON-DEPARTMENTAL	90.00
	ST HEDWIGS PONY BASEBA	GENERAL FUND	NON-DEPARTMENTAL	13.75
	OC FIFTH 120	GENERAL FUND	NON-DEPARTMENTAL	35.00
	OC FIFTH 120	GENERAL FUND	NON-DEPARTMENTAL	32.00
	OC FIFTH 120	GENERAL FUND	NON-DEPARTMENTAL	9.00
	OC FIFTH 120	GENERAL FUND	NON-DEPARTMENTAL	5.50
	OC FIFTH 120	GENERAL FUND	NON-DEPARTMENTAL	48.00
	OC FIFTH 120	GENERAL FUND	NON-DEPARTMENTAL	44.00
	LOS ALAMITOS GIRLS SOF	GENERAL FUND	NON-DEPARTMENTAL	42.00
	HELEN Y AKASHI	GENERAL FUND	NON-DEPARTMENTAL	2,000.00
	INTELESYS	TECHNOLOGY REPLACE	ADMINISTRATIVE SERVICE	169.00
	PTS COMMUNICATIONS	TECHNOLOGY REPLACE	ADMINISTRATIVE SERVICE	43.00
			TOTAL:	2,952.25
NORM'S AUTOMOTIVE CENTER, INC.	2017 DODGE CHARGER #6 MNTC	GARAGE FUND	GARAGE	786.32
	2017 DODGE CHARGER #6 MNTC	GARAGE FUND	GARAGE	349.60
			TOTAL:	1,135.92
ORANGE COUNTY SANITATION DISTRICT	CONNECTION FEES 11/22-03/2	GENERAL FUND	NON-DEPARTMENTAL	5,151.00
	BUILDING PERMITS	GENERAL FUND	NON-DEPARTMENTAL	257.55

WARRANTS 04/06/23

VENDOR SORI KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
			TOTAL:	4,893.46
PAPER RECYCLING SPECIALISTS	SHREDDING SVCS 3/21/23	GENERAL FUND	FINANCE	92.00
	SHREDDING SVCS 3/27/23	GENERAL FUND	FINANCE	92.00
			TOTAL:	184.00
DIANA C. PEREZ	LEARN AND GROW PLAYGROUP	GENERAL FUND	SPECIAL CLASSES	481.00
	SHAPING IT UP ABC'S & 123'	GENERAL FUND	SPECIAL CLASSES	520.00
			TOTAL:	1,001.00
PINNACLE HEALTHCARE MEDICAL GROUP	PRE-EMP PHYSICAL-INGALLS,	GENERAL FUND	NON-DEPARTMENTAL	50.00
	PRE-EMP PHYSICAL-NGUYEN,JO	GENERAL FUND	NON-DEPARTMENTAL	50.00
			TOTAL:	100.00
QUADIENT FINANCE USA, INC	POSTAGE	GENERAL FUND	FINANCE	1,382.90
			TOTAL:	1,382.80
MCKENZIE RICKS	SUGAR COOKIE DECORATING	GENERAL FUND	SPECIAL CLASSES	475.80
			TOTAL:	475.80
SUZANNE ROADY-ROSS	T'AI CHI CHIH (BEG/INT)	GENERAL FUND	SPECIAL CLASSES	169.00
			TOTAL:	169.00
SUSAN SAKI-CLIFFORD, PH.D.	PSYCHOLOGICAL EVALUATION:S	GENERAL FUND	NON-DEPARTMENTAL	450.00
			TOTAL:	450.00
CHERYL J. SCHNITZER	LINE DANCE (BEG/INT)	GENERAL FUND	SPECIAL CLASSES	1,140.75
	LINE DANCE (BEG/INT)	GENERAL FUND	SPECIAL CLASSES	963.95
			TOTAL:	2,104.70
SIMPSON CHEVROLET OF GARDEN GROVE	VEHICLE MNTC PD CHIEF'S TA	GARAGE FUND	GARAGE	126.16
			TOTAL:	126.16
SINGER CONSTRUCTION	CONCRETE POLISHING 304DEP	GENERAL FUND	BUILDING MAINTENANCE	8,620.00
			TOTAL:	8,620.00
SOCAL AUTO & TRUCK PARTS INC.	POLICE DEPT GENERATOR SUPP	GARAGE FUND	GARAGE	27.67
			TOTAL:	27.67
TIME WARNER CABLE	PHONE SERVICE 01/7/23-02/0	GENERAL FUND	ADMINISTRATION	39.99
	CABLE SERVICE 1/16/23-2/15	GENERAL FUND	ADMINISTRATION	70.62
			TOTAL:	110.61
VERIZON WIRELESS	MDC 1-8 2/11- 3/10	GENERAL FUND	PATROL	306.08
	PD JETPACK 1 & 2 2/11-3/10	GENERAL FUND	PATROL	76.02
	21 OFFICERS MONTHLY CELLP	GENERAL FUND	PATROL	854.24
	3 MOBIL ID READERS	GENERAL FUND	PATROL	121.32
	3 DETECTIVE BUREAU MONTHLY	GENERAL FUND	INVESTIGATION	121.32
	CLO MONTHLY CELLPHONE CHAR	GENERAL FUND	COMMUNITY OUTREACH	40.44
	EOC1	GENERAL FUND	EMERGENCY PREPAREDNESS	40.44
	EOC2	GENERAL FUND	EMERGENCY PREPAREDNESS	40.44
	EOC3	GENERAL FUND	EMERGENCY PREPAREDNESS	40.44
	EOC4	GENERAL FUND	EMERGENCY PREPAREDNESS	40.44
	EOC 1	GENERAL FUND	EMERGENCY PREPAREDNESS	40.44
	EOC 2	GENERAL FUND	EMERGENCY PREPAREDNESS	40.44
	EOC 3	GENERAL FUND	EMERGENCY PREPAREDNESS	40.44

WARRANTS 04/06/23

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
	EOC 4	GENERAL FUND	EMERGENCY PREPAREDNESS	40.44
	HOT SPOTS	GENERAL FUND	COMMUNITY DEVEL ADMIN	334.22
	RENE CARMODY	GENERAL FUND	COMMUNITY DEVEL ADMIN	40.44
	RON NODA	GENERAL FUND	COMMUNITY DEVEL ADMIN	39.99
	RENE CARMODY	GENERAL FUND	COMMUNITY DEVEL ADMIN	40.44
	RON NODA	GENERAL FUND	COMMUNITY DEVEL ADMIN	39.99
	RILEY HILL	GENERAL FUND	NEIGHBORHOOD PRESERVAT	40.44
	CODES ENFORCEMENT IPAD AIR2	GENERAL FUND	NEIGHBORHOOD PRESERVAT	39.99
	RILEY HILL	GENERAL FUND	NEIGHBORHOOD PRESERVAT	40.44
	CODE ENFORCEMENT IPAD AIR2	GENERAL FUND	NEIGHBORHOOD PRESERVAT	39.99
	FW EMPLOYEE 1	GENERAL FUND	STREET MAINTENANCE	40.44
	FW EMPLOYEE 2	GENERAL FUND	STREET MAINTENANCE	40.44
	JOSE MENDOZA	GENERAL FUND	STREET MAINTENANCE	40.44
	ANTHONY VAZQUEZ	GENERAL FUND	STREET MAINTENANCE	40.44
	VICTOR DE LA TORRE	GENERAL FUND	STREET MAINTENANCE	40.44
	MIGUEL DE LA TORRE	GENERAL FUND	STREET MAINTENANCE	40.44
	DANNY BARNETT	GENERAL FUND	STREET MAINTENANCE	40.44
	CHRIS DEATON	GENERAL FUND	STREET MAINTENANCE	40.48
	FW EMPLOYEE 1	GENERAL FUND	STREET MAINTENANCE	40.44
	FW EMPLOYEE 2	GENERAL FUND	STREET MAINTENANCE	40.44
	JOSE MENDOZA	GENERAL FUND	STREET MAINTENANCE	40.44
	ANTHONY VAZQUEZ	GENERAL FUND	STREET MAINTENANCE	40.44
	VICTOR DE LA TORRE	GENERAL FUND	STREET MAINTENANCE	40.44
	MIGUEL DE LA TORRE	GENERAL FUND	STREET MAINTENANCE	40.44
	DANNY BARNETT	GENERAL FUND	STREET MAINTENANCE	40.44
	CHRIS DEATON	GENERAL FUND	STREET MAINTENANCE	40.48
	TOTAL:			3,146.00
HOODRUFF, SPRADLIN & SMART	GENERAL ADVISORY FEB 2023	GENERAL FUND	CITY ATTORNEY	28,514.10
	PROSECUTOR SVCS FEB 2023	GENERAL FUND	CITY ATTORNEY	3,454.40
	TOTAL:			31,968.50

FUND TOTALS		
10	GENERAL FUND	232,136.38
50	GARAGE FUND	1,289.74
53	TECHNOLOGY REPLACEMENT	212.00
GRAND TOTAL:		233,638.12

TOTAL PAGES: 4

WARRANTS 04/20/23

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
A LA WAFFLE, INC.	LOS AL BUCKS REIMBURSEMENT	AMERICAN RESCUE PL NON - DEPARTMENTAL		730.00
		TOTAL:		730.00
DEBBIE JACKOBS	LOS AL BUCKS REIMBURSEMENT	AMERICAN RESCUE PL NON - DEPARTMENTAL		250.00
		TOTAL:		250.00
ADMINSURE	WORKERS COMP CLAIMS ADMIN	SELF INSURANCE TRU INSURANCE		411.81
		TOTAL:		411.81
AM-TEC TOTAL SECURITY INC.	CAMERA EQUIP & NETWORK	AMERICAN RESCUE PL NON - DEPARTMENTAL		5,251.55
	CAM ERA EQUIP & NETWORK	AMERICAN RESCUE PL NON - DEPARTMENTAL		16,249.58
		TOTAL:		21,501.13
ANIMAL PEST MANAGEMENT SERVICES	PEST CONTROL CITY PARKS MA	GENERAL FUND	PARK MAINTENANCE	490.00
		TOTAL:		490.00
ATEI COMPANY INC	PARKLET SERIES-PARTY ON PI	AMERICAN RESCUE PL NON - DEPARTMENTAL		1,750.00
		TOTAL:		1,750.00
BARBARA BANNERMAN	YOGA W/ BARBARA DROP IN 3/	GENERAL FUND	SPECIAL CLASSES	9.75
	YOGA W/ BARBARA DROP IN 4/	GENERAL FUND	SPECIAL CLASSES	9.75
		TOTAL:		19.50
BERNARDO DANIEL WEEKS	LIVE CARICATURES DINE & DO	GENERAL FUND	NON-DEPARTMENTAL	100.00
		TOTAL:		100.00
BORDIN SEMMER, LLP	BORDIN SEMMER, LLP #13	SELF INSURANCE TRU INSURANCE		2,295.63
	BORDIN SEMMER #7	SELF INSURANCE TRU INSURANCE		430.50
		TOTAL:		2,726.13
CALIFORNIA JOINT POWERS INSURANCE	BAL DUE - LIABILITY INS CL	SELF INSURANCE TRU INSURANCE		34,579.00
	BAL DUE - WORKER'S COMP IN	SELF INSURANCE TRU INSURANCE		29,797.00
		TOTAL:		64,376.00
CARTRIDGE WORLD OF LOS ALAMITOS	BLACK TONER - TOM OLIVER	GENERAL FUND	PLANNING	65.69
		TOTAL:		65.69
CHARLES ABBOTT ASSOCIATES, INC.	BLDG SAFETY SVCS FEB 2023	GENERAL FUND	BUILDING INSPECTION	18,247.89
		TOTAL:		18,247.89
COP WARE, INC.	OFFICER LEGAL SOURCEBOOK 2	GENERAL FUND	POLICE ADMINISTRATION	705.00
		TOTAL:		705.00
CROSSTOWN ELECTRICAL & DATA, INC.	PREVENTIIVE MNIC MARCH 20	GENERAL FUND	STREET MAINTENANCE	1,470.00
		TOTAL:		1,470.00
DANIELS TIRE SERVICE	VEHICLE MNIC	GARAGE FUND	GARAGE	203.00
	VEHICLE MNIC - ST STOCK	GARAGE FUND	GARAGE	427.66
	VEHICLE MNIC - CODE TRUCK	GARAGE FUND	GARAGE	322.44
		TOTAL:		953.10
DATA TICKET, INC.	CITATION PROCESSING-MAR23	GENERAL FUND	TRAFFIC	711.68
		TOTAL:		711.68
ECOFERT, INC.	FERTIGATION SVCS MARCH 202	GENERAL FUND	PARK MAINTENANCE	630.00
		TOTAL:		630.00

WARRANTS 04/30/23

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
ELITE SPECIAL EVENT, INC.	PARKLET SERIES - KID ZONE	AMERICAN RESCUE PL NON	DEPARTMENTIAL	3,300.00
			TOTAL:	3,300.00
INTEGRITY NEWSPAPER INC.	PUBLIC NOTIC (ADOPT ORD202	GENERAL FUND	CITY COUNCIL	380.00
	PUBLIC NOTIC (ADOPT ORD202	GENERAL FUND	CITY COUNCIL	255.00
	PUBLIC NOTIC (ADOPT ORD202	GENERAL FUND	CITY COUNCIL	160.00
			TOTAL:	795.00
FORENSIC NURSE SPECIALISTS, INC.	SART VICTIM EXAM D2#23-003	GENERAL FUND	PATROL	1,000.00
			TOTAL:	1,000.00
CARRI FOX	LINE DANCE DROP IN 3/15	GENERAL FUND	SPECIAL CLASSES	31.50
	LINE DANCE DROP IN 3/22	GENERAL FUND	SPECIAL CLASSES	24.50
	LINE DANCE DROP IN 3/25	GENERAL FUND	SPECIAL CLASSES	28.00
	LINE DANCE DROP IN 4/5	GENERAL FUND	SPECIAL CLASSES	42.00
			TOTAL:	126.00
SALLS / QUARTERMASTER	UNIFORMS FOR CAPTAIN SOUTE	GENERAL FUND	POLICE ADMINISTRATION	1,202.54
	UNIFORMS FOR CAPTAIN BYERL	GENERAL FUND	POLICE ADMINISTRATION	130.22
	UNIFORMS FOR CAPTAIN BYERL	GENERAL FUND	POLICE ADMINISTRATION	130.22
	UNIFORMS FOR CAPTAIN SOUTH	GENERAL FUND	POLICE ADMINISTRATION	164.36
	PD RAIN COATS	GENERAL FUND	PATROL	149.21
	UNIFORM FOR VIP'S	GENERAL FUND	COMMUNITY OUTREACH	60.37
			TOTAL:	1,926.91
SANAEI LUMBER COMPANY	STREET SUPPLIES - LARN RAK	GENERAL FUND	STREET MAINTENANCE	45.43
	STREET SUPPLIES - PARTS	GENERAL FUND	STREET MAINTENANCE	111.65
	RAIN GEAR - A.DIAZ	GENERAL FUND	STREET MAINTENANCE	98.50
	BLDG SUPPLIES-MAG C PADLOC	GENERAL FUND	STREET MAINTENANCE	15.61
	STREET SUPPLIES-RUSTO SBMA	GENERAL FUND	STREET MAINTENANCE	17.46
	STREET SUPPLIES-TAPE MEASU	GENERAL FUND	STREET MAINTENANCE	27.85
	BLDG SUPPLIES - COMBO KNOB	GENERAL FUND	BUILDING MAINTENANCE	61.72
	PD BLDG MNTC - SUPPLIES	GENERAL FUND	BUILDING MAINTENANCE	264.82
	CARPET SUPPLIES - SHAMPOO	GENERAL FUND	BUILDING MAINTENANCE	18.56
	BLDG MNTC - CARPET SHAMPOO	GENERAL FUND	BUILDING MAINTENANCE	18.56
	PD BLDG MNTC-PAINT ITEMS	GENERAL FUND	BUILDING MAINTENANCE	60.46
			TOTAL:	740.62
GOLDEN STATE WATER COMPANY	3871 IRR FARQUHAR & MAPLE	GENERAL FUND	STREET MAINTENANCE	203.07
	4102 FARQUHAR IRR	GENERAL FUND	STREET MAINTENANCE	404.35
	3201 KATELLA (IRRIGATION)	GENERAL FUND	STREET MAINTENANCE	574.07
	3251 KATELLA - IRRG	GENERAL FUND	STREET MAINTENANCE	1,266.72
	3352 KATELLA AVE E/SIBONEY	GENERAL FUND	STREET MAINTENANCE	1,677.88
	3902 KATELLA (IRR)	GENERAL FUND	STREET MAINTENANCE	736.50
	4772 KATELLA (IRR)	GENERAL FUND	STREET MAINTENANCE	365.73
	4820 KATELLA (IRR)	GENERAL FUND	STREET MAINTENANCE	361.49
	10703 LOS AL BLVD IRR	GENERAL FUND	STREET MAINTENANCE	304.40
	11053 LOS AL ALAMITOS IRR	GENERAL FUND	STREET MAINTENANCE	80.43
	11175 LOS ALAMITOS IRR	GENERAL FUND	STREET MAINTENANCE	131.29
	11442 LOS ALAMITOS IRR	GENERAL FUND	STREET MAINTENANCE	97.38
	11642 LOS ALAMITOS (PARKWA	GENERAL FUND	STREET MAINTENANCE	62.23
	11731 LOS ALAMITOS (PARKWA	GENERAL FUND	STREET MAINTENANCE	127.06
	11752 LOS ALAMITOS (PARKWA	GENERAL FUND	STREET MAINTENANCE	119.57
	10921 FP OAK (BURM)	GENERAL FUND	STREET MAINTENANCE	50.72
	12051 PASEO BONITA	GENERAL FUND	STREET MAINTENANCE	84.67
	10786 REAGAN	GENERAL FUND	STREET MAINTENANCE	71.95

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VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
	10961 REAGAN	GENERAL FUND	STREET MAINTENANCE	71.95
	3461 ROSSMOOR WAY (PARKWAY	GENERAL FUND	STREET MAINTENANCE	79.49
	3521 ROSSMOOR WAY	GENERAL FUND	STREET MAINTENANCE	71.95
	12192 SEAL BEACH/LOS ALAMI	GENERAL FUND	STREET MAINTENANCE	350.71
	10492 SIERRA CR (8 HOUSE B	GENERAL FUND	STREET MAINTENANCE	34.21
	10972 BLOOMFIELD (LAUREL P	GENERAL FUND	PARK MAINTENANCE	242.91
	10972 BLOOMFIELD (LAUREL P	GENERAL FUND	PARK MAINTENANCE	795.27
	CERRITOS & LOS AL BLVD IRR	GENERAL FUND	PARK MAINTENANCE	80.71
	4401 HOWARD ST (LABOURDETT	GENERAL FUND	PARK MAINTENANCE	255.76
	5242 KATELLA-WALLINGSFORD	GENERAL FUND	PARK MAINTENANCE	677.56
	11251 KELLY LANE (COTTON P	GENERAL FUND	PARK MAINTENANCE	1,260.09
	3662 KEMPTON DR	GENERAL FUND	PARK MAINTENANCE	518.32
	10822 PINE (PINE PARK)	GENERAL FUND	PARK MAINTENANCE	57.38
	3302 CERRITOS COYOTE CREEK	GENERAL FUND	PARK MAINTENANCE	517.14
	10750 BLOOMFIELD (MCNULIFF	GENERAL FUND	PARK MAINTENANCE	280.96
	3181 KATELLA (CITY HALL)	GENERAL FUND	BUILDING MAINTENANCE	925.88
	10911 OAK (COMMUNITY CTR)	GENERAL FUND	BUILDING MAINTENANCE	1,232.82
	TOTAL:			14,278.94
GRANT MANAGEMENT USA	GRANT MGMT TRAINING- H. MU	GENERAL FUND	COMMUNITY DEVEL ADMIN	555.00
	TOTAL:			555.00
HINDERLITER, DE LLAMAS & ASSOCIATES	CONTRACT SVCS-SALES TAX	GENERAL FUND	FINANCE	500.00
	TOTAL:			500.00
JARED E. LLOYD	HCE DROP-IN 3/14	GENERAL FUND	SPORTS	96.00
	HCE DROP-IN 3/15	GENERAL FUND	SPORTS	16.00
	HCE DROP-IN 3/16	GENERAL FUND	SPORTS	96.00
	HCE DROP-IN 3/21	GENERAL FUND	SPORTS	96.00
	HCE DROP-IN 3/26	GENERAL FUND	SPORTS	272.00
	HCE DROP-IN 3/28	GENERAL FUND	SPORTS	128.00
	HCE DROP-IN 3/30	GENERAL FUND	SPORTS	144.00
	HCE DROP-IN 4/2	GENERAL FUND	SPORTS	16.00
	HCE BALL HANDLING CLASS BU	GENERAL FUND	SPORTS	552.00
	HCE BALL HANDLING CLASS BU	GENERAL FUND	SPORTS	455.20
	HCE ATTACK SERIES	GENERAL FUND	SPORTS	76.80
	HCE SHOOTING STARS	GENERAL FUND	SPORTS	112.80
	HCE BALL HANDLING CLINIC	GENERAL FUND	SPORTS	233.60
	TOTAL:			2,378.40
BORTENCIAS ORANGE COUNTY INC	LOS AL BUCKS REIMBURSEMENT	AMERICAN RESCUE PL NON - DEPARTMENTAL		320.00
	TOTAL:			320.00
ICS INTELESYS, INC.	3 YEAR FULL SVC SHOKTEL PH TECHNOLOGY REPLACE	ADMINISTRATIVE SERVICE		18,189.00
	TOTAL:			18,189.00
JOHN STEVN WATTS	PARKLET SERIES-EMPEROR BAN	AMERICAN RESCUE PL NON - DEPARTMENTAL		1,500.00
	TOTAL:			1,500.00
KEVIN & VICKY GARRETT TENNIS, INC.	YOUTH BEGINNING WEDNESDAY	GENERAL FUND	SPECIAL CLASSES	468.00
	ADULT BEGINNING WEDNESDAY	GENERAL FUND	SPECIAL CLASSES	151.75
	YOUTH BEGINNING THURSDAY	GENERAL FUND	SPECIAL CLASSES	464.75
	YOUTH INTERMEDIATE THURSDA	GENERAL FUND	SPECIAL CLASSES	377.00
	PEE WEE SATURDAY	GENERAL FUND	SPECIAL CLASSES	302.25
	YOUTH BEGINNING SATURDAY	GENERAL FUND	SPECIAL CLASSES	562.25
	YOUTH INTERMEDIATE SATURDA	GENERAL FUND	SPECIAL CLASSES	373.75

WARRANTS 04/20/23

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT	
			TOTAL:	2,739.75	
MICHAEL NGUYEN	KIDS DJ ENTERTAINMENT 4/28	AMERICAN RESCUE PL NON - DEPARTMENTAL		500.00	
			TOTAL:	500.00	
KONICA MINOLTA PREMIER	COPIER LEASE-ADMIN FRONT O	GENERAL FUND	FINANCE	575.46	
	COPIER LEASE - FINANCE	GENERAL FUND	FINANCE	472.00	
			TOTAL:	1,048.46	
JOSE MARTINEZ DBA LA HERRADURA MOBIL D	CAR WASH FOR POLICE DEPT	GARAGE FUND	GARAGE	45.00	
	CAR WASH FOR CODE ENFORCER	GARAGE FUND	GARAGE	90.00	
	CAR WASH FOR REC DEPT	GARAGE FUND	GARAGE	55.00	
	CAR WASH FOR PUBLIC WORKS	GARAGE FUND	GARAGE	90.00	
	CAR WASH FOR DEV SVCS ADMIN	GARAGE FUND	GARAGE	45.00	
			TOTAL:	325.00	
LAURA COLE	MONTHLY CONTRACT FEE APRIL	GENERAL FUND	NON-DEPARTMENTAL	3,000.00	
			TOTAL:	3,000.00	
DARIN L COUNCIL	PARK MHIC - COTTONWOOD-REI	GENERAL FUND	PARK MAINTENANCE	200.00	
	BLDG LOCKS (COM CTR, PS, YC)	GENERAL FUND	BUILDING MAINTENANCE	1,825.69	
			TOTAL:	2,025.69	
MAC'S LIFT GATE, INC	UTILITY BODY TRUCK	GARAGE FUND	GARAGE	4,530.93	
			TOTAL:	4,530.93	
MANHATTAN STITCHING COMPANY, INC.	SUMMER DAY CAMP 2023 EXC S	GENERAL FUND	DAY CAMP	2,793.96	
			TOTAL:	2,793.96	
MISC. VENDOR	ST HEDWIGS PONY BASEBALL	LAUREL FIELD FEES-REISSUE	GENERAL FUND	NON-DEPARTMENTAL	18.00
	ST HEDWIGS PONY BASEBALL	LAUREL LIGHT FEES-REISSUE	GENERAL FUND	NON-DEPARTMENTAL	11.00
	ANDREW MANSON	DAY CAMP REGISTRATION-REYU	GENERAL FUND	NON-DEPARTMENTAL	45.00
	LISA MARINOFF	DAY CAMP REGISTRATION	GENERAL FUND	NON-DEPARTMENTAL	4.00
	VITALITY CHIROPRACTIC	LOS ALBUQUERQUE REIMBURSEMENT	AMERICAN RESCUE PL NON - DEPARTMENTAL	50.00	
			TOTAL:	128.00	
NORTH STAR LAND CARE	LANDSCAPE MHIC 3/23	GENERAL FUND	PARK MAINTENANCE	7,079.66	
	LANDSCAPE ADDED MHIC 3/23	GENERAL FUND	PARK MAINTENANCE	2,426.00	
			TOTAL:	9,505.66	
OSTC INC	TRAINING - TRAFFIC CONTROL	GENERAL FUND	STREET MAINTENANCE	807.00	
			TOTAL:	807.00	
PINNACLE HEALTHCARE MEDICAL GROUP	PRE-EMPLOYMENT INCALLS, OW	GENERAL FUND	NON-DEPARTMENTAL	20.00	
	PRE-EMPLOYMENT NGUYEN, JOHN	GENERAL FUND	NON-DEPARTMENTAL	20.00	
	PRE-EMPLOYMENT ROSCHE, AVA	GENERAL FUND	NON-DEPARTMENTAL	70.00	
			TOTAL:	110.00	
PLACWORKS, INC.	PROFESSIONAL SVCS FEB 23	GENERAL FUND	PLANNING	2,633.75	
			TOTAL:	2,633.75	
POWERTRIP RENTALS, LLC	SPRING CASH EQUIPMENT GENERATOR	GENERAL FUND	SPECIAL EVENTS	332.59	
			TOTAL:	332.59	
R.B. PRODUCTIONS INC	REC MGMT SOFTWARE	GENERAL FUND	RECREATION ADMINISTRATION	8,300.00	
			TOTAL:	8,300.00	

WARRANTS 04/20/23

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
REDFLEX TRAFFIC SYSTEMS, INC.	03/23 KATELLA&LAS AT&T INT	GENERAL FUND	TRAFFIC	10,502.16
			TOTAL:	10,502.16
ROSSMOOR/LOS AL AREA SEWER	JAN/FEB/MAR 2023 PARKING R	GENERAL FUND	POLICE ADMINISTRATION	1,600.00
			TOTAL:	1,600.00
SANBON PRO APPAREL	YOUTH TRACK & FIELD JERSEY	GENERAL FUND	SPORTS	788.73
			TOTAL:	788.73
CHERYL J. SCHMITZER	LINE DANCE BEG/INT DROPIN	GENERAL FUND	SPECIAL CLASSES	9.75
	LINE DANCE BEG/INT DROPIN	GENERAL FUND	SPECIAL CLASSES	19.50
			TOTAL:	29.25
SCHOOL NEWS ROLL CALL	MAY PUBLICATION-SUMMER PRO	GENERAL FUND	DAY CAMP	107.50
	MAY PUBLICATION-SUMMER PRO	GENERAL FUND	PLAYGROUNDS	53.50
	MAY PUBLICATION-SUMMER PRO	GENERAL FUND	SPORTS	53.50
	MAY PUBLICATION-SUMMER PRO	GENERAL FUND	SPECIAL CLASSES	53.50
	MAY PUBLICATION-SUMMER PRO	GENERAL FUND	SPECIAL CLASSES	53.50
	MAY PUBLICATION-SUMMER PRO	GENERAL FUND	SPECIAL CLASSES	53.50
			TOTAL:	375.00
SDI PRESENCE LLC	IT SVCS FEB 23	TECHNOLOGY REPLACE	ADMINISTRATIVE SERVICE	5,971.00
	IT SVCS-IRONSCLAS FEB23	TECHNOLOGY REPLACE	ADMINISTRATIVE SERVICE	441.56
	T&M SUPPORT SVCS - FEB 23	TECHNOLOGY REPLACE	ADMINISTRATIVE SERVICE	4,516.25
	SENTINEL ONE CONTROL FEB23	TECHNOLOGY REPLACE	ADMINISTRATIVE SERVICE	382.85
	IT SVCS-IRONSCLAS FEB23	TECHNOLOGY REPLACE	ADMINISTRATIVE SERVICE	441.56
			TOTAL:	12,054.02
SHAWN WALTOWER - GUAVA GROOVE	GUAVA GROOVE INTERMEDIATE	GENERAL FUND	SPECIAL CLASSES	187.20
	KULA A'O UKULELE & HOKULAN	GENERAL FUND	SPECIAL CLASSES	582.80
	OVERPAID FROM PREVIOUS PMF	GENERAL FUND	SPECIAL CLASSES	72.00
			TOTAL:	1,099.00
SINGER CONSTRUCTION	PAINT OFFICES - PD	GENERAL FUND	BUILDING MAINTENANCE	4,290.00
			TOTAL:	4,290.00
MCLEAN ENTERPRISES, INC.	BUSINESS CARDS - KIM	GENERAL FUND	TRAFFIC	88.71
	AQUATICS SIGNAGE	GENERAL FUND	AQUATICS	38.24
	SPECIAL EVENTS BEVERAGE GA	GENERAL FUND	SPECIAL EVENTS	38.24
			TOTAL:	165.19
SOCAL AUTO & TRUCK PARTS INC.	BULBS FOR CODE ENF F-150	GARAGE FUND	GARAGE	2.61
			TOTAL:	2.61
SPARKLETT'S DRINKING WATER	WATER - 5 RENTALS	GENERAL FUND	BUILDING MAINTENANCE	318.82
			TOTAL:	318.82
WEST PUBLISHING CORPORATION	DETECTIVES: MARCH 2023	GENERAL FUND	INVESTIGATION	335.20
			TOTAL:	335.20
TIME WARNER CABLE	PHONE SERVICE APRIL 2023	GENERAL FUND	ADMINISTRATION	75.99
	FIBER INTERNET APRIL 2023	GENERAL FUND	ADMINISTRATION	1,734.00
	CITY HALL PHONE APRIL 2023	GENERAL FUND	PATROL	489.99
			TOTAL:	2,303.97
ULTIMATE OUTDOOR ENTERTAINMENT	PARKLET SERIES-SCREEN RENT	AMERICAN RESCUE FL NOW - DEPARTMENTAL		878.94

WARRANTS 04/20/23

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
	PARKLET SERIES-SCREEN RENT AMERICAN RESCUE PL NON - DEPARTMENTAL			1,497.88
	PARKLET SERIES-SCREEN RENT AMERICAN RESCUE PL NON - DEPARTMENTAL			1,098.28
	TOTAL:			3,475.10
UNDERGROUND SERVICE ALERT OF SO CAL	LSA01 NEW TICKET CHARGES	GENERAL FUND	STREET MAINTENANCE	55.50
	TOTAL:			55.50
UNITED STATES POSTMASTER	PERMIT #70 ANNUAL FEE	GENERAL FUND	RECREATION ADMINISTRAT	290.00
	TOTAL:			290.00
UNIVERSAL WASTE SYSTEMS, INC.	PORTABLE RESTROOM PD DEMO	GENERAL FUND	BUILDING MAINTENANCE	2,300.00
	TOTAL:			2,300.00
VALENTINOS PIZZA	LOS AL BUCKS REIMBURSEMENT AMERICAN RESCUE PL NON - DEPARTMENTAL			450.00
	TOTAL:			450.00
VERIZON WIRELESS	MDC 1-8 3/11/23-4/10/23	GENERAL FUND	PATROL	306.08
	PD JETPACK 142 3/11/23-4/1	GENERAL FUND	PATROL	76.02
	(21) OFFICERS MO CHG 3/11-	GENERAL FUND	PATROL	854.24
	(3) MOBILE ID READERS3/11-	GENERAL FUND	PATROL	121.32
	(3) DETECTIVE BUREAU MO CH	GENERAL FUND	INVESTIGATION	121.32
	CLO MO CHARGE 3/11/23-4/10	GENERAL FUND	COMMUNITY OUTREACH	40.44
	HOT SPOTS 3/11/23-4/10/23	GENERAL FUND	COMMUNITY DEVEL ADMIN	101.16
	SIMS CARDS 3/11/23-4/10/23	GENERAL FUND	COMMUNITY DEVEL ADMIN	535.16
	TOTAL:			2,865.74
WESTERN STATES AUTO THEFT INVESTIGATIO	4 TICKETS - ATAC AWARDS	GENERAL FUND	POLICE ADMINISTRATION	140.00
	TOTAL:			140.00
WILLDAM ENGINEERING	INTERIM PUBLIC WORKS MANAG	GENERAL FUND	CITY ENGINEER	5,100.00
	TRAFFIC ENGINEER	GENERAL FUND	CITY ENGINEER	2,990.00
	TRAFFIC PLAN CHECK	GENERAL FUND	CITY ENGINEER	2,112.00
	TOTAL:			10,202.00

FUND TOTALS		
10	GENERAL FUND	115,675.05
50	GARAGE FUND	5,811.64
53	TECHNOLOGY REPLACEMENT	30,243.02
54	SELF INSURANCE TRUST	67,513.94
56	AMERICAN RESCUE PLAN ACT	33,826.23
GRAND TOTAL:		253,469.88

TOTAL PAGES: 6

CAL-CARD 04/24/23

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
U.S. BANK	DINE & DOUGH HOUSE SUPPLIE	GENERAL FUND	NON-DEPARTMENTAL	145.27
	DINE & DOUGH HOUSE SUPPLIE	GENERAL FUND	NON-DEPARTMENTAL	35.94
	DINE & DOUGH HOUSE SUPPLIE	GENERAL FUND	NON-DEPARTMENTAL	38.92
	DINE & DOUGH HOUSE SUPPLIE	GENERAL FUND	NON-DEPARTMENTAL	143.55
	DINE & DOUGH MEAL	GENERAL FUND	NON-DEPARTMENTAL	82.27
	DINE & DOUGH MEAL	GENERAL FUND	NON-DEPARTMENTAL	17.97
	DINE & DOUGH MEAL	GENERAL FUND	NON-DEPARTMENTAL	128.67
	DINE & DOUGH MEAL	GENERAL FUND	NON-DEPARTMENTAL	23.96
	BINS FOR BREAD PROGRAM	GENERAL FUND	NON-DEPARTMENTAL	35.62
	DINE & DOUGH LUNCH	GENERAL FUND	NON-DEPARTMENTAL	86.25
	DINE & DOUGH LUNCH	GENERAL FUND	NON-DEPARTMENTAL	17.97
	BREAD PROGRAM LINERS	GENERAL FUND	NON-DEPARTMENTAL	36.02
	DINE & DOUGH LUNCH	GENERAL FUND	NON-DEPARTMENTAL	106.63
	DINE & DOUGH LUNCH	GENERAL FUND	NON-DEPARTMENTAL	34.36
	DINE & DOUGH LUNCH	GENERAL FUND	NON-DEPARTMENTAL	47.92
	DINE & DOUGH LUNCH	GENERAL FUND	NON-DEPARTMENTAL	251.22
	TRAVEL	GENERAL FUND	CITY COUNCIL	45.00
	AMERICANA DONATION BASKET	GENERAL FUND	CITY COUNCIL	8.95
	AMERICANA DONATION BASKET	GENERAL FUND	CITY COUNCIL	53.86
	AMERICANA DONATION BASKET	GENERAL FUND	CITY COUNCIL	108.16
	AMERICANA DONATION BASKET	GENERAL FUND	CITY COUNCIL	30.07
	COUNCIL HSETING MEAL 2/21/	GENERAL FUND	CITY COUNCIL	112.96
	LOCC CONF (DOBY & MURPHY)	GENERAL FUND	CITY COUNCIL	1,250.00
	LOCC CONF (HIBARD)	GENERAL FUND	CITY COUNCIL	625.00
	OC TAX LUNCH (MURPHY)	GENERAL FUND	CITY COUNCIL	100.00
	FLIGHT LOCC CONF (HIBARD)	GENERAL FUND	CITY COUNCIL	208.96
	FLIGHT LOCC CONF (HIBARD)	GENERAL FUND	CITY COUNCIL	15.00
	FLIGHT LOCC CONF (HIBARD)	GENERAL FUND	CITY COUNCIL	15.00
	FLIGHT LOCC CONF (DOBY)	GENERAL FUND	CITY COUNCIL	15.00
	FLIGHT LOCC CONF (DOBY)	GENERAL FUND	CITY COUNCIL	15.00
	FLIGHT LOCC CONF (DOBY)	GENERAL FUND	CITY COUNCIL	158.95
	FLIGHT LOCC CONF (MURPHY)	GENERAL FUND	CITY COUNCIL	15.00
	FLIGHT LOCC CONF (MURPHY)	GENERAL FUND	CITY COUNCIL	15.00
	FLIGHT LOCC CONF (MURPHY)	GENERAL FUND	CITY COUNCIL	232.95
	HEROES WITH HEART (DOBY)	GENERAL FUND	CITY COUNCIL	3.13
	HEROES WITH HEART (MURPHY)	GENERAL FUND	CITY COUNCIL	3.13
	HEROES WITH HEART (DOBY)	GENERAL FUND	CITY COUNCIL	125.00
	HEROES WITH HEART (MURPHY)	GENERAL FUND	CITY COUNCIL	125.00
	COUNCIL SNACKS	GENERAL FUND	CITY COUNCIL	39.62
	ORIENTATION LUNCH (MURPHY)	GENERAL FUND	CITY COUNCIL	22.51
	MEAL FOR COUNCIL 3/26/23	GENERAL FUND	CITY COUNCIL	145.30
	PLATES FOR SGT LEE	GENERAL FUND	CITY COUNCIL	37.60
	EMPLOYEE ID'S	GENERAL FUND	CITY COUNCIL	100.00
	ILLUSTRATOR & ACROBAT MONT	GENERAL FUND	ADMINISTRATION	52.98
	OC REGISTER UNLIM ACC MONT	GENERAL FUND	ADMINISTRATION	10.00
	DOCUSIGN REFUND - NON-USE	GENERAL FUND	ADMINISTRATION	65.00-
	OFFICE SUPPLIES	GENERAL FUND	ADMINISTRATION	17.80
	QUINTANAR SUBSCRIPTION	GENERAL FUND	ADMINISTRATION	300.00
	OFFICE SUPPLIES	GENERAL FUND	ADMINISTRATION	53.86
	OFFICE SUPPLIES	GENERAL FUND	ADMINISTRATION	135.74
	OFFICE SUPPLIES	GENERAL FUND	ADMINISTRATION	147.12
	OFFICE SUPPLIES	GENERAL FUND	ADMINISTRATION	45.33
	OFFICE SUPPLIES-REFUND	GENERAL FUND	ADMINISTRATION	53.86-
	OFFICE SUPPLIES-REFUND	GENERAL FUND	ADMINISTRATION	135.74-
	OFFICE SUPPLIES-REFUND	GENERAL FUND	ADMINISTRATION	106.84-
	KITCHEN SUPPLIES	GENERAL FUND	FINANCE	38.11

CAL-CARD 04/24/23

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
	SAFETY VEST PW CREW	GENERAL FUND	STREET MAINTENANCE	191.68
	CORD COVERING - STREETS	GENERAL FUND	STREET MAINTENANCE	830.20
	EASTER THEME - PLANTER BOX	GENERAL FUND	PARK MAINTENANCE	27.51
	PD KITCHEN SINK PLUMBER CO	GENERAL FUND	BUILDING MAINTENANCE	347.50
	CARPET CLEANER RENTAL	GENERAL FUND	BUILDING MAINTENANCE	124.27
	POWER SUPPLY ADAPTERS -JUMP	GENERAL FUND	BUILDING MAINTENANCE	47.37
	NEW KEYS COR24 CIR	GENERAL FUND	BUILDING MAINTENANCE	32.78
	PODS RENTAL	GENERAL FUND	BUILDING MAINTENANCE	402.06
	OFFICE SUPPLIES	GENERAL FUND	RECREATION ADMINISTRAT	32.26
	DIRECT TV EOC	GENERAL FUND	RECREATION ADMINISTRAT	60.99
	OFFICE SUPPLIES	GENERAL FUND	RECREATION ADMINISTRAT	29.09
	OFFICE SUPPLIES	GENERAL FUND	RECREATION ADMINISTRAT	119.17
	OFFICE SUPPLIES	GENERAL FUND	RECREATION ADMINISTRAT	22.52
	RECRUITMENT AD-SUMMER STAY	GENERAL FUND	RECREATION ADMINISTRAT	75.00
	RECRUITMENT AD-SUMMER STAY	GENERAL FUND	RECREATION ADMINISTRAT	75.00
	SWITCH FOR INTERNET/PHONE	GENERAL FUND	RECREATION ADMINISTRAT	19.65
	OFFICE SUPPLIES	GENERAL FUND	RECREATION ADMINISTRAT	43.33
	OFFICE SUPPLIES	GENERAL FUND	RECREATION ADMINISTRAT	98.31
	OFFICE SUPPLIES	GENERAL FUND	RECREATION ADMINISTRAT	111.59
	OFFICE SUPPLIES	GENERAL FUND	RECREATION ADMINISTRAT	9.82
	OFFICE SUPPLIES	GENERAL FUND	RECREATION ADMINISTRAT	85.47
	OFFICE SUPPLIES-REFUND	GENERAL FUND	RECREATION ADMINISTRAT	14.13-
	CHAMBER LUNCHEON	GENERAL FUND	RECREATION ADMINISTRAT	25.00
	AQUATICS TRAINING	GENERAL FUND	RECREATION ADMINISTRAT	70.00
	OFFICE SUPPLIES	GENERAL FUND	RECREATION ADMINISTRAT	28.71
	SO CAL ASSOC OF GOV - E.MO	GENERAL FUND	RECREATION ADMINISTRAT	300.00
	PRIMS MEMBERSHIP	GENERAL FUND	RECREATION ADMINISTRAT	16.38
	SUPPLIES - GLOW WHITE BOAR	GENERAL FUND	RECREATION ADMINISTRAT	8.51
	APPLE STORAGE	GENERAL FUND	RECREATION ADMINISTRAT	9.99
	CREATIVE CLOUD ALEJANDRO	GENERAL FUND	RECREATION ADMINISTRAT	29.99
	CREATIVE CLOUD - CREDIT	GENERAL FUND	RECREATION ADMINISTRAT	29.99-
	SPRING STAFF SOCIAL SUPPLI	GENERAL FUND	RECREATION ADMINISTRAT	9.87
	SPRING STAFF SOCIAL SUPPLI	GENERAL FUND	RECREATION ADMINISTRAT	52.40
	SUMMER DAY CAMP EXCURSION	GENERAL FUND	DAY CAMP	576.00
	SUMMER DAY CAMP EXCURSION	GENERAL FUND	DAY CAMP	150.00
	SUMMER DAY CAMP EXCURSION	GENERAL FUND	DAY CAMP	350.00
	SUMMER DAY CAMP EXCURSION	GENERAL FUND	DAY CAMP	798.07
	SONG SUPPLIES	GENERAL FUND	SPORTS	189.91
	YOUTH BASKETBALL SUPPLIES	GENERAL FUND	SPORTS	145.26
	YOUTH BASKETBALL SUPPLIES	GENERAL FUND	SPORTS	31.23
	SCALE FOR FITNESS CLASS	GENERAL FUND	SPECIAL CLASSES	26.21
	FRESCHOOL - HANDSOAP	GENERAL FUND	SPECIAL CLASSES	19.06
	FRESCHOOL - LIFEVAC	GENERAL FUND	SPECIAL CLASSES	71.68
	SUPPLIES	GENERAL FUND	SPECIAL CLASSES	269.59
	SPECIAL EVENTS DRY CLEANING	GENERAL FUND	SPECIAL EVENTS	104.00
	WEEKEND OF ART - GIFT CARD	GENERAL FUND	SPECIAL EVENTS	1,440.00
	WEEKEND OF ART - ART WORKS	GENERAL FUND	SPECIAL EVENTS	10.04
	WEEKEND OF ART - ART WORKS	GENERAL FUND	SPECIAL EVENTS	69.26
	WEEKEND OF ART - FOOD TABL	GENERAL FUND	SPECIAL EVENTS	180.26
	WEEKEND OF ART - FOOD TABL	GENERAL FUND	SPECIAL EVENTS	41.95
	WEEKEND OF ART - PHOTO FRA	GENERAL FUND	SPECIAL EVENTS	10.40
	SPECIAL EVENT- BALLOON STA	GENERAL FUND	SPECIAL EVENTS	136.55
	WEEKEND OF ART - DISPLAY B	GENERAL FUND	SPECIAL EVENTS	14.19
	WEEKEND OF ART - BACKDROP	GENERAL FUND	SPECIAL EVENTS	9.82
	WEEKEND OF ART - CARDSTOCK	GENERAL FUND	SPECIAL EVENTS	21.74
	WEEKEND OF ART - BUTTERFLY	GENERAL FUND	SPECIAL EVENTS	5.78

CAL-CARD 04/24/23

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
	FINANCE SUPPLIES	GENERAL FUND	FINANCE	37.10
	FINANCE SUPPLIES	GENERAL FUND	FINANCE	42.33
	FINANCE SUPPLIES	GENERAL FUND	FINANCE	165.79
	GFOA CERT OF ACHIEVEM FY22	GENERAL FUND	FINANCE	460.00
	KEYS- MOBILE TRAILERS	GENERAL FUND	POLICE ADMINISTRATION	24.58
	KEYS- PROPERTY/EVID LOCKER	GENERAL FUND	POLICE ADMINISTRATION	76.48
	FLOWER BOUGUET MEMORIAL SV	GENERAL FUND	POLICE ADMINISTRATION	222.19
	ETHERNET CORDS	GENERAL FUND	POLICE ADMINISTRATION	36.27
	PD TABLECLOTHS	GENERAL FUND	POLICE ADMINISTRATION	22.00
	SUPPLIES FOR RECRUITMENT	GENERAL FUND	POLICE ADMINISTRATION	98.89
	CPCA WELLNESS SUMMIT	GENERAL FUND	POLICE ADMINISTRATION	99.00
	POES FOR MCP	GENERAL FUND	POLICE ADMINISTRATION	145.58
	BANKERS BOXES	GENERAL FUND	POLICE ADMINISTRATION	304.71
	SOCCER/SCR	GENERAL FUND	POLICE ADMINISTRATION	36.12
	OFFICE SUPPLIES	GENERAL FUND	POLICE ADMINISTRATION	51.09
	TRAINING	GENERAL FUND	POLICE ADMINISTRATION	500.00
	MONTHLY SUBSCRIPTION	GENERAL FUND	POLICE ADMINISTRATION	44.00
	FIELD TRAINING OFFICER	GENERAL FUND	PATROL	65.90
	CHEMICAL AGENT TRAINING	GENERAL FUND	PATROL	1,891.00
	ARSENAL	GENERAL FUND	PATROL	522.70
	TONER	GENERAL FUND	PATROL	133.03
	SERGEANT PATCHES	GENERAL FUND	PATROL	189.46
	KITCHEN OFFICE SUPPLIES	GENERAL FUND	PATROL	258.50
	DIGITAL VOICE RECORDERS	GENERAL FUND	PATROL	106.84
	MONTHLY SUBSCRIPTION	GENERAL FUND	INVESTIGATION	25.95
	LOCKING WALL MOUNT LOCK DO	GENERAL FUND	RECORDS	94.65
	HEATER FOR PROPERTY OFFICE	GENERAL FUND	RECORDS	173.71
	CALCULATOR FOR RECORDS	GENERAL FUND	RECORDS	74.24
	POWER BI MONTHLY SUBSCRIPT	GENERAL FUND	RECORDS	8.70
	SPRING CARNIVAL SUPPLIES	GENERAL FUND	COMMUNITY OUTREACH	51.53
	SPRING CARNIVAL SUPPLIES	GENERAL FUND	COMMUNITY OUTREACH	19.39
	SPRING CARNIVAL SUPPLIES	GENERAL FUND	COMMUNITY OUTREACH	98.94
	STORAGE SUPPLIES COMM OUTR	GENERAL FUND	COMMUNITY OUTREACH	18.83
	PAPER FOR E-LITE PRINTERS	GENERAL FUND	TRAFFIC	93.43
	FLAG COUNCIL CHAMBER	GENERAL FUND	COMMUNITY DEVEL ADMIN	86.82
	CITY HALL - LOBY SIGN (#17	GENERAL FUND	COMMUNITY DEVEL ADMIN	271.29
	PARKING	GENERAL FUND	COMMUNITY DEVEL ADMIN	7.00
	LUNCH R.NODE, E.NODE, T.DO	GENERAL FUND	COMMUNITY DEVEL ADMIN	145.75
	COFFEE FOR DEV SVCS	GENERAL FUND	COMMUNITY DEVEL ADMIN	39.05
	SO CAL ASSOC OF GOV - R.NO	GENERAL FUND	COMMUNITY DEVEL ADMIN	300.00
	DESK - PLANNING	GENERAL FUND	COMMUNITY DEVEL ADMIN	193.27
	NET TROPHY:TREE DEDICATION	GENERAL FUND	COMMUNITY DEVEL ADMIN	328.64
	FLAG POLE KIT	GENERAL FUND	COMMUNITY DEVEL ADMIN	254.95
	PW COFFEE - MARCH 2023	GENERAL FUND	COMMUNITY DEVEL ADMIN	35.95
	INK PW PRINTERS	GENERAL FUND	COMMUNITY DEVEL ADMIN	212.80
	MOUSE PAD - CODE ENF	GENERAL FUND	COMMUNITY DEVEL ADMIN	8.73
	COMM DEV SNACKS/DRINKS 03/	GENERAL FUND	COMMUNITY DEVEL ADMIN	375.31
	PW SNACKS/DRINKS 03/23	GENERAL FUND	COMMUNITY DEVEL ADMIN	273.62
	SUGAR IN THE RAW PKTS - PW	GENERAL FUND	COMMUNITY DEVEL ADMIN	18.75
	LUNCHE INTERVIEW PANEL	GENERAL FUND	COMMUNITY DEVEL ADMIN	85.33
	FLAG POLE KIT - RETURN	GENERAL FUND	COMMUNITY DEVEL ADMIN	72.50-
	BADGE HOLDER FOR CODE ENF	GENERAL FUND	NEIGHBORHOOD PRESERVAT	91.68
	CODE UNIFORM - RILEY HILL	GENERAL FUND	NEIGHBORHOOD PRESERVAT	520.59
	CODE GEAR UNIFORM	GENERAL FUND	NEIGHBORHOOD PRESERVAT	505.89
	CODE GEAR UNIFORM	GENERAL FUND	NEIGHBORHOOD PRESERVAT	1,236.02
	CODE ZNF TRAINING - RETURN	GENERAL FUND	NEIGHBORHOOD PRESERVAT	500.00-

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
	WEEKEND OF ART - WATER BOI	GENERAL FUND	SPECIAL EVENTS	10.98
	WEEKEND OF ART - PIZZA	GENERAL FUND	SPECIAL EVENTS	134.30
	CELEBRATE LOS AL DOMAIN	GENERAL FUND	SPECIAL EVENTS	20.36
	SOCIAL MEDIA CHALLENGE WIN	GENERAL FUND	SPECIAL EVENTS	15.00
	SPRING CARNIVAL SUPPLIES	GENERAL FUND	SPECIAL EVENTS	441.36
	SPRING CARNIVAL SUPPLIES	GENERAL FUND	SPECIAL EVENTS	104.84
	SPRING CARNIVAL SUPPLIES	GENERAL FUND	SPECIAL EVENTS	122.24
	SPRING CARNIVAL SUPPLIES	GENERAL FUND	SPECIAL EVENTS	26.16
	SPRING CARNIVAL SUPPLIES	GENERAL FUND	SPECIAL EVENTS	27.30
	LIVE SCAN - (CORRAL, HOWAR	GENERAL FUND	NON-DEPARTMENTAL	32.00
	FINGERPRINT - (CALLARDO, L	GENERAL FUND	NON-DEPARTMENTAL	64.00
	SPARE KEY COLORADO TRUCK	GARAGE FUND	GARAGE	267.05
	SPARE KEYFORD EXPLORER	GARAGE FUND	GARAGE	325.00
	IPAD AND IPEN CITY CLERK	TECHNOLOGY REPLACE	ADMINISTRATIVE SERVICE	537.34
	PARKLET: TURF	AMERICAN RESCUE PL	NON - DEPARTMENTAL	762.98
	PARKLET: CEMENT STICKERS	AMERICAN RESCUE PL	NON - DEPARTMENTAL	182.45
	PARKLET: FACE PAINT WEEK 1	AMERICAN RESCUE PL	NON - DEPARTMENTAL	115.00
	PARKLET: FACE PAINT WEEK 2	AMERICAN RESCUE PL	NON - DEPARTMENTAL	115.00
	PARKLET: FACE PAINT WEEK 3	AMERICAN RESCUE PL	NON - DEPARTMENTAL	115.00
	PARKLET: FACE PAINT WEEK 4	AMERICAN RESCUE PL	NON - DEPARTMENTAL	115.00
			TOTAL:	27,479.96
WESTERN STATES AUTO THEFT INVESTIGATIO	4 TICKETS - ATAC AWARDS	GENERAL FUND	POLICE ADMINISTRATION	140.00
			TOTAL:	140.00

FUND TOTALS			
10	GENERAL FUND	25,085.14	
50	GARAGE FUND	553.05	
53	TECHNOLOGY REPLACEMENT	537.34	
56	AMERICAN RESCUE PLAN ACT	1,405.43	
GRAND TOTAL:		27,619.96	

TOTAL PAGES: 4

ADVANCE WARRANT 04/27/23

VENDOR SORT KEY	DESCRIPTION	FUND	DEPARTMENT	AMOUNT
MICHAEL P WALLACE	PARKLET SERIES - SMITH BAN AMERICAN RESCUE PL NON - DEPARTMENTAL			1,750.00
			TOTAL:	1,750.00

FUND TOTALS		
56	AMERICAN RESCUE PLAN ACT	1,750.00
GRAND TOTAL:		1,750.00

TOTAL PAGES: 1

Retirees Medical Reimbursement

Date: April 01, 2023

Number of Transactions: 15

Total Batch: \$8596.68

Payroll 4/14/2023

-----DEPARTMENT RECAP-----									
DEPT NO#	GROSS	REGULAR	OVERTIME	LEAVE	OTHER	DEDUCTIONS	TAXES	NET	
10-510 City Council	923.20	923.20	0.00	0.00	0.00	36.50	13.40	873.30	
10-511 City Manager/ City Clerk	22,592.11	15,615.16	0.00	0.00	2,976.75	2,865.55	3,840.89	15,885.67	
10-512 Finance	8,765.20	8,268.20	0.00	289.00	210.00	713.40	1115.00	6,936.80	
10-521 Police Administration	23,252.58	22,082.58	0.00	0.00	1,170.00	2,514.48	4,622.61	16,115.49	
10-522 Police- Patrol	78,594.86	46,574.90	10,826.69	10,578.71	10,614.56	13,023.74	11,780.07	53,791.05	
10-523 Police- Investigation	16,190.77	8,932.90	2,791.45	1,912.80	2,546.62	4,250.24	2,121.07	9,819.46	
10-524 Police- Records	10,112.42	6,604.70	83.25	501.88	2,922.59	623.66	1,310.95	8,177.81	
10-526 Police- Community Outreach	1,895.40	0.00	0.00	0.00	1,895.40	71.08	135.94	1,688.38	
10-527 Police-Youth Programs	4,699.98	2,731.20	831.50	455.20	682.08	718.33	578.35	3,403.30	
10-528 Police- Traffic	2,889.70	0.00	0.00	0.00	2,889.70	108.37	84.01	2,697.32	
10-531 Development Services- Administration	20,327.31	15,827.90	0.00	880.34	3,619.07	2,277.91	3,518.51	14,530.89	
10-532 Development Services- Planning	3,332.40	3,178.56	0.00	123.84	30.00	510.12	611.66	2,210.62	
10-533 Development Services- Neighborhood Preservation	4,204.12	2,321.60	0.00	0.00	1,882.52	248.23	517.44	3,438.45	
10-542 Development Services- Street Maintenance	10,018.85	7,332.10	243.45	2,018.30	425.00	1,758.87	719.43	7,539.55	
10-543 Development Services- Park Maintenance	4,893.98	2,576.80	579.78	0.00	1,737.40	618.52	411.64	3,863.82	
10-544 Development Services- Facility Maintenance	2,868.80	2,110.40	0.00	0.00	758.40	379.24	101.48	2,388.08	
10-545 Economic Development	2,891.60	2,790.06	0.00	71.54	30.00	194.09	137.94	2,659.57	
10-551 Recreation Administration	28,106.69	20,167.28	0.00	4,293.13	3,648.28	4,370.43	3,621.27	20,114.99	
10-556 Recreation- Sports	22,363.85	0.00	0.00	1340.62	21,223.23	838.63	1,737.34	19,987.88	
TOTALS	\$268,923.82	\$172,035.74	\$15,363.12	\$22,263.36	\$59,261.60	\$36,122.39	\$36,779.00	\$196,022.43	

REGULAR INPUT: 107 MANUAL INPUT: 0 CHECK STUB COUNT: 1 DIRECT DEPOSIT STUB COUNT: 107

BENEFITS & WITHHOLDINGS

			Employee	Employee
Fed Taxes	Employee/ Employer (Medicare)	\$39,979.55	\$28,205.67	\$3,774.18
State Taxes	Employee	\$8,577.33		
ICMA	Employee	\$3,837.81		
Local Police Reserves	Employee			
FD Association	Employee	\$1,475.51		
Local Employees Assoc	Employee	\$260.00		
Nationwide - Full Time	Employee	\$890.00		
Nationwide - PT	Employee/ Employer	\$2,986.56	\$1,409.83	\$1,409.83
FERS Deferred Comp	Employee	\$1,355.98		
FERS	Employee/ Employer	\$47,541.24	\$19,096.18	\$28,445.05
AFLAC	Employee			
FERS Medical	Employee/ Employer			
Delta Dental PPO	Employee			
Delta Dental HMO	Employee			
VSP Vision	Employee			
Standard Self Admin	Employee/ Employer			
Standard Life Optional	Employee			
TOTALS		\$98,899.28	\$48,711.69	\$33,629.06

DEDUCTION GRAND TOTALS

EARNINGS			DEDUCTIONS			TAXES		
DESC	ERS	AMOUNT	CD	ABEV	EMPLOYEE	EMPLOYER	DESC	TAXABLE
WCSM	80.00	\$4,015.20	125	I-125	\$770.05		FED N/H	\$231,193.92
REG	4,056.69	\$172,035.74	125	I-129	\$292.31		ST NH CA	\$8,573.33
PPRS	1,765.08	\$34,947.05	AFI	AFIPT	\$45.91		MEDI	\$260,216.35
PHSD	75.00	\$2,216.85	DCI	DCICH	\$3,117.60	\$350.00		
ABST	10.00	\$0.00	DCM	DCICH				
OT	20.00	\$906.48	DCN	DCNH	\$890.00			
OTS	183.80	\$13,904.31	DCF	DCPRS	\$1,275.76			
SPRY	6.00	\$552.33	DCR	DCRA	\$100.00	\$272.25		
CAR	0.00	\$2,100.00	DD1	DDPOL		\$211.50		
CELL	0.00	\$910.00	DD2	DDPOL		\$634.50		
FFHC	0.00	\$596.72	DD3	DDPOL		\$23.13		
MEHR	0.00	\$5,950.00	DD4	DDPOL		\$23.89		
SEAS	0.00	\$1,462.65	DD5	DDPOL		\$23.30		
SESK	0.00	\$124.72	DD6	DDPOL				
OCMD	0.00	\$250.00	DI4	DCI4	\$82.67			
OCME	0.00	\$120.00	DI5	DISAF	\$15.74			
UNIT	0.00	\$2,100.00	DL1	DLCLC	\$87.94			
UNIT	0.00	\$100.00	DLP	DLCLC	\$80.22			
YTO	0.00	\$209.99	LEA	LAEAD	\$260.00			
RTRO	0.00	\$186.60	LIF	LIFE	\$186.31			
ADML	29.00	\$1,491.40	LTD	A LTD	\$102.37	\$13,851.32		
CMB	4.00	\$210.74	MED	MDINS	\$6,750.93			
EAU	24.00	\$1,121.22	PBB	PRBBB	\$481.97			
EAA	54.00	\$0.00	PN1	PRPME	\$3,464.89	\$3,834.47		
CONA	60.18	\$0.00	PN2	PRPME				
PLRO	12.33	\$666.56	PN3	PRPME	\$6,852.22	\$6,737.24		
SICK	261.08	\$10,214.18	PM4	PRPME				
VAC	178.99	\$7,675.26	POA	POA	\$220.00			
FOST2	0.00	\$31.28	POS	POS	\$1,355.51			
FOST5	0.00	\$200.00	PRO	PRM	\$1,955.46	\$7,705.57		
FOST6	0.00	\$450.00	PR1	PRSMR		\$10,167.77		
FOST7	0.00	\$1,419.84	PR4	PRSSR				
BERV	\$10.00	\$1,505.70	PR5	PRSB4	\$965.33			
JURY	\$10.00	\$873.90	PR6	PRSAF	\$2,201.93			
BILL	\$0.00	\$150.00	PR7	PRMB4	\$1,098.53			
HDT	\$0.00	\$55.00	PR8	PRMAV	\$1,235.77			
			PR9	PRSCC	\$85.8	1493.28		
			RTF	RT-FT	\$1,453.28			
			SUR	SURVI	\$45.29	\$79.80		
			VS1	VIS1		\$53.41		
			VS2	VIS2		\$150.52		
			VS3	VIS3				
Totals	6,886.35	\$ 269,923.82			\$36,122.39	\$55,702.35		\$ 36,779.00
								\$3,774.18

Payroll 4/28/2023

DEPARTMENT RECAP									
DEPT NO	GROSS	REGULAR	OVERTIME	LEAVE	OTHER	DEDUCTIONS	TAXES	NET	
10-510 City Council	\$23.20	\$23.20	0.00	0.00	0.00	36.50	13.40	873.30	
10-511 City Manager/ City Clerk	20,573.86	16,654.56	0.00	1,102.80	2,816.50	2,742.19	3,369.40	14,462.27	
10-512 Finance	8,705.20	8,208.30	0.00	346.90	150.00	713.40	1104.88	6,886.92	
10-521 Police Administration	26,602.58	18,203.48	0.00	6,959.10	1,400.00	2,921.01	5,416.41	18,265.16	
10-522 Police- Patrol	87,387.13	48,495.45	22,213.71	8,651.31	8,026.66	12,862.81	13,470.16	60,954.16	
10-523 Police- Investigation	14,652.91	9,833.24	972.39	1,390.66	2,396.62	4,292.90	1,741.70	8,658.31	
10-524 Police- Records	9,278.51	5,587.11	83.25	1184.08	2,424.06	595.76	1,209.74	7,473.01	
10-526 Police- Community Outreach	1,484.80	0.00	0.00	0.00	1,684.80	63.18	55.89	1,525.73	
10-527 Police-Youth Programs	4,927.76	2,731.20	1664.41	0.00	532.08	639.66	672.23	3,615.87	
10-528 Police- Traffic	3,020.14	0.00	0.00	0.00	3,020.14	113.27	86.31	2,820.56	
10-531 Development Services- Administration	15,935.05	15,029.88	0.00	1,687.03	3,218.14	2,262.37	3,465.64	14,207.04	
10-532 Development Services- Planning	3,302.40	1,527.36	0.00	1775.04	0.00	510.12	601.56	2,190.72	
10-533 Development Services- Neighborhood Preservation	4,110.24	2,321.60	0.00	159.70	1,628.94	244.71	505.24	3,360.29	
10-542 Development Services- Street Maintenance	10,750.64	8,994.70	975.24	355.70	425.00	1,759.87	808.09	8,182.68	
10-543 Development Services- Park Maintenance	4,512.89	2,254.70	289.89	322.10	1,646.20	628.98	304.20	3,579.71	
10-544 Development Services- Facility Maintenance	2,792.82	2,110.40	237.42	0.00	435.00	351.74	53.94	2,377.14	
10-545 Economic Development	2,861.60	2,861.60	0.00	0.00	0.00	194.09	132.58	2,534.93	
10-551 Recreation Administration	28,207.36	21,334.48	458.28	3,354.32	3,060.81	4,394.85	3,680.74	20,132.37	
10-556 Recreation- Sports	21,852.69	0.00	0.00	245.74	21,606.95	819.49	1,477.65	19,555.55	
TOTALS	\$276,112.38	\$167,171.26	\$26,894.66	\$27,574.49	\$54,471.97	\$36,246.90	\$38,209.76	\$201,655.72	

REGULAR INPUT: 106 MANUAL INPUT: 0 CHECK STUB COUNT: 1 DIRECT DEPOSIT STUB COUNT: 106

BENEFITS & WITHHOLDINGS

		Employee	Employer
Fed Taxes	Employee/ Employer (Medicare)	\$35,292.66	\$79,404.76
State Taxes	Employee	\$8,465.23	\$3,887.90
ICMA	Employee	\$3,854.94	
LosAl Police Reserves	Employee		
PD Association	Employee	\$1,475.51	
LosAl Employees Assoc	Employee	\$760.00	
Nationwide - Full Time	Employee	\$850.00	
Nationwide - FT	Employee/ Employer	\$2,856.92	\$1,418.46
PERS Deferred Comp	Employee	\$1,355.98	
PERS	Employee/ Employer	\$47,923.84	\$19,293.00
AFLAC	Employee	\$323.30	
PERS Medical	Employee/ Employer	\$74,936.25	
Delta Dental PFD	Employee	\$3,937.50	
Delta Dental HMO	Employee	\$360.73	
VSF Vision	Employee	\$908.45	
Standard Self Admin	Employee/ Employer	\$1,834.17	
Standard Life Optional	Employee	\$360.65	
TOTALS		\$183,297.13	\$59,126.22
			\$33,947.20

DEDUCTION GRAND TOTALS

EARNINGS			DEDUCTIONS			TAXES			
DESC	HR	AMOUNT	CD	ABSV	EMPLOYEE	EMPLOYER	DESC	TAXABLE	EMPLOYEE
WCSM	80.00	\$4,015.20	125	I-125	\$710.05		FED W/H	\$138,257.97	\$25,477.76
REG	3,962.01	\$167,171.26	129	I-129	\$191.31		ST WH CA	\$138,257.97	\$8,854.11
FRSG	1,733.17	\$33,599.08	AF7	AFJET	\$45.91		MEDI	\$167,474.91	\$3,876.39
PREO	80.00	\$2,360.80	DCI	DCICM	\$3,117.40				
ANST	60.00	\$0.00	DCM	DCICM		\$350.00			
OT	50.00	\$2,044.08	DCN	DCNM	\$890.00				
OTS	285.81	\$23,502.56	DCF	DCFKS	\$1,275.76				
STBY	18.00	\$1,348.02	DCR	DCIR	\$100.00				
MOT	0.00	\$34.91	DD1	DDP01		\$272.15			
CAR	0.00	\$1,100.00	DD2	DDP02		\$211.50			
PFRC	0.00	\$586.72	DD3	DDP03		\$634.50			
MEER	0.00	\$6,300.00	DD4	DDM01		\$23.13			
SPAS	0.00	\$1,462.64	DD5	DDM02		\$15.89			
SPSK	0.00	\$124.72	DD6	DDM03		\$123.30			
OCMD	0.00	\$250.00	D14	DC14	\$99.80				
OCME	0.00	\$160.00	D15	DISAF	\$15.74				
UNIF	0.00	\$100.00	D61	EC11C	\$87.54				
UNIT	0.00	\$100.00	D62	EC11E	\$80.27				
FTO	0.00	\$151.08	LEA	LXEA0	\$760.00				
ADMI	80.00	\$5,437.50	L1F	L1FE	\$186.31				
CONP	54.49	\$2,358.08	L7D	A L7D	\$102.37				
EAU	54.00	\$2,608.54	MD0	MDJMS	\$6,750.93	\$23,851.31			
UAA	30.00	\$0.00	P88	PR88B	\$481.97				
COMA	28.50	\$0.00	PW1	PEPW1	\$3,739.48				
FLRO	55.75	\$2,670.91	PW2	PEPW2		\$3,695.68			
SICK	190.17	\$7,225.85	PW3	PEPW3	\$7,162.50				
VAC	135.00	\$7,033.61	PW4	PEPW4		\$7,041.31			
POST2	0.00	\$191.28	POA	POA	\$120.00				
POST7	0.00	\$2,419.83	POB	POB	\$1,355.51				
BERV	30.00	\$1,505.70	PRO	PRW	\$1,955.46				
			PR1	PRSR		\$7,727.10			
			PR4	PRSR		\$10,166.15			
			PR5	PRSR4	\$965.33				
			PR6	PRJAF	\$2,101.31				
			PR7	PRMB4	\$1,118.97				
			PR8	PRMAF	\$1,333.96				
			PR9	PRCC	\$85.8				
			RT7	RT-PT	\$1,403.85	\$1,403.85			
			SUR	SURVI	\$50.22				
			V51	VIS1		\$79.80			
			V52	VIS2		\$57.43			
			V53	VIS3		\$150.97			
Totals	6,910.96	\$ 276,112.38			\$36,246.90	\$85,798.71		\$ 38,209.76	\$3,876.39

MINUTES OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS

REGULAR MEETING Monday, April 17, 2023

1. CALL TO ORDER

The City Council met in Regular Session at 6:04 p.m., Monday, April 17, 2023, in the Council Chamber located at 3191 Katella Ave., Los Alamitos, CA 90720, Mayor Doby presiding.

2. ROLL CALL

Present: Council Members: Hasselbrink, Hibard, Murphy
Mayor Pro Tem Nefulda, Mayor Doby

Absent: Council Members: None

Present: Staff: Chet Simmons, City Manager
Wayne Byerly, Police Captain
Michael Claborn, Chief of Police
Craig Covey, Orange County Fire Authority Chief
Michael Daudt, City Attorney
Craig Koehler, Finance Director
Emeline Noda, Recreation and Community Services Director
Ron Noda, Development Services Director
Windmera Quintanar, MMC, City Clerk
Chelsi Wilson, Administrative Services Manager

3. PLEDGE OF ALLEGIANCE

Council Member Hibard led the Pledge of Allegiance.

4. INVOCATION

Council Member Murphy gave the Invocation.

5. PRESENTATIONS

Mayor Doby and the City Council presented the listed Presentations.

- A. Presentation of a Commendation to Nancy Fagan in Celebration of her 102nd Birthday**
- B. Presentation of a Proclamation to Rachel Rodriguez, OneLegacy Ambassador, in Recognition of Donate Life Month**
- C. Presentation of a Proclamation to West-Comm Representatives in Recognition of National Telecommunications Week**

D. Introduction of Los Alamitos Police Captain Luke South and Police Officers Joel Espinoza, Jr. and Oscar Perez

6. ORAL COMMUNICATIONS

At this time, any individual in the audience may come forward to speak on any item within the subject matter jurisdiction of the City Council. Remarks are to be limited to not more than five minutes per speaker.

Mayor Doby opened Oral Communications.

Carol Churchill, Protect Our Community Now, spoke regarding the Housing Element, concern regarding the timing for the release of agendas, and support for community meetings regarding the Lampson project.

Nancy Fagan spoke in support of the City Council and the job being done.

Mayor Doby closed Oral Communications.

7. COUNCIL ANNOUNCEMENTS

At this time, Council Members may also report on items not specifically described on the Agenda that are of interest to the community, provided no action or discussion is taken except to provide Staff direction to report back or to place the item on a future Agenda.

Council Member Murphy spoke regarding attendance at the Planning Commission meeting; Housing Symposium; Stretching and Mimosas in Community Center; upcoming Elevate Women's conference meet up June 23rd; Coffee with Cop; supported the Police Department and Team 236 in the Baker to Vegas Race; Ride Along with Officer Arnold; Chamber of Commerce Team Building Event; State of Eviction; Spring Carnival; League of California Cities Leadership Summit; and, participation in Biggest Loser Challenge.

Council Member Murphy spoke regarding City Attorney services with Woodruff, Spradlin, and Smart and concern for a potential conflict of interests regarding the Lampson Project and former employee Les Johnson. Per Resolution No. 2019-10, City Council Agenda Policy, Council Member Murphy requested the City Council discuss the scope of services provided by Mr. Daudt to Mr. Les Johnson and or/any developers, builders or agents who proposed projects with the City of Los Alamitos during Mr. Johnson's employment with the City of Los Alamitos as a Development Services Director and Interim City Manager from September 2018 to January 2020. Council Member Hibard agreed.

Council Member Hibard spoke regarding attendance at the Coffee with a Cop; supported the Police Department and Team 236 in the Baker to Vegas Race; League of California Cities Leadership Summit; and, participation in Biggest

Loser Challenge.

Council Member Hasselbrink spoke regarding attendance at the Stretching and Mimosas in Community Center; Budget Standing Committee Special Meeting; and the Los Alamitos Community Foundation Board meeting.

Mayor Pro Tem Nefulda spoke regarding attendance at the Spring Carnival and the Orange County Sanitation District Board meeting.

Mayor Doby spoke regarding attendance at the Orange County Council of Governments (OCCOG); Housing Symposium; meeting with Assembly Member Tri Ta regarding available funding; preliminary meeting with Orange County Transportation Authority regarding senior transportation access; Habitat for Humanity Award Lunch; Chamber Lunch at Epson; Spring Carnival; Los Al Sunset Saturdays; and, League of California Cities Leadership Summit. She requested training for Council and Staff regarding workplace investigations and recognized staff for their outstanding performance.

8. ITEMS FROM THE CITY MANAGER

City Manager Simmons asked for and received an overview of upcoming events from Recreation and Community Services Director Noda. He thanked Orange County Fire Authority for lending the City the mobile command post as the Police Department was being renovated.

9. WARRANTS

A. Warrants (Finance)

The attached Warrant Register contains checks and electronic funds transfers for the period March 1, 2023 to March 31, 2023.

Motion/Second: Hasselbrink/Hibard

Unanimously Carried: The City Council ratified the Warrants for the period March 1, 2023 to March 31, 2023 in the amount of \$1,612,116.13.

ROLL CALL

Mayor Doby	Aye
Mayor Pro Tem Nefulda	Aye
Council Member Hasselbrink	Aye
Council Member Hibard	Aye
Council Member Murphy	Aye

10. CONSENT CALENDAR

All Consent Calendar items may be acted upon by one motion unless a Council Member requests separate action on a specific item.

Motion/Second: Hasselbrink/Nefulda

Unanimously Carried: The City Council approved the following Consent Calendar items:

- A. Approval of Minutes (Administration)**
Approved the City Council Minutes for the Regular meeting of March 20, 2023.
- B. Approval of the Request for Proposals (RFP) 2023-02 and Authorization to Bid for Janitorial Services for City Facilities (Development Services)**
This item facilitates the solicitation of bids for contractual services to secure janitorial services for City facilities.

The City Council:

- 1. Approved the Request for Proposals (RFP) 2023-02 Janitorial Services for City Facilities; and,
 - 2. Authorized Staff to advertise and solicit bid proposals.
- C. Amendment No. 9 with Clear Channel Outdoor, LLC for Bus Shelter License and Maintenance Agreement (Development Services)**
This item seeks approval of Amendment No. 9 with Clear Channel Outdoor, LLC to continue providing Bus Shelter License and Maintenance Services until December 31, 2023. The current Professional Services Agreement (PSA) expires on June 30, 2023.

The City Council authorized the Mayor to execute Amendment No. 9 of the Professional Services Agreement with Clear Channel Outdoor, LLC, with no fiscal impact and a term expiring December 31, 2023.

7. DISCUSSION ITEM

- A. Community Outreach and Townhall Meetings (Administration)**
At the March 20, 2023 Council meeting, Council Members Hibard and Murphy requested an item to discuss additional townhall meetings. This Item seeks direction for the Mayor and City Council related to the City's Community Outreach & Townhall meetings.

City Manager Simmons summarized the Staff Report. Council Member Hibard provided a PowerPoint presentation.

Mayor Doby opened the item for public comment.

Dan Brandt stated a referendum would be circulated and encouraged Staff to hold a forum to educate the public.

Carol Churchill believed this approach would lead to the community having more confidence in the actions of City staff.

Mayor Doby closed the item for public comment.

City Council and Staff discussed the following:

- Concern community events were not a proper forum for discussion
- Preference for Staff and the Council to make themselves available to the public during a specific Town Hall meeting
- Staff is available monthly at all the community events for the public to engage with
- Concern for adding more meetings when there is currently a lack of engagement at the current events
- Council is the biggest advocate for their community
- Previous attempts to engage the community were unsuccessful
- Community tends to engage when there is a topic of interest
- Support for scheduling a Town Hall meeting when there is an actual project to discuss
- Los Al TV has expressed an interest in assisting with marketing and filming of town hall meetings
- Community meeting plan would come back to Council at a future date

B. Guidelines for Projects of Significance (Administration)

This Item seeks direction from the Mayor and City Council related to enhancing the City's notification efforts related to projects of significance in the City.

City Manager Simmons summarized the Staff report.

Mayor Doby opened the item for public comment. There being no one present wishing to speak, Mayor Doby closed the item for public comment.

Council Member Hibard received support to include asking neighboring jurisdictions to share information, including projects in the E-Newsletter and social media.

City Manager Simmons stated the policy would be outlined in an Administrative Regulation.

Motion/Second: Hasselbrink/Hibard

Unanimously Carried: The City Council approved the following notification enhancements for projects of significance that are proposed in the City:

- Increase the written notification radius from 500 feet to 1000 feet
- Project summary, renderings, company name and bio, and project contact information to be housed on the City's website
- Provide signage on the subject property (no smaller than 3 feet x 5 feet) that includes a rendering of the proposed project, company name, project contract information, and QR Code linked to the information page on the City's website
- When a proposed project's 1000-foot radius extends into a neighboring jurisdiction, a certified letter with the information referenced above must be sent to that jurisdiction with a request that such information be posted on the subject city's website and social media platforms
- Project information will be included in the City's E-Newsletter and social media

12. **ADJOURNMENT**

The City Council adjourned at 7:25 p.m.

Tanya Doby, Mayor

Attest:

Windmera Quintanar, MMC, City Clerk

City of Los Alamitos

CITY COUNCIL AGENDA REPORT

MEETING DATE: May 15, 2023

ITEM NUMBER: 10B

To: Mayor Tanya Doby & Members of the City Council

Presented By: Craig Koehler, Director of Finance

Subject: Annual Comprehensive Financial Report (ACFR)

SUMMARY

For City Council consideration is the receipt of the fiscal year 2021-2022 audit reports.

RECOMMENDATION

Receive and file the annual audit reports for fiscal year 2021-2022, including the Annual Comprehensive Financial Report (ACFR) and Report on Applying Agreed-Upon Procedures Appropriations Limit Worksheets (GANN AUP).

BACKGROUND

Each year an independent audit of the City is conducted in conformity with *generally accepted auditing standards* (GAAS). Those standards require that an independent Certified Public Accountant plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The auditor also expresses an opinion on the fairness of the presentation of the financial position and the results of operations of the government's basic financial statements in conformity with *generally accepted accounting principles* (GAAP).

DISCUSSION

This item was pulled from the March 17, 2023 Council Meeting because an error had been detected and brought to the City's attention. The error was in the narrative section of the report in table 2 on page 8 that had a typographical mistake. The error did not have any impact on the audited portion of the financial statements. Considering the impact of this, Finance contacted one of the auditing firms that had responded to the RFP for auditing services that was issued in 2020 and requested that they perform a peer review of the report to provide a certificate as to the report's accuracy and completeness.

The firm providing the review and certification is Rogers, Anderson, Malody & Scott, LLP (RAMS). The partner representing RAMS, that conducted the review is Terry Shea, CPA and Partner. The cost for the review and certification was \$1,600. The revised ACFR and certification letter is attached attesting to the completeness and accuracy of the report for the period ending June 30, 2022. The City will also be engaging with a new firm to conduct the audit for the remaining two years, and has received a proposal from RAMS for those services. A contract to engage RAMS for audit services for FY2022-23 will be made under the City Manager's approval authority.

FISCAL IMPACT

None.

- Attachment:
1. 2022 Annual Comprehensive Financial Report
 2. Independent Accountants' Report on Applying Agreed-Upon Procedures Appropriations Limit Worksheets
 3. RAMS Review Letter

ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

FISCAL YEAR ENDED JUNE 30, 2022



My City  My Los Al

City of Los Alamitos

Los Alamitos, California

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2022

Prepared by the
Finance Department of Los Alamitos

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City of Los Alamitos
Annual Comprehensive Financial Report
For the Year Ended June 30, 2022

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Annual Comprehensive Financial Report
For the Year Ended June 30, 2022

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February 7, 2023

HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

It is our pleasure to submit the Annual Comprehensive Financial Report (ACFR) of the City of Los Alamitos (the City) for the fiscal year ended June 30, 2022.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. 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 the preparation of the City's financial statements in conformity with generally accepted accounting principles (GAAP). Because the costs of internal controls should not outweigh their benefits, internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements.

The City's financial statements have been audited by Gruber and Lopez, Inc., a firm of certified public accountants. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unmodified opinion on the City's financial statements for the fiscal year ended June 30, 2022. The independent auditor's report is presented as the first component of the financial section of this report.

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

City of Los Alamitos Profile

The City of Los Alamitos, which has a population of 11,780, is 4.3 square miles, and is located in the northwest section of Orange County. The City is strategically located in Southern California, 30 miles from downtown Los Angeles and 10 miles from Anaheim. The City is 10 miles northeast of the seaport terminal of Long Beach, and 13 miles northeast of the Port of Los Angeles. Neighboring communities include Long Beach, Seal Beach, Cypress and Garden Grove.

The City of Los Alamitos is a Charter City and was incorporated on March 1, 1960. The City has a Council-Manager form of government. The City Council is comprised of five members elected bi-annually to four-year alternating terms. The City Council annually elects a Mayor from its members. The City Council appoints the City Manager, who is responsible for the day-to-day administration and management of City business within all City departments. The City of Los Alamitos employs a staff of forty-eight budgeted full-time employees. The City has contracts with Woodruff, Spradlin & Smart for city attorney services and Liebert Cassidy Whitmore for legal services related to labor and employment law.

The City of Los Alamitos provides many services, including police protection, construction and maintenance of streets and other infrastructure, public improvements, planning and zoning, economic development, recreational activities and cultural events, and general administrative and support services.

The annual budget serves as the foundation for the City's financial planning and control. The City Council holds public hearings and adopts an annual budget resolution for all funds. Adoption of the annual budget must occur prior to the conclusion of the prior fiscal year. The City Council may modify appropriations with majority approval. The budgets are adopted and presented on a basis consistent with generally accepted accounting principles.

Changes in budget appropriations at the fund level during the year must be approved by the City Council. The legal level of expenditures is controlled at the department level and appropriations lapse at the end of each fiscal year unless encumbered for re-appropriation by the City Council in the following fiscal year. The City Manager may, without Council approval, amend individual line items within any department, and between divisions and programs, in the personnel costs, maintenance and operations, capital outlay and capital projects portions of the budget without increasing total appropriations for any fund.

Economic Outlook

Fiscal Year 2022 will continue to be known as the year of recovery, and most business sectors have recovered to the pre-pandemic levels. However, this does not mean that the economy will not face challenges in the coming year. Inflation remains elevated, reflecting imbalances within supply and demand related to the pandemic. Global unrest is present and the resulting hardships have unknown implications on the U.S. economy at this time.

The U.S. Treasury has made a number of recent moves to counter the growth of inflation, representing the most aggressive rate hike campaign by the Federal government since 2005. According to the latest forecast provided by the City's Sales Tax consultant (HdL), a slowdown is expected at the end of calendar year 2022 and into the early quarters of calendar year 2023. As such, the budget has been prepared using a conservative approach and factoring in adjustments that would be reflective of an economic slowdown.

As we transition to Fiscal Year 2022-23, the annual operating budget is balanced, with operating revenues of \$21,348,825 and operating expenditures of \$20,367,325, resulting in an estimated surplus of \$981,500. General Fund balance reserves are projected to total approximately \$16.8 million on July 1, 2022. The City Council reviews its Fund Balance Policy once the books have been closed for the prior fiscal year. The most recent Fund Balance Policy established set aside reserves for CalPERS reserves (\$3.62 million), and other post-employment benefits (OPEB) (\$500,000).

Long-Term Financial Planning and Major Initiatives

Following the adoption of the FY2020-21 budget, the City Council and the residents of Los Alamitos took action. After the City Council unanimously voted to place a revenue measure on the ballot, residents voted to enact a 1.5% sales tax that would be dedicated to ensuring essential services and Los Alamitos residents' quality of life. This new revenue source will allow for the city to continue to provide the needed services to the community, while addressing infrastructure deficiencies.

To further solidify the City's commitment to responsible stewardship of this new revenue, the City Council unanimously approved a Fiscal Sustainability Pledge (FSP). The pledge highlighted specific operations and programs the City Council intended to target in the event of passage of Measure Y, and included Public Safety, essential community services, infrastructure, and stimulating local economic growth. The passage of Measure Y, which is estimated to generate approximately \$5 million in additional revenue, significantly altering the outcome of the previous projections.

As of June 30, 2022, the City's General Fund had fund balance unassigned and assigned of approximately \$16.8 million. Of this amount, \$3.6 million is designated for PERS reserves, and \$500,000 is designated for retiree medical insurance benefits. Non-spendable fund balance consists primarily of prepaid amounts for the 2022-23 Fiscal Year, which were paid during the 2021-22 Fiscal Year.

Annually, the City updates a seven (7) year Capital Improvement Program (CIP). The Capital Improvement Program for Fiscal Year 2022-23 totals \$4,222,269, which includes \$215,000 carried forward from Fiscal Year 2021-22. Projects include, but are not limited to, Phase II Street Improvements and Sterns Park funded by Measure Y, and the New Dutch Haven and Bloomfield Street Improvement Projects. The Capital Improvement Program continues to provide a significant amount of funding for streets.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2021. The City received this award for publishing an easily readable and efficiently organized CAFR that satisfied both GAAP and applicable legal requirements.

In October 2021, the GFOA issued Statement No. 98, Annual Comprehensive Annual Report, officially changing the name and acronym from CAFR to ACFR (Annual Comprehensive Financial Report). The name has been changed to reflect current approved terminology.

This award is valid for a period of one year only. We believe that our current ACFR continues to meet the Program's requirements and we are submitting it to the GFOA again this year.

The preparation and publication of this report would not have been possible without the dedication, professionalism, and teamwork of the entire staff of the Finance Department. The City Council has continued to extend their support to the Finance Department in the planning of responsible and progressive financial operations. We would like to thank the Mayor and the City Council for their continued support for maintaining the highest standards of professionalism in the management of the City's finances.

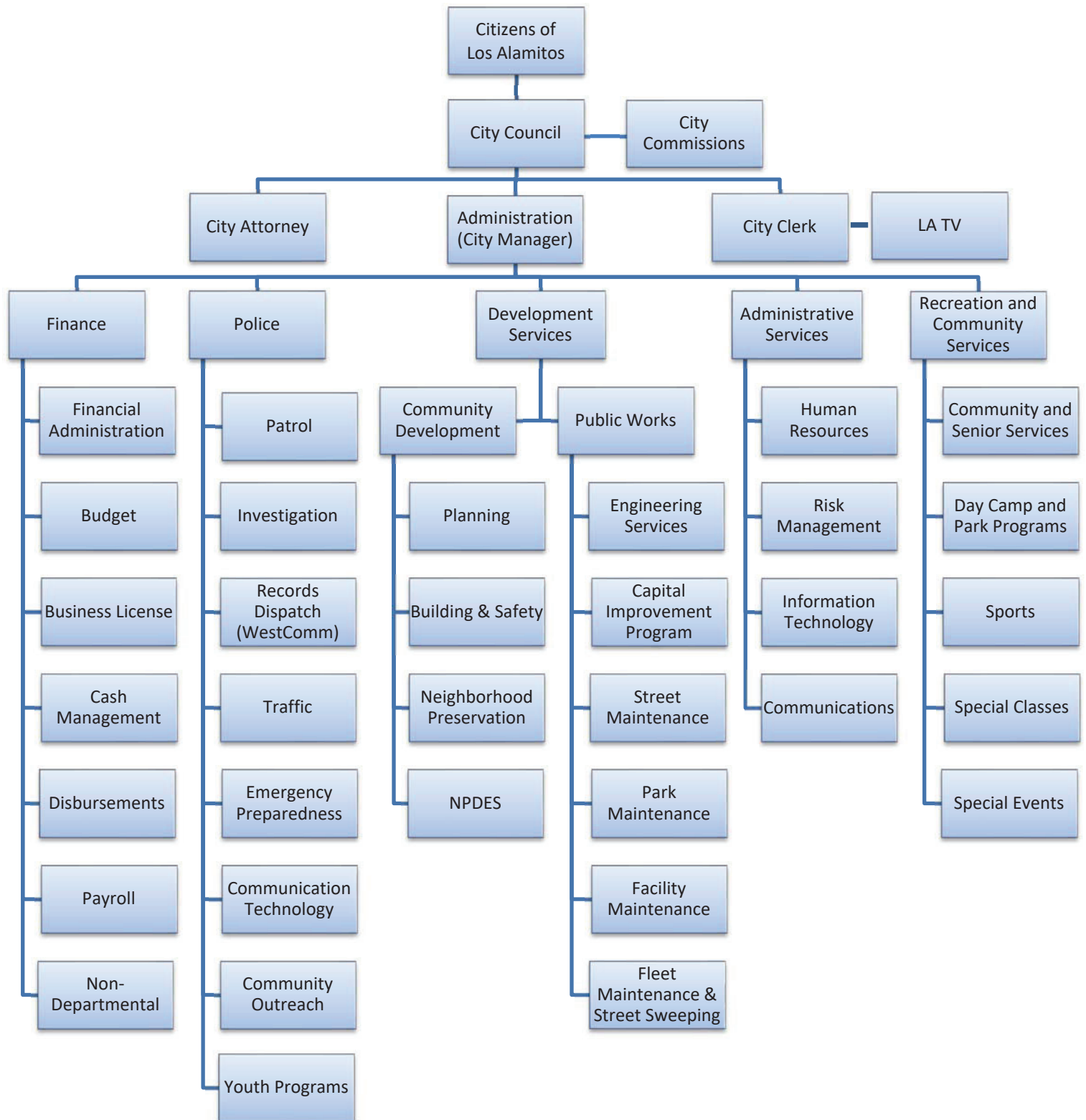
Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Craig Koehler', is written over a horizontal line.

Craig Koehler
Finance Director

CITY OF LOS ALAMITOS

Organization



CITY OF LOS ALAMITOS

DIRECTORY OF OFFICIALS (as of June 30, 2022)

CITY COUNCIL

Shelley Hasselbrink, Mayor
Tanya Doby, Mayor Pro Tem
Ron Bates, Council Member
Mark A. Chirco, Council Member
Jordan Nefulda, Council Member

APPOINTED OFFICIALS

Chet Simmons, City Manager
Michael S. Daudt, City Attorney
Windmera Quintanar, City Clerk

EXECUTIVE MANAGEMENT

Chris Kelly, City Engineer
Chelsi Wilson, Administrative Services Manager
Craig Koehler, Finance Director
Emeline Noda, Recreation and Community Services Director
Ron Noda, Development Services Director
Michael Clayborn, Chief of Police



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Los Alamitos
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

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To the Honorable Mayor and Members of the City Council
of the City of Los Alamitos
Los Alamitos, California

Independent Auditors' Report

Opinions

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

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

Basis for Opinions

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

Emphasis of Matter

As described in Note 1 to the basic financial statements, the City adopted the provisions of Governmental Accounting Standards Board Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted 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 generally accepted auditing standards, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of proportionate share of the net pension liability and related ratios, schedule of plan contributions – defined benefit pension plan, schedule of changes in the net OPEB liability and related ratios, schedule of plan contributions – OPEB plan, and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Los Alamitos, California's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary schedules, and financial data schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary schedules, and financial data schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

To the Honorable Mayor and Members of the City Council
of the City of Los Alamitos
Los Alamitos, California
Page 3

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 6, 2023, on our consideration of the City of Los Alamitos, California's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Los Alamitos, California'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 of Los Alamitos, California's internal control over financial reporting and compliance.

Gruber and Lopez, Inc.

Gruber and Lopez, Inc.

Newport Beach, California
February 6, 2023

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MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of the City of Los Alamitos ("City") offers readers of the City's financial statements this narrative overview and analysis of the City's financial activities for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that is provided in our letter of transmittal. The presentation of the City's financial data in this analysis and statements will differ from the City's budget, in that the analysis and statements are required to follow Governmental Accounting Standards Board Statement Number 34 and other Statements to allocate costs associated with capital related items, long-term debt transactions, accrued interest, compensated absences internal service fund activity, and depreciation to the various functions of the City; whereas the City's budget is an operational financial plan for the upcoming fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis provides an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

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

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

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

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

The Governmental Activities are presented on the accrual basis of accounting, a basis of accounting that differs from the modified accrual basis of accounting used in presenting governmental fund financial statements. Note 1 of the Notes to the Basic Financial Statements fully describe these bases of accounting.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other local governments, uses fund accounting to ensure and

demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

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

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

The City maintains sixteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund. Data from the other fifteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds are provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

Proprietary funds. Proprietary funds are used to account for activities where the City needs to show the full costs of providing the services, including depreciation. The City maintains five internal service funds.

The City uses internal service funds to account for its self-insured insurance programs, fleet of vehicles, equipment, technology upgrades and replacements and other capital related activities. Because these services benefit governmental functions, they have been included within governmental activities in the government-wide financial statements. Internal service funds are presented as proprietary funds because internal service funds follow the accrual basis of accounting.

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

Combining statements. The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the notes.

Government-wide Financial Analysis

Tables 1 and 2 focus on the net position and changes in net position of the City's governmental activities.

TABLE 1
Net Position

	Governmental Activities - June 30,	
	2021	2022
Current and other assets	\$ 19,033,063	\$ 23,872,535
Capital assets	18,966,258	19,871,393
Total assets	<u>37,999,321</u>	<u>43,743,928</u>
Deferred outflows of resources	6,862,828	11,377,136
Current liabilities	1,651,802	3,002,887
Noncurrent liabilities:		
Long-term debt	3,799,410	3,767,244
Net OPEB liability	6,694,357	6,356,967
Net pension liability	<u>22,139,759</u>	<u>14,540,568</u>
Total liabilities	34,285,328	24,664,779
Deferred inflows of resources	2,408,655	13,752,394
Net position:		
Net investment in capital assets	15,623,413	16,544,999
Restricted	2,152,916	2,353,211
Unrestricted	<u>(9,608,245)</u>	<u>(5,197,206)</u>
Total net position	<u>\$ 8,168,084</u>	<u>\$ 13,701,004</u>

The City's assets and deferred outflows exceeded liabilities and deferred inflows by \$13,701,004 as of June 30, 2022, an increase of \$5,532,920 from June 30, 2021.

The largest portion of the City's net position reflects its investment in capital assets (i.e., land, buildings, machinery, equipment and infrastructure), net of any related debt that is still outstanding used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Unrestricted net position had a deficit balance of \$5,197 million as of June 30, 2022, which relates to the City's net pension liability and OPEB liability.

The City has set-aside \$3.40 million for its unfunded pension liability and \$500,000 for its OPEB liability. However, since these funds are not held in an irrevocable trust the net pension liability has not been reduced to account for these funds that have been set-aside.

A condensed summary of activities for the period ended June 30, 2022 and the prior fiscal year is illustrated in Table 2 below.

TABLE 2
Changes in Net Position

	Governmental Activities - June 30,	
	2021	2022
Revenues		
Program revenues:		
Charges for services	\$ 2,272,437	\$ 2,340,283
Operating contributions and grants	1,872,432	676,663
Capital contributions and grants	241,536	308,236
General revenues:		
Taxes:		
Property taxes	4,454,779	4,731,563
Utility users tax	1,834,203	2,122,966
Transit Occupancy Tax	223,450	522,187
Sales taxes	4,854,583	9,670,952
Franchise taxes	725,261	1,070,638
Business licenses	885,569	728,490
Other taxes	548,278	639,883
Investment income	77,885	(665,298)
Other	528,857	83,209
Total revenues	<u>18,519,270</u>	<u>22,229,772</u>
Expenses		
General government	3,493,213	2,547,884
Public safety	7,134,874	6,382,127
Community development	956,687	1,343,945
Recreation and community services	1,471,231	2,043,092
Public works	2,907,145	3,225,592
Interest on long-term debt	330,585	138,286
Total expenditures	<u>16,293,735</u>	<u>15,680,926</u>
Change in net position	2,225,535	6,548,846
Net position, beginning, as restated	<u>5,942,549</u>	<u>7,152,158</u>
Net position, ending	<u>\$ 8,168,084</u>	<u>\$ 13,701,004</u>

Governmental Activities. Governmental activities increased the City's net position by \$5,532,920 compared to a net increase of \$2,225,535 in the prior year. Key elements of this year's activity in relation to the prior year are as follows:

Revenues

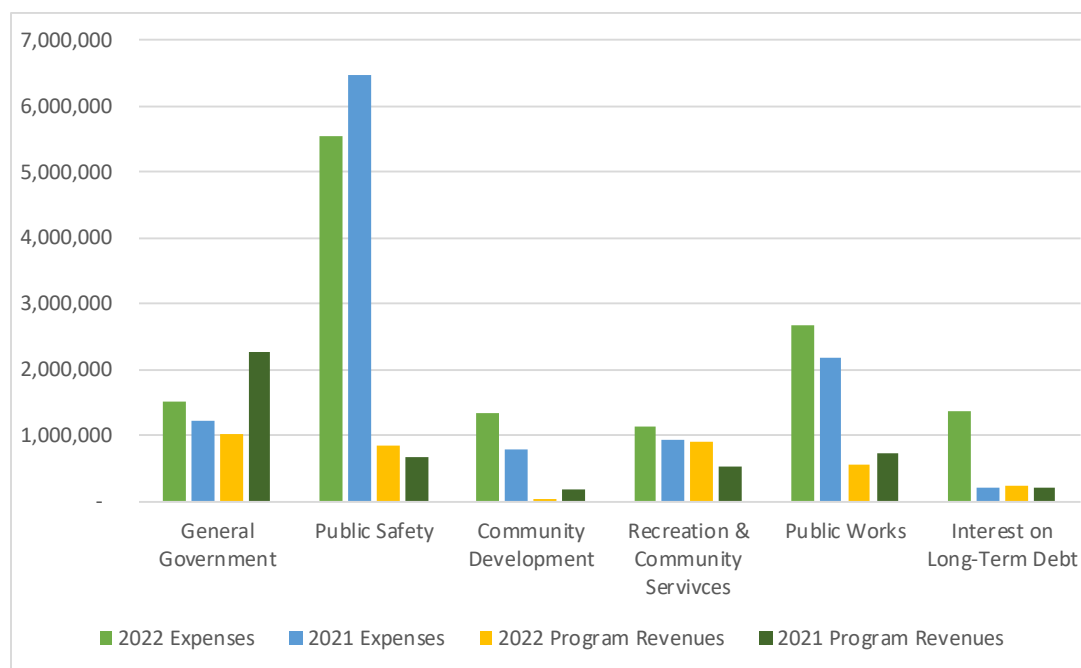
While variances between years exist for the various revenue categories, the total net increase was \$3,710,502, which is largely attributable to the \$4,816,369 increase in sales tax. This was attributable to the passage of Measure Y 1.5%, Local Sales Tax.

Expenses:

Although variances between years exist for the various expense functions, the total net decrease was \$612,809. Decreased expenditures were recognized in General Government, Public Safety, and interest and fiscal charges. Table 3 below presents the cost of each of the City's six largest programs-general government, public safety, community development, recreation and community services, public works, and interest and fiscal charges as well as their respective program revenues.

Table 3 below represents the cost of each of the City's six largest programs – general government, public safety, community development, recreation and community services, public works, and interest and fiscal charges, as well as their respective program revenues.

TABLE 3
Expenses and Program Revenues



See the Statement of Activities for further detail on program revenues and general revenues.

FINANCIAL ANALYSIS OF THE CITY'S MAJOR FUNDS

The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, 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 the end of the current fiscal year, the City's governmental funds reported combined ending fund balance of \$19,255,631, an increase of \$3,388,299 (21%) from the prior fiscal year's balance. Of this amount, \$4,439,441 or 23.06% of fund balance is constrained by the City's intent to utilize fund balance for specific purposes, which is reported within the fund balance classification *assigned*. Additionally, \$2,353,211 or 12% of fund balance is restricted, which represents the portion of fund balance that is subject to externally enforceable limitations by law, enabling legislation or limitations imposed by creditors or grantors.

The fund balance of the City's General Fund increased by \$4,173,344 during the fiscal year compared to a \$3,334,055 increase in the prior year. The increase in the current year is primarily attributable to the increase in sales tax revenue.

Other governmental funds realized an increase in fund balance of \$230,881. While variances between years exist for the various nonmajor governmental funds, the net increase was primarily attributable to an increase in funding for Measure M and State Gas Tax, in other restricted amounts.

General Fund Budgetary Highlights

Actual revenues were \$2,255,980 more than the final budgeted amount, which is primarily due to increased property and sales tax and intergovernmental charges. The expenditures for the General Fund at fiscal year-end were \$960,528 less than the final budgeted expenditures, which is primarily due to a decrease in public safety resulting from vacant positions.

No budget amendments were made during the fiscal year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. At the end of Fiscal Year 2021-22, the City had \$19.9 million invested in capital assets, including land, buildings, infrastructure, and equipment. This amount represents a net increase of \$905,135, which is primarily due to increases in vehicles, infrastructure, and construction in progress.

TABLE 4
City of Los Alamitos Capital Assets Net of Depreciation

	Governmental Activities	
	2021	2022
Land	\$ 5,917,715	\$ 5,917,715
Buildings and Improvements	758,692	716,299
Equipment	254,610	321,731
Vehicles	167,792	224,014
Infrastructure	11,292,992	11,510,215
Construction in progress	624,720	1,181,419
Totals	<u>\$ 19,016,521</u>	<u>\$ 19,871,393</u>

More detail on the City's capital assets can be found in Note 5 to the financial statements of this report.

Long-term liabilities. At the end of fiscal year 2021-22, the City had \$4.1 million in long-term liabilities which includes outstanding bond indebtedness of \$3.35 million along with a capital lease, claims payable and compensated absences. The net increase of \$80,006 over the prior year is primarily due to a net increase in compensated absences.

TABLE 5
City of Los Alamitos Long-Term Liabilities

	Governmental Activities	
	2021	2022
2015 Certificates of participation	\$ 3,342,845	\$ 3,350,121
Capital lease - police vehicles	68,008	62,238
Claims payable	150,663	222,973
Compensated absences	481,842	488,032
Total liabilities	<u>\$ 4,043,358</u>	<u>\$ 4,123,364</u>

More detail on the City's long-term debt can be found in Notes, 6, 7 and 12 to the financial statements of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The economy will face challenges in the coming year. Inflation will be a major factor, reflecting imbalances with supply and demand related to the pandemic. The U.S. Treasury will be countering the growth with planned rate hikes. Other factors include supply chain shortages, and global unrest, that will result in hardships and unknown implications on the U.S. economy. According to HdL, the City Sales Tax Consultant, a slowdown is predicted in the later part of 2022 and into 2023. As such, the budget was prepared using a conservative approach.

On June 13, 2022, the 2022-23 City Budget was adopted. The annual operating budget is balanced, with operating revenues of \$21,348,825 and operating expenditures of \$20,367,325, resulting in an estimated surplus of \$981,500.

Following the adoption of the FY2020-21 budget, the City Council and the residents of Los Alamitos took action. After the City Council unanimously voted to place a revenue measure on the ballot, residents voted to enact a 1.5% sales tax that would be dedicated to ensuring essential services and Los Alamitos residents' quality of life. This new revenue source will allow for the city to continue to provide the needed services to the community, while addressing infrastructure deficiencies.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide the City of Los Alamitos citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to illustrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City's Finance Department at the City of Los Alamitos, 3191 Katella Avenue, Los Alamitos, California, 90720, (562) 431-3538.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF LOS ALAMITOS

Statement of Net Position

June 30, 2022

	<u>Governmental Activities</u>
ASSETS	
Current assets:	
Cash and investments (Note 3)	\$ 21,302,076
Receivables	
Accounts	728,406
Due from employees	1,531
Due from other governments	1,837,614
Prepaid costs	2,659
Cash and investments - restricted (Note 3)	<u>249</u>
Total current assets	<u>23,872,535</u>
Noncurrent assets:	
Capital assets: (Note 5)	
Non-depreciable	7,099,135
Depreciable, net	<u>12,772,258</u>
Total capital assets	<u>19,871,393</u>
Total noncurrent assets	<u>19,871,393</u>
Total assets	<u>43,743,928</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred charge on refunding	85,965
Pension deferrals (Note 9)	8,980,782
OPEB deferrals (Note 10)	<u>2,310,389</u>
Total deferred outflows of resources	<u>11,377,136</u>

See accompanying notes to the basic financial statements.

CITY OF LOS ALAMITOS
Statement of Net Position (Continued)
June 30, 2022

	Governmental Activities
LIABILITIES	
Current liabilities:	
Accounts payable	\$ 910,958
Accrued liabilities	335,009
Accrued interest	32,109
Unearned revenue	1,305,392
Deposits payable	63,299
Compensated absences, due within one year (Note 6)	181,844
Bonds payable, due within one year (Note 7)	89,434
Capital leases, due within one year (Note 7)	12,967
Claims payable, due within one year (Note 12)	71,875
Total current liabilities	<u>3,002,887</u>
Noncurrent liabilities:	
Compensated absences (Note 6)	306,188
Bonds payable (Note 7)	3,260,687
Capital leases (Note 7)	49,271
Claims payable (Note 12)	151,098
Other post-employment benefits liability (Note 10)	6,356,967
Net pension liability (Note 9)	14,540,568
Total noncurrent liabilities	<u>24,664,779</u>
Total liabilities	<u>27,667,666</u>
DEFERRED INFLOWS OF RESOURCES	
Pension deferrals (Note 9)	12,212,746
OPEB deferrals (Note 10)	1,539,648
Total deferred inflows of resources	<u>13,752,394</u>
NET POSITION	
Net investment in capital assets	16,544,999
Restricted for:	
Cable television	73,947
Transportation	1,099,189
Public safety	323,343
Air quality	123,361
Parks	733,371
Total restricted	<u>2,353,211</u>
Unrestricted (Deficit)	<u>(5,197,206)</u>
Total net position	<u><u>\$ 13,701,004</u></u>

See accompanying notes to the basic financial statements.

CITY OF LOS ALAMITOS

Statement of Activities

For the Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Program Revenue
Governmental activities:					
General government	\$ 2,547,884	\$ 1,034,978	\$ 1,314	\$ -	\$ 1,036,292
Public safety	6,382,127	410,622	430,502	-	841,124
Community development	1,343,945	2,512	4,667	-	7,179
Recreation and community services	2,043,092	892,015	-	-	892,015
Public works	3,225,592	156	240,180	308,236	548,572
Interest and fiscal charges	138,286	-	-	-	-
Total governmental activities	<u>\$ 15,680,926</u>	<u>\$ 2,340,283</u>	<u>\$ 676,663</u>	<u>\$ 308,236</u>	<u>\$ 3,325,182</u>

See accompanying notes to the basic financial statements.

CITY OF LOS ALAMITOS
Statement of Activities (Continued)
For the Year Ended June 30, 2022

<u>Functions/Programs</u>	<u>Net (expense) Revenue and Changes in Net Position</u>
Governmental activities:	
General government	\$ (1,511,592)
Public safety	(5,541,003)
Community development	(1,336,766)
Recreation and community services	(1,151,077)
Public works	(2,677,020)
Interest and fiscal charges	(138,286)
Total governmental activities	<u>(12,355,744)</u>
General revenues:	
Taxes:	
Property taxes, levied for general purpose	4,731,563
Utility users tax	2,122,966
Transient occupancy tax	522,187
Sales taxes	9,670,952
Franchise fees	1,070,638
Business license taxes	728,490
Other taxes	639,883
Total taxes	19,486,679
Investment earnings	(665,298)
Other	83,209
Total general revenues	<u>18,904,590</u>
Change in net position	6,548,846
Net position - beginning of year (as restated Note 15)	<u>7,152,158</u>
Net position - end of year	<u>\$ 13,701,004</u>

See accompanying notes to the basic financial statements.

FUND FINANCIAL STATEMENTS

Governmental Fund Financial Statements
Proprietary Fund Financial Statements

GOVERNMENTAL FUND FINANCIAL STATEMENTS

The Governmental Funds of the City are outlined below:

General Fund - The General Fund accounts for all revenues and expenditures used to finance the traditional services associated with a municipal government which are not accounted for in the other funds. In Hermosa Beach, these services include general government, safety, community development, culture and recreation and public works.

Nonmajor Governmental Funds - Nonmajor Governmental Funds is the aggregate of all the nonmajor governmental funds.

CITY OF LOS ALAMITOS

Balance Sheet

Governmental Funds

June 30, 2022

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and investments (Note 3)	\$ 16,387,360	\$ 2,805,469	\$ 19,192,829
Receivables:			
Accounts	710,628	5,676	716,304
Due from employees	1,531	-	1,531
Due from other governments	1,769,808	67,806	1,837,614
Prepaid costs	2,659	-	2,659
Cash and investments - restricted (Note 3)	<u>-</u>	<u>249</u>	<u>249</u>
Total assets	<u>\$ 18,871,986</u>	<u>\$ 2,879,200</u>	<u>\$ 21,751,186</u>
OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 543,286	\$ 247,255	\$ 790,541
Accrued liabilities	335,009	-	335,009
Unearned revenues	1,168,613	136,779	1,305,392
Deposits payable	<u>50,743</u>	<u>12,556</u>	<u>63,299</u>
Total liabilities	<u>2,097,651</u>	<u>396,590</u>	<u>2,494,241</u>
Deferred Inflows of Resources:			
Unavailable revenue	<u>1,314</u>	<u>-</u>	<u>1,314</u>
Total deferred inflows of resources	<u>1,314</u>	<u>-</u>	<u>1,314</u>
Fund Balances: (Note 14)			
Nonspendable	4,190	-	4,190
Restricted	-	2,353,211	2,353,211
Committed	2,620	119	2,739
Assigned	4,195,979	243,462	4,439,441
Unassigned (Deficit)	<u>12,570,232</u>	<u>(114,182)</u>	<u>12,456,050</u>
Total fund balances	<u>16,773,021</u>	<u>2,482,610</u>	<u>19,255,631</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 18,871,986</u>	<u>\$ 2,879,200</u>	<u>\$ 21,751,186</u>

See accompanying notes to the basic financial statements.

CITY OF LOS ALAMITOS

Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position

June 30, 2022

Total Fund Balances - Total Governmental Funds	\$ 19,255,631
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Amounts reported for governmental activities in the Statement of Net Position were reported differently because:

Capital assets used in governmental activities were not current financial resources. Therefore, they were not reported in the Governmental Funds Balance Sheet.

Nondepreciable	7,099,134	
Depreciable, net of Internal Service Fund of \$719,045	<u>12,053,214</u>	
Total capital assets		19,152,348

Internal Service Funds are used by management to charge garage costs; technology replacement costs; police capital expenditures; facilities, street, parks, and pool capital expenditures; and self-insurance costs to individual funds. The assets and liabilities of the Internal Service Funds were included in the governmental activities in the Government-wide Statement of Net Position.

Total Internal Service Funds	2,433,487
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Long-term liabilities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position:

Bonds payable	(3,245,000)	
Interest payable, net of Internal Service Fund of \$1,279	(30,830)	
Unamortized bond premium	(105,121)	
Deferred charge on refunding	85,965	
Compensated absences	<u>(488,032)</u>	(3,783,018)

Certain revenues were not available to pay for current-period expenditures and, therefore, were deferred in funds.	1,314
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Deferred amounts relates to pension not available for current expenditures and are not reported in the governmental fund financial statements:

Pension related deferred outflows of resources	8,980,782
Pension related deferred inflows of resources	(12,212,746)

Net pension liability is not due and payable in the current period and therefore is not reported in the governmental funds.	(14,540,568)
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Deferred amounts relates to other postemployment benefits not available for current expenditures and are not reported in the governmental fund financial statements:

OPEB related deferred outflows of resources	2,310,389
OPEB related deferred inflows of resources	(1,539,648)

Net OPEB liability is not due and payable in the current period and therefore is not reported in the governmental funds.	<u>(6,356,967)</u>
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Net position of governmental activities	<u><u>\$ 13,701,004</u></u>
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CITY OF LOS ALAMITOS

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

For the Year Ended June 30, 2022

	<u>General</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES:			
Taxes	\$ 18,828,358	\$ 658,321	\$ 19,486,679
Licenses and permits	1,034,975	-	1,034,975
Intergovernmental	263,721	435,775	699,496
Charges for services	904,437	156	904,593
Investment earnings (loss)	(684,765)	19,466	(665,299)
Fines and forfeitures	382,498	18,214	400,712
Program revenues	-	284,090	284,090
Miscellaneous	40,826	448	41,274
Total revenues	<u>20,770,050</u>	<u>1,416,470</u>	<u>22,186,520</u>
EXPENDITURES:			
Current:			
General government	2,972,137	20,580	2,992,717
Public safety	6,617,305	-	6,617,305
Community development	1,292,094	-	1,292,094
Recreation and community services	1,911,542	-	1,911,542
Public works	2,801,366	150,246	2,951,612
Capital outlay	73,762	882,769	956,531
Debt service:			
Principal	-	80,000	80,000
Interest and fiscal charges	-	130,494	130,494
Total expenditures	<u>15,668,206</u>	<u>1,264,089</u>	<u>16,932,295</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>5,101,844</u>	<u>152,381</u>	<u>5,254,225</u>
OTHER FINANCING SOURCES (USES):			
Transfers in (Note 4)	375,000	453,500	828,500
Transfers out (Note 4)	(1,303,500)	(375,000)	(1,678,500)
Total other financing sources (uses)	<u>(928,500)</u>	<u>78,500</u>	<u>(850,000)</u>
NET CHANGE IN FUND BALANCE	4,173,344	230,881	4,404,225
Fund balances, beginning of year, as restated (Note 15)	<u>12,599,677</u>	<u>2,251,729</u>	<u>14,851,406</u>
Fund balances, end of year	<u>\$ 16,773,021</u>	<u>\$ 2,482,610</u>	<u>\$ 19,255,631</u>

See accompanying notes to the basic financial statements.

CITY OF LOS ALAMITOS
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and
Changes in Fund Balance to the Governmental-wide Statement of Activities
For the Year Ended June 30, 2022

Net Change in Fund Balances - Total Governmental Funds \$ 4,404,225

Governmental activities in the Statement of Activities were reported differently because:

Governmental Funds report capital outlay as expenditures. However, in the Government-wide Statement of Activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense. The amount of capital assets recorded in the current period is listed below.

Total capital outlay expenditures reported in governmental funds	\$ 957,075	
Plus: repair and maintenance expenditures capitalized	<u>99,840</u>	
Total capital outlay		1,056,915

Depreciation expense of capital assets is reported in the Government-wide Statement of Activities, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures in the governmental funds except for the Internal Service fund amount listed below.

Total depreciation reported in Government-wide Statement of Activities	(457,336)	
Less: depreciation reported in the Internal Service Fund	<u>105,446</u>	
Total		(351,890)

Earned but unavailable revenues reported in the governmental funds balance sheet as deferred inflows of resources should be recognized in the Government-wide Statement of Activities as revenue regardless of availability.		1,312
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Certain pension expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		1,394,778
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Certain other postemployment benefit expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(281,801)
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Compensated absences were reported in the Government-wide Statement of Activities, but they did not require the use of current financial resources. Therefore, compensated absences were not reported as expenditures in the governmental funds.		(6,190)
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The issuance of long-term debt provides current financial resources to governmental funds. However, the repayment reduces long-term liabilities in the governmental activities Statement of Net Position.		80,000
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Amortization of deferred charge on refunding does not use current financial resources and therefore not reported as expenditures in the governmental funds.		551
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Internal Service Funds are used by management to charge garage costs; technology replacement costs; police capital expenditures; facilities, street, parks, and pool capital expenditures; and self-insurance costs to individual funds. The net revenue of the Internal Service Funds is reported in governmental activities.		<u>250,946</u>
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Change in net position of governmental activities		<u>\$ 6,548,846</u>
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PROPRIETARY FUND FINANCIAL STATEMENTS

Internal Service Funds - To account for the costs associated with the City's insurance, for funding equipment replacement, and fleet maintenance.

CITY OF LOS ALAMITOS
Statement of Net Position
Proprietary Funds
June 30, 2022

	Governmental Activities
	Internal Service Funds
ASSETS	
Current assets:	
Cash and investments (Note 3)	\$ 2,109,247
Accounts receivable	12,102
Total current assets	<u>2,121,349</u>
Noncurrent assets:	
Capital assets - net of accumulated depreciation (Note 5)	719,045
Total noncurrent assets	<u>719,045</u>
Total assets	<u>2,840,394</u>
LIABILITIES	
Current liabilities:	
Accounts payable	120,417
Accrued interest	1,279
Accrued claims and judgements	71,875
Capital leases (Note 7)	12,967
Total current liabilities	<u>206,538</u>
Long-term liabilities:	
Accrued claims and judgements	151,098
Capital leases (Note 7)	49,271
Total long-term liabilities	<u>200,369</u>
Total liabilities	<u>406,907</u>
NET POSITION	
Net investment in capital assets	656,807
Unrestricted	1,776,680
Total net position	<u>\$ 2,433,487</u>

See accompanying notes to the basic financial statements.

CITY OF LOS ALAMITOS
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the year ended June 30, 2022

	Governmental Activities
	Internal Service Funds
OPERATING REVENUES:	
Charges for services	
Garage	\$ 316,840
Police capital	40,000
Technology replacement	190,000
Miscellaneous	41,940
Total operating revenues	<u>588,780</u>
OPERATING EXPENSES:	
Supplies and materials	340,220
Outside services	170,517
Claims expense	563,308
Depreciation	105,446
Total operating expenses	<u>1,179,491</u>
OPERATING INCOME (LOSS)	<u>(590,711)</u>
NON-OPERATING REVENUES (EXPENSES):	
Interest expense	(8,343)
Total non-operating revenues (expenses)	<u>(8,343)</u>
INCOME BEFORE TRANSFERS	(599,054)
Transfers in (Note 4)	850,000
Total transfers	<u>850,000</u>
Change in net position	250,946
Net position, beginning of year	2,182,541
Net position, end of year	<u>\$ 2,433,487</u>

See accompanying notes to the basic financial statements.

CITY OF LOS ALAMITOS

Statement of Cash Flows

Proprietary Funds

For the year ended June 30, 2022

	Governmental Activities
	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from interfund charges for garage services	\$ 316,840
Receipts from interfund charges for police capital services	40,000
Receipts from interfund charges for technology replacement services	190,000
Payments to suppliers and service providers	(935,505)
Cash received from (payments to) others	41,940
Net cash provided (used by) operating activities	<u>(346,725)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:	
Transfers in	850,000
Net cash provided (used by) non-capital financing activities	<u>850,000</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Acquisition and construction of capital assets	(305,559)
Principal paid on capital debt	(5,570)
Interest paid on capital debt	(8,572)
Net cash provided (used by) capital and related financing activities	<u>(319,701)</u>
Net increase (decrease) in cash and cash equivalents	183,574
Cash and equivalents, beginning of year	1,925,673
Cash and equivalents, end of year	<u>\$ 2,109,247</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH (USED BY) OPERATING ACTIVITIES:	
Operating income (loss)	\$ (590,711)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation	105,446
Changes in operating assets and liabilities:	
(Increase) decrease in accounts receivable	(4,146)
Increase (decrease) in accounts payable	70,376
Increase (decrease) in claims and judgements	72,310
Total adjustments	<u>243,986</u>
Net cash provided (used) by operating activities	<u>\$ (346,725)</u>

See accompanying notes to the basic financial statements.

NOTES TO THE BASIC FINANCIAL STATEMENTS

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

Note 1 – Summary of Significant Accounting Policies

The basic financial statements of the City of Los Alamitos, California, (the “City”) have been prepared in conformity with accounting principles generally accepted in the United States (“U.S. GAAP”) as applied to governmental agencies. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body forestablishing governmental accounting and financial reporting principles. The following is a summary of the City’s significant policies:

A. Financial Reporting Entity

The City was incorporated on March 1, 1960. The Charter of the City of Los Alamitos was adopted by a vote of the people in September 1966, and the City enjoys all rights and privileges pertaining to such “Charter Law” cities.

The financial statements include the financial activities of the City, the primary government, and its blended component unit, the Los Alamitos Public Financing Corporation (the Corporation). The component unit, discussed below, is included in the City’s reporting entity because of the significance of its operational and financial relationship with the City. This entity is legally separate from the City. However, the City’s elected officials have continuing accountability for fiscal matters of this entity.

An organization is fiscally dependent on the primary government if it is unable to adopt its budget, levy taxes or set rates or charges, or issue bonded debt without approval by the primary government. In a blended presentation, a component unit’s balances and transactions are reported in a manner similar to the balances and transactions of the City. Component units are presented on a blended basis when the component unit’s governing body is substantially the same as the City’s or the component unit provides services almost entirely to the City.

Management determined that the following entities should be reported as blended component units based on the criteria above. Each blended component unit has a June 30 year-end, has a governing board that is substantially the same as the City’s, there is a financial benefit or burden relationship between the City and the blended component unit, and the City is financially accountable for each of the blended component units.

The Los Alamitos Public Facilities Corporation – The Corporation was formed February 6, 2006, pursuant to the Non-Profit Corporation Law of the State of California for the purpose of assisting the City in financing the acquisition, construction and improvement for public benefit within the City limits. The Corporation is governed by a five-member board that is the City Council of the City of Los Alamitos. Separate financial statements are not prepared.

B. Basis of Accounting and Measurement Focus

The City’s basic financial statements consist of government-wide statements, including the Statement of Net Position and the Statement of Activities, and fund financial statements, which provide a more detailed level of financial information.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the City as a whole. These statements include the financial activities of the City and the Corporation. Certain eliminations have been made as prescribed by GASB Statement No. 34 in regard to interfund activities, payables, and receivables.

City of Los Alamitos
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

The Statement of Net Position presents the financial position of the governmental activities of the City and its component unit, and the Statement of Activities reports expenses of each specific governmental function, offset by program revenues attributable to each functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity.

Program revenues that are attributable to functional programs are separated into three categories:

- Charges for services
- Operating grants and contributions
- Capital grants and contributions

Charges for services report fees and other charges to users of the City's services, operating grants and contributions finance annual operating activities and can include restricted investment income, and capital grants and contributions fund the acquisition, construction or rehabilitation of capital assets. These revenues are subject to externally imposed restriction to these program uses. Other revenues sources not included with program revenues are reported as general revenues of the City. These can include taxes or unrestricted investment income.

Fund Financial Statements

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows, liabilities, deferred inflows, fund equity, revenues, and expenditures or expenses as appropriate. The City uses two categories of funds: governmental and proprietary.

The City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at a more detailed level. Individual governmental fund identified as being Major, as prescribed by governmental accounting standards or by Management of the City, are reported in separate columns on the financial statements.

Governmental Funds

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balance of the current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The City reports the difference between its governmental fund assets and its liabilities and deferred inflows of resources as fund balance.

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balances for all major governmental funds and other governmental funds aggregated. Accompanying reconciliations are presented to explain the differences in fund balance as presented in these statements to the net position presented in the government-wide financial statements.

City of Los Alamitos
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

The funds designated as major funds are determined by a mathematical calculation consistent with GASB Statement No. 34 or are elected by Management of the City based on Management's belief that the presentation of the funds are particularly important to financial statement users for reasons including public interest or consistency of reporting. The City reports the following major governmental funds:

- The **General Fund** is used to account for all of the general operations and other financial transactions of the City, which are not accounted for by another fund.

Additionally, the City reports the following fund types:

- The **Special Revenue Funds** are used to account for the proceeds of specific revenue sources (other than for debt service or capital projects) that are restricted by law or administrative action or committed to expenditures for specified purposes.
- The **Capital Projects Funds** are used to account for and report financial resources that are restricted, committed, or assigned for the acquisition or construction of major capital facilities, other than those financed by Internal Service Funds.
- The **Debt Service Fund** is used to account for and report financial resources that are restricted, committed, or assigned for the payment of, long-term debt principal, interest, and related costs for the 2006 Certificates of Participation (Laurel Park Acquisition).

Proprietary Funds

Proprietary funds are used to account for ongoing organizations and activities, which are operated and financed in a manner similar to those found in the private sector. The reporting focus on the determination of operating income, changes in net position, financial position, and cash flows. The City's proprietary funds are classified as internal service funds.

- The Internal Service Funds are used to account for interdepartmental operations where it is the stated intent that costs of providing services to the departments of the City on a continuing basis be financed or recovered primarily by charges to the user departments. The City's internal service funds are used to account for its self-insured insurance programs, fleet of vehicles, equipment, technology upgrades, and replacements and other capital related activities.

Government-Wide Financial Statements

The government-wide financial statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets, infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. All internal balances and transactions have been eliminated from their respective statements to avoid over reporting relating assets, liabilities, revenues and expenses, except for internal service fund charges provided and used.

City of Los Alamitos
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

Fund Financial Statements

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

Like the government-wide statements, all proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses, and Changes in Net Position present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, the governmental funds use the modified accrual basis of accounting. Proprietary funds use the accrual basis of accounting at both reporting levels. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows of resources, and in the presentation of expenses versus expenditures.

Revenue – Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, the availability is defined within 60 days of year-end.

Revenue – Non-Exchange Transactions

Non-exchange transactions in which the City receives value without directly giving equal value in return, includes sales taxes, property taxes, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. Major revenue sources susceptible to accrual include property tax, sales tax, utility users tax, franchise Tax, and licenses. On a modified accrual basis, revenue from non-exchange transaction also must be available (generally 60 days after year-end) before it can be recognized in the governmental funds. However, the City has adopted a 12-month recognition period for grant revenues.

City of Los Alamitos
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

Unavailable Revenue

Unavailable revenue, presented under deferred inflows of resources, arise when potential revenues do not meet both the measurable and available criteria for recognition in the current period. In subsequent periods when both revenue recognition criteria are met, the deferred inflow is removed from the balance sheet and revenue is recognized.

Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria listed above have been satisfied. In subsequent periods when the government has a legal claim to the resources, the unearned revenue is removed from the balance sheet and revenue is recognized.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

Proprietary Funds Operating and Non-Operating Revenues and Expenses

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

C. Cash, Cash Equivalents and Investments

Cash Management

The City pools cash resources of its various funds to facilitate cash management. Cash in excess of current requirements is invested and reported as investments. It is the City's intent to hold investments until maturity. However, the City may, in response to market conditions, sell investments prior to maturity in order to improve the quality, liquidity or yield of the portfolio. Interest earnings are apportioned among funds based on ending accounting period cash and investment balances.

Investments Valuation

In accordance with GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available.

State Investment Pool

The City participates in the Local Agency Investment Fund (LAIF), an investment pool managed by the State of California. LAIF has invested a portion of the pool funds in structured notes and asset-backed securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these structured notes and asset-backed securities are subject to market risk as a result of changes in interest rates.

City of Los Alamitos
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

C. Cash, Cash Equivalents and Investments (Continued)

Cash Equivalents and Cash Flows

For purposes of the statement of cash flows, the City considered all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. All cash and investments of the proprietary fund types are pooled with the City's pooled cash and investments.

D. Internal Receivable and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e. the current portion of interfund loans) or “interfund advances receivable/payable” (i.e. the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

Advances between funds, as reported in the fund financial statements, are presented as nonspendable in fund balances to indicate that they are not in a spendable form.

E. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. The cost of prepaid items is recorded as an expenditure/ expense when consumed.

F. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years, except for computer software and hardware and infrastructure assets which have a capitalization threshold of \$20,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed (except for intangible right-to-use assets), the measurement of which is discussed thereafter. Donated capital assets are recorded at acquisition value at the date of acquisition.

As permitted under GASB Statement No. 34 for small governmental entities, the City has elected to report infrastructure assets prospectively beginning July 1, 2003.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Property, plant, and equipment of the primary government, as well as the component unit, are depreciated using the straight-line method over the following estimated useful lives:

Equipment	5 - 10 years
Vehicles	4 - 15 years
Furniture	7 years
Buildings	50 years
Improvements	5 - 20 years
Infrastructure	50 years

City of Los Alamitos
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

G. *Compensated Absences Payable*

Under certain circumstances and according to the negotiated labor agreements, employees of the City are allowed to accumulate annual leave. This amount is accrued in the government-wide and proprietary fund statements. Refer to Note 6 for additional information.

H. *Long-Term Obligations*

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities.

In accordance with GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, debt issuance costs except for any portion related to prepaid insurance were recognized as expense in the period incurred.

I. *Claims and Judgments*

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

The City is exposed to various risks of losses related to torts; theft of, damages to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City currently reports all of its risk management activities in its General Fund. Claims expenditures and liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. These losses include an estimate of claims that have been incurred, but not reported.

It is the City's policy to liquidate claims and judgments existing at June 30, with future resources. Accordingly, the liabilities are recorded in the Statement of Net Position. These noncurrent amounts will be recorded as fund expenditures in the fiscal year in which they are paid or become due on demand.

J. *Deferred Outflows and Inflows of Resources*

In addition to assets, the statements of net position and the governmental funds balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The City has two items which qualify for reporting in this category.

Deferred pension related items relate to the net pension obligation reported in the statement of net position. These outflows are the results of *contributions made after the measurement date*, which are recognized in the following year, and consist of *adjustments due to differences in proportions, changes in assumptions*, and *differences between expected and actual experiences*, which are deferred and amortized over the expected average remaining life time. Additionally, the *net difference between projected and actual earnings on pension plan investments* is reported and amortized over 5 years. Deferred outflows from changes in net pension liability arise only under a full accrual basis of accounting and are reported in the government-wide Statement of Net Position and proprietary funds Statement of Net Position.

The City also reports a *deferred charge on refunding* which results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunded or refunding debt.

City of Los Alamitos
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

J. Deferred Outflows and Inflows of Resources (Continued)

In addition to liabilities, the statements of net position and the governmental funds' balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items which qualifies for reporting in this category. The first item is in relation to the net pension obligation reported in the statement of net position. These inflows are the results of *changes of assumptions, differences between expected and actual experiences, adjustments due to differences in proportions, and differences between proportionate share of contributions and actual contributions*. Inflows from changes in net pension liability arise only under a full accrual basis of accounting and are reported in the government-wide Statement of Net Position and proprietary funds Statement of Net Position

The City also reports one type of item, which arises only under the modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds' balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

K. Net Position

Net position is the excess of all the City's assets over all its liabilities, regardless of fund. Net position is divided into three captions under GASB Statement No. 34. These captions apply only to net position, which is determined only at the government-wide level, and are described below:

- Net Investment in Capital Assets – the portion of net position that is represented by the current net book value of the City's capital assets, less the outstanding balance of any debt issued to finance these assets.
- Restricted – the portion of net position that is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws or other restrictions, which the City cannot unilaterally alter. These principally include funds restricted to community development projects purposes and funds for use in building improvements and governmental grants.
- Unrestricted – the portion of net position that is not restricted as to use.

L. Net Position Flow Assumptions

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

City of Los Alamitos
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

M. Fund Balance

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned, or unassigned based primarily on the extent to which the City is bound to honor constraints on how specific amounts can be spent.

- Nonspendable – the portion of a fund balance that includes amounts that cannot be spent because they are either not in a spendable form, such as prepaid items, inventories, or loans receivable.
- Restricted – the portion of a fund balance that reflects constraints placed on the use of resources (other than non-spendable items) that are either (a) externally imposed by creditors (such as through debt covenants, grantors, contributors, or laws or regulations of other governments); or (b) imposed by law through constitutional provisions or enabling legislation. Examples of restricted fund balances include State Gas Tax, Asset Seizure, and Measure M funds.
- Committed – the portion of a fund balance that included amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision- making authority and remain binding unless removed in the same manner.
 - a. The City Council, as the City’s highest level of decision-making authority, may commit fund balance for specific purposes pursuant to constraints imposed by formal actions taken, such as a resolution.
 - b. These committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use through the same type of formal action taken to establish the commitment.
 - c. City Council action to commit fund balance needs to occur within the fiscal reporting periods; however, the amount can be determined subsequently.
- Assigned – amounts that are constrained by the City’s intent to be used for specific purposes, but are neither Restricted nor Committed, should be reported as Assigned fund balance. This policy hereby delegated the authority to assign amounts to be used for specific purposes to the City Manager for the purpose of reporting these amounts in the City’s annual financial statements. Examples of assigned fund balance are funds intended for Capital Improvement Projects and Equipment Replacement.
- Unassigned – residual net resources in excess of what can properly be classified in one of the other four categories and do not have any specific spending limitations. The General Fund is the only fund that reports a positive unassigned fund balance amount. In governmental funds, other than the General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, the City reports a negative unassigned fund balance in that fund.

In July 2017, City Council established a Reserve for Emergencies to be maintained at 25% of General Fund appropriations. The reserve is only to be used, with council approval, in the case of a declared natural disaster or financial emergency. A financial emergency is considered when annual revenues decrease by 5% or more or when annual expenditures increase by 5% or more.

City of Los Alamitos
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

N. Fund Balance Flow Assumptions

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

O. Pensions

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

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date (VD)	June 30, 2020
Measurement Date (MD)	June 30, 2021
Measurement Period (MP)	June 30, 2021 to June 30, 2022

P. Other Post-Employment Benefits (OPEB)

For purposes of measuring the other post-employment benefits (OPEB) liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense have been determined by an independent actuary. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date (VD)	June 30, 2022
Measurement Date (MD)	June 30, 2022
Measurement Period (MP)	July 1, 2021 to June 30, 2022

Q. New Accounting Pronouncements

The City adopted Statement on Governmental Accounting Standards (GASB Statements) No. 87-*Leases*; No 89-*Accounting for Interest Cost Incurred Before the End of a Construction Period*; No. 90-*Majority Equity Interest*; No. 93-*Replacement of Interbank Offered Rates*; and No. 97-*Certain Component Unit Criteria for Internal Revenue Code 457 Deferred Compensation Plans*. The City implemented GASB No. 87 during fiscal year June 30, 2022. The adoption of the GASB Nos. 89, 90, 93, and 97 did not significantly impact the City.

City of Los Alamitos
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

R. Leases

Lessee: The City is a lessee for a noncancellable lease of equipment. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The City recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments. The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

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

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the Statement of Net Position.

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

Key elements and judgement include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts. The City uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable. The City currently does not have any leases receivable.

City of Los Alamitos
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

S. Property Taxes

Under California law, property taxes are assessed and collected by the counties at up to 1% of assessed value, plus other increases approved by the voters. The property taxes go into a pool and are then allocated to the cities based on complex formulas.

Property taxes are assessed, collected and allocated by Orange County throughout the fiscal year according to the following property tax calendar.

Lien Date	January 1
Levy Date	July 1 to June 30
Due Dates	November 1, 1st installment, February 1, 2nd installment
Delinquent Dates	December 11, 1st installment, April 11, 2nd installment

Property taxes receivable for the governmental fund types, which have been remitted within 60 days subsequent to year end, are considered measurable and available and recognized as revenues. All other property taxes are offset by deferred property tax inflows of resources and, accordingly, have not been recorded as revenue. Taxes are considered past due on the above delinquent dates, at which time the applicable property is subject to lien, and penalties and interest are assessed.

T. Functional Classifications

Expenditures of the Governmental Funds are classified by function. Functional classifications are defined as follows:

- General government – includes legislative activities, which have a primary objective of providing legal and policy guidelines for the City. Also included in this classification are those activities that provide management or support services across more than one functional area.
- Public safety – includes those activities that involve the protection of people and property.
- Community development – includes those activities such as planning, code enforcement, and building and safety inspections.
- Recreation and community services – includes those activities that involve the community cultural and leisure activities.
- Public works – includes those activities that involve the maintenance and improvement of City streets, roads, and park development and maintenance.
- Capital outlay – includes purchases of property, plant and equipment which are expensed in the governmental funds because governmental funds use the current financial resources measurement focus.
- Principal retirement – includes principal payments for long-term liabilities.
- Interest and fiscal charges – includes current payments for interest on the City's long-term debt.

City of Los Alamitos
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

U. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 2 – Stewardship, Compliance, and Accountability

A. Violations of Legal or Contractual Provisions

Note 2 to Required Supplementary Information, on the Excess of Expenditures over Appropriations, describes budgetary violations that occurred in the General Fund for the year ended June 30, 2022.

B. Deficit Fund Balance

At June 30, 2022, the Community Development Block Grant (CDBG) nonmajor special revenue fund reported a deficit fund balance of \$114,182. The deficit is due to the timing of the receipt of CDBG program reimbursements for expenditures incurred. The deficit will be eliminated as the program reimbursements are received from the grantor agency.

Note 3 – Cash and Investments

A. Summary of Cash and Investments

At June 30, 2022, the City reported \$21,302,076 in unrestricted cash and investments and \$249 in restricted cash and investments held with fiscal agents for a total cash and investment balance of \$21,302,325. Total cash and investments consisted of the following:

Cash on hand	\$ 3,500
Demand deposits	796,570
Investments	20,502,255
Total Cash and Investments	<u>\$ 21,302,325</u>

The City follows the practice of pooling cash and investments of all funds except for funds required to be held by fiscal agents under provisions of bond indentures. Interest income earned on pooled cash and investments is allocated monthly to the various funds based on monthly cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the related fund.

City of Los Alamitos
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 3 – Cash and Investments (Continued)

B. Cash Deposits

The carrying amounts of the City's cash deposits were \$796,570 at June 30, 2022. Bank balances before reconciling items were \$549,966 at that date. The difference of \$246,604 represents outstanding checks, cash deposits in transit, and other reconciling items.

All City's cash and investments as of June 30, 2022, were collateralized or insured with securities held by pledging financial institutions in the City's name. The California Government Code requires California banks and savings and loan associations to secure the City's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the City's name.

C. Investments

The following table identifies the investment types that are authorized for the City by the California Government Code (or the City's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of bond indentures of the City, rather than the general provisions of the California Government Code or the City's investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio*	Maximum Investment in One Issuer
United States (U.S.) Treasury Obligations	5 years	None	None
Federal Agency Securities	5 years	None	None
Certificates of Deposit	5 years	None	\$250,000
Negotiable Certificates of Deposit	5 years	30%	30%
Local Agency Investment Fund (LAIF)	N/A	None	\$50 million

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

Investments of debt proceeds held by bond trustees are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	30 years	None	None
U.S. Agency Securities	None	None	None
Banker's Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Money Market Mutual Funds	None	None	None
Investment Agreements	None	None	None
Local Agency Bonds	None	None	None
Medium Term Notes	5 years	30%	None
Negotiable Certificates for Deposits	None	30%	None
Local Agency Investment Fund (LAIF)	None	None	None

City of Los Alamitos
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 3 – Cash and Investments (Continued)

C. Investments (Continued)

Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawals is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. LAIF does not impose limits or restrictions on participant withdrawals, and the entire balance of the City's investment in the portfolio is available for withdrawal at any time. LAIF is not registered with the Securities and Exchange Commission and is not rated. Deposits and withdrawals in LAIF are made on the basis of \$1 and not fair value. Accordingly, the City's investment in this pool is measured on uncategorized inputs not defined as Level 1, 2, or 3.

D. Risk Disclosures

Disclosures Relating to Interest Rate Risk

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

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

<u>Investment Type</u>	<u>Remaining Investment Maturities</u>			<u>Total</u>
	<u>Less than 1 Year</u>	<u>1 to 3 Years</u>	<u>4 to 5 Years</u>	
U.S. Treasury Obligations	\$ -	\$ 938,242	\$ 226,983	\$ 1,165,225
U.S. Agency Securities	-	3,177,967	4,949,937	8,127,904
Certificates of Deposit	743,167	732,413	1,373,104	2,848,684
Agency Investment Fund (LAIF)	8,360,193	-	-	8,360,193
Investment held by Bond Trustee:				
Money Market Mutual Funds	<u>249</u>	<u>-</u>	<u>-</u>	<u>249</u>
Total	<u>\$ 9,103,609</u>	<u>\$4,848,622</u>	<u>\$6,550,024</u>	<u>\$20,502,255</u>

City of Los Alamitos
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 3 – Cash and Investments (Continued)

D. Risk Disclosures (Continued)

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the City's investment policy, or debt agreements, and the actual rating, by Standards and Poor, as of fiscal year end for each investment type:

<u>Investment Type</u>	<u>Total</u>	<u>Minimum Legal Rating</u>	<u>Not Rated</u>	<u>AAA</u>	<u>AA+</u>
U.S. Treasury Obligations	\$1,165,225	N/A	\$ -	\$1,165,225	\$ -
U.S. Agency Securities	8,127,904	N/A	-	8,127,904	-
Certificates of Deposit	2,848,684	N/A	2,848,684	-	-
Agency Investment Fund (LAIF)	8,360,193	Not Rated	8,360,193	-	-
Investment held by Bond Trustee:					
Money Market Mutual Funds	<u>249</u>	<u>N/A</u>	<u>-</u>	<u>-</u>	<u>249</u>
Total	<u>\$20,502,255</u>		<u>\$11,208,877</u>	<u>\$9,293,129</u>	<u>\$ 249</u>

Concentration of Credit Risk

The City's investment policy imposes restrictions on the percentage that the City can invest in certain types of investments. As of June 30, 2022, in accordance with GASB Statement No. 40 requirements, the City is exposed to concentration of credit risk whenever they have invested more than 5% of their total investments in any one issuer.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. The City's investment policy does not contain any additional provisions that would limit the exposure to custodial credit risk for deposits. However, the policy does stipulate that mortgage collateral cannot be used to secure deposits, and that the use of a third-party bank trust department is to act as the City's safekeeping agent for investments. At June 30, 2022, City deposits (bank balances) were insured by the Federal Depository Insurance Corporation or collateralized as required under California Law.

City of Los Alamitos
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 3 – Cash and Investments (Continued)

D. Risk Disclosures (Continued)

Fair Value Hierarchy

The City categorizes its fair value measurements 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. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The City has the following recurring fair value measurements as of June 30, 2022:

Investments	Totals	Level		
		1	2	Uncategorized
U.S. Treasury Obligations	\$ 1,165,225	\$ 1,165,225	\$ -	\$ -
U.S. Agency Securities	8,127,904	8,127,904	-	-
Certificates of Deposit	2,848,684	-	2,848,684	-
Local Agency Investment Fund (LAIF)	8,360,193	-	-	8,360,193
Investment Held by Fiscal Agent				
Money Market Funds	249	249	-	-
Totals	<u>\$ 20,502,255</u>	<u>\$ 9,293,378</u>	<u>\$ 2,848,684</u>	<u>\$ 8,360,193</u>

Deposits and securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Federal Agency Securities classified in Level 2 of the fair value hierarchy are valued using institutional bond quotes.

Note 4 – Interfund Transactions

A. Receivables/Payables

The purpose of the interfund transactions is to make short-term interfund loans from the General Fund to nonmajor governmental funds. These interfund loans are to provide for negative cash balances at year-end and/or operating cash flow. Due to/from amounts are short-term financing, which are paid within one year. There were no such balances as of June 30, 2022.

B. Transfers In/Out

Transfers In	Transfers Out		
	General Fund	Nonmajor Governmental Funds	Total
General Fund	\$ -	\$ 375,000	\$ 375,000
Nonmajor Governmental Funds	453,500	-	453,500
Internal Service Funds	850,000	-	850,000
Total	<u>\$ 1,303,500</u>	<u>\$ 375,000</u>	<u>\$ 1,678,500</u>

City of Los Alamitos
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 4 – Interfund Transactions (Continued)

B. Transfers In/Out (Continued)

Transfers to the General Fund from the Nonmajor Governmental Funds were made to fund street maintenance, partially offset the cost of police services, and to partially offset the cost of the Police Department motor officer program and other costs pertaining to traffic safety programs. Transfers to the Other Governmental Funds from the General Fund were made to make principal and interest payments of debt issued for the Laurel Park purchase. Transfers to the Internal Services Funds from the General Fund were made to set aside fund for claim reserves, in case of any future incidents.

Note 5 – Capital Assets

A summary of changes in the Governmental Activities capital assets for the fiscal year ended June 30, 2022 are as follows:

<u>Description</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Non-depreciable:				
Land	\$ 5,917,715	\$ -	\$ -	\$ 5,917,715
Construction in process	<u>624,720</u>	<u>1,056,916</u>	<u>(500,216)</u>	<u>1,181,420</u>
Total non-depreciable	<u>6,542,435</u>	<u>1,056,916</u>	<u>(500,216)</u>	<u>7,099,135</u>
Depreciable:				
Buildings and improvements	2,295,266	-	-	2,295,266
Equipment	1,266,120	126,030	(56,015)	1,336,135
Right-to-use – leased vehicles	50,263	25,518	-	75,781
Vehicles	1,173,866	103,744	-	1,277,610
Infrastructure- road system	<u>14,109,191</u>	<u>500,215</u>	<u>-</u>	<u>14,609,406</u>
Total depreciable capital assets	<u>18,894,706</u>	<u>755,507</u>	<u>(56,015)</u>	<u>19,594,198</u>
Less accumulated depreciation for:				
Buildings and improvements	1,536,574	42,393	-	1,578,967
Equipment	1,011,510	58,910	(56,015)	1,014,405
Right-to-use – leased vehicles	-	16,780	-	16,780
Vehicles	1,056,337	56,260	-	1,112,597
Infrastructure- road system	<u>2,816,199</u>	<u>282,992</u>	<u>-</u>	<u>3,099,191</u>
Total accumulated depreciation	<u>6,420,620</u>	<u>457,335</u>	<u>(56,015)</u>	<u>6,821,940</u>
Total depreciable capital assets, net	<u>12,474,086</u>	<u>298,172</u>	<u>-</u>	<u>12,772,258</u>
Total capital assets, net	<u>\$ 19,016,521</u>	<u>\$ 1,355,088</u>	<u>\$ (500,216)</u>	<u>\$ 19,871,393</u>

Depreciation expense was charged to governmental activities as follows:

	<u>General</u>	<u>Internal Service</u>	<u>Total</u>
General Government	\$ 18,280	\$ -	\$ 18,280
Public Safety	22,851	-	22,851
Recreation and Community Services	54,840	-	54,840
Public Works	255,918	-	255,918
Internal Service Fund	-	105,446	105,446
Totals	<u>\$ 351,889</u>	<u>\$ 105,446</u>	<u>\$ 457,335</u>

City of Los Alamitos
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 5 – Capital Assets (Continued)

	<u>Expenditures Spent-to-date</u>	<u>Remaining Commitment</u>
Construction commitments:		
Government activities – street projects:		
Year 1 Residential Street Improvements	\$ 70,650	\$ 1,177,965
Howard Street from Noel to Lexington	100,957	30,043
Bloomfield from Farquhar to Katella	119,589	40,411
Suburbia Rehabilitation	157,715	29,269
Woodcrest and Carrier Row	19,398	209,685
Storm Drain Management Plan	64,860	10,140
Suburbia Street Project	49,124	73,822

Note 6 – Compensated Absences

The following is a summary of changes in compensated absences for the year ended June 30, 2022 is as follows:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022	Due within One Year
Compensated absences	\$ 481,842	\$ 229,747	\$ 223,557	\$ 488,032	\$ 181,844

There is no repayment schedule for compensated absences. Employee leave benefits are payable to employees upon usage or termination. The City's policies relating to the payment of these benefits are discussed in Note 1. The liability for compensated absences is typically liquidated through the General Fund.

Note 7 – Long-Term Debt

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

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022	Due within One Year
2015 Certificates of Participation	\$ 3,325,000	\$ -	\$ 80,000	\$ 3,245,000	\$ 85,000
Unamortized bond premium	109,555	-	4,434	105,121	4,434
	<u>\$ 3,434,555</u>	<u>\$ -</u>	<u>\$ 84,434</u>	<u>\$ 3,350,121</u>	<u>\$ 89,434</u>
Other Long-term Liabilities:					
Lease payable – Police Vehicles	\$ 68,008	\$ -	\$ 5,770	\$ 62,238	\$ 12,967

City of Los Alamitos
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 7 – Long-Term Debt (Continued)

A. 2015 Certificates of Participation

On September 1, 2015, the City issued the 2015 Certificates of Participation in the amount of \$3,685,000, as a public offering, to refund the outstanding balance of the 2006 (Laurel Park Acquisition) Certificates of Participation in an advanced refunding transaction, and to finance the design, acquisition, and construction of certain capital improvement projects. There are no finance-related consequences related to significant events of default or termination, and there are no acceleration clauses. There are no assets pledged as collateral, no required reserve, and no unused lines of credit. Interest on the bonds is payable semiannually on October 1 and April 1, commencing April 1, 2016, at rates which range from 2.00% to 5.00%. Principal payments begin October 1, 2017 and continue October 1 of each year through October 1, 2045. The outstanding balance as of June 30, 2022 is \$3,245,000. The annual debt service requirements on these bonds are as follows:

Year ending June 30,	Principal	Interest	Total
2023	\$ 85,000	\$ 125,444	\$ 210,444
2024	85,000	121,194	206,194
2025	90,000	116,819	206,819
2026	95,000	112,194	207,194
2027	100,000	107,319	207,319
2028-2032	560,000	482,144	1,042,144
2033-2037	655,000	379,147	1,034,147
2038-2042	805,000	236,900	1,041,900
2043-2046	770,000	63,200	833,200
	<u>\$ 3,245,000</u>	<u>\$ 1,744,361</u>	<u>\$ 4,989,361</u>

B. Lease Payable – Police Vehicles

In December 2020, the City entered into two five-year lease agreements as lessee for the acquisition and use of two vehicles. Initial lease liabilities were recorded in the amounts of \$31,142 and 42,533 during the current fiscal year as a result of implementation of GASB 87. As of June 30, 2022, the value of the lease liabilities were \$16,254 and \$22,204. The City is required to make monthly principal and interest payments of \$519 and \$708 for the vehicles. The leases both have an interest rate of 16.2%. The vehicles both have a five-year estimated useful life. The value of the right-to-use asset as of June 30, 2022 was \$21,244 and \$29,019 less accumulated amortization of \$6,373 and \$8,706, respectively.

In March 2022, the City entered into a five-year lease agreement as lessee for the acquisition and use of a vehicle. An initial lease liability was recorded in the amount of \$25,518 during the current fiscal year as a result of implementation of GASB 87. As of June 30, 2022, the value of the lease liability was \$23,780. The City is required to make monthly principal and interest payments of \$623 for the vehicle. The lease has an interest rate of 16.2%. The equipment has a five-year estimated useful life. The value of the right-to-use asset as of June 30, 2022 was \$25,518 less accumulated amortization of \$1,701.

The following future principal and interest payments on the leases payable for June 30 are as follows:

Year ending June 30,	Principal	Interest	Total
2023	\$ 12,967	\$ 9,248	\$ 22,215
2024	15,226	6,989	22,215
2025	17,888	4,327	22,215
2026	12,060	1,561	13,621
2027	4,097	292	4,389
	<u>\$ 62,238</u>	<u>\$ 22,417</u>	<u>\$ 85,255</u>

City of Los Alamitos
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 8 – Defined Contribution Plans

The City provides pension benefits for all of its part time employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The plan is administered as part of the City's 457 plan. Federal legislation requires contributions of at least 7.5% of the employees' salary. For the fiscal year ended June 30, 2022, the City contributed \$35,121. City employees are invested immediately. City Council has the authority to establish and amend the provisions of this plan.

Note 9 – Defined Benefit Pension Plans

A. Plan Description

The City contributes to the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employer public employee defined benefit pension plan for full-time safety and miscellaneous employees. CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. CalPERS issues a publicly available financial report that includes financial statements and required supplementary information for the cost-sharing plans that are administered by CalPERS. Copies of CalPERS' annual financial report may be obtained from their executive office at: 400 P Street, Sacramento, California 95814.

B. Benefits Provided

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

City of Los Alamitos
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 9 – Defined Benefit Pension Plans (Continued)

B. Benefits Provided (Continued)

The City has a multiple tier retirement plan with benefits varying by plan for both miscellaneous and safety employees hired on or before specific dates as follows:

Safety Employees

- **Legacy POA Employees** – The retirement formula is 3% at age 50 for safety employees covered under the Los Alamitos Police Officers' Association (POA) that were hired on or before December 31, 2012. The employee is responsible for the employee share (9%).
- **Non-Represented Safety Employees** – The retirement formula for Non-Represented Safety Employees hired on or before December 31, 2012 is 3% at age 50. The employee is responsible for the employee share (9%).
- **Safety PEPRA Employees** – The retirement formula is 2.7% at age 57 for new members hired on or after January 1, 2013. The employee must pay one-half (1/2) of the normal cost of the benefit. The normal cost is currently 23.49% - one-half of which is 11.745%, which is paid by the employee.

Classic members (CalPERS members prior to 12/31/12) hired on or after January 1, 2013 may be placed in a different tier.

Miscellaneous Employees

- **Legacy CEA Employees** – The retirement formula is 2.7% at age 55 for miscellaneous employees covered under the Los Alamitos City Employees Association (CEA) hired on or before December 31, 2012. The employee is responsible for the employee share (8%).
- **Non-Represented Miscellaneous Employees** – The retirement formula for Non-Represented Miscellaneous Employees hired on or before December 31, 2012 is 2.7% at age 55. The employee is responsible for the employee share (8%) with the exception of the City Manager whereby the City pays the employee share (8%).
- **Miscellaneous PEPRA Employees** – The retirement formula is 2% at age 62 for new members hired on or after January 1, 2013. The employee must pay one-half (1/2) of the normal cost of the benefit. The normal cost is currently 12.783% - one-half of which is 6.3915%, which is paid by the employee.

Classic members (CalPERS members prior to 12/31/12) hired on or after January 1, 2013 may be placed in a different tier.

Additionally, the City is required to contribute the actuarially determined amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. The required employer contribution rates for fiscal year 2021-2022 are as follows:

	Employer Rates
Classic Miscellaneous Members	14.02%
PEPRA Miscellaneous Members	7.59%
Classic Safety Members	23.71%
PEPRA Safety Members	13.13%

The employer rate for each plan does not include the additional City payment made towards the unfunded pension liability. Payment towards the unfunded liability for the fiscal year ended June 30, 2022 was \$1,677,621.

City of Los Alamitos
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 9 – Defined Benefit Pension Plans (Continued)

C. Contribution Description

Section 20814(c) of the California Public Employees’ Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS’ annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions.

For the year ended June 30, 2022, the contributions recognized as a reduction to the net pension liability for the miscellaneous and safety plans was \$772,765 and \$848,052, respectively.

D. Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The June 30, 2020 valuations were rolled forward to determine the June 30, 2021 total pension liabilities, based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal in accordance with the requirements of GASB 68
Actuarial Assumptions	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table ¹	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.0% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.5% thereafter

¹ The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using the Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

E. Long-term Expected Rate of Return

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

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

City of Los Alamitos
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 9 – Defined Benefit Pension Plans (Continued)

E. Long-term Expected Rate of Return

Asset Class	Assumed Asset Allocation
Public equity	50.0%
Global fixed income	28.0%
Real assets	13.0%
Private equity	8.0%
Inflation sensitive assets	0.0%
Liquidity	1.0%

F. Discount Rate

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

G. Subsequent Events

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

H. Amortization of Deferred Outflows and Deferred Inflows of Resources

Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Net difference between projected and actual earnings on pension plan investments	5 year straight-line amortization
All other amounts	Straight-line amortization over the expected average remaining service lifetime (EARSL) of all membersthat are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period

The EARSL for PERF C (the CalPERS pool) for the measurement date ending June 30, 2021 is 3.7 years, which was obtained by dividing the total service years of 559,502 (the sum of remaining service lifetimes of the active employees) by 150,958 (the total number of participants: active, inactive, and retired) in PERF C. Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

City of Los Alamitos
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 9 – Defined Benefit Pension Plans (Continued)

I. Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension

Net Pension Liability

As of June 30, 2022, the City reported net pension liabilities for its proportionate shares of the net pension liability of each Plan as follows:

Proportionate Share of Net Pension Liability	
Miscellaneous	\$ 7,053,182
Safety	7,487,386
Total Net Pension Liability	<u>\$ 14,540,568</u>

The City's net pension liability for each plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the plans is measured as of June 30, 2020, and the total pension liability for each plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for each plan as of June 30, 2020 and 2021, were as follows:

	<u>Miscellaneous</u>	<u>Safety</u>
Proportion – June 30, 2020	0.2450%	0.1772%
Proportion – June 30, 2021	<u>0.3738%</u>	<u>0.2140%</u>
Change – Increase (Decrease)	<u>0.1288%</u>	<u>0.0368%</u>

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

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

	Discount Rate -1% <u>(6.15%)</u>	Current Discount Rate <u>(7.15%)</u>	Discount Rate -1% <u>(6.15%)</u>
Proportion – June 30, 2020	\$11,611,367	\$ 7,053,182	\$ 3,326,094
Proportion – June 30, 2021	<u>13,283,412</u>	<u>7,487,386</u>	<u>2,726,666</u>
Change – Increase (Decrease)	<u>\$24,894,779</u>	<u>\$14,540,568</u>	<u>\$ 6,052,760</u>

Pension Expense and Pension Deferrals

For the year ended June 30, 2022, the City recognized a total pension expense of \$491,685 for the Miscellaneous plan and \$436,776 for the Safety plan, totaling \$928,461 for all plans. At June 30, 2022, the City reported deferred outflows and deferred inflows of resources related to pensions as follows:

City of Los Alamitos
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 9 – Defined Benefit Pension Plans (Continued)

I. Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension

<u>Miscellaneous Plan</u>	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to measurement date	\$ 1,043,161	\$ -
Changes in assumptions	-	-
Difference between expected and actual experience	793,464	2,523
Net difference between projected and actual earnings on pension plan investments	19,639	6,176,695
Adjustment due to differences in proportions	3,063,933	262,567
Difference between actual and proportionate share of contributions	49,624	321,455
Subtotal Miscellaneous Plan	4,969,821	6,763,240
<u>Safety Plan</u>		
Contributions subsequent to measurement date	1,280,078	-
Changes in assumptions	-	-
Difference between expected and actual experience	1,281,287	2,073
Net difference between projected and actual earnings on pension plan investments	7,222	4,463,655
Adjustment due to differences in proportions	1,336,895	33,405
Difference between actual and proportionate share of contributions	105,479	950,373
Subtotal Safety Plan	4,010,961	5,449,506
Total All Plans	\$ 8,980,782	\$ 12,212,746

The \$2,323,239 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows or deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year	Deferred Outflows/(Inflows) of Resources		
Ending June 30,	Miscellaneous	Safety	Total
2023	\$ (284,108)	\$ (326,250)	\$ (610,358)
2024	(238,549)	(436,791)	(675,340)
2025	(612,429)	(729,233)	(1,341,662)
2026	(1,701,494)	(1,226,349)	(2,927,843)

City of Los Alamitos
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 10 – Other Post-Employment Benefit (OPEB) Plan

A. Plan Description

In addition to providing pension benefits, the City provides certain health care benefits, through a single- employer OPEB Plan (the Plan), for retired employees in accordance with a City Council resolution. Substantially, all the City's employees become eligible for those benefits if they reach normal retirement age while working for the City. Those and similar benefits for active employees are provided through PERS whose premiums are based on the benefits paid during the year.

Retiree health care coverage is segregated into two tiers as follows:

Tier 1 – Employees Hired Before August 1, 1994(1) receive one of the following:

- Miscellaneous and Safety Employees with 10 years of service with the City, with a regular service retirement, shall be eligible to receive 100% of the monthly benefit applicable towards the employee and one dependent, provided that employee plus one dependent coverage was in effect upon the date of retirement, up to Medicare age, and up to \$300 per month thereafter for life.
- Employees age fifty (50) or over received up to \$300 per month for life.

Tier 2 – Employees Hired on or After August 1, 1994(1) receive one of the following:

- Miscellaneous Employees with at least 15 years of continuous service with the City, and have reached the age of fifty-five (55) shall be eligible to receive 100% of the monthly benefit applicable towards the employee and one dependent, provided that employee plus one dependent coverage was in effect upon the date of retirement, up to Medicare age, and up to \$300 per month thereafter for life.
- Safety Employees with 10 years of service with the City shall be eligible to receive 50% of the monthly benefit applicable towards the employee and one dependent, if employee plus one dependent coverage was in effect upon the date of retirement. The percentage increases by 5% per year to 100% at 20 years of service up to Medicare age, and up to \$300 per month thereafter for life.

(1) Applies to police employees hired after January 1, 1995.

B. Employees Covered

As of the June 30, 2022 actuarial valuation, the following current and former employees were covered by the benefit terms under the Plan:

Active	50
Inactive employees or beneficiaries currently receiving benefits	47
Inactive employees entitled to, but not yet receiving benefits	0
Total	<u>97</u>

C. Contributions

The contribution requirements of plan members and the City are established and may be amended by the City Council, and/or the employee associations. The City is currently funding this OPEB obligation based on a pay-as-you-go basis. For the measurement date ended June 30, 2022, the City made no contributions to the plan, which would be recognized as a reduction of the total OPEB liability.

City of Los Alamitos
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 10 – Other Post-Employment Benefit (OPEB) Plan (Continued)

D. Actuarial Methods and Assumptions

The City's total OPEB liability was measured as of June 30, 2022 and was determined by an actuarial valuation dated June 30, 2022, based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	3.54%
Inflation	2.50%
Salary Increases	2.75% per year
Investment Rate of Return	2.20%, net of expenses
Mortality Rate	2014 CalPERS Active Mortality for Miscellaneous
Pre-Retirement Turnover	According to the CalPERS Turnover rate table
Healthcare Trend Rate	4.0% per year

The actuary applied section 3.7.7(c)4 Actuarial Standards of Practice No. 6, as revised, and determined age-adjusted rates are not necessary and therefore, the Implicit Rate Subsidy is not applicable in calculating the total projection of benefit payments.

E. Discount Rate

The discount rate used to measure the total OPEB liability was 3.54 percent. The discount rate is based on the Bond Buyer 20 Bond Index. The City does not participate in a trust fiduciary fund.

F. Changes in the Total OPEB Liability

The changes in the Total OPEB liability for the Plan are as follows:

	Increase (Decrease)
	Total OPEB Liability/(Assets)
Balance at June 30, 2021 (valuation date 6/30/19)	\$ 6,694,357
Changes recognized over the measurement period:	
Service Cost	345,491
Interest	144,055
Changes of assumptions	(973,560)
Actual and expected experience difference	542,385
Benefit Payments	(395,761)
Net Changes	(337,390)
Balance at June 30, 2022 (measurement date 6/30/22)	\$ 6,356,967

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

The following presents the Total OPEB liability of the City if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2022:

1% Decrease	Current Discount Rate	1% Increase
(2.54%)	(3.54%)	(4.54%)
\$7,038,345	\$6,356,967	\$5,781,635

City of Los Alamitos
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 10 – Other Post-Employment Benefit (OPEB) Plan (Continued)

H. Sensitivity of the Total OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the Total OPEB liability of the City if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2022:

1% Decrease 3.00%	Current Healthcare Cost Trent Rates 4.00%	1% Increase 5.00%
\$5,879,754	\$6,356,967	\$6,925,807

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

For the fiscal year ended June 30, 2022, the City recognized OPEB expense of \$677,562. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of resources	Deferred Inflows of resources
Change in assumptions	\$ 1,828,269	\$ (865,386)
Difference between expected and actual experience	482,120	(674,262)
	<u>\$ 2,310,389</u>	<u>\$ (1,539,648)</u>

Amounts reported as deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Year Ending June 30	Amount
2022	\$ 188,016
2023	188,016
2024	188,016
2025	188,016
2026	158,826
Thereafter	<u>(140,149)</u>
Total	<u>\$ 770,741</u>

Note 11 – Joint Ventures

A. Orange County Fire Authority

In January 1995, the City of Los Alamitos entered into a joint powers agreement with 17 other cities within the County of Orange to create the Orange County Fire Authority (Authority). The purpose of the Authority is to provide for mutual fire protection, prevention and suppression services, and related and incidental services including, but not limited to emergency medical and transport services, as well as providing facilities and personnel for such services. The effective date of formation was March 1, 1995. Since the creation of the Authority, five additional cities have joined the Authority as members. The Authority's governing board consists of one representative from each city and two from the County.

City of Los Alamitos
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 11 – Joint Ventures (Continued)

A. *Orange County Fire Authority (Continued)*

The operations of the Authority are funded with structural fire fees collected by the County through the property tax roll for the unincorporated area and on behalf of all member cities except for eight cities. The County pays all structural fire fees it collects to the Authority. The eight cities for which the County does not collect structural fire fees are considered “cash contract cities” and, accordingly, make cash contributions based on the Authority’s annual budget.

Upon dissolution of the Authority, all surplus money and property of the Authority will be conveyed or distributed to each member in proportion to all funds provided to the Authority by that member or by the County on behalf of that member during its membership. The City has a financial interest in the Authority; however, it does not have an equity interest. Also, the City does not have an ongoing financial responsibility. Financial statements of the Authority may be obtained from its office at Post Office Box 57115, Irvine, California 92619.

B. *West Communications Financing Authority*

The West Communications Financing Authority was established December 23, 1996, pursuant to a Joint Exercise of Powers Agreement by the Cities of Los Alamitos, Seal Beach and Cypress for the purpose of operating a public safety communications center.

The Board of Directors is comprised of three elected officials, one designated by each participating City. Each Director has one vote over budgeting and financial matters. The Authority is a public entity separate from the Cities and is not included in the financial statements of those entities.

Each City pays a contractual fee to the Authority which consists of personal costs, capital expenditures and reserves to fund accrued employee leave and equipment purchases. The contractual fee remains stable from year to year. In 2021-2022, the City of Los Alamitos paid \$703,953 to the Authority. Financial information for the Authority may be obtained from the City of Cypress.

C. *Integrated Law and Justice Agency for Orange County*

In May 2006, the City of Los Alamitos entered into a joint powers agreement with 22 other agencies within the County of Orange to create the Integrated Law and Justice Agency for Orange County. The purpose of the Agency is to facilitate the integration and sharing of criminal justice information for the benefit of the lands and inhabitants within their respective boundaries. The Agency’s governing board consists of six Municipal Police Chiefs, each elected for a three-year term by the Orange County Chiefs & Sheriff’s Association. The operations of the Agency are funded by grant awards and annual budget appropriations from each member agency.

Upon dissolution of the Agency, all surplus money and property of the Agency will be conveyed or distributed to each member in proportion to all funds provided to the Agency by that member. The City has a financial interest in the Authority; however, it does not have an equity interest. Also, the City has an ongoing financial responsibility to the Agency for approximately \$3,000 per year.

Financial information for this arrangement may be obtained from the City of Los Alamitos.

Note 12 – Self-Insurance Program

Effective July 1, 2016, the City rescinded its participation in the California Joint Power Insurance Authority (CJPIA) and joined the California State Association of Counties Excess Insurance Authority (EIA). Beginning July 1, 2016, excess insurance coverage for General Liability and Workers’ Compensation was provided through the EIA with self-insured retentions of \$100,000 and \$125,000 per occurrence for each respective program. The EIA provides coverage up to \$25 million per occurrence for General Liability and up to the statutory limit for Workers’ Compensation.

City of Los Alamitos
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 12 – Self-Insurance Program (Continued)

The City established a Self-Insurance Fund (an internal service fund) to account for and finance its uninsured risk of loss when it became a member of EIA for liability, master crime, and workers' compensation coverage. All funds of the City participate in the program and make payments to the Self-Insurance Fund based on estimates of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophe losses. The estimated claims liability of \$222,973 reported at June 30, 2022, is based on the requirements of Governmental Accounting Standards Board Statement 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. The above amount includes an estimate for incurred but not reported claims.

During the last three fiscal years none of the above programs of protection have had settlements or judgments that exceeded the insured coverage amount. There have been no significant reductions in insured liability coverage from the prior year.

Changes in the reported liability for the last two fiscal years are as follows:

	<u>Workers'</u> <u>Compensation</u>	<u>General</u> <u>Liability</u>	<u>Total</u>
Liability balance as of June 30, 2020	\$ 59,868	\$ 215,605	\$ 275,473
Claims and changes in estimates during the fiscal year ended June 30, 2021	198,587	(177,484)	21,103
Claims payments during the fiscal year ended June 30, 2021	<u>(196,473)</u>	<u>50,560</u>	<u>(145,913)</u>
Liability balance as of June 30, 2021	61,982	88,681	150,663
Claims and changes in estimates during the fiscal year ended June 30, 2022	(27,848)	(72,962)	(100,810)
Claims payments during the fiscal year ended June 30, 2022	<u>37,741</u>	<u>135,379</u>	<u>173,120</u>
Liability balance as of June 30, 2022	<u>\$ 71,875</u>	<u>\$ 151,098</u>	<u>\$ 222,973</u>

Note 13 – Commitments and Contingencies

The City is subject to litigation arising in the normal course of business.

The City has received various state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, it is believed that any required reimbursements will not be material.

The City's operations may be affected by the recent and ongoing outbreak of COVID-19, which was declared a pandemic by the World Health Organization in March 2020. The ultimate disruption which may be caused by the outbreak is uncertain; however, possible effects may include, but are not limited to, a reduction in certain tax revenues and a decline in the value of investments, which could have an impact on the City's financial position and operating results. There is significant uncertainty as to the severity and longevity of the outbreak and City management is in the process of evaluating the impact on the City and its financial statements.

City of Los Alamitos
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 14 – Classification of Fund Balances

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At June 30, 2022, fund balances are classified in the governmental funds as follows:

	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
<i>Nonspendable</i>			
Prepaid expenditures	\$ 2,659	\$ -	\$ 2,659
Due from employees	<u>1,531</u>	<u>-</u>	<u>1,531</u>
<i>Total Nonspendable</i>	<u>4,190</u>	<u>-</u>	<u>4,190</u>
<i>Restricted</i>			
Transportation	-	1,099,189	1,099,189
Cable television	-	73,947	73,947
Public safety	-	323,343	323,343
Air quality	-	123,361	123,361
Parks	<u>-</u>	<u>733,371</u>	<u>733,371</u>
<i>Total Restricted</i>	<u>-</u>	<u>2,353,211</u>	<u>2,353,211</u>
<i>Committed</i>			
Capital projects	<u>2,620</u>	<u>119</u>	<u>2,739</u>
<i>Total Committed</i>	<u>2,620</u>	<u>119</u>	<u>2,739</u>
<i>Assigned</i>			
Other POST-employment benefits	500,000	-	500,000
PERS reserves	3,400,000	-	3,400,000
Capital projects	<u>295,979</u>	<u>243,462</u>	<u>539,441</u>
<i>Total Assigned</i>	<u>4,195,979</u>	<u>243,462</u>	<u>4,439,441</u>
<i>Unassigned</i>	<u>12,570,232</u>	<u>(114,182)</u>	<u>12,456,050</u>
<i>Totals</i>	<u>\$16,773,021</u>	<u>\$ 2,482,610</u>	<u>\$19,255,631</u>

Note 15 – Restatement of Beginning Net Position/Fund Balance

	<u>Governmental Activities</u>	<u>Governmental Funds General Fund</u>
Net position/fund balance at July 1, 2021, as originally reported	\$ 8,168,084	\$13,615,603
Adjustment for understatement of unearned revenue.	<u>(1,015,926)</u>	<u>(1,015,926)</u>
Net position/fund Balance at July 1, 2021, as restated	<u>\$ 7,152,158</u>	<u>\$12,599,677</u>

Note 16 – Subsequent Events

Management has evaluated subsequent events through February 6, 2023 which is the date the financial statements were available to be issued, and has determined that there are no transactions that will have a significant impact on the City.

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

CITY OF LOS ALAMITOS
Required Supplementary Information
Budgetary Comparison Schedule - General Fund
For the Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
Fund balance, July 1, 2021	<u>\$ 12,599,677</u>	<u>\$ 12,599,677</u>	<u>\$ 12,599,677</u>	<u>\$ -</u>
Revenues (inflows):				
Taxes	15,684,074	15,684,074	18,828,358	3,144,284
Licenses and permits	1,142,382	1,142,283	1,034,975	(107,308)
Intergovernmental	20,200	20,200	263,721	243,521
Charges for services	631,924	631,924	904,437	272,513
Investment earnings (loss)	229,280	229,280	(684,765)	(914,045)
Fines and forfeitures	738,309	738,309	382,498	(355,811)
Miscellaneous	68,000	68,000	40,826	(27,174)
Transfers in	<u>375,000</u>	<u>375,000</u>	<u>375,000</u>	<u>-</u>
Amount available for appropriations	<u>18,889,169</u>	<u>18,889,070</u>	<u>21,145,050</u>	<u>2,255,980</u>
Charges to appropriations (outflows):				
General government:				
City Council	66,895	66,895	70,021	(3,126)
City Manager / City Clerk	1,051,340	1,051,340	917,014	134,326
Administrative Services	725,906	725,906	662,261	63,645
City Attorney	176,000	176,000	210,871	(34,871)
Non-departmental	584,721	584,721	1,111,970	(527,249)
Public safety	7,394,611	7,394,611	6,617,305	777,306
Community development	1,329,924	1,329,924	1,292,094	37,830
Recreation and community services	1,775,322	1,775,322	1,911,542	(136,220)
Public works	2,259,400	2,259,400	2,801,366	(541,966)
Capital outlay	1,264,615	1,264,615	73,762	1,190,853
Transfers out	<u>1,303,500</u>	<u>1,303,500</u>	<u>1,303,500</u>	<u>-</u>
Total charges to appropriations	<u>17,932,234</u>	<u>17,932,234</u>	<u>16,971,706</u>	<u>960,528</u>
Fund balance, June 30, 2022	<u><u>\$ 13,556,612</u></u>	<u><u>\$ 13,556,513</u></u>	<u><u>\$ 16,773,021</u></u>	<u><u>\$ 3,216,508</u></u>

City of Los Alamitos
Required Supplementary Information (Continued) Notes to the Budgetary Comparison Schedule
For the Year Ended June 30, 2022

Note 1 – Budgets and Budgetary Accounting Data

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The annual budget is adopted by the City Council and provides for the general operation of the City. The operating budget includes proposed expenditures and the means of financing them.
2. The City Council approves total budgeted appropriations and any amendments to appropriations throughout the year. This “appropriated budget” covers substantially all City expenditures. Actual expenditures may not exceed budgeted appropriations at the department level. The City’s fund structure includes the following departments: City Council, City Manager/City Clerk, Administrative Services, City Attorney, Public Safety, Community Development, Recreation and Community Services, and Public Works. The City Manager is authorized to transfer budgeted amounts between the accounts of any department. Budgets are controlled at the department level. Budget figures used in the financial statements are the final adjusted amounts, including any amendments to the budget during the fiscal year.
3. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the Governmental Fund types during the fiscal year. Unexpended appropriations of the governmental funds automatically lapse at the end of the fiscal year.
4. Budgets for the General, Special Revenue, Debt Service, Traffic Improvement Capital Projects Fund, Building Improvement Capital Project Fund, and Residential Street/Alley Capital Project Fund are adopted on a basis substantially consistent with accounting principles generally accepted in the United States of America (USGAAP). Accordingly, actual revenues and expenditures can be compared with related budgeted amounts without any significant reconciling items. No budgetary comparisons are presented for the proprietary funds, as the City is not legally required to adopt a budget for this type of fund.
5. Under Article XIII B of the California Constitution (the Gann Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller or returned to the taxpayers through revised tax rates or revised fee schedules, or an excess in one year may be offset against a deficit in the following year. For the fiscal year ended June 30, 2022, based on calculations by City management, proceeds of taxes did not exceed appropriations.

Note 2 – Excess of Expenditures over Appropriations

The following departments had expenditures that exceeded the adopted budget:

	Budget	Actual	Variance
City Council	\$ 66,895	\$ 70,021	\$ (3,126)
City Attorney	176,000	210,871	(34,871)
Non-departmental	584,721	1,111,970	(527,249)
Recreation and community services	1,775,322	1,911,542	(136,220)
Public works	2,259,400	2,801,366	(541,966)

CITY OF LOS ALAMITOS
Required Supplementary Information (Continued)
Schedule of City's Proportionate Share of the Net Pension Liability and Related Ratios
For the Year Ended June 30, 2022

Last Ten Fiscal Years

California Public Employees' Retirement System ("CalPERS") Miscellaneous Plan

	June 30, 2021 ¹ Fiscal Year 2021-22	June 30, 2020 ¹ Fiscal Year 2020-21	June 30, 2019 ¹ Fiscal Year 2019-20	June 30, 2018 ¹ Fiscal Year 2018-19	June 30, 2017 ¹ Fiscal Year 2017-18
City's Proportion of the Net Pension Liability/(Asset)	0.1740%	0.1791%	0.1662%	0.0953%	0.0920%
City's Proportionate share of the Net Pension Liability/(Asset)	\$ 7,053,182	\$ 10,333,777	\$ 9,688,016	\$ 8,999,874	\$ 9,127,183
City's Covered payroll	\$ 1,802,686	\$ 1,853,222	\$ 1,883,036	\$ 1,882,670	\$ 2,067,777
City's Proportionate Share of the Net Pension (Asset) as a Percentage of its covered payroll	391.3%	557.6%	514.5%	478.0%	441.4%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Total Pension Liability	79.4%	69.3%	70.4%	75.3%	73.3%
	June 30, 2016 ¹ Fiscal Year 2016-17	June 30, 2015 ¹ Fiscal Year 2015-16	June 30, 2014 ¹ Fiscal Year 2014-15		
City's Proportion of the Net Pension Liability/(Asset)	0.0922%	0.0901%	0.0726%		
City's Proportionate share of the Net Pension Liability/(Asset)	\$ 7,975,904	\$ 6,181,642	\$ 4,518,604		
City's Covered payroll	\$ 2,139,951	\$ 2,067,219	\$ 2,042,142		
City's Proportionate Share of the Net Pension (Asset) as a Percentage of its covered payroll	372.7%	299.0%	221.3%		
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Total Pension Liability	74.1%	78.4%	79.8%		

¹ Historical information is presented only for measurement periods for which GASB 68 is applicable. The Measurement date 2014 was the first year of implementation, therefore only eight years are presented.

CITY OF LOS ALAMITOS
Required Supplementary Information (Continued)
Schedule of City's Proportionate Share of the Net Pension Liability and Related Ratios
For the Year Ended June 30, 2022

Last Ten Fiscal Years

California Public Employees' Retirement System ("CalPERS") Safety Plan

	June 30, 2021 ¹ Fiscal Year 2021-22	June 30, 2020 ¹ Fiscal Year 2020-21	June 30, 2019 ¹ Fiscal Year 2019-20	June 30, 2018 ¹ Fiscal Year 2018-19	June 30, 2017 ¹ Fiscal Year 2017-18
City's Proportion of the Net Pension Liability/(Asset)	0.1643%	0.1695%	0.1710%	0.1047%	0.0980%
City's Proportionate share of the Net Pension Liability/(Asset)	\$ 7,487,386	\$ 11,805,982	\$ 10,731,155	\$ 9,853,739	\$ 9,719,511
City's Covered payroll	\$ 2,184,348	\$ 1,935,386	\$ 2,287,551	\$ 2,498,046	\$ 2,655,464
City's Proportionate Share of the Net Pension (Asset) as a Percentage of its covered payroll	342.8%	610.0%	469.1%	394.5%	366.0%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Total Pension Liability	82.4%	71.8%	73.1%	75.3%	73.3%
	June 30, 2016 ¹ Fiscal Year 2016-17	June 30, 2015 ¹ Fiscal Year 2015-16	June 30, 2014 ¹ Fiscal Year 2014-15		
City's Proportion of the Net Pension Liability/(Asset)	0.0965%	0.0922%	0.0891%		
City's Proportionate share of the Net Pension Liability/(Asset)	\$ 8,351,809	\$ 6,328,706	\$ 5,542,493		
City's Covered payroll	\$ 2,534,307	\$ 2,402,592	\$ 2,385,017		
City's Proportionate Share of the Net Pension (Asset) as a Percentage of its covered payroll	329.6%	263.4%	232.4%		
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Total Pension Liability	74.1%	78.4%	79.8%		

¹ Historical information is presented only for measurement periods for which GASB 68 is applicable. The Measurement date 2014 was the first year of implementation, therefore only eight years are presented.

CITY OF LOS ALAMITOS
Required Supplementary Information (Continued)
Schedule of City's Contributions - Pensions
For the Year Ended June 30, 2022

Last Ten Fiscal Years

California Public Employees' Retirement System ("CalPERS") Miscellaneous Plan

	2021-22	2020-21	2019-20	2018-19	2017-18
Actuarially determined contribution ²	\$ 1,043,161	\$ 902,971	\$ 878,063	\$ 706,647	\$ 607,715
Contributions in relation to the actuarially determined contributions ²	\$ (1,043,161)	\$ (902,971)	\$ (878,063)	\$ (706,647)	\$ (607,715)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll ²	\$ 2,174,409	\$ 1,802,686	\$ 1,853,222	\$ 1,883,036	\$ 1,882,670
Contributions as a percentage of covered employee payroll	48.0%	50.1%	47.4%	37.5%	32.3%
	2016-17	2015-16	2014-15		
Actuarially determined contribution ²	\$ 575,534	\$ 478,168	\$ 228,140		
Contributions in relation to the actuarially determined contributions ²	\$ (575,534)	\$ (478,168)	\$ (228,140)		
Contribution deficiency (excess)	\$ -	\$ -	\$ -		
Covered payroll ²	\$ 2,067,777	\$ 2,139,951	\$ 2,067,219		
Contributions as a percentage of covered employee payroll	27.8%	22.3%	11.0%		

California Public Employees' Retirement System ("CalPERS") Safety Plan

	2021-22	2020-21	2019-20	2018-19	2017-18
Actuarially determined contribution ²	\$ 1,280,078	\$ 1,163,513	\$ 1,075,926	\$ 927,772	\$ 847,090
Contributions in relation to the actuarially determined contributions ²	\$ (1,280,078)	\$ (1,163,513)	\$ (1,075,926)	\$ (927,772)	\$ (847,090)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll ²	\$ 2,103,050	\$ 2,184,348	\$ 1,935,386	\$ 2,287,551	\$ 2,498,046
Contributions as a percentage of covered employee payroll	60.9%	53.3%	55.6%	40.6%	33.9%
	2016-17	2015-16	2014-15		
Actuarially determined contribution ²	\$ 797,034	\$ 748,750	\$ 605,370		
Contributions in relation to the actuarially determined contributions ²	\$ (797,034)	\$ (748,750)	\$ (605,370)		
Contribution deficiency (excess)	\$ -	\$ -	\$ -		
Covered payroll ²	\$ 2,655,464	\$ 2,534,307	\$ 2,402,592		
Contributions as a percentage of covered employee payroll	30.0%	29.5%	25.2%		

¹ Historical information is presented only for measurement periods for which GASB 68 is applicable. The fiscal year 2014 was the first year of implementation, therefore only eight years are presented.

² Covered Payroll represented above is based on pensionable earnings provided by the employer.

Notes to Schedule

None.

CITY OF LOS ALAMITOS
Required Supplementary Information (Continued)
Schedule of Changes in the Net OPEB Liability and Related Ratios
For the Year Ended June 30, 2022

	Last Ten Fiscal Years				
For the Measurement Period:	2021-22	2020-21	2019-20	2018-19	2017-18
Total OPEB Liability					
Service cost	\$ 345,491	\$ 333,552	\$ 192,736	\$ 175,452	\$ 170,756
Interest on the total OPEB Liability	144,055	143,962	164,133	157,013	166,352
Actual and expected					
experience difference	542,385	-	(1,087,077)	-	-
Changes in assumptions	(973,560)	31,397	2,824,825	100,644	-
Changes in benefit terms	-	-	-	-	-
Benefit payments	<u>(395,761)</u>	<u>(383,006)</u>	<u>(238,645)</u>	<u>(237,974)</u>	<u>(228,821)</u>
Net change in total OPEB liability	(337,390)	125,905	1,855,972	195,135	108,287
Total OPEB liability - beginning	<u>6,694,357</u>	<u>6,568,452</u>	<u>4,712,480</u>	<u>4,517,345</u>	<u>4,409,058</u>
Total OPEB liability - ending (a)	<u><u>\$ 6,356,967</u></u>	<u><u>\$ 6,694,357</u></u>	<u><u>\$ 6,568,452</u></u>	<u><u>\$ 4,712,480</u></u>	<u><u>\$ 4,517,345</u></u>
 Fiduciary net position as a % of total OPEB liability ¹	 0.00%	 0.00%	 0.00%	 0.00%	 0.00%
 Covered-employee payroll	 \$ 4,277,459	 \$ 4,700,996	 \$ 4,502,169	 \$ 4,380,716	 \$ 4,380,716
 Net OPEB liability as a percentage of payroll	 148.6%	 142.4%	 145.9%	 107.6%	 103.1%

* 2018 is the first year of implementation, therefore only five years are available for the required 10-year schedule.

¹ The City does not hold any assets in a qualifying irrevocable trust or equivalent avengement. As such, there is no fiduciary net position of the plan, and the total amount of the OPEB liability is reported.

SUPPLEMENTARY INFORMATION

CITY OF LOS ALAMITOS

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2022

	Special Revenue Funds			
	Community Development Block Grant	Measure M	Los Alamitos Television	Office of Traffic Safety
ASSETS				
Cash and investments	\$ 89,930	\$ 574,752	\$ 71,940	\$ 82,603
Accounts receivable	-	-	4,407	1,269
Due from other governments	-	49,588	-	-
Restricted cash and investments with fiscal agent	-	-	-	-
Total assets	<u>\$ 89,930</u>	<u>\$ 624,340</u>	<u>\$ 76,347</u>	<u>\$ 83,872</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 204,112	\$ 25,750	\$ 2,400	\$ -
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Total liabilities	<u>204,112</u>	<u>25,750</u>	<u>2,400</u>	<u>-</u>
Fund Balances:				
Restricted	-	598,590	73,947	83,872
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	(114,182)	-	-	-
Total fund balances	<u>(114,182)</u>	<u>598,590</u>	<u>73,947</u>	<u>83,872</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 89,930</u>	<u>\$ 624,340</u>	<u>\$ 76,347</u>	<u>\$ 83,872</u>

CITY OF LOS ALAMITOS
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2022

	Special Revenue Funds			
	Asset Seizure	Public Safety Augmentation	State Law Enforcement Service	Air Quality
ASSETS				
Cash and investments	\$ 34,179	\$ 15,399	\$ 188,848	\$ 123,361
Accounts receivable	-	-	-	-
Due from other governments	-	13,601	-	-
Restricted cash and investments with fiscal agent	-	-	-	-
Total assets	<u>\$ 34,179</u>	<u>\$ 29,000</u>	<u>\$ 188,848</u>	<u>\$ 123,361</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Unearned revenues	-	-	-	-
Deposits payable	12,556	-	-	-
Total liabilities	<u>12,556</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Restricted	21,623	29,000	188,848	123,361
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>21,623</u>	<u>29,000</u>	<u>188,848</u>	<u>123,361</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 34,179</u>	<u>\$ 29,000</u>	<u>\$ 188,848</u>	<u>\$ 123,361</u>

CITY OF LOS ALAMITOS
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2022

	Special Revenue Funds	Capital Projects Funds		
	State Gas Tax	Park Development	Building Improvement	Residential Streets/ Alleys
ASSETS				
Cash and investments	\$ 235,797	\$ 733,371	\$ 233,598	\$ 6,804
Accounts receivable	-	-	-	-
Due from other governments	4,617	-	-	-
Restricted cash and investments with fiscal agent	-	-	-	-
Total assets	<u>\$ 240,414</u>	<u>\$ 733,371</u>	<u>\$ 233,598</u>	<u>\$ 6,804</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 14,798	\$ -	\$ 195	\$ -
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Total liabilities	<u>14,798</u>	<u>-</u>	<u>195</u>	<u>-</u>
Fund Balances:				
Restricted	225,616	733,371	-	-
Committed	-	-	-	-
Assigned	-	-	233,403	6,804
Unassigned	-	-	-	-
Total fund balances	<u>225,616</u>	<u>733,371</u>	<u>233,403</u>	<u>6,804</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 240,414</u>	<u>\$ 733,371</u>	<u>\$ 233,598</u>	<u>\$ 6,804</u>

CITY OF LOS ALAMITOS
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2022

	<u>Capital Projects Funds</u>		<u>Debt Service Fund</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Traffic Improvement</u>	<u>Capital Outlay</u>	<u>Debt Service</u>	
ASSETS				
Cash and investments	\$ 411,762	\$ 119	\$ 3,006	\$ 2,805,469
Accounts receivable	-	-	-	5,676
Due from other governments	-	-	-	67,806
Restricted cash and investments with fiscal agent	-	-	249	249
Total assets	<u>\$ 411,762</u>	<u>\$ 119</u>	<u>\$ 3,255</u>	<u>\$ 2,879,200</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 247,255
Unearned revenues	136,779	-	-	136,779
Deposits payable	-	-	-	12,556
Total liabilities	<u>136,779</u>	<u>-</u>	<u>-</u>	<u>396,590</u>
Fund Balances:				
Restricted	274,983	-	-	2,353,211
Committed	-	119	-	119
Assigned	-	-	3,255	243,462
Unassigned	-	-	-	(114,182)
Total fund balances	<u>274,983</u>	<u>119</u>	<u>3,255</u>	<u>2,482,610</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 411,762</u>	<u>\$ 119</u>	<u>\$ 3,255</u>	<u>\$ 2,879,200</u>

CITY OF LOS ALAMITOS
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2022

	Special Revenue Funds			
	Community Development Block Grant	Measure M	Los Alamitos Television	Office of Traffic Safety
REVENUES:				
Taxes	\$ -	\$ -	\$ 18,438	\$ -
Intergovernmental	214,046	-	-	-
Charges for services	-	-	-	-
Investment earnings	342	4,052	541	602
Fines and forfeitures	-	-	-	18,214
Program revenues	-	284,090	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>214,388</u>	<u>288,142</u>	<u>18,979</u>	<u>18,816</u>
EXPENDITURES:				
Current:				
General government	-	-	20,580	-
Public works	-	-	-	-
Capital outlay	318,120	197,730	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>318,120</u>	<u>197,730</u>	<u>20,580</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(103,732)</u>	<u>90,412</u>	<u>(1,601)</u>	<u>18,816</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	(5,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,000)</u>
CHANGE IN FUND BALANCES	<u>(103,732)</u>	<u>90,412</u>	<u>(1,601)</u>	<u>13,816</u>
Fund balances (deficits), beginning of year	<u>(10,450)</u>	<u>508,178</u>	<u>75,548</u>	<u>70,056</u>
Fund balances (deficits), end of year	<u>\$ (114,182)</u>	<u>\$ 598,590</u>	<u>\$ 73,947</u>	<u>\$ 83,872</u>

CITY OF LOS ALAMITOS
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2022

	Special Revenue Funds			
	Asset Seizure	Public Safety Augmentation	State Law Enforcement Service	Air Quality
REVENUES:				
Taxes	\$ -	\$ 125,711	\$ -	\$ -
Intergovernmental	-	-	184,778	10,817
Charges for services	-	-	-	-
Investment earnings	415	387	1,801	864
Fines and forfeitures	-	-	-	-
Program revenues	-	-	-	-
Miscellaneous	448	-	-	-
Total revenues	<u>863</u>	<u>126,098</u>	<u>186,579</u>	<u>11,681</u>
EXPENDITURES:				
Current:				
General government	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>863</u>	<u>126,098</u>	<u>186,579</u>	<u>11,681</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	(110,000)	(140,000)	-
Total other financing sources (uses)	<u>-</u>	<u>(110,000)</u>	<u>(140,000)</u>	<u>-</u>
CHANGE IN FUND BALANCES	863	16,098	46,579	11,681
Fund balances (deficits), beginning of year	<u>20,760</u>	<u>12,902</u>	<u>142,269</u>	<u>111,680</u>
Fund balances (deficits), end of year	<u>\$ 21,623</u>	<u>\$ 29,000</u>	<u>\$ 188,848</u>	<u>\$ 123,361</u>

CITY OF LOS ALAMITOS
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2022

	Special Revenue Funds	Capital Projects Funds		
	State Gas Tax	Park Development	Building Improvement	Residential Streets/ Alleys
REVENUES:				
Taxes	\$ 514,172	\$ -	\$ -	\$ -
Intergovernmental	-	26,134	-	-
Charges for services	-	-	-	-
Investment earnings	1,644	5,268	449	50
Fines and forfeitures	-	-	-	-
Program revenues	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>515,816</u>	<u>31,402</u>	<u>449</u>	<u>50</u>
EXPENDITURES:				
Current:				
General government	-	-	-	-
Public works	148,648	-	-	-
Capital outlay	257,731	-	109,188	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>406,379</u>	<u>-</u>	<u>109,188</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>109,437</u>	<u>31,402</u>	<u>(108,739)</u>	<u>50</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	240,000	-
Transfers out	(120,000)	-	-	-
Total other financing sources (uses)	<u>(120,000)</u>	<u>-</u>	<u>240,000</u>	<u>-</u>
CHANGE IN FUND BALANCES	(10,563)	31,402	131,261	50
Fund balances (deficits), beginning of year	<u>236,179</u>	<u>701,969</u>	<u>102,142</u>	<u>6,754</u>
Fund balances (deficits), end of year	<u>\$ 225,616</u>	<u>\$ 733,371</u>	<u>\$ 233,403</u>	<u>\$ 6,804</u>

CITY OF LOS ALAMITOS
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2022

	<u>Capital Projects Funds</u>		<u>Debt Service Fund</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Traffic Improvement</u>	<u>Capital Outlay</u>	<u>Debt Service</u>	
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ 658,321
Intergovernmental	-	-	-	435,775
Charges for services	156	-	-	156
Investment earnings	3,050	1	-	19,466
Fines and forfeitures	-	-	-	18,214
Program revenues	-	-	-	284,090
Miscellaneous	-	-	-	448
Total revenues	<u>3,206</u>	<u>1</u>	<u>-</u>	<u>1,416,470</u>
EXPENDITURES:				
Current:				
General government	-	-	-	20,580
Public works	1,598	-	-	150,246
Capital outlay	-	-	-	882,769
Debt service:				
Principal	-	-	80,000	80,000
Interest and fiscal charges	-	-	130,494	130,494
Total expenditures	<u>1,598</u>	<u>-</u>	<u>210,494</u>	<u>1,264,089</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>1,608</u>	<u>1</u>	<u>(210,494)</u>	<u>152,381</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	213,500	453,500
Transfers out	-	-	-	(375,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>213,500</u>	<u>78,500</u>
CHANGE IN FUND BALANCES	<u>1,608</u>	<u>1</u>	<u>3,006</u>	<u>230,881</u>
Fund balances (deficits), beginning of year	<u>273,375</u>	<u>118</u>	<u>249</u>	<u>2,251,729</u>
Fund balances (deficits), end of year	<u>\$ 274,983</u>	<u>\$ 119</u>	<u>\$ 3,255</u>	<u>\$ 2,482,610</u>

CITY OF LOS ALAMITOS

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual Community Development Block Grant Special Revenue Fund For the Year Ended June 30, 2022

	<u>Budgeted Amounts Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Fund balance (deficit), July 1, 2021	\$ (10,450)	\$ (10,450)	\$ -
Revenues (inflows):			
Intergovernmental	291,000	214,046	(76,954)
Investment earnings	<u>-</u>	<u>342</u>	<u>342</u>
Amount available for appropriations	<u>291,000</u>	<u>214,388</u>	<u>(76,612)</u>
Charges to appropriations (outflows):			
Capital outlay	<u>291,000</u>	<u>318,120</u>	<u>(27,120)</u>
Total charges to appropriations	<u>291,000</u>	<u>318,120</u>	<u>(27,120)</u>
Fund balance (deficit), June 30, 2022	<u><u>\$ (10,450)</u></u>	<u><u>\$ (114,182)</u></u>	<u><u>\$ (103,732)</u></u>

CITY OF LOS ALAMITOS

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

Measure M Special Revenue Fund

For the Year Ended June 30, 2022

	Budgeted Amounts <u>Final</u>	Actual Amounts <u> </u>	Variance with Final Budget <u> </u>
Fund balance, July 1, 2021	\$ 508,178	\$ 508,178	\$ -
Revenues (inflows):			
Investment earnings	2,500	4,052	1,552
Program revenues	<u>219,988</u>	<u>284,090</u>	<u>64,102</u>
Amount available for appropriations	<u>222,488</u>	<u>288,142</u>	<u>65,654</u>
Charges to appropriations (outflows):			
Capital outlay	<u>466,056</u>	<u>197,730</u>	<u>268,326</u>
Total charges to appropriations	<u>466,056</u>	<u>197,730</u>	<u>268,326</u>
Fund balance, June 30, 2022	<u>\$ 264,610</u>	<u>\$ 598,590</u>	<u>\$ 333,980</u>

CITY OF LOS ALAMITOS

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

Los Alamitos Television Special Revenue Fund

For the Year Ended June 30, 2022

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget <u></u>
Fund balance, July 1, 2021	\$ 75,548	\$ 75,548	\$ -
Revenues (inflows):			
Taxes	24,900	18,438	(6,462)
Investment earnings	<u>1,300</u>	<u>541</u>	<u>(759)</u>
Amount available for appropriations	<u>26,200</u>	<u>18,979</u>	<u>(7,221)</u>
Charges to appropriations (outflows):			
General government	<u>45,990</u>	<u>20,580</u>	<u>25,410</u>
Total charges to appropriations	<u>45,990</u>	<u>20,580</u>	<u>25,410</u>
Fund balance, June 30, 2022	<u><u>\$ 55,758</u></u>	<u><u>\$ 73,947</u></u>	<u><u>\$ 18,189</u></u>

CITY OF LOS ALAMITOS

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

Office of Traffic Safety Special Revenue Fund

For the Year Ended June 30, 2022

	<u>Budgeted Amounts Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Fund balance, July 1, 2021	<u>\$ 70,056</u>	<u>\$ 70,056</u>	<u>\$ -</u>
Revenues (inflows):			
Investment earnings	1,000	602	(398)
Fines and forfeitures	<u>15,000</u>	<u>18,214</u>	<u>3,214</u>
 Amount available for appropriations	<u>16,000</u>	<u>18,816</u>	<u>2,816</u>
 Charges to appropriations (outflows):			
Transfers out	<u>5,000</u>	<u>5,000</u>	<u>-</u>
 Total charges to appropriations	<u>5,000</u>	<u>5,000</u>	<u>-</u>
 Fund balance, June 30, 2022	<u><u>\$ 81,056</u></u>	<u><u>\$ 83,872</u></u>	<u><u>\$ 2,816</u></u>

CITY OF LOS ALAMITOS

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

Asset Seizure Special Revenue Fund

For the Year Ended June 30, 2022

	Budgeted Amounts <u>Final</u>	Actual Amounts <u> </u>	Variance with Final Budget <u> </u>
Fund balance, July 1, 2021	\$ 20,760	\$ 20,760	\$ -
Revenues (inflows):			
Investment earnings	500	415	(85)
Miscellaneous	<u>-</u>	<u>448</u>	<u>448</u>
Amount available for appropriations	<u>500</u>	<u>863</u>	<u>363</u>
Fund balance, June 30, 2022	<u><u>\$ 21,260</u></u>	<u><u>\$ 21,623</u></u>	<u><u>\$ 363</u></u>

CITY OF LOS ALAMITOS

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

Public Safety Augmentation Special Revenue Fund

For the Year Ended June 30, 2022

	Budgeted Amounts <u>Final</u>	Actual Amounts <u> </u>	Variance with Final Budget <u> </u>
Fund balance, July 1, 2021	\$ 12,902	\$ 12,902	\$ -
Revenues (inflows):			
Taxes	110,783	125,711	14,928
Investment earnings	<u>300</u>	<u>387</u>	<u>87</u>
Amount available for appropriations	<u>111,083</u>	<u>126,098</u>	<u>15,015</u>
Charges to appropriations (outflows):			
Transfers out	<u>110,000</u>	<u>110,000</u>	<u>-</u>
Total charges to appropriations	<u>110,000</u>	<u>110,000</u>	<u>-</u>
Fund balance, June 30, 2022	<u><u>\$ 13,985</u></u>	<u><u>\$ 29,000</u></u>	<u><u>\$ 15,015</u></u>

CITY OF LOS ALAMITOS

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

State Law Enforcement Service Special Revenue Fund

For the Year Ended June 30, 2022

	Budgeted Amounts <u>Final</u>	Actual Amounts <u> </u>	Variance with Final Budget <u> </u>
Fund balance, July 1, 2021	\$ 142,269	\$ 142,269	\$ -
Revenues (inflows):			
Intergovernmental	160,000	184,778	24,778
Investment earnings	<u>2,500</u>	<u>1,801</u>	<u>(699)</u>
Amount available for appropriations	<u>162,500</u>	<u>186,579</u>	<u>24,079</u>
Charges to appropriations (outflows):			
Transfers out	<u>140,000</u>	<u>140,000</u>	<u>-</u>
Total charges to appropriations	<u>140,000</u>	<u>140,000</u>	<u>-</u>
Fund balance, June 30, 2022	<u><u>\$ 164,769</u></u>	<u><u>\$ 188,848</u></u>	<u><u>\$ 24,079</u></u>

CITY OF LOS ALAMITOS

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

Air Quality Special Revenue Fund

For the Year Ended June 30, 2022

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget <u></u>
Fund balance, July 1, 2021	\$ 111,680	\$ 111,680	\$ -
Revenues (inflows):			
Intergovernmental	15,000	10,817	(4,183)
Investment earnings	<u>15,000</u>	<u>864</u>	<u>(14,136)</u>
Amount available for appropriations	<u>30,000</u>	<u>11,681</u>	<u>(18,319)</u>
Charges to appropriations (outflows):			
Public works	<u>61,865</u>	<u>-</u>	<u>61,865</u>
Total charges to appropriations	<u>61,865</u>	<u>-</u>	<u>61,865</u>
Fund balance, June 30, 2022	<u><u>\$ 79,815</u></u>	<u><u>\$ 123,361</u></u>	<u><u>\$ 43,546</u></u>

CITY OF LOS ALAMITOS

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

State Gas Tax Special Revenue Fund

For the Year Ended June 30, 2022

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget <u></u>
Fund balance, July 1, 2021	\$ 236,179	\$ 236,179	\$ -
Revenues (inflows):			
Taxes	507,531	514,172	6,641
Investment earnings	<u>6,000</u>	<u>1,644</u>	<u>(4,356)</u>
Amount available for appropriations	<u>513,531</u>	<u>515,816</u>	<u>2,285</u>
Charges to appropriations (outflows):			
Public works	-	148,648	(148,648)
Capital outlay	641,067	257,731	383,336
Transfers out	<u>12,000</u>	<u>120,000</u>	<u>(108,000)</u>
Total charges to appropriations	<u>653,067</u>	<u>526,379</u>	<u>126,688</u>
Fund balance, June 30, 2022	<u><u>\$ 96,643</u></u>	<u><u>\$ 225,616</u></u>	<u><u>\$ 128,973</u></u>

CITY OF LOS ALAMITOS

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

Park Development Capital Project Fund

For the Year Ended June 30, 2022

	Budgeted Amounts <u>Final</u>	Actual Amounts <u> </u>	Variance with Final Budget <u> </u>
Fund balance, July 1, 2021	\$ 701,969	\$ 701,969	\$ -
Revenues (inflows):			
Intergovernmental	-	26,134	26,134
Investment earnings	<u>8,600</u>	<u>5,268</u>	<u>(3,332)</u>
 Amount available for appropriations	 <u>8,600</u>	 <u>31,402</u>	 <u>22,802</u>
 Fund balance, June 30, 2022	 <u><u>\$ 710,569</u></u>	 <u><u>\$ 733,371</u></u>	 <u><u>\$ 22,802</u></u>

CITY OF LOS ALAMITOS

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

Building Improvement Capital Project Fund

For the Year Ended June 30, 2022

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget <u></u>
Fund balance, July 1, 2021	\$ 102,142	\$ 102,142	\$ -
Revenues (inflows):			
Investment earnings	2,900	449	(2,451)
Transfers in	<u>240,000</u>	<u>240,000</u>	<u>-</u>
Amount available for appropriations	<u>242,900</u>	<u>240,449</u>	<u>(2,451)</u>
Charges to appropriations (outflows):			
Capital outlay	<u>227,000</u>	<u>109,188</u>	<u>117,812</u>
Total charges to appropriations	<u>227,000</u>	<u>109,188</u>	<u>117,812</u>
Fund balance, June 30, 2022	<u><u>\$ 118,042</u></u>	<u><u>\$ 233,403</u></u>	<u><u>\$ 115,361</u></u>

CITY OF LOS ALAMITOS

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

Residential Streets/Alleys Capital Project Fund

For the Year Ended June 30, 2022

	<u>Budgeted Amounts Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Fund balance, July 1, 2021	<u>\$ 6,754</u>	<u>\$ 6,754</u>	<u>\$ -</u>
Revenues (inflows):			
Investment earnings	<u>100</u>	<u>50</u>	<u>(50)</u>
Amount available for appropriations	<u>100</u>	<u>50</u>	<u>(50)</u>
Fund balance, June 30, 2022	<u><u>\$ 6,854</u></u>	<u><u>\$ 6,804</u></u>	<u><u>\$ (50)</u></u>

CITY OF LOS ALAMITOS

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual Traffic Improvement Capital Project Fund For the Year Ended June 30, 2022

	Budgeted Amounts <u>Final</u>	Actual Amounts <u> </u>	Variance with Final Budget <u> </u>
Fund balance, July 1, 2021	\$ 273,375	\$ 273,375	\$ -
Revenues (inflows):			
Charges for services	15,000	156	(14,844)
Investment earnings	<u>2,500</u>	<u>3,050</u>	<u>550</u>
Amount available for appropriations	<u>17,500</u>	<u>3,206</u>	<u>(14,294)</u>
Charges to appropriations (outflows):			
Public works	<u>-</u>	<u>1,598</u>	<u>(1,598)</u>
Total charges to appropriations	<u>-</u>	<u>1,598</u>	<u>(1,598)</u>
Fund balance, June 30, 2022	<u>\$ 290,875</u>	<u>\$ 274,983</u>	<u>\$ (15,892)</u>

CITY OF LOS ALAMITOS

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

Debt Service Fund

For the Year Ended June 30, 2022

	Budgeted Amounts <u>Final</u>	Actual Amounts <u> </u>	Variance with Final Budget <u> </u>
Fund balance, July 1, 2021	\$ 249	\$ 249	\$ -
Revenues (inflows):			
Investment earnings	200	-	(200)
Transfers in	<u>213,500</u>	<u>213,500</u>	<u>-</u>
Amount available for appropriations	<u>213,700</u>	<u>213,500</u>	<u>(200)</u>
Charges to appropriations (outflows):			
Debt service:			
Principal	80,000	80,000	-
Interest and fiscal charges	<u>133,594</u>	<u>130,494</u>	<u>3,100</u>
Total charges to appropriations	<u>213,594</u>	<u>210,494</u>	<u>3,100</u>
Fund balance, June 30, 2022	<u><u>\$ 355</u></u>	<u><u>\$ 3,255</u></u>	<u><u>\$ 2,900</u></u>

CITY OF LOS ALAMITOS
Combining Statement of Net Position
All Internal Service Funds
June 30, 2022

	<u>Garage</u>	<u>Technology Replacement</u>	<u>Police Capital Expenditures</u>
ASSETS			
Current assets:			
Cash and investments	\$ 585,731	\$ 397,083	\$ 164,927
Accounts receivable	-	-	-
Total current assets	<u>585,731</u>	<u>397,083</u>	<u>164,927</u>
Noncurrent assets:			
Capital assets - net of accumulated depreciation	<u>370,666</u>	<u>8,382</u>	<u>-</u>
Total noncurrent assets	<u>370,666</u>	<u>8,382</u>	<u>-</u>
Total assets	<u>956,397</u>	<u>405,465</u>	<u>164,927</u>
LIABILITIES			
Current liabilities:			
Accounts payable	19,512	70,911	3,294
Accrued interest	1,279	-	-
Accrued claims and judgements	-	-	-
Capital leases	<u>12,967</u>	<u>-</u>	<u>-</u>
Total current liabilities	<u>33,758</u>	<u>70,911</u>	<u>3,294</u>
Long-term liabilities:			
Accrued claims and judgements	-	-	-
Capital leases	<u>49,271</u>	<u>-</u>	<u>-</u>
Total long-term liabilities	<u>49,271</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>83,029</u>	<u>70,911</u>	<u>3,294</u>
NET POSITION			
Net investment in capital assets	308,428	8,382	-
Unrestricted	<u>564,940</u>	<u>326,172</u>	<u>161,633</u>
Total net position	<u>\$ 873,368</u>	<u>\$ 334,554</u>	<u>\$ 161,633</u>

CITY OF LOS ALAMITOS
Combining Statement of Net Position
All Internal Service Funds
June 30, 2022

	Facilities, Streets, Parks, and Pool Capital Expenditures	Self- Insurance Trust	Total
ASSETS			
Current assets:			
Cash and investments	\$ 293,558	\$ 667,948	\$ 2,109,247
Accounts receivable	-	12,102	12,102
Total current assets	<u>293,558</u>	<u>680,050</u>	<u>2,121,349</u>
Noncurrent assets:			
Capital assets - net of accumulated depreciation	339,997	-	719,045
Total noncurrent assets	<u>339,997</u>	<u>-</u>	<u>719,045</u>
Total assets	<u>633,555</u>	<u>680,050</u>	<u>2,840,394</u>
LIABILITIES			
Current liabilities:			
Accounts payable	634	26,066	120,417
Accrued interest	-	-	1,279
Accrued claims and judgements	-	71,875	71,875
Capital leases	-	-	12,967
Total current liabilities	<u>634</u>	<u>97,941</u>	<u>206,538</u>
Long-term liabilities:			
Accrued claims and judgements	-	151,098	151,098
Capital leases	-	-	49,271
Total long-term liabilities	<u>-</u>	<u>151,098</u>	<u>200,369</u>
Total liabilities	<u>634</u>	<u>249,039</u>	<u>406,907</u>
NET POSITION			
Net investment in capital assets	339,997	-	656,807
Unrestricted	<u>292,924</u>	<u>431,011</u>	<u>1,776,680</u>
Total net position	<u>\$ 632,921</u>	<u>\$ 431,011</u>	<u>\$ 2,433,487</u>

CITY OF LOS ALAMITOS

Combining Statement of Revenues, Expenses, and Changes in Net Position

All Internal Service Funds

For the year ended June 30, 2022

	<u>Garage</u>	<u>Technology Replacement</u>	<u>Police Capital Expenditures</u>
OPERATING REVENUES:			
Charges for services:			
Garage	\$ 316,840	\$ -	\$ -
Police capital	-	-	40,000
Technology replacement	-	190,000	-
Miscellaneous	-	-	-
	<u>316,840</u>	<u>190,000</u>	<u>40,000</u>
Total operating revenues	<u>316,840</u>	<u>190,000</u>	<u>40,000</u>
OPERATING EXPENSES:			
Supplies and materials	101,553	181,698	56,969
Outside services	39,645	130,328	-
Claims expense	-	-	-
Depreciation	89,726	8,380	-
	<u>230,924</u>	<u>320,406</u>	<u>56,969</u>
Total operating expenses	<u>230,924</u>	<u>320,406</u>	<u>56,969</u>
OPERATING INCOME	<u>85,916</u>	<u>(130,406)</u>	<u>(16,969)</u>
NON-OPERATING REVENUES (EXPENSES):			
Interest expense	(8,343)	-	-
	<u>(8,343)</u>	<u>-</u>	<u>-</u>
Total non-operating revenues (expenses)	<u>(8,343)</u>	<u>-</u>	<u>-</u>
INCOME BEFORE TRANSFERS	77,573	(130,406)	(16,969)
Transfers in	-	190,000	-
	<u>-</u>	<u>190,000</u>	<u>-</u>
Total transfers	<u>-</u>	<u>190,000</u>	<u>-</u>
Change in net position	77,573	59,594	(16,969)
Net position, beginning of year	795,795	274,960	178,602
	<u>795,795</u>	<u>274,960</u>	<u>178,602</u>
Net position, end of year	<u>\$ 873,368</u>	<u>\$ 334,554</u>	<u>\$ 161,633</u>

CITY OF LOS ALAMITOS

Combining Statement of Revenues, Expenses, and Changes in Net Position

All Internal Service Funds

For the year ended June 30, 2022

	Facilities, Streets, Parks, and Pool Capital Expenditures	Self- Insurance Trust	Total
OPERATING REVENUES:			
Charges for services:			
Garage	\$ -	\$ -	\$ 316,840
Police capital	-	-	40,000
Technology replacement	-	-	190,000
Miscellaneous	-	41,940	41,940
Total operating revenues	-	41,940	588,780
OPERATING EXPENSES:			
Supplies and materials	-	-	340,220
Outside services	544	-	170,517
Claims expense	-	563,308	563,308
Depreciation	7,340	-	105,446
Total operating expenses	7,884	563,308	1,179,491
OPERATING INCOME	(7,884)	(521,368)	(590,711)
NON-OPERATING REVENUES (EXPENSES):			
Interest expense	-	-	(8,343)
Total non-operating revenues (expenses)	-	-	(8,343)
INCOME BEFORE TRANSFERS	(7,884)	(521,368)	(599,054)
Transfers in	-	660,000	850,000
Total transfers	-	660,000	850,000
Change in net position	(7,884)	138,632	250,946
Net position, beginning of year	640,805	292,379	2,182,541
Net position, end of year	\$ 632,921	\$ 431,011	\$ 2,433,487

CITY OF LOS ALAMITOS
Combining Statement of Cash Flows
All Internal Service Funds
For the year ended June 30, 2022

	<u>Garage</u>	<u>Technology Replacement</u>	<u>Police Capital Expenditures</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from interfund charges for garage services	\$ 316,840	\$ -	\$ -
Receipts from interfund charges for police capital services	-	-	40,000
Receipts from interfund charges for technology replacement services	-	190,000	-
Payments to suppliers and service providers	(134,854)	(244,969)	(53,675)
Cash received from (payments to) others	-	-	-
Net cash provided (used by) operating activities	<u>181,986</u>	<u>(54,969)</u>	<u>(13,675)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:			
Transfers in	-	190,000	-
Net cash provided (used by) non-capital financing activities	<u>-</u>	<u>190,000</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition and construction of capital assets	(305,559)	-	-
Principal paid on capital debt	(5,570)	-	-
Interest paid on capital debt	(8,572)	-	-
Net cash provided (used by) capital and related financing activities	<u>(319,701)</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	(137,715)	135,031	(13,675)
Cash and equivalents, beginning of year	723,446	262,052	178,602
Cash and equivalents, end of year	<u>\$ 585,731</u>	<u>\$ 397,083</u>	<u>\$ 164,927</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH (USED BY) OPERATING ACTIVITIES:			
Operating income (loss)	\$ 85,916	\$ (130,406)	\$ (16,969)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	89,726	8,380	-
Changes in operating assets and liabilities:			
(Increase) decrease in accounts receivable	-	-	-
Increase (decrease) in accounts payable	6,344	67,057	3,294
Increase (decrease) in claims and judgements	-	-	-
Total adjustments	<u>96,070</u>	<u>75,437</u>	<u>3,294</u>
Net cash provided (used) by operating activities	<u>\$ 181,986</u>	<u>\$ (54,969)</u>	<u>\$ (13,675)</u>

CITY OF LOS ALAMITOS
Combining Statement of Cash Flows
All Internal Service Funds
For the year ended June 30, 2022

	Facilities, Streets, Parks, and Pool Capital Expenditures	Self- Insurance Trust	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from interfund charges for garage services	\$ -	\$ -	\$ 316,840
Receipts from interfund charges for police capital services	-	-	40,000
Receipts from interfund charges for technology replacement services	-	-	190,000
Payments to suppliers and service providers	-	(502,007)	(935,505)
Cash received from (payments to) others	-	41,940	41,940
Net cash provided (used by) operating activities	<u>-</u>	<u>(460,067)</u>	<u>(346,725)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:			
Transfers in	-	660,000	850,000
Net cash provided (used by) non-capital financing activities	<u>-</u>	<u>660,000</u>	<u>850,000</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition and construction of capital assets	-	-	(305,559)
Principal paid on capital debt	-	-	(5,570)
Interest paid on capital debt	-	-	(8,572)
Net cash provided (used by) capital and related financing activities	<u>-</u>	<u>-</u>	<u>(319,701)</u>
Net increase (decrease) in cash and cash equivalents	-	199,933	183,574
Cash and equivalents, beginning of year	293,558	468,015	1,925,673
Cash and equivalents, end of year	<u>\$ 293,558</u>	<u>\$ 667,948</u>	<u>\$ 2,109,247</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO			
NET CASH (USED BY) OPERATING ACTIVITIES:			
Operating income (loss)	\$ (7,884)	\$ (521,368)	\$ (590,711)
Adjustments to reconcile operating income (loss)			
to net cash provided (used) by operating activities:			
Depreciation	7,340	-	105,446
Changes in operating assets and liabilities:			
(Increase) decrease in accounts receivable	-	(4,146)	(4,146)
Increase (decrease) in accounts payable	544	(6,863)	70,376
Increase (decrease) in claims and judgements	-	72,310	72,310
Total adjustments	<u>7,884</u>	<u>61,301</u>	<u>243,986</u>
Net cash provided (used) by operating activities	<u>\$ -</u>	<u>\$ (460,067)</u>	<u>\$ (346,725)</u>

STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Los Alamitos's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the government's overall financial health.

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Financial Trends: these schedules contain trend information to help the reader understands how the City's financial performance and well-being has changed over time 101

Revenue Capacity: these schedules contain trend information to help the reader assesses the factors affecting the City's most significant revenue source, property tax 108

Debt Capacity: these schedules present information to help the reader assesses the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future..... 115

Demographic and Economic Information: these schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place 118

Operating Information: these schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs 120

CITY OF LOS ALAMITOS
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	2013	2014	2015*	2016	2017
Governmental activities					
Net investment in capital assets	\$ 13,138	\$ 13,585	\$ 13,519	\$ 12,658	\$ 14,156
Restricted	841	878	713	1,334	764
Unrestricted	8,034	8,393	(4,126)	(3,828)	(5,506)
Total governmental activities net position	<u>\$ 22,013</u>	<u>\$ 22,856</u>	<u>\$ 10,106</u>	<u>\$ 10,164</u>	<u>9,414</u>

	2018	2019	2020	2021	2022
Governmental activities					
Net investment in capital assets	\$ 15,281	15,315	15,776	15,623	16,545
Restricted	761	1,350	1,453	2,153	2,353
Unrestricted	(10,679)	(10,746)	(11,287)	(9,608)	(5,197)
Total governmental activities net position	<u>\$ 5,363</u>	<u>5,919</u>	<u>5,942</u>	<u>8,168</u>	<u>13,701</u>



Source: City of Los Alamitos, Finance Department

* In Fiscal Year 2014-15 the City implemented GASB Statement No. 68, which resulted in a \$12.8 million decrease to the City's net position in relation to accounting for the City's net pension liability and related deferrals.

** In Fiscal Year 2017-18 the City implemented GASB Statement No. 75, which resulted in a \$3.6 million decrease to the City's net position in relation to accounting for the City's total OPEB liability.

CITY OF LOS ALAMITOS
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	2013	2014	2015	2016	2017
Expenses					
Governmental activities:					
General government	\$ 1,377	\$ 2,223	\$ 2,646	\$ 2,976	2,830
Public safety	5,393	5,691	5,463	5,732	6,922
Community development	745	843	714	685	775
Recreation and community services	1,957	1,700	1,772	1,834	1,783
Public works	2,709	2,839	2,592	2,339	2,306
Interest and fiscal charges	168	140	138	302	148
Total governmental activities expenses	<u>12,349</u>	<u>13,436</u>	<u>13,325</u>	<u>13,868</u>	<u>14,764</u>
Program Revenues					
Governmental activities:					
Charges for services					
General government	-	385	205	225	272
Public safety	637	735	752	808	825
Community development	435	113	141	80	100
Recreation and community services	1,295	1,242	1,301	1,225	1,087
Public works	-	18	2	139	-
Operating grants	119	323	293	398	453
Capital grants and contributions	349	1,739	629	530	369
Total governmental activities program revenues	<u>2,835</u>	<u>4,555</u>	<u>3,323</u>	<u>3,405</u>	<u>3,106</u>
Net (expense)/revenue					
Governmental activities	(9,514)	(8,881)	(10,002)	(10,463)	(11,658)
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property	3,734	2,733	2,954	3,118	3,603
Utility users tax	2,160	2,188	2,210	2,092	2,037
Transient occupancy	104	113	132	156	159
Sales	2,117	2,836	3,064	3,357	3,160
Franchise	653	689	712	709	669
Business license	694	551	563	566	609
Other	284	334	348	251	339
	<u>9,746</u>	<u>9,444</u>	<u>9,983</u>	<u>10,249</u>	<u>10,576</u>
Motor vehicle in lieu	5	-	-	-	-
Investment income	27	13	30	86	63
Gain on Sale of property	37	-	-	-	-
Other	36	267	146	185	269
Total governmental activities	<u>9,851</u>	<u>9,724</u>	<u>10,159</u>	<u>10,520</u>	<u>10,908</u>
Changes in Net Position					
Governmental activities	<u>\$ 337</u>	<u>\$ 843</u>	<u>\$ 157</u>	<u>\$ 57</u>	<u>(750)</u>

Source: City of Los Alamitos, Finance Department

CITY OF LOS ALAMITOS
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	2018	2019	2020	2021	2022
Expenses					
Governmental activities:					
General government	\$ 3,517	\$ 3,135	\$ 3,586	\$ 3,493	\$ 2,548
Public safety	6,311	6,556	6,912	7,135	6,382
Community development	1,104	986	1,091	957	1,344
Recreation and community services	1,811	1,746	1,758	1,471	2,043
Public works	2,314	2,415	2,572	2,907	3,226
Interest and fiscal charges	141	142	58	331	138
Total governmental activities expenses	<u>15,198</u>	<u>14,980</u>	<u>15,977</u>	<u>16,294</u>	<u>15,681</u>
Program Revenues					
Governmental activities:					
Charges for services					
General government	814	831	1,335	914	1,035
Public safety	859	916	711	478	411
Community development	198	3	3	2	1
Recreation and community services	956	937	781	527	892
Public works	-	167	508	353	1
Operating grants	151	442	628	1,872	677
Capital grants and contributions	391	254	249	241	308
Total governmental activities program revenues	<u>3,369</u>	<u>3,550</u>	<u>4,215</u>	<u>4,387</u>	<u>3,325</u>
Net (expense)/revenue					
Governmental activities	(11,829)	(11,430)	(11,762)	(11,907)	(12,356)
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property	3,773	3,946	4,169	4,455	4,732
Utility users tax	2,034	1,968	1,988	1,834	2,123
Transient occupancy	167	160	132	223	522
Sales	3,336	3,597	3,227	4,855	9,671
Franchise	691	688	611	725	1,071
Business license	647	684	730	886	728
Other	429	557	564	548	640
	<u>11,077</u>	<u>11,600</u>	<u>11,421</u>	<u>13,526</u>	<u>19,487</u>
Motor vehicle in lieu	-	-	-	-	-
Investment income	102	271	254	78	(665)
Gain on Sale of property	19	-	-	-	-
Other	182	115	110	528	83
Total governmental activities	<u>11,380</u>	<u>11,986</u>	<u>11,785</u>	<u>14,132</u>	<u>18,905</u>
Changes in Net Position					
Governmental activities	<u>(449) \$</u>	<u>556 \$</u>	<u>23 \$</u>	<u>2,225 \$</u>	<u>6,549 \$</u>

Source: City of Los Alamitos, Finance Department

CITY OF LOS ALAMITOS
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	2013	2014	2015	2016	2017
General Fund					
Nonspendable	\$ 6	\$ 8	\$ 684	\$ 59	\$ 17
Committed	-	-	-	-	-
Restricted	-	-	-	-	-
Assigned	3,770	7,049	7,484	7,347	7,481
Unassigned	4,085	1,218	(644)	3	56
Reserved	-	-	-	-	-
Unreserved, designated	-	-	-	-	-
Unreserved, undesignated	-	-	-	-	-
Total General Fund	7,861	8,275	7,524	7,409	7,554
All Other Governmental Funds					
Nonspendable	-	-	-	-	-
Restricted	888	829	1,063	1,333	1,334
Committed	-	-	-	-	-
Assigned	898	677	390	1,001	345
Unassigned	(223)	(1,240)	-	-	-
Reserved					
Unreserved, designated reported in:					
Special revenue funds					
Unreserved, reported in:					
Special revenue funds					
Debt service funds					
Capital projects funds					
Total All Other Governmental Funds	1,563	266	1,453	2,334	1,679
Total All Governmental Funds	\$ 9,424	\$ 8,541	\$ 8,977	\$ 9,743	\$ 9,233

*Note: The City adopted GASB 54 starting in fiscal year 2011 which changed how fund balance is presented in the CAFR

Source: City of Los Alamitos, Finance Department

CITY OF LOS ALAMITOS
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	2018	2019	2020	2021	2022
General Fund					
Nonspendable	\$ 18	\$ 56	\$ 14	\$ 7	\$ 4
Committed	-	3,607	3,286	3	3
Restricted	-	-	-	-	-
Assigned	7,662	4,589	4,196	4,203	4,196
Unassigned	49	588	2,785	9,403	12,570
Reserved	-	-	-	-	-
Unreserved, designated	-	-	-	-	-
Unreserved, undesignated	-	-	-	-	-
Total General Fund	<u>7,729</u>	<u>8,840</u>	<u>10,281</u>	<u>13,616</u>	<u>16,773</u>
All Other Governmental Funds					
Nonspendable	-	-	-	-	-
Restricted	1,334	1,180	1,453	2,153	2,353
Committed	-	-	-	-	-
Assigned	129	99	200	109	243
Unassigned	-	(4)	(9)	(10)	(114)
Reserved					
Unreserved, designated reported in:					
Special revenue funds					
Unreserved, reported in:					
Special revenue funds					
Debt service funds					
Capital projects funds					
Total All Other Governmental Funds	<u>1,463</u>	<u>1,275</u>	<u>1,644</u>	<u>2,252</u>	<u>2,482</u>
Total All Governmental Funds	<u>\$ 9,192</u>	<u>\$ 10,115</u>	<u>\$ 11,925</u>	<u>\$ 15,868</u>	<u>\$ 19,255</u>

*Note: The City adopted GASB 54 starting in fiscal year 2011 which changed how fund balance is presented in the CAFR

Source: City of Los Alamitos, Finance Department

CITY OF LOS ALAMITOS
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	2013	2014	2015	2016	2017
Revenues					
Taxes	\$ 9,042	\$ 9,420	\$ 10,337	\$ 10,559	\$ 10,724
Licenses and permits	694	937	205	225	272
Intergovernmental	531	150	1,609	245	609
Charges for services	1,752	1,396	1,403	1,459	1,202
Investment earnings	9	2	30	86	63
Fines and forfeitures	615	710	737	781	810
Other	36	581	454	460	476
Total Revenues	<u>12,679</u>	<u>13,196</u>	<u>14,775</u>	<u>13,815</u>	<u>14,156</u>
Expenditures					
General government	1,900	2,097	2,379	2,735	2,029
Public safety	5,280	5,874	5,513	5,711	5,777
Community development	737	830	694	657	715
Recreation and community services	1,889	1,620	1,730	1,739	1,646
Public works	1,831	1,686	1,771	1,963	1,963
Capital outlay	806	1,744	830	213	1,972
Debt service:					
Principal retirement	72	70	76	75	70
Payment to refunded bond escrow agent	-	-	-	220	-
Interest and fiscal charges	144	141	138	311	142
Total Expenditures	<u>12,659</u>	<u>14,062</u>	<u>13,131</u>	<u>13,624</u>	<u>14,314</u>
Excess of revenues over/(under) expenditures	<u>20</u>	<u>(866)</u>	<u>1,644</u>	<u>191</u>	<u>(158)</u>
Other Financing Sources (Uses)					
Transfers in	588	606	684	681	1,280
Transfers out	(588)	(621)	(1,892)	(1,203)	(2,201)
Refunding bonds issued	-	-	-	3,685	-
Bond premium	-	-	-	133	-
Payment to refunded bond escrow agent	-	-	-	(2,722)	-
Total other financing sources	<u>-</u>	<u>(15)</u>	<u>(1,208)</u>	<u>574</u>	<u>(921)</u>
Net change in fund balances	<u>\$ 20</u>	<u>\$ (881)</u>	<u>\$ 436</u>	<u>\$ 765</u>	<u>\$ (1,079)</u>
Debt service as a percentage of noncapital expenditures	1.765%	1.598%	1.813%	2.865%	1.713%
				(1)	

(1) Increase in debt service related to issuance of 2015 Certificates of Participation

Source: City of Los Alamitos, Administrative Services Department

CITY OF LOS ALAMITOS
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	2018	2019	2020	2021	2022
Revenues					
Taxes	\$ 11,078	\$ 11,600	\$ 11,422	\$ 13,526	\$ 19,487
Licenses and permits	814	831	1,462	914	1,035
Intergovernmental	323	294	684	1,888	699
Charges for services	1,169	1,121	1,310	890	905
Investment earnings	106	271	254	78	(665)
Fines and forfeitures	844	900	694	468	401
Other	398	349	301	610	324
Total Revenues	<u>14,732</u>	<u>15,366</u>	<u>16,127</u>	<u>18,374</u>	<u>22,186</u>
Expenditures					
General government	2,243	2,299	2,405	2,240	2,993
Public safety	5,751	5,886	5,585	5,938	6,617
Community development	1,044	928	1,052	1,185	1,292
Recreation and community services	1,598	1,590	1,615	1,391	1,911
Public works	1,943	2,064	1,983	2,379	2,952
Capital outlay	1,068	332	865	490	957
Debt service:					
Principal retirement	70	70	75	75	80
Payment to refunded bond escrow agent	-	-	-	-	-
Interest and fiscal charges	140	139	136	134	130
Total Expenditures	<u>13,857</u>	<u>13,308</u>	<u>13,716</u>	<u>13,832</u>	<u>16,932</u>
Excess of revenues over/(under) expenditures	<u>875</u>	<u>2,058</u>	<u>2,411</u>	<u>4,542</u>	<u>5,254</u>
Other Financing Sources (Uses)					
Transfers in	832	597	808	733	828
Transfers out	(1,752)	(1,157)	(1,409)	(1,334)	(1,678)
Refunding bonds issued	-	-	-	-	-
Bond premium	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	-
Total other financing sources	<u>(920)</u>	<u>(560)</u>	<u>(601)</u>	<u>(601)</u>	<u>(850)</u>
Net change in fund balances	<u>\$ (45)</u>	<u>\$ 1,498</u>	<u>\$ 1,810</u>	<u>\$ 3,941</u>	<u>\$ 4,404</u>
Debt service as a percentage of noncapital expenditures	1.640%	1.611%	1.642%	1.566%	1.315%

(1) Increase in debt service related to issuance of 2015 Certificates of Participation

Source: City of Los Alamitos, Administrative Services Department

CITY OF LOS ALAMITOS
 2021/22 Use Category Summary-Basic Property Value Table
 Last Ten Fiscal Years
 (amounts expressed in thousands)

<u>Category</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Residential	\$ 936,234	\$ 968,878	\$ 1,031,002	\$ 1,091,854	\$ 1,143,395
Commercial	288,665	296,984	318,001	359,002	365,544
Industrial	266,381	270,936	271,390	278,399	292,535
Institutional	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Recreational	-	-	-	-	-
Vacant land	8,530	8,917	8,449	9,710	9,905
SBE Nonunitary	222	222	222	222	222
Cross Reference	4,326	3,453	3,265	3,083	3,998
Unsecured	134,342	119,933	143,801	138,386	154,478
Other	-	-	-	-	-
Totals	\$ 1,638,700	\$ 1,669,323	\$ 1,776,130	\$ 1,880,656	\$ 1,970,077
Direct rate	0.10067%	0.11558%	0.11568%	0.11571%	0.11578%

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

Source: HdL Coren and Cone, Orange County Assessor Tax Rate Table

CITY OF LOS ALAMITOS
 2021/22 Use Category Summary-Basic Property Value Table
 Last Ten Fiscal Years
 (amounts expressed in thousands)

<u>Category</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Residential	\$ 1,200,335	\$ 1,266,083	\$ 1,332,806	\$ 1,408,761	\$ 1,479,534
Commercial	393,211	405,241	427,330	459,279	506,538
Industrial	292,689	308,001	315,346	382,149	417,895
Institutional	-	-	-	-	-
Miscellaneous	-	1,793	608	555	-
Recreational	-	-	-	-	-
Vacant land	11,648	10,088	19,185	14,902	10,998
SBE Nonunitary	222	970	970	970	401
Cross Reference	4,139	4,109	4,177	3,976	4,002
Unsecured	163,741	161,257	164,509	158,443	189,648
Other	-	-	-	-	-
Totals	\$2,065,985	\$2,157,542	\$2,264,931	\$2,429,035	\$2,609,016
Direct rate	0.11578%	0.11821%	0.11848%	0.11751%	0.11703%

Source: HdL Coren and Cone, Orange County Assessor Tax Rate Table

CITY OF LOS ALAMITOS
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year Ended June 30	Secured	Unsecured	Less: Exemptions (1)	Taxable Assessed Value (2)	Total Direct Tax Rate
2013	\$ 1,504,137	\$ 134,342	\$ -	\$ 1,638,479	0.117
2014	1,549,169	119,933	-	1,669,102	0.117
2015	1,632,107	143,801	-	1,775,908	0.117
2016	1,742,048	138,386	-	1,880,434	0.116
2017	1,806,377	154,478	-	1,960,855	0.116
2018	1,902,022	163,742	-	2,065,764	0.116
2019	1,995,314	161,257	-	2,156,571	0.116
2020	2,099,452	164,509	-	2,263,961	0.116
2021	2,269,621	158,443	-	2,428,064	0.116
2022	2,418,967	189,648		2,609,016	0.117

(1) Exemptions are netted against the individual property categories.

(2) Total includes Nonunitary Taxable Assessed Values.

Note:

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

Source: HdL Coren and Cone, Orange County Assessor Combined Tax Rolls

CITY OF LOS ALAMITOS
Direct and Overlapping Property Tax Rates
(Rate per \$100 of assessed value)
Last Ten Fiscal Years

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
City Direct Rate	0.117	0.117	0.117	0.116	0.116
Overlapping Rates:					
Los Alamitos City General Fund	0.101	0.101	0.101	0.101	0.101
Los Alamitos City Lighting Reorganization	0.016	0.016	0.016	0.016	0.016
Educational Revenue Augmentation Fund	0.144	0.144	0.144	0.145	0.145
Los Alamitos Unified General Fund	0.412	0.412	0.411	0.412	0.412
North Orange Co. Community College District	0.059	0.059	0.059	0.059	0.059
Orange County Department of Education	0.031	0.031	0.031	0.031	0.031
Orange County Fire Authority	0.095	0.095	0.095	0.095	0.095
Orange County Flood Control District General	0.017	0.017	0.017	0.017	0.017
Orange County General Fund	0.052	0.052	0.052	0.052	0.052
Orange County Harbors Beaches & Parks Csa 26	0.013	0.013	0.013	0.013	0.013
Orange County Public Library	0.014	0.014	0.014	0.014	0.014
Orange County Sanitation District 3 Operating	0.027	0.027	0.027	0.027	0.027
Orange County Transit Authority	0.002	0.002	0.002	0.002	0.002
Orange County Vector Control	0.001	0.001	0.001	0.001	0.001
Orange County Water District	0.006	0.006	0.006	0.006	0.006
Orange County Water District reserve	0.000	0.000	0.001	0.000	0.000
Rossmoor/Los Alamitos Sewer District	0.010	0.010	0.010	0.010	0.010
Total Prop 13 Rate	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Anaheim High School District	0.029	0.026	0.024	0.049	0.043
Cypress Elementary	0.025	0.027	0.023	0.025	0.024
Garden Grove Unified School District	0.031	0.037	0.041	0.047	0.045
Los Alamitos Sfid	0.042	0.056	0.048	0.052	0.048
Metropolitan Water District	0.004	0.003	0.004	0.004	0.004
N. Orange County Community College	0.019	0.017	0.017	0.030	0.029
Total Voter Approved tax Rate	<u>0.150</u>	<u>0.166</u>	<u>0.157</u>	<u>0.207</u>	<u>0.192</u>
Total Tax Rate	<u>1.150</u>	<u>1.166</u>	<u>1.157</u>	<u>1.207</u>	<u>1.192</u>

Source: HdL Coren and Cone, Orange County Assessor 2011/2012 - 2020/2021 Tax Rate Table

CITY OF LOS ALAMITOS
Direct and Overlapping Property Tax Rates
(Rate per \$100 of assessed value)
Last Ten Fiscal Years

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
City Direct Rate	0.116	0.116	0.116	0.116	0.117
Overlapping Rates:					
Los Alamitos City General Fund	0.101	0.101	0.101	0.101	0.101
Los Alamitos City Lighting Reorganization	0.016	0.016	0.016	0.016	0.016
Educational Revenue Augmentation Fund	0.145	0.145	0.145	0.145	0.145
Los Alamitos Unified General Fund	0.412	0.412	0.412	0.412	0.412
North Orange Co. Community College District	0.059	0.059	0.059	0.059	0.059
Orange County Department of Education	0.031	0.031	0.031	0.031	0.031
Orange County Fire Authority	0.095	0.095	0.095	0.095	0.095
Orange County Flood Control District General	0.017	0.017	0.017	0.017	0.017
Orange County General Fund	0.052	0.052	0.052	0.052	0.052
Orange County Harbors Beaches & Parks Csa 26	0.013	0.013	0.013	0.013	0.013
Orange County Public Library	0.014	0.014	0.014	0.014	0.014
Orange County Sanitation District 3 Operating	0.027	0.027	0.027	0.027	0.027
Orange County Transit Authority	0.002	0.002	0.002	0.002	0.002
Orange County Vector Control	0.001	0.001	0.001	0.001	0.001
Orange County Water District	0.006	0.006	0.006	0.006	0.006
Orange County Water District Reserve	0.000	0.000	0.000	0.000	0.000
Rossmoor/Los Alamitos Sewer District	0.010	0.010	0.010	0.010	0.010
Total Prop 13 Rate	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>
Anaheim High School District	0.022	0.042	0.040	0.040	0.038
Cypress Elementary	0.031	0.030	0.030	0.033	0.030
Garden Grove Unified School District	0.075	0.068	0.069	0.070	0.074
Los Alamitos Sfid	0.047	0.049	0.080	0.093	0.079
Metropolitan Water District	0.004	0.004	0.004	0.004	0.004
N. Orange County Community College	0.029	0.028	0.024	0.032	0.029
Total Voter Approved tax Rate	<u>0.207</u>	<u>0.221</u>	<u>0.247</u>	<u>0.271</u>	<u>0.253</u>
Total Tax Rate	<u>1.207</u>	<u>1.220</u>	<u>1.247</u>	<u>1.271</u>	<u>1.253</u>

Source: HdL Coren and Cone, Orange County Assessor 2010/2011 - 2019/2020 Tax Rate Table

CITY OF LOS ALAMITOS
Principal Property Tax Payers
Current Year and Ten Years Ago
(amounts expressed in thousands)

	2022		2013	
	Taxable Assessed Value	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Percent of Total City Taxable Assessed Value
Los Alamitos Medical Center	\$ 138,698	5.316%	\$ 67,539	4.121%
Los Alamitos APG LLC	129,851	4.977%		
Fine US Long Beach LLC	59,000	2.261%		
JCB Merger Sub LLC	43,248	1.658%		
Trend Offset Printing Inc.	41,169	1.578%	40,574	2.476%
Los Alamitos Corporation Center JV			54,495	3.325%
Don Wilson Staples LLC	39,207	1.503%	30,193	1.842%
Epson America USA	33,750	1.294%		
Bar Bakers LLC	25,361	0.972%		
CGM Katella LLC	20,244	0.776%		
Ganahl Lumber Company	18,781	0.720%	15,148	0.924%
JCB Inc Tinicum Corporation			16,963	1.035%
Bayport Los Alamitos Associates LP			12,355	0.754%
Fine US Long Beach LLC				
Davenport KCC Partners LLC			14,059	0.858%
Arrowhead Products Corporation			11,088	0.677%
Los Altos LLC			10,798	0.659%
ESS WCOT Owner LLC				
Top Ten Totals	<u>\$ 549,309</u>	<u>21.055%</u>	<u>\$ 273,212</u>	<u>16.672%</u>
City Totals	<u>\$ 2,609,016</u>		<u>\$ 1,638,701</u>	

Source: HdL Coren and Cone, Orange County Assessor 2012/13 and 2021/22 Tax Rolls

CITY OF LOS ALAMITOS
Property Tax Levies and Collections
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collections for Prior Years (1)	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2013	\$ 2,013,958	\$ 1,959,000	97.271%	\$ 24,090	\$ 1,983,090	98.467%
2014	2,010,346	1,981,110	98.546%	24,524	2,005,634	99.766%
2015	2,130,906	2,081,181	97.666%	19,659	2,100,840	98.589%
2016	2,261,032	2,220,841	98.222%	18,519	2,239,360	99.041%
2017	2,347,295	2,314,148	98.588%	17,812	2,331,960	99.347%
2018	2,457,342	2,440,391	99.310%	16,019	2,456,410	99.962%
2019	2,679,049	2,629,318	98.144%	16,951	2,646,269	98.776%
2020	2,786,377	2,742,208	98.415%	21,973	2,764,181	99.203%
2021	2,903,005	2,761,268	95.118%	18,858	2,780,126	95.767%
2022	2,950,445	2,737,154	92.771%	18,843	2,755,997	93.410%

(1) Total amount of delinquent taxes collected in each fiscal year; information regarding levy year to which delinquent tax collections pertain is not provided by the Orange County Auditor- Controller.

Source: Orange County Auditor - Controller

CITY OF LOS ALAMITOS
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years
(amounts expressed in thousands, except per capita)

Fiscal Year	Governmental Activities		Total Primary Government	Debt as a Percentage of Personal Income ¹	Debt Per Capita ¹
	Certificates of Participation	Capital Lease			
2012	\$ 3,110	\$ 0	\$ 3,110	0.743%	\$269.10
2013	3,055	-	3,055	0.693%	262.77
2014	2,970	-	2,970	0.668%	253.22
2015	2,895	-	2,895	0.662%	246.91
2016	3,685	-	3,685	0.874%	313.94
2017	3,615	270	3,885	0.912%	330.95
2018	3,545	204	3,749	0.871%	316.02
2019	3,475	137	3,612	0.869%	308.16
2020	3,400	69	3,469	0.782%	299.90
2021	3,325	68	3,393	0.704%	307.51
2022	\$ 3,350	62	3,412	0.587%	294.48

¹ Ratio is calculated using personal income and population data for the prior calendar year.

Source: City of Los Alamitos, Finance Department

CITY OF LOS ALAMITOS
Direct and Overlapping Governmental Activity Debt
As of June 30, 2022
(amounts expressed in thousands)

2021-2022 Taxable Assessed Valuation: \$ 2,608,517

	Total Debt 6/30/2022	Percent Applicable to City (1)	City's Share of Debt 6/30/2022
<u>DIRECT DEBT</u>			
Vehicle Lease Debt	\$ 62	100.000%	62
Bonded Debt	3,350	100.000%	3,350
TOTAL DIRECT DEBT			\$ 3,412
<u>OVERLAPPING DEBT:</u>			
Anaheim High 2002 Bond Series 2003	\$ 15,504	0.070%	\$ 11
N.OC Community College 2002 Bond Series #2003B	29,293	1.773%	519
Anaheim High 2002 Bond Series 2002A	28,245	0.071%	20
N.OC Community College 2002 Bond 2005 Refunding	27,702	1.773%	491
Los Alamitos SFID #1 2008 Series 2009	23,065	23.810%	5,492
Cypress Elementary 2008 Bond Series A	15,884	0.477%	76
Los Alamitos SFID #1 2008 Series 2010	2,000	23.810%	476
Los Alamitos SFID #1 2008 Series 2010C	2,000	23.810%	476
Garden Grove USD 2010 Series B	114,445	0.006%	7
Los Alamitos SFID #1 208 Series D	19,000	23.810%	4,524
Cypress Elementary 2008 Bond, Series B1 & B2	24,674	0.477%	118
Los Alamitos SFID #1 208 Series E	58,705	23.810%	13,978
Garden Grove USD 2010 Series C	129,585	0.006%	8
Anaheim High 2014 Bond Series 2015	47,045	0.071%	33
N.OC Community College 2014 Bond Series A	34,025	1.773%	603
Garden Grove USD 2016 Series 2017	69,900	0.006%	4
Anaheim High 2018 Bond Series 2014	69,015	0.071%	49
Garden Grove USD 2016 Series 2019	72,510	0.006%	4
Los Alamitos SFID #1 2008 Series A	33,085	23.810%	7,878
Los Alamitos SFID #1 2008 Series F	11,980	23.810%	2,852
N.OC Community College 2014 Bond Series B	112,416	1.773%	1,993
Anaheim High 2014 Bond Series 2019	96,460	0.071%	68
Los Alamitos SFID #1 2008 Series 2020G	8,500	23.810%	2,024
Los Alamitos SFID #1 2008 Series 2020B	39,500	23.810%	9,405
Grden Grove USD 2016 Series 2021	146,000	0.006%	9
Metropolitan Water District	4,052	0.383%	\$ 16
TOTAL OVERLAPPING DEBT			51,134
TOTAL DIRECT & OVERLAPPING DEBT			\$ 54,546

- (1) Percentage of overlapping agency's assessed valuation located within the boundaries of the City.
(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations. Qualified Zone Academy Bonds are included based on principal due at maturity.

Ratios to Assessed Valuation:

Total Direct Debt.....	0.14%
Overlapping Debt.....	1.96%
Net Combined Total Debt.....	2.10%

Source - HdL Coren & Cone, Orange County Assessor and Auditor Combined 2021/22 Lien Date Tax Rolls.

CITY OF LOS ALAMITOS
Legal Debt Margin Information
Last Ten Fiscal Years

Legal Debt Margin Calculation for the Current Year

Assessed value	\$ 2,609,016,274
Debt limit (15% of assessed value)	391,352,441
Debt applicable to limit	0
Legal debt margin - Current Year	<u>\$ 391,352,441</u>

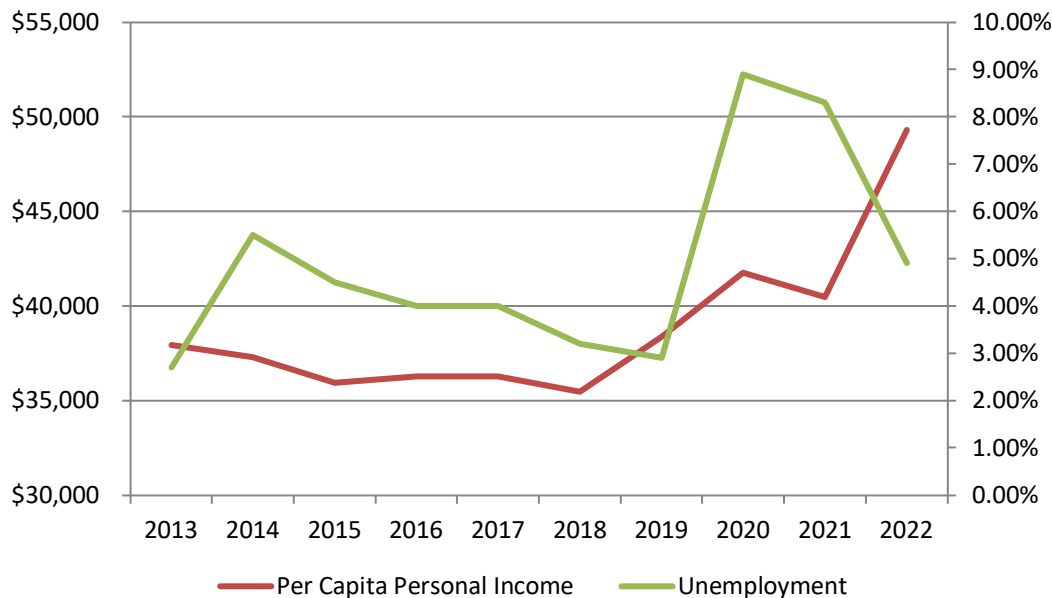
Fiscal Year	Debt Limit	Debt Applicable to Limit	Legal Debt Margin	Debt as Percentage of Limit
2013	\$ 245,805,113	\$ 0	\$ 245,805,113	0
2014	250,398,597	0	250,398,597	0
2015	266,419,511	0	266,419,511	0
2016	282,098,369	0	282,098,369	0
2017	294,161,529	0	294,161,529	0
2018	309,897,790	0	309,897,790	0
2019	323,585,613	3,612,467	319,973,146	1.12%
2020	343,305,168	3,565,517	339,739,651	1.04%
2021	367,857,100	3,325,000	364,532,100	0.90%
2022	394,702,562	3,350,121	391,352,441	0.85%

Source: City of Los Alamitos, Finance Department

CITY OF LOS ALAMITOS
Demographic and Economic Statistics
Last Ten Calendar Years

Calendar Year	Population	Personal Income (in thousands)	Per Capita Personal Income	Unemployment Rate
2013	11,729	\$ 444,811	\$ 37,924	2.70%
2014	11,725	437,214	37,289	5.50%
2015	11,738	421,786	35,933	4.50%
2016	11,739	425,943	36,284	4.00%
2017	11,863	430,396	36,280	4.00%
2018	11,721	415,852	35,479	3.20%
2019	11,567	443,756	38,363	2.90%
2020	11,538	481,688	41,747	8.90%
2021	11,873	480,337	40,456	8.30%
2022	11,780	580,872	49,310	4.90%

Per Capita Personal Income and Unemployment



Sources: Population: California State Department of Finance
Unemployment Rate: California Employment Development Department
Personal Income and Per Capita Income: ESRI

CITY OF LOS ALAMITOS
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<u>Function/Program</u>										
General Government										
City Council	5	5	5	5	5	5	5	5	5	5
Administration	8	8	8	8	8	8	8	6	6	7
Community Development										
Administration	1	1	1	1	1	1	1	1	1	1
Planning	1	1	1	1	1	1	1	1	1	1
Code Enforcement	1	1	1	1	1	1	1	1	1	1
Police										
Administration	4	4	4	4	4	4	4	4	4	5
Patrol	19	19	19	19	19	18	18	13	13	15
Investigation	3	3	3	3	3	3	3	3	2	3
Records	2	2	2	2	2	2	2	2	3	3
Crossing Guards	3	3	3	3	1	1	1	1	1	1
Other PD Support	2	2	2	2	2	2	2	2	3	3
Public Works										
Admin/Engineering	1	1	1	1	1	1	1	1	1	4
Maintenance	10	10	10	10	10	9	9	7	7	6
Recreation & Community Services										
Administration	5	5	5	5	5	4	4	4	2	7
Recreation/Cultural	15	15	15	15	14	11	11	11	9	11

Source: City of Los Alamitos, Finance Department

CITY OF LOS ALAMITOS
Operating Indicators by Function/Program
Last Ten Fiscal Years

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<u>Function/Program</u>					
Community Development					
Number of:					
Business licenses	1,964	2,089	2,227	2,169	2,068
Plan checks	141	110	95	96	93
NPDES inspections	126	57	104	60	60
Code violations	97	147	121	267	267
Police					
Number of:					
Part 1 crimes	433	330	299	252	268
Parking violations	1,532	1,766	3,283	3,963	2,997
Traffic (moving) violations	2,177	2,354	1,786	1,473	2,885
Incident & crime reports	1,361	1,293	1,381	1,167	1,254
Public Works					
Square yd of street resurfacing/repair	38,800	20,000	15,000	-	-
Miles of street sweeping	33	33	33	33	33
Number of:					
Street signal maintained	24	25	25	25	25
Trees pruned per year	632	620	615	991	991
Square feet graffiti removal	1,650	1,550	1,245	1,205	1,205
Recreation & Community Services					
Total in attendance:					
Aquatics	230,000	232,000	235,000	163,000	0
Community Services/Seniors	9,800	10,500	10,500	13,180	14,000
Day Camp	2,600	2,800	2,900	2,800	3,000
Park Program	1,400	2,600	4,385	4,262	4,140
Sports	N/A	N/A	N/A	35,500	30,000
Classes	6,400	6,300	6,900	8,900	8,900
Special Events	40,000	41,470	34,200	30,475	34,820

NA - Not Available

Source: City of Los Alamitos, Finance Department

CITY OF LOS ALAMITOS
Operating Indicators by Function/Program
Last Ten Fiscal Years

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<u>Function/Program</u>					
Community Development					
Number of:					
Business licenses	2,153	1,806	2,046	2,630	2,413
Plan checks	108	98	74	81	338
NPDES inspections	157	85	79	9	55
Code violations	483	420	451	946	1,892
Police					
Number of:					
Part 1 crimes	209	193	189	330	157
Parking violations	4,043	4,221	1,471	1,470	3,835
Traffic (moving) violations	1,430	1,114	342	636	677
Incident & crime reports	896	752	729	1,046	1,044
Public Works					
Square yd of street resurfacing/repair	-	-	-	-	62,445
Miles of street sweeping	33	33	33	33	858
Number of:					
Street signal maintained	25	25	21	22	28
Trees pruned per year	991	991	995	1,375	1,529
Square feet graffiti removal	1,205	1,205	900	1,100	1,836
Recreation & Community Services					
Total in attendance:					
Aquatics	-	-	-	-	-
Community Services/Seniors	14,100	18,390	17,040	16,000	21,600
Day Camp	4,040	3,500	3,200	4,500	4,400
Park Program	4,040	3,000	2,400	2,250	1,800
Sports	30,500	28,234	14,970	13,000	15,500
Classes	8,800	10,300	9,960	8,000	11,000
Special Events	35,000	38,225	31,600	20,000	35,020

NA - Not Available

Source: City of Los Alamitos, Finance Department

CITY OF LOS ALAMITOS
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<u>Function/Program</u>										
Community Development										
Code enforcement vehicles	1	1	1	1	1	1	1	1	2	2
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Vehicles	7	7	7	7	8	8	8	8	10	13
Other Vehicles	8	9	9	9	9	9	9	9	11	11
Public Works										
Streets (Miles)	32.9	32.9	32.9	32.9	32.9	32.9	32.9	32.9	32.9	32.9
Street lights	910	911	911	911	911	911	911	911	911	911
Traffic signals	24	25	25	25	25	25	25	25	25	25
Public works vehicles	13	13	13	13	13	11	11	11	11	11
Recreation & Community Services										
Youth centers	1	1	1	1	1	1	1	1	1	1
Community centers	1	1	1	1	1	1	1	1	1	1
Parks	9	9	9	9	9	9	9	9	9	9
Community service vehicles	2	2	2	2	2	3	3	3	3	3

Source: City of Los Alamitos, Administrative Services Department

CITY OF LOS ALAMITOS
Top 10 Businesses for Fiscal Year 2021-22

Ranking Firm Name

- 1 Ganahl Lumber
- 2 Shell
- 3 Grating Pacific
- 4 Gemini Forrest Products
- 5 Siteone Landscape Supply
- 6 Trend Offset Printing
- 7 Mamas Comfort Food
- 8 Katella Bakery & Deli
- 9 Adamson Police Products
- 10 Chevron

Source: HdL Coren and Cone, Sales Tax Trends and Economic Drivers

CITY OF LOS ALAMITOS
Principal Employers
Current Year and Ten Years Ago

EMPLOYER	FY2021-22			FY2012-13		
	Employees	Rank	% of Total City Employment	Employees	Rank	% of Total City Employment
Los Alamitos Medical Center	1,100	1	7.56%	1,035	1	7.33%
Arrowhead Products	780	2	5.36%	578	2	4.09%
Trend Offset Printing	700	3	4.81%	468	3	3.31%
Epson America	693	4	4.76%			
Super Media Sales, Inc.				253	4	1.79%
Mittera California, Inc.	238	5	1.64%			
Discovery Practice Management, Inc.	205	6	1.41%			
Bar Bakers, LLC	200	7	1.37%			
Resare Marketing, Inc.	191	8	1.31%			
Alamitos West Health & Rehabilitation				151	6	1.07%
Evergreen Pharmaceutical of California, Inc.				150	7	1.06%
Katella Delicatessen-Restaurant-Bakery, Inc.	145	9	0.99%	187	5	1.32%
Alliance Spacesystems, LLC	144	10	0.98%	107	10	0.76%
Bloomfield Bakers				141	8	0.99%
Bearing Inspection, Inc.				123	9	0.87%
Total	<u>4,396</u>		<u>30.19%</u>	<u>3,193</u>		<u>22.59%</u>

Source: HdL Companies, City Planning Department, and State of California Employment Development Department



Honorable Mayor and City Council
City of Los Alamitos
Los Alamitos, California

Independent Accountants' Report on Applying Agreed-Upon Procedures
Appropriations Limit Worksheets

We have performed the procedures enumerated below on the appropriations limit calculation worksheets of the City of Los Alamitos, California (City) for the year ended June 30, 2022. The City's management is responsible for the appropriations limit calculation worksheets.

The City has agreed to and acknowledged that the procedures performed are appropriate for the intended purpose of meeting the requirements of Section 1.5 of Article XIII B of the California Constitution (Constitution) and the League of California Cities as presented in the League publication entitled *Article XIII B Appropriations Limitation Uniform Guidelines* (Guidelines). This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

1. We obtained the worksheets referred to above and compared the limit and annual adjustment factors included in those worksheets to the limit and annual adjustment factors that were adopted by resolution of the City Council. We also compared the population and inflation options included in the aforementioned worksheets to those that were selected by a recorded vote.

Results: No exceptions were noted as a result of our procedures.

2. We recalculated the mathematical computations reflected in the City worksheets.

Results: No exceptions were noted as a result of our procedures.

3. We compared the current year information used to determine the current year limit and found that it agreed to worksheets prepared by the City and to information provided by the State Department of Finance.

Results: No exceptions were noted as a result of our procedures.

4. We compared the amount of the prior year appropriations limit presented in the worksheets to the amount adopted by the City Council for the prior year.

Results: No exceptions were noted as a result of our procedures.

We were engaged by the City to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on meeting the requirements of the Constitution and Guidelines. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the City and is not intended to be and should not be used by anyone other than those specified parties. However, this report is a matter of public record and its distribution is not limited.

Gruber and Lopez, Inc.

Gruber and Lopez, Inc.

Newport Beach, California
February 6, 2023



ROGERS, ANDERSON, MALODY & SCOTT, LLP
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

April 10, 2023

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City of Los Alamitos
Attention: Craig Koehler, Director of Finance
3191 Katella Ave.
Los Alamitos, CA 90720

Dear Craig,

Per your request we have reviewed the City of Los Alamitos FY 21-22 ACFR as prepared by Gruber & Lopez dated as of February 6, 2023, as to its completeness and accuracy.

Not having access to the underlying trial balances and audit documentation we reviewed the ACFR for the appropriate statements, required disclosures as well as consistency between the Financial Statement amounts, the MD&A, the Notes to the Financial Statements and the Statistical Section.

The ACFR contains the proper statements, schedules, and reconciliations and the interrelated amounts are consistent between the Financial Statement amounts, the MD&A, the Notes to the Financial Statements and the Statistical Section.

For the required note disclosures, we used the GFOA ACFR Disclosure Checklist. Our review determined the ACFR contained the appropriate note disclosures and the amounts reported agree with the Financial Statement amounts.

In our review of the MD&A we found the amounts in the MD&A agreed with the Financial Statement and the Notes to the Financial Statement amounts.

If you should have any questions or need additional information, please contact us.

Sincerely,

ROGERS, ANDERSON, MALODY & SCOTT, LLP

Terry Shea, CPA



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City of Los Alamitos

CITY COUNCIL AGENDA REPORT

MEETING DATE: May 15, 2023

ITEM NUMBER: 10C

To: Mayor Tanya Doby & Members of the City Council

Presented By: Craig Koehler, Director of Finance

Subject: Treasurer's Quarterly Investment Report - March 2023

SUMMARY

The item for City Council consideration is receipt of the Treasurer's Quarterly Investment Report.

RECOMMENDATION

Receive and file the Treasurer's Quarterly Investment Report – March 2023.

BACKGROUND

Sound investment practices are essential to the City's fiscal management. The City Treasurer is responsible for managing the City's investment portfolio, focusing first on the safety of investments and then on liquidity and an appropriate rate of return. The investment report and portfolio composition are attached.

DISCUSSION

This report is a summary of the City's investment activities and portfolio listing and balances for the quarter ending March 31, 2023.

FISCAL IMPACT

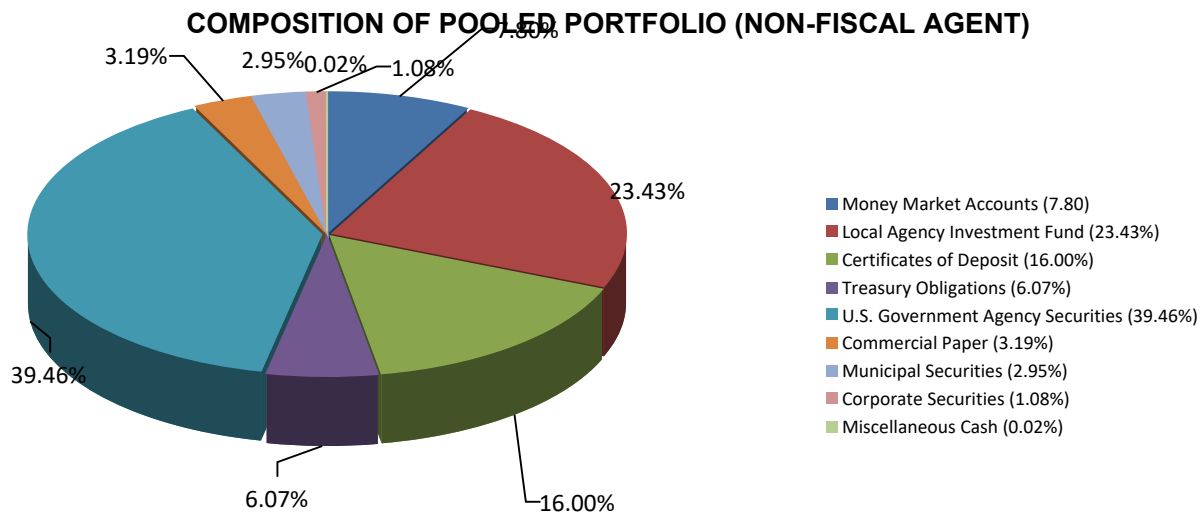
None.

Attachment: 1. March 2023 Quarterly Investment Report
 2. March 2023 Pooled Investment Portfolio Holdings



CITY OF LOS ALAMITOS Quarterly Investment Report March 31, 2023

	AMORTIZED COST	MARKET VALUE
POOLED INVESTMENT PORTFOLIO		
Money Market Accounts	\$ 1,816,716.15	\$ 1,816,716.15
Local Agency Investment Fund (LAIF)	5,527,710.03	5,453,143.04
Certificates of Deposit	3,945,000.00	3,723,983.52
Treasury Obligations	1,500,000.00	1,411,974.75
U.S. Government Agency Securities	9,750,000.00	9,189,653.00
Commercial Paper (3.19%)	750,000.00	741,737.70
Municipal Securities	750,000.00	687,015.00
Corporate Securities	250,000.00	250,997.50
Miscellaneous Cash	3,500.00	3,500.00
TOTAL POOLED INVESTMENT PORTFOLIO	24,292,926.18	23,278,720.66
INVESTMENTS HELD BY FISCAL AGENT		
2015 Certificates of Participation	61,838.96	61,838.96
TOTAL INVESTMENTS HELD BY FISCAL AGENT	61,838.96	61,838.96
TOTAL CASH & INVESTMENTS	\$ 24,354,765.14	\$ 23,340,559.62



It has been verified that this investment portfolio is in conformity with the City's investment policy which was approved by City Council on 9/19/22. The Treasurer's cash management program and cash flow analysis indicates that sufficient liquidity is on hand to meet estimated future expenditures for a period of six months. The weighted average maturity of the pooled investment portfolio is 1.69 years, and the weighted average yield on cost is 24.086% indenture associated with the bond transaction which generated the cash.

Craig Koehler

Craig Koehler, Finance Director / City Treasurer



CITY OF LOS ALAMITOS
Pooled Investment Portfolio Holdings
March 31, 2023

DESCRIPTION OF SECURITY	CUSIP REF	COUPON RATE	MATURITY DATE	INVESTMENT RATING	PURCH DATE	AMORTIZED COST	YIELD ON MATURITY	MARKET VALUE
<u>MONEY MARKET ACCOUNTS</u>								
US Bank		Varies	Varies	Coll. ¹	Varies	1,816,716.15	0.50%	1,816,716.15
SUBTOTAL MONEY MARKET ACCOUNTS						1,816,716.15		1,816,716.15
<u>LOCAL AGENCY INVESTMENT FUND (LAIF)</u>								
		Varies	Varies	NR	Varies	5,527,710.03	98.65%	5,453,143.04
<u>CERTIFICATES OF DEPOSIT</u>								
Morgan Stanley (FDIC Gtd)	61747MY70	3.20%	05/17/23	FDIC	05/17/18	246,000.00	3.20%	245,414.52
Synchrony Bank (FDIC Gtd)	87164YXH2	3.30%	07/20/23	FDIC	07/20/18	246,000.00	3.30%	244,662.01
CitiBank (FDIC Gtd)	17312QT33	3.30%	09/21/23	FDIC	09/21/18	245,000.00	3.30%	242,926.08
Medallion Bank Utah CTF	58404DHQ7	0.55%	07/30/25	FDIC	07/30/20	249,000.00	0.55%	224,779.27
Texas Exchange Bank SSB	88241TLA6	0.80%	06/04/26	FDIC	06/04/21	248,000.00	0.80%	217,580.07
Sallie Mae Bank Salt Lake UT	795451AF0	1.00%	07/28/26	FDIC	07/28/21	248,000.00	1.00%	218,160.64
Goldman Sachs Bank	38149MG64	0.40%	11/03/27	FDIC	10/28/21	248,000.00	0.40%	241,224.39
Capital One Bank	14042TEU7	2.25%	03/23/27	FDIC	03/16/22	247,000.00	2.25%	223,714.82
Bank of Hapoalim New York	06251A3MO	1.50%	01/22/27	FDIC	01/22/22	250,000.00	1.50%	220,993.50
State Bank of India New York NY	856285C33	1.45%	01/22/27	FDIC	01/22/22	250,000.00	1.45%	220,466.00
American Express NA	02589ADK5	3.35%	08/05/24	FDIC	08/03/22	245,000.00	3.35%	239,583.05
Capital One NA	14042RTH4	3.50%	08/03/26	FDIC	08/03/22	245,000.00	3.50%	234,085.50
Ally Bank	02007GXC3	3.45%	08/04/26	FDIC	08/04/22	245,000.00	3.45%	233,705.99
Discover Bank	254673P34	3.50%	08/10/26	FDIC	08/10/22	245,000.00	3.50%	234,046.30
BMW Bank North America (FDIC Gtd)	05580AP24	3.25%	08/12/24	FDIC	08/12/22	245,000.00	3.25%	239,197.18
Charles Schwab Bank SSB	15987UBA5	5.05%	03/28/25	FDIC	03/28/23	243,000.00	5.05%	243,444.20
SUBTOTAL CERTIFICATES OF DEPOSIT						3,945,000.00		3,723,983.52
<u>TREASURY OBLIGATIONS</u>								
U. S Treasury Notes	91282CDH1	0.75%	11/15/24	AAA	12/15/21	500,000.00	0.75%	472,051.00
U. S Treasury Notes	912828ZF0	0.50%	03/31/25	AAA	05/26/21	500,000.00	0.50%	465,644.50
U. S Treasury Notes	91282CAT8	0.25%	10/31/25	AAA	10/28/21	250,000.00	0.25%	227,392.50
u. S Treasury Bills	912797FR3	4.78%	07/25/23	AAA	03/06/23	250,000.00	4.78%	246,886.75
SUBTOTAL TREASURY OBLIGATIONS TOTAL						1,500,000.00		1,411,974.75
<u>U.S. GOVERNMENT AGENCY SECURITIES</u>								
Federal Home Loan Bank	3130AM5Q1	0.440%	04/29/24	AAA	12/15/21	500,000.00	0.44%	477,325.50
Federal Home Ln Mtg Corp MTN NTS	3134GWEA0	0.450%	07/29/24	AAA	07/29/20	750,000.00	0.45%	710,532.00
Federal Home Loan Bank	3130ALCV4	0.750%	02/24/26	AAA	10/28/21	250,000.00	0.75%	224,915.50
Federal Farm Credit Banks	3133ENBK5	1.140%	10/20/26	AAA	12/15/21	250,000.00	1.14%	223,915.00
Federal Home Loan Bank	3130APFU4	1.050%	10/28/26	AAA	10/28/21	250,000.00	1.05%	223,065.25
FHLB STEP-UP	3130APTZ8	0.800%	11/24/26	AAA	11/21/21	500,000.00	0.85%	458,378.00
Federal Home Loan Bank	3130AQJG9	1.650%	01/28/27	AAA	01/22/22	1,000,000.00	1.65%	907,520.00
FHLB Agency Note	3130AQRH8	2.000%	02/25/27	AAA	02/25/22	1,000,000.00	2.00%	918,773.00
Federal Home Loan Bank	3130AR4T5	2.000%	03/22/27	AAA	03/17/22	500,000.00	2.00%	470,159.50
Federal Home Loan Bank	3130AQWJ8	2.050%	03/22/27	AAA	03/03/22	1,000,000.00	2.05%	920,389.00
Federal Home Loan Bank	3130ARYD2	3.250%	05/23/25	AAA	05/02/22	500,000.00	3.25%	476,413.50
Federal Home Loan Bank	3130ARYL0	3.000%	11/25/24	AAA	05/02/22	1,000,000.00	3.00%	974,112.00
Federal Home Loan Bank	3130ARYD7	3.250%	05/23/23	AAA	05/02/22	1,000,000.00	3.25%	975,349.00
Federal Home Ln Mtg Corp	3134GX2B9	4.250%	09/27/24	AAA	09/22/22	250,000.00	4.25%	247,274.75
Federal Home Loan Bank	3130ATGG6	4.500%	09/29/25	AAA	09/29/22	500,000.00	4.50%	495,568.00
Federal Farm Credit Banks	3133ENL32	4.230%	09/08/23	AAA	11/04/22	500,000.00	4.23%	485,963.00
SUBTOTAL U.S. GOVERNMENT AGENCY SECURITIES						9,750,000.00		9,189,653.00
<u>COMMERCIAL PAPER</u>								
National Security Clearing Corp	63763QSN8	4.570%	05/22/23	A-1+	1/18/2023	250,000.00	4.570%	248,305.40
Duke University Health Systems Inc	264443GT20	4.850%	06/02/23	A-1+	3/15/2023	250,000.00	4.850%	247,339.24
Johnson & Johnson	47816GUQ0	5.050%	07/24/23	A-1+	3/28/2023	250,000.00	5.050%	246,093.06
SUBTOTAL COMMERCIAL PAPER						750,000.00		741,737.70
<u>MUNICIPAL SECURITIES</u>								
Placentia-Yorba Linda CA GO Taxable Ref Ser B	725894MX4	4.3000%	8/1/2027	Aa2	12/19/22	250,000.00	4.3000%	218,635.00
California State GO Unlimited Taxable	725894MX4	4.4200%	10/01/26	Aa2	3/1/2023	500,000.00	4.4200%	468,380.00
SUBTOTAL MUNICIPAL SECURITIES						750,000.00		687,015.00
<u>CORPORATE SECURITIES</u>								
Morgan Stanley Finance LLC	61766YMT5	5.1500%	01/20/28	A1	01/20/23	250,000.00	01/00/00	250,997.50
SUBTOTAL CORPORATE SECURITIES						250,000.00		250,997.50
FISCAL AGENT						61,838.96		61,838.96
MISCELLANEOUS CASH						3,500.00		3,500.00



CITY OF LOS ALAMITOS
Pooled Investment Portfolio Holdings
March 31, 2023

DESCRIPTION OF SECURITY	CUSIP REF	COUPON RATE	MATURITY DATE	INVESTMENT RATING	PURCH DATE	AMORTIZED COST	YIELD ON MATURITY	MARKET VALUE
TOTAL CUSTODY HOLDINGS						24,289,426.18		23,275,220.66
TOTAL POOLED CASH & INVESTMENTS						24,354,765.14		23,340,559.62

City of Los Alamitos

CITY COUNCIL AGENDA REPORT

MEETING DATE: May 15, 2023

ITEM NUMBER: 10D

To: Mayor Tanya Doby & Members of the City Council

Presented By: Ron Noda, Development Services Director

Subject: Amendment No. 3 with West Coast Arborists, Inc. (WCA) for Tree Maintenance Services

SUMMARY

This item seeks approval of Amendment No. 3 to the Professional Services Agreement (PSA) with West Coast Arborist, Inc. (WCA) to continue to provide tree maintenance services, a license arborist, and extraordinary work order fulfillment for one (1) year, ending on June 15, 2024. The amount paid to WCA is not to exceed \$75,000 annually. The current Professional Services Agreement (PSA) expires on June 15, 2023.

RECOMMENDATION

Authorize the Mayor to execute Amendment No. 3 to the Professional Services Agreement with West Coast Arborists, Inc. (WCA), extending the term of the agreement for one additional year ending on June 15, 2024, and not to exceed \$75,000 annually, which is inclusive of a 2.5% CPI increase.

BACKGROUND

The City of Los Alamitos has approximately 2,596 street, park and parkway trees comprising its urban forest, and has utilized WCA since 2006 to provide tree care (trimming, stump removal), arborists, and to complete extraordinary work such as the removal of trees larger than 25 feet and emergency after-hour work. WCA's licensed arborist is utilized to assess the health of tree(s) that are requested to be removed by residents and to provide workshops to the Public Works Division on how to plant, trim, and maintain trees properly.

WCA has provided tree maintenance services for the City since 2006, with the latest PSA secured via a Request for Proposals (RFP) 2020-01 in June 2020. As established, this PSA secured services for a one-year term ending on June 15, 2021, with a maximum of three one-year contract extensions.

DISCUSSION

WCA has agreed to provide continued services with a requested cost adjustment of 2.5% based on the Consumer Price Index (CPI). In contrast to the current rate schedule, the requested increase would reflect the following:

DESCRIPTION	UNIT	CURRENT RATE	WCA REQUEST		DIFFERENCE IN RATE CHANGE
			PROPOSED UNIT	PROPOSED RATE	
PRUNING					
Grid Prune	per tree	\$84.00	each	\$86.10	\$2.10
service requests prune 0-6 dsh	per tree	\$44.00	each	\$45.10	\$1.10
service requests prune 7-30 dsh	per tree	\$84.00	each	\$86.10	\$2.10
service requests prune 31+ dsh	per tree	\$149.00	each	\$152.70	\$3.70
palm prune	per tree	\$84.00	each	\$86.10	\$2.10
palm skinning	per tree	\$20.00	each	\$20.50	\$0.50
clearance prune	per tree	\$44.00	each	\$45.10	\$1.10
TREE & STUMP REMOVAL					
tree & stump removal 0-30 dsh	inch	\$40.00	inch	\$41.00	\$1.00
tree & stump removal 31+ dsh	inch	\$50.00	inch	\$51.25	\$1.25
tree only removal 0-30 dsh	inch	\$30.00	inch	\$30.75	\$0.75
tree only removal 31+ dsh	inch	\$40.00	inch	\$41.00	\$1.00
stump only removal	inch	\$20.00	inch	\$20.50	\$0.50
TREE PLANTING					
plant 15 gal w/out RB	per tree	\$149.00	each	\$152.70	\$3.70
plant 15 gal w/ RB	per tree	\$120.00	each	\$123.00	\$3.00
plant 24" box w/o RB	per tree	\$274.00	each	\$280.85	\$6.85
plant 24" box w/ RB	per tree	\$254.00	each	\$260.35	\$6.35
crew rental - per man	per hour	\$94.00	man hour	\$96.35	\$2.35
emergency response - per man	per hour	\$119.00	man hour	\$121.95	\$2.95
online tree inventory	-	no cost	-	no cost	no cost

Amendment No. 3 to the PSA extends the City's contractual relationship with WCA, utilizing the third and final of three allowable one-year extensions.

FISCAL IMPACT

The Fiscal Year 2023-2024 budget includes funds for \$75,000 and will be paid through Measure M - account No. 26.570.5501.1614 (arterial and residential tree trim/removal).

- Attachment:
1. Amendment No. 3 (2023)
 2. Los Alamitos - Extension Letter 2023-24
 3. Amendment No. 2 (2022)
 4. Amendment No 1. (2021)
 5. West Coast Arborists (2020)

AMENDMENT No. 3 TO PROFESSIONAL SERVICES AGREEMENT
[City of Los Alamitos and West Coast Arborists]

This Amendment No. 3 to Professional Services Agreement (“Third Amendment”) is made and entered into on this 15th day of May, 2023 by and between the City of Los Alamitos, a California charter city and municipal corporation (“City”), and West Coast Arborists, Inc., a California Corporation (“Contractor”).

RECITALS

A. City and Contractor entered into that certain Tree Maintenance Services Agreement on June 15, 2020 (“Original Agreement”), which is incorporated herein by this reference.

B. On May 17, 2021, City and Contractor entered into that certain Amendment No. 1 to Professional Services Agreement extending the term of the Original Agreement for an additional year, until June 15, 2022 (“First Amendment”), which is incorporated herein by this reference.

C. On May 16, 2022, City and Contractor entered into that certain Amendment No. 2 to Professional Services Agreement extending the term of the Original Agreement for an additional year, until June 15, 2023 (“Second Amendment”), which is incorporated herein by this reference.

D. The Original Agreement, as modified by the First Amendment and Second Amendment is hereinafter referred to as the “Agreement”.

E. On April 19, 2023, Contractor submitted a written request for a 2.50% fee increase based on the Consumer Price Index (CPI) for the region from the previous calendar year, as published by the Department of Labor’s Bureau of Labor Statistics, in response to increased operational costs.

F. City and Contractor desire to extend the term of the Agreement for an additional year, until June 15, 2024, subject to the terms and provisions of this Third Amendment.

NOW, THEREFORE, City and Contractor mutually agree as follows:

1. Section 2.1 of the Agreement is hereby amended and restated in its entirety to read as follows:

2.1. Maximum Contract Amount. Contractor shall be compensated for the Project Services performed, including authorized reimbursements, if any, in accordance with the hourly rates and charges set forth in the Scope of Services in an amount not to exceed Seventy-Five Thousand Dollars and Zero Cents (\$75,000) annually. The maximum

amount of City's payment obligation under this Agreement is the amount specified in this section.

2. Section 3.4 of the Agreement is hereby amended and restated in its entirety to read as follows:

3.4. Term. Unless earlier terminated as provided elsewhere in this Agreement, this Agreement shall commence upon the Effective Date and shall continue in full force and effect for a period of four years ending on June 15, 2024.

3. The West Coast Arborists Rate Adjustment attached hereto as Attachment "1" is hereby appended to and made a part of the Scope of Services attached to the Agreement as Exhibit "A". Effective June 16, 2023, Contractor shall be compensated for the Project Services performed, including authorized reimbursements, if any, in accordance with the hourly rates and charges set forth in Attachment "1".

4. Except as expressly modified above, all terms and conditions of the Agreement shall remain unchanged and in full force and effect.

5. The persons executing this Third Amendment on behalf of the parties hereto warrant that they are duly authorized to execute this Third Amendment on behalf of said parties and that by so executing the parties are formally bound to the provisions of this Third Amendment.

IN WITNESS WHEREOF, the Parties have executed and entered into this Amendment as of the date first written above.

“City”

City of Los Alamitos

By: _____
Tanya Doby
Mayor

APPROVED AS TO FORM.

ATTEST:

Woodruff & Smart, APC

By: _____
Michael S. Daudt
City Attorney

By: _____
Windmera Quintanar, MMC
City Clerk

“Contractor”

West Coast Arborists

By: _____
Patrick Mahoney
President
pmahoney@wcainc.com

By: _____
Richard Mahoney
Assistant Secretary
rmahoney@wcainc.com

Attachment “1”

West Coast Arborists Rate Adjustment



April 19, 2023

CITY OF LOS ALAMITOS
ATTN: MICHELLE MULLER
3191 KATELLA AVENUE
LOS ALAMITOS, CA 90720

RE: Tree Maintenance Services performed by WCA, Inc.

Dear Ms. Muller,

We at West Coast Arborists, Inc. are committed to offering you the quality, integrity, and customer service you expect and deserve from a tree care provider. We would like to take this opportunity to express our gratitude to you and your staff for your commitment to a thriving urban forest. We are approaching the end of the third year of the current agreement and have greatly appreciated your support and business relationship.

Since the contract originated, we have realized substantial cost increases to our operations, particularly in labor, fuel, recycling, and insurance premiums. As a result, we respectfully request a slight cost adjustment of 2.50% based on the Consumer Price Index (CPI) for the region from the previous calendar year, as published by the Department of Labor's Bureau of Labor Statistics:

Effective Date:	July 01, 2023
CPI Adjustment Requested:	2.50%
Region Area:	Los Angeles-Long Beach-Anaheim

We greatly appreciate your consideration in this matter through this time of growth and change. It is our goal to continue as your urban forest management and maintenance service provider. Should you have any questions or require additional information, please do not hesitate to email me at vgonzalez@wcainc.com or call me at **(800) 521-3714**.

Sincerely,

Victor M. Gonzalez
Vice President, Business Development

West Coast Arborists, Inc.

2200 E. Via Burton · Anaheim, California 92806 · 714.991.1900 · 800.521.3714 · Fax 714.956.3745

**Schedule of Compensation for Year 2023 - 2024****Tree Maintenance Services performed by WCA, Inc.**

Item	Description	Unit	Proposed Prices
1	Grid Prune	Each	\$86.10
2	Service Request Prune 0-6 DSH	Each	\$45.10
3	Service Request Prune 7-30 DSH	Each	\$86.10
4	Service Request Prune 31+ DSH	Each	\$152.70
5	Palm Prune	Each	\$86.10
6	Palm Skinning	Each	\$20.50
7	Clearance Prune	Each	\$45.10
8	Tree & Stump Removal 0-30 DSH	Inch	\$41.00
9	Tree & Stump Removal 31+ DSH	Inch	\$51.25
10	Tree Only Removal 0-30 DSH	Inch	\$30.75
11	Tree Only Removal 31+ DSH	Inch	\$41.00
12	Stump Only Removal	Inch	\$20.50
13	Plant 15 Gal w/o RB	Each	\$152.70
14	Plant 15 Gal w/ RB	Each	\$123.00
15	Plant 24" Box w/o RB	Each	\$280.85
16	Plant 24" Box w/ RB	Each	\$260.35
17	Crew Rental - per man	Man Hour	\$96.35
18	Emergency Response - per man	Man Hour	\$121.95

Contract originated on 7/1/2020. Rates remained the same for 3 years through 6/30/2023. The proposed rates reflect a cost adjustment of 2.5%. The current Consumer Price index for the LA-Anaheim-Long Beach region is 3.7%. The proposed rates have been rounded for simplicity.

AMENDMENT No. 2 TO PROFESSIONAL SERVICES AGREEMENT
[City of Los Alamitos and West Coast Arborists]

This Amendment No. 2 to Professional Services Agreement (“Second Amendment”) is made and entered into on this 16th day of May, 2022 by and between the City of Los Alamitos, a California charter city and municipal corporation (“City”), and West Coast Arborists, Inc., a California Corporation (“Contractor”).

RECITALS

A. City and Contractor entered into that certain Professional Services Agreement for Tree Maintenance Services on June 15, 2020 (“Original Agreement”), which is incorporated herein by this reference.

B. On May 17, 2021, City and Contractor entered into that certain Amendment No. 1 to Professional Services Agreement extending the term of the Original Agreement for an additional year, until June 15, 2022 (“First Amendment”), which is incorporated herein by this reference.

C. The Original Agreement, as amended by the First Amendment, is hereafter referred to as the “Agreement.”

D. City and Contractor desire to extend the term of the Agreement for an additional year, until June 15, 2023, subject to the terms and provisions of this Second Amendment.

NOW, THEREFORE, City and Contractor mutually agree as follows:

1. Section 3.4 of the Agreement is hereby amended and restated in its entirety to read as follows:

3.4. Term. Unless earlier terminated as provided elsewhere in this Agreement, this Agreement shall commence upon the Effective Date and shall continue in full force and effect for a period of three (3) years ending on June 15, 2023, unless extended in writing by mutual agreement of the Parties for one additional year.

2. Except as expressly modified above, all terms and conditions of the Agreement shall remain unchanged and in full force and effect.

3. The persons executing this Second Amendment on behalf of the parties hereto warrant that they are duly authorized to execute this Second Amendment on behalf of said parties and that by so executing the parties are formally bound to the provisions of this Second Amendment.

IN WITNESS WHEREOF, the Parties have executed and entered into this Amendment as of the date first written above.

“City”

City of Los Alamitos

By: _____
Shelley Hasselbrink
Mayor

APPROVED AS TO FORM.

ATTEST:

Woodruff, Spradlin & Smart, APC

By: _____
Michael S. Daudt
City Attorney

By: _____
Windmera Quintanar, MMC
City Clerk

“Contractor”

West Coast Arborists

By: _____
Patrick Mahoney
President
pmahoney@wcainc.com

By: _____
Richard Mahoney
Assistant Secretary
rmahoney@wcainc.com

AMENDMENT No. 1 TO PROFESSIONAL SERVICES AGREEMENT
[City of Los Alamitos and West Coast Arborists]

This Amendment No. 1 to Professional Services Agreement (“Amendment”) is made and entered into on this 17th day of May, 2021 by and between the City of Los Alamitos, a California charter city and municipal corporation, (“City”) and, West Coast Arborists, Inc., a California Corporation (“Contractor”).

RECITALS

A. City and West Coast Arborists, Inc. entered into that certain Professional Services Agreement for Tree Maintenance Services for annual services for maintenance, removal and replacement of trees, as needed within the City’s community forest on June 15, 2020 (“Agreement”), which is incorporated herein by this reference.

B. City and Contractor desire to amend the Agreement to extend the term of the Agreement, subject to the terms and provisions of this Amendment.

NOW, THEREFORE, City and Contractor mutually agree as follows:

1. Section 3.4 of the Agreement is hereby amended and restated in its entirety to read as follows:

3.4. Term. Unless earlier terminated as provided elsewhere in this Agreement, this Agreement shall commence upon the Effective Date and shall continue in full force and effect for a period of one year ending on June 15, 2022, unless extended by mutual written agreement of the Parties for a maximum of two (2), one-year contract extensions.

2. Except as expressly modified above, all terms and conditions of the Agreement shall remain unchanged and in full force and effect.

3. The persons executing this Amendment on behalf of the parties hereto warrant that they are duly authorized to execute this Amendment on behalf of said parties and that by so executing the parties are formally bound to the provisions of this Amendment.

IN WITNESS WHEREOF, the Parties have executed and entered into this Amendment as of the date first written above.

“City”

City of Los Alamitos

DocuSigned by:
By: Mark Chirco
7A6EE91E5DCA4FE... 5/23/2021
Mark A. Chirco
Mayor

APPROVED AS TO FORM.

ATTEST:

Woodruff, Spradlin & Smart, APC

DocuSigned by:
By: Michael S. Daudt
D2A022E0E4DF418... 5/21/2021
Michael S. Daudt
City Attorney

DocuSigned by:
By: Windmera Quintanar
54BCC26B4CA8409... 5/24/2021
Windmera Quintanar, MMC
City Clerk

“Contractor”

West Coast Arborists

DocuSigned by:
By: Patrick Mahoney
324C79FBEE1F4FC... 5/20/2021
Patrick Mahoney
President

DocuSigned by:
By: Richard Mahoney
E7EE9F99D1904DA... 5/20/2021
Richard Mahoney
Assistant Secretary

TREE MAINTENANCE SERVICES AGREEMENT
[City of Los Alamitos/West Coast Arborists]

THIS AGREEMENT FOR TREE MAINTENANCE SERVICES (“Agreement”) is made and entered into, to be effective this 15th day of June 2020 (“Effective Date”), by and between the CITY OF LOS ALAMITOS, a California charter city and municipal corporation, (“City”) and WEST COAST ARBORISTS, INC., a California Corporation, (“Contractor”). City and Contractor are sometimes hereinafter individually referred to as “Party” and are hereinafter collectively referred to as the “Parties.”

RECITALS

A. City has determined that it requires the services of a qualified contractor to provide landscape maintenance services for City parkways, medians, landscape areas and parks.

B. In response to City’s formal Request for Proposals No. 2020-01 (RFP) Tree Maintenance Services, Contractor has submitted to City a written proposal, dated March 31, 2020, to provide the desired tree maintenance services.

D. City desires to engage Contractor to provide such landscape maintenance services subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the promises and mutual obligations, covenants, and conditions contained herein, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

AGREEMENT

1. SERVICES OF CONTRACTOR

1.1 Scope of Services and Standard of Performance. Contractor shall provide those services set forth in the Parks & Landscape Maintenance Services Proposal, dated March 31, 2020, attached hereto as Exhibit “A” (“Scope of Services” and/or “Project Services”). Contractor shall provide the Project Services in compliance with all terms and conditions of this Agreement. Contractor warrants that all Project Services shall be performed in a skillful, competent, professional and satisfactory manner in accordance with all standards prevalent in the same profession in the State of California. Contractor represents and warrants that it and all employees, subconsultants and subcontractors providing any services pursuant to this Agreement shall have sufficient skill and experience to perform the Project Services. All Project Services shall be completed to the reasonable satisfaction of City.

1.1.1 Contract Documents. This Agreement shall consist of the following: (1) the main body of this Agreement; (2) RPF No. 2020-01 Tree Maintenance Services; and (3) Contractor’s Proposal, Exhibit “A”. Should any conflict or inconsistency exist in the Contract Documents, the conflict or inconsistency shall be resolved by applying the provisions in the highest

priority document, which shall be determined in the following order of priority: (1st) the main body of this Agreement; (2nd) the RFP, and (3rd) Contractor's Proposal.

12 Compliance with Law. All Project Services shall be provided in accordance with all laws, ordinances, resolutions, statutes, rules, and regulations of City and any federal, state or local governmental agency of competent jurisdiction. Contractor shall be liable for all violations of such laws, ordinances, resolutions, statutes, rules and regulations in connection with performance of the Project Services. If Contractor performs any Project Services in violation of such laws, ordinances, resolutions, statutes, rules or regulations, Contractor shall be solely responsible for all penalties and costs arising therefrom. Contractor shall defend, indemnify, and hold City, its officials, officers, employees, agents and volunteers, free and harmless from and against any claim or liability arising out of any failure or alleged failure to comply with such laws, ordinances, resolutions, statutes, rules or regulations.

13 Licenses and Permits. Prior to performing any Project Services, Contractor shall obtain all licenses, permits, qualifications, and approvals of whatever nature that are legally required to practice its profession and perform the Project Services. Contractor represents and warrants to City that Contractor shall, at its sole cost and expense, keep in effect at all times during the term of this Agreement and any extension, any license, permit, qualification, or approval that is legally required for Contractor to perform the Project Services. Contractor shall have the sole obligation to pay for any fees, assessments, and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the Contractor's performance of the Project Services, and shall defend, indemnify, and hold the City, its officials, officers, employees, agents and volunteers, free and harmless from and against any claim or liability arising out of any failure or alleged failure to obtain such license, permits, qualifications, and approvals of whatever nature that are legally required to practice its profession and perform the Project Services.

14 Familiarity with Work. By executing this Agreement, Contractor warrants that Contractor (a) has thoroughly investigated and considered the Project Services to be performed, (b) has carefully considered how the Project Services should be performed, and (c) fully understands the facilities, difficulties and restrictions attending performance of the Project Services under this Agreement.

15 Care in Performance of Project Services. Contractor shall adopt reasonable methods during the term of the Agreement to prevent losses or damage to materials, papers or other components of the Project Services, and shall be responsible for all such damages, to persons or property, until acceptance of the Project Services by the City, except such losses or damages as may be caused by City's own negligence.

16 Non-Exclusive Agreement. Contractor acknowledges that City may enter into agreements with other Contractors, contractors, consultants, or vendors for services similar to the services that are the subject of this Agreement. Contractor further acknowledges that City may have its own employees perform services similar to the services that are the subject of this Agreement.

2. **COMPENSATION**

21 Maximum Contract Amount. Contractor shall be compensated for the Project Services performed, including authorized reimbursements, if any, in accordance with the hourly rates and charges set forth in the Scope of Services in an amount not to exceed Sixty Seven Thousand Dollars and Zero Cents (\$67,000.00) annually. The maximum amount of City's payment obligation under this Agreement is the amount specified in this section.

22 Method of Payment. In any month in which Contractor wishes to receive payment, Contractor shall no later than first working day of such month, submit to the City, in a form approved by the City Manager or his designee, an invoice for services rendered prior to the date of the invoice. Such requests shall be based upon the amount and value of the services performed by Contractor and accompanied by such reporting data including an itemized breakdown of all costs incurred and tasks performed during the period covered by the invoice, as may be required by the City. Within thirty (30) calendar days of receipt of invoice, City shall pay all undisputed amounts included on the invoice.

23 Changes in Scope. In the event any change or changes in the Scope of Services is requested by the City, the Parties shall execute a written amendment to this Agreement, signed by an individual authorized to formally bind the Party for which he/she is signing, setting forth with particularity all terms of such amendment, including, but not limited to, any additional professional fees. An amendment may be entered into: (a) to provide for revisions or modifications to documents or other work product when documents or other work product or work is required by the enactment or revision of law subsequent to the preparation of any documents, other work product, or work; and/or, (b) to provide for additional services not included in this Agreement or not customarily furnished in accordance with generally accepted practice in Contractor's profession.

24 Appropriations. This Agreement is subject to and contingent upon funds being appropriated therefore by the Los Alamitos City Council for each fiscal year covered by the term of this Agreement. If such appropriations are not made, this Agreement shall automatically terminate without penalty to the City.

3. **SCHEDULE OF PERFORMANCE**

3.1 Time of Essence. Time is of the essence in the performance of this Agreement. The time for completion of the Project Services to be performed by Contractor is an essential condition of this Agreement.

3.2 Schedule of Performance. Contractor shall prosecute regularly and diligently the Project Services according to the periods specified in the Scope of Services. When requested by Contractor, extensions of the time period(s) specified in the Scope of Services may be approved in writing by the Contract Officer; however, the City shall not be obligated to grant any such extension.

33 Force Majeure. The time for performance of the Project Services may be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of the Contractor (financial inability excepted), including, but not limited to, acts of God or of the public enemy, unusually severe weather, fires, earthquakes, floods, epidemics, quarantine restrictions, riots, strikes, freight embargoes, wars, and/or acts of any governmental agency, including the City, if Contractor, within ten (10) calendar days of the commencement of such delay, notifies the City Manager in writing of the causes of the delay. The City Manager shall ascertain the facts and the extent of delay, and extend the time for performing the Services for the period of the enforced delay when and if in the judgment of the City Manager such delay is justified. The City Manager's determination shall be final and conclusive upon the Parties to this Agreement. In no event shall Contractor be entitled to recover damages against the City for any delay in the performance of this Agreement, however caused, Contractor's sole remedy being extension of the Agreement pursuant to this section.

34 Term. Unless earlier terminated as provided elsewhere in this Agreement, this Agreement shall commence upon the Effective Date and shall continue in full force and effect for a period of one year ending on June 15, 2021, unless extended by mutual written agreement of the Parties for a maximum of three (3) – 1 year contract extensions.

4. COORDINATION OF PROJECT SERVICES

41 Contractor's Representative. The following principal of Contractor is hereby designated as being the principal and representative of Contractor authorized to act on its behalf with respect to the Project Services and to make all decisions in connection therewith: President and Secretary, Gus Marquez. It is expressly understood that the experience, knowledge, education, capability, expertise, and reputation of the foregoing principal is a substantial inducement for City to enter into this Agreement. Therefore, the foregoing principal shall be responsible during the term of this Agreement for directing all activities of Contractor and devoting sufficient time to personally supervise the Project Services performed hereunder. The foregoing principal may not be changed by Contractor without prior written approval of the Contract Officer.

42 City's Contract Officer. The City's Contract Officer shall be such person as may be designated by the City Manager, and is subject to change by the City Manager. It shall be the Contractor's responsibility to ensure that the Contract Officer is kept fully informed of the progress of the performance of the Project Services, and the Contractor shall refer any decisions which must be made by City to the Contract Officer. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer. The Contract Officer shall have authority to sign all documents on behalf of the City required hereunder to carry out the terms of this Agreement.

43 Prohibition Against Subcontracting or Assignments. The experience, knowledge, capability, expertise, and reputation of Contractor, its principals and employees, were a substantial inducement for City to enter into this Agreement. Therefore, Contractor shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, voluntarily or by operation of law, without the prior written consent of City. Contractor shall not contract with any other entity to perform the Project Services without prior written consent of City.

If Contractor is permitted by City to subcontract any part of this Agreement, Contractor shall be responsible to City for the acts and omissions of its subcontractor(s) in the same manner as it is for persons directly employed. Nothing contained in this Agreement shall create any contractual relationships between any subcontractor and City. All persons engaged in the performance of Project Services will be considered employees of Contractor. City will deal directly with and will make all payments to Contractor. In addition, neither this Agreement nor any interest herein may be transferred, assigned, conveyed, hypothecated, or encumbered voluntarily or by operation of law, whether for the benefit of creditors or otherwise, without the prior written consent of City. Transfers restricted hereunder shall include the transfer to any person or group of persons acting in concert of more than twenty five percent (25%) of the present ownership and/or control of Contractor, taking all transfers into account on a cumulative basis. In the event of any such unapproved transfer, including any bankruptcy proceeding, this Agreement shall be void. No approved transfer shall release Contractor or any surety of Contractor from any liability hereunder without the express written consent of City.

4.4 Independent Contractor.

4.4.1 The legal relationship between the Parties is that of an independent contractor; nothing herein shall be deemed to make Contractor a City employee. During the performance of this Agreement, Contractor and its officers, employees, and agents shall act in an independent capacity and shall not act as City officers or employees. Contractor will determine the means, methods and details of performing the Project Services subject to the requirements of this Agreement. The personnel performing the Project Services on behalf of Contractor shall at all times be under Contractor's exclusive direction and control. Neither City nor any of its officials, officers, employees, agents or volunteers shall have control over the conduct of Contractor or any of its officers, employees, or agents, except as set forth in this Agreement. Contractor, its officers, employees or agents, shall not maintain a permanent office or fixed business location at City's offices. City shall have no voice in the selection, discharge, supervision, or control of Contractor's officers, employees, or agents or in fixing their number, compensation, or hours of service. Contractor shall pay all wages, salaries, and other amounts due its employees in connection with the performance of Project Services and shall be responsible for all reports and obligations respecting them, including but not limited to social security income tax withholding, unemployment compensation, workers' compensation, and other similar matters. City shall not in any way or for any purpose be deemed to be a partner of Contractor in its business or otherwise a joint venturer or a member of any joint enterprise with Contractor.

4.4.2 Contractor shall not incur or have the power to incur any debt, obligation, or liability against City, or bind City in any manner.

4.4.3 No City benefits shall be available to Contractor, its officers, employees, representatives, agents, subconsultants or subcontractors in connection with the performance of any Project Services. Except for fees paid to Contractor as provided for in this Agreement, City shall not pay salaries, wages, or other compensation to Contractor for the performance of any Project Services. City shall not be liable for compensation or indemnification to Contractor, its officers, employees, representatives, agents, subconsultants or subcontractors, for injury or sickness arising out of the performance of any Project Services. If for any reason any court or

governmental agency determines that the City has financial obligations, other than pursuant to Section 2 herein, of any nature relating to salary, taxes, or benefits of Contractor's officers, employees, representatives, agents, or subconsultants or subcontractors, Contractor shall defend, indemnify, and hold harmless City from and against all such financial obligations.

45 PERS Eligibility Indemnification.

451 In the event that Contractor or any officer, employee, representative, agent, subconsultant or subcontractor of Contractor providing any Project Services claims or is determined by a court of competent jurisdiction or the California Public Employee Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the City, Contractor shall indemnify, defend, and hold harmless City against (1) all such claims and determinations, (2) for the payment of any employee and/or employer contributions for PERS benefits on behalf of Contractor or its officers, employees, representatives, agents, subconsultants or subcontractors, and (3) the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of the City.

452 Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Contractor and any of its officers, employees, representatives, agents, subconsultants or subcontractors providing any Project Services shall not qualify for or become entitled to, and hereby agree to waive any claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in PERS as an employee of City and entitlement to any contribution to be paid by City for employer contribution and/or employee contributions for PERS benefits.

5. INSURANCE

51 Compliance with Insurance Requirements. Contractor shall obtain, maintain, and keep in full force and effect during the term of this Agreement, at its sole cost and expense, and in a form and content satisfactory to City, all insurance required under this section. Contractor shall not commence any Project Services unless and until it has provided evidence satisfactory to City that it has secured all insurance required under this section. If Contractor's existing insurance policies do not meet the insurance requirements set forth herein, Contractor agrees to amend, supplement or endorse the policies to do so.

52 Types of Insurance Required. As a condition precedent to the effectiveness of this Agreement, and without limiting the indemnity provisions set forth in this Agreement, Contractor shall obtain and maintain in full force and effect during the term of this Agreement, including any extension thereof, the following policies of insurance:

521 Commercial General Liability Insurance. Contractor shall obtain and maintain, in full force and effect throughout the term of this Agreement, a policy of Commercial General Liability Insurance (CGL). Coverage shall be at least as broad as ISO Form CG 00 01 written on a per occurrence basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits of no less than One Million Dollars (\$1,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) in the general aggregate.

The policy shall not contain any endorsements or provisions limiting coverage for (1) contractual liability, (2) cross liability exclusion for claims or suits by one insured against another, or (3) contain any other exclusion contrary to the Agreement.

522 Automobile Liability Insurance. Contractor shall obtain and maintain, in full force and effect throughout the term of this Agreement, a policy of Automobile Liability Insurance. Coverage shall be at least as broad as ISO Form CA 00 01 written on a per occurrence basis, covering Code 1 (any auto), or if the Contractor has no owned autos, Code 8 (hired) and Code 9 (non-owned), with limits of no less than One Million Dollars (\$1,000,000.00) for each occurrence covering bodily injury and property damage.

523 Workers' Compensation Insurance. Contractor shall obtain and maintain, in full force and effect throughout the term of this Agreement, a policy of Workers' Compensation Insurance in at least the minimum statutory amounts, and in compliance with all other statutory requirements, as required by the State of California. Contractor agrees to waive and obtain endorsements from its workers' compensation insurer waiving all subrogation rights under its workers' compensation insurance policy against the City, its officials, officers, employees, agents and volunteers, and to require each of its subconsultants and subcontractors, if any, to do likewise under their workers' compensation insurance policies. Contractor shall also obtain and maintain, in full force and effect throughout the term of this Agreement, a policy of Employer's Liability Insurance written on a per occurrence basis with limits of at least One Million Dollars (\$1,000,000.00) per accident for bodily injury or disease. Notwithstanding the foregoing, Contractor shall not be required to procure either Worker's Compensation Insurance or Employer's Liability Insurance if Contractor provides written verification to the City that Contractor does not have any employees.

53 Acceptability of Insurers. Insurance required by this section shall be issued by a licensed company authorized to transact business in the state by the Department of Insurance for the State of California with a current rating of A-:VII or better (if an admitted carrier), or a current rating of A:X or better (if offered by a non-admitted insurer listed on the State of California List of Approved Surplus Lines Insurers (LASLI)), by the latest edition of A.M. Best's Key Rating Guide, except that the City will accept workers' compensation insurance from the State Compensation Fund. In the event the City determines that the work or Project Services to be performed under this Agreement creates an increased or decreased risk of loss to the City, the Contractor agrees that the minimum limits of the insurance policies may be changed accordingly upon receipt of written notice from the City. Contractor shall immediately substitute any insurer whose A.M. Best rating drops below the levels specified herein.

54 Specific Insurance Provisions and Endorsements. Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the City for written approval. Required insurance policies shall contain the following provisions, or Contractor shall provide endorsements on forms approved by the City to add the following provisions to the insurance policies:

541 CGL and Auto Liability Endorsements. The policy or policies of insurance required by this section for CGL and Automobile Liability Insurance shall be endorsed as follows:

5.4.1.1 Additional Insured. The City, its officials, officers, employees, agents and volunteers, shall be additional insureds with regard to liability and defense of suits or claims arising out of the performance of the Agreement; and

5.4.1.1.1 Additional Insured Endorsements. Additional insured endorsements shall not (1) be restricted to “ongoing operations”, (2) exclude “contractual liability”, (3) restrict coverage to “sole” liability of Contractor, or (4) contain any other exclusions contrary to the Agreement; and, the coverage shall contain no special limitations on the scope of protection afforded to additional insureds.

5.4.1.2 Primary and Non-Contributing Insurance. Each CGL and Automobile Liability Insurance policy shall be endorsed to be primary, and any other insurance, deductible, or self-insurance maintained by the City, its officials, officers, employees, agents or volunteers, shall not contribute with this primary insurance.

5.4.1.3 Waiver of Subrogation. Each CGL and Automobile Liability Insurance policy shall contain or be endorsed to waive subrogation against the City, its officials, officers, employees, agents and volunteers, or shall specifically allow Contractor or others providing insurance evidence in compliance with the requirements set forth in this section to waive their right to recovery prior to a loss. Contractor hereby agrees to waive its own right of recovery against the City, its officials, officers, employees, agents and volunteers, and Contractor hereby agrees to require similar written express waivers and insurance clauses from each of its subconsultants or subcontractors.

542 Notice of Cancellation. Each policy of any type shall be endorsed to provide that coverage shall not be suspended, voided, cancelled, or modified, or reduced in coverage or in limits, except after thirty (30) calendar days prior written notice has been provided to the City. Notwithstanding the foregoing, if coverage is to be suspended, voided, or cancelled because of Contractor’s failure to pay the insurance premium, the notice provided by the insurer to City shall be by not less than ten (10) calendar days prior written notice. (A statement that notice will be provided “in accordance with the policy terms” or words to that effect is inadequate to meet the requirements of this section.)

55 Deductibles and Self-Insured Retentions. Any deductible or self-insured retention must be approved in writing by the City in advance. The decision whether to approve or withhold approval of a deductible or self-insured retention shall be made by the City in the City's sole and absolute discretion.

56 Evidence of Coverage. Concurrently with the execution of the Agreement, Contractor shall deliver certificates of insurance together with original endorsements affecting each of the insurance policies required by this section. Contractor shall promptly furnish, at City’s request, copies of actual policies including all declaration pages, endorsements, exclusions and any other policy documents City may require to verify coverage.

5.61 Required insurance policies shall not be in compliance if they include any limiting provision or endorsement that has not been submitted to the City for written approval.

5.62 Authorized Signatures. The certificates of insurance and original endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf.

5.63 Renewal/Replacement Policies. At least fifteen (15) calendar days prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced and not replaced immediately so as to avoid a lapse in the required coverage, Contractor shall, within ten (10) calendar days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies meeting all requirements of this Agreement.

5.7 Requirements Not Limiting. Requirement of specific coverage or minimum limits contained in this section are not intended as a limitation on coverage, limits, or other requirements, or a waiver of any coverage normally provided by any insurance. Nothing in this section shall be construed as limiting in any way the indemnification provision contained in this Agreement, or the extent to which Contractor may be held responsible for payments of damages to persons or property.

5.8 Enforcement of Agreement (Non-Estoppel). Contractor acknowledges and agrees that actual or alleged failure on the part of the City to inform Contractor of any non-compliance with any of the insurance requirements set forth in this section imposes no additional obligation on the City nor does it waive any rights hereunder.

5.9 Insurance for Subconsultants. Contractor shall either: (1) include all subconsultants or subcontractors engaged in the performance of Project Services on behalf of Contractor as additional named insureds under the Contractor's insurance policies; or (2) Contractor shall be responsible for causing its subconsultants or subcontractors to procure and maintain the appropriate insurance in compliance with the terms of the insurance requirements set forth in this section, including adding the City, its officials, officers, employees, agents and volunteers, as additional insureds to their respective policies. Contractor shall not allow any subconsultant or subcontractor to commence any work or services relating to this Agreement unless and until it has provided evidence satisfactory to City that the subconsultant or subcontractor has secured all insurance required under this section.

5.10 Other Insurance Requirements. The following terms and conditions shall apply to the insurance policies required of Contractor and its subconsultants and subcontractors, if any, pursuant to this Agreement:

5.10.1 Contractor shall provide immediate written notice to City if (1) any of the insurance policies required herein are terminated, cancelled or suspended, (2) the limits of any of

the insurance coverages required herein are reduced, or (3) the deductible or self-insured retention is increased.

5.102 All insurance coverage and limits provided by Contractor and available or applicable to this Agreement are intended to apply to each insured, including additional insureds, against whom a claim is made or suit is brought to the full extent of the policies. Nothing contained in this Agreement or any other agreement relating to the City or its operations shall limit the application of such insurance coverage.

5.103 None of the insurance coverages required herein will be in compliance with the requirements of this section if they include any limiting endorsement which substantially impairs the coverages set forth herein (e.g., elimination of contractual liability or reduction of discovery period), unless the endorsement has first been submitted to the City and approved in writing.

5.104 Certificates of insurance will not be accepted in lieu of required endorsements, and submittal of certificates without required endorsements may delay commencement of the Project. It is Contractor's obligation to ensure timely compliance with all insurance submittal requirements as provided herein.

5.105 Contractor agrees to ensure that subconsultants and subcontractors, if any, and any other parties involved with the Project who are brought onto or involved in the Project by Contractor, provide the same minimum insurance coverage required of Contractor. Contractor agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Contractor agrees that upon request, all agreements with subcontractors and others engaged in the provision of Project Services will be submitted to the City for review.

5.106 Contractor agrees to provide immediate written notice to City of any claim, demand or loss against Contractor arising out of the work or Project Services performed under this Agreement and for any other claim, demand or loss which may reduce the insurance available to pay claims, demands or losses arising out of this Agreement.

6. INDEMNIFICATION

To the fullest extent permitted by law, Contractor shall defend (at Contractor's sole cost and expense with legal counsel reasonably acceptable to City), indemnify and hold the City, its officials, officers, employees, agents and volunteers, free and harmless from any and all claims, demands, orders, causes of action, costs, expenses, liabilities, losses, penalties, judgments, arbitration awards, settlements, damages or injuries of any kind, in law or in equity, including but not limited to property or persons, including wrongful death, (collectively "Claims") in any manner arising out of, pertaining to, related to, or incident to any alleged acts, errors or omissions, or willful misconduct of Contractor, its officers, directors, employees, subconsultants, subcontractors, agents or invitees in connection with performance under this Agreement, or in any manner arising out of, pertaining to, related to, or incident to an alleged breach of this Agreement, including without limitation the payment of all consequential damages, expert witness fees and

attorneys' fees and other related costs and expenses.

Notwithstanding the foregoing, and only to the extent that the Project Services performed by Contractor are subject to California Civil Code Section 2782.8, the above indemnity shall be limited, to the extent required by Civil Code Section 2782.8, to claims that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Contractor.

Under no circumstances shall the insurance requirements and limits set forth in this Agreement be construed to limit Contractor's indemnification obligation or other liability hereunder. Notwithstanding the foregoing, such obligation to defend, hold harmless and indemnify the City, its officials, officers, employees, agents and volunteers, shall not apply to the extent that such Claims are caused by the sole negligence or willful misconduct of that indemnified party.

7. REPORTS AND RECORDS

7.1 Records. Contractor shall keep complete, accurate, and detailed accounts of all time, costs, expenses, and expenditures pertaining in any way to this Agreement. Contractor shall keep such books and records as shall be necessary to properly perform the Project Services required by this Agreement and to enable the Contract Officer to evaluate the performance of such Project Services. The Contract Officer shall have full and free access to such books and records at all reasonable times, including the right to inspect, copy, audit, and make records and transcripts from such records.

7.2 Reports. Contractor shall periodically prepare and submit to the Contract Officer such reports concerning the performance of the Project Services as the Contract Officer shall require.

7.3 Ownership of Documents. All drawings, specifications, reports, records, documents, memoranda, correspondence, computations, and other materials prepared by Contractor, its employees, subconsultants, subcontractors and agents in the performance of this Agreement shall be the property of City and shall be promptly delivered to City upon request of the Contract Officer or upon the termination of this Agreement, and Contractor shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership of the documents and materials hereunder. Contractor may retain copies of such documents for its own use. Contractor shall have an unrestricted right to use the concepts embodied therein. Contractor shall ensure that all of its subconsultants and subcontractors shall provide for assignment to City of any documents or materials prepared by them, and in the event Contractor fails to secure such assignment, Contractor shall indemnify City for all damages resulting therefrom.

7.4 Release of Documents. Except to the extent otherwise required by law, no drawing, specification, report, record, document, or other material prepared by Contractor, its employees, subconsultants, subcontractors and agents in the performance of Project Services shall not be released publicly without the prior written approval of the Contract Officer.

8. ENFORCEMENT OF AGREEMENT

81 California Law and Venue. This Agreement shall be construed and interpreted both as to validity and as to performance of the Parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim, or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Orange, State of California, or any other appropriate court in such County, and Contractor covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

82 Waiver. No delay or omission in the exercise of any right or remedy of a non-defaulting Party on any default shall impair such right or remedy or be construed as a waiver. No consent or approval of City shall be deemed to waiver or render unnecessary City's consent to or approval of any subsequent act of Contractor. Any waiver by either Party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

83 Rights and Remedies Cumulative. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the Parties are cumulative and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other Party.

84 Legal Action. In addition to any other rights or remedies, either Party may take legal action, in law or in equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain declaratory or injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

85 Termination Prior to Expiration of Term. City reserves the right to terminate this Agreement, at any time, with or without cause, upon thirty (30) calendar days written notice to Contractor, except that where the continuation of services would constitute a danger to health, safety or general welfare, the period of notice shall be such shorter time as may be appropriate. Upon receipt of the notice of termination, Contractor shall immediately cease all Project Services, except as may be specifically approved by the Contract Officer. Contractor shall be entitled to compensation for all Project Services rendered prior to receipt of the notice of termination and for any Project Services authorized by the Contract Officer thereafter.

86 Termination for Default of Contractor.

86.1 Contractor's failure to comply with any provision of this Agreement shall constitute a default.

86.2 If the Contract Officer determines that Contractor is in default in the performance of any of the terms or conditions of this Agreement, he/she shall notify Contractor in writing of such default. If such default is capable of being cured, Contractor shall have ten (10) calendar days, or such longer period as City may designate, to cure the default by rendering satisfactory performance. In the event Contractor fails to cure its default within such period of

time, or if such default is not capable of being cured, City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice of any remedy to which City may be entitled at law, in equity, or under this Agreement. Contractor shall be liable for any and all reasonable costs incurred by City as a result of such default. Compliance with the provisions of this section shall not constitute a waiver of any City right to take legal action in the event that the dispute is not cured, provided that nothing herein shall limit City's right to terminate this Agreement without cause pursuant to Section 8.5.

8.6.3 If termination is due to the failure of Contractor to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 8.6.2, take over the Project Services and prosecute the same to completion by contract or otherwise, and Contractor shall be liable to the extent that the total direct and indirect costs for completion of the Project Services required hereunder exceeds the Maximum Contract Amount, and City may withhold any payments to Contractor for the purpose of set-off toward the cost of completion of the Project Services. The withholding or failure to withhold payments to Contractor shall not limit Contractor's liability for completion of the Project Services as provided herein.

8.7 Attorneys' Fees. In the event any dispute between the Parties with respect to this Agreement results in litigation or any non-judicial proceeding, the prevailing Party shall be entitled, in addition to such other relief as may be granted, to recover from the non-prevailing Party all reasonable costs and expenses, including but not limited to reasonable attorneys' fees, expert witness fees, court costs and all fees, costs, and expenses incurred in any appeal or in collection of any judgment entered in such proceeding. To the extent authorized by law, in the event of a dismissal by the plaintiff or petitioner of the litigation or non-judicial proceeding within thirty (30) calendar days of the date set for trial or hearing, the other Party shall be deemed to be the prevailing Party in such litigation or proceeding. For purposes of this section, "Reasonable attorney fees" shall be calculated by multiplying the actual number of hours reasonably expended by the attorney(s) handling the dispute on behalf of the prevailing Party by the hourly rate actually paid by the prevailing Party, but in no case shall the hourly rate exceed Two Hundred and Fifty Dollars (\$250.00) per hour.

9. CITY OFFICERS AND EMPLOYEES: NON-DISCRIMINATION

9.1 Non-liability of City Officers and Employees. No officer or employee of the City shall be personally liable to the Contractor, or any successor-in-interest, in the event of any default or breach by the City or for any amount which may become due to the Contractor or to its successor, or for breach of any obligation of the terms of this Agreement.

9.2 Covenant Against Discrimination. Contractor covenants that, by and for itself, its heirs, executors, assigns, subcontractors, subconsultants and all persons claiming under or through them, that there shall be no discrimination or segregation in the performance of or in connection with this Agreement regarding any person or group of persons on account of race, disability, medical condition, color, creed, religion, sex, sexual orientation, marital status, age, national origin, or ancestry. Contractor shall take affirmative action to insure that applicants and employees are treated without regard to their race, disability, medical condition, color, creed, religion, sex, sexual orientation, marital status, national origin, or ancestry.

10. MISCELLANEOUS PROVISIONS

10.1 Notices. Any notice, demand, request, consent, approval, or communication either Party desires or is required to give to the other Party or any other person shall be in writing and either served personally during normal hours of operation of the Party receiving the notice, or sent by pre-paid, first-class mail to the address set forth below. Either Party may change its address by notifying the other Party of the change of address in writing. Notice shall be deemed communicated on the day personally served, or two (2) business days from the date of mailing if mailed as provided in this section. Additionally, notices by email will be considered legal notice if such communications include the following text in the Subject field: FORMAL LEGAL NOTICE – GREENTECH LANDSCAPE INC.

To City:

Chet Simmons, City Manager
City of Los Alamitos
3191 Katella Ave.
Los Alamitos, CA 90720
csimmons@cityoflosalamitos.org

With copy to:

Michael S. Daudt, City Attorney
Woodruff, Spradlin & Smart
555 Anton Blvd., Suite 1200
Costa Mesa, CA 92626
mdaudt@wss-law.com

To Contractor:

West Coast Arborists, Inc.
2200 East Via Burton
Anaheim, CA 02806
pmahoney@wcainc.com

10.2 Entire Agreement; Amendments in Writing. This Agreement constitutes the entire agreement between the Parties and is intended as an integrated agreement, superseding all prior negotiations, arrangements, agreements, representations, and understandings, if any, made by or among the Parties with respect to the subject matter hereof. No amendments or other modifications of this Agreement shall be binding unless executed in writing by both Parties hereto, or their respective successors, assigns, or grantees.

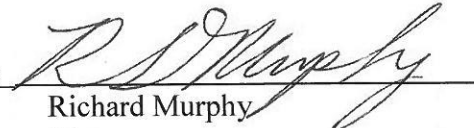
10.3 Severability. In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement, which shall be interpreted to carry out the intent of the Parties hereunder.

10.4 Successors in Interest. This Agreement shall be binding upon and inure to the

IN WITNESS WHEREOF, the Parties have executed and entered into this Agreement as of the date first written above.

“City”

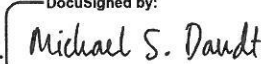
City of Los Alamitos

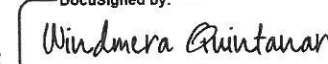
By: 
Richard Murphy
Mayor

APPROVED AS TO FORM.

ATTEST:

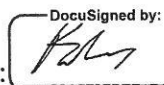
Woodruff, Spradlin & Smart, APC

DocuSigned by:

By: 
Michael S. Daudt 6/22/2020
City Attorney

DocuSigned by:

By: 
Windmera Quintanar, MMC 6/29/2020
City Clerk

“Contractor”

West Coast Arborists, Inc.

DocuSigned by:

By: 
Patrick Mahoney 6/19/2020
President

DocuSigned by:

By: 
Richard Mahoney 6/19/2020
Assistant Secretary

benefit of the Parties' successors and assignees.

10.5 Third Party Beneficiary. Except as expressly provided herein, nothing contained in this Agreement is intended to confer, nor shall this Agreement be construed as conferring, any rights, including, without limitation, any rights as a third-party beneficiary or otherwise, upon any entity or person not a party hereto.

10.6 Recitals. The above-stated Recitals are hereby incorporated into the Agreement as though fully set forth herein and each Party acknowledges and agrees that such Party is bound, for purposes of this Agreement, by the same.

10.7 Prevailing Wages. Contractor is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., ("Prevailing Wage Laws"). Contractor agrees to fully comply with all applicable federal and state labor laws (including, without limitation, if applicable, the Prevailing Wage Laws). It is agreed by the Parties that, in connection with the work or Project Services provided pursuant to this Agreement, Contractor shall bear all risks of payment or non-payment of prevailing wages under California law, and Contractor hereby agrees to defend, indemnify, and hold the City, its officials, officers, employees, agents and volunteers, free and harmless from any claim or liability arising out of any failure or alleged failure to comply with the Prevailing Wage Laws. The foregoing indemnity shall survive termination of this Agreement.

10.8 Corporate Authority. Each of the undersigned represents and warrants that (i) the Party for which he/she is executing this Agreement is duly authorized and existing, (ii) he/she is duly authorized to execute and deliver this Agreement on behalf of the Party for which he/she is signing, (iii) by so executing this Agreement, the Party for which he/she is signing is formally bound to the provisions of this Agreement, and (iv) the entering into this Agreement does not violate any provision of any other agreement to which the Party for which he/she is signing is bound.

[SIGNATURES ON NEXT PAGE]

EXHIBIT "A"

CONTRACTOR'S PROPOSAL/ SCOPE OF SERVICES

DATED: March 31, 2020



ORIGINAL

Tree Care Professionals Serving Communities Who Care About Trees

www.WCAINC.com

March 31, 2020

City of Los Alamitos

Attn: Leslie Roseberry, Interim Development Services Director

3191 Katella Avenue

Los Alamitos, CA 90720

RE: RFP: 2020-01 Tree Maintenance Services**Due: Wednesday, April 1, 2020 at 2:00PM**

To whom it may concern;

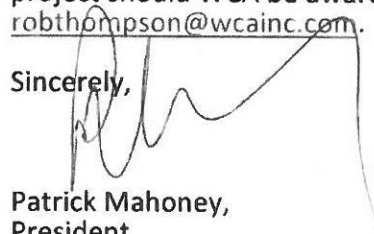
Thank you for allowing West Coast Arborists, Inc. (WCA) with the opportunity to submit a proposal for tree maintenance services for the of Los Alamitos. WCA is a family-owned and operated company employing over 950 full-time employees providing various tasks to achieve one goal: serving communities who care about trees and landscape. We have reviewed, understand, and agree to the terms and conditions described in this RFP. We also hereby acknowledge that we meet the minimum requirements and responded to each of these requirements to the best of our ability.

WCA's corporate values include listening to customers and employees that will help to improve services offered. By establishing clear goals and expectations for the organization, supporting waits diverse teams, and exchanging frequent feedback from customers and employees. WCA's top management team has created a culture where employees become accountable for actions and results.

WCA has a 47-year track record of working for more than 300 California and Arizona municipalities as well as other various agencies. Our company has been in business since 1972 and is licensed by the California State Contractors License Boards under license #366764. We have held this license in good standing since 1978. The license specializes in Class C61 (Tree Service) as well as Class C27 (Landscaping). We currently employ over 80 Certified Arborists and over 140 Certified Tree workers, as recognized by the Western Chapter of the International Society of Arboriculture. WCA is also registered with the Department of Industrial Relations (DIR) for Public Works projects, our registration number is 1000000956. Should we be awarded this project, we shall use full-time, in-house employees; no subcontractors will be used. Federal ID: #95-3250682.

Our employees will operate from one of our seven California Offices: Stockton Office, 3625 E. Stevenson Avenue, Stockton, CA 95205. For questions related to this proposal and who has the authority to negotiate/present please contact Victor Gonzalez, V.P. Marketing, at (714) 991-1900 or at vgonzalez@wcainc.com. Rob Thompson, Area Manager, will be assigned to this project should WCA be awarded a contract. He can be reached at (714) 240-1645 or robthompson@wcainc.com.

Sincerely,


 Patrick Mahoney,
 President

West Coast Arborists, Inc.

2200 E. Via Burton Street • Anaheim, CA 92806 • 714.991.1900 • 800.521.3714 • Fax 714.956.3745

**CITY OF LOS ALAMITOS
TREE MAINTENANCE SERVICES
ATTACHMENT '1'
BID SCHEDULE A**

1. GRID OR ANNUAL TREE PRUNING:

Tree pruning per pre-designed districts, grids or prune routes on a set cycle to include all trees. Pruning will include structural pruning, crown raising, cleaning and light thinning in accordance with the standards set forth by the International Society of Arboriculture Pruning Standards (Best Management Practices) and the ANSI A300 Standards. Special projects that are difficult to assess, require the need for specialty equipment (i.e., 95-foot tower), service request pruning, or pruning to reduce and/or pruning to restore would fall under Crew Rental.

Small, Medium & Large Trees	Per tree	\$ 84.00
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2. FULL PRUNE BASED ON SERVICE OR SPECIAL REQUESTS:

Trees requiring service prior to their regularly scheduled grid or annual prune to rectify a specific problem such as blocked street lighting or signs, right-of-way clearance for utility lines, or broken limbs will be performed as a "Service Request."

0"-6" dbh	Per tree	\$ 44.00
7"-12" dbh	Per tree	\$ 84.00
13"-18" dbh	Per tree	\$ 84.00
19"-24" dbh	Per tree	\$ 84.00
25"-30" dbh	Per tree	\$ 84.00
31" dbh & over	Per tree	\$ 149.00
Washingtonia Robusta	Per tree	\$ 84.00
Phoenix Canariensis	Per tree	\$ 84.00
Palm Tree Skinning	Per tree	\$ 20.00

3. CLEARANCE PRUNE:

Trees will be raised to a standard height established by the City for the purpose of creating adequate room for utility vehicles, paving equipment, pedestrian traffic, clearance for buildings and signs in accordance with standards set forth by the International Society of Arboriculture Pruning Standards (Best Management Practices) and the ANSI A300 Standards under "Pruning to Raise." Clearance prunes are performed on a grid system or on a street-by-street basis.

Small, Medium & Large Trees	Per tree	\$ 44.00
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4. TREE & STUMP REMOVAL:

City prepares list of trees to be removed, marks trees, notifies homeowners and submits lists to contractor. Contractor calls U.S.A. and prepares internal work order. Crew removes tree and hauls all debris. Crew grinds stumps to a depth of 18 inches. All holes will be backfilled; as well as all debris cleaned up and hauled away.

Tree and stump removal	Per dbh inch	\$ 40.00
Tree and stump removal over 30"	Per dbh inch	\$ 50.00
Tree removal only	Per dbh inch	\$ 30.00
Tree removal only over 30" dbh	Per dbh inch	\$ 40.00
Stump removal only	Per dbh inch	\$ 20.00

5. TREE PLANTING:

Planting includes the tree, root barrier (when required by specifications), stakes, ties, and complete installation. Planting lists should be compiled by the Inspector and submitted monthly or as-needed. Contractor will guarantee the life of the tree for a period of ninety days (90), excluding vandalism and extreme weather conditions.

15 gallon tree with root barrier	Per tree	\$ 120.00
15 gallon tree without root barrier	Per tree	\$ 149.00
24 inch box tree with root barrier	Per tree	\$ 254.00
24 inch box tree without root barrier	Per tree	\$ 274.00

6. CREW RENTAL:

The standard crew is three (3) men, one chipper truck, one chipper, one aerial tower and all necessary hand tools. The crew and equipment can be modified to complete any type of miscellaneous tasks including special projects that may consist of extraordinary work such as hanging flags, changing light bulbs, or pruning specific trees requiring immediate attention prior to their scheduled prune.

Per Person/ Per hour	\$ 94.00
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7. EMERGENCY RESPONSE:

Contractor will respond to emergency calls on a 24-hour basis. Emergency work will begin on-site within (2) hours from the time of notification from the City. The crew will do what is necessary to render the hazardous tree or tree-related condition safe.

Per Person/ Per hour	\$ 119.00
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8. ON-LINE TREE INVENTORY:

Contractor will provide an on-line tree inventory database. The inventory shall be updated annually by the Contractor and a report generated and submitted to the Public Works Superintendent.

*Request For Proposal 2020-01
Tree Maintenance Services 2020
City of Los Alamitos*

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Lump Sum \$ 0.00

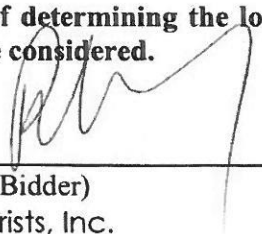
Bid Schedule Total (in words):

Two thousand thirty-five dollars and zero cents.

(\$2,035.00)

The Contractor shall be responsible for calculating and providing unit prices for the schedule. The proposal schedule shall include all costs for services, labor, materials, equipment, and installation associated with completing the work in place per the plans, specifications and details.

For the purposes of determining the lowest responsible bidder, the Bid Schedule Total of Schedule A shall be considered.



(Company Name of Bidder)
West Coast Arborists, Inc.
Patrick Mahoney, President

3/31/2020
(Date)

NON-COLLUSION AFFIDAVIT

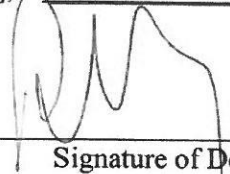
The undersigned declares:

I am the President of West Coast Arborists, Inc. the party making the foregoing bid.

The bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation. The bid is genuine and not collusive or sham. The bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid. The bidder has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or to refrain from bidding. The bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bid price, or of that of any other bidder. All statements contained in the bid are true. The bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, to any corporation, partnership, company, association, organization, bid depository, or to any member or agent thereof, to effectuate a collusive or sham bid, and has not paid, and will not pay, any person or entity for such purpose.

Any person executing this declaration on behalf of a bidder that is a corporation, partnership, joint venture, limited liability company, limited liability partnership, or any other entity, hereby represents that he or she has full power to execute, and does execute, this declaration on behalf of the bidder.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on 3/31/20 [date], at Anaheim [city], CA [state].



Signature of Declarant

Patrick Mahoney, President
Printed Name of Declarant

WORKERS' COMPENSATION INSURANCE CERTIFICATE

The Contractor shall execute the following form as required by the California Labor Code, Sections 1860 and 1861:

I am aware of the provisions of Section 3700 of the Labor Code, which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

DATE: 3/31/2020

West Coast Arborists, Inc.
(Contractor)

By: _____

(Signature)

Patrick Mahoney, President

(Title)

Attest:

By: _____

(Signature)

Richard Mahoney, Secretary

(Title)

Note: See Section 7 Responsibility of the Contractor, Paragraph 7-3 of the Standard Specifications for insurance carrier rating requirements.

***TO BE COMPLETED UPON AWARD.**

ENDORSEMENTS TO INSURANCE POLICY

Name of Insurance Company:

Policy Number:

Effective Date:

The following endorsements are hereby incorporated by reference into the attached Certificate of Insurance as though fully set forth thereon:

1. The naming of an additional insured as herein provided shall not affect any recovery to which such additional insured would be entitled under this policy if not named as such additional insured, and
2. The additional insured named herein shall not be held liable for any premium or expense of any nature on this policy or any extensions thereof, and
3. The additional insured named herein shall not by reason of being so named be considered a member of any mutual insurance company for any purpose whatsoever, and
4. The provisions of the policy will not be changed, suspended, canceled or otherwise terminated as to the interest of the additional insured named herein without first giving such additional insured twenty (20) days' written notice.
5. Any other insurance held by the additional insured shall not be required to contribute anything toward any loss or expense covered by the insurance, which is referred to by this certificate.
6. **The company provided insurance for this certificate is a company licensed to do business in the State of California with a Best's rating of A+ VIII or greater.**

It is agreed that the City of Los Alamitos, its officers and employees, are included as Additional Insurers under the contracts of insurance for which the Certificate of Insurance is given.

Authorized Insurance Agent

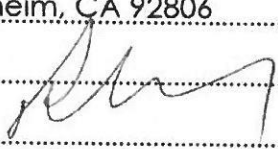
Date: _____

STATEMENT REGARDING INSURANCE COVERAGE

**REQUEST FOR PROPOSAL (RFP) 2020-01
TREE MAINTENANCE SERVICES
IN THE CITY OF LOS ALAMITOS, CALIFORNIA**

The undersigned representative of Bidder hereby certifies that he/she has reviewed the insurance coverage requirements specified in 7-3 **LIABILITY INSURANCE** of Section E, Standard Specifications. Should Bidder be awarded the contract for the work, the undersigned further certifies that Bidder can meet all of these specification requirements for insurance including insurance coverage of his/her subcontractors.

NAME OF BIDDER: ..West Coast Arborists, Inc.....

MAILING ADDRESS: ..2200 E. Via Burton.....
.....Anaheim, CA 92806.....
..........

AUTHORIZED SIGNATURE: ..
.....

TITLE: ..Patrick Mahoney, President.....

DATE: ..3/31/2020.....

STATEMENT REGARDING CONTRACTOR'S LICENSING LAWS

REQUEST FOR PROPOSAL (RFP) 2020-01 TREE MAINTENANCE SERVICES IN THE CITY OF LOS ALAMITOS, CALIFORNIA

[Business & Professions Code § 7028.15]
[Public Contract Code § 20103.5]

I, the undersigned, certify that I am aware of the following provisions of California law and that I, or the entity on whose behalf this certification is given, hold a currently valid California contractor's license as set forth below:

Business & Professions Code § 7028.15:

- a) **It is a misdemeanor for any person to submit a bid to a public agency to engage in the business or act in the capacity of a contractor within this state without having a license therefore, except in any of the following cases:**
 - (1) The person is particularly exempted from this chapter.
 - (2) The bid is submitted on a state project governed by Section 10164 of the Public Contract Code or on any local agency project governed by Section 20104 [now § 20103.5] of the Public Contract Code.
- b) If a person has been previously convicted of the offense described in this section, the court shall impose a fine of 20 percent of the price of the contract under which the unlicensed person performed contracting work, or four thousand five hundred dollars (\$4,500), whichever is greater, or imprisonment in the county jail for not less than 10 days nor more than six months, or both.

In the event the person performing the contracting work has agreed to furnish materials and labor on an hourly basis, "the price of the contract" for the purposes of this subdivision means the aggregate sum of the cost of materials and labor furnished and the cost of completing the work to be performed.
- c) This section shall not apply to a joint venture license, as required by Section 7029.1. However, at the time of making a bid as a joint venture, each person submitting the bid shall be subject to this section with respect to his/her individual licenser.
- d) This section shall not affect the right or ability of a licensed architect, land surveyor, or registered professional engineer to form joint ventures with licensed contractors to render services within the scope of their respective practices.
- e) Unless one of the foregoing exceptions applies, a bid submitted to a public agency by a contractor who is not licensed in accordance with this chapter shall be considered nonresponsive and shall be rejected by the public agency. Unless one of the foregoing exceptions applies, a local public agency shall, before awarding a contract or issuing a purchase order, verify that the contractor was properly licensed when the contractor submitted the bid. Notwithstanding any other provision of law, unless one of the foregoing exceptions applies, the registrar may issue a citation to any public officer or employee of a public entity who knowingly awards a contract or issues a purchase order to a contractor who is not licensed pursuant to this chapter. The amount of civil penalties, appeal, and finality of such citations shall be subject to Sections 7028.7 to 7028.13, inclusive. **Any contract awarded to, or any purchase order issued to, as contractor who is not licensed pursuant to this chapter is void.**

*Request For Proposal 2020-01
Tree Maintenance Services 2020
City of Los Alamitos
46 | Page*

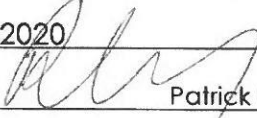
- f) Any compliance or noncompliance with subdivision (e) of this section, as added by Chapter 863 of the Statutes of 1989, shall not invalidate any contract or bid awarded by a public agency during which time that subdivision was in effect.
- g) A public employee or officer shall not be subject to a citation pursuant to this section if the public employee, officer, or employing agency made an inquiry to the board for the purposes of verifying the license status of any person or contractor and the board failed to respond to the inquiry within three business days. For purposes of this section, a telephone response by the board shall be deemed sufficient.

Public Contract Code § 20103.5:

In all contracts subject to this part where federal funds are involved, no bid submitted shall be invalidated by the failure of the bidder to be licensed in accordance with the laws of this state. However, at the time the contract is awarded, the contractor shall be properly licensed in accordance with the laws of this state. The first payment for work or material under any contract shall not be made unless and until the Registrar of Contractors verifies to the agency that the records of the Contractors' State License Board indicate that the contractor was properly licensed at the time the contract was awarded. Any bidder or contractor not so licensed shall be subject to all legal penalties imposed by law, including, but not limited to, any appropriate disciplinary action by the Contractors' State License Board. The agency shall include a statement to that effect in the standard form of pre-qualification questionnaire and financial statement. **Failure of the bidder to obtain proper and adequate licensing for an award of a contract shall constitute a failure to execute the contract and shall result in the forfeiture of the security of the bidder.**

Contractors' License Number: 366764

License Expiration Date: 12/31/2020

Authorized Signature:  Patrick Mahoney, President

Date: 3/31/2020

City of Los Alamitos

CITY COUNCIL AGENDA REPORT

MEETING DATE: May 15, 2023

ITEM NUMBER: 10E

To: Mayor Tanya Doby & Members of the City Council

Presented By: Ron Noda, Development Services Director

**Subject: Approval of two (2) Open-Ended (Equity) Vehicle Lease Rate
Agreements with Enterprise Fleet Management, Inc., via the Sourcewell
Competitive Purchasing Program**

SUMMARY

This item seeks approval of two (2) vehicle lease agreements with Enterprise Fleet Management Inc. (EFM), via the Sourcewell Competitive Purchasing Program (Contract #030122-EFM).

RECOMMENDATION

Authorize the City Manager to lease two (2) fleet vehicles pursuant to the Master Equity Lease Agreement with Enterprise Fleet Management (EFM) via the Sourcewell Competitive Purchasing Program for an estimated monthly lease of \$1,768.00.

BACKGROUND

The City's fleet is currently made up of vehicles assigned to the Administration Department, Development Services Department, Police Department, and the Recreation & Community Services Department. Most vehicles are assigned to a specific department but all vehicles, except pursuit-rated vehicles, are able to be driven by approved drivers. The City's fleet includes sedans, small SUVs, large SUVs, light duty trucks, heavy duty trucks, police-rated vehicles, and a large passenger van.

After three to five years of service, most vehicles experience a significant depreciation in value. Currently, the majority of the City's fleet includes vehicles that have been in service for 5 years or more. Excessive costs of maintenance due to the overall age and condition of the fleet, have significantly impacted the City's Vehicle Replacement (Fund 50) and reduced the opportunities to timely replace vehicles and equipment.

At the November 18, 2019 City Council meeting, Council authorized staff to utilize leasing of vehicles for the City's fleet by entering into the Master Equity Lease Agreement with Enterprise Fleet Management, Inc. (EFM) via the Sourcewell Competitive Purchasing Program (Contract #030122-EFM).

As opposed to purchasing a vehicle and allowing its full depreciation, a leasing program facilitates the cycling of vehicles approximately every three to five years. If the market yields a return greater than the vehicle's book value, the City can decide to sell the vehicle and capture the equity for use in the acquisition of future fleet assets. The City also has the option to keep

the vehicle and purchase it in full, should it desire to retain the vehicle.

Sourcewell Competitive Purchasing Program

Sourcewell, formerly known as the National Joint Power Alliance (NJPA), is a national cooperative purchasing agency that facilitates the procurement of goods. After 40 years of service, Sourcewell continues to offer contract purchasing solutions to all government agencies, public and private schools/colleges, tribal governments and nonprofit organizations. Utilizing Sourcewell's services does not incur any additional costs for the City. Supplemental services that the City may utilize at no additional cost include a review of quotes provided, which will ensure the figures presented accurately reflect the costs described in the awarded contract with Sourcewell.

Under Section 2.60.110 of the Los Alamitos Municipal Code (LAMC), the City's purchasing ordinance allows the City to "piggy back" off another public agency or government entity, which has selected the vendor using competitive bidding procedures substantially the same as or similar to those normally utilized by the city for the acquisition of such materials, supplies, equipment, or services. If such a determination is made, the City Manager or City Council may proceed to purchase the materials, supplies, equipment or services at a price equivalent to that offered to the acquiring agency.

EFM is a privately held, full-service management firm, which has the ability to provide services to public and private businesses nationally. In 2022, EFM was selected through a competitive bid process to provide fleet management services (leasing, purchasing, maintenance, financing, etc.) by Sourcewell. As a member of Sourcewell, the City has the ability to utilize Sourcewell awarded contracts. The City's Sourcewell Membership identification is ID#030122-EFM.

DISCUSSION

While the City's commitment is to provide Los Alamitos with the highest level of service, this has also triggered a demand for more resources in efforts to meet and exceed these expectations. Additionally, the availability of dependable vehicles will increase staff efficiency and productivity. A benefit of leasing vehicles is the replacement of the vehicles every 3-5 years, ensuring that dependable vehicles are available to assist with accomplishing the goal of delivering quality service to the community.

The City currently leases nine vehicles from EFM. Staff seeks approval of the following two (2) vehicle leases.

Vehicle Description	Vehicle Use
2023 Jeep Cherokee	Police - Administrative Services
2023 Jeep Cherokee	Recreation & Community Services

At the end of the individual lease term, the City will have the option to either purchase the vehicle or sell the vehicle and apply the proceeds (i.e., resale value minus balance of vehicle) as a down payment on the replacement vehicles.

Through EFM, there are no mileage restrictions, no abnormal wear and tear charges and no early termination penalties. Maintenance of the vehicles (not including tires) is also included in the lease. Additionally, the City can add and maintain ownership of any aftermarket equipment that has been installed in the vehicles (i.e., radios, safety lights and logos).

FISCAL IMPACT

The budget for Fiscal Year 2023-2024 will include funding for leasing of the two (2) proposed vehicles via Fund 50, Account No. 50-546-7191.

- Attachment:
1. Vehicle Lease Quote - 2023 Cherokee Altitude
 2. Vehicle Lease Quote - 2023 Cherokee Altitude
 3. Enterprise Master Equity Lease Agreement (2019)
 4. Enterprise Maintenance Agreement (2019)
 5. Sourcewell Proposal Opening Record
 6. Sourcewell - RFP for Fleet Management
 7. Sourcewell/Enterprise Fleet Contract

Prepared For: City of Los Alamitos California				Date	04/19/2023
Muller, Michelle				AE/AM	ZRJ/M7B
Unit #					
Year	2023	Make	Jeep	Model	Cherokee
Series	Altitude Lux 4dr 4x4				
Vehicle Order Type	In-Stock	Term	60	State	CA Customer# 444960
\$ 39,493.38		Capitalized Price of Vehicle ¹			
\$ 0.00	*	Sales Tax <u>0.0000%</u> State <u>CA</u>			
\$ 561.70	*	Initial License Fee			
\$ 0.00	Registration Fee				
\$ 265.00	Other: (See Page 2)				
\$ 0.00	Capitalized Price Reduction				
\$ 0.00	Tax on Capitalized Price Reduction				
\$ 0.00	Gain Applied From Prior Unit				
\$ 0.00	*	Tax on Gain On Prior			
\$ 0.00	*	Security Deposit			
\$ 0.00	*	Tax on Incentive (Taxable Incentive Total : \$0.00)			
\$ 39,758.38		Total Capitalized Amount (Delivered Price)			
\$ 536.74		Depreciation Reserve @ <u>1.3500%</u>			
\$ 227.86		Monthly Lease Charge (Based on Interest Rate - Subject to a Floor) ²			
\$ 764.60		Total Monthly Rental Excluding Additional Services			
Additional Fleet Management					
Master Policy Enrollment Fees					
\$ 0.00		Commercial Automobile Liability Enrollment			
Liability Limit <u>\$0.00</u>					
\$ 0.00		Physical Damage Management		Comp/Coll Deductible	<u>0 / 0</u>
\$ 48.67		Full Maintenance Program ³ Contract Miles <u>35,000</u>		OverMileage Charge	<u>\$ 0.0350</u> Per Mile
Incl: # Brake Sets (1 set = 1 Axle) <u>0</u>				# Tires <u>0</u>	Loaner Vehicle Not Included
\$ 48.67		Additional Services SubTotal			
\$ 70.73		Sales Tax <u>9.2500%</u>		State <u>CA</u>	
\$ 884.00		Total Monthly Rental Including Additional Services			
\$ 7,553.98		Reduced Book Value at <u>60</u> Months			
\$ 450.00		Service Charge Due at Lease Termination			

All language and acknowledgments contained in the signed quote apply to all vehicles that are ordered under this signed quote.

Order Information

Driver Name

Exterior Color (0 P) Bright White Clearcoat

Interior Color (0 I) Black w/Premium Leather Trimmed Bucket

Lic. Plate Type Exempt

GVWR 0

All language and acknowledgments contained in the signed quote apply to all vehicles that are ordered under this signed quote.

Order Information

Driver Name

Exterior Color (0 P) Bright White Clearcoat

Interior Color (0 I) Black w/Premium Leather Trimmed Bucket

Lic. Plate Type Exempt

GVWR 0

Quote based on estimated annual mileage of 7,000

(Current market and vehicle conditions may also affect value of vehicle)

(Quote is Subject to Customer's Credit Approval)

Notes

Enterprise FM Trust will be the owner of the vehicle covered by this Quote. Enterprise FM Trust (not Enterprise Fleet Management) will be the Lessor of such vehicle under the Master Open - End (Equity) Lease Agreement and shall have all rights and obligations of the Lessor under the Master Open - End (Equity) Lease Agreement with respect to such vehicle.

Lessee must maintain insurance coverage on the vehicle as set forth in Section 11 of the Master Open-End (Equity) Lease Agreement until the vehicle is sold.

ALL TAX AND LICENSE FEES TO BE BILLED TO LESSEE AS THEY OCCUR.

Lessee hereby authorizes this vehicle order, agrees to lease the vehicle on the terms set forth herein and in the Master Equity Lease Agreement and agrees that Lessor shall have the right to collect damages in the event Lessee fails or refuses to accept delivery of the ordered vehicle. Lessee certifies that it intends that more than 50% of the use of the vehicle is to be in a trade or business of the Lessee.

LESSEE City of Los Alamitos California

BY TITLE DATE

* INDICATES ITEMS TO BE BILLED ON DELIVERY.

¹ Capitalized Price of Vehicle May be Adjusted to Reflect Final Manufacturer's Invoice. Lessee Hereby Assigns to Lessor anyManufacturer Rebates And/Or Manufacturer Incentives Intended for the Lessee, Which Rebates And/Or Incentives Have Been UsedBy Lessor to Reduce the Capitalized Price of the Vehicle.

² Monthly Lease Charge Will Be Adjusted to Reflect the Interest Rate on the Delivery Date (Subject to a Floor).

³ The inclusion herein of references to maintenance fees/services are solely for the administrative convenience of Lessee. Notwithstanding the inclusion of such references in this [Invoice/Schedule/Quote], all such maintenance services are to be performed by Enterprise Fleet Management, Inc., and all such maintenance fees are payable by Lessee solely for the account of Enterprise Fleet Management, Inc., pursuant to that certain separate [Maintenance Agreement] entered into by and between Lessee and Enterprise Fleet Management, Inc.; provided that such maintenance fees are being billed by Enterprise FM Trust, and are payable at the direction of Enterprise FM Trust, solely as an authorized agent for collection on behalf of Enterprise Fleet Management, Inc.

Other Totals

Description	(B)illed or (C)apped	Price
Initial Administration Fee	C	\$ 140.00
Pricing Plan Delivery Charge	C	\$ 125.00
Courtesy Delivery Fee	C	\$ 0.00
Total Other Charges Billed		\$ 0.00
Total Other Charges Capitalized		\$ 265.00
Other Charges Total		\$ 265.00

VEHICLE INFORMATION:

2023 Jeep Cherokee Altitude Lux 4dr 4x4 - US

Series ID: KLJR74

Pricing Summary:

	INVOICE	MSRP
Base Vehicle	\$37,017	\$37,695.00
Total Options	\$134.00	\$0.00
Destination Charge	\$1,595.00	\$1,595.00
Total Price	\$38,746.00	\$39,290.00

SELECTED COLOR:

Exterior: PW7-(0 P) Bright White Clearcoat
Interior: X9-(0 I) Black w/Premium Leather Trimmed Bucket Seats

SELECTED OPTIONS:

CODE	DESCRIPTION	INVOICE	MSRP
2BT	Quick Order Package 2BT	NC	NC
APA	Monotone Paint Application	STD	STD
DFA	Dealer Floor Adjustment	\$134.00	\$0.00
DFH	Transmission: 9-Speed 948TE Automatic	STD	STD
DL	Premium Leather Trimmed Bucket Seats	STD	STD
DME	3.734 Final Drive Ratio	STD	STD
EDE	Engine: 2.4L I4 Zero Evap M-Air w/ESS	STD	STD
NAS	50 State Emissions	NC	NC
PW7_01	(0 P) Bright White Clearcoat	NC	NC
SDA	Normal Duty Suspension	STD	STD
TRF	Tires: 225/65R17 BSW All Season	STD	STD
UAQ	Radio: Uconnect 4C Nav w/8.4" Display	STD	STD
WFG	Wheels: 17" x 7.0" Gloss Black	STD	STD
X9_01	(0 I) Black w/Premium Leather Trimmed Bucket Seats	NC	NC
Z1B	GVWR: 5,500 lbs	STD	STD

CONFIGURED FEATURES:

Body Exterior Features:

Number Of Doors: 4
Driver And Passenger Mirror: power remote heated manual folding side-view door mirrors with turn signal indicator
Spoiler: rear lip spoiler
Door Handles: body-coloured
Front And Rear Bumpers: body-coloured front and rear bumpers with black rub strip
Body Material: galvanized steel/aluminum/composite body material
Roof Rack: rails only
Body Side Cladding: black bodyside cladding
Fender Flares: black fender flares
Grille: black w/chrome surround grille
Exhaust Tip: chrome tip exhaust

Convenience Features:

Air Conditioning: automatic dual-zone front air conditioning
Air Filter: air filter
Console Ducts: console ducts
Cruise Control: cruise control with steering wheel controls, Adaptive Cruise Control w/Stop & Go distance pacing
Power Windows: power windows with driver and passenger 1-touch down
1/4 Vent Rear Windows: power rearmost windows
Remote Keyless Entry: keyfob (all doors) remote keyless entry
Illuminated Entry: illuminated entry
Integrated Key Remote: integrated key/remote
Auto Locking: auto-locking doors
Passive Entry: proximity key
Valet Key: valet function
Trunk FOB Controls: keyfob trunk/hatch/door release
Remote Engine Start: remote start - keyfob and smart device (subscription required)
Steering Wheel: heated steering wheel with manual tilting, manual telescoping
Day-Night Rearview Mirror: day-night rearview mirror
Auto-dimming Rearview Mirror: auto-dimming rearview mirror
Driver and Passenger Vanity Mirror: illuminated auxiliary driver and passenger-side visor mirrors
Garage Door Opener: garage door transmitter
Emergency SOS: SiriusXM Guardian emergency communication system
Navigation System: navigation system with voice activation
Front Cupholder: front and rear cupholders
Floor Console: full floor console with covered box
Overhead Console: mini overhead console with storage
Glove Box: illuminated glove box
Driver Door Bin: driver and passenger door bins
Seatback Storage Pockets: 1 seatback storage pockets
Dashboard Storage: covered dashboard storage
Driver Footrest: driver's footrest
Retained Accessory Power: retained accessory power
Power Accessory Outlet: 3 12V DC power outlets
AC Power Outlet: 1 120V AC power outlet

Entertainment Features:

radio: SiriusXM AM/FM/HD/Satellite with seek-scan
Radio Data System: radio data system
Voice Activated Radio: voice activated radio
Speed Sensitive Volume: speed-sensitive volume
Steering Wheel Radio Controls: steering-wheel mounted audio controls
Speakers: 6 speakers
Internet Access: 4G LTE Wi-Fi Hot Spot internet access
1st Row LCD: 2 1st row LCD monitor
Wireless Connectivity: wireless phone connectivity
Antenna: integrated roof antenna

Lighting, Visibility and Instrumentation Features:

Headlamp Type: delay-off projector beam LED low/high beam headlamps
Auto-Dimming Headlights: auto high-beam headlights
Front Fog Lights: front fog lights
Cornering Lights: cornering lights
Front Wipers: variable intermittent rain detecting wipers wipers with heating wiper park
Rear Window wiper: fixed interval rear window wiper
Rear Window Defroster: rear window defroster
Tinted Windows: deep-tinted windows
Dome Light: dome light with fade
Front Reading Lights: front and rear reading lights
Variable IP Lighting: variable instrument panel lighting
Display Type: digital/analog appearance
Tachometer: tachometer
Voltmeter: voltmeter
Compass: compass
Exterior Temp: outside-temperature display
Low Tire Pressure Warning: tire specific low-tire-pressure warning
Park Distance Control: ParkSense with Stop automated parking sensors
Trip Computer: trip computer
Trip Odometer: trip odometer
Lane Departure Warning: lane departure
Blind Spot Sensor: blind spot
Forward Collision Alert: forward collision
Water Temp Gauge: water temp. gauge
Inclinometer: inclinometer
Altimeter: altimeter
Oil Temp Gauge: oil temperature gauge
Transmission Oil Temp Gauge: transmission oil temp. gauge
Clock: in-radio display clock
Systems Monitor: driver information centre
Check Control: redundant digital speedometer
Rear Vision Camera: rear vision camera
Oil Pressure Warning: oil-pressure warning
Water Temp Warning: water-temp. warning
Battery Warning: battery warning
Low Coolant Warning: low-coolant warning
Lights On Warning: lights-on warning
Key in Ignition Warning: key-in-ignition warning
Low Fuel Warning: low-fuel warning
Low Washer Fluid Warning: low-washer-fluid warning
Bulb Failure Warning: bulb-failure warning
Door Ajar Warning: door-ajar warning
Trunk Ajar Warning: trunk-ajar warning
Brake Fluid Warning: brake-fluid warning
Turn Signal On Warning: turn-signal-on warning
Transmission Fluid Temperature Warning: transmission-fluid-temperature warning

Safety And Security:

ABS: four-wheel ABS brakes
Number of ABS Channels: 4 ABS channels
Brake Assistance: brake assist
Brake Type: four-wheel disc brakes
Vented Disc Brakes: front ventilated disc brakes
Daytime Running Lights: daytime running lights
Driver Front Impact Airbag: driver and passenger front-impact airbags
Driver Side Airbag: seat-mounted driver and passenger side-impact airbags
Overhead Airbag: curtain 1st and 2nd row overhead airbag
Knee Airbag: knee airbag
Rear Side Airbag: rear side-impact-impact airbag

Occupancy Sensor: front passenger airbag occupancy sensor
Height Adjustable Seatbelts: height adjustable front seatbelts
Seatbelt Pretensioners: front seatbelt pre-tensioners
3Point Rear Centre Seatbelt: 3 point rear centre seatbelt
Side Impact Bars: side-impact bars
Perimeter Under Vehicle Lights: remote activated perimeter/approach lights
Tailgate/Rear Door Lock Type: tailgate/rear door lock included with power door locks
Rear Child Safety Locks: rear child safety locks
Ignition Disable: Sentry Key immobilizer
Security System: security system
Panic Alarm: panic alarm
Electronic Stability: electronic stability stability control with anti-roll
Traction Control: Selec-Terrain ABS and driveline traction control
Front and Rear Headrests: manual adjustable front head restraints
AntiWhiplashFrontHeadrests: anti-whiplash front head restraints
Rear Headrest Control: 3 rear head restraints

Seats And Trim:

Seating Capacity max. seating capacity of 5
Front Bucket Seats: front bucket seats
Front Heated Cushion: driver and passenger heated-cushions
Front Heated Seatback: driver and passenger heated-seatbacks
Number of Driver Seat Adjustments: 8-way driver and passenger seat adjustments
Reclining Driver Seat: power reclining driver and passenger seats
Driver Lumbar: power 2-way driver and passenger lumbar support
Driver Height Adjustment: power height-adjustable driver and passenger seats
Driver Fore/Aft: power driver and passenger fore/aft adjustment
Driver Cushion Tilt: power driver and passenger cushion tilt
Front Centre Armrest Storage: front centre armrest
Rear Seat Type: rear manual reclining 60-40 split-bench seat
Rear Folding Position: rear seat fold-forward seatback
Rear Seat Armrest: rear seat centre armrest
Leather Upholstery: leather front and rear seat upholstery
Door Trim Insert: vinyl door panel trim
Headliner Material: full cloth headliner
Floor Covering: full carpet floor covering
Dashboard Console Insert, Door Panel Insert Combination: piano black/metal-look instrument panel insert, door panel insert, console insert
Shift Knob Trim: leather shift knob
LeatherSteeringWheel: leatherette steering wheel
Floor Mats: carpet front and rear floor mats
Interior Accents: chrome/metal-look interior accents
Cargo Space Trim: carpet cargo space
Trunk Lid: plastic trunk lid/rear cargo door
Cargo Tie Downs: cargo tie-downs
Cargo Light: cargo light
Concealed Cargo Storage: concealed cargo storage
Air Compressor: tire mobility kit

Standard Engine:

Engine 180-hp, 2.4-liter I-4 (regular gas)

Standard Transmission:

Transmission 9-speed automatic w/ OD and auto-manual

Prepared For: City of Los Alamitos California
Muller, Michelle

Date 04/18/2023
AE/AM ZRJ/M7B

Unit #

Year 2023 **Make** Jeep **Model** Cherokee

Series Altitude Lux 4dr 4x4

Vehicle Order Type In-Stock **Term** 60 **State** CA **Customer#** 444960

\$ 39,493.38	Capitalized Price of Vehicle ¹
\$ 0.00 *	Sales Tax <u>0.0000%</u> State <u>CA</u>
\$ 561.70 *	Initial License Fee
\$ 0.00	Registration Fee
\$ 265.00	Other: (See Page 2)
\$ 0.00	Capitalized Price Reduction
\$ 0.00	Tax on Capitalized Price Reduction
\$ 0.00	Gain Applied From Prior Unit
\$ 0.00 *	Tax on Gain On Prior
\$ 0.00 *	Security Deposit
\$ 0.00 *	Tax on Incentive (Taxable Incentive Total : \$0.00)

All language and acknowledgments contained in the signed quote apply to all vehicles that are ordered under this signed quote.

Order Information

Driver Name	
Exterior Color	(0 P) Bright White Clearcoat
Interior Color	(0 I) Black w/Premium Leather Trimmed Bucket
Lic. Plate Type	Exempt
GVWR	0

\$ 39,758.38	Total Capitalized Amount (Delivered Price)
\$ 536.74	Depreciation Reserve @ <u>1.3500%</u>
\$ 227.86	Monthly Lease Charge (Based on Interest Rate - Subject to a Floor) ²
\$ 764.60	Total Monthly Rental Excluding Additional Services

Additional Fleet Management

Master Policy Enrollment Fees
Commercial Automobile Liability Enrollment
Liability Limit \$0.00

\$ 0.00	Physical Damage Management	Comp/Coll Deductible	<u>0 / 0</u>
\$ 48.67	Full Maintenance Program ³ Contract Miles <u>35,000</u>	OverMileage Charge	<u>\$ 0.0350</u> Per Mile
	Incl: # Brake Sets (1 set = 1 Axle) <u>0</u>	# Tires <u>0</u>	Loaner Vehicle Not Included

\$ 48.67 Additional Services SubTotal

\$ 70.73 Sales Tax 9.2500% **State** CA

\$ 884.00 Total Monthly Rental Including Additional Services

\$ 7,553.98	Reduced Book Value at <u>60</u> Months
\$ 450.00	Service Charge Due at Lease Termination

Quote based on estimated annual mileage of 7,000
(Current market and vehicle conditions may also affect value of vehicle)
(Quote is Subject to Customer's Credit Approval)
Notes

Enterprise FM Trust will be the owner of the vehicle covered by this Quote. Enterprise FM Trust (not Enterprise Fleet Management) will be the Lessor of such vehicle under the Master Open - End (Equity) Lease Agreement and shall have all rights and obligations of the Lessor under the Master Open - End (Equity) Lease Agreement with respect to such vehicle. Lessee must maintain insurance coverage on the vehicle as set forth in Section 11 of the Master Open-End (Equity) Lease Agreement until the vehicle is sold.

ALL TAX AND LICENSE FEES TO BE BILLED TO LESSEE AS THEY OCCUR.

Lessee hereby authorizes this vehicle order, agrees to lease the vehicle on the terms set forth herein and in the Master Equity Lease Agreement and agrees that Lessor shall have the right to collect damages in the event Lessee fails or refuses to accept delivery of the ordered vehicle. Lessee certifies that it intends that more than 50% of the use of the vehicle is to be in a trade or business of the Lessee.

LESSEE City of Los Alamitos California
BY

TITLE

DATE

* INDICATES ITEMS TO BE BILLED ON DELIVERY.

¹ Capitalized Price of Vehicle May be Adjusted to Reflect Final Manufacturer's Invoice. Lessee Hereby Assigns to Lessor any Manufacturer Rebates And/Or Manufacturer Incentives Intended for the Lessee, Which Rebates And/Or Incentives Have Been Used By Lessor to Reduce the Capitalized Price of the Vehicle.

² Monthly Lease Charge Will Be Adjusted to Reflect the Interest Rate on the Delivery Date (Subject to a Floor).

³ The inclusion herein of references to maintenance fees/services are solely for the administrative convenience of Lessee. Notwithstanding the inclusion of such references in this [Invoice/Schedule/Quote], all such maintenance services are to be performed by Enterprise Fleet Management, Inc., and all such maintenance fees are payable by Lessee solely for the account of Enterprise Fleet Management, Inc., pursuant to that certain separate [Maintenance Agreement] entered into by and between Lessee and Enterprise Fleet Management, Inc.; provided that such maintenance fees are being billed by Enterprise FM Trust, and are payable at the direction of Enterprise FM Trust, solely as an authorized agent for collection on behalf of Enterprise Fleet Management, Inc.

Other Totals

Description	(B)illed or (C)apped	Price
Initial Administration Fee	C	\$ 140.00
Pricing Plan Delivery Charge	C	\$ 125.00
Courtesy Delivery Fee	C	\$ 0.00
Total Other Charges Billed		\$ 0.00
Total Other Charges Capitalized		\$ 265.00
Other Charges Total		\$ 265.00

VEHICLE INFORMATION:

2023 Jeep Cherokee Altitude Lux 4dr 4x4 - US
Series ID: KLJR74

Pricing Summary:

	INVOICE	MSRP
Base Vehicle	\$37,017	\$37,695.00
Total Options	\$134.00	\$0.00
Destination Charge	\$1,595.00	\$1,595.00
Total Price	\$38,746.00	\$39,290.00

SELECTED COLOR:

Exterior: PW7-(0 P) Bright White Clearcoat
Interior: X9-(0 I) Black w/Premium Leather Trimmed Bucket Seats

SELECTED OPTIONS:

CODE	DESCRIPTION	INVOICE	MSRP
2BT	Quick Order Package 2BT	NC	NC
APA	Monotone Paint Application	STD	STD
DFA	Dealer Floor Adjustment	\$134.00	\$0.00
DFH	Transmission: 9-Speed 948TE Automatic	STD	STD
DL	Premium Leather Trimmed Bucket Seats	STD	STD
DME	3.734 Final Drive Ratio	STD	STD
EDE	Engine: 2.4L I4 Zero Evap M-Air w/ESS	STD	STD
NAS	50 State Emissions	NC	NC
PW7_01	(0 P) Bright White Clearcoat	NC	NC
SDA	Normal Duty Suspension	STD	STD
TRF	Tires: 225/65R17 BSW All Season	STD	STD
UAQ	Radio: Uconnect 4C Nav w/8.4" Display	STD	STD
WFG	Wheels: 17" x 7.0" Gloss Black	STD	STD
X9_01	(0 I) Black w/Premium Leather Trimmed Bucket Seats	NC	NC
Z1B	GVWR: 5,500 lbs	STD	STD

CONFIGURED FEATURES:

Body Exterior Features:

Number Of Doors: 4
Driver And Passenger Mirror: power remote heated manual folding side-view door mirrors with turn signal indicator
Spoiler: rear lip spoiler
Door Handles: body-coloured
Front And Rear Bumpers: body-coloured front and rear bumpers with black rub strip
Body Material: galvanized steel/aluminum/composite body material
Roof Rack: rails only
Body Side Cladding: black bodyside cladding
Fender Flares: black fender flares
Grille: black w/chrome surround grille
Exhaust Tip: chrome tip exhaust

Convenience Features:

Air Conditioning: automatic dual-zone front air conditioning
Air Filter: air filter
Console Ducts: console ducts
Cruise Control: cruise control with steering wheel controls, Adaptive Cruise Control w/Stop & Go distance pacing
Power Windows: power windows with driver and passenger 1-touch down
1/4 Vent Rear Windows: power rearmost windows
Remote Keyless Entry: keyfob (all doors) remote keyless entry
Illuminated Entry: illuminated entry
Integrated Key Remote: integrated key/remote
Auto Locking: auto-locking doors
Passive Entry: proximity key
Valet Key: valet function
Trunk FOB Controls: keyfob trunk/hatch/door release
Remote Engine Start: remote start - keyfob and smart device (subscription required)
Steering Wheel: heated steering wheel with manual tilting, manual telescoping
Day-Night Rearview Mirror: day-night rearview mirror
Auto-dimming Rearview Mirror: auto-dimming rearview mirror
Driver and Passenger Vanity Mirror: illuminated auxiliary driver and passenger-side visor mirrors
Garage Door Opener: garage door transmitter
Emergency SOS: SiriusXM Guardian emergency communication system
Navigation System: navigation system with voice activation
Front Cupholder: front and rear cupholders
Floor Console: full floor console with covered box
Overhead Console: mini overhead console with storage
Glove Box: illuminated glove box
Driver Door Bin: driver and passenger door bins
Seatback Storage Pockets: 1 seatback storage pockets
Dashboard Storage: covered dashboard storage
Driver Footrest: driver's footrest
Retained Accessory Power: retained accessory power
Power Accessory Outlet: 3 12V DC power outlets
AC Power Outlet: 1 120V AC power outlet

Entertainment Features:

radio: SiriusXM AM/FM/HD/Satellite with seek-scan
Radio Data System: radio data system
Voice Activated Radio: voice activated radio
Speed Sensitive Volume: speed-sensitive volume
Steering Wheel Radio Controls: steering-wheel mounted audio controls
Speakers: 6 speakers
Internet Access: 4G LTE Wi-Fi Hot Spot internet access
1st Row LCD: 2 1st row LCD monitor
Wireless Connectivity: wireless phone connectivity
Antenna: integrated roof antenna

Lighting, Visibility and Instrumentation Features:

Headlamp Type: delay-off projector beam LED low/high beam headlamps
Auto-Dimming Headlights: auto high-beam headlights
Front Fog Lights: front fog lights
Cornering Lights: cornering lights
Front Wipers: variable intermittent rain detecting wipers wipers with heating wiper park
Rear Window wiper: fixed interval rear window wiper
Rear Window Defroster: rear window defroster
Tinted Windows: deep-tinted windows
Dome Light: dome light with fade
Front Reading Lights: front and rear reading lights
Variable IP Lighting: variable instrument panel lighting
Display Type: digital/analog appearance
Tachometer: tachometer
Voltmeter: voltmeter
Compass: compass
Exterior Temp: outside-temperature display
Low Tire Pressure Warning: tire specific low-tire-pressure warning
Park Distance Control: ParkSense with Stop automated parking sensors
Trip Computer: trip computer
Trip Odometer: trip odometer
Lane Departure Warning: lane departure
Blind Spot Sensor: blind spot
Forward Collision Alert: forward collision
Water Temp Gauge: water temp. gauge
Inclinometer: inclinometer
Altimeter: altimeter
Oil Temp Gauge: oil temperature gauge
Transmission Oil Temp Gauge: transmission oil temp. gauge
Clock: in-radio display clock
Systems Monitor: driver information centre
Check Control: redundant digital speedometer
Rear Vision Camera: rear vision camera
Oil Pressure Warning: oil-pressure warning
Water Temp Warning: water-temp. warning
Battery Warning: battery warning
Low Coolant Warning: low-coolant warning
Lights On Warning: lights-on warning
Key in Ignition Warning: key-in-ignition warning
Low Fuel Warning: low-fuel warning
Low Washer Fluid Warning: low-washer-fluid warning
Bulb Failure Warning: bulb-failure warning
Door Ajar Warning: door-ajar warning
Trunk Ajar Warning: trunk-ajar warning
Brake Fluid Warning: brake-fluid warning
Turn Signal On Warning: turn-signal-on warning
Transmission Fluid Temperature Warning: transmission-fluid-temperature warning

Safety And Security:

ABS: four-wheel ABS brakes
Number of ABS Channels: 4 ABS channels
Brake Assistance: brake assist
Brake Type: four-wheel disc brakes
Vented Disc Brakes: front ventilated disc brakes
Daytime Running Lights: daytime running lights
Driver Front Impact Airbag: driver and passenger front-impact airbags
Driver Side Airbag: seat-mounted driver and passenger side-impact airbags
Overhead Airbag: curtain 1st and 2nd row overhead airbag
Knee Airbag: knee airbag
Rear Side Airbag: rear side-impact-impact airbag

Occupancy Sensor: front passenger airbag occupancy sensor
Height Adjustable Seatbelts: height adjustable front seatbelts
Seatbelt Pretensioners: front seatbelt pre-tensioners
3Point Rear Centre Seatbelt: 3 point rear centre seatbelt
Side Impact Bars: side-impact bars
Perimeter Under Vehicle Lights: remote activated perimeter/approach lights
Tailgate/Rear Door Lock Type: tailgate/rear door lock included with power door locks
Rear Child Safety Locks: rear child safety locks
Ignition Disable: Sentry Key immobilizer
Security System: security system
Panic Alarm: panic alarm
Electronic Stability: electronic stability stability control with anti-roll
Traction Control: Selec-Terrain ABS and driveline traction control
Front and Rear Headrests: manual adjustable front head restraints
AntiWhiplashFrontHeadrests: anti-whiplash front head restraints
Rear Headrest Control: 3 rear head restraints

Seats And Trim:

Seating Capacity max. seating capacity of 5
Front Bucket Seats: front bucket seats
Front Heated Cushion: driver and passenger heated-cushions
Front Heated Seatback: driver and passenger heated-seatbacks
Number of Driver Seat Adjustments: 8-way driver and passenger seat adjustments
Reclining Driver Seat: power reclining driver and passenger seats
Driver Lumbar: power 2-way driver and passenger lumbar support
Driver Height Adjustment: power height-adjustable driver and passenger seats
Driver Fore/Aft: power driver and passenger fore/aft adjustment
Driver Cushion Tilt: power driver and passenger cushion tilt
Front Centre Armrest Storage: front centre armrest
Rear Seat Type: rear manual reclining 60-40 split-bench seat
Rear Folding Position: rear seat fold-forward seatback
Rear Seat Armrest: rear seat centre armrest
Leather Upholstery: leather front and rear seat upholstery
Door Trim Insert: vinyl door panel trim
Headliner Material: full cloth headliner
Floor Covering: full carpet floor covering
Dashboard Console Insert, Door Panel Insert Combination: piano black/metal-look instrument panel insert, door panel insert, console insert
Shift Knob Trim: leather shift knob
LeatherSteeringWheel: leatherette steering wheel
Floor Mats: carpet front and rear floor mats
Interior Accents: chrome/metal-look interior accents
Cargo Space Trim: carpet cargo space
Trunk Lid: plastic trunk lid/rear cargo door
Cargo Tie Downs: cargo tie-downs
Cargo Light: cargo light
Concealed Cargo Storage: concealed cargo storage
Air Compressor: tire mobility kit

Standard Engine:

Engine 180-hp, 2.4-liter I-4 (regular gas)

Standard Transmission:

Transmission 9-speed automatic w/ OD and auto-manual

MASTER EQUITY LEASE AGREEMENT

This Master Equity Lease Agreement is entered into this 18 day of November by and between Enterprise FM Trust, a Delaware statutory trust ("Lessor"), and the lessee whose name and address is set forth on the signature page below ("Lessee").

1. LEASE OF VEHICLES: Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the vehicles (individually, a "Vehicle" and collectively, the "Vehicles") described in the schedules from time to time delivered by Lessor to Lessee as set forth below ("Schedule(s)") for the rentals and on the terms set forth in this Agreement and in the applicable Schedule. References to this "Agreement" shall include this Master Equity Lease Agreement and the various Schedules and addenda to this Master Equity Lease Agreement. Lessor will, on or about the date of delivery of each Vehicle to Lessee, send Lessee a Schedule covering the Vehicle, which will include, among other things, a description of the Vehicle, the lease term and the monthly rental and other payments due with respect to the Vehicle. The terms contained in each such Schedule will be binding on Lessee unless Lessee objects in writing to such Schedule within ten (10) days after the date of delivery of the Vehicle covered by such Schedule. Lessor is the sole legal owner of each Vehicle. This Agreement is a lease only and Lessee will have no right, title or interest in or to the Vehicles except for the use of the Vehicles as described in this Agreement. This Agreement shall be treated as a true lease for federal and applicable state income tax purposes with Lessor having all benefits of ownership of the Vehicles. It is understood and agreed that Enterprise Fleet Management, Inc. or an affiliate thereof (together with any subservicer, agent, successor or assign as servicer on behalf of Lessor, "Servicer") may administer this Agreement on behalf of Lessor and may perform the service functions herein provided to be performed by Lessor.

2. TERM: The term of this Agreement ("Term") for each Vehicle begins on the date such Vehicle is delivered to Lessee (the "Delivery Date") and, unless terminated earlier in accordance with the terms of this Agreement, continues for the "Lease Term" as described in the applicable Schedule.

3. RENT AND OTHER CHARGES:

(a) Lessee agrees to pay Lessor monthly rental and other payments according to the Schedules and this Agreement. The monthly payments will be in the amount listed as the "Total Monthly Rental Including Additional Services" on the applicable Schedule (with any portion of such amount identified as a charge for maintenance services under Section 4 of the applicable Schedule being payable to Lessor as agent for Enterprise Fleet Management, Inc.) and will be due and payable in advance on the first day of each month. If a Vehicle is delivered to Lessee on any day other than the first day of a month, monthly rental payments will begin on the first day of the next month. In addition to the monthly rental payments, Lessee agrees to pay Lessor a pro-rated rental charge for the number of days that the Delivery Date precedes the first monthly rental payment date. A portion of each monthly rental payment, being the amount designated as "Depreciation Reserve" on the applicable Schedule, will be considered as a reserve for depreciation and will be credited against the Delivered Price of the Vehicle for purposes of computing the Book Value of the Vehicle under Section 3(c). Lessee agrees to pay Lessor the "Total Initial Charges" set forth in each Schedule on the due date of the first monthly rental payment under such Schedule. Lessee agrees to pay Lessor the "Service Charge Due at Lease Termination" set forth in each Schedule at the end of the applicable Term (whether by reason of expiration, early termination or otherwise).

(b) In the event the Term for any Vehicle ends prior to the last day of the scheduled Term, whether as a result of a default by Lessee, a Casualty Occurrence or any other reason, the rentals and management fees paid by Lessee will be recalculated in accordance with the rule of 78's and the adjusted amount will be payable by Lessee to Lessor on the termination date.

(c) Lessee agrees to pay Lessor within thirty (30) days after the end of the Term for each Vehicle, additional rent equal to the excess, if any, of the Book Value of such Vehicle over the greater of (i) the wholesale value of such Vehicle as determined by Lessor in good faith or (ii) except as provided below, twenty percent (20%) of the Delivered Price of such Vehicle as set forth in the applicable Schedule. If the Book Value of such Vehicle is less than the greater of (i) the wholesale value of such Vehicle as determined by Lessor in good faith or (ii) except as provided below, twenty percent (20%) of the Delivered Price of such Vehicle as set forth in the applicable Schedule, Lessor agrees to pay such deficiency to Lessee as a terminal rental adjustment within thirty (30) days after the end of the applicable Term. Notwithstanding the foregoing, if (i) the Term for a Vehicle is greater than forty-eight (48) months (including any extension of the Term for such Vehicle), (ii) the mileage on a Vehicle at the end of the Term is greater than 15,000 miles per year on average (prorated on a daily basis) (i.e., if the mileage on a Vehicle with a Term of thirty-six (36) months is greater than 45,000 miles) or (iii) in the sole judgment of Lessor, a Vehicle has been subject to damage or any abnormal or excessive wear and tear, the calculations described in the two immediately preceding sentences shall be made without giving effect to clause (ii) in each such sentence. The "Book Value" of a Vehicle means the sum of (i) the "Delivered Price" of the Vehicle as set forth in the applicable Schedule minus (ii) the total Depreciation Reserve paid by Lessee to Lessor with respect to such Vehicle plus (iii) all accrued and unpaid rent and/or other amounts owed by Lessee with respect to such Vehicle.

(d) Any security deposit of Lessee will be returned to Lessee at the end of the applicable Term, except that the deposit will first be applied to any losses and/or damages suffered by Lessor as a result of Lessee's breach of or default under this Agreement and/or to any other amounts then owed by Lessee to Lessor.

(e) Any rental payment or other amount owed by Lessee to Lessor which is not paid within twenty (20) days after its due date will accrue interest, payable on demand of Lessor, from the date due until paid in full at a rate per annum equal to the lesser of (i) Eighteen Percent (18%) per annum or (ii) the highest rate permitted by applicable law (the "Default Rate").

(f) If Lessee fails to pay any amount due under this Agreement or to comply with any of the covenants contained in this Agreement, Lessor, Servicer or any other agent of Lessor may, at its option, pay such amounts or perform such covenants and all sums paid or incurred by Lessor in connection therewith will be repayable by Lessee to Lessor upon demand together with interest thereon at the Default Rate.

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(g) Lessee's obligations to make all payments of rent and other amounts under this Agreement are absolute and unconditional and such payments shall be made in immediately available funds without setoff, counterclaim or deduction of any kind. Lessee acknowledges and agrees that neither any Casualty Occurrence to any Vehicle nor any defect, unfitness or lack of governmental approval in, of, or with respect to, any Vehicle regardless of the cause or consequence nor any breach by Enterprise Fleet Management, Inc. of any maintenance agreement between Enterprise Fleet Management, Inc. and Lessee covering any Vehicle regardless of the cause or consequence will relieve Lessee from the performance of any of its obligations under this Agreement, including, without limitation, the payment of rent and other amounts under this Agreement.

4. USE AND SURRENDER OF VEHICLES: Lessee agrees to allow only duly authorized, licensed and insured drivers to use and operate the Vehicles. Lessee agrees to comply with, and cause its drivers to comply with, all laws, statutes, rules, regulations and ordinances and the provisions of all insurance policies affecting or covering the Vehicles or their use or operation. Lessee agrees to keep the Vehicles free of all liens, charges and encumbrances. Lessee agrees that in no event will any Vehicle be used or operated for transporting hazardous substances or persons for hire, for any illegal purpose or to pull trailers that exceed the manufacturer's trailer towing recommendations. Lessee agrees that no Vehicle is intended to be or will be utilized as a "school bus" as defined in the Code of Federal Regulations or any applicable state or municipal statute or regulation. Lessee agrees not to remove any Vehicle from the continental United States without first obtaining Lessor's written consent. At the expiration or earlier termination of this Agreement with respect to each Vehicle, or upon demand by Lessor made pursuant to Section 14, Lessee at its risk and expense agrees to return such Vehicle to Lessor at such place and by such reasonable means as may be designated by Lessor. If for any reason Lessee fails to return any Vehicle to Lessor as and when required in accordance with this Section, Lessee agrees to pay Lessor additional rent for such Vehicle at twice the normal pro-rated daily rent. Acceptance of such additional rent by Lessor will in no way limit Lessor's remedies with respect to Lessee's failure to return any Vehicle as required hereunder.

5. COSTS, EXPENSES, FEES AND CHARGES: Lessee agrees to pay all costs, expenses, fees, charges, fines, tickets, penalties and taxes (other than federal and state income taxes on the income of Lessor) incurred in connection with the titling, registration, delivery, purchase, sale, rental, use or operation of the Vehicles during the Term. If Lessor, Servicer or any other agent of Lessor incurs any such costs or expenses, Lessee agrees to promptly reimburse Lessor for the same.

6. LICENSE AND CHARGES: Each Vehicle will be titled and licensed in the name designated by Lessor at Lessee's expense. Certain other charges relating to the acquisition of each Vehicle and paid or satisfied by Lessor have been capitalized in determining the monthly rental, treated as an initial charge or otherwise charged to Lessee. Such charges have been determined without reduction for trade-in, exchange allowance or other credit attributable to any Lessor-owned vehicle.

7. REGISTRATION PLATES, ETC.: Lessee agrees, at its expense, to obtain in the name designated by Lessor all registration plates and other plates, permits, inspections and/or licenses required in connection with the Vehicles, except for the initial registration plates which Lessor will obtain at Lessee's expense. The parties agree to cooperate and to furnish any and all information or documentation, which may be reasonably necessary for compliance with the provisions of this Section or any federal, state or local law, rule, regulation or ordinance. Lessee agrees that it will not permit any Vehicle to be located in a state other than the state in which such Vehicle is then titled for any continuous period of time that would require such Vehicle to become subject to the titling and/or registration laws of such other state.

8. MAINTENANCE OF AND IMPROVEMENTS TO VEHICLES:

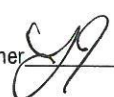
(a) Lessee agrees, at its expense, to (i) maintain the Vehicles in good condition, repair, maintenance and running order and in accordance with all manufacturer's instructions and warranty requirements and all legal requirements and (ii) furnish all labor, materials, parts and other essentials required for the proper operation and maintenance of the Vehicles. Any alterations, additions, replacement parts or improvements to a Vehicle will become and remain the property of Lessor and will be returned with such Vehicle upon such Vehicle's return pursuant to Section 4. Notwithstanding the foregoing, so long as no Event of Default has occurred and is continuing, Lessee shall have the right to remove any additional equipment installed by Lessee on a Vehicle prior to returning such Vehicle to Lessor under Section 4. The value of such alterations, additions, replacement parts and improvements will in no instance be regarded as rent. Without the prior written consent of Lessor, Lessee will not make any alterations, additions, replacement parts or improvements to any Vehicle which detract from its economic value or functional utility. Lessor will not be required to make any repairs or replacements of any nature or description with respect to any Vehicle, to maintain or repair any Vehicle or to make any expenditure whatsoever in connection with any Vehicle or this Agreement.

(b) Lessor and Lessee acknowledge and agree that if Section 4 of a Schedule includes a charge for maintenance, (i) the Vehicle(s) covered by such Schedule are subject to a separate maintenance agreement between Enterprise Fleet Management, Inc. and Lessee and (ii) Lessor shall have no liability or responsibility for any failure of Enterprise Fleet Management, Inc. to perform any of its obligations thereunder or to pay or reimburse Lessee for its payment of any costs and expenses incurred in connection with the maintenance or repair of any such Vehicle(s).

9. SELECTION OF VEHICLES AND DISCLAIMER OF WARRANTIES:

(a) LESSEE ACCEPTANCE OF DELIVERY AND USE OF EACH VEHICLE WILL CONCLUSIVELY ESTABLISH THAT SUCH VEHICLE IS OF A SIZE, DESIGN, CAPACITY, TYPE AND MANUFACTURE SELECTED BY LESSEE AND THAT SUCH VEHICLE IS IN GOOD CONDITION AND REPAIR AND IS SATISFACTORY IN ALL RESPECTS AND IS SUITABLE FOR LESSEE'S PURPOSE. LESSEE ACKNOWLEDGES THAT LESSOR IS NOT A MANUFACTURER OF ANY VEHICLE OR AN AGENT OF A MANUFACTURER OF ANY VEHICLE.

(b) LESSOR MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO ANY VEHICLE, INCLUDING, WITHOUT LIMITATION, ANY REPRESENTATION OR WARRANTY AS TO CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, IT BEING AGREED THAT ALL SUCH RISKS ARE TO BE BORNE BY LESSEE. THE VEHICLES ARE LEASED "AS IS," "WITH ALL FAULTS." All warranties made by any supplier, vendor and/or manufacturer of a Vehicle are hereby assigned by Lessor to Lessee for the applicable Term and Lessee's only remedy, if any, is against the supplier, vendor or manufacturer of the Vehicle.

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(c) None of Lessor, Servicer or any other agent of Lessor will be liable to Lessee for any liability, claim, loss, damage (direct, incidental or consequential) or expense of any kind or nature, caused directly or indirectly, by any Vehicle or any inadequacy of any Vehicle for any purpose or any defect (latent or patent) in any Vehicle or the use or maintenance of any Vehicle or any repair, servicing or adjustment of or to any Vehicle, or any delay in providing or failure to provide any Vehicle, or any interruption or loss of service or use of any Vehicle, or any loss of business or any damage whatsoever and however caused. In addition, none of Lessor, Servicer or any other agent of Lessor will have any liability to Lessee under this Agreement or under any order authorization form executed by Lessee if Lessor is unable to locate or purchase a Vehicle ordered by Lessee or for any delay in delivery of any Vehicle ordered by Lessee.

10. RISK OF LOSS: Lessee assumes and agrees to bear the entire risk of loss of, theft of, damage to or destruction of any Vehicle from any cause whatsoever ("Casualty Occurrence"). In the event of a Casualty Occurrence to a Vehicle, Lessee shall give Lessor prompt notice of the Casualty Occurrence and thereafter will place the applicable Vehicle in good repair, condition and working order; provided, however, that if the applicable Vehicle is determined by Lessor to be lost, stolen, destroyed or damaged beyond repair (a "Totaled Vehicle"), Lessee agrees to pay Lessor no later than the date thirty (30) days after the date of the Casualty Occurrence the amounts owed under Sections 3(b) and 3(c) with respect to such Totaled Vehicle. Upon such payment, this Agreement will terminate with respect to such Totaled Vehicle.

11. INSURANCE:

(a) Lessee agrees to purchase and maintain in force during the Term, insurance policies in at least the amounts listed below covering each Vehicle, to be written by an insurance company or companies satisfactory to Lessor, insuring Lessee, Lessor and any other person or entity designated by Lessor against any damage, claim, suit, action or liability:

(i) Commercial Automobile Liability Insurance (including Uninsured/Underinsured Motorist Coverage and No-Fault Protection where required by law) for the limits listed below (Note - \$2,000,000 Combined Single Limit Bodily Injury and Property Damage with No Deductible is required for each Vehicle capable of transporting more than 8 passengers):

<u>State of Vehicle Registration</u>	<u>Coverage</u>
Connecticut, Massachusetts, Maine, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont	\$1,000,000 Combined Single Limit Bodily Injury and Property Damage - No Deductible
Florida	\$500,000 Combined Single Limit Bodily Injury and Property Damage or \$100,000 Bodily Injury Per Person, \$300,000 Per Occurrence and \$50,000 Property Damage (100/300/50) - No Deductible
All Other States	\$300,000 Combined Single Limit Bodily Injury and Property Damage or \$100,000 Bodily Injury Per Person, \$300,000 Per Occurrence and \$50,000 Property Damage (100/300/50) - No Deductible

(ii) Physical Damage Insurance (Collision & Comprehensive): Actual cash value of the applicable Vehicle. Maximum deductible of \$500 per occurrence - Collision and \$250 per occurrence - Comprehensive).

If the requirements of any governmental or regulatory agency exceed the minimums stated in this Agreement, Lessee must obtain and maintain the higher insurance requirements. Lessee agrees that each required policy of insurance will by appropriate endorsement or otherwise name Lessor and any other person or entity designated by Lessor as additional insureds and loss payees, as their respective interests may appear. Further, each such insurance policy must provide the following: (i) that the same may not be cancelled, changed or modified until after the insurer has given to Lessor, Servicer and any other person or entity designated by Lessor at least thirty (30) days prior written notice of such proposed cancellation, change or modification, (ii) that no act or default of Lessee or any other person or entity shall affect the right of Lessor, Servicer, any other agent of Lessor or any of their respective successors or assigns to recover under such policy or policies of insurance in the event of any loss of or damage to any Vehicle and (iii) that the coverage is "primary coverage" for the protection of Lessee, Lessor, Servicer, any other agent of Lessor and their respective successors and assigns notwithstanding any other coverage carried by Lessee, Lessor, Servicer, any other agent of Lessor or any of their respective successors or assigns protecting against similar risks. Original certificates evidencing such coverage and naming Lessor, Servicer, any other agent of Lessor and any other person or entity designated by Lessor as additional insureds and loss payees shall be furnished to Lessor prior to the Delivery Date, and annually thereafter and/or as reasonably requested by Lessor from time to time. In the event of default, Lessee hereby appoints Lessor, Servicer and any other agent of Lessor as Lessee's attorney-in-fact to receive payment of, to endorse all checks and other documents and to take any other actions necessary to pursue insurance claims and recover payments if Lessee fails to do so. Any expense of Lessor, Servicer or any other agent of Lessor in adjusting or collecting insurance shall be borne by Lessee.

Lessee, its drivers, servants and agents agree to cooperate fully with Lessor, Servicer, any other agent of Lessor and any insurance carriers in the investigation, defense and prosecution of all claims or suits arising from the use or operation of any Vehicle. If any claim is made or action commenced for death, personal injury or property damage resulting from the ownership, maintenance, use or operation of any Vehicle, Lessee will promptly notify Lessor of such action or claim and forward to Lessor a copy of every demand, notice, summons or other process received in connection with such claim or action.

(b) Notwithstanding the provisions of Section 11(a) above: (i) if Section 4 of a Schedule includes a charge for physical damage waiver, Lessor agrees that (A) Lessee will not be required to obtain or maintain the minimum physical damage insurance (collision and comprehensive) required under Section 11(a) for the Vehicle(s) covered by such Schedule and (B) Lessor will assume the risk of physical damage (collision and comprehensive) to the Vehicle(s) covered by such Schedule; provided, however, that such physical damage waiver shall not apply to, and Lessee shall be and remain liable and responsible for, damage to a covered Vehicle caused by wear and tear or mechanical breakdown or failure, damage to or loss of any parts, accessories or components added to a covered Vehicle by

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Lessee without the prior written consent of Lessor and/or damage to or loss of any property and/or personal effects contained in a covered Vehicle. In the event of a Casualty Occurrence to a covered Vehicle, Lessor may, at its option, replace, rather than repair, the damaged Vehicle with an equivalent vehicle, which replacement vehicle will then constitute the "Vehicle" for purposes of this Agreement; and (ii) if Section 4 of a Schedule includes a charge for commercial automobile liability enrollment, Lessor agrees that it will, at its expense, obtain for and on behalf of Lessee, by adding Lessee as an additional insured under a commercial automobile liability insurance policy issued by an insurance company selected by Lessor, commercial automobile liability insurance satisfying the minimum commercial automobile liability insurance required under Section 11(a) for the Vehicle(s) covered by such Schedule. Lessor may at any time during the applicable Term terminate said obligation to provide physical damage waiver and/or commercial automobile liability enrollment and cancel such physical damage waiver and/or commercial automobile liability enrollment upon giving Lessee at least ten (10) days prior written notice. Upon such cancellation, insurance in the minimum amounts as set forth in 11(a) shall be obtained and maintained by Lessee at Lessee's expense. An adjustment will be made in monthly rental charges payable by Lessee to reflect any such change and Lessee agrees to furnish Lessor with satisfactory proof of insurance coverage within ten (10) days after mailing of the notice. In addition, Lessor may change the rates charged by Lessor under this Section 11(b) for physical damage waiver and/or commercial automobile liability enrollment upon giving Lessee at least thirty (30) days prior written notice.

12. INDEMNITY: Lessee agrees to defend and indemnify Lessor, Servicer, any other agent of Lessor and their respective successors and assigns from and against any and all losses, damages, liabilities, suits, claims, demands, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) which Lessor, Servicer, any other agent of Lessor or any of their respective successors or assigns may incur by reason of Lessee's breach or violation of, or failure to observe or perform, any term, provision or covenant of this Agreement, or as a result of any loss, damage, theft or destruction of any Vehicle or related to or arising out of or in connection with the use, operation or condition of any Vehicle. The provisions of this Section 12 shall survive any expiration or termination of this Agreement.

13. INSPECTION OF VEHICLES; ODOMETER DISCLOSURE; FINANCIAL STATEMENTS: Lessee agrees to accomplish, at its expense, all inspections of the Vehicles required by any governmental authority during the Term. Lessor, Servicer, any other agent of Lessor and any of their respective successors or assigns will have the right to inspect any Vehicle at any reasonable time(s) during the Term and for this purpose to enter into or upon any building or place where any Vehicle is located. Lessee agrees to comply with all odometer disclosure laws, rules and regulations and to provide such written and signed disclosure information on such forms and in such manner as directed by Lessor. Providing false information or failure to complete the odometer disclosure form as required by law may result in fines and/or imprisonment. Lessee hereby agrees to promptly deliver to Lessor such financial statements and other financial information regarding Lessee as Lessor may from time to time reasonably request.

14. DEFAULT; REMEDIES: The following shall constitute events of default ("Events of Default") by Lessee under this Agreement: (a) if Lessee fails to pay when due any rent or other amount due under this Agreement and any such failure shall remain unremedied for ten (10) days; (b) if Lessee fails to perform, keep or observe any term, provision or covenant contained in Section 11 of this Agreement; (c) if Lessee fails to perform, keep or observe any other term, provision or covenant contained in this Agreement and any such failure shall remain unremedied for thirty (30) days after written notice thereof is given by Lessor, Servicer or any other agent of Lessor to Lessee; (d) any seizure or confiscation of any Vehicle or any other act (other than a Casualty Occurrence) otherwise rendering any Vehicle unsuitable for use (as determined by Lessor); (e) if any present or future guaranty in favor of Lessor of all or any portion of the obligations of Lessee under this Agreement shall at any time for any reason cease to be in full force and effect or shall be declared to be null and void by a court of competent jurisdiction, or if the validity or enforceability of any such guaranty shall be contested or denied by any guarantor, or if any guarantor shall deny that it, he or she has any further liability or obligation under any such guaranty or if any guarantor shall fail to comply with or observe any of the terms, provisions or conditions contained in any such guaranty; (f) the occurrence of a material adverse change in the financial condition or business of Lessee or any guarantor; or (g) if Lessee or any guarantor is in default under or fails to comply with any other present or future agreement with or in favor of Lessor, The Crawford Group, Inc. or any direct or indirect subsidiary of The Crawford Group, Inc.. For purposes of this Section 14, the term "guarantor" shall mean any present or future guarantor of all or any portion of the obligations of Lessee under this Agreement.

Upon the occurrence of any Event of Default, Lessor, without notice to Lessee, will have the right to exercise concurrently or separately (and without any election of remedies being deemed made), the following remedies: (a) Lessor may demand and receive immediate possession of any or all of the Vehicles from Lessee, without releasing Lessee from its obligations under this Agreement; if Lessee fails to surrender possession of the Vehicles to Lessor on default (or termination or expiration of the Term), Lessor, Servicer, any other agent of Lessor and any of Lessor's independent contractors shall have the right to enter upon any premises where the Vehicles may be located and to remove and repossess the Vehicles; (b) Lessor may enforce performance by Lessee of its obligations under this Agreement; (c) Lessor may recover damages and expenses sustained by Lessor, Servicer, any other agent of Lessor or any of their respective successors or assigns by reason of Lessee's default including, to the extent permitted by applicable law, all costs and expenses, including court costs and reasonable attorneys' fees and expenses, incurred by Lessor, Servicer, any other agent of Lessor or any of their respective successors or assigns in attempting or effecting enforcement of Lessor's rights under this Agreement (whether or not litigation is commenced) and/or in connection with bankruptcy or insolvency proceedings; (d) upon written notice to Lessee, Lessor may terminate Lessee's rights under this Agreement; (e) with respect to each Vehicle, Lessor may recover from Lessee all amounts owed by Lessee under Sections 3(b) and 3(c) of this Agreement (and, if Lessor does not recover possession of a Vehicle, (i) the estimated wholesale value of such Vehicle for purposes of Section 3(c) shall be deemed to be \$0.00 and (ii) the calculations described in the first two sentences of Section 3(c) shall be made without giving effect to clause (ii) in each such sentence); and/or (f) Lessor may exercise any other right or remedy which may be available to Lessor under the Uniform Commercial Code, any other applicable law or in equity. A termination of this Agreement shall occur only upon written notice by Lessor to Lessee. Any termination shall not affect Lessee's obligation to pay all amounts due for periods prior to the effective date of such termination or Lessee's obligation to pay any indemnities under this Agreement. All remedies of Lessor under this Agreement or at law or in equity are cumulative.

15. ASSIGNMENTS: Lessor may from time to time assign, pledge or transfer this Agreement and/or any or all of its rights and obligations under this Agreement to any person or entity. Lessee agrees, upon notice of any such assignment, pledge or transfer of any amounts due or to become due to Lessor under this Agreement to pay all such amounts to such assignee, pledgee or transferee. Any such assignee, pledgee or transferee of any rights or obligations of Lessor under this Agreement will have all of the rights and obligations that have been assigned to it. Lessee's rights and interest in and to the Vehicles are and will continue at all times to be subject and subordinate in all respects to any assignment, pledge or transfer now or hereafter executed by Lessor with or in favor of any such

Initials: EFM

Customer

assignee, pledgee or transferee, provided that Lessee shall have the right of quiet enjoyment of the Vehicles so long as no Event of Default under this Agreement has occurred and is continuing. Lessee acknowledges and agrees that the rights of any assignee, pledgee or transferee in and to any amounts payable by the Lessee under any provisions of this Agreement shall be absolute and unconditional and shall not be subject to any abatement whatsoever, or to any defense, setoff, counterclaim or recoupment whatsoever, whether by reason of any damage to or loss or destruction of any Vehicle or by reason of any defect in or failure of title of the Lessor or interruption from whatsoever cause in the use, operation or possession of any Vehicle, or by reason of any indebtedness or liability howsoever and whenever arising of the Lessor or any of its affiliates to the Lessee or to any other person or entity, or for any other reason.

Without the prior written consent of Lessor, Lessee may not assign, sublease, transfer or pledge this Agreement, any Vehicle, or any interest in this Agreement or in and to any Vehicle, or permit its rights under this Agreement or any Vehicle to be subject to any lien, charge or encumbrance. Lessee's interest in this Agreement is not assignable and cannot be assigned or transferred by operation of law. Lessee will not transfer or relinquish possession of any Vehicle (except for the sole purpose of repair or service of such Vehicle) without the prior written consent of Lessor.

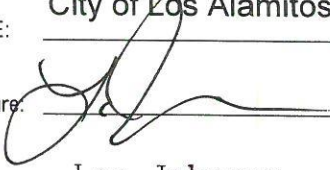
16. MISCELLANEOUS: This Agreement contains the entire understanding of the parties. This Agreement may only be amended or modified by an instrument in writing executed by both parties. Lessor shall not by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies under this Agreement and no waiver whatsoever shall be valid unless in writing and signed by Lessor and then only to the extent therein set forth. A waiver by Lessor of any right or remedy under this Agreement on any one occasion shall not be construed as a bar to any right or remedy, which Lessor would otherwise have on any future occasion. If any term or provision of this Agreement or any application of any such term or provision is invalid or unenforceable, the remainder of this Agreement and any other application of such term or provision will not be affected thereby. Giving of all notices under this Agreement will be sufficient if mailed by certified mail to a party at its address set forth below or at such other address as such party may provide in writing from time to time. Any such notice mailed to such address will be effective one (1) day after deposit in the United States mail, duly addressed, with certified mail, postage prepaid. Lessee will promptly notify Lessor of any change in Lessee's address. This Agreement may be executed in multiple counterparts (including facsimile and pdf counterparts), but the counterpart marked "ORIGINAL" by Lessor will be the original lease for purposes of applicable law. All of the representations, warranties, covenants, agreements and obligations of each Lessee under this Agreement (if more than one) are joint and several.

17. SUCCESSORS AND ASSIGNS; GOVERNING LAW: Subject to the provisions of Section 15, this Agreement will be binding upon Lessee and its heirs, executors, personal representatives, successors and assigns, and will inure to the benefit of Lessor, Servicer, any other agent of Lessor and their respective successors and assigns. This Agreement will be governed by and construed in accordance with the substantive laws of the State of Missouri (determined without reference to conflict of law principles).

18. NON-PETITION: Each party hereto hereby covenants and agrees that, prior to the date which is one year and one day after payment in full of all indebtedness of Lessor, it shall not institute against, or join any other person in instituting against, Lessor any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings or other similar proceeding under the laws of the United States or any state of the United States. The provisions of this Section 18 shall survive termination of this Master Equity Lease Agreement.

IN WITNESS WHEREOF, Lessor and Lessee have duly executed this Master Equity Lease Agreement as of the day and year first above written

LESSEE: City of Los Alamitos California

Signature: 

By: Les Johnson

Title: Interim City Manager

Address: 3191 Katella Avenue

Los Alamitos, CA 90720

LESSOR: Enterprise FM Trust

By: Enterprise Fleet Management, Inc. its attorney in fact

Signature: 

By: Richard Murrell

Title: Regional Sales Manager

Address: 1400 N. Kellogg Drive, Suite G

Anaheim, CA 92807

Date Signed: December 6, 2019

Date Signed: 11/22/19

Initials: EFM  Customer 

SELF-INSURANCE ADDENDUM TO MASTER EQUITY LEASE AGREEMENT

(Physical Damage Only)

December

16 2019

This Addendum is made to the Master Equity Lease Agreement dated _____ day of _____, as amended (the "Agreement"), by and between Enterprise FM Trust, a Delaware statutory trust ("Lessor"), and the lessee whose name is set forth on the signature line below ("Lessee").

This Addendum is attached to and made a part of the Agreement (including each Schedule to the Agreement). All capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed to them in the Agreement.

Notwithstanding the provisions of Section 11 of the Agreement, Lessee shall be permitted to assume and self-insure the risks covered by the Physical Damage insurance policy set forth in Section 11 of the Agreement and shall not be required to purchase or maintain any Physical Damage insurance policy of any kind with respect to any Vehicle; provided, however, that if any Federal, state, local or other law, statute, rule, regulation or ordinance requires Lessee to maintain any amount of Physical Damage insurance with respect to any Vehicle, Lessee shall purchase and maintain such amount of Physical Damage insurance in the form of a Physical Damage insurance policy which complies in all respects, other than the amount of Physical Damage insurance required, with Section 11 of the Agreement.

Notwithstanding the foregoing, if (1) Lessor, at any time in its good faith judgment, is not satisfied with the condition, prospects or performances, financial or otherwise, of Lessee or (2) any default or event of default occurs under the Agreement, then Lessor may, at its option, revoke this Addendum and terminate Lessee's right to self-insure by providing Lessee with at least thirty (30) days prior written notice thereof. Upon the termination of Lessee's right to self-insure, Lessee shall comply in all respects with Section 11 of the Agreement.

Except as amended hereby, all the terms and provisions of the Agreement shall remain in full force and effect. In the event of any conflict between this Addendum and the Agreement or any of the Schedules, the terms and provisions of this Addendum will govern and control.

LESSEE: City of Los Alamitos California

By: Les Johnson

Title: Interim City Manager

Date Signed: December 16, 2019

LESSOR: Enterprise FM Trust
By: Enterprise Fleet Management, Inc. its attorney in fact

By: Richard Murrell

Title: Regional Manager

Date Signed: 12/16/19

MAINTENANCE AGREEMENT

This Maintenance Agreement (this "Agreement") is made and entered into this 16th day of December, 2019, by Enterprise Fleet Management, Inc., a Missouri corporation ("EFM"), and City of Los Alamitos ("Lessee").

WITNESSETH

1. LEASE. Reference is hereby made to that certain Master Lease Agreement dated as of the 16th day of December, 2019, by and between Enterprise FM Trust, a Delaware statutory trust, as lessor ("Lessor"), and Lessee, as lessee (as the same may from time to time be amended, modified, extended, renewed, supplemented or restated, the "Lease"). All capitalized terms used and not otherwise defined in this Agreement shall have the respective meanings ascribed to them in the Lease.

2. COVERED VEHICLES. This Agreement shall only apply to those vehicles leased by Lessor to Lessee pursuant to the Lease to the extent Section 4 of the Schedule for such vehicle includes a charge for maintenance (the "Covered Vehicle(s)").

3. TERM AND TERMINATION. The term of this Agreement ("Term") for each Covered Vehicle shall begin on the Delivery Date of such Covered Vehicle and shall continue until the last day of the "Term" (as defined in the Lease) for such Covered Vehicle unless earlier terminated as set forth below. Each of EFM and Lessee shall each have the right to terminate this Agreement effective as of the last day of any calendar month with respect to any or all of the Covered Vehicles upon not less than sixty (60) days prior written notice to the other party. The termination of this Agreement with respect to any or all of the Covered Vehicles shall not affect any rights or obligations under this Agreement which shall have previously accrued or shall thereafter arise with respect to any occurrence prior to termination, and such rights and obligations shall continue to be governed by the terms of this Agreement.

4. VEHICLE REPAIRS AND SERVICE. EFM agrees that, during the Term for the applicable Covered Vehicle and subject to the terms and conditions of this Agreement, it will pay for, or reimburse Lessee for its payment of, all costs and expenses incurred in connection with the maintenance or repair of a Covered Vehicle. This Agreement does not cover, and Lessee will remain responsible for and pay for, (a) fuel, (b) oil and other fluids between changes, (c) tire repair and replacement, (d) washing, (e) repair of damage due to lack of maintenance by Lessee between scheduled services (including, without limitation, failure to maintain fluid levels), (f) maintenance or repair of any alterations to a Covered Vehicle or of any after-market components (this Agreement covers maintenance and repair only of the Covered Vehicles themselves and any factory-installed components and does not cover maintenance or repair of chassis alterations, add-on bodies (including, without limitation, step vans) or other equipment (including, without limitation, lift gates and PTO controls) which is installed or modified by a dealer, body shop, upfitter or anyone else other than the manufacturer of the Covered Vehicle, (g) any service and/or damage resulting from, related to or arising out of an accident, a collision, theft, fire, freezing, vandalism, riot, explosion, other Acts of God, an object striking the Covered Vehicle, improper use of the Covered Vehicle (including, without limitation, driving over curbs, overloading, racing or other competition) or Lessee's failure to maintain the Covered Vehicle as required by the Lease, (h) roadside assistance or towing for vehicle maintenance purposes, (i) mobile services, (j) the cost of loaner or rental vehicles or (k) if the Covered Vehicle is a truck, (i) manual transmission clutch adjustment or replacement, (ii) brake adjustment or replacement or (iii) front axle alignment. Whenever it is necessary to have a Covered Vehicle serviced, Lessee agrees to have the necessary work performed by an authorized dealer of such Covered Vehicle or by a service facility acceptable to EFM. In every case, if the cost of such service will exceed \$50.00, Lessee must notify EFM and obtain EFM's authorization for such service and EFM's instructions as to where such service shall be made and the extent of service to be obtained. Lessee agrees to furnish an invoice for all service to a Covered Vehicle, accompanied by a copy of the shop or service order (odometer mileage must be shown on each shop or service order). EFM will not be obligated to pay for any unauthorized charges or those exceeding \$50.00 for one service on any Covered Vehicle unless Lessee has complied with the above terms and conditions. EFM will not have any responsibility to pay for any services in excess of the services recommended by the manufacturer, unless otherwise agreed to by EFM. Notwithstanding any other provision of this Agreement to the contrary, (a) all service performed within one hundred twenty (120) days prior to the last day of the scheduled "Term" (as defined in the Lease) for the applicable Covered Vehicle must be authorized by and have the prior consent and approval of EFM and any service not so authorized will be the responsibility of and be paid for by Lessee and (b) EFM is not required to provide or pay for any service to any Covered Vehicle after 100,000 miles.

5. ENTERPRISE CARDS: EFM may, at its option, provide Lessee with an authorization card (the "EFM Card") for use in authorizing the payment of charges incurred in connection with the maintenance of the Covered Vehicles. Lessee agrees to be liable to EFM for, and upon receipt of a monthly or other statement from EFM, Lessee agrees to promptly pay to EFM, all charges made by or for the account of Lessee with the EFM Card (other than any charges which are the responsibility of EFM under the terms of this Agreement). EFM reserves the right to change the terms and conditions for the use of the EFM Card at any time. The EFM Card remains the property of EFM and EFM may revoke Lessee's right to possess or use the EFM Card at any time. Upon the termination of this Agreement or upon the demand of EFM, Lessee must return the EFM Card to EFM. The EFM Card is non-transferable.

6. PAYMENT TERMS. The amount of the monthly maintenance fee will be listed on the applicable Schedule and will be due and payable in advance on the first day of each month. If the first day of the Term for a Covered Vehicle is other than the first day of a calendar month, Lessee will pay EFM, on the first day of the Term for such Covered Vehicle, a pro-rated maintenance fee for the number of days that the Delivery Date precedes the first monthly maintenance fee payment date. Any monthly maintenance fee or other amount owed by Lessee to EFM under this Agreement which is not paid within twenty (20) days after its due date will accrue interest, payable upon demand of EFM, from the date due until paid in full at a rate per annum equal to the lesser of (i) Eighteen Percent (18%) per annum or (ii) the highest rate allowed by applicable law. The monthly maintenance fee set forth on each applicable Schedule allows the number of miles per month as set forth

Initials: EFM Ran Lessee YJ

in such Schedule. Lessee agrees to pay EFM at the end of the applicable Term (whether by reason of termination of this Agreement or otherwise) an overmileage maintenance fee for any miles in excess of this average amount per month at the rate set forth in the applicable Schedule. EFM may, at its option, permit Lessor, as an agent for EFM, to bill and collect amounts due to EFM under this Agreement from Lessee on behalf of EFM.

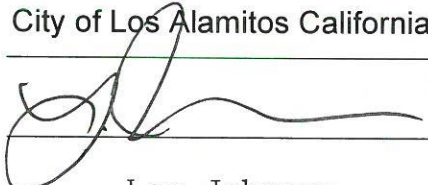
7. NO WARRANTIES. Lessee acknowledges that EFM does not perform maintenance or repair services on the Covered Vehicles but rather EFM arranges for maintenance and/or repair services on the Covered Vehicles to be performed by third parties. EFM MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO ANY PRODUCTS, REPAIRS OR SERVICES PROVIDED FOR UNDER THIS AGREEMENT BY THIRD PARTIES, INCLUDING, WITHOUT LIMITATION, ANY REPRESENTATION OR WARRANTY AS TO MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, COMPLIANCE WITH SPECIFICATIONS, OPERATION, CONDITION, SUITABILITY, PERFORMANCE OR QUALITY. ANY DEFECT IN THE PERFORMANCE OF ANY PRODUCT, REPAIR OR SERVICE WILL NOT RELIEVE LESSEE OF ITS OBLIGATIONS UNDER THIS AGREEMENT, INCLUDING THE PAYMENT TO EFM OF THE MONTHLY MAINTENANCE FEES AND OTHER CHARGES DUE UNDER THIS AGREEMENT.

8. LESSOR NOT A PARTY. Lessor is not a party to, and shall have no rights, obligations or duties under or in respect of, this Agreement.

9. NOTICES. Any notice or other communication under this Agreement shall be in writing and delivered in person or sent by facsimile, recognized overnight courier or registered or certified mail, return receipt requested and postage prepaid, to the applicable party at its address or facsimile number set forth on the signature page of this Agreement, or at such other address or facsimile number as any party hereto may designate as its address or facsimile number for communications under this Agreement by notice so given. Such notices shall be deemed effective on the day on which delivered or sent if delivered in person or sent by facsimile, on the first (1st) business day after the day on which sent, if sent by recognized overnight courier or on the third (3rd) business day after the day on which mailed, if sent by registered or certified mail.

10. MISCELLANEOUS. This Agreement embodies the entire Agreement between the parties relating to the subject matter hereof. This Agreement may be amended only by an agreement in writing signed by EFM and Lessee. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provisions in any other jurisdiction. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, except that Lessee may not assign, transfer or delegate any of its rights or obligations under this Agreement without the prior written consent of EFM. This Agreement shall be governed by and construed in accordance with the substantive laws of the State of Missouri (without reference to conflict of law principles).

IN WITNESS WHEREOF, EFM and Lessee have executed this Maintenance Agreement as of the day and year first above written.

LESSEE: City of Los Alamitos California
Signature: 
By: Les Johnson
Title: Interim City Manager
Address: 3191 Katella Avenue
Los Alamitos, CA 90720

Attention: City Clerk's Office
Fax #: (562) 493-1255

Date Signed: 12/16/2019

EFM: Enterprise Fleet Management, Inc.
Signature: 
By: Richard Murrell
Title: Regional Sales Manager
Address: 1400 N. Kellogg Drive, Suite G
Anaheim, CA 92807

Attention: _____
Fax #: _____

Date Signed: 11/22/19

Initials: EFM  Lessee 

FLEET
MANAGEMENT

Open-End (Equity) Lease Rate Quote

Quote No: 4492077

Prepared For: City of Los Alamitos California

Date 12/02/2019

AE/AM ZRJ

Unit

Year 2020 Make Ford Model Transit-350 Passenger

Series XL Rear-wheel Drive High Roof HD Ext. Van 148 in. WB DRW

Vehicle Order Type Ordered Term 60 State CA Customer# 444960

\$ 38,517.00 Capitalized Price of Vehicle¹

\$ 0.00 * Sales Tax 0.0000% State CA

\$ 638.02 * Initial License Fee

\$ 0.00 * Registration Fee

\$ 325.00 Other: (See Page 2)

\$ 0.00 Capitalized Price Reduction

\$ 0.00 Tax on Capitalized Price Reduction

\$ 0.00 Gain Applied From Prior Unit

\$ 0.00 * Tax on Gain On Prior

\$ 0.00 * Security Deposit

\$ 0.00 * Tax on Incentive(Taxable Incentive Total : \$0.00)

\$ 38,842.00 Total Capitalized Amount (Delivered Price)

\$ 524.37 Depreciation Reserve @ 1.3500%

\$ 146.18 Monthly Lease Charge (Based on Interest Rate - Subject to a Floor)²

\$ 670.55 Total Monthly Rental Excluding Additional Services

Additional Fleet Management

Master Policy Enrollment Fees

\$ 0.00 Commercial Automobile Liability Enrollment

Liability Limit \$0.00

\$ 0.00 Physical Damage Management

\$ 32.29 Full Maintenance Program³ Contract Miles 35,000

Incl: # Brake Sets (1 set = 1 Axle) 0

\$ 32.29 Additional Services SubTotal

\$ 51.97 Sales Tax 7.7500%

\$ 754.81 Total Monthly Rental Including Additional Services

\$ 7,379.80 Reduced Book Value at 60 Months

\$ 400.00 Service Charge Due at Lease Termination

All language and acknowledgments contained in the signed quote apply to all vehicles that are ordered under this signed quote.

Order Information

Driver Name

Exterior Color (0 P) Oxford White

Interior Color (0 I) Ebony w/Cloth Front Bucket Seats

Lic. Plate Type Unknown

GVWR 0

Comp/Coll Deductible 0 / 0

OverMileage Charge \$ 0.0350 Per Mile

Tires 0

Loaner Vehicle Not Included

State CA

Quote based on estimated annual mileage of 7,000

(Current market and vehicle conditions may also affect value of vehicle)

(Quote is Subject to Customer's Credit Approval)

Notes

Enterprise FM Trust will be the owner of the vehicle covered by this Quote. Enterprise FM Trust (not Enterprise Fleet Management) will be the Lessor of such vehicle under the Master Open - End (Equity) Lease Agreement and shall have all rights and obligations of the Lessor under the Master Open - End (Equity) Lease Agreement with respect to such vehicle.

ALL TAX AND LICENSE FEES TO BE BILLED TO LESSEE AS THEY OCCUR.

Lessee hereby authorizes this vehicle order, agrees to lease the vehicle on the terms set forth herein and in the Master Equity Lease Agreement and agrees that Lessor shall have the right to collect damages in the event Lessee fails or refuses to accept delivery of the ordered vehicle.

Lessee certifies that it intends that more than 50% of the use of the vehicle is to be in a trade or business of the Lessee.

LESSEE City of Los Alamitos California

BY

TITLE INTERIM CMT MANAGER

DATE 12/20/19

* INDICATES ITEMS TO BE BILLED ON DELIVERY.

¹ Capitalized Price of Vehicle May be Adjusted to Reflect Final Manufacturer's Invoice. Lessee Hereby Assigns to Lessor any Manufacturer Rebates And/Or Manufacturer Incentives Intended for the Lessee, Which Rebates And/Or Incentives Have Been Used By Lessor to Reduce the Capitalized Price of the Vehicle.

² Monthly Lease Charge Will Be Adjusted to Reflect the Interest Rate on the Delivery Date (Subject to a Floor).

³ The inclusion herein of references to maintenance fees/services are solely for the administrative convenience of Lessee. Notwithstanding the inclusion of such references in this [Invoice/Schedule/Quote], all such maintenance services are to be performed by Enterprise Fleet Management, Inc., and all such maintenance fees are payable by Lessee solely for the account of Enterprise Fleet Management, Inc., pursuant to that certain separate [Maintenance Agreement] entered into by and between Lessee and Enterprise Fleet Management, Inc.; provided that such maintenance fees are being billed by Enterprise FM Trust, and are payable at the direction of Enterprise FM Trust, solely as an authorized agent for collection on behalf of Enterprise Fleet Management, Inc.

Other Totals

Description	(B)illed or (C)apped	Price
Pricing Plan Delivery Charge	C	\$ 125.00
Courtesy Delivery Fee	C	\$ 200.00
Total Other Charges Billed		\$ 0.00
Total Other Charges Capitalized		\$ 325.00
Other Charges Total		\$ 325.00



VEHICLE INFORMATION:

2020 Ford Transit-350 Passenger XL Rear-wheel Drive High Roof HD Ext. Van 148 in. WB DRW - US

Series ID: U4X

Pricing Summary:

	INVOICE	MSRP
Base Vehicle	\$ 42,902.00	\$ 45,160.00
Total Options	\$ 220.00	\$ 240.00
Destination Charge	\$ 1,495.00	\$ 1,495.00
Total Price	\$ 44,617.00	\$ 46,895.00

SELECTED COLOR:

Exterior: YZ - (0 P) Oxford White

Interior: CB - (0 I) Ebony w/Cloth Front Bucket Seats

SELECTED OPTIONS:

CODE	DESCRIPTION	INVOICE	MSRP
148WB	148" Wheelbase	STD	STD
21M	Ebony Cloth Bucket Seats	Included	Included
301A	Order Code 301A	NC	NC
425	50-State Emissions System	STD	STD
43B	Back Up Alarm	\$ 114.00	\$ 125.00
43R	Reverse Sensing System	\$ 269.00	\$ 295.00
44U	Transmission: 10-Spd Automatic w/OD & SelectShift	Included	Included
545	Short-Arm Manual-Folding Heated Pwr Adjusting Mirrors	\$ 146.00	\$ 160.00
55D	Front Fog Lamps	Included	Included
58U	Radio: AM/FM Stereo	Included	Included
91M	8 Speakers (4 Front/4 Rear)	Included	Included
96T	14-Passenger Seats	\$ -309.00	\$ -340.00
998	Engine: 3.5L PFDi V6 Flex-Fuel	Included	Included
C	Cloth Front Bucket Seats	Included	Included
CB_02	(0 I) Ebony w/Cloth Front Bucket Seats	NC	NC
PAINT	Monotone Paint Application	STD	STD
STDGV	GVWR: 10,360 lbs	Included	Included
STDTR	Tires: 195/75R16C 107/105 R AS BSW	Included	Included
STDWL	Wheels: 16" Heavy Duty Silver Steel	Included	Included
X41	4.10 Axle Ratio (DISC)	NC	NC
YZ_01	(0 P) Oxford White	NC	NC

CONFIGURED FEATURES:

Body Exterior Features:

Number Of Doors 3
Rear Cargo Door Type: split swing-out
Driver And Passenger Mirror: power remote heated manual folding side-view door mirrors with turn signal indicator
Convex Driver Mirror: convex driver and passenger mirror
Door Handles: black
Front And Rear Bumpers: black front and rear bumpers
Body Material: fully galvanized steel body material
Body Side Cladding: black bodyside cladding
Grille: black grille

Convenience Features:

Air Conditioning manual air conditioning
Rear Air Conditioning: rear air conditioning
Power Windows: power windows with driver 1-touch down
1/4 Vent Rear Windows: fixed rearmost windows
Remote Keyless Entry: keyfob (all doors) remote keyless entry
Illuminated Entry: illuminated entry
Integrated Key Remote: integrated key/remote
Auto Locking: auto-locking doors
Steering Wheel: steering wheel with manual tilting, manual telescoping
Day-Night Rearview Mirror: day-night rearview mirror
Emergency SOS: emergency communication system
Front Cupholder: front and rear cupholders
Floor Console: partial floor console with box
Overhead Console: full overhead console with storage
Glove Box: locking glove box
Driver Door Bin: driver and passenger door bins
Rear Door Bins: rear door bins
IP Storage: bin instrument-panel storage
Driver Footrest: driver's footrest
Power Accessory Outlet: 2 12V DC power outlets

Entertainment Features:

radio AM/FM stereo with seek-scan
Steering Wheel Radio Controls: steering-wheel mounted audio controls
Speakers: 24 speakers
Internet Access: FordPass Connect 4G LTE WiFi internet access
1st Row LCD: 1 1st row LCD monitor
Wireless Connectivity: wireless phone connectivity
Antenna: fixed antenna

Lighting, Visibility and Instrumentation Features:

Headlamp Type aero-composite halogen headlamps
Auto-Dimming Headlights: Ford Co-Pilot360 - Auto High Beam auto high-beam headlights
Front Fog Lights: front fog lights
Cab Clearance Lights: cab clearance lights
Front Wipers: variable intermittent rain detecting wipers wipers
Tinted Windows: light-tinted windows
Dome Light: dome light with fade
Front Reading Lights: front reading lights
Variable IP Lighting: variable instrument panel lighting
Display Type: analog display
Tachometer: tachometer
Low Tire Pressure Warning: low-tire-pressure warning
Park Distance Control: Reverse Sensing System rear parking sensors
Trip Odometer: trip odometer
Lane Departure Warning: lane departure
Forward Collision Alert: forward collision
Water Temp Gauge: water temp. gauge
Clock: in-radio display clock
Rear Vision Camera: rear vision camera
Oil Pressure Warning: oil-pressure warning

Water Temp Warning: water-temp. warning
Battery Warning: battery warning
Lights On Warning: lights-on warning
Key in Ignition Warning: key-in-ignition warning
Low Fuel Warning: low-fuel warning
Low Washer Fluid Warning: low-washer-fluid warning
Door Ajar Warning: door-ajar warning
Trunk Ajar Warning: trunk-ajar warning
Brake Fluid Warning: brake-fluid warning

Safety And Security:

ABS four-wheel ABS brakes
Number of ABS Channels: 4 ABS channels
Brake Assistance: brake assist
Brake Type: four-wheel disc brakes
Vented Disc Brakes: front ventilated disc brakes
Spare Tire Type: full-size spare tire
Spare Tire Mount: underbody mounted spare tire w/crankdown
Driver Front Impact Airbag: driver and passenger front-impact airbags
Driver Side Airbag: seat-mounted driver and passenger side-impact airbags
Overhead Airbag: Safety Canopy System curtain 1st, 2nd and 3rd row overhead airbag
Occupancy Sensor: front passenger airbag occupancy sensor
Height Adjustable Seatbelts: height adjustable front seatbelts
Seatbelt Pretensioners: front seatbelt pre-tensioners
Side Impact Bars: side-impact bars
Tailgate/Rear Door Lock Type: tailgate/rear door lock included with power door locks
Ignition Disable: SecuriLock immobilizer
Panic Alarm: panic alarm
Electronic Stability: Ford Co-Pilot360 w/Side Wind Stabilization electronic stability stability control with anti-roll
Traction Control: ABS and driveline traction control
Front and Rear Headrests: manual adjustable front head restraints
Rear Headrest Control: 2 rear head restraints
3rd Row Headrests: 3 manual adjustable third row head restraints
4th Row Headrest: manual adjustable fourth row head restraints
Number of 4th Row Headrests: 3 fourth row head restraints

Seats And Trim:

Seating Capacity max. seating capacity of 14
Front Bucket Seats: front bucket seats
Number of Driver Seat Adjustments: 4-way driver and passenger seat adjustments
Reclining Driver Seat: manual reclining driver and passenger seats
Driver Lumbar: manual driver and passenger lumbar support
Driver Seat Mounted Armrest: driver and passenger seat mounted armrests
Driver Fore/Aft: manual driver and passenger fore/aft adjustment
Removeable Rear Seats: removeable rear seat
Rear Seat Type: rear bench seat
3rd Row Seat Type: removable third row split-bench seat
Reclining 4th Row Seat: split-bench fourth row seat
Leather Upholstery: cloth front and rear seat upholstery
Headliner Material: full cloth headliner
Floor Covering: full vinyl/rubber floor covering
Dashboard Console Insert, Door Panel Insert Combination: metal-look instrument panel insert, door panel insert, console insert
Shift Knob Trim: urethane shift knob
Cargo Space Trim: vinyl/rubber cargo space
Trunk Lid: plastic trunk lid/rear cargo door
Cargo Tie Downs: cargo tie-downs
Cargo Light: cargo light

Standard Engine:

Engine 275-hp, 3.5-liter V-6 (regular gas)

Standard Transmission:

Transmission 10-speed automatic w/ OD and PowerShift automatic

FLEET
MANAGEMENT

Open-End (Equity) Lease Rate Quote

Quote No: 4498200

Prepared For: City of Los Alamitos California

Date 12/05/2019
AE/AM ZRJ

Unit

Year 2020 Make Ford Model F-150

Series XL 4x2 SuperCrew Cab Styleside 5.5 ft. box 145 in. WB

Vehicle Order Type Ordered Term 60 State CA Customer# 444960

\$ 26,090.00	Capitalized Price of Vehicle ¹
\$ 0.00	* Sales Tax 0.0000% State CA
\$ 534.15	* Initial License Fee
\$ 0.00	* Registration Fee
\$ 325.00	Other: (See Page 2)
\$ 0.00	Capitalized Price Reduction
\$ 0.00	Tax on Capitalized Price Reduction
\$ 0.00	Gain Applied From Prior Unit
\$ 0.00	* Tax on Gain On Prior
\$ 0.00	* Security Deposit
\$ 0.00	* Tax on Incentive(Taxable Incentive Total : \$0.00)

\$ 26,415.00	Total Capitalized Amount (Delivered Price)
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\$ 356.60	Depreciation Reserve @ 1.3500%
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\$ 106.34	Monthly Lease Charge (Based on Interest Rate - Subject to a Floor) ²
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\$ 462.94	Total Monthly Rental Excluding Additional Services
-----------	--

Additional Fleet Management

Master Policy Enrollment Fees

\$ 0.00	Commercial Automobile Liability Enrollment
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Liability Limit	\$0.00
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\$ 0.00	Physical Damage Management
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\$ 32.50	Full Maintenance Program ³ Contract Miles 35,000
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Incl: # Brake Sets (1 set = 1 Axle)	0
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\$ 32.50	Additional Services SubTotal
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\$ 35.88	Sales Tax 7.7500%
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\$ 531.32	Total Monthly Rental Including Additional Services
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\$ 5,019.00	Reduced Book Value at 60 Months
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\$ 400.00	Service Charge Due at Lease Termination
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All language and acknowledgments contained in the signed quote apply to all vehicles that are ordered under this signed quote.

Order Information

Driver Name

Exterior Color (0 P) Oxford White

Interior Color (0 I) Dark Earth Gray w/Cloth 40/20/40 Front

Lic. Plate Type Unknown

GVWR 0

Comp/Coll Deductible 0 / 0

OverMileage Charge \$ 0.0350 Per Mile

Tires 0

Loaner Vehicle Not Included

State CA

Quote based on estimated annual mileage of 7,000

(Current market and vehicle conditions may also affect value of vehicle)

(Quote is Subject to Customer's Credit Approval)

Notes

Enterprise FM Trust will be the owner of the vehicle covered by this Quote. Enterprise FM Trust (not Enterprise Fleet Management) will be the Lessor of such vehicle under the Master Open - End (Equity) Lease Agreement and shall have all rights and obligations of the Lessor under the Master Open - End (Equity) Lease Agreement with respect to such vehicle.

ALL TAX AND LICENSE FEES TO BE BILLED TO LESSEE AS THEY OCCUR.

Lessee hereby authorizes this vehicle order, agrees to lease the vehicle on the terms set forth herein and in the Master Equity Lease Agreement and agrees that Lessor shall have the right to collect damages in the event Lessee fails or refuses to accept delivery of the ordered vehicle.

Lessee certifies that it intends that more than 50% of the use of the vehicle is to be in a trade or business of the Lessee.

LESSEE City of Los Alamitos California

BY

TITLE INTERIM CITY MANAGER

DATE 12/20/19

* INDICATES ITEMS TO BE BILLED ON DELIVERY.

¹ Capitalized Price of Vehicle May be Adjusted to Reflect Final Manufacturer's Invoice. Lessee Hereby Assigns to Lessor any Manufacturer Rebates And/Or Manufacturer Incentives Intended for the Lessee, Which Rebates And/Or Incentives Have Been Used By Lessor to Reduce the Capitalized Price of the Vehicle.² Monthly Lease Charge Will Be Adjusted to Reflect the Interest Rate on the Delivery Date (Subject to a Floor).³ The inclusion herein of references to maintenance fees/services are solely for the administrative convenience of Lessee. Notwithstanding the inclusion of such references in this [Invoice/Schedule/Quote], all such maintenance services are to be performed by Enterprise Fleet Management, Inc., and all such maintenance fees are payable by Lessee solely for the account of Enterprise Fleet Management, Inc., pursuant to that certain separate [Maintenance Agreement] entered into by and between Lessee and Enterprise Fleet Management, Inc.; provided that such maintenance fees are being billed by Enterprise FM Trust, and are payable at the direction of Enterprise FM Trust, solely as an authorized agent for collection on behalf of Enterprise Fleet Management, Inc.

Other Totals

Description	(B)illed or (C)apped	Price
Pricing Plan Delivery Charge	C	\$ 125.00
Courtesy Delivery Fee	C	\$ 200.00
Total Other Charges Billed		\$ 0.00
Total Other Charges Capitalized		\$ 325.00
Other Charges Total		\$ 325.00

**VEHICLE INFORMATION:**

2020 Ford F-150 XL 4x2 SuperCrew Cab Styleside 5.5 ft. box 145 in. WB - US

Series ID: W1C

Pricing Summary:

	INVOICE	MSRP
Base Vehicle	\$ 33,459.00	\$ 35,035.00
Total Options	\$ 1,573.00	\$ 1,730.00
Destination Charge	\$ 1,595.00	\$ 1,595.00
Total Price	\$ 36,627.00	\$ 38,360.00

SELECTED COLOR:

Exterior: YZ - (0 P) Oxford White

Interior: CG - (0 I) Dark Earth Gray w/Cloth 40/20/40 Front Seat

SELECTED OPTIONS:

CODE	DESCRIPTION	INVOICE	MSRP
101A	Equipment Group 101A Mid	\$ 1,573.00	\$ 1,730.00
145WB	145" Wheelbase	STD	STD
153	Front License Plate Bracket	NC	NC
446	Transmission: Electronic 6-Speed Automatic	Included	Included
50S	Cruise Control	Included	Included
52P	SYNC	Included	Included
60M	FordPass Connect 4G Wi-Fi Modem	Included	Included
61CLCD	4.2" Productivity Screen in Instrument Cluster	Included	Included
61X91K	MyKey	Included	Included
64C	Wheels: 17" Silver Steel	Included	Included
85A	XL Power Equipment Group	Included	Included
85AGTE	Power Tailgate Lock	Included	Included
85AILL	Illuminated Entry	Included	Included
85AMIR	Power Glass Sideview Mirrors w/Black Skull Caps	Included	Included
85APAL	Perimeter Alarm	Included	Included
85APLK	Power Door Locks	Included	Included
85APWN	Power Front & Rear Windows	Included	Included
99B	Engine: 3.3L V6 PFDI	Included	Included
C	Cloth 40/20/40 Front Seat	Included	Included
CG_01	(0 I) Dark Earth Gray w/Cloth 40/20/40 Front Seat	NC	NC
PAINT	Monotone Paint Application	STD	STD
STDGV	GVWR: 6,280 lbs Payload Package	Included	Included
STDRD	Radio: AM/FM Stereo w/6 Speakers	Included	Included
STDTR	Tires: P245/70R17 BSW A/S	Included	Included
X19	3.55 Axle Ratio	Included	Included
YZ_01	(0 P) Oxford White	NC	NC

CONFIGURED FEATURES:

Body Exterior Features:

Number Of Doors 4
Rear Cargo Door Type: tailgate
Driver And Passenger Mirror: power remote manual folding side-view door mirrors
Convex Driver Mirror: convex driver and passenger mirror
Door Handles: black
Front And Rear Bumpers: black front and rear bumpers with black rub strip
Rear Step Bumper: rear step bumper
Front License Plate Bracket: front license plate bracket
Box Style: regular
Body Material: aluminum body material
: trailering with harness
Grille: black grille

Convenience Features:

Air Conditioning: manual air conditioning
Cruise Control: cruise control with steering wheel controls
Power Windows: power windows with driver and passenger 1-touch down
Remote Keyless Entry: keyfob (all doors) remote keyless entry
Illuminated Entry: illuminated entry
Integrated Key Remote: integrated key/remote
Auto Locking: auto-locking doors
Remote Engine Start: remote engine start
Steering Wheel: steering wheel with manual tilting, manual telescoping
Day-Night Rearview Mirror: day-night rearview mirror
Emergency SOS: 911 Assist emergency communication system
Front Cupholder: front and rear cupholders
Glove Box: glove box
Driver Door Bin: driver and passenger door bins
Rear Door Bins: rear door bins
Dashboard Storage: dashboard storage
IP Storage: bin instrument-panel storage
Retained Accessory Power: retained accessory power
Power Accessory Outlet: 3 12V DC power outlets

Entertainment Features:

radio AM/FM stereo with seek-scan
Voice Activated Radio: voice activated radio
Steering Wheel Radio Controls: steering-wheel mounted audio controls
Speakers: 12 speakers
Internet Access: FordPass Connect 4G LTE WiFi internet access
1st Row LCD: 2 1st row LCD monitor
Wireless Connectivity: wireless phone connectivity
Antenna: fixed antenna

Lighting, Visibility and Instrumentation Features:

Headlamp Type: delay-off aero-composite halogen headlamps
Auto-Dimming Headlights: Ford Co-Pilot360 - Auto High Beam auto high-beam headlights
Cab Clearance Lights: cargo bed light
Front Wipers: variable intermittent wipers
Tinted Windows: light-tinted windows
Dome Light: dome light with fade
Variable IP Lighting: variable instrument panel lighting
Display Type: analog display
Tachometer: tachometer
Voltmeter: voltmeter
Compass: compass
Exterior Temp: outside-temperature display
Low Tire Pressure Warning: tire specific low-tire-pressure warning
Trip Computer: trip computer
Trip Odometer: trip odometer
Forward Collision Alert: forward collision
Oil Pressure Gauge: oil pressure gauge

Water Temp Gauge: water temp. gauge
Inclinometer: inclinometer
Transmission Oil Temp Gauge: transmission oil temp. gauge
Clock: in-radio display clock
Systems Monitor: systems monitor
Check Control: redundant digital speedometer
Rear Vision Camera: rear vision camera
Oil Pressure Warning: oil-pressure warning
Water Temp Warning: water-temp. warning
Battery Warning: battery warning
Lights On Warning: lights-on warning
Key in Ignition Warning: key-in-ignition warning
Low Fuel Warning: low-fuel warning
Bulb Failure Warning: bulb-failure warning
Door Ajar Warning: door-ajar warning
Brake Fluid Warning: brake-fluid warning

Safety And Security:

ABS four-wheel ABS brakes
Number of ABS Channels: 4 ABS channels
Brake Assistance: brake assist
Brake Type: four-wheel disc brakes
Vented Disc Brakes: front and rear ventilated disc brakes
Daytime Running Lights: daytime running lights
Spare Tire Type: full-size spare tire
Spare Tire Mount: underbody mounted spare tire w/crankdown
Driver Front Impact Airbag: driver and passenger front-impact airbags
Driver Side Airbag: seat-mounted driver and passenger side-impact airbags
Overhead Airbag: Safety Canopy System curtain 1st and 2nd row overhead airbag
Occupancy Sensor: front passenger airbag occupancy sensor
Height Adjustable Seatbelts: height adjustable front seatbelts
Seatbelt Pretensioners: front seatbelt pre-tensioners
3Point Rear Centre Seatbelt: 3 point rear centre seatbelt
Side Impact Bars: side-impact bars
Perimeter Under Vehicle Lights: remote activated perimeter/approach lights
Tailgate/Rear Door Lock Type: tailgate/rear door lock included with power door locks
Rear Child Safety Locks: rear child safety locks
Ignition Disable: SecuriLock immobilizer
Security System: security system
Panic Alarm: panic alarm
Electronic Stability: AdvanceTrac w/Roll Stability Control electronic stability stability control with anti-roll
Traction Control: ABS and driveline traction control
Front and Rear Headrests: manual adjustable front head restraints
Rear Headrest Control: 3 rear head restraints

Seats And Trim:

Seating Capacity max. seating capacity of 6
Front Bucket Seats: front split-bench 40-20-40 seats
Number of Driver Seat Adjustments: 4-way driver and passenger seat adjustments
Reclining Driver Seat: manual reclining driver and passenger seats
Driver Fore/Aft: manual driver and passenger fore/aft adjustment
Front Centre Armrest Storage: front centre armrest
Rear Seat Type: rear 60-40 split-bench seat
Rear Folding Position: rear seat fold-up cushion
Leather Upholstery: cloth front and rear seat upholstery
Headliner Material: full cloth headliner
Floor Covering: full vinyl/rubber floor covering
Cabbage Insulator: cabbage insulator
Shift Knob Trim: urethane shift knob
Interior Accents: chrome interior accents

Standard Engine:

Engine 290-hp, 3.3-liter V-6 (regular gas)

Standard Transmission:

Transmission 6-speed automatic w/ OD and PowerShift automatic



Proposal Opening Record

Date of opening: March 1, 2022

Sourcewell posted Request for Proposal #030122, for the procurement of Fleet Management Services, on the Sourcewell Procurement Portal [portal.sourcewell-mn.gov] on Tuesday, January 11, 2022, and the solicitation remained in an open status within the portal until March 1, 2022, at 4:30 pm CT. The RFP required that all proposals be submitted through the Sourcewell Procurement Portal no later than 4:30 pm CT on March 1, 2022, the date and time specified in the Solicitation Schedule.

The undersigned certify that all responses received on Request for Proposal #030122 were submitted through the Sourcewell Procurement Portal, and that each Proposer's response material was digitally sealed upon submission and remained inaccessible until the due date and time specified in the Solicitation Schedule.

Responses were received from the following:

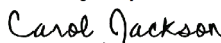
Ample, Inc. - Submitted 3/01/22 at 3:32:29 PM
 Automotive Rentals, Inc. (ARI) - Submitted 3/01/22 at 3:07:12 PM
 Commercial Vehicle Leasing, LP DBA D&M Leasing - Submitted 2/25/22 at 4:42:38 PM
 Doering Leasing Co. dba Doering Fleet Management - Submitted 3/01/22 at 2:39:26 PM
 Element Fleet Corporation dba Element Fleet Management - Submitted 2/28/22 at 2:54:34 PM
 Enterprise Fleet Management, Inc. - Submitted 3/01/22 at 4:13:51 PM
 eTransEnergy - Submitted 3/01/22 at 1:56:27 PM
 Five Star Express, LLC dba Five Star Trucking, LLC - Submitted 2/24/22 at 1:54:05 PM
 Highland Electric Fleets, Inc. - Submitted 3/01/22 at 3:54:58 PM
 Merchants Automotive Group, LLC dba Merchants Fleet - Submitted 3/01/22 at 4:17:11 PM
 Mike Albert Leasing, Inc. dba Mike Albert Fleet Solutions - Submitted 3/01/22 at 1:39:13 PM
 NuGen Go, LLC - Submitted 2/28/22 at 5:12:21 PM
 Sewell Fleet Management - Submitted 2/28/22 at 12:15:39 PM

The Proposals were opened electronically, and a list of all Proposers was made publicly available in the Sourcewell Procurement Portal, on March 1, 2022, at 4:31:19 PM CT. All responsive proposals were then submitted for review by the Sourcewell Evaluation Committee.

DocuSigned by:

 6830543C58384D1...

Kim Austin, MBA, CPPB, Procurement Lead Analyst

DocuSigned by:

 6EE63AEDED5F46E...

Carol Jackson, Procurement Analyst



RFP #030122
REQUEST FOR PROPOSALS
for
Fleet Management Services

Proposal Due Date: March 1, 2022, 4:30 p.m., Central Time

Sourcewell, a State of Minnesota local government unit and service cooperative, is requesting proposals for Fleet Management Services to result in a contracting solution for use by its Participating Entities. Sourcewell Participating Entities include thousands of governmental, higher education, K-12 education, nonprofit, tribal government, and other public agencies located in the United States and Canada. A full copy of the Request for Proposals can be found on the Sourcewell Procurement Portal [<https://proportal.sourcewell-mn.gov>]. Only proposals submitted through the Sourcewell Procurement Portal will be considered. Proposals are due no later than March 1, 2022, at 4:30 p.m. Central Time, and late proposals will not be considered.

Solicitation Schedule

Public Notice of RFP Published:	January 11, 2022
Pre-proposal Conference:	February 1, 2022, 10:00 a.m., Central Time
Question Submission Deadline:	February 21, 2022, 4:30 p.m., Central Time
Proposal Due Date:	March 1, 2022, 4:30 p.m., Central Time Late responses will not be considered.
Opening:	March 1, 2022, 6:30 p.m., Central Time See RFP Section V.G. "Opening"

I. ABOUT SOURCEWELL

A. SOURCEWELL

Sourcewell is a State of Minnesota local government unit and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that facilitates a competitive public solicitation and contract award process for the benefit of its 50,000+ participating entities across the United States and Canada. Sourcewell's solicitation process complies with State of Minnesota law and policies, conforms to Canadian trade agreements, and results in cooperative purchasing solutions from which Sourcewell's Participating Entities procure equipment, products, and services.

Cooperative purchasing provides participating entities and suppliers increased administrative efficiencies and the power of combined purchasing volume that result in overall cost savings. At times, Sourcewell also partners with other purchasing cooperatives to combine the purchasing volume of their membership into a single solicitation and contract expanding the reach of contracted suppliers' potential pool of end users.

Sourcewell uses a website-based platform, the Sourcewell Procurement Portal, through which all proposals to this RFP must be submitted.

B. USE OF RESULTING CONTRACTS

In the United States, Sourcewell's contracts are available for use by:

- Federal and state government entities;
- Cities, towns, and counties/parishes;
- Education service cooperatives;
- K-12 and higher education entities;
- Tribal government entities;
- Some nonprofit entities; and
- Other public entities.

In Canada, Sourcewell's contracts are available for use by:

- Provincial and territorial government departments, ministries, agencies, boards, councils, committees, commissions, and similar agencies;
- Regional, local, district, and other forms of municipal government, municipal organizations, school boards, and publicly-funded academic, health, and social service entities referred to as MASH sector (this should be construed to include but not be limited to the Cities of Calgary, Edmonton, Toronto, Ottawa, and Winnipeg), as well as any corporation or entity owned or controlled by one or more of the preceding entities;
- Crown corporations, government enterprises, and other entities that are owned or controlled by these entities through ownership interest;

- Members of the Rural Municipalities of Alberta (RMA) and their represented Associations: MASH (municipalities, academic institutions, schools and hospitals) and MUSH (municipalities, universities, schools and hospitals) sectors, and other governmental agencies eligible to use the Sourcewell contracts. MASH and MUSH sector refers to regional, local, district or other forms of municipal government, school boards, publicly-funded academic, health and social service entities, as well as any corporation or entity owned or controlled by one or more of the preceding entities, including but not limited to represented associations, Saskatchewan Association of Rural Municipalities ("SARM"), Association of Manitoba Municipalities ("AMM"), Local Authorities Services/Association of Municipalities Ontario ("LAS/AMO", excluding the cities of Toronto and Ottawa), Nova Scotia Federation of Municipalities ("NSFM"), Federation of Prince Edward Island Municipalities ("FPEIM"), Municipalities Newfoundland Labrador ("MNL"), Union of New Brunswick Municipalities ("UNBM"), North West Territories Association of Communities ("NWTAC") and their members. RMA Participants may include all not-for-profit agencies for Canadian provinces and territories.

For a listing of current United States and Canadian Participating Entities visit Sourcewell's website (note: there is a tab for each country): <https://www.sourcewell-mn.gov/sourcewell-for-vendors/agency-locator>.

Participating Entities typically access contracted equipment, products, or services through a purchase order issued directly to the contracted supplier. A Participating Entity may request additional terms or conditions related to a purchase. Use of Sourcewell contracts is voluntary and Participating Entities retain the right to obtain similar equipment, products, or services from other sources.

To meet Participating Entities' needs, Sourcewell broadly publishes public notice of all solicitation opportunities, including this RFP. In the United States each state-level procurement department receives notice for possible re-posting.

Proof of publication will be available at the conclusion of the solicitation process.

II. SOLICITATION DETAILS

A. SOLUTIONS-BASED SOLICITATION

This RFP and contract award process is a solutions-based solicitation; meaning that Sourcewell is seeking equipment, products, or services that meet the general requirements of the scope of this RFP and that are commonly desired or are required by law or industry standards.

B. REQUESTED EQUIPMENT, PRODUCTS, OR SERVICES

It is expected that proposers will offer a wide array of equipment, products, or services at lower prices and with better value than what they would ordinarily offer to a single government entity, a school district, or a regional cooperative.

1. Sourcewell is seeking proposals for Fleet Management Services, including, but not limited to:
 - a. Services for the acquisition by Sourcewell participating entities, whether by lease or financing, of on-road vehicles of all types or classifications, all weight classes, and all engine types;
 - b. New vehicle service and preparation for the vehicles described in subsection 1. a. above, such as, pre-delivery inspection, parts and accessories installation, and vehicle marking application or installation;
 - c. Preventative maintenance plans, vehicle maintenance and repair services, and related service level agreements for Sourcewell participating entity on-road vehicle fleets of all types; and,
 - d. In addition to the solutions described in subsections 1. a. – c. above, proposers may include a complementary offering of the following ancillary services:
 - i. Short-term rental programs;
 - ii. Upfitting of after-market products;
 - iii. Fleet management information technologies, such as: telematics, fleet monitoring, fuel management, fuel tank management, and motor pool/fleet sharing software and systems;
 - iv. Roadside assistance including towing, emergency charging, and repairs;
 - v. Installation, operation, and maintenance of dedicated charging and fueling stations; and,
 - vi. Vehicle battery longevity monitoring and replacement plans.

Proposers may include related equipment, accessories, and services to the extent that these solutions are complementary to the equipment, products, or service(s) being proposed.

Generally, the solutions for Participating Entities are turn-key solutions, providing a combination of equipment, products and services, delivery, and installation to a properly operating status. However, equipment or products only solutions may be appropriate for situations where Participating Entities possess the ability, either in-house or through local third-party contractors, to properly install and bring to operation the equipment or products being proposed.

Sourcewell prefers suppliers that provide a sole source of responsibility for the equipment, products, and services provided under a resulting contract. If proposer is including the equipment, products, and services of its subsidiary entities, the proposer must also identify all included subsidiaries in its proposal. If proposer requires the use of distributors, dealers, resellers, or subcontractors to provide the equipment, products, or services, the proposal must address how the equipment, products or services will be provided to Participating Entities, and describe the network of distributors, dealers, resellers, and/or subcontractors that will be available to serve Participating Entities under a resulting contract.

Sourcewell desires the broadest possible selection of equipment, products, and services being proposed over the largest possible geographic area and to the largest possible cross-section of Sourcewell current and future Participating Entities.

C. REQUIREMENTS

It is expected that proposers have knowledge of all applicable industry standards, laws, and regulations and possess an ability to market and distribute the equipment, products, or services to Participating Entities.

1. Safety Requirements. All items proposed must comply with current applicable safety or regulatory standards or codes.
2. Deviation from Industry Standard. Deviations from industry standards must be identified with an explanation of how the equipment, products, and services will provide equivalent function, coverage, performance, and/or related services.
3. New Equipment and Products. Proposed equipment and products must be for new, current model; however, proposer may offer certain close-out equipment or products if it is specifically noted in the Pricing proposal.
4. Delivered and operational. Unless clearly noted in the proposal, equipment and products must be delivered to the Participating Entity as operational.
5. Warranty. All equipment, products, supplies, and services must be covered by a warranty that is the industry standard or better.

D. ANTICIPATED CONTRACT TERM

Sourcewell anticipates that the term of any resulting contract(s) will be four years, with an optional one year extension that may be offered based on the best interests of Sourcewell and its Participating Entities.

E. ESTIMATED CONTRACT VALUE AND USAGE

Based on past volume of similar contracts, the estimated annual value of all transactions from contracts resulting from this RFP are anticipated to be USD \$60 Million; therefore, proposers are expected to propose volume pricing. Sourcewell anticipates considerable activity under the

contract(s) awarded from this RFP; however, sales and sales volume from any resulting contract are not guaranteed.

F. MARKETING PLAN

Proposer's sales force will be the primary source of communication with Participating Entities. The proposer's Marketing Plan should demonstrate proposer's ability to deploy a sales force or dealer network to Participating Entities, as well as proposer's sales and service capabilities. It is expected that proposer will promote and market any contract award.

G. ADDITIONAL CONSIDERATIONS

1. Contracts will be awarded to proposers able to best meet the need of Participating Entities. Proposers should submit their complete line of equipment, products, or services that are applicable to the scope of this RFP.
2. Proposers should include all relevant information in its proposal, since Sourcewell cannot consider information that is not included in the proposal. Sourcewell reserves the right to verify proposer's information and may request clarification from a proposer, including samples of the proposed equipment or products.
3. Depending upon the responses received in a given category, Sourcewell may need to organize responses into subcategories in order to provide the broadest coverage of the requested equipment, products, or services to Participating Entities. Awards may be based on a subcategory.
4. A proposer's documented negative past performance with Sourcewell or its Participating Entities occurring under a previously awarded Sourcewell contract may be considered in the evaluation of a proposal.

III. PRICING

A. REQUIREMENTS

All proposed pricing must be:

1. Either Line-Item Pricing or Percentage Discount from Catalog Pricing, or a combination of these:
 - a. **Line-item Pricing** is pricing based on each individual product or services. Each line must indicate the proposer's published "List Price," as well as the "Contract Price."
 - b. **Percentage Discount from Catalog or Category** is based on a percentage discount from a catalog or list price, defined as a published Manufacturer's Suggested Retail Price (MSRP) for the products or services. Individualized percentage discounts can be applied to any number of defined product groupings. Proposers will be responsible for providing and maintaining current published MSRP with Sourcewell, and this pricing must be included in its proposal and provided throughout the term of any Contract resulting from this RFP.

2. The proposer's not to exceed price. A not to exceed price is the highest price for which equipment, products, or services may be billed to a Participating Entity. However, it is permissible for suppliers to sell at a price that is lower than the contracted price.
3. Stated in U.S. and Canadian dollars (as applicable).
4. Clearly understandable, complete, and fully describe the total cost of acquisition (e.g., the cost of the proposed equipment, products, and services delivered and operational for its intended purpose in the Participating Entity's location).

Proposers should clearly identify any costs that are NOT included in the proposed product or service pricing. This may include items such as installation, set up, mandatory training, or initial inspection. Include identification of any parties that impose such costs and their relationship to the proposer. Additionally, proposers should clearly describe any unique distribution and/or delivery methods or options offered in the proposal.

B. ADMINISTRATIVE FEES

Proposers are expected to pay to Sourcewell an administrative fee in exchange for Sourcewell facilitating the resulting contracts. The administrative fee is normally calculated as a percentage of the total sales to Participating Entities for all contracted equipment, products, or services made during a calendar quarter, and is typically one percent (1%) to two percent (2%). In some categories, a flat fee may be an acceptable alternative.

IV. CONTRACT

Proposers awarded a contract will be required to execute a contract with Sourcewell (see attached template). Only those modifications the proposer indicates in its proposal will be available for discussion. Much of the language in the Contract reflects Minnesota legal requirements and cannot be altered. Numerous and/or onerous exceptions that contradict Minnesota law may result in the proposal being disqualified from further review and evaluation.

To request a modification to the template Contract, a proposer must submit the Exceptions to Terms, Conditions, or Specifications table with its proposal. Only those exceptions noted at the time of the proposal submission will be considered.

Exceptions must:

1. Clearly identify the affected article and section.
2. Clearly note the requested modification; and as applicable, provide requested alternative language.

Unclear requests will be automatically denied.

Only those exceptions that have been accepted by Sourcewell will be included in the contract document provided to the awarded supplier for signature.

If a proposer receives a contract award resulting from this solicitation it will have up to 30 days to sign and return the contract. After that time, at Sourcewell's sole discretion, the contract award may be revoked.

V. RFP PROCESS

A. PRE-PROPOSAL CONFERENCE

Sourcewell will hold an optional, non-mandatory pre-proposal conference via webcast on the date and time noted in the Solicitation Schedule for this RFP and on the Sourcewell Procurement Portal. The purpose of this conference is to allow potential proposers to ask questions regarding this RFP and Sourcewell's competitive contracting process. Information about the webcast will be sent to all entities that have registered for this solicitation opportunity through their Sourcewell Procurement Portal Supplier Account. Pre-proposal conference attendance is optional.

B. QUESTIONS REGARDING THIS RFP AND ORAL COMMUNICATION

All questions regarding this RFP must be submitted through the Sourcewell Procurement Portal. The deadline for submission of questions is found in the Solicitation Schedule and on the Sourcewell Procurement Portal. Answers to questions will be issued through an addendum to this RFP. Repetitive questions will be summarized into a single answer and identifying information will be removed from the submitted questions.

All questions, whether specific to a proposer or generally related to the RFP, must be submitted using this process. Do not contact individual Sourcewell staff to ask questions or request information as this may disqualify the proposer from responding to this RFP. Sourcewell will not respond to questions submitted after the deadline.

C. ADDENDA

Sourcewell may modify this RFP at any time prior to the proposal due date by issuing an addendum. Addenda issued by Sourcewell become a part of the RFP and will be delivered to potential proposers through the Sourcewell Procurement Portal. Sourcewell accepts no liability in connection with the delivery of any addenda.

Before a proposal will be accepted through the Sourcewell Procurement Portal, all addenda, if any, must be acknowledged by the proposer by checking the box for each addendum. It is the responsibility of the proposer to check for any addenda that may have been issued up to the solicitation due date and time.

If an addendum is issued after a proposer submitted its proposal, the Sourcewell Procurement Portal will WITHDRAW the submission and change the proposer's proposal status to INCOMPLETE. The proposer can view this status change in the "MY BIDS" section of the

Sourcewell Procurement Portal Supplier Account. The proposer is solely responsible to check the “MY BIDS” section of the Sourcewell Procurement Portal Supplier Account periodically after submitting its proposal (and up to the Proposal Due Date). If the proposer’s proposal status has changed to INCOMPLETE, the proposer is solely responsible to:

- i) make any required adjustments to its proposal;
- ii) acknowledge the addenda; and
- iii) ensure the re-submitted proposal is received through the Sourcewell Procurement Portal no later than the Proposal Due Date and time shown in the Solicitation Schedule above.

D. PROPOSAL SUBMISSION

Proposer’s complete proposal must be submitted through the Sourcewell Procurement Portal no later than the date and time specified in the Solicitation Schedule. Any other form of proposal submission, whether electronic, paper, or otherwise, will not be considered by Sourcewell. **Late proposals will not be considered.** It is the proposer’s sole responsibility to ensure that the proposal is received on time.

It is recommended that proposers allow sufficient time to upload the proposal and to resolve any issues that may arise. The time and date that a proposal is received by Sourcewell is solely determined by the Sourcewell Procurement Portal web clock.

In the event of problems with the Sourcewell Procurement Portal, follow the instructions for technical support posted in the portal. It may take up to 24 hours to respond to certain issues.

Upon successful submission of a proposal, the Sourcewell Procurement Portal will automatically generate a confirmation email to the proposer. If the proposer does not receive a confirmation email, contact Sourcewell’s support provider at support@bidsandtenders.ca.

To ensure receipt of the latest information and updates via email regarding this solicitation, or if the proposer has obtained this solicitation document from a third party, the onus is on the proposer to create a Sourcewell Procurement Portal Supplier Account and register for this solicitation opportunity.

Within the Sourcewell Procurement Portal, all proposals must be digitally acknowledged by an authorized representative of the proposer attesting that the information contained in the proposal is true and accurate. By submitting a proposal, proposer warrants that the information provided is true, correct, and reliable for purposes of evaluation for potential contract award. The submission of inaccurate, misleading, or false information is grounds for disqualification from a contract award and may subject the proposer to remedies available by law.

E. GENERAL PROPOSAL REQUIREMENTS

Proposals must be:

- In substantial compliance with the requirements of this RFP or it will be considered nonresponsive and be rejected.
- Complete. A proposal will be rejected if it is conditional or incomplete.
- Submitted in English.
- Valid and irrevocable for 90 days following the Proposal Due Date.

Any and all costs incurred in responding to this RFP will be borne by the proposer.

F. PROPOSAL WITHDRAWAL

Prior to the proposal deadline, a proposer may withdraw its proposal.

G. OPENING

The Opening of proposals will be conducted electronically through the Sourcewell Procurement Portal. A list of all proposers will be made publicly available in the Sourcewell Procurement Portal after the Proposal Due Date, but no later than the Opening time listed in the Solicitation Schedule.

To view the list of proposers, verify that the Sourcewell Procurement Portal opportunities list search is set to “All” or “Closed.” The solicitation status will automatically change to “Closed” after the Proposal Due Date and Time.

VI. EVALUATION AND AWARD

A. EVALUATION

It is the intent of Sourcewell to award one or more contracts to responsive and responsible proposers offering the best overall quality, selection of equipment, products, and services, and price that meet the commonly requested specifications of Sourcewell and its Participating Entities. The award(s) will be limited to the number of proposers that Sourcewell determines is necessary to meet the needs of its Participating Entities. Factors to be considered in determining the number of contracts to be awarded in any category may include the following:

- The number of and geographic location of:
 - Proposers necessary to offer a comprehensive selection of equipment, products, or services for Participating Entities’ use.
 - A proposer’s sales and service network to assure availability of product supply and coverage to meet Participating Entities’ anticipated needs.
- Total evaluation scores.
- The attributes of proposers, and their equipment, products, or services, to assist Participating Entities achieve environmental and social requirements, preferences, and goals.

Information submitted as part of a proposal should be as specific as possible when responding to the RFP. Do not assume Sourcewell has any knowledge about a specific supplier or product.

B. AWARD(S)

Award(s) will be made to the proposer(s) whose proposal conforms to all conditions and requirements of the RFP, and consistent with the award criteria defined in this RFP.

Sourcewell may request written clarification of a proposal at any time during the evaluation process.

Proposal evaluation will be based on the following scoring criteria and the Sourcewell Evaluator Scoring Guide (a copy is available in the Sourcewell Procurement Portal):

Conformance to RFP Requirements	50
Financial Viability and Marketplace Success	75
Ability to Sell and Deliver Service	100
Marketing Plan	50
Value Added Attributes	75
Warranty	50
Depth and Breadth of Offered Equipment, Products, or Services	200
Pricing	400
TOTAL POINTS	1000

C. PROTESTS OF AWARDS

Any protest made under this RFP by a proposer must be in writing, addressed to Sourcewell's Executive Director, and delivered to the Sourcewell office located at 202 12th Street NE, P.O. Box 219, Staples, MN 56479. All documents that comprise the complete protest package must be received no later than 10 calendar days' following Sourcewell's notice of contract award(s) or non-award and must be time stamped by Sourcewell no later than 4:30 p.m., Central Time. A protest must allege a procedural, technical, or legal defect, with supporting documentation. A protest that merely requests a re-evaluation of a proposal's content will not be entertained.

A protest must include the following items:

- The name, address, and telephone number of the protester;
- Identification of the solicitation by RFP number;
- A precise statement of the relevant facts;
- Identification of the alleged procedural, technical, or legal defect;
- Analysis of the basis for the protest;
- Any additional supporting documentation;
- The original signature of the protester or its representative; and
- Protest bond in the amount of \$20,000 (except where prohibited by law or treaty).

Protests that do not address these elements will not be reviewed.

D. RIGHTS RESERVED

This RFP does not commit Sourcewell to award any contract, and a proposal may be rejected if it is nonresponsive, conditional, incomplete, conflicting, or misleading. Proposals that contain false statements or do not support an attribute or condition stated by the proposer may be rejected.

Sourcewell reserves the right to:

- Modify or cancel this RFP at any time;
- Reject any and all proposals received;
- Reject proposals that do not comply with the provisions of this RFP;
- Select, for contracts or for discussion, a proposal other than that with the lowest cost;
- Independently verify any information provided in a proposal;
- Disqualify any proposer that does not meet the requirements of this RFP, is debarred or suspended by the United States or Canada, State of Minnesota, Participating Entity's state or province; has an officer, or other key personnel, who have been charged with a serious crime; or is bankrupt, insolvent, or where bankruptcy or insolvency are a reasonable prospect;
- Waive or modify any informalities, irregularities, or inconsistencies in the proposals received;
- Clarify any part of a proposal and discuss any aspect of the proposal with any proposer; and negotiate with more than one proposer;
- Award a contract if only one responsive proposal is received if it is in the best interest of Participating Entities; and
- Award a contract to one or more proposers if it is in the best interest of Participating Entities.

E. DISPOSITION OF PROPOSALS

All materials submitted in response to this RFP will become property of Sourcewell and will become public record in accordance with Minnesota Statutes Section 13.591, after negotiations are complete. Sourcewell considers that negotiations are complete upon execution of a resulting contract. It is the proposer's responsibility to clearly identify any data submitted that it considers to be protected. Proposer must also include a justification for the classification citing the applicable Minnesota law. Sourcewell may reject proposals that are marked confidential or nonpublic, either substantially or in their entirety.

Sourcewell will not consider the prices submitted by the proposer to be confidential, proprietary, or trade secret materials. Financial information, including financial statements, provided by a proposer is not considered trade secret under the statutory definition.



1/13/2022

Addendum No. 1

Solicitation Number: RFP 030122

Solicitation Name: Fleet Management Services

Consider the following Question and Answer to be part of the above-titled solicitation documents. The remainder of the documents remain unchanged.

Question 1:

There appears to be a conflict or overlap between the scope of this RFP and the scope of other recent Sourcewell solicitations. How will Sourcewell address potential services that are specifically identified in other RFPs, but could be construed to be included in this RFP?

Answer 1:

The Sourcewell RFP is an open and competitive solicitation process, and each RFP is an opportunity independent of any other prior, current, or future RFP. Each proposer, in its discretion, will propose the equipment, products, or services that it deems to fall within Sourcewell's requested equipment, products, and services as described in the RFP. Only those products within the scope of the RFP will be included in any contract awarded by Sourcewell as a result of the solicitation and each Proposal will be evaluated based on the criteria stated in the RFP.

End of Addendum

Acknowledgement of this Addendum to RFP 030122 posted to the Sourcewell Procurement Portal on 1/13/2022, is required at the time of proposal submittal.



2/17/2022

Addendum No. 2

Solicitation Number: RFP 030122

Solicitation Name: Fleet Management Services

Consider the following Questions and Answers to be part of the above-titled solicitation documents. The remainder of the documents remain unchanged.

Question 1:

How would you define “service force?”

Answer 1:

In the competitive process, Sourcewell will not advise a proposer on the content of the proposal. It is left to the discretion of each proposer to determine the content and format of the data that best represents their proposal and best demonstrates their ability to serve Sourcewell participating entities. The solicitation is a competitive process and proposals are evaluated on the content submitted.

Question 2:

If orders will be handled by distributors, dealers, or others, explain the roles of the Proposer and others. How would you define ‘ordering process’?

Answer 2:

Refer to RFP Section II. B. – Requested Equipment, Products, or Services – “If Proposer requires the use of dealers, resellers, or subcontractors to provide the products or services, the Proposal should address how the products or services will be provided to Participating Entities and describe the network of dealers, resellers, and/or subcontractors that will be available to serve Participating Entities under a resulting contract.” It is left to the discretion of each proposer to determine the information or documentation necessary to best demonstrate their ability to serve Sourcewell participating entities and satisfy all the requirements included in the questionnaire tables.

Each proposer is asked to articulate the order process that aligns with its business methods and processes within the proposal.

Question 3:

What response is recommended if a bidder can execute some, but not all, of the items listed?

Answer 3:

Refer to the Frequently Asked Questions document on the Sourcewell Procurement Portal bids homepage.

Question 4:

Can an awarded supplier present its forms to the potential customer, or will the supplier be required to only use the participating entities agreements? Is it permitted to negotiate completely new agreements with the participating entity?

Answer 4:

Refer to template contract Article 6. – Participating Entity Use and Purchasing, for additional detail related the ordering process and the development of transaction documentation.

Question 5:

Regarding template contract Section 5. A – Participation, define “Sourcewell contract use eligibility requirements and documentation....”

Answer 5:

Refer to RFP Section I. B. – Use of Resulting Contracts. The benefits of a contract resulting from this solicitation should be available to all participating entities that can legally access the equipment, products, or services under the contract. Awarded suppliers will receive instruction on relevant contract documentation in connection with the contract launch process.

Question 6:

If a contract between an awarded supplier and Sourcewell is terminated, will the supplier still be permitted to continue the relationship with any participating entity? If they terminate and we have existing agreements in place with participating entities, does the supplier continue to pay Sourcewell the administrative fee?

Answer 6:

Refer to template contract Section 6. A. – Orders and Payment, “All Participating Entity orders under this contract must be issued prior to expiration of cancellation of this Contract; however, Supplier performance, Participating Entity payment obligations, and any applicable warranty periods or other Supplier or Participating Entity obligations may extend beyond the term of this Contract.”

End of Addendum

Acknowledgement of this Addendum to RFP 030122 posted to the Sourcewell Procurement Portal on 2/17/2022, is required at the time of proposal submittal.



2/21/2022

Addendum No. 3

Solicitation Number: RFP 030122

Solicitation Name: Fleet Management Services

Consider the following Questions and Answers to be part of the above-titled solicitation documents. The remainder of the documents remain unchanged.

Question 1:

Is Sourcewell willing to sign a mutual NDA?

Answer 1:

Sourcewell complies with the Minnesota Government Data Practices Act and will not execute a nondisclosure agreement for a proposer. Reference Section VI. E. of the Sourcewell RFP.

Question 2:

Can we share the details of projects and references implemented outside US?

Answer 2:

It is left to the discretion of each proposer to determine how to best demonstrate their ability to serve Sourcewell participating entities and satisfy all the requirements included in the questionnaire tables. Table 4 – References/Testimonials, Line Item 24, seeks information from “three customers who are eligible to be Sourcewell participating entities.” Table 5 – Top Five Government or Education Customers seeks information from “your top five government, education, or non-profit customers.”

Question 3:

Can some of the project(s) be delivered remotely to control travel expenses?

Answer 3:

It is left to the discretion of each proposer to propose a method for delivery that aligns to its business practices and meets all applicable industry standards, laws, and

regulations. A proposer should include all relevant information and fully describe the total cost of acquisition for a participating entity in its proposal. Proposals are evaluated based on the criteria stated in the RFP.

Question 4:

Can offshore developers/consultants (outside USA) be used?

Answer 4:

It is left to the discretion of each proposer to determine the information and documentation necessary to best demonstrate their ability to serve Sourcewell participating entities and satisfy all the requirements included in the questionnaire tables. Proposals are evaluated based on the criteria stated in the RFP.

Question 5:

We are only provide Fleet Management Software. Can we still submit for this RFP?

Answer 5:

Each Sourcewell RFP is an open and competitive solicitation process. In the competitive process, Sourcewell will not pre-evaluate a proposer's offerings. Each proposer, in its discretion, will propose the equipment, products, and services that it deems to fall within Sourcewell's requested equipment, products, and services as described in the RFP. Only those products within the scope of the RFP will be included in any contract awarded by Sourcewell as a result of the solicitation. Each Proposal will be evaluated based on the criteria stated in the RFP.

End of Addendum

Acknowledgement of this Addendum to RFP 030122 posted to the Sourcewell Procurement Portal on 2/21/2022, is required at the time of proposal submittal.

**Solicitation Number: RFP #030122****CONTRACT**

This Contract is between Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 (Sourcewell) and Enterprise Fleet Management, Inc., 600 Corporate Park Drive, St. Louis, MO 63105 (Supplier).

Sourcewell is a State of Minnesota local government unit and service cooperative created under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21) that offers cooperative procurement solutions to government entities. Participation is open to eligible federal, state/province, and municipal governmental entities, higher education, K-12 education, nonprofit, tribal government, and other public entities located in the United States and Canada. Sourcewell issued a public solicitation for Fleet Management Services from which Supplier was awarded a contract.

Supplier desires to contract with Sourcewell to provide equipment, products, or services to Sourcewell and the entities that access Sourcewell's cooperative purchasing contracts (Participating Entities).

1. TERM OF CONTRACT

- A. **EFFECTIVE DATE.** This Contract is effective upon the date of the final signature below.
- B. **EXPIRATION DATE AND EXTENSION.** This Contract expires April 18, 2026, unless it is cancelled sooner pursuant to Article 22. This Contract may be extended one additional year upon the request of Sourcewell and written agreement by Supplier.
- C. **SURVIVAL OF TERMS.** Notwithstanding any expiration or termination of this Contract, all payment obligations incurred prior to expiration or termination will survive, as will the following: Articles 11 through 14 survive the expiration or cancellation of this Contract. All other rights will cease upon expiration or termination of this Contract.

2. EQUIPMENT, PRODUCTS, OR SERVICES

- A. **EQUIPMENT, PRODUCTS, OR SERVICES.** Supplier will provide the Equipment, Products, or Services as stated in its Proposal submitted under the Solicitation Number listed above.

Supplier's Equipment, Products, or Services Proposal (Proposal) is attached and incorporated into this Contract.

All Equipment and Products provided under this Contract must be new and the current model. Supplier may offer close-out or refurbished Equipment or Products if they are clearly indicated in Supplier's product and pricing list. Unless agreed to by the Participating Entities in advance, Equipment or Products must be delivered as operational to the Participating Entity's site.

This Contract offers an indefinite quantity of sales, and while substantial volume is anticipated, sales and sales volume are not guaranteed.

B. **WARRANTY.** Equipment, product, or service warranties will be provided by the manufacturer or service provider. Supplier will assist the Participating Entity in reaching a resolution in any dispute over warranty terms with the manufacturer or service provider. Any manufacturer's or service provider's warranty will be passed on to the Participating Entity.

C. **DEALERS, DISTRIBUTORS, AND/OR RESELLERS.** Upon Contract execution and throughout the Contract term, Supplier must provide to Sourcewell a current means to validate or authenticate Supplier's authorized dealers, distributors, or resellers relative to the Equipment, Products, and Services offered under this Contract, which will be incorporated into this Contract by reference. It is the Supplier's responsibility to ensure Sourcewell receives the most current information.

3. PRICING

All Equipment, Products, or Services under this Contract will be priced at or below the price stated in Supplier's Proposal.

When providing pricing quotes to Participating Entities, all pricing quoted must reflect a Participating Entity's total cost of acquisition. This means that the quoted cost is for delivered Equipment, Products, and Services that are operational for their intended purpose, and includes all costs to the Participating Entity's requested delivery location.

Regardless of the payment method chosen by the Participating Entity, the total cost associated with any purchase option of the Equipment, Products, or Services must always be disclosed in the pricing quote to the applicable Participating Entity at the time of purchase.

A. **SHIPPING AND SHIPPING COSTS.** All delivered Equipment and Products must be properly packaged. Damaged Equipment and Products may be rejected. If the damage is not readily apparent at the time of delivery, Supplier must permit the Equipment and Products to be returned within a reasonable time at no cost to Sourcewell or its Participating Entities. Participating Entities reserve the right to inspect the Equipment and Products at a reasonable

time after delivery where circumstances or conditions prevent effective inspection of the Equipment and Products at the time of delivery.

In the event that Equipment and Products arrive in a defective or inoperable condition, the Participating Entity must promptly bring any such condition to Supplier's attention. Supplier will then provide commercially reasonable assistance to the Participating Entity in any communication or negotiation with the Equipment and Product's manufacturer or dealer, as applicable, with respect to claims relating to such condition.

B. SALES TAX. Each Participating Entity is responsible for supplying the Supplier with valid tax-exemption certification(s). When ordering, a Participating Entity must indicate if it is a tax-exempt entity.

C. HOT LIST PRICING. At any time during this Contract, Supplier may offer a specific selection of Equipment, Products, or Services at discounts greater than those listed in the Contract. When Supplier determines it will offer Hot List Pricing, it must be submitted electronically to Sourcwell in a line-item format. Equipment, Products, or Services may be added or removed from the Hot List at any time through a Sourcwell Price and Product Change Form as defined in Article 4 below.

Hot List program and pricing may also be used to discount and liquidate close-out and discontinued Equipment and Products as long as those close-out and discontinued items are clearly identified as such. Current ordering process and administrative fees apply. Hot List Pricing must be published and made available to all Participating Entities.

4. PRODUCT AND PRICING CHANGE REQUESTS

Supplier may request Equipment, Product, or Service changes, additions, or deletions at any time. All requests must be made in writing by submitting a signed Sourcwell Price and Product Change Request Form to the assigned Sourcwell Supplier Development Administrator. This approved form is available from the assigned Sourcwell Supplier Development Administrator. At a minimum, the request must:

- Identify the applicable Sourcwell contract number;
- Clearly specify the requested change;
- Provide sufficient detail to justify the requested change;
- Individually list all Equipment, Products, or Services affected by the requested change, along with the requested change (e.g., addition, deletion, price change); and
- Include a complete restatement of pricing documentation in Microsoft Excel with the effective date of the modified pricing, or product addition or deletion. The new pricing restatement must include all Equipment, Products, and Services offered, even for those items where pricing remains unchanged.

A fully executed Sourcewell Price and Product Change Request Form will become an amendment to this Contract and will be incorporated by reference.

5. PARTICIPATION, CONTRACT ACCESS, AND PARTICIPATING ENTITY REQUIREMENTS

A. PARTICIPATION. Sourcewell's cooperative contracts are available and open to public and nonprofit entities across the United States and Canada; such as federal, state/province, municipal, K-12 and higher education, tribal government, and other public entities.

The benefits of this Contract should be available to all Participating Entities that can legally access the Equipment, Products, or Services under this Contract. A Participating Entity's authority to access this Contract is determined through its cooperative purchasing, interlocal, or joint powers laws. Any entity accessing benefits of this Contract will be considered a Service Member of Sourcewell during such time of access. Supplier understands that a Participating Entity's use of this Contract is at the Participating Entity's sole convenience and Participating Entities reserve the right to obtain like Equipment, Products, or Services from any other source.

Supplier is responsible for familiarizing its sales and service forces with Sourcewell contract use eligibility requirements and documentation and will encourage potential participating entities to join Sourcewell. Sourcewell reserves the right to add and remove Participating Entities to its roster during the term of this Contract.

B. PUBLIC FACILITIES. Supplier's employees may be required to perform work at government-owned facilities, including schools. Supplier's employees and agents must conduct themselves in a professional manner while on the premises, and in accordance with Participating Entity policies and procedures, and all applicable laws.

6. PARTICIPATING ENTITY USE AND PURCHASING

A. ORDERS AND PAYMENT. To access the contracted Equipment, Products, or Services under this Contract, a Participating Entity must clearly indicate to Supplier that it intends to access this Contract; however, order flow and procedure will be developed jointly between Sourcewell and Supplier. Typically, a Participating Entity will issue an order directly to Supplier or its authorized subsidiary, distributor, dealer, or reseller. If a Participating Entity issues a purchase order, it may use its own forms, but the purchase order should clearly note the applicable Sourcewell contract number. All Participating Entity orders under this Contract must be issued prior to expiration or cancellation of this Contract; however, Supplier performance, Participating Entity payment obligations, and any applicable warranty periods or other Supplier or Participating Entity obligations may extend beyond the term of this Contract.

Supplier's acceptable forms of payment are included in its attached Proposal. Participating Entities will be solely responsible for payment and Sourcewell will have no liability for any unpaid invoice of any Participating Entity.

B. **ADDITIONAL TERMS AND CONDITIONS/PARTICIPATING ADDENDUM.** Additional terms and conditions to a purchase order, or other required transaction documentation, may be negotiated between a Participating Entity and Supplier, such as job or industry-specific requirements, legal requirements (e.g., affirmative action or immigration status requirements), or specific local policy requirements. Some Participating Entities may require the use of a Participating Addendum; the terms of which will be negotiated directly between the Participating Entity and the Supplier. Any negotiated additional terms and conditions must never be less favorable to the Participating Entity than what is contained in this Contract.

C. **SPECIALIZED SERVICE REQUIREMENTS.** In the event that the Participating Entity requires service or specialized performance requirements not addressed in this Contract (such as e-commerce specifications, specialized delivery requirements, or other specifications and requirements), the Participating Entity and the Supplier may enter into a separate, standalone agreement, apart from this Contract. Sourcewell, including its agents and employees, will not be made a party to a claim for breach of such agreement.

D. **TERMINATION OF ORDERS.** Participating Entities may terminate an order prior to the applicable Equipment and Product manufacturer or dealer deadline, in whole or in part, immediately upon notice to Supplier in the event of any of the following:

1. The Participating Entity fails to receive funding or appropriation from its governing body at levels sufficient to pay for the equipment, products, or services to be purchased; or
2. Federal, state, or provincial laws or regulations prohibit the purchase or change the Participating Entity's requirements.

Any termination thereafter will be governed by the terms and conditions of Supplier's affiliates' Master Lease Agreement.

E. **GOVERNING LAW AND VENUE.** The governing law and venue for any action related to a Participating Entity's order will be determined by the Participating Entity making the purchase.

7. CUSTOMER SERVICE

A. **PRIMARY ACCOUNT REPRESENTATIVE.** Supplier will assign an Account Representative to Sourcewell for this Contract and must provide prompt notice to Sourcewell if that person is changed. The Account Representative will be responsible for:

- Maintenance and management of this Contract;

- Timely response to all Sourcewell and Participating Entity inquiries; and
- Business reviews to Sourcewell and Participating Entities, if applicable.

B. BUSINESS REVIEWS. Supplier must perform a minimum of one business review with Sourcewell per contract year. The business review will cover sales to Participating Entities, pricing and contract terms, administrative fees, sales data reports, supply issues, customer issues, and any other necessary information.

8. REPORT ON CONTRACT SALES ACTIVITY AND ADMINISTRATIVE FEE PAYMENT

A. CONTRACT SALES ACTIVITY REPORT. Each calendar quarter, Supplier must provide a contract sales activity report (Report) to the Sourcewell Supplier Development Administrator assigned to this Contract. Reports are due no later than 45 days after the end of each calendar quarter. A Report must be provided regardless of the number or amount of sales during that quarter (i.e., if there are no sales, Supplier must submit a report indicating no sales were made).

The Report must contain the following fields:

- Participating Entity Name (e.g., City of Staples Highway Department);
- Participating Entity Physical Street Address;
- Participating Entity City;
- Participating Entity State/Province;
- Participating Entity Zip/Postal Code;
- Participating Entity Contact Name;
- Participating Entity Contact Email Address;
- Participating Entity Contact Telephone Number;
- Sourcewell Assigned Entity/Participating Entity Number;
- Item Purchased Description;
- Item Purchased Price;
- Sourcewell Administrative Fee Applied; and
- Date Purchase was invoiced/sale was recognized as revenue by Supplier.

B. ADMINISTRATIVE FEE. In consideration for the support and services provided by Sourcewell, the Supplier will pay an administrative fee to Sourcewell on all Equipment, Products, and Services provided to Participating Entities. The Administrative Fee must be included in, and not added to, the pricing. Supplier may not charge Participating Entities more than the contracted price to offset the Administrative Fee.

The Supplier will submit payment to Sourcewell for the percentage of administrative fee stated in the Proposal multiplied by the total sales of all Equipment, Products, and Services purchased by Participating Entities under this Contract during each calendar quarter. Payments should

note the Supplier's name and Sourcewell-assigned contract number in the memo; and must be mailed to the address above "Attn: Accounts Receivable" or remitted electronically to Sourcewell's banking institution per Sourcewell's Finance department instructions. Payments must be received no later than 45 calendar days after the end of each calendar quarter.

Supplier agrees to cooperate with Sourcewell in auditing transactions under this Contract to ensure that the administrative fee is paid on all items purchased under this Contract.

In the event the Supplier is delinquent in any undisputed administrative fees, Sourcewell reserves the right to cancel this Contract and reject any proposal submitted by the Supplier in any subsequent solicitation. In the event this Contract is cancelled by either party prior to the Contract's expiration date, the administrative fee payment will be due no more than 30 days from the cancellation date.

9. AUTHORIZED REPRESENTATIVE

Sourcewell's Authorized Representative is its Chief Procurement Officer.

Supplier's Authorized Representative is the person named in the Supplier's Proposal. If Supplier's Authorized Representative changes at any time during this Contract, Supplier must promptly notify Sourcewell in writing.

10. AUDIT, ASSIGNMENT, AMENDMENTS, WAIVER, AND CONTRACT COMPLETE

A. **AUDIT.** Pursuant to Minnesota Statutes Section 16C.05, subdivision 5, the books, records, documents, and accounting procedures and practices relevant to this Agreement are subject to examination by Sourcewell or the Minnesota State Auditor for a minimum of six years from the end of this Contract. This clause extends to Participating Entities as it relates to business conducted by that Participating Entity under this Contract.

B. **ASSIGNMENT.** Neither party may assign or otherwise transfer its rights or obligations under this Contract without the prior written consent of the other party and a fully executed assignment agreement. Such consent will not be unreasonably withheld. Any prohibited assignment will be invalid.

C. **AMENDMENTS.** Any amendment to this Contract must be in writing and will not be effective until it has been duly executed by the parties.

D. **WAIVER.** Failure by either party to take action or assert any right under this Contract will not be deemed a waiver of such right in the event of the continuation or repetition of the circumstances giving rise to such right. Any such waiver must be in writing and signed by the parties.

E. **CONTRACT COMPLETE.** This Contract, with respect to the subject matter hereof, represents the complete agreement between the parties. No other understanding regarding this Contract, whether written or oral, may be used to bind either party. For any conflict between the attached Proposal and the terms set out in Articles 1-22 of this Contract, the terms of Articles 1-22 will govern.

F. **RELATIONSHIP OF THE PARTIES.** The relationship of the parties is one of independent contractors, each free to exercise judgment and discretion with regard to the conduct of their respective businesses. This Contract does not create a partnership, joint venture, or any other relationship such as master-servant, or principal-agent.

11. INDEMNITY AND HOLD HARMLESS

Supplier must indemnify, defend, save, and hold Sourcewell, including their agents and employees, harmless from any third-party claims or causes of action, including attorneys' fees incurred by Sourcewell, arising out of any act or omission in the performance of this Contract by the Supplier or its agents or employees. Sourcewell's responsibility will be governed by the State of Minnesota's Tort Liability Act (Minnesota Statutes Chapter 466) and other applicable law.

Indemnity obligations between Supplier and any Participating Entity, if any, will be as set forth in the applicable Supplier's affiliates' Master Lease Agreement.

12. GOVERNMENT DATA PRACTICES

Supplier and Sourcewell must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by or provided to Sourcewell under this Contract and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Supplier under this Contract.

13. INTELLECTUAL PROPERTY, PUBLICITY, MARKETING, AND ENDORSEMENT

A. INTELLECTUAL PROPERTY

1. *Grant of License.* During the term of this Contract:

- a. Sourcewell grants to Supplier a royalty-free, worldwide, non-exclusive right and license to use the trademark(s) provided to Supplier by Sourcewell in advertising and promotional materials for the purpose of marketing Sourcewell's relationship with Supplier.
- b. Supplier grants to Sourcewell a royalty-free, worldwide, non-exclusive right and license to use Supplier's trademarks in advertising and promotional materials for the purpose of marketing Supplier's relationship with Sourcewell.

2. *Limited Right of Sublicense.* The right and license granted herein includes a limited right of each party to grant sublicenses to their respective subsidiaries, distributors, dealers,

resellers, marketing representatives, and agents (collectively "Permitted Sublicensees") in advertising and promotional materials for the purpose of marketing the Parties' relationship to Participating Entities. Any sublicense granted will be subject to the terms and conditions of this Article. Each party will be responsible for any breach of this Article by any of their respective sublicensees.

3. *Use; Quality Control.*

- a. Neither party may alter the other party's trademarks from the form provided and must comply with removal requests as to specific uses of its trademarks or logos.
- b. Each party agrees to use, and to cause its Permitted Sublicensees to use, the other party's trademarks only in good faith and in a dignified manner consistent with such party's use of the trademarks. Upon written notice to the breaching party, the breaching party has 30 days of the date of the written notice to cure the breach or the license will be terminated.

4. As applicable, Supplier agrees to indemnify and hold harmless Sourcewell and its Participating Entities against any and all suits, claims, judgments, and costs instituted or recovered against Sourcewell or Participating Entities by any person on account of the use of any Equipment or Products by Sourcewell or its Participating Entities supplied by Supplier in violation of applicable patent or copyright laws.

5. **Termination.** Upon the termination of this Contract for any reason, each party, including Permitted Sublicensees, will have 30 days to remove all Trademarks from signage, websites, and the like bearing the other party's name or logo (excepting Sourcewell's pre-printed catalog of suppliers which may be used until the next printing). Supplier must return all marketing and promotional materials, including signage, provided by Sourcewell, or dispose of it according to Sourcewell's written directions.

B. **PUBLICITY.** Any publicity regarding the subject matter of this Contract must not be released without prior written approval from the Authorized Representatives. Publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Supplier individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this Contract.

C. **MARKETING.** Any direct advertising, marketing, or offers with Participating Entities must be approved by Sourcewell. Send all approval requests to the Sourcewell Supplier Development Administrator assigned to this Contract.

D. **ENDORSEMENT.** The Supplier must not claim that Sourcewell endorses its Equipment, Products, or Services.

14. GOVERNING LAW, JURISDICTION, AND VENUE

The substantive and procedural laws of the State of Minnesota will govern this Contract. Venue for all legal proceedings arising out of this Contract, or its breach, must be in the appropriate state court in Todd County, Minnesota or federal court in Fergus Falls, Minnesota.

15. FORCE MAJEURE

Neither party to this Contract will be held responsible for delay or default caused by acts of God or other conditions that are beyond that party's reasonable control. A party defaulting under this provision must provide the other party prompt written notice of the default.

16. SEVERABILITY

If any provision of this Contract is found by a court of competent jurisdiction to be illegal, unenforceable, or void then both parties will be relieved from all obligations arising from that provision. If the remainder of this Contract is capable of being performed, it will not be affected by such determination or finding and must be fully performed.

17. PERFORMANCE, DEFAULT, AND REMEDIES

A. **PERFORMANCE.** During the term of this Contract, the parties will monitor performance and address unresolved contract issues as follows:

1. *Notification.* The parties must promptly notify each other of any known dispute and work in good faith to resolve such dispute within a reasonable period of time. If necessary, Sourcewell and the Supplier will jointly develop a short briefing document that describes the issue(s), relevant impact, and positions of both parties.
2. *Escalation.* If parties are unable to resolve the issue in a timely manner, as specified above, either Sourcewell or Supplier may escalate the resolution of the issue to a higher level of management. The Supplier will have 30 calendar days to cure an outstanding issue.
3. *Performance while Dispute is Pending.* Notwithstanding the existence of a dispute, the Supplier must continue without delay to carry out all of its responsibilities under the Contract that are not affected by the dispute.

B. **DEFAULT AND REMEDIES.** Either of the following constitutes cause to declare this Contract, or any Participating Entity order under this Contract, in default:

1. Nonperformance of contractual requirements, or
2. A material breach of any term or condition of this Contract.

The party claiming default must provide written notice of the default, with 30 calendar days to cure the default. Time allowed for cure will not diminish or eliminate any liability for liquidated

or other damages. If the default remains after the opportunity for cure, the non-defaulting party may:

- Exercise any remedy provided by law or equity, or
- Terminate the Contract or any portion thereof, including any orders issued against the Contract.

18. INSURANCE

A. **REQUIREMENTS.** At its own expense, Supplier must maintain insurance policy(ies) in effect at all times during the performance of this Contract with insurance company(ies) licensed or authorized to do business in the State of Minnesota having an "AM BEST" rating of A- or better, with coverage and limits of insurance not less than the following:

1. *Workers' Compensation and Employer's Liability.*

Workers' Compensation: As required by any applicable law or regulation.

Employer's Liability Insurance: must be provided in amounts not less than listed below:

Minimum limits:

\$500,000 each accident for bodily injury by accident

\$500,000 policy limit for bodily injury by disease

\$500,000 each employee for bodily injury by disease

2. *Commercial General Liability Insurance.* Supplier will maintain insurance covering its operations, with coverage on an occurrence basis, and must be subject to terms no less broad than the Insurance Services Office ("ISO") Commercial General Liability Form CG0001 (2001 or newer edition), or equivalent. At a minimum, coverage must include liability arising from premises, operations, bodily injury and property damage, independent contractors, products-completed operations including construction defect, contractual liability, blanket contractual liability, and personal injury and advertising injury. All required limits, terms and conditions of coverage must be maintained during the term of this Contract.

Minimum Limits:

\$1,000,000 each occurrence Bodily Injury and Property Damage

\$1,000,000 Personal and Advertising Injury

\$2,000,000 aggregate for Products-Completed operations

\$2,000,000 general aggregate

3. *Commercial Automobile Liability Insurance.* During the term of this Contract, Supplier will maintain insurance covering all owned, hired, and non-owned automobiles in limits of liability not less than indicated below. The coverage must be subject to terms no less broad than ISO Business Auto Coverage Form CA 0001 (2010 edition or newer), or equivalent.

Minimum Limits:

\$1,000,000 each accident, combined single limit

4. *Umbrella Insurance*. During the term of this Contract, Supplier will maintain umbrella coverage over Employer's Liability, Commercial General Liability, and Commercial Automobile.

Minimum Limits:

\$2,000,000

5. *Network Security and Privacy Liability Insurance*. During the term of this Contract, Supplier will maintain coverage for network security and privacy liability. The coverage may be endorsed on another form of liability coverage or written on a standalone policy. The insurance must cover claims which may arise from failure of Supplier's security resulting in, but not limited to, computer attacks, unauthorized access, disclosure of not public data – including but not limited to, confidential or private information, transmission of a computer virus, or denial of service.

Minimum limits:

\$2,000,000 per occurrence

\$2,000,000 annual aggregate

Failure of Supplier to maintain the required insurance will constitute a material breach entitling Sourcewell to immediately terminate this Contract for default.

B. CERTIFICATES OF INSURANCE. Prior to commencing under this Contract, Supplier must furnish to Sourcewell a certificate of insurance, as evidence of the insurance required under this Contract. Prior to expiration of the policy(ies), renewal certificates must be mailed to Sourcewell, 202 12th Street Northeast, P.O. Box 219, Staples, MN 56479 or sent to the Sourcewell Supplier Development Administrator assigned to this Contract. The certificates must be signed by a person authorized by the insurer(s) to bind coverage on their behalf.

Failure to request certificates of insurance by Sourcewell, or failure of Supplier to provide certificates of insurance, in no way limits or relieves Supplier of its duties and responsibilities in this Contract.

C. ADDITIONAL INSURED ENDORSEMENT AND PRIMARY AND NON-CONTRIBUTORY INSURANCE CLAUSE. Supplier agrees to list Sourcewell and its Participating Entities, including their officers, agents, and employees, as an additional insured under the Supplier's commercial general liability insurance policy with respect to liability arising out of activities, "operations," or "work" performed by or on behalf of Supplier, and products and completed operations of Supplier. The policy provision(s) or endorsement(s) must further provide that coverage is primary and not excess over or contributory with any other valid, applicable, and collectible insurance or self-insurance in force for the additional insureds.

D. **WAIVER OF SUBROGATION.** Supplier waives and must require (by endorsement or otherwise) all its insurers to waive subrogation rights against Sourcewell and other additional insureds for losses paid under the insurance policies required by this Contract or other insurance applicable to the Supplier or its subcontractors. The waiver must apply to all deductibles and/or self-insured retentions applicable to the required or any other insurance maintained by the Supplier or its subcontractors. Where permitted by law, Supplier must require similar written express waivers of subrogation and insurance clauses from each of its subcontractors.

E. **UMBRELLA/EXCESS LIABILITY/SELF-INSURED RETENTION.** The limits required by this Contract can be met by either providing a primary policy or in combination with umbrella/excess liability policy(ies), or self-insured retention.

19. COMPLIANCE

A. **LAWS AND REGULATIONS.** All Equipment, Products, or Services provided under this Contract must comply fully with applicable federal laws and regulations, and with the laws in the states and provinces in which the Equipment, Products, or Services are sold.

B. **LICENSES.** Supplier must maintain a valid and current status on all required federal, state/provincial, and local licenses, bonds, and permits required for the operation of the business that the Supplier conducts with Sourcewell and Participating Entities.

20. BANKRUPTCY, DEBARMENT, OR SUSPENSION CERTIFICATION

Supplier certifies and warrants that it is not in bankruptcy or that it has previously disclosed in writing certain information to Sourcewell related to bankruptcy actions. If at any time during this Contract Supplier declares bankruptcy, Supplier must immediately notify Sourcewell in writing.

Supplier certifies and warrants that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Supplier certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this Contract. Supplier further warrants that it will provide immediate written notice to Sourcewell if this certification changes at any time.

21. PROVISIONS FOR NON-UNITED STATES FEDERAL ENTITY PROCUREMENTS UNDER UNITED STATES FEDERAL AWARDS OR OTHER AWARDS

Participating Entities that use United States federal grant or FEMA funds to purchase goods or services from this Contract may be subject to additional requirements including the

procurement standards of the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, 2 C.F.R. § 200. Participating Entities may have additional requirements based on specific funding source terms or conditions. Within this Article, all references to “federal” should be interpreted to mean the United States federal government. The following list only applies when a Participating Entity accesses Supplier’s Equipment, Products, or Services with United States federal funds.

A. **EQUAL EMPLOYMENT OPPORTUNITY.** Except as otherwise provided under 41 C.F.R. § 60, all contracts that meet the definition of “federally assisted construction contract” in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. §60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 C.F.R. §, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 C.F.R. § 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.” The equal opportunity clause is incorporated herein by reference.

B. **DAVIS-BACON ACT, AS AMENDED (40 U.S.C. § 3141-3148).** Intentionally omitted.

C. **CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. § 3701-3708).** Intentionally omitted.

D. **RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT.** Intentionally omitted.

E. **CLEAN AIR ACT (42 U.S.C. § 7401-7671Q.) AND THE FEDERAL WATER POLLUTION CONTROL ACT (33 U.S.C. § 1251-1387).** Intentionally omitted.

F. **DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689).** A contract award (see 2 C.F.R. § 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. §180 that implement Executive Orders 12549 (3 C.F.R. § 1986 Comp., p. 189) and 12689 (3 C.F.R. § 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. Supplier certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

G. **BYRD ANTI-LOBBYING AMENDMENT, AS AMENDED (31 U.S.C. § 1352).** Suppliers must file any required certifications. Suppliers must not have used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award

covered by 31 U.S.C. § 1352. Suppliers must disclose any lobbying with non-federal funds that takes place in connection with obtaining any federal award. Such disclosures are forwarded from tier to tier up to the non-federal award. Suppliers must file all certifications and disclosures required by, and otherwise comply with, the Byrd Anti-Lobbying Amendment (31 U.S.C. § 1352).

H. RECORD RETENTION REQUIREMENTS. To the extent applicable, Supplier must comply with the record retention requirements detailed in 2 C.F.R. § 200.333. The Supplier further certifies that it will retain all records as required by 2 C.F.R. § 200.333 for a period of 3 years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

I. ENERGY POLICY AND CONSERVATION ACT COMPLIANCE. Intentionally omitted.

J. BUY AMERICAN PROVISIONS COMPLIANCE. Intentionally omitted.

K. ACCESS TO RECORDS (2 C.F.R. § 200.336). Supplier agrees that duly authorized representatives of a federal agency must have access to any books, documents, papers and records of Supplier that are directly pertinent to Supplier's discharge of its obligations under this Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Supplier's personnel for the purpose of interview and discussion relating to such documents.

L. PROCUREMENT OF RECOVERED MATERIALS (2 C.F.R. § 200.322). Intentionally omitted.

M. FEDERAL SEAL(S), LOGOS, AND FLAGS. The Supplier not use the seal(s), logos, crests, or reproductions of flags or likenesses of Federal agency officials without specific pre-approval.

N. NO OBLIGATION BY FEDERAL GOVERNMENT. The U.S. federal government is not a party to this Contract or any purchase by an Participating Entity and is not subject to any obligations or liabilities to the Participating Entity, Supplier, or any other party pertaining to any matter resulting from the Contract or any purchase by an authorized user.

O. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS. The Contractor acknowledges that 31 U.S.C. 38 (Administrative Remedies for False Claims and Statements) applies to the Supplier's actions pertaining to this Contract or any purchase by a Participating Entity.

P. FEDERAL DEBT. The Supplier certifies that it is non-delinquent in its repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowance, and benefit overpayments.

Q. CONFLICTS OF INTEREST. The Supplier must notify the U.S. Office of General Services, Sourcewell, and Participating Entity as soon as possible if this Contract or any aspect related to the anticipated work under this Contract raises an actual or potential conflict of interest (as described in 2 C.F.R. Part 200). The Supplier must explain the actual or potential conflict in writing in sufficient detail so that the U.S. Office of General Services, Sourcewell, and Participating Entity are able to assess the actual or potential conflict; and provide any additional information as necessary or requested.

R. U.S. EXECUTIVE ORDER 13224. The Supplier, and its subcontractors, must comply with U.S. Executive Order 13224 and U.S. Laws that prohibit transactions with and provision of resources and support to individuals and organizations associated with terrorism.

S. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT. Intentionally omitted.

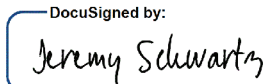
T. DOMESTIC PREFERENCES FOR PROCUREMENTS. To the extent applicable, Supplier certifies that during the term of this Contract will comply with applicable requirements of 2 C.F.R. § 200.322.

22. CANCELLATION

Sourcewell or Supplier may cancel this Contract at any time, with or without cause, upon 60 days' written notice to the other party. However, Sourcewell may cancel this Contract immediately upon discovery of a material defect in any certification made in Supplier's Proposal. Cancellation of this Contract does not relieve either party of financial, product, or service obligations incurred or accrued prior to cancellation.

Sourcewell

Enterprise Fleet Management, Inc.

DocuSigned by:

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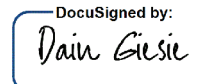
By: _____

Jeremy Schwartz

Title: Chief Procurement Officer

5/4/2022 | 9:11 AM CDT

Date: _____

DocuSigned by:

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By: _____

Dain Giesie

Title: Vice President

5/4/2022 | 2:58 PM CDT

Date: _____

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Approved:

DocuSigned by:

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By: _____

Chad Coauette

Title: Executive Director/CEO

5/4/2022 | 3:23 PM CDT

Date: _____

RFP 030122 - Fleet Management Services

Vendor Details

Company Name: Enterprise Fleet Management, Inc.

Does your company conduct business under any other name? If yes, please state: MO

Address: 600 Corporate Park Dr.
St. Louis, MO 63050

Contact: Dain Giesie

Email: Dain.E.Giesie@efleets.com

Phone: 314-274-5428

Fax: 314-274-5428

HST#: 43-1697807

Submission Details

Created On: Tuesday February 01, 2022 10:13:18

Submitted On: Tuesday March 01, 2022 16:13:51

Submitted By: Dain Giesie

Email: Dain.E.Giesie@efleets.com

Transaction #: 53316618-72bf-4ca3-ad36-3ffb0fdf4609

Submitter's IP Address: 4.30.165.86

Specifications

Table 1: Proposer Identity & Authorized Representatives

General Instructions (applies to all Tables) Sourcewell prefers a brief but thorough response to each question. Do not merely attach additional documents to your response without also providing a substantive response. Do not leave answers blank; respond "N/A" if the question does not apply to you (preferably with an explanation).

Line Item	Question	Response *	
1	Proposer Legal Name (one legal entity only): (In the event of award, will execute the resulting contract as "Supplier")	Enterprise Fleet Management, Inc.	*
2	Identify all subsidiary entities of the Proposer whose equipment, products, or services are included in the Proposal.	N/A	*
3	Identify all applicable assumed names or DBA names of the Proposer or Proposer's subsidiaries in Line 1 or Line 2 above.	Enterprise Fleet Management	*
4	Provide your CAGE code or DUNS number:	08-001-5860	*
5	Proposer Physical Address:	600 Corporate Park Drive, St. Louis, MO 63105	*
6	Proposer website address (or addresses):	efleets.com	*
7	Proposer's Authorized Representative (name, title, address, email address & phone) (The representative must have authority to sign the "Proposer's Assurance of Compliance" on behalf of the Proposer and, in the event of award, will be expected to execute the resulting contract):	Dain Giesie, Assistant Vice President, Dain.E.Giesie@efleets.com, 314-274-5428	*
8	Proposer's primary contact for this proposal (name, title, address, email address & phone):	Dain Giesie, Assistant Vice President, Dain.E.Giesie@efleets.com, 314-274-5428	*
9	Proposer's other contacts for this proposal, if any (name, title, address, email address & phone):	Michelle Rojas, Business Analyst, michelle.m.rojas@efleets.com, 314-274-4556	

Table 2: Company Information and Financial Strength

Line Item	Question	Response *	
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10	Provide a brief history of your company, including your company's core values, business philosophy, and industry longevity related to the requested equipment, products or services.	Background and History In 1957, with seven cars and a hunch that customers would embrace the novel concept of leasing automobiles, Jack Taylor founded Executive Leasing Company, what is today known as Enterprise Rent-A-Car. Twelve years later, Enterprise began expanding outside of St. Louis. In 1992, Enterprise surpassed \$1 billion in annual revenue and had nearly 10,000 employees in its work force. Enterprise's leasing division became known as Enterprise Fleet Management, serving businesses with small- to mid-sized fleets. In August 2007, the Taylor family acquired the National Car Rental and Alamo Rent A Car businesses. Two years later our operating company adopted the name Enterprise Holdings. Today, with 75,000 employees, 1.85 million vehicles, and annual revenue of \$23.9 billion, Enterprise Fleet Management and Enterprise Holdings combine to form one of the largest transportation service providers in the world. Using the expertise that comes from managing such a large worldwide fleet, Enterprise Fleet Management has grown into one of the largest fleet management companies in the nation. We specialize in partnering with companies to develop customized fleet programs which are proven to drive down costs and streamline the processes. Founding Values Our founding values are a simple yet powerful set of beliefs that drives us and are how we hold ourselves accountable every day. Over the years we have formalized the values into a set of guiding principles that every employee can understand and embrace: Our brands are the most valuable things we own. Personal honesty and integrity are the foundation of our success. Customer service is our way of life. Our company is a fun and friendly place, where teamwork rules. We work hard...and we reward hard work. Great things happen when we listen...to our customers and to each other. We strengthen our communities, one neighborhood at a time. Our doors are open. Business Philosophy Our goal is to create lifelong relationships with all our Enterprise customers and to exceed expectations through superior customer service. Our founding values are one of the many ways in which we remind ourselves to put our customers' needs first. The result has been millions of satisfied Enterprise customers, thousands of successful employees, and a company that continues to grow.	*
11	What are your company's expectations in the event of an award?	Our goal as a fleet management company is to work with our clients to develop a long-term, sustainable fleet program that will lower their total cost of ownership. We accomplish this through our localized, hands-on approach to account management, industry-leading products and services, technology, and 65 years of experience managing vehicles. As the awarded vendor, Enterprise Fleet Management will work directly with your member agencies to proactively create, implement and manage a cost-effective total transportation solution. It would be Enterprise's expectation that Sourcewell and its employees work in conjunction with Enterprise's local teams to identify optimal strategies on ways to best serve the members.	*
12	Demonstrate your financial strength and stability with meaningful data. This could include such items as financial statements, SEC filings, credit and bond ratings, letters of credit, and detailed reference letters. Upload supporting documents (as applicable) in the document upload section of your response.	Ranked on the Forbes America's Largest Private Companies list, Enterprise Fleet Management, together with our affiliate Enterprise Holdings, is unparalleled in size, strength and stability. As a privately held company, it is not our practice to publicly distribute consolidated financial information. However, our conservative and disciplined long-term approach to managing our business has earned us, by far, the strongest balance sheet in our industry. Standard and Poor's Rating Services recently upgraded Enterprise Fleet Management Inc.'s corporate credit rating to BBB+ from BBB. This reflects the financial strength of our company and our long-term approach to our business.	*
13	What is your US market share for the solutions that you are proposing?	Recently, Enterprise Fleet Management was ranked the largest fleet management provider in the United State, according to Automotive Fleet's 2021 Fact Book. We have been operating in the industry for decades. This stability has enabled us to pursue consistently conservative growth and residual value targets, while limiting operational and credit risk. Enterprise's positive outlook reflects our expectations that the company will maintain its industry-leading position in the automotive fleet leasing industry.	*

14	What is your Canadian market share for the solutions that you are proposing?	Currently, Enterprise manages 5,000 leased units, 10,000 non-leased units and over 80,000 rentals across Canada. Enterprise has about 1 percent of the fleet management and leasing market and over 50 percent of the rental market. Enterprise Fleet Management is currently growing at 18.6 percent annually in Canada and over 200 percent in Western Canada.	*
15	Has your business ever petitioned for bankruptcy protection? If so, explain in detail.	No.	*
16	How is your organization best described: is it a manufacturer, a distributor/dealer/reseller, or a service provider? Answer whichever question (either a) or b) just below) best applies to your organization. a) If your company is best described as a distributor/dealer/reseller (or similar entity), provide your written authorization to act as a distributor/dealer/reseller for the manufacturer of the products proposed in this RFP. If applicable, is your dealer network independent or company owned? b) If your company is best described as a manufacturer or service provider, describe your relationship with your sales and service force and with your dealer network in delivering the products and services proposed in this RFP. Are these individuals your employees, or the employees of a third party?	Service provider	*
17	If applicable, provide a detailed explanation outlining the licenses and certifications that are both required to be held, and actually held, by your organization (including third parties and subcontractors that you use) in pursuit of the business contemplated by this RFP.	- o Alberta Corporate License number: 2116040300 - o Saskatchewan Corporate License number: 101184133 - o Manitoba Corporate License number: 6262881 - o GST number: 82540 4205 RT0001: - o Saskatchewan PST number: 2476059 - o Manitoba PST number: 82540 4205 MC0001	*
18	Provide all "Suspension or Debarment" information that has applied to your organization during the past ten years.	N/A	*

Table 3: Industry Recognition & Marketplace Success

Line Item	Question	Response *	
19	Describe any relevant industry awards or recognition that your company has received in the past five years	Enterprise Fleet Management has a distinguished history of receiving awards and accolades. A selection of major honors received in recent years is included below and can also be found on our website. Blue Seal of Excellence from the National Institute for Automotive Service Excellence (ASE) (1997-2020 – 24 years straight) Silver Stevie Award, Innovation in Sales from the Stevie Awards for Sales & Customer Service (2020) Silver Stevie Award, Best Use of Technology in Sales from the Stevie Awards for Sales & Customer Service (2020) Bronze Stevie Award, Innovation in Customer Service from the Stevie Awards for Sales & Customer Service (2020) Bronze Stevie Award, Best Use of Technology in Customer Service from the Stevie Awards for Sales & Customer Service (2020)	*
20	What percentage of your sales are to the governmental sector in the past three years	Enterprise Fleet Management is a privately owned family run business and does not release specific performance numbers to the public. Owned by the Taylor family of St Louis since 1957, Enterprise Fleet Management operates a network of more than 50 fully staffed offices, which manages a fleet of more than 710,00 vehicles in the U.S and Canada. Enterprise Fleet Management provides services to hundreds of public and private schools, colleges, universities, cities, counties, and other government entities nationwide to manage tens of thousands of government vehicles. There have been no clients that have terminated a contract for non-performance.	*
21	What percentage of your sales are to the education sector in the past three years	Enterprise Fleet Management is a privately owned family run business and does not release specific performance numbers to the public. Owned by the Taylor family of St Louis since 1957, Enterprise Fleet Management operates a network of more than 50 fully staffed offices, which manages a fleet of more than 710,00 vehicles in the U.S and Canada. Enterprise Fleet Management provides services to hundreds of public and private schools, colleges, universities, cities, counties, and other government entities nationwide to manage tens of thousands of government vehicles. There have been no clients that have terminated a contract for non-performance.	*
22	List any state, provincial, or cooperative purchasing contracts that you hold. What is the annual sales volume for each of these contracts over the past three years?	Enterprise Fleet Management partners with Sourcewell, TIPS, and E&I for cooperative purchasing. As a privately held company we do not release specific performance numbers to the public. Enterprise Fleet Management provides services through the use of purchasing co-ops to all public and private schools, colleges, universities, cities, counties, and other government entities.	*
23	List any GSA contracts or Standing Offers and Supply Arrangements (SOSA) that you hold. What is the annual sales volume for each of these contracts over the past three years?	Enterprise Fleet Management, Inc. does not hold any contracts directly with the GSA.	*

Table 4: References/Testimonials

Line Item 24. Supply reference information from three customers who are eligible to be Sourcewell participating entities.

Entity Name *	Contact Name *	Phone Number *	
Kenosha Unified School District	Dan Aiello, Grounds and Vehicle Repair	(262) 359-7541	*
City of Ruston	Michelle Colvin, Purchasing Agent	(318) 251-8631	*
Kings Mosquito Abatement District	Michael Cavanagh, General Manager	(559) 584-3326	*

Table 5: Top Five Government or Education Customers

Line Item 25. Provide a list of your top five government, education, or non-profit customers (entity name is optional), including entity type, the state or province the entity is located in, scope of the project(s), size of transaction(s), and dollar volumes from the past three years.

Entity Name	Entity Type *	State / Province *	Scope of Work *	Size of Transactions *	Dollar Volume Past Three Years *	
Village Center Community Development District	Education	Florida - FL	Fleet Management Services for 101 vehicles.	213 vehicles delivered	\$1,903,139	*
City of Roswell, Georgia	Government	Georgia - GA	Fleet Management Services for 280 vehicles including Accident Management.	117 vehicles delivered	\$2,871,939	*
City of Rockville	Government	Maryland - MD	Fleet Management Services for 189 vehicles	74 vehicles delivered	\$2,334,939	*
City of Murrieta	Government	California - CA	Fleet Management Services for 44 vehicles including full maintenance and maintenance management	73 vehicles delivered	\$2,698,024	*
City of Newton	Government	Maine - ME	Fleet Management Services for 68 vehicles	61 vehicles delivered	\$1,350,606	*

Table 6: Ability to Sell and Deliver Service

Describe your company’s capability to meet the needs of Sourcwell participating entities across the US and Canada, as applicable. Your response should address in detail at least the following areas: locations of your network of sales and service providers, the number of workers (full-time equivalents) involved in each sector, whether these workers are your direct employees (or employees of a third party), and any overlap between the sales and service functions.

Line Item	Question	Response *
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26	Sales force.	Enterprise Fleet Management has experienced leadership at both the corporate and local level. This allows our regional group offices to make decisions at the local level to meet their customers' needs, while providing overall support, infrastructure and centralized services from our corporate teams. Each of our more than 50 Enterprise Fleet Management offices are staffed with more than 500 sales professionals to handle all areas of our customers' fleet programs, including sales. Key positions within the local teams include: Fleet Management Director • The director of the local leadership team who can assist in resolving escalated customer service needs regarding the Sourcewell's fleet management services. Fleet Strategy Manager • Works with Client Strategy Manager to maximize resale/disposal of fleet vehicles • Works with wholesalers nationwide to sell vehicles in an average of 23 days Finance Manager • A member of the local leadership team who can assist in resolving escalated customer service needs regarding the financing of Sourcewell's fleet. Account Executive • Designs, reviews and implements fleet management programs • Supports the Client Strategy Manager in handling Sourcewell's ongoing fleet needs Area Sales Manager • Provides a managerial oversight to the Account Executive and Client Strategy Manager and can provide additional support to Sourcewell as needed Client Strategy Manager • Implements fleet management programs specifically designed for Sourcewell • Reviews Sourcewell's Fleet Profile on a regular basis • Proactively forecasts vehicle replacement needs • Secondary point of contact for fleet related matters Account Fleet Coordinator • Primary contact for Sourcewell's fleet needs • Administers all day-to-day fleet-related matters • Works with Client Strategy Manager to provide turnkey fleet management • Works directly with Sourcewell's employees on fleet issues
27	Dealer network or other distribution methods.	As the largest purchaser of vehicles in North America, Enterprise has the ability to acquire vehicles from nearly any manufacturer. We can also offer both new and used vehicles from existing inventory. Vehicle Delivery Enterprise Fleet Management has 17,000 dealers in our database through which we can arrange vehicle delivery. Unless defined otherwise, we start our search for courtesy delivery (CD) dealers with fees under \$150 and within 35 miles of the driver. We shop for the best deal for all parties and always look for volume discount opportunities. When applicable we use the same dealers continuously to ensure they understand Enterprise and our customers' expectations. We have detailed instructions letting the dealer know step-by-step what is needed for a smooth transaction, including payment. This is what we expect from our CD dealers: • Acceptance of vehicle, including inspection for damage or missing equipment. • Filing of claims and making arrangements for any necessary repairs. • Preparation of vehicle for delivery, including performing the post-delivery inspection, cleaning the vehicle, and installing any equipment. • Timely delivery of vehicle to driver, including providing excellent customer service and a demonstration of the vehicle. • Application for Title and Registration with the state and installation of license plates or temporary tags.

28	Service force.	Call Center Enterprise Fleet Management has a call center with a single toll-free number for all customer support related to vehicle maintenance, roadside assistance, and accident management. The call center is staffed exclusively by Enterprise Fleet Management associates. Our maintenance team's hours are 6 a.m. to 9 p.m. CST Monday through Friday, and 7 a.m. to 4 p.m. CST on Saturday. Our roadside team's hours are 6 a.m. to 7 p.m. Monday through Friday, and 7 a.m. to 4 p.m. on Saturday. Outside of these hours, roadside calls are routed to our partner vendors. Roadside assistance is available 24 hours a day, seven days a week. The National Service Department has a staff of approximately 240 people. We have 53 Maintenance Coordinators who handle preventative maintenance, fluid services, brakes, and tires, along with more than 110 Service Advisors who handle every type of repair — from an oil change to a transmission failure. In addition, we have approximately 39 Service Coordinators who set up tows, lockout services, jump starts, flat tire changes, and other related requests. Supplier Network Enterprise encourages the use of our more than 40,000 Preferred Partners to ensure the highest level of service and greatest value with lower downtimes. In total, Enterprise has established relationships with nearly 90,000 maintenance and repair shops nationwide, which includes dealers and National Account partners. National Account partners include: Firestone, Michelin, Pep Boys, Tire Kingdom, Jiffy Lube, Valvoline Instant Oil Change, Goodyear, Discount Tire, and Grease Monkey. Our partnerships give our customers access to a vast, nationwide network of vendors who are ready to perform routine maintenance and repairs outside of the vehicle warranties.
29	Describe the ordering process. If orders will be handled by distributors, dealers or others, explain the respective roles of the Proposer and others.	Enterprise Fleet Management has a dedicated ordering team at our corporate office in St. Louis to place factory orders for each manufacturer. We have developed system tools and a database that allow us to transmit orders from department to department electronically. Our ordering team has access to many of the manufacturer systems, ordering guides, and assigned contacts for any ordering, scheduling, and tracking questions. We track orders with the manufacturers throughout the process. Drivers can also check their vehicle status through our website or through the Enterprise mobile app. Once the vehicles arrive, your Account Fleet Coordinator will work with each driver to coordinate the most convenient method of pickup or delivery for the driver team.

30	Describe in detail the process and procedure of your customer service program, if applicable. Include your response-time capabilities and commitments, as well as any incentives that help your providers meet your stated service goals or promises.	Service Quality index (SQi) is an industry leading metric that is core to Enterprise values. Enterprise uses a Service Quality index (SQi) to measure customer satisfaction for each of our brands. ESQi enables Enterprise to link our employees' career and financial aspirations to consistent and superior service levels with every customer. ESQi is one of the many ways in which we remind ourselves to put our customers' needs first. We also use our customer satisfaction data to monitor changing industry trends, needed enhancements, and local service issues to continually improve and distinguish our service from the competition. The result has been millions of satisfied Enterprise customers, thousands of successful employees, and a company that continues to grow. Customer Service Philosophy Our goal is to create lifelong relationships with all our Enterprise customers and to exceed expectations through superior customer service. Our founding values are one of the many ways in which we remind ourselves to put our customers' needs first. The result has been millions of satisfied Enterprise customers, thousands of successful employees, and a company that continues to grow. Founding Values Our founding values are a simple yet powerful set of beliefs that drives us and are how we hold ourselves accountable every day. Over the years we have formalized the values into a set of guiding principles that every employee can understand and embrace: • Our brands are the most valuable things we own. • Personal honesty and integrity are the foundation of our success. • Customer service is our way of life. • Our company is a fun and friendly place, where teamwork rules. • We work hard...and we reward hard work. • Great things happen when we listen...to our customers and to each other. • We strengthen our communities, one neighborhood at a time. • Our doors are open.	*
31	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in the United States.	Enterprise Fleet Management has 50 offices across North America staffed by more than 500 sales professionals. These sales professionals facilitate thousands of meetings each year where they are demonstrating how Enterprise Fleet Management's programs help government organizations. As part of these demonstrations it has become engrained in each salesperson to position our Sourcewell contract as the best way to implement our fleet strategies. They are trained to recommend cooperative purchasing contracts during the sales process as a means of improving the customer experience by reducing unnecessary friction.	*
32	Describe your ability and willingness to provide your products and services to Sourcewell participating entities in Canada.	Enterprise Fleet Management is able to provide our full range of services to Sourcewell member agencies in Canada. We currently operate three teams in Canada.	*
33	Identify any geographic areas of the United States or Canada that you will NOT be fully serving through the proposed contract.	Enterprise has a unique geographical footprint with more than 50 fleet management offices and more than 4,000 rental locations that will work with members in most geographic areas in North America to provide services or find a solution that fits the needs of the member.	*
34	Identify any Sourcewell participating entity sectors (i.e., government, education, not-for-profit) that you will NOT be fully serving through the proposed contract. Explain in detail. For example, does your company have only a regional presence, or do other cooperative purchasing contracts limit your ability to promote another contract?	Enterprise Fleet Management operates a network of more than 50 fully staffed offices, which manages a fleet of more than 710,00 vehicles in the U.S and Canada. Enterprise Fleet Management provides services to nearly 2,000 public and private schools, colleges, universities, cities, counties, and other government entities nationwide.	*
35	Define any specific contract requirements or restrictions that would apply to our participating entities in Hawaii and Alaska and in US Territories.	Enterprise Fleet Management currently has lease vehicles in Hawaii, Alaska, and Puerto Rico and operate in accordance with local laws and statutes. All vehicles in Puerto Rico would have dealer stock pricing.	*

Table 7: Marketing Plan

Line Item	Question	Response *
36	Describe your marketing strategy for promoting this contract opportunity. Upload representative samples of your marketing materials (if applicable) in the document upload section of your response.	Enterprise will work with Sourcewell to develop a customized marketing strategy that leverages our existing sales teams throughout North America. Because of our company's size and infrastructure, we can also scale up to meet higher demand at a moment's notice. Some of the marketing methods will include: • A marketing banner on the Sourcewell website announcing the partnership and details • Targeting the largest members first to maximize the impact • Local sales teams will meet regularly with current and potential members • Direct-mail campaign with customized fliers featuring program information
37	Describe your use of technology and digital data (e.g., social media, metadata usage) to enhance marketing effectiveness.	Enterprise Fleet Management uses our customer website (efleets.com) to provide company information and receive online inquiries. In the past, Enterprise Fleet Management has invested in and participated in re-targeting advertising; however, this is a rare occurrence. Enterprise prefers to partner with trusted industry leaders to advertise and communicate to our niche demographic. Enterprise Fleet Management uses LinkedIn for recruiting purposes and does not presently leverage social media at a corporate level. We use Salesforce.com and the Pardot email platform to communicate with customers and prospects that have opted in to receive communications.
38	In your view, what is Sourcewell's role in promoting contracts arising out of this RFP? How will you integrate a Sourcewell-awarded contract into your sales process?	Enterprise Fleet Management has 50 fully staffed offices that are trained to recommend cooperative purchasing contracts during the sales process, we provide in depth training on how these contracts work and the benefits on utilizing them over other diligence options. Our expectation for Sourcewell would be to promote and send any leads to our management team and help answer specific questions from the governmental entity regarding utilizing the contract.
39	Are your products or services available through an e-procurement ordering process? If so, describe your e-procurement system and how governmental and educational customers have used it.	Our ordering and procurement process is customized for each individual member based on their needs. Our dedicated account teams will meet with each individual member to determine what products and services are needed to create a menu price of vehicles that the member can utilize for ordering. After the selections are made, the member will receive a quote for each vehicle to be approved by the authorized signer.

Table 8: Value-Added Attributes

Line Item	Question	Response *
40	Describe any product, equipment, maintenance, or operator training programs that you offer to Sourcewell participating entities. Include details, such as whether training is standard or optional, who provides training, and any costs that apply.	Your account team will manage, provide and host all driver training and implementation services, including webinars, conference calls, printed materials, online videos, etc. We can provide a wide range of resources and efficient ways to implement these programs to ensure a great foundation for a long-term partnership. This local team will take complete ownership of these processes and take on all aspects of managing the transition and training. We will review all of the options with you and set out a clear plan to meet your needs and make this process as easy as possible for your company. This will be customized to Sourcewell and your drivers' unique needs, and there are no additional costs for implementation and transition services, as this is standard and included in our service offering.

41	Describe any technological advances that your proposed products or services offer.	Enterprise Fleet Management uses a combination of online tools, technologies, and automated processes to give our customers complete oversight of their fleets, lower overall costs, and provide convenience for drivers and administrators. These resources complement our local account management teams and allow us to supplement local support with self-service capabilities. Our IT teams are continually updating and enhancing our systems and technologies to provide new features and tools that our customers ask for. Customer Website – Complete oversight on entire fleet and individual vehicles • Customizable dashboards show graphs, data, and analysis that is most important to you • Reporting covering entire fleet, with drill-down capability to individual vehicles • Custom, automatic alerts for maintenance, billing, registrations, renewals, recalls, etc. • Life-to-date maintenance data and complete vehicle history for each vehicle Annual Client Review – Identify and lower costs • Web-based solution for year-over-year fleet analysis led by local Enterprise team • Analyze all fleet costs including maintenance, fuel, insurance, depreciation, etc. • Document goals to develop the best possible fleet cycling plan and lower costs Fleet Planning Toolkit – The right vehicles at the right cost • Vehicle selector allows Enterprise to compare up to six vehicles side-by-side • Integrate all costs for a total cost analysis • Determine the best time to replace your vehicles Auto Integrate – Minimize downtime • Web-based repair and maintenance authorization platform to reduce downtime • Integration with most national account partners for faster approvals • Partnered with more than 35,000 maintenance and repair shops to eliminate billing issues • Real-time maintenance updates • Access to more than 100 ASE-certified technicians employed by Enterprise Mobile App – Convenience for drivers • Fuel station and maintenance shop locator • Click-to-call roadside assistance • Accident reporting (including photos) • Receive alerts • Enter and track mileage • View order status of purchased vehicles • View maintenance cards • Check-in and check-out for vehicles with multiple drivers • Edit incorrect mileage entries
42	Describe any “green” initiatives that relate to your company or to your products or services, and include a list of the certifying agency for each.	Enterprise Fleet Management not only takes a sustainable approach to its business, but it aligns with the sustainable goals of its partner companies, agencies, and organizations. Some of these combined efforts are as follows: Vehicle Cycling/Fleet Optimization Managing vehicle emissions can represent a key component of customers’ environmental commitment and corporate social responsibility efforts, but companies can only manage what they can measure. It is the fundamental principle of fleet optimization — getting all the data needed to make smart decisions about vehicle cycling. In addition to the traditional vehicle emission consisting of acquisition cost, maintenance expenses and residual value, our team provides additional data points. Enterprise Fleet Management can help add a comprehensive environmental dimension to vehicle-cycling decisions, which includes fleet emissions, fuel efficiency, and direct and indirect remediation costs. Carbon Reporting and Offsets Commercial operations may have limited options for reducing the environmental impact of their fleet. Enterprise Fleet Management can simplify the benchmarking process and offer a tailored, accurate report on vehicle emissions. This data can then be used to influence fleet management choices, such as vehicle selection and replacement, or the decision to participate in a carbon offset program. Verified carbon offsets can provide an appealing option for fleet operators who would otherwise have few practical ways to reduce the impact of their vehicle emissions. In essence, these offsets are contracts to invest in projects and technologies that remove carbon dioxide from the atmosphere. Enterprise Fleet Management can help you purchase these offsets through a trusted third-party partner, TerraPass. TerraPass invests in alternative-energy projects to remove harmful greenhouse gases from the atmosphere. Enterprise Fleet Management — through the Enterprise Holdings

Foundation, our philanthropic arm — will also match a portion of each customer's greenhouse gas offset purchase.

Energy and Facilities Management

Enterprise Fleet Management's corporate office in St. Louis received LEED Gold Certification from the U.S. Green Building Council's green building rating program — the second-highest LEED certification available.

The building was certified, in part, for:

- being built on previously developed land to reduce the impact on virgin ground.
- installing low-flow fixtures that reduce the building's water use by 46 percent.
- using LED lighting fixtures that reduce the electricity used for lighting by 56 percent.
- recycling and repurposing 92 percent of construction waste, which reduces the amount of material sent to landfills.

Corporate Social Responsibility Policy

Owned by the Taylor family of St. Louis, Enterprise Fleet Management is an affiliate of Enterprise Holdings, the largest car rental company in the world. From our executive suite to our branch locations, we know that healthy and prosperous communities are the lifeblood of our business. That is why Enterprise Holdings and Enterprise Fleet Management are committed to promoting long-term community growth and prosperity — through our economic impact and employment, local foundation grants, global philanthropic initiatives, corporate sustainability, and, of course, sustainable transportation options.

We believe that strong business growth is built on putting the needs of customers, the growth of employees, and the health of local communities first. Through our global Corporate Social Responsibility (CSR) efforts, we are investing in making our business and our world a better place through initiatives that:

- promote the viability of mobility and alternative fuels.
- increase access to fuel-efficient vehicles.
- improve the resource efficiency of our operations.
- minimize waste throughout the lifecycle of our vehicles.
- minimize the impact of vehicle leasing and rental by offering carbon offsets that support renewable energy projects.
- support causes that improve the quality of life in local communities.
- enhance relief efforts in the wake of natural disasters.

In addition to these efforts, a robust set of policies and a CSR Governance Council guide our approach to sustainable business management. The most important of these policies and programs are summarized below:

- Carbon Offsets
- Duty of Care
- Supplier Code of Conduct
- Human Rights
- Safety Recalls
- Workplace Ethics
- Employment and Equal Opportunity
- Founding Values
- Privacy and Safe Harbor
- Subsidiaries and Franchisees
- Sustainable Maintenance Programs

When it comes to sustainable transportation, our approach is quite simple — little things can make a big difference. As a result, corporate sustainability is an ongoing pursuit to shrink our impact.

For example, we recycle, repurpose and reduce materials wherever possible. Our thorough vehicle maintenance program also helps lower costs, divert waste from landfills and reduce reliance on non-recycled materials.

Our commitment to sustainability is based on both a comprehensive understanding of critical details as well as the long-term picture of success. Reducing our environmental impact is ultimately about making responsible choices and following sustainable business practices:

- Managing Materials Responsibly
- Recycling Windshields
- Prioritizing Fuel Efficiency
- Renewing License Plates
- Using Water-Based Paints
- Re-Refining Oil and Recycling Filters
- Repurposing Tires

43	Identify any third-party issued eco-labels, ratings or certifications that your company has received for the equipment or products included in your Proposal related to energy efficiency or conservation, life-cycle design (cradle-to-cradle), or other green/sustainability factors.	N/A	*
44	Describe any Women or Minority Business Entity (WMBE), Small Business Entity (SBE), or veteran owned business certifications that your company or hub partners have obtained. Upload documentation of certification (as applicable) in the document upload section of your response.	While Enterprise Fleet Management does not qualify as a minority- or woman-owned business, our company has a Supplier Diversity program which is a strategic initiative to grow our business by utilizing such businesses. Purchasing goods and services from businesses that are classified as small, minority-owned, woman-owned and other nationally or federally recognized designations solidifies Enterprise as a responsible corporation and a driver of economic growth. Good Faith Plan Our commitment to the principles of equal employment opportunity (EEO) and affirmative action (AA) is communicated in our employee handbook, posted in all branch offices companywide, and integrated in our mandatory companywide diversity training. Small Business Enterprise (SBE) & Minority and Women Business Enterprise (MWBE) • Identify opportunities for SBE/MWBE certified vendors to provide goods and services. • Send letters to interested SBE/MWBE vendors encouraging them to contact us with proposals in regard to providing goods and services and keep a log of all letters, contacts, responses, and nonresponses. • Encourage other vendors who may be eligible to apply for certification and assist each SBE/MWBE contacted that needs assistance in obtaining bonding, lines of credit, or insurance as required • Negotiate in good faith with interested SBE/MWBE Certified Vendors • Join and support local and national minority, women, and small business organizations. • Advertise in local and national DBE-focused publications for vendors that can provide needed goods and services. • Encourage drivers to utilize DBE & M/WBE vendors for maintenance and repair based on each company's needs. • In addition, Enterprise and National are also members of numerous local programs including NMSDC affiliates, ethnic chambers, NAWBO chapters, WBENC regional chapters, Urban Leagues, etc.	*
45	What unique attributes does your company, your products, or your services offer to Sourcewell participating entities? What makes your proposed solutions unique in your industry as it applies to Sourcewell participating entities?	At Enterprise Fleet Management, we believe the following are differentiating factors that distinguish us from the competition: • Fleet Expertise/Experience: Because we own and operate 1.85 million units worldwide, together with affiliate Enterprise Holdings, we are keenly aware of industry trends, recalls, vehicle values, new model enhancements, regulatory issues, manufacturer updates, and more. • Sales force & Infrastructure: Our local account team presence — more than 50 fleet locations nationwide and over 500 fleet professionals locally along with our manufacturer relationships differentiate us from the competition. Enterprise has local offices around the country with teams who can meet face-to-face and serve our customers. • Total Cost of Ownership Approach: Through managing our own fleet of vehicles, we are experts at analyzing each cost bucket to ensure that we are operating at the lowest cost of ownership and we bring this forth to our clients as well. • Logistics: We are constantly picking up, delivering, and moving our own fleet units, which gives us an inherent understanding and ability to navigate these situations quickly and efficiently for our fleet customers. • Vehicle Resale: Our more than 700 experienced remarketing professionals are what make the Enterprise service so effective. We invest more in this area of business than any of our competitors, and we have a wide network of remarketing offices across the nation. We use our knowledge and experience to remarket vehicles through the appropriate channels to maximize the sales price. • Physical Damage Claims and Subrogation: As a company, we are self-insured and have in-house teams that handle subrogation and claims services. Because this affects our bottom line, we have unmatched experience, resources and employees managing this area, and this greatly sets us apart from our competitors.	*

Table 9A: Warranty

Describe in detail your manufacturer warranty program, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your warranty materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *	
46	Do your warranties cover all products, parts, and labor?	Warranties vary by manufacturer, vehicle type, make and model, etc.	*
47	Do your warranties impose usage restrictions or other limitations that adversely affect coverage?	Warranty details — including any mileage limits or other restrictions — vary by manufacturer, vehicle type, make and model, etc. We will advise and advocate on behalf of our customers when needed as well. Because we maintain strong relationships with vehicle manufacturers and our dealer partners, we can often work directly with them to help recuperate warranty costs for our customers on a case-by-case basis.	*
48	Do your warranties cover the expense of technicians' travel time and mileage to perform warranty repairs?	Most standard vehicle warranties do not cover these expenses.	*
49	Are there any geographic regions of the United States or Canada (as applicable) for which you cannot provide a certified technician to perform warranty repairs? How will Sourcewell participating entities in these regions be provided service for warranty repair?	This will depend on the manufacturer's dealer network. When needed, Enterprise's National Service Department will work with the drivers to find an approved shop for warranty services that is close to their location. Because of the vast network of dealers that our company utilizes, we are able to easily manage these situations for our customers.	*
50	Will you cover warranty service for items made by other manufacturers that are part of your proposal, or are these warranties issues typically passed on to the original equipment manufacturer?	All warranty coverages are provided by the applicable manufacturer.	*
51	What are your proposed exchange and return programs and policies?	In most cases, Enterprise will acquire vehicles that are new from the factory and under the manufacturer warranty. We will also proactively plan with each member to ensure they are ordering the specific vehicles that are needed, including make/model, available options, any additional equipment or up-fitting required, etc. Your Client Strategy Manager will perform a cost analysis to make sure we are ordering and cycling vehicles at the proper time. We will also do a side-by-side vehicle comparison to verify that Sourcewell is using the most cost-efficient vehicles for your needs. We will work with Sourcewell to make sure drivers are getting the correct vehicle for their application, and within the boundaries set by Sourcewell.	*
52	Describe any service contract options for the items included in your proposal.	Enterprise Fleet Management's goal is to provide Sourcewell with the most comprehensive service possible. To do this, we offer several additional options for convenience and maximum efficiency: Fuel Card We partner with WEX for fuel card services. The WEX fuel card management program offers three main benefits: • Convenience: Card accepted at more than 180,000 U.S. locations • Security: Cards with driver identification issued to the driver assigned to the vehicle • Control: Card program offers various controls to help manage your fleet's fueling expenses WEX offers product-type control, merchant control, real-time alerts, and flexible exception reporting as powerful tools to monitor abuse. Exceptions include total dollars spent, total gallons filled, days of the week, time, type of fuel, etc. In addition to the exception report sent monthly, WEX also offers flexible exception reporting, which reports exceptions via email on a daily, weekly, or monthly basis. Your account management team will work with you to establish exceptions that can be viewed on a monthly report. In addition, the WEX Fraud Department performs three primary functions in an effort to identify and mitigate fraud on our fleet customers' accounts: • Review transaction activity • Identify potentially abusive or fraudulent behavior • Notify customers when such behavior occurs GPS Our fleet vehicles can be equipped with a Geotab telematics device. This functions as a GPS tracking device, with additional options such as driver safety, odometer capture, accelerometer, and engine diagnostics. Geotab's unique technology provides added value to your fleet and your business by addressing the following needs: • Safety: Breakthrough accident detection, safer driving behavior, in-	

vehicle driver coaching

- Cost Reduction: Lowered worker's compensation claims, lowered bent metal costs
- Productivity: Real-time and archived GPS vehicle tracking, route optimization, fuel consumption monitoring
- Engine Health: Engine diagnostics, improved preventative maintenance, overall improved vehicle health
- Compliance: Accurate HOS and/or IFTA reporting

Enterprise's customer data shows that Geotab has reduced miles traveled and fuel costs, increased fleet productivity, improved workforce utilization, improved service response times and reduced downtime related to maintenance issues. We have also seen an improvement in driver safety through the accelerometer component of our solution.

Full Maintenance

Enterprise's Full Maintenance program covers lessees nationwide and is available for most makes and models in your fleet. The program is completely managed by Enterprise and will not require any internal approval of repairs or review of monthly invoices. Cost is based on vehicle type and driving pattern.

- Monthly cost is fixed for the term of the vehicle
- Coverage is available up to 100,000 miles
- Covers all routine services recommended by the manufacturer
- Covers all unexpected repairs (not related to damage or neglect)
- 24/7 roadside assistance and towing is included
- Brakes, tires, and loaner vehicles can be included
- Windshield repair, fueling service, and other miscellaneous items are available
- Sourcewell can set up and send automatic service reminders through Enterprise's website

Maintenance Management

With Enterprise's Maintenance Management program, authorization and maintenance / repair limits are similar to our Full Maintenance program. Enterprise manages the process and contacts the client when additional approval is needed. Through this program, repairs are charged as needed and passed directly through to Sourcewell for a flat monthly fee.

Enterprise leverages our agreements and relationships with vendors to ensure both labor and parts are charged at a fair market value.

Table 9B: Performance Standards or Guarantees

Describe in detail your performance standards or guarantees, including conditions and requirements to qualify, claims procedure, and overall structure. You may upload representative samples of your performance materials (if applicable) in the document upload section of your response in addition to responding to the questions below.

Line Item	Question	Response *
53	Describe any performance standards or guarantees that apply to your services	Providing completely satisfied service to Sourcewell is important to us. As a result, we plan to collect ESQI feedback from Sourcewell drivers and employees twice a year, and annually from management. This feedback will allow us to highlight areas of improvement and areas of success.
54	Describe any service standards or guarantees that apply to your services (policies, metrics, KPIs, etc.)	Our performance as Sourcewell's fleet management partner is measured by success in three core areas, customer satisfaction, customer retention and fleet growth. We strive to reduce our customers' total cost of ownership in several categories, including maintenance costs, fuel spend, acquisition costs and resale gain. Some of the ways in which we accomplish this include: • Active management of vehicle lifecycle to minimize fuel and maintenance spend • Annual fuel and maintenance spend benchmarking to decrease total cost of ownership • Comparison of vehicle makes and models to provide better total cost of ownership • Increased equity gain at disposal through proactive fleet planning and forecasting • Continuing review of resale market to identify best disposal method and holding period • Comparison of Enterprise resale performance against industry standards • Management of Sourcewell incentive programs to reduce acquisition costs • Review of vehicle application to "right-size" makes and models that are best suited for Sourcewell needs • Review driver and administrator feedback to maximize driver satisfaction

Table 10: Payment Terms and Financing Options

Line Item	Question	Response *
55	Describe your payment terms and accepted payment methods.	Payment Terms Payment terms are Net 30. Payment Enterprise offers several payment options to our clients: • Direct debit – payments are withdrawn on the 20th of each month • One-time ACH – can be completed via phone or email • Check – can be mailed or overnighted to Enterprise • Wire/ACH push – can be set up through Enterprise's bank
56	Describe any leasing or financing options available for use by educational or governmental entities.	Your local Enterprise team will work with you to customize the lease terms and provide you with the most cost-effective leases that meet your specific needs. Enterprise offers four types of funding solutions. They are an Open-Ended Equity Lease, Closed-End Lease, Prepaid Lease, and Finance. • Open-Ended Equity Lease: flexible option that allows the lessee to turn in the vehicle before the lease term with no early termination penalties, the company/agency can get out of the lease at any time; there is always a payoff amount. If the value of the vehicle is greater than the payoff, that money or equity can be put toward another lease. If the value of the vehicle is less than the payoff, Enterprise will bill the company/agency the difference. • Closed-End Lease: allows for a lower monthly payment based on vehicle usage, geared towards individuals that drive minimal miles. • Prepaid Lease: allows the lessee to take advantage of discounted interest rates by paying all rent up front. • Traditional Purchase Finance: allows Sourcewell to take ownership of the vehicle at the end of the financed/lease term without paying the reduced book value. Open-Ended Lease Agencies commonly find it difficult — sometimes impossible — to fund a healthy vehicle lifecycle. Many of these organizations turn to a bridge funding mechanism to facilitate their necessary vehicle replacements. Enterprise Fleet Management features an Open-Ended Lease product to help bridge any funding gaps. Our Open-Ended Lease is characterized by: • Improved cash flow • No mileage restrictions or wear-and-tear charges • Flexible financing options • Customized terms for use and type of vehicle • Retention of ownership rights In most programs, a vehicle would be purchased outright from the capital budget and kept in-fleet until a specified time when it was sold. However, to increase flexibility, our Open-Ended Lease allows for funding of only the time the vehicle is used. This approach allows companies to pay the minimum value for the use of the vehicle on a monthly basis, improving cash flow. The mechanics of this lease involve financing the difference between the vehicle's purchase price and a conservative Reduced Book Value (RBV), which is based upon the anticipated market value in consideration of the vehicle's age and application. Lease Terms Enterprise Fleet Management can offer lease terms as short as 12 months and as long as 60 months, or at any six-month interval in between. While we do not offer initial lease terms beyond 60 months, our Open-Ended Leases can be structured with a Reduced Book Value at 60 months that can be paid off or extended for an additional 12 or 24 months, or continue month to month until the Reduced Book Value has been completely paid off.

57	Describe any standard transaction documents that you propose to use in connection with an awarded contract (order forms, terms and conditions, service level agreements, etc.). Upload a sample of each (as applicable) in the document upload section of your response.	We have attached our sample contracts.	*
58	Do you accept the P-card procurement and payment process? If so, is there any additional cost to Sourcwell participating entities for using this process?	We cannot accept a P-card payment at this time.	*

Table 11: Pricing and Delivery

Provide detailed pricing information in the questions that follow below. Keep in mind that reasonable price and product adjustments can be made during the term of an awarded Contract as described in the RFP, the template Contract, and the Sourcwell Price and Product Change Request Form.

Line Item	Question	Response *	
59	Describe your pricing model (e.g., line-item discounts or product-category discounts). Provide detailed pricing data (including standard or list pricing and the Sourcwell discounted price) on all of the items that you want Sourcwell to consider as part of your RFP response. If applicable, provide a SKU for each item in your proposal. Upload your pricing materials (if applicable) in the document upload section of your response.	Inclusive, Upfront Pricing Calculating fleet expenses to account for both direct and indirect costs can be difficult. That's why we provide inclusive pricing upfront as well as predictive cost tools. We think you deserve a clear view of all costs moving forward to plan for spending throughout the year – and beyond. Integrity and Transparency We don't believe in complicated contracts or hidden fees. Our Client Strategy Managers will only provide honest, informed recommendations that benefit your business. You'll also have access to the same fleet information through our Client Website, ensuring you see what your Client Strategy Manager sees, and can work with them to maximize your investment. Flexible Options Enterprise Fleet Management offers a variety of fleet leasing and financing services. We want our clients to be able to choose the financing plan that works best for their business and operating needs, whether they need an open-end, close-end, or self-funded program. We'll adapt to your needs. We have uploaded our pricing materials as instructed.	*
60	Quantify the pricing discount represented by the pricing proposal in this response. For example, if the pricing in your response represents a percentage discount from MSRP or list, state the percentage or percentage range.	Discounts range from 5-25 percent off the manufacturer's suggested retail price (MSRP). For example, the MSRP for a typical Ford Explorer would be \$36,540. With our purchasing power and discounts provided to Sourcwell Members, the delivered price would be \$31,232, 15% savings. In some cases the manufactures do offer free options that provide additional discounts, if available. Capitalized cost is the factory invoice, less manufacturer-provided incentives less any applicable advertising	*
61	Describe any quantity or volume discounts or rebate programs that you offer.	Through a team of incentive analysts at our operations headquarters, partnerships with manufacturers, and relationships with dealers, we work to get the best incentives available for our customers. The team tracks a wide range of retail incentives and enters those in our database, which compares them to the standard fleet, association, and upfit incentives that may be applicable. Through our relationships with manufacturers and zone representatives, we work to obtain and maximize any special or client-specific incentives available. Manufacturers sometimes provide us with special incentives that are not available through other avenues and we use those as needed. For ancillary programs such as Full Maintenance and Maintenance Management, additional discounts on parts and labor are passed through to our customers.	*

62	Propose a method of facilitating “sourced” products or related services, which may be referred to as “open market” items or “nonstandard options”. For example, you may supply such items “at cost” or “at cost plus a percentage,” or you may supply a quote for each such request.	Enterprise will provide a quote for each sourced product that will include any discounts that Enterprise receives. We do not mark-up any quotes or charge for coordinating supply or installation — this is a part of Enterprise’s standard service. Enterprise Fleet Management will coordinate the up-fit of any needed aftermarket equipment. We have established relationships with local and national vendors that supply these items and will deliver the equipment in a work-ready state. Enterprise will plan ahead with vendors to have equipment ready for installation once the ordered vehicles are delivered to ensure that the vehicles are ready for service as soon as possible. Enterprise will negotiate on behalf of the member agency to leverage volume discounts and deliver the lowest possible price on any needed equipment. The equipment can be billed up front or capitalized as a part of the lease structure. In both scenarios, the member will own the equipment at the conclusion or termination of the lease. Enterprise is able to sell customer-owned units as an additional benefit if the end user signs our consignment agreement. We have included a sample consignment agreement.	*
63	Identify any element of the total cost of acquisition that is NOT included in the pricing submitted with your response. This includes all additional charges associated with a purchase that are not directly identified as freight or shipping charges. For example, list costs for items like pre-delivery inspection, installation, set up, mandatory training, or initial inspection. Identify any parties that impose such costs and their relationship to the Proposer.	Costs for registering a vehicle are passed through directly to the end user. All other costs are addressed throughout our provided pricing offerings.	*
64	If freight, delivery, or shipping is an additional cost to the Sourcewell participating entity, describe in detail the complete freight, shipping, and delivery program.	For a majority of our deliveries, vehicles will be sent to the dealer that is closest to the end user so they can pick up the unit directly. We can also coordinate with the dealer or our own employees to deliver the vehicles. Certain charges may apply based on distance to the driver and other factors.	*
65	Specifically describe freight, shipping, and delivery terms or programs available for Alaska, Hawaii, Canada, or any offshore delivery.	Enterprise has a large network of dealerships throughout these regions that can assist with vehicle logistics and delivery. Along with our dealer network, we have a large number of employees within these regions — either through an Enterprise Fleet Management office or an affiliate Enterprise Rent-A-Car or National Car Rental rental location — who are available to assist with vehicle delivery and pick-up.	*
66	Describe any unique distribution and/or delivery methods or options offered in your proposal.	Enterprise employs one of the largest teams of drivers in the industry. This allows us to quickly and easily manage vehicle logistics for our fleet customers. Because we own and operate 1.85 million units worldwide, together with affiliate Enterprise Holdings, we are constantly picking up, delivering, and moving our own fleets units, which gives us an inherent understanding and ability to navigate these situations quickly and efficiently for our fleet customers.	*

Table 11A: Pricing Grid: Acquisition Terms

Provide detailed pricing information in the table below.

Line Item	Type	Charged/Percentage	Details	
67	Interest Rate Index Used	3 year t-bill Canadian 3yr Bond	US: 350 basis points over 3 year t-bill Canada: Canadian 3yr Bond + 300 basis points	*
68	Basis Points	US: 350 Canada: 300	US: 350 basis points over 3 year t-bill Canada: Canadian 3yr Bond + 300 basis points	*
69	Domestic Factory Order Vehicles	US: Manufacturer Published Invoice Less Applicable Incentives Less (-) Applicable Advertising plus (+) \$60 acquisition fee plus (+) courtesy delivery fee (variable \$150-\$450 depending on location) Canada: Manufacturer Published Invoice Less Applicable Incentives Less (-) Applicable Advertising plus (+) \$275 acquisition fee plus (+) courtesy delivery fee (variable \$150-\$450 depending on location)	US: Manufacturer Published Invoice Less Applicable Incentives Less (-) Applicable Advertising plus (+) \$60 acquisition fee plus (+) courtesy delivery fee (variable \$150-\$450 depending on location) Canada: Manufacturer Published Invoice Less Applicable Incentives Less (-) Applicable Advertising plus (+) \$275 acquisition fee plus (+) courtesy delivery fee (variable \$150-\$450 depending on location)	*
70	Foreign Factory Order Vehicles	US: Manufacturer Published Invoice Less Applicable Incentives Less (-) Applicable Advertising plus (+) \$60 acquisition fee plus (+) courtesy delivery fee (variable \$150-\$450 depending on location) Canada: Manufacturer Published Invoice Less Applicable Incentives Less (-) Applicable Advertising plus (+) \$275 acquisition fee plus (+) courtesy delivery fee (variable \$150-\$450 depending on location)	US: Manufacturer Published Invoice Less Applicable Incentives Less (-) Applicable Advertising plus (+) \$60 acquisition fee plus (+) courtesy delivery fee (variable \$150-\$450 depending on location) Canada: Manufacturer Published Invoice Less Applicable Incentives Less (-) Applicable Advertising plus (+) \$275 acquisition fee plus (+) courtesy delivery fee (variable \$150-\$450 depending on location)	*
71	Domestic Dealer Stock Vehicles	US: Dealer Provided Invoice Less (-) Applicable Incentives plus (+) \$60 acquisition fee, subject to dealer availability Canada: Base Purchase Price from Dealer Less (-) Applicable Manufacturer Incentives Plus (+) Courtesy Delivery Fees \$150-\$450 depended on Delivery Location Plus (+) \$275 Acquisition fee	US: Dealer Provided Invoice Less (-) Applicable Incentives plus (+) \$60 acquisition fee, subject to dealer availability Canada: Base Purchase Price from Dealer Less (-) Applicable Manufacturer Incentives Plus (+) Courtesy Delivery Fees \$150-\$450 depended on Delivery Location Plus (+) \$275 Acquisition fee	*
72	Foreign Dealer Stock Vehicles	US: Dealer Provided Invoice Less (-) Applicable Incentives plus (+) \$60 acquisition fee, subject to dealer availability Canada: Base Purchase Price from Dealer Less (-) Applicable Manufacturer Incentives Plus (+) Courtesy Delivery Fees \$150-\$450 depended on Delivery Location Plus (+) \$275 Acquisition fee	US: Dealer Provided Invoice Less (-) Applicable Incentives plus (+) \$60 acquisition fee, subject to dealer availability Canada: Base Purchase Price from Dealer Less (-) Applicable Manufacturer Incentives Plus (+) Courtesy Delivery Fees \$150-\$450 depended on Delivery Location Plus (+) \$275 Acquisition fee	*

Table 11B: Pricing Grid: Incentives

Provide detailed pricing information in the table below.

Line Item	Type	Charged/Percentage	Details	
73	Federal Tax Incentives	100%	100% of end user eligible incentives are passed to the member	*
74	State Tax Incentives	100%	100% of end user eligible incentives are passed to the member	*
75	Manufacturer Incentives	100%	100% of end user eligible incentives are passed to the member	*

Table 11C: Pricing Grid: Maintenance & Fees

Provide detailed pricing information in the table below.

Line Item	Type	Charged/Percentage	Details	
76	Fixed Maintenance	Variable (Avg. \$60-\$90) per month per vehicle	Pricing on average is \$60-\$90 based on vehicle type and anticipated miles and usage driven over term, the pricing can also be modified to include or exclude brakes and tires depending on what is the best interest of the member, Coverage is available up to 100,000 miles, covers all routine maintenance recommended by the manufacturer and any unplanned repairs that come up as long as they are not abuse.	*
77	Occurance Maintenance	\$6 per month card fee per vehicle plus cost of service and parts	\$6 per month card fee per vehicle plus cost of service and parts	*
78	Management Fee	0.10% for Factory Ordered Vehicles / 0.15% for Dealer Stock Vehicles	0.10% for Factory Ordered Vehicles / 0.15% for Dealer Stock Vehicles	*
79	Service Charge	US \$400.00 Canada \$495.00	US \$400.00 Canada \$495.00	*
80	Lease Termination Fee	\$0 Termination Fee for Equity Leases, Termination Fees for Net Leases are an amount equal to three months rent plus 30% of the total rent due under the master walk away lease agreement section 14.	\$0 Termination Fee for Equity Leases, Termination Fees for Net Leases are an amount equal to three months rent plus 30% of the total rent due under the master walk away lease agreement section 14.	*
81	Interim Interest Yes/No, How is it calculated?	NO	N/A	*
82	Resale Fee	\$395	For each Vehicle sold, the End User "Member" shall pay Enterprise a fee of \$395.00 ("Service Fee") plus towing at prevailing rates, applies to member owned/non-leased units	*
83	Provide fees not listed + rate	Optional services offered	Enterprise Fleet Management offers additional services to our clients, these programs and plans are described in the technical proposal under the pricing grid.	*

Table 12: Pricing Offered

Line Item	The Pricing Offered in this Proposal is: *	Comments
84	a. the same as the Proposer typically offers to an individual municipality, university, or school district.	

Table 13: Audit and Administrative Fee

Line Item	Question	Response *	
85	Specifically describe any self-audit process or program that you plan to employ to verify compliance with your proposed Contract with Sourcewell. This process includes ensuring that Sourcewell participating entities obtain the proper pricing, that the Vendor reports all sales under the Contract each quarter, and that the Vendor remits the proper administrative fee to Sourcewell. Provide sufficient detail to support your ability to report quarterly sales to Sourcewell as described in the Contract template.	Enterprise will set a pricing plan up for the Sourcewell program within our system. This pricing plan will be hard-coded for all Sourcewell members and cannot be deviated from by any sales or support team member. Quarterly, we will review deliveries that have been placed and delivered through the Sourcewell program to ensure compliance and accuracy. We will provide a detailed breakdown to Sourcewell monthly or quarterly for review depending on preference.	*
86	If you are awarded a contract, provide a few examples of internal metrics that will be tracked to measure whether you are having success with the contract.	Example metrics to be tracked and measured are new customers utilizing the awarded contract, total orders and total deliveries. Our goal is to create lifelong relationships with all of our Enterprise customers. As a result, we collect customer satisfaction results from a variety of sources to ensure we are meeting our customers' needs. Those sources include our internal Service Quality index (SQi) process, external surveys such as the J.D. Power Satisfaction Survey, and a range of other customer service inquiries. The results are closely monitored, and any necessary changes are made to improve customer satisfaction.	*
87	Identify a proposed administrative fee that you will pay to Sourcewell for facilitating, managing, and promoting the Sourcewell Contract in the event that you are awarded a Contract. This fee is typically calculated as a percentage of Vendor's sales under the Contract or as a per-unit fee; it is not a line-item addition to the Member's cost of goods. (See the RFP and template Contract for additional details.)	Enterprise will offer Sourcewell and your members access to our fleet management program and pay Sourcewell a quarterly marketing fee based upon the volume of Combined New Deliveries generated as defined below. Deliveries to qualified members during the term of the contract is \$125.00 per new delivery. Qualified members are eligible members who utilize the Agreement between Sourcewell and Enterprise Fleet Management as an approved means to satisfy proper due diligence and competitive requirements. Enterprise Fleet Management retains the right to offer discounted promotional pricing on a market by market basis.	*

Table 14A: Depth and Breadth of Offered Equipment Products and Services

Line Item	Question	Response *
88	Provide a detailed description of the equipment, products, and services that you are offering in your proposal.	Enterprise Fleet Management offers a full range of customizable fleet solutions to our customers, including: • Total cost of ownership analysis and comparisons • Dedicated local account team assigned to each client to make ongoing cost saving recommendations • Company fleet policy consultation • Insurance consultation and programs • Customizable lease options and financing • Detailed driver analysis • Fleet selection and acquisition • Maintenance and fuel program management for both leased and client owned vehicles • Four-year cost model development • License, title and renewal services for both leased and client owned vehicles • Customizable website dashboard with near real-time data and reporting • Remarketing and resale for both leased and client owned vehicles • Driver Safety programs
89	Within this RFP category there may be subcategories of solutions. List subcategory titles that best describe your products and services.	Our clients enjoy the benefits of Enterprise's sustained 65-year investment in infrastructure that enables us to quickly and efficiently move vehicles into and out of service. This includes 150 staging grounds throughout the U.S. and Canada staffed by 700 dedicated remarketing specialists, as well as 800 professionals at our corporate office. We have teams dedicated to specific aspects of our service, including License and Title, Maintenance, Risk Management, Accounting, Information Technology, and Vehicle Acquisition. As a result, Enterprise Fleet Management is able to provide Sourcewell with a complete fleet management program that includes: • Fleet cost analysis • Company fleet policy constitution • Insurance consultation • Detailed driver analysis • Fleet selection • Maintenance and fuel program management • Customized fleet plan based on your specific needs We also provide a range of ancillary solutions to address specific needs throughout the vehicle lifecycle: • Universal fuel card management • Personal-use reporting • Vehicle sharing technology • Maintenance services from ASE-certified technicians • Accident Management services from I-CAR certified professionals • Insurance coverage through our broker, Lockton

Table 148: Depth and Breadth of Offered Equipment Products and Services

Indicate below if the listed types or classes of equipment, products, and services are offered within your proposal. Provide additional comments in the text box provided, as necessary.

Item	Category	Offered	Comments
90	Services for the acquisition by Sourcewell participating entities, whether by lease or financing, of on-road vehicles of all types or classifications, all weight classes, and all engine types	☒ Yes ☐ No	As the largest purchaser of vehicles in North America, Enterprise has the ability to acquire vehicles from nearly any manufacturer. This includes specialty vehicles and Emergency Response Vehicles.
91	New vehicle service and preparation for the vehicles described in Line 90 above, such as, pre-delivery inspection, parts and accessories installation, and vehicle marking application or installation	☒ Yes ☐ No	Through our Fleet Management programs we are able to offer all of these services.
92	Preventative maintenance plans, vehicle maintenance and repair services, and related service level agreements for Sourcewell participating entity on-road vehicle fleets of all types	☒ Yes ☐ No	Through our Fleet Management programs we are able to offer all of these services.
93	In addition to the solutions described in Lines 90-92 above, proposers may include a complementary offering of the following ancillary services: i. Short-term rental programs; ii. Upfitting of after-market programs; iii. Fleet management information technologies, such as: telematics, fleet monitoring, fuel management, fuel tank management, and motor pool/fleet sharing software and systems; iv. Roadside assistance including towing, emergency towing, and repairs; v. Installation, operation, and maintenance of dedicated charging and fueling stations; and vi. Vehicle battery longevity monitoring and replacement plans.	☒ Yes ☐ No	Through our Fleet Management programs we are able to offer all of these services.

Exceptions to Terms, Conditions, or Specifications Form

Only those Proposer Exceptions to Terms, Conditions, or Specifications that have been accepted by Sourcewell have been incorporated into the contract text.

Documents

Ensure our submission document(s) conforms to the following :

1. Documents in PDF format are preferred. Documents in Word, Excel, or compatible formats may also be provided.
2. Documents should NOT have a security password, as Sourcewell may not be able to open the file. It is your sole responsibility to ensure that the uploaded document(s) are not either defective, corrupted or blank and that the documents can be opened and viewed by Sourcewell.
3. Sourcewell may reject any response where any document(s) cannot be opened and viewed by Sourcewell.
4. If you need to upload more than one (1) document for a single item, you should combine the documents into one zipped file. If the zipped file contains more than one (1) document, ensure each document is named, in relation to the submission format item responding to. For example, if responding to the Marketing Plan category save the document as "Marketing Plan."

- [Pricing](#) - Pricing-Final.xlsx - Tuesday March 01, 2022 14:16:51
- [Financial Strength and Stability](#) - Enterprise Financial Stability.pdf - Tuesday March 01, 2022 14:16:39
- [Marketing Plan/Samples](#) - Sample Marketing Plan.pdf - Tuesday March 01, 2022 14:19:21
- [WM8E/M8E/S8E or Related Certificates](#) - Wade Ford 2022 GMSDC Certificate.pdf - Tuesday March 01, 2022 14:27:57
- [Warranty Information](#) - Sample Warranty Information.pdf - Tuesday March 01, 2022 14:26:14
- [Standard Transaction Document Samples](#) - Sample Quote 2427574.pdf - Tuesday March 01, 2022 15:27:53
- [Upload Additional Document](#) - Sourcewell Submission.zip - Tuesday March 01, 2022 14:20:22

Addenda, Terms and Conditions

PROPOSER AFFIDAVIT AND ASSURANCE OF COMPLIANCE

I certify that I am the authorized representative of the Proposer submitting the foregoing Proposal with the legal authority to bind the Proposer to this Affidavit and Assurance of Compliance:

1. The Proposer is submitting this Proposal under its full and complete legal name, and the Proposer legally exists in good standing in the jurisdiction of its residence.
2. The Proposer warrants that the information provided in this Proposal is true, correct, and reliable for purposes of evaluation for contract award.
3. The Proposer, including any person assisting with the creation of this Proposal, has arrived at this Proposal independently and the Proposal has been created without colluding with any other person, company, or parties that have or will submit a proposal under this solicitation; and the Proposal has in all respects been created fairly without any fraud or dishonesty. The Proposer has not directly or indirectly entered into any agreement or arrangement with any person or business in an effort to influence any part of this solicitation or operations of a resulting contract; and the Proposer has not taken any action in restraint of free trade or competitiveness in connection with this solicitation. Additionally, if Proposer has worked with a consultant on the Proposal, the consultant (an individual or a company) has not assisted any other entity that has submitted or will submit a proposal for this solicitation.
4. To the best of its knowledge and belief, and except as otherwise disclosed in the Proposal, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest. An organizational conflict of interest exists when a vendor has an unfair competitive advantage or the vendor's objectivity in performing the contract is, or might be, impaired.
5. The contents of the Proposal have not been communicated by the Proposer or its employees or agents to any person not an employee or legally authorized agent of the Proposer and will not be communicated to any such persons prior to Due Date of this solicitation.
6. If awarded a contract, the Proposer will provide to Sourcewell Participating Entities the equipment, products, and services in accordance with the terms, conditions, and scope of a resulting contract.
7. The Proposer possesses, or will possess before delivering any equipment, products, or services, all applicable licenses or certifications necessary to deliver such equipment, products, or services under any resulting contract.
8. The Proposer agrees to deliver equipment, products, and services through valid contracts, purchase orders, or means that are acceptable to Sourcewell Members. Unless otherwise agreed to, the Proposer must provide only new and first-quality products and related services to Sourcewell Members under an awarded Contract.
9. The Proposer will comply with all applicable provisions of federal, state, and local laws, regulations, rules, and orders.
10. The Proposer understands that Sourcewell will reject RFP proposals that are marked "confidential" (or "nonpublic," etc.), either substantially or in their entirety. Under Minnesota Statutes Section 13.591, subdivision 4, all proposals are considered nonpublic data until the evaluation is complete and a Contract is awarded. At that point, proposals become public data. Minnesota Statutes Section 13.37 permits only certain narrowly defined data to be considered a "trade secret," and thus nonpublic data under Minnesota's Data Practices Act.
11. Proposer its employees, agents, and subcontractors are not:
 1. Included on the "Specially Designated Nationals and Blocked Persons" list maintained by the Office of Foreign Assets Control of the United States Department of the Treasury found at: <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>;
 2. Included on the government-wide exclusions lists in the United States System for Award Management found at: <https://sam.gov/SAM/>; or
 3. Presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from programs operated

by the State of Minnesota; the United States federal government or the Canadian government, as applicable; or any Participating Entity. Vendor certifies and warrants that neither it nor its principals have been convicted of a criminal offense related to the subject matter of this solicitation.

☒ By checking this box I acknowledge that I am bound by the terms of the Proposer's Affidavit, have the legal authority to submit this Proposal on behalf of the Proposer, and that this electronic acknowledgment has the same legal effect, validity, and enforceability as if I had hand signed the Proposal. This signature will not be denied such legal effect, validity, or enforceability solely because an electronic signature or electronic record was used in its formation. - Dain Giesie, Assistant Vice President, Enterprise Fleet Management, Inc.

The Proposer declares that there is an actual or potential Conflict of Interest relating to the preparation of its submission, and/or the Proposer foresees an actual or potential Conflict of Interest in performing the contractual obligations contemplated in the bid.

☒ Yes ☐ No

The Bidder acknowledges and agrees that the addendum/addenda below form part of the Bid Document.

Check the box in the column "I have reviewed this addendum" below to acknowledge each of the addenda.

File Name	I have reviewed the below addendum and attachments (if applicable)	Pages
Addendum_3_Fleet_Mgmt_Services_RFP_030122 Mon February 21 2022 04:30 PM	☒	2
Addendum_2_Fleet_Mgmt_Services_RFP_030122 Thu February 17 2022 08:53 AM	☒	3
Addendum_1_Fleet_Mgmt_Services_RFP_030122 Thu January 13 2022 04:26 PM	☒	1

City of Los Alamitos

CITY COUNCIL AGENDA REPORT

MEETING DATE: May 15, 2023

ITEM NUMBER: 11A

To: Mayor Tanya Doby & Members of the City Council

Presented By: Windmera Quintanar, City Clerk

Subject: City Council Ad Hoc Committees

SUMMARY

This item allows Council to appoint two members to various Ad Hoc Committees to assist Staff with large projects before bringing items to Council for approval.

RECOMMENDATION

1. Appoint two Council Members to the Council Member Handbook Ad Hoc Committee; and,
2. Appoint two Council Members to the Council Member Goal Setting Ad Hoc Committee; and,
3. Appoint two Council Members to the City Branding Ad Hoc Committee.

BACKGROUND

The Brown Act allows Council to appoint a temporary advisory committee composed solely of less than a quorum that serves a limited or single purpose, that is not perpetual, and that will be dissolved once its specific task is completed. These Ad Hoc Committees are beneficial in helping assist Staff is expending resources in the right direction. Ad Hoc Committees allow Staff and two members of the Council to work through research, comparisons, and detail oriented policy documents that would take a cumbersome amount of time if conducted during a regular Council Meeting.

DISCUSSION

Council Member Handbook

Staff has been working on updating the Council Member Handbook and incorporating suggestions from surrounding cities and our newly elected Council Members. This Committee would review the handbook and provide valuable input to Staff. Once a final document has been approved by the Committee, it will come back to Council for final approval. The project is anticipated to be complete by the end of the summer.

Council Member Goal Setting

Council has expressed an interest in holding a workshop to establish goals for the City. Staff is recommending bringing in a facilitator to host at minimum half-day workshop to accomplish this goal. This Committee would assist Staff in reviewing proposals from various facilitators and selecting the best fit for the City. Staff anticipates this contract will fall within the City Manager's purchasing authority.

City Branding

As the City moves forward with capital improvement projects and improved communications, it would be ideal to have a unified look and message throughout the City. The City Branding Ad Hoc Committee would work with staff to select a consultant to assist us through this process. Branding includes everything from logos and communications to colors and slogans. The final City Branding Strategy would come to Council for approval.

FISCAL IMPACT

None.

Attachment: None

City of Los Alamitos

CITY COUNCIL AGENDA REPORT

MEETING DATE: May 15, 2023

ITEM NUMBER: 11B

To: Mayor Tanya Doby & Members of the City Council

Presented By: Craig Koehler, Director of Finance

Subject: Preliminary Budget for Fiscal Year 2023-24 and Fiscal Year 2024-25 and Proposed Changes to Purchase Policy

SUMMARY

This report provides for a review of the preliminary budget for the Fiscal Year 2023-24 and Fiscal Year 2024-25, and proposed changes to the Purchase Policy.

RECOMMENDATION

1. Review and discuss the preliminary budget for Fiscal Year 2023-24 and Fiscal Year 2024-25, provide direction to staff; and
2. Introduce for first reading, read by title only, waive further reading of Ordinance No. 2023-04, and set for adoption; and,
3. City Attorney Daudt read the title of Ordinance No. 2023-04, "AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, AMENDING AND RESTATING CHAPTER 2.60 (PURCHASING SYSTEM) OF THE LOS ALAMITOS MUNICIPAL CODE".

BACKGROUND

It is customary to conduct a preliminary analysis of all appropriations for the upcoming fiscal year. This process updates the City Council on the forecasted fiscal status of the City's General Fund and Other Funds. Los Alamitos implemented a two-year budget cycle beginning with the Fiscal Year 2021-22 Budget. This budget cycle will include budget projections for Fiscal Year 2023-24, and an estimate for Fiscal Year 2024-25, that will assist with future planning. This item was presented to the Budget Standing Committee on May 8, 2023.

Changes to the City's Purchase Policy are also being proposed. The City's procurement regulations, policies and procedures are codified in Chapter 2.60 (Purchasing System) of the Los Alamitos Municipal Code (the "Purchasing Ordinance"). The Purchasing Ordinance was last amended in 2021 in conjunction with inflation and cost increases. The Purchasing Ordinance has not been fully revived since 1999. City Staff recommends the proposed revision of the Purchasing Ordinance based on experience working with the existing code and following a review of purchasing regulations in surrounding jurisdictions. The proposed Ordinance is intended to streamline the procurement process and provide anticipated gains in efficiency.

DISCUSSION

The Mid-Year Budget review and projection for the Fiscal Year ending June 30, 2023, was presented to Council on March 20, 2023. Finance staff conducted meetings with the departments and the City Manager, to review preliminary budget projections for Fiscal Year 23-24 and Fiscal Year 24-25.

Staff met with the Budget Standing Committee on April 10, and again on May 8, to provide a preliminary report and estimates for FY23-24 and FY24-25. A new sales tax forecast was received from HdL, with reported data through the fourth quarter (December 2022) and included new projections for FY23-24 and FY24-25. New updates on the economy and housing have also been released.

Economic Update

Inflation remains elevated, reflecting continuing imbalances within supply and demand chains. The U.S. Treasury continues to adjust to counter the growth of inflation. The U.S. Treasury began adjustments in March of 2022 with a .25% increase to the Federal Funds rate and continued a year later with eight additional rate increases ranging from .25% to .75%. The Federal Funds rate is now at 5.25%, following the latest .25% rate hike. This will likely result in tighter credit conditions for consumers and businesses.

Bond Market Indicators

The bond yield curve is currently in an inverse relationship. Yield inversion occurs when the yield on a longer tenure bond or note becomes less than the yield for a shorter tenure investment. Yields for two-year Treasury Notes exceed both five and ten-year rates.

Housing

The latest housing data has shown some evidence of a slowdown in activity. Higher mortgage rates and potential tighter lending standards continue to weigh on both developers and consumers. According to the latest market outlook by Beacon Economics, the higher interest rate environment will have a limited effect on home price depreciation within the California market. Overall, housing prices are forecast to fall by an average of 6.3% in 2023.

Fiscal Year 2023-24 and Fiscal Year 2024-25 Budget Overview

The new budget again reflects two fiscal years. As shown below, projected revenues (including transfers-in) for FY23-24 and FY24-25 are \$23.2 million and \$23.1 million, respectively.

General Fund Projected Revenues

Fiscal Year 2023-24 and 2024-25 projections by category are presented below:

Revenue Summary	2022-23 Adopted Budget	2023-24 Proposed Budget	2024-25 Projection
Property Taxes	4,899,967	5,085,144	5,237,990
Sales Tax	3,403,270	3,937,304	4,064,000
Sales Tax - Local (Measure Y)	5,371,740	6,593,000	6,805,000
Transit Occupancy Tax (TOT)	325,340	530,000	540,000
Business Licenses	819,000	824,000	824,000
Utility Users Tax	2,052,487	1,799,000	1,670,000
Franchise Fees	671,300	655,300	629,300
Licenses & Permits	958,200	1,075,300	1,080,300
Fines & Forfeitures	669,000	696,000	746,000
Use of Money & Property	180,000	300,000	300,000
Other Agencies	12,200	12,200	12,200
Charges for Current Services	702,278	764,818	780,423
Misc.	68,000	50,000	50,000
 Total Revenue	 20,132,782	 22,322,066	 22,739,213
 Transfers In	 1,216,043	 870,000	 370,000
 Total	 21,348,825	 23,192,066	 23,109,213

Property Taxes

The most recent report received from HdL (dated March 29, 2023) indicates that property taxes are continuing an upward trend. The projections for secured property taxes for FY23-24 and FY24-25 are \$2.9 million and \$3.0 million, respectfully. This revenue category encompasses unsecured property taxes, lighting district, and property tax in lieu of VLF. The revenue projection for total property tax revenue for FY23-24 is \$5.1 million and is estimated to be \$5.2 million for FY24-25.

Sales & Use Taxes

A report from HdL, dated April 7, 2023 reflects receipts for the fourth quarter through December 2022. Sales were 5.7% higher than the same quarter for 2021. The major factor driving this change was seen mainly in the business and industry sectors. The City's share of the countywide pools increased by 1.6%, as compared to the same period for the prior year.

Overall taxable sales for all of Orange County grew by 4.6%, compared to the Southern California region at 5.1%, and for the City 5.7%, when compared to the same comparable time period for the prior year. HdL's latest estimate for Sales & Use Taxes for FY23-24 is \$3.9 million and \$4.1 million for FY24-25.

Measure Y Local Sales Tax

The City's Measure Y local sales tax generated an additional \$1.8 million for the quarter ending December 2022. Continued revenue growth is expected for Measure Y, estimates for FY23-24 and FY24-25 are \$6.6 million and \$6.8 million, respectfully.

Transient Occupancy Tax

Transit Occupancy Tax (TOT) includes tax from three hotels. The estimate for FY23-24 is \$530 thousand, and \$540 thousand for FY24-25. A study is planned to review the TOT rate and consider a proposal for an increase that will include a portion of the increase to be used for marketing efforts, and a resulting tax rate that will be comparable with surrounding cities.

Utility Users Tax, Franchise Fees

Utility Users Tax and Franchise Fees, reflect a downward trend, as consumer usage patterns reflect changes to levels and type of consumption. Estimates for FY23-24 and FY24-25 are reflective of this trend.

Licenses & Permits

Licenses & Permits are expected to reflect continued strong activity for building and construction. Estimates for FY23-24 and FY24-25 are \$1.1 million.

Fines & Forfeitures

Fines & Forfeitures revenue include red light camera and parking fines, and other moving violations. Revenue is expected to return to a normalized level in the next fiscal year. Estimates for FY23-24 are \$696K and \$746K for FY24-25.

Charges for Services

Most of the revenue for this category is generated by the Recreation Department's various programs, classes, and special events, and the addition of the Aquatics Program added back to Recreation's full menu of programs. Estimated revenues for FY23-24 and FY24-25 are \$765 thousand and \$780 thousand, respectively, and are expected to exceed FY22-23 revenues.

General Fund Proposed Expenditures

The proposed expenditures represent further restructuring of the City's internal operations in order to meet the goals set forth in the departments and the City. Projected expenditures (including transfers out) for FY23-24 are \$22.4 million, and \$21.0 million for FY24-25.

The table below reflects the Preliminary General Fund Budget for department expenditures for FY23-24 and FY24-25, including additional proposed staffing positions.

Expenditure Summary	2022-23 Adopted Budget	2023-24 Proposed Budget	2024-25 Projection
City Council	66,895	83,632	83,632
Administration	1,053,023	1,493,294	1,545,735
Finance	835,327	1,011,972	1,049,924
City Attorney	196,000	196,000	196,000
Police	8,005,752	8,345,045	8,730,482
Development Services	4,446,404	5,003,100	5,168,285
Recreation	2,003,743	2,458,757	2,542,699
Non-Departmental	2,443,181	2,265,894	617,894
Department Subtotal	19,050,325	20,857,708	19,934,651
Transfers Out	1,725,500	1,521,500	1,082,500
Total Expenditures	20,775,825	22,379,208	21,017,151

In addition to maintenance and operational increases, below is a breakdown of the individual departmental expenditures, including additional proposed staffing. Salaries reflect the second year of the two-year COLA adjustments as approved in the latest negotiated MOU agreements. For FY24-25, an estimate of 3% COLA has been used as a placeholder.

City Council

The City Council budget has a proposed increase of \$16,737 over the prior budget and reflects the spending trend for FY22-23 and returning to a pre-pandemic level, adding additional expenditures for the following line items: supplies (\$4,875), dues and subscriptions (\$5,720, includes OCOG, LAFCO, SCAG, and League of California Cities), commission appreciation (\$5,000), and meeting cablecasting (\$1,667). City Council line item expenses also include ordinance and adoption notices. The City manager has also been directed to prepare an Administrative Policy in connection with travel for City Council members to attend events, that covers the cost of travel for the Mayor or Mayor Pro Tem, or one Council Member in their absence. Any additional cost for staff members to accompany the Council at events will be borne by the department.

Administration (City Manager, City Clerk, Human Resources)

Administration includes the City Manager, City Clerk, Administrative Services Manager (Human Resources). The planned addition of the Management Analyst will enact the ability to rotate staff through various departments depending on need, instead of adding individuals to

each department. In addition, the long-planned addition of a Deputy City Clerk has been proposed to assist the City Clerk's department with the current workload. Employee Wellness has been moved from City Council to Administration. Total department expenditures for Administration for FY23-24 and FY24-25 are projected to be approximately \$1.5 million, respectfully.

Finance

The Finance Department consists of four full-time staff, including Director, Manager, Accountant, and Senior Finance Assistant; a Part-Time Clerical Assistant has been added for additional support. The Finance Manager reflects a salary change adding Tier 1 to enhance recruiting and retention for the position which is currently being recruited. Total Finance department expenditures for FY23-24 and FY24-25 are projected to be \$1.0 million, respectively.

Police

The Police budget consists of nine divisions: Administration, Patrol, Investigation, Records, Communication, Community Outreach, Youth Programs, Traffic, and Emergency Preparedness. Salaries reflect the recently negotiated cost of living adjustments for FY22-23 and FY23-24 and assume the full complement of sworn personnel at 24 sworn officers. In addition, an additional sworn officer was approved and is being added that will be offset by OCAT through the California Department of Motor Vehicles for a period of three years. The additional position will allow for critical backfill and will enhance overall retention. The total department expenditure for FY23-24 is projected to be \$8.3 million, and \$8.7 million for FY24-25.

Development Services

Development Services consist of Administration, Planning, Neighborhood Preservation, Building Inspection, NPDES, Street, Park, and Facility Maintenance, and City Engineer. The total department expenditures for FY23-24 and FY24-25 are projected to be \$5.0 million and \$5.1 million, respectively. Costs reflect the proposed positions of an additional Department Secretary and Management Analyst that will provide additional administrative and analytical support, and six additional maintenance positions. The additional maintenance positions are necessary to cover needed repairs, maintenance of the new parks coming online, provide set-up and takedown for special events, and full seven-day coverage of the City's facilities. This will constitute a fully functioning Public Works department that is able to handle the demands of maintaining the City's infrastructure and facilities, especially at a time when the City is making sizeable investments in both. The Economic Development Division will continue to be funded and offset by ARPA. This position will be responsible for Business Licensing and additional oversight of the HdL Business License processing, the Banner Program, Economic Development initiatives, Outdoor Dining, Employment, and New Business Programs.

Recreation and Community Services (RCS)

Recreation and Community Services include divisions for Administration, Community Services, Day Camp, Playgrounds, Sports, Special Classes and Special Events. Salaries reflect an adjustment of Tier 1 to the Recreation Manager. The proposed change will better align salaries with the market and add retention. With the expansion of programs, part-time salaries are being increased for the Aquatics program and Special Classes. Total department expenditures for RCS are projected to be \$2.5 million for FY23-24 and FY24-25.

Staffing Changes

As discussed with the BSC at the April 10 and May 8 meeting, other potential employee retention strategies are being proposed that include salary tier adjustments, flex scheduling, and percentage increases to recognize additional duties. Non-Represented and Teamsters employees that are currently in Tier 2 or Tier 3, are being proposed to move to an equivalent level in Tier 1. The estimated cost of this change is approximately \$139,000.

Non-Departmental

Non-Departmental includes contractual services not associated with other departments, \$298K retiree health insurance costs, \$34K credit card processing fees, \$30K pre-employment expense, \$44K contributions to North SPA, and \$1.7M capital projects funded by Measure Y and General Fund.

Interfund Operating Transfers Out

Interfund transfers from the General Fund are to other funds to cover Debt Service payments (Fund 31), capital improvement projects funded by the General Fund (Building Improvement Fund 25), transfers to cover facility improvements (Fund 52), and transfers to cover self-insurance costs (Fund 54).

Internal Service Charges

There are no changes being proposed to the Internal Service Charges for FY23-24. The Internal Service Charges will be reviewed in connection with the Cost Recovery Study to determine proper levels of cost recovery and allocation methodology.

Other Cost Considerations

In connection with the UAL, a report was taken to the Council in November for a plan to pay down the unfunded liability. Council adopted Resolution 2022-23, adopting the PERS Unfunded Accrued Liability Pay-Down Funding Policy. The policy establishes the following directives:

- Starting with the 2022/23 Budget cycle, The Los Alamitos City Council directs the City Manager to incorporate within the annual budget an Additional Discretionary Payment (ADP) of at least \$260,000 in order to address the City's current PERS Unfunded Actuarial (UAL). The City Manager is further directed to include the same \$260,000 in subsequent budgets, with the goal of achieving 100% funding within 12 years of adoption of this policy.
- Additionally, upon completion of the City's annual independent financial audit, should a surplus be identified and verified, at least 25% of the identified and verified surplus will be used to make an additional ADP payment. This payment is in addition to and does not supplant the already directed \$260,000 annual payment.
- Any change to or rescission of this policy would require action approved by the City Council during a public hearing and requiring a finding of extreme financial danger to the City's infrastructure or public safety.

Ordinance No. 2023-04 - Purchasing System

The current purchasing policy approvals are defined in Chapter 2.60 of the Los Alamitos Municipal Code. The policy has been in place for many years and has provided guidance for purchasing decisions. As City's operations have expanded, and so has the need to modify the purchasing policy to allow for more efficient operations. If approved by the City Council, proposed Ordinance No. 2023-04, would amend LAMC § 2.60. Below is a summary of the changes.

Purchasing Authority – City Council (Section 2.60.050 A)

Purchases and contracts exceeding \$100,000 shall be awarded by written contract approved by the City Council.

Purchasing Authority - City Manager (Section 2.60.050 B)

Under the current policy, the City Manager's approval authority is limited to purchases, and contracts for supplies, equipment and services up to \$50,000. In many cases, contracts and services exceed this amount, and delays have occurred in engaging needed work in a timely manner. The revision will increase the City Manager's approval authority to \$100,000.

In addition, adding language in connection with the bids, awarding the bid to the lowest "responsible" bidder. In some cases, the lowest bidder may not have completed the required documentation in connection with the bid, and this additional language would allow the flexibility to use the next highest bidder and not delay the award process. If the lowest bidder is not selected, then the decision process must be documented explaining why the lowest bidder was not chosen.

Purchasing Procedure – Purchase Orders (Section 260.060 C2)

Purchase orders shall be used for all goods, materials and equipment for any single item or aggregate purchase with an estimated value of \$7,500, or greater, a change from the previous level of \$5,000.

Purchasing Procedure – Purchase Orders (Section 260.060 D2)

For any single item or aggregate purchase with an estimated value of more than \$10,000, three formal bids shall be obtained. The previous threshold was \$5,000.

Exception to Purchasing Procedure (Section 2.60.070)

The purchasing system's bidding requirements may be dispensed with for emergency purchases. The proposed change would allow the City Manager approval of emergency purchases up to \$100,000 consistent with the proposed approval authority change in Section 2.60.050.

The City Manager or his/her designee shall prepare a report of the circumstances of the emergency as soon as possible and the report will be filed with the City Council at its next regular meeting. The Budget Standing Committee shall also be notified of any purchases exceeding \$75,000. The proposed modifications to the Purchasing System will better align with the operating needs to result in increased efficiencies in workflow and more effective operations for the City.

Capital Funding Needs

The proposed Capital Improvement Plan for FY23-24 is once again an aggressive plan and exceeds FY22-23 which was \$4.2M. Many of the facility type projects were formerly funded through department line expenditures and are now included as capital projects to improve tracking and reporting. FY23-24 CIP is projected to be \$7,712,000 (Attachment 1). A summary of the CIP by Fund is provided in Attachment 2.

Funding is as follows:

- \$2,062,000 are pending projects,
- \$3,730,000 will be funded by the FY22-23 surplus, and
- \$1,920,000 is funded by Special Funds.

FISCAL IMPACT

The fiscal impact associated with the various personnel changes that are recommended is incorporated in the FY23-24 and FY24-25 Budget. This report presents the preliminary projections for the budget for Fiscal Year 2023-24 and Fiscal Year 2024-25. There is no direct, explicit fiscal impact to modifying the purchasing Ordinance. However, it is anticipated that the proposed Ordinance will result in administrative cost savings due to the increased efficiency arising from the increase in threshold amounts, City Manager contract authority, and streamlining of procurement processes.

- Attachment:
1. Capital Improvement Plan for FY23-24
 2. Summary of the CIP Funding
 3. Ordinance No. 2023-04 - Purchasing System

CITY OF LOS ALAMITOS
Capital Improvement Projects
Fiscal Year 2023-24

PROJECT TITLE	FUNDING SOURCE	ACCOUNT	FY2023-24 PROJECTED
STREETS AND DRAINAGE			
Regular Yearly Work			
ARTERIAL AND RESIDENTIAL TREE TRIMMING	Measure M	26-570-5501.2103	\$ 75,000
Special Funded Projects			
STREET IMPROVEMENT PROJECT (PENDING)	Measure Y	10-570-5501.2303	\$ 1,000,000
BLOOMFIELD STREET IMPROVEMENT PROJECT (PENDING)	Measure M	20-570-5501.2305	\$ 300,000
LAHS TRAFFIC STUDY	Traffic Improvement	44-570-5501.XXXX	\$ 40,000
SAFETY LIGHTS AT INTERSECTIONS	Measure M	26-570-5501.1612	\$ 50,000
CONCRETE/ADA RAMP PROJECT	Measure M	26-570-5501.XXXX	\$ 50,000
KATELLA AVENUE STREET PROJECT	Measure M	26-570-5501.XXXX	\$ 300,000
STREET MARKINGS/STRIPING	Gas Tax	20-570-5501.1003	\$ 85,000
RESIDENTIAL STREET IMPROVEMENT	Gas Tax	20-570-5501.1004	\$ 660,000
Facilities			
COMMUNITY CTR DIVIDER PROJECT (PENDING)	Bldg Improvement	25-570-5503.2306	\$ 72,000
REC COMM CENTER ROOF (INS DED)	Facilities	52-570-5503.1941	\$ 10,000
ELECTRIC SVC & WIRING UPGD - PD (PENDING)	Facilities	52-570-5501.2005	\$ 40,000
GENERATOR PROJECT (PENDING)	Facilities	52-570-5501.2308	\$ 650,000
General Fund (FY22-23 SURPLUS)			
LAUREL PARK TENNIS COURT PROJECT	Gen Fund	10-570-5501.XXXX	\$ 75,000
PD PROPERTY ROOM REMODEL	Gen Fund	10-570-5501.XXXX	\$ 85,000
BRADBURY/ROSSMOOR WAY SIGNAL LIGHT RELOCATION	Gen Fund	10-570-5501.XXXX	\$ 475,000
MEDIAN ISLAND CONCEPT & DESIGN PROJECT	Gen Fund	10-570-5501.XXXX	\$ 175,000
DEMO LATV/PW BLDG	Gen Fund	10-570-5501.XXXX	\$ 150,000
LABOURDETTE PARK PROJECT	Gen Fund	10-570-5501.XXXX	\$ 700,000
STERNS PARK PROJECT	Gen Fund	10-570-5501.XXXX	\$ 300,000
COMMUNITY CTR KITCHENS REMODEL	Gen Fund	10-570-5501.XXXX	\$ 325,000
COMMUNITY CTR SOUND SYSTEM/AV UPGRADE	Gen Fund	10-570-5501.XXXX	\$ 75,000
STORAGE UNIT PD	Gen Fund	10-570-5501.XXXX	\$ 15,000
OUTDOOR AWNING & LIGHTING PD	Gen Fund	10-570-5501.XXXX	\$ 130,000
ROOM ADDITION PROJECT (PW BREAKROOM, LACTATING ROOM)	Gen Fund	10-570-5501.XXXX	\$ 150,000
CITYWIDE TRASH RECEPTACLES	Gen Fund	10-570-5501.XXXX	\$ 250,000
YOUTH CTR REMODEL (DESIGN)	Gen Fund	10-570-5501.XXXX	\$ 250,000
COUNCIL CHAMBER REMODEL (DESIGN)	Gen Fund	10-570-5501.XXXX	\$ 100,000
CIVIC CTR MASTER PLAN	Gen Fund	10-570-5501.XXXX	\$ 225,000
PD LOCKER ROOM REMODEL (DESIGN)	Gen Fund	10-570-5501.XXXX	\$ 75,000
PINE STREET (DESIGN)	Gen Fund	10-570-5501.XXXX	\$ 175,000
CDBG Funding Projects			
LABOURDETTE PARK PROJECT	CDBG	19-570-5501.XXXX	\$ 300,000
STERN PARK PROJECT (C/O)	CDBG	19-570-5501.2301	\$ 350,000
Funding Recap			
Pending CIP Projects			\$ 2,062,000
FY23-24 (FY22-23 Surplus)			\$ 3,730,000
FY23-24 Special Funds			\$ 1,920,000
Total Funded			\$ 7,712,000

CAPITAL IMPROVEMENT PROJECTS SUMMARY BY FUND - FISCAL YEAR 2023-24

CDBG Fund (19)	\$ 650,000
Gas Tax Fund (20)	\$ 1,045,000
Building Improvement (25)	\$ 72,000
Measure M Fund (26)	\$ 475,000
Traffic Imrov (44)	\$ 40,000
Facilities Streets and Parks (52)	\$ 700,000
General Fund (FY22-23 Surplus)	\$ 3,730,000
Measure Y	\$ 1,000,000
Total Capital Improvement Projects - Fiscal Year 2023-24 (Including Pending)	\$ 7,712,000

ORDINANCE NO. 2023-04

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, AMENDING AND RESTATING CHAPTER 2.60 (PURCHASING SYSTEM) OF THE LOS ALAMITOS MUNICIPAL CODE

WHEREAS, the City's procurement regulations, policies and procedures are codified at Chapter 2.60 (Purchasing System) of the Los Alamitos Municipal Code (the "Purchasing Ordinance"); and,

WHEREAS, the Purchasing Ordinance was last amended in 2021; and,

WHEREAS, the Purchasing Ordinance is outdated and hinders the City's ability to quickly and efficiently address the needs of the City; and,

WHEREAS, revisions to the Purchasing Ordinance are needed to adhere with best practices and be consistent with surrounding cities; and,

WHEREAS, the proposed amendment and restatement of the Purchasing Ordinance will increase the monetary purchasing thresholds, improve efficiency and enhance City procurement of necessary supplies, equipment, and services.

**THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS, CALIFORNIA, DOES
ORDAIN AS FOLLOWS:**

SECTION 1. The foregoing recitals are true and correct.

SECTION 2. Section 2.60 of the Los Alamitos Municipal Code is amended and restated to read as follows:

2.60 Purchasing System

2.60.010 Purchasing system adopted.

2.60.020 Definitions.

2.60.030 Purchasing Officer.

2.60.040 Purchasing Agents.

2.60.050 Purchasing Authority.

2.60.060 Purchasing Procedure.

2.60.070 Exception to Purchasing Procedure.

2.60.080 Professional Services.

2.60.090 Informal Bidding Procedure.

2.60.100 Formal Bidding Procedure.

2.60.110 Disposition of Property.

2.60.010 Purchasing system adopted.

In order to establish efficient procedures for the purchase of supplies, services and equipment, to secure for the City supplies, services and equipment at the lowest possible cost commensurate with the quality needed, to exercise positive financial control over purchases, to clearly define authority for the purchasing function and to ensure the quality of purchases, a purchasing system is hereby adopted.

This chapter shall be known as and may be cited as the "Purchasing System."

2.60.020 Definitions.

For the purpose of carrying out the intent of this chapter, the following words, phrases and terms shall have the meaning ascribed to them in this section:

A. "Facility" means any plant, building, structure, ground facility, utility system, real property, streets and highways, or other public work improvement (subject to the limitation found in the definition for Public Project in this section).

B. "Maintenance work" means work that includes all of the following:

1. Routine, recurring and usual work for the preservation or protection of any publicly owned or publicly operated facility for its intended purposes;
2. Minor repainting;
3. Resurfacing of streets and highways at less than one (1) inch;
4. Landscape maintenance, including mowing, watering, trimming, pruning, planting, replacement of plants, and servicing of irrigation and sprinkler systems.

C. "Professional services" means, but is not limited to, any type of professional services that may be lawfully rendered including the services of architects, attorneys, consultants, engineers, physicians, accountants, information technology professionals, or other individuals or organizations professing a high degree of professional or technical expertise, but does not include Public Projects.

D. "Public Works contract" shall have the meaning set forth in California Public Contract Code 1101, as amended from time to time.

E. "Public Project" means any of the following to which the Uniform Public Construction Cost Accounting Act (California Public Contract Code section 22000 et seq.) applies:

1. Construction, reconstruction, erection, alteration, renovation, improvement, demolition and repair work involving any publicly owned, leased or operated

facility; or

2. Painting or repainting of any publicly owned, leased or operated facility.

F. "Purchase order" means a written authorization by the issuing party for the recipient to provide labor, materials or services for which the issuing party agrees to pay.

G. "Responsible bid" means an offer, submitted by a responsible bidder in ink or typewritten form, to furnish supplies, materials, equipment or contractual services in conformity with specifications, delivery terms and conditions and other requirements included in the invitation for bids.

H. "Responsible bidder" means a bidder who submits a responsible bid; who has furnished, when requested, information and data to prove that his financial resources, production or service facilities, service reputation and experience are adequate to make satisfactory delivery of the supplies, materials, equipment or contractual services on which the bids are made, and who has not violated, or attempted to violate, any provision of this Part.

I. "Supplies, materials and equipment" mean any and all articles or things which shall be furnished to or used by any agency.

2.60.030 Purchasing Officer.

There is created the position of Purchasing Officer. The City Manager shall be the Purchasing Officer. The City Manager may delegate any of the powers and duties conferred upon him or her as Purchasing Officer to any other officer or employee of the City in accordance with Section 2.60.040. The Purchasing Officer directs and supervises the acquisition of all goods and services under the authority of this section. The Purchasing Officer shall:

A. Purchase or contract for supplies and equipment required by any department in accordance with purchasing procedures prescribed by this chapter, such administrative regulations as the purchasing officer shall adopt, and such other rules and regulations as shall be prescribed by the City Council;

B. Negotiate and recommend execution of contracts for the purchase of supplies, equipment and services;

C. Act to procure for the City the needed quality in supplies and equipment;

D. Discourage uniform bidding and endeavor to obtain full and open competition on all purchases of supplies and equipment; provided, however, the Purchasing Officer may request bids based on brand name or specific make or model when he or she has made the determination that such specific makes or names are clearly in the best interest of the

City. Such determination shall be made in writing and shall state the factors taken into account, including, but not limited to, the following:

1. Prior or existing use by the City of the brand or name,
2. Familiarity of the City's employees with the product,
3. Cost savings expected,
4. Spare parts or accessories on hand,
5. Elimination of the need for training on new equipment,
6. Unique adaptability of the brand or name to the City function which it will perform;
7. And overall availability and access to the item in the most timely and efficient manner.

E. Keep informed of current developments in the field of purchasing, prices, market conditions and new products;

F. Prescribe and maintain such forms as are reasonably necessary to the operation of this chapter and any other rules and regulations;

G. Supervise the inspection of all supplies and equipment purchased to ensure conformance with specifications;

H. Recommend the transfer of surplus or unused supplies and equipment between departments as needed and recommend the sale of all supplies and equipment which cannot be used by any agency or which have become unsuitable for City use;

I. Maintain a bidders' list, vendors' catalog file and records needed for the efficient operation of the purchasing department.

The Purchasing Officer may consult with Orange County centralized purchasing before purchases are made.

2.60.040 Purchasing Agents.

The City Manager may delegate responsibility for administering purchasing policies and procedures to one or more department heads. A department head who has been delegated authority by the Purchasing Officer hereunder is referred to herein as a Purchasing Agent. Unless the Purchasing Officer directs otherwise, the authorized Purchasing Agents and their contract authority must be approved in writing by the City Manager and maintained on file with the Director of Finance.

2.60.050 Purchasing Authority

A. City Council. Except as otherwise provided herein purchases and contracts of an estimated value greater than one hundred thousand dollars (\$100,000.00) shall be awarded by written contract approved by the City Council pursuant to the procedure prescribed herein.

B. City Manager. The City Manager is authorized to contract for personal, professional, and consulting services and to purchase equipment and supplies pursuant to this chapter without prior approval of the City Council when the full amount is less than one hundred thousand dollars (\$100,000.00) and there exists an unencumbered amount in the fund account against which the expense is to be charged at least equal to the contract cost.

2.60.060 Purchasing Procedure

A. Availability of Funds. Except in emergencies as defined in Section 2.60.070, no notice of award of contract shall be issued, no contract shall be signed, and no open market purchase order shall be issued unless the unexpended balance in the appropriation or appropriations concerned is sufficient to defray the amount of such contract or purchase order.

B. Purchaser Responsibilities. It shall be the responsibility of the Purchasing Officer or Purchasing Agent handling a purchase:

1. To reduce, to the maximum extent possible, the number of purchase transactions by combining bulk orders and contracts the requirements of departments or City for common-use items or items repetitively purchased.
2. To obtain a completed IRS Form W-9 from any vendor not previously used for City purchases and submit it to the Finance Department. The Finance Department shall perform procedures to ensure the validity of all new vendors before any purchase can be made with the new vendor.
3. Except as otherwise authorized in this chapter or by state or federal law, to select the lowest responsible bidder when bids are solicited, whether formal or informal. If the lowest priced bid is not selected, then the decision process must be documented explaining why the lowest bid was not chosen.
4. If the item(s) to be purchased is only available through one vendor and or sole source provider, written verification that the vendor is the sole source provider must be provided.

C. Purchasing Officer Authority. The Purchasing Officer is authorized to prescribe the use of various types of contracts and orders, including, but not limited to, the following:

1. Petty Cash. Use of petty cash is authorized for single purchases of two-hundred dollars (\$200.00) or less. Petty cash reimbursements must be supported by a receipt and approved by the employee's supervisor. The Finance Department will review the receipts and approvals attached to the request for petty cash replenishment from each department to verify purchases made are approved and legitimate.

2. Purchase Orders. Purchase orders shall be used for all purchases of goods, materials and equipment in accordance with the following:

a. Any single item or aggregate purchase with an estimated value of seven thousand five hundred dollars (\$7,500.00) or greater.

b. When the Purchasing Officer or Purchasing Agent expects to make multiple purchases with a single vendor and purchases are expected to exceed seven thousand five hundred dollars (\$7,500.00) per fiscal year for a single project, he or she should utilize an open purchase order. Open purchase orders must be approved by the Purchasing Officer or Purchasing Agent and renewed every fiscal year.

D. The Purchasing Officer and/or Purchasing Agent shall follow the following procedures with regards to purchases of goods, materials, and equipment:

1. For any single item or aggregate purchase with an estimated value of seven thousand five hundred dollars (\$7,500.00) up to ten thousand dollars (\$10,000.00) the Purchasing Officer and/or Purchasing Delegate shall solicit three (3) informal bids or quotes.

a. Bids or quotes may be obtained from the vendors in verbal or written format.

b. The Purchasing Officer or Purchasing Agent must submit written documentation of the bids and quotes with the purchase order.

2. For any single item or aggregate purchase with an estimated value in excess of ten thousand dollars (\$10,000.00) the Purchasing Officer or Purchasing Agent shall solicit three (3) formal bids.

a. Bids must be obtained in writing from the vendors.

b. The Purchasing Officer or Purchasing Agent must submit written documentation of the bids with the purchase order.

3. Any single item or aggregate purchase of vehicles and heavy-duty equipment and machinery or maintenance with an estimated value of twenty-five thousand dollars (\$25,000.00) or greater must be approved by City Council.

E. Professional development and training costs do not require purchase orders. Any

travel-related costs should also be in accordance with the City's travel policy.

F. Credit Card. Purchases by credit card of goods, material, and equipment must follow the following procedures:

1. Credit cards may be provided to employees as determined appropriate by the Finance Director, in consultation with the employee's immediate supervisor.
2. The Finance Director and in his/her absence the City Manager is responsible for the issuance of credit cards, accounting, monitoring, and generally overseeing compliance with these procedures.
3. Credit card limits will be determined by the finance director and in his/her absence the City Manager. There shall be no cash access feature (cash advance) on the credit cards. The Finance Director shall establish policies for the safekeeping of credit cards and procedures in the event a credit card is lost, stolen or destroyed.
4. Credit cards must only be used by City employees for proper City business purposes. Use of credit cards for personal purchases is strictly prohibited.
5. Employees using credit cards must retain detailed credit card receipts, attach them to the credit card statements and present this documentation to their immediate supervisor for approval. In the case of meals and business travel expenses, each receipt must include the names of all persons involved in the purchase, and a brief description of the business purpose. Receipts shall be reconciled to the monthly credit card statement by the Finance Department. An employee who fails to provide credit card receipts to the Finance Department within three (3) days of when the charges were made may be required, at the Finance Director's discretion, to reimburse the City for the charges, and at the Finance Director's discretion, may have his or her credit card privileges revoked.
6. Each credit card issued in the name of the City of Los Alamitos will be issued for use only under the authority of the Finance Director. Credit cards are the property of the City and shall be returned to the employee's supervisor upon demand or upon termination of employment with the City, whichever occurs first.
7. Before being issued a credit card, employees must complete and sign the acknowledgement form stating that they understand and will comply with the City's credit card policy.
8. Examples of allowable uses of credit cards include, but are not limited to:
 - a. Conferences/training/seminars (registration, airline/car rental, hotel accommodations, meals and fuel).
 - b. Business lunch with representatives from other government agencies or

consultant under contract to the City, furnishing lunch for interview panels and/or evaluation review boards.

c. Publications/manuals.

d. Providing meals, equipment and material to work crews in cases of emergency.

e. Should the credit card be used to purchase goods, materials or services, the purchase must be made in a manner consistent with this chapter.

02.60.070 Exception to Purchasing Procedure.

A. Emergency Purchases. The emergency procedure applies to purchases made necessary from an emergency situation that poses an immediate threat to public health, welfare or safety as determined by the Purchasing Officer for which no time exists to seek City Council action or approval, if such action or approval were otherwise required.

1. An emergency situation is defined as follows:

a. A public disaster;

b. An immediate need to prepare for national or local defense; and

c. A breakdown of equipment, fixtures, machinery or an essential service immediately affecting public health, safety, or welfare.

2. The Purchasing Officer or the Purchasing Agent shall prepare a report of the circumstances of the emergency as soon as possible. The report will be filed with the City Council at its next regular meeting.

B. Bidding: Exceptions.

1. Purchases of supplies and equipment and contracts for Public Projects, except Public Works Contracts, shall be by bidding procedures pursuant to the provisions of Section 2.60.060 and as described in Sections 2.60.080 and 2.60.090 of this chapter;

2. Bidding shall be dispensed with upon authorization of the Purchasing Officer or the Finance Director:

a. Where bidding would be impossible or impractical;

b. Where the commodity or service can be obtained from only one (1) vendor. When there is only one (1) vendor that provides the product or service, the details must be documented and supported in order to dispense with bidding requirements;

c. Where the price of the commodity or service is controlled by law such that bidding would be unlikely to result in any cost savings; or

d. For Public Works contracts that are subject to the provisions of the California Public Contract Code, in which case the contract(s) shall be procured in conformity with the City Charter and the Public Contract Code.

3. For the purposes of this section:

a. "Impossible" shall mean impossibility or extreme and unreasonable difficulty or expense; and

b. "Impractical" shall mean incapable of being performed by the bid procedure.

4. Whenever exceptions to bidding procedures are authorized, the Purchasing Officer shall prepare a report in detail for the City Council at the next regularly scheduled Council meeting.

C. Purchases Through Other Agencies. The procurement policies and procedures set forth in this chapter need not be followed when the City Council or the Purchasing Officer determines that another public agency or government entity, including without limitation the County of Orange, the State of California, and the Federal Government (hereinafter "the acquiring agency") has selected the vendor using competitive bidding procedures substantially the same as or similar to those normally utilized by the City for the acquisition of such materials, supplies, equipment, or services. If such a determination is made, the City Manager or City Council as applicable may proceed to purchase the materials, supplies, equipment or services at a price equivalent to that offered to the acquiring agency.

2.60.080 Professional Services.

A. Use of Requests for Proposals. The Purchasing Officer or purchasing delegate shall make use of the request for proposal (RFP) process and/or obtain quotes for professional services whenever practical.

B. Guidelines for Selection. The Purchasing Officer or Purchasing Agent primarily responsible for the project for which professional services are required shall select firms or individuals based on their ability to perform the specific functions including, but not limited to, such factors as:

1. Overall professional experience, reliability, and continuity of the firm as related to the tasks described in the solicitation for proposals or bids;
2. Professional experience of the firm in executing contracts of a similar nature;

3. Adequacy of personnel numbers within specific disciplines required to complete the work required by the solicitation for proposals or bids;
4. Experience and training of key personnel as related to the work described in the solicitation for proposals or bids;
5. Adequacy of number of principal(s) which are intended to be assigned to the contract;
6. Knowledge of applicable regulations and technology associated with the contract;
7. Quality and timeliness of recently completed or nearly completed projects which were similar to the work described in the solicitation for proposals or bids;
8. Specialized qualifications for the services to be performed

Such factors shall be weighed by the Purchasing Officer or Purchasing Agent and by the City department primarily responsible for the project according to the nature of the contract, the needs of the City and complexity and special requirements of the specific contract for which the services will be provided.

C. RFP Procedures. If a formal RFP is used, the Purchasing Officer or Purchasing Agent shall abide by the following procedures:

1. A request for proposal solicitation document shall be issued to potential individuals or firms. The solicitation document shall discuss the following:
 - a. Scope of work or specification desired.
 - b. List any required qualifications.
 - c. List the evaluation criteria.
 - d. The date of submission for the response by the vendor.
 - e. Only criteria disclosed in the solicitations may be used to evaluate the supplies or services proposed.
2. The solicitation document shall be made available to a minimum of three (3) qualified firms or individuals and shall be made available for no less than fourteen (14) calendar days.
3. Evaluation of proposals received will be conducted by either a City employee or a review committee. Discussions may be conducted, at the discretion of the Purchasing

Officer or Purchasing Agent, with one (1) or more responsible offerors who have submitted a proposal and is determined to be reasonably susceptible for being accepted for award. These discussions may be held for the purpose of clarification to assure full understanding of responsiveness to the solicitation requirements.

4. The Purchasing Officer or Purchasing Agent shall notify the selected contractor and obtain a written contract.

2.60.090 Informal Bidding Procedure.

A. Informal Bidding Procedures. The following shall govern the selection of contractors when a Public Project is anticipated to fall within the monetary limits on informal bids described in applicable laws and regulations, including, but not limited to, the limitations established pursuant to California Public Contract Code section 22032, as the same may be adjusted from time to time:

1. The City shall prepare a notice of the opportunity to bid which describes the project in general terms, states the time and place for the submission of bids and describes how to obtain more detailed information about the project.

2. The City shall mail the notice to all contractors for the category of the work to be bid, as shown on the list of contractors developed and maintained by the Division? of Public Works in accordance with criteria promulgated from time to time by the California Uniform Construction Cost Accounting Commission ("Commission").

3. The City may also mail the notice to all construction trade journals specified by the Commission for the County of Orange. Additional contractors and/or construction trade journals may also be notified at the discretion of the Purchasing Agent; provided, however, (1) if the City has not prepared a list of qualified contractors for the particular category of work to be performed, the notice inviting bids shall be sent only to the construction trade journals specified by the Commission; and (2) if the product or service is proprietary in nature such that it can be legally obtained only from a certain contractor(s), the notice inviting informal bids may be sent exclusively to such contractor(s).

4. All mailings of notices to contractors and construction trade journals pursuant to this section shall be completed not less than ten (10) calendar days before bids are due.

B. Bid Selection. Except as otherwise provided herein, purchases of goods, services, and equipment and public projects shall be awarded to the lowest responsible bidder. The determination of the "lowest responsible bidder" shall be determined by the Purchasing Officer or Purchasing Agent authorized to conduct the procurement.

C. Exceptions. Purchases of goods, services, equipment and public projects (other than public works contracts) may be awarded to a bidder other than the lowest

responsible bidder only upon a written finding, approved by the Purchasing Officer or Purchasing Agent, and supported with written documentation setting forth the reasons that greater overall value to the City will be achieved by awarding to the other bidder. Alternatively, the Purchasing Officer or Purchasing Agent may reject all bids and either halt the procurement or conduct the procurement again. Awards of Public Works contracts and contracts for public projects shall be made in accordance with the City charter, and as applicable, state law.

2.60.100 Formal Bidding Procedure.

A. Bid Solicitation Procedures.

1. The City Council shall approve plans and specifications for all public projects and public works contracts which are required per applicable laws and regulations.

2. The Purchasing Officer or Purchasing Agent shall prepare and provide for advertisement a notice inviting formal bids, stating the time and place for the receiving and opening of sealed bids and distinctly describing the public project, commodity, or class of commodities. The Purchasing Officer or Purchasing Agent shall publish each and every notice inviting bids in accordance with the following requirements:

a. The notice shall be published in accordance with the requirements of California Public Contracts Code section 20164, as that section may be modified.

b. Contracts for services for the painting, maintenance or repair of public buildings and works specifically governed by Government Code Sections 37901 and 37902 shall be subject to the solicited bid process in accordance with applicable laws.

c. The Purchasing Officer or Purchasing Agent shall, in addition, solicit bids from prospective bidders for the class of commodities being purchased or sold as listed on the bidders list, by sending them copies of the newspaper notice or such other notice as will acquaint them with the proposed purchase or sale. All pending purchases or sales shall also, in all cases, be advertised by posting a copy of the contract bid form on a bulletin board in a prominent place in the City Hall and on the City's official website.

d. In addition to notice required by this section, the Purchasing Officer or Purchasing Agent may give such other notice as he or she deems proper.

3. All bids shall be presented under sealed cover and accompanied by one (1) of the following forms of bidder's security:

a. Cashier's check made payable to the City;

b. A certified check made payable to the City; or

c. A bidder's bond executed by an admitted surety insurer, made payable to the City.

4. The security shall be in an amount equal to at least ten (10) percent of the amount bid. A bid shall not be considered unless one (1) of the forms of responsible bidder's security is enclosed with it. If the bidder to whom the contract is awarded shall for ten (10) days after the award fail or neglect to enter into the contract and file the required securities, the City shall deposit in its treasury the bid security if the security is in the form of cash or its equivalent.

5. Provisions shall be included in any invitation for bid and in any contract documents for the furnishing of securities and/or the withholding of retentions earned to ensure performance under a contract in an amount and type as determined by the Director of Development Services, consistent with state law. Provisions shall be included in any invitation for bid and in any contract documents for insurance coverage in an amount, type and term as may be specified by the City.

6. When required by state law, the contractor shall not pay less than the general prevailing rates of wages, as determined by the Director of the Department of Industrial Relations, to all workers employed on a public project or Public Works contract.

B. Formal Bid Opening Procedure. Sealed bids shall be submitted to the City Clerk with the bid number written on the envelope where they will be date and time stamped. All bids must be received and date and time stamped by the City Clerk's clock on or before the date and time due; late bids (as determined by reference to the City Clerk's clock) will be returned unopened. Submitted bids may be withdrawn until the Purchasing Officer, or his or her designee, shall publicly open all bids at the time and place stated in the public notice. A tabulation of all bids shall be available for public inspection in the City Clerk's office during regular business hours for a period of one (1) year after bid opening.

C. Rejection of Formal Bids. In its discretion, the City Council may reject and all bids presented if the Purchasing Officer, prior to rejecting all bids, furnishes a written notice to an apparent low bidder, informing the bidder of the City's intention to reject the bid at least two (2) business days prior to the hearing at which the City Council intends to reject the bid. If after the first invitation of bids all bids are rejected, after reevaluating its cost estimates of the project, the City Council may: (a) abandon the project; (b) re-advertise for bids in the manner prescribed by this chapter; or (c) perform the work with City employees, after passing a resolution by a four-fifths vote of the City Council declaring that the project can be performed more economically by City employees.

D. Award of Formal Bid Contracts. All public works contracts with a value exceeding the limitations established pursuant to California Public Contract Code section 22032, as the same may be adjusted from time to time, shall require the approval of the City Council and shall be executed by the Mayor and approved as to form by the City Attorney. Unless the agreement provides otherwise, the City Manager may approve dollar increases to

contracts that have been approved by the City Council. The extent of the City Manager's authority to approve such increases shall be in the amount of ten thousand dollars (\$10,000.00) or ten (10) percent, whichever is greater, or an amount specifically designated by City Council for the particular project. If a contract is awarded, it shall be awarded by the City Council to the lowest responsible bidder that submits a responsive bid. The determination of the "lowest responsible bidder" shall be at the discretion of the City Council pursuant to the findings and recommendations presented by the Purchasing Officer at the time of award of contract. In determining the lowest responsible bidder, the following shall be considered by the City Council, in addition to price:

1. The ability, capacity and skill of the bidder to perform the contract or provide the services required;
2. Whether the bidder can perform the contract or provide the services promptly, or within the time specified, without delay or interference;
3. The sufficiency of the bidder's financial resources to perform the contract or provide the service;
4. The ability of the bidder to provide future maintenance and services where such maintenance and service is essential;
5. The quality and timeliness of the bidder's performance on previous contracts for the City;
6. Litigation by the bidder on previous contracts with the City;
7. The character, integrity, reputation, judgment, experience and efficiency of the bidder;
8. The bidder is licensed under the Contractors' State License Law (commencing with Section 7000 of the Business and Professions Code of the State of California, as the same may be amended from time to time) to perform the work for which it submitted a bid proposal.

E. Tie Formal Bids. If two (2) or more formal bids received are for the same total amount or unit price, quality and service being equal, the City Council may, at its discretion, accept the one (1) it chooses or accept the lowest bid made by and after negotiation with the tie bidders.

F. No Formal Bids. If no bids are received through the formal or informal procedure, the project may be performed by the employees of the City by force account or through a negotiated contract without further complying with this chapter.

G. Bid Selection. If a contract is awarded, it shall be to the lowest responsible bidder that submits a responsive bid. The determination of the "lowest responsible bidder"

shall be made in accordance with subsection D, above.

2.60.110 Disposition of Property

A. Surplus or Obsolete Commodities. All departments shall submit to the Purchasing Officer at such times and in such form as he or she shall prescribe, reports showing stocks of all supplies, materials and equipment which are no longer used or which have become obsolete, worn out or scrapped. The Purchasing Officer shall have authority to transfer any such commodities which are usable to another or other departments in of the same or similar articles.

The Purchasing Officer shall make a written estimate of the value of any surplus items not usable by any City department or not required for public use. The Purchasing Officer shall have the authority to sell all such supplies, materials and equipment which cannot be used by any department or which have been found by the City Council not to be required for public use or to exchange or trade in such articles in part or full payment for new supplies, materials or equipment of a similar nature. The Purchasing Officer shall report in detail, including the amount of revenue received upon any such sale, to the City Council within forty-five (45) days thereafter.

B. Unclaimed Property in Possession of Police Department. "Unclaimed property" is all personal property, the title of which is not vested in the City of Los Alamitos, which property has come into the possession of the City as lost property, property which has been confiscated or impounded by the City as being in violation of law or any other personal property coming into possession of the City of Los Alamitos which is not specifically provided for by any other provision of law.

1. Procedure.

a. If the estimated value of the unclaimed property exceeds ten dollars (\$10.00) the Police Department or the administrative official who obtained possession of the property shall, within ten (10) days of receipt of the property, notify the owner, if his identity is reasonably ascertainable, that it possesses the property, and where it may be obtained. The Police Department or the Administrative Official may require payment by the owner of a reasonable charge to defray costs of storage and care of the property.

b. If the owner appears within ninety (90) days of the notification given in subparagraph a. above, proves his ownership of the property, and pays all reasonable charges, the Police Department or the Administrative Official shall restore the property to him or her.

c. After retention of the property for four (4) months, the property may be:

i. Sold at public auction to the highest bidder;

ii. Retained by the City of Los Alamitos if it is determined that the property is

needed for a public use, and after public notice has been made of the City's intention to retain the property; or

- iii. Where the property is a bicycle or toy in the possession of the police department, the property may, at the discretion of the Chief of Police, be given to the Welfare Department of the County, or to any charitable or nonprofit organization authorized under its Articles of Incorporation to participate in a program or activity designed to prevent juvenile delinquency and which is exempt from income taxation under federal or state law, for use in any program or activity designed to prevent juvenile delinquency.

2. Public Sale or Retention of Property.

a. When it is determined that unclaimed property, valued at fifty dollars (\$50.00) or more, shall be retained or shall be sold at public auction, the Police Department or the Administrative Official, shall cause notice of such sale or retention to be published at least five (5) days before the time fixed therefore once in a newspaper of general circulation published in the county in which such property was found or confiscated, or otherwise in Orange County.

- i. Such notice shall contain the time and the place of the sale.
- ii. Any property remaining unsold after being offered at such public auction may be destroyed or otherwise disposed of by the City.
- iii. Any revenue received from the disposition of public property shall be deposited and recorded in the appropriate City fund and general ledger account by the Finance Director in accordance with the approved budget.

SECTION 4. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance for any reason is held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance, and each section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional.

SECTION 5. The City Clerk shall certify as to the adoption of this Ordinance and shall cause a summary thereof to be published within fifteen (15) days of the adoption and shall post a Certified copy of this Ordinance, including the vote for and against the same, in the Office of the City Clerk, in accordance with Government Code Section 36933.

PASSED, APPROVED, AND ADOPTED this 15th day of May, 2023.

Tanya Doby, Mayor

ATTEST:

Windmera Quintanar, MMC, City Clerk

APPROVED AS TO FORM:

Michael S. Daudt, City Attorney

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF LOS ALAMITOS)

I, Windmera Quintanar, MMC, City Clerk of the City of Los Alamitos, do hereby certify that the foregoing Ordinance was duly introduced and placed upon its first reading at a regular meeting of the City Council on the 15th day of May, 2023, and that thereafter, said Ordinance was duly adopted and passed at a regular meeting of the City Council on the 19th day of June, 2023, by the following roll-call vote, to wit:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:
ABSTAIN: COUNCILMEMBERS:

Windmera Quintanar, MMC, City Clerk