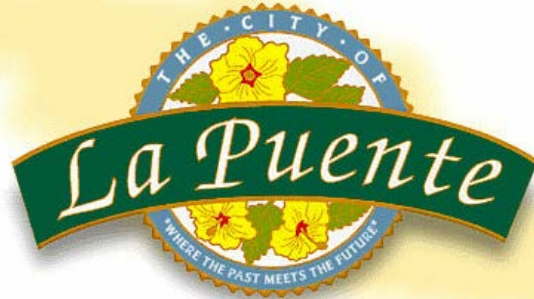




*City of La Puente
California*



*Comprehensive Annual
Financial Report*

*For the Fiscal Year Ended
June 30, 2016*



City of La Puente

California



Comprehensive Annual Financial Report

For the Fiscal Year Ended

June 30, 2016

Prepared by:

The Administrative Services Department

City of La Puente
Comprehensive Annual Financial Report
Year Ended June 30, 2016

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INTRODUCTORY SECTION



City of La Puente

15900 E. Main Street, La Puente, CA 91744-4719 Telephone (626) 855-1500 www.lapuente.org

December 5, 2016

Honorable Mayor and City Council
City of La Puente, California

INTRODUCTION

State law requires that all local governments publish a complete set of financial statements within six months of the close of each fiscal year. Financial statements are presented in conformity with generally accepted accounting principles (GAAP) as set forth in the pronouncements of the Governmental Accounting Standards Board (GASB) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. This report is also in compliance with the relevant requirements of Governmental Accounting, Auditing, and Financial Reporting published by the Governmental Finance Officers Association of the United States and Canada. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report (CAFR) for the City of La Puente for the fiscal year ended June 30, 2016.

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

The management's discussion and analysis (MD&A) interprets the financial reports by analyzing trends and by explaining changes, fluctuations, and variations in the financial data. In addition, the MD&A is intended to disclose any known significant events or

decisions that affect the financial condition of the City. The Statistical Section includes selected financial, demographic and other relevant information.

The City's financial statements have been audited by the independent certified public accounting firm of Van Lant & Fankhanel, LLP, Certified Public Accountants. The auditors have issued an unqualified ("clean") opinion on these financial statements. The auditors' report is located at the front of the financial section of this report.

The financial statements present the financial condition of the City of La Puente (the primary government) and its component unit, La Puente Public Financing Authority. The financial reporting entity consists of: (1) the City, (2) organizations for which the City is financially accountable, and (3) organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete.

PROFILE OF THE CITY OF LA PUENTE

The City of La Puente is located 20 miles east of downtown Los Angeles in the San Gabriel Valley. The community of La Puente is predominantly residential and home to over 40,000 residents. Commercial land usage is located primarily along major highways/arterials and industrial land usage is less than five percent (5%) of the City's 3.5 square mile land area. Freeway access to the City is readily available from Interstate 10 and the 60 Freeway.

The City is a general law city, incorporated on August 1, 1956; however, the history of the community extends back much further. The City's name "La Puente" means the bridge in old Spanish and refers to an early bridge built across the San Jose Creek by members of the Portola-Serra expedition in 1769, as they surveyed the region for Spain. A modernized version of the bridge can be seen in the City's colorful seal. The community of La Puente began in 1841 when European settlers arrived by wagon train from New Mexico and obtained title to the large 48,000 acre Rancho La Puente. During the 1930's, the area was famous for its fruit and walnut groves. The largest walnut packing plant in the world was located in the City.

The City of La Puente is governed by a five member City Council. The City Council holds its regular meetings every second and fourth Tuesday of the month at 7:00 p.m. in the City Council Chambers at City Hall. In-house programs and functions at City Hall include Administration, City Clerk's Office, Development Services, Administrative Services, Recreation Services, and Public Safety. The City operates various facilities to serve the community. These include a Community Center, Youth Learning Activity Center, Senior Center, La Puente Park and Puente Creek Nature and Education Center. There are also seventeen public and private schools, two County libraries, and a County health center serving the City's residents.

MAJOR INITIATIVES

For The Year. The City of La Puente has made significant progress during fiscal year 2015-2016. The completed capital improvement projects and major initiatives consist of the following:

Capital Improvement Projects

➤ **Local Street Improvements**

Local street improvements were completed on various residential streets including alley improvements west of Hacienda Boulevard from Amar Road to north terminus of the alley. This project also included concrete repairs throughout the City consisting of sidewalk replacements, new handicap ramps, driveway aprons, and curb and gutter repairs at approximately 45 locations.

➤ **Temple Avenue/Glendora Avenue Improvements**

The purpose of the project was to enhance the safety, pavement condition, and concrete improvements along Glendora Avenue (From Nelson Avenue to Temple Avenue) and parkway and sidewalk improvements on Temple Avenue (From Lanny Avenue to Greycliff Avenue). The street reconstruction on Glendora Avenue included street resurfacing, reconstruction of sidewalks, curb and gutter, new handicap ramps and driveway approaches and striping and pavement markings. The improvements along Temple Avenue included new sidewalk construction and handicap ramps, retaining walls, decorative fencing, drought tolerant plant material and synthetic turf. The project also included the installation of a City entrance monument sign.

➤ **City Wide Sidewalk Repairs**

In the Fall of 2014, the City was selected by the California Joint Powers Insurance Authority ("CJPIA") as a pilot project to undergo a city-wide sidewalk inspection program funded by the CJPIA. As part of this program an assessment of the condition of all sidewalks in the City was performed and identified as those that could be cut to comply with ADA standards and those sidewalks that require removal and replacement. In an effort to reduce the City's liability exposure to trip and fall claims, the City completed sidewalk cutting at over 10,000 locations and removal and replacements at approximately 260 locations City-wide.

Other Major Initiatives

➤ **Economic Development**

- During the fiscal year, the City facilitated the opening of Dearden's, WSS Shoes and Jersey Mike's Subs. A total of 33,000 square feet of retail space was filled with the opening of these new tenants at the center.

- The City expedited project approvals for a new 4,404 square foot McDonald's restaurant with a dual-drive thru located at 13847 Amar Road.
- The City completed its sale of property to Frontier Real Estate Investments, Inc. for the development of an 18,000 square foot ALDI Market on a former Successor Agency owned parcel at Hacienda Boulevard and Francisquito Avenue. ALDI opened its doors in April 2016.

➤ **Balanced Budget Policy**

Based on the direction of the City Council, the City has implemented a Balanced Budget Policy. For the past three years, the annual budget for Fiscal Years 2014-2015 through 2016-2017 was balanced without using general fund reserves. Also in this policy, there is a 25% unassigned fund balance reserve requirement for the General Fund. The General Fund unassigned fund balance at the end of Fiscal Year 2015-2016 is 36%, or 11% above the required minimum.

As we move forward, City Staff will continue to explore various ways to ensure the fiscal stability of the City by either generating more revenue or decreasing our expenditures.

➤ **Public Safety**

The City was designated as one of the 50 safest cities in California by SafeWise for the past three years. This was due to an outstanding intelligence and community policing effort by the LA County Sheriff's department and an active Community Center and Youth Learning Activity Center that kept every family safe and healthy. The Volunteers on Patrol (VOP) program also helped ensure neighborhood crime statistics were low. The City offers a safe neighborhood, community gathering places and easy freeway access to earn a reputation as a great place to establish family roots.

City Council and City Officials continue to build an outstanding working relationship with the Police Lieutenant and the Special Assignment Officers Team to reduce crime, graffiti, and gang activity within the City boundaries.

➤ **Government Outreach**

In addition to the City's Facebook page, the City now has an Instagram account to help increase awareness of City events and happenings to its residents. Instagram will supplement the La Puente Spotlight, the City's quarterly newspaper. Social Media has proven to be a useful tool for the citizens of this community and our number of followers continues to grow.

Residents are also encouraged to use "Go Request", a government outreach computer and mobile application to easily report local issues which are automatically delivered to City Staff Members.

City Council and City Officials working with the Hacienda La Puente Unified School District continues to collaborate on Project LEAD (Life Experiences About Democracy) to bring civics to the classroom. Throughout the year, Council Members and City Officials regularly visited schools and provided learning opportunities to elementary and middle school students by hosting a mock City Council meeting, a youth in government day, a community cleanup day and is planning a community tree planting day where approximately 50 trees will be planted by partnering with West Coast Arborist and the California Initiative to Reduce Carbon and Limit Emissions (CIRCLE). In addition, students and their parents regularly attended City Council meetings and actively participated in the meetings by giving presentations and leading the audience in the Pledge of Allegiance.

City Council and City Officials continued strong working relationships with key stakeholders including Senator Edward Hernandez and Assembly Member Ian Calderon, School District members, representatives from Hilda Solis' offices, Old Town Puente Association, churches, and the City of Industry.

➤ **Special Events**

Under the direction of the City Council, the leadership of the Recreation Department, with support from the Sheriff's Department and Development Services Department Maintenance Division, presented a very successful 3rd of July, Main Street Halloween 5K/10K walk/run, and Little League opening day parade events.

Staff worked with the Sheriff's Department and local businesses to coordinate funding and donations for the fifth annual National Night Out.

The City partnered with the Old Town Puente Business Association to plan the Holiday Parade and Tree Lighting Ceremony.

The City partnered with local businesses to host the annual Halloween Maze.

Fourteen (14) scholarships were awarded to La Puente residents for higher education, adult education and vocational training through the proceeds from the Annual Main Street Halloween 5K/10K.

For The Future. Though essentially a built-out city, the City is pursuing various capital improvement projects and other major initiatives to meet goals set by the City Council for fiscal year 2016-2017:

Capital Improvement Projects

➤ **Rule 20A Utility Undergrounding Project**

The City Council approved a Resolution to establish an underground utility district along Amar road between Willow Avenue and Puente Avenue. Funding in the amount of \$3.0 million is being made available for this project through the California Public Utilities Commission ("CPUC") Rule 20A funds.

➤ **Valley Wall Project**

The City Council awarded a \$1,376,000 contract for the third and final phase of this project to complete the Valley Boulevard sound wall improvements on the north side of Valley Boulevard from Ferrero Lane going east to Dora Guzman Avenue. The project distance is approximately 2,850 linear feet for the construction of a 12 foot high block sound wall and related drainage improvements.

➤ **Bus Shelter Replacement and Refurbishment**

The City was awarded \$35,000 in grant funds through the 7th phase of the Bus Stop Enhancement Program (“BSEP”) from Foothill Transit as partial funding for this project. As part of this project 13 bus shelter locations will be replaced with new modern structures throughout the City.

➤ **Traffic Signal Improvements**

The City was awarded \$1.0 million in federal grant funds through the 6th cycle of the Federal Highway Safety Improvement Program (HSIP) to upgrade traffic signals at nine (9) intersections along Amar Road. The project includes new signal poles, vehicle heads, pedestrian push buttons, countdown pedestrian heads, and new ADA ramps.

Other Major Initiatives and Goals

- The City held two 1 day Strategic Planning sessions with the City Council and key City personnel for the purpose of setting goals for the next six months.
- City staff will continue to work with the Los Angeles County Sheriff’s Department to reduce crime in the community.
- The City in partnership with the Sheriff’s Department will develop an emergency preparedness plan and provide emergency training for City staff.
- The City will partner with the Los Angeles County Sheriff’s Department to institute the Incident Command Structure for major City Wide Special Events to minimize the City’s exposure to risk.
- Under the direction of the City Council, the City of La Puente will hold the third Community Wide Health, Wellness and Safety Fair featuring the VSP mobile eye clinic, the Los Angeles County Sheriff’s Department and the Los Angeles County Fire Department.
- The City will work with the assistance of the contract Information Technology (IT) support firm to implement the five year capital replacement and maintenance plan.
- City staff will continue training to improve professionalism and customer service skills.

- Staff will recommend improvements in City policies and procedures and bring forward to City Council for consideration.
- The City will continue to increase new and existing business outreach and economic development business attraction programs.
- Staff will work to identify cost-cutting measures and explore new sources of General Fund revenue to achieve long-term financial sustainability.

The goal is to accomplish projects and other major initiatives and goals listed above through implementation of the strategic plan during the fiscal year 2016-2017; however, there are some projects that will be carried over to the following fiscal year.

As a “no/low” property tax City that is primarily residential, La Puente relies heavily on its two major revenue sources, sales tax and property tax to support General Fund operations. These two sources represent approximately 68% of the City’s general fund revenue.

BUDGETARY CONTROLS

The City of La Puente maintains budgetary control to ensure compliance with legal provisions embodied in the annual appropriated budget adopted by the City Council. Each year, a proposed budget is submitted to the City Council and several public meetings are conducted to obtain taxpayer comments. The budget is subsequently adopted by the Council through the passage of a resolution. All annual appropriations lapse at fiscal year-end. Certain multi-year project appropriations are re-budgeted by the City Council as part of the adoption process of the subsequent year’s budget. The level of budgetary control is maintained at the fund level.

LOCAL ECONOMY AND ECONOMIC OUTLOOK

The City relies heavily on two major revenue sources – property taxes and sales and use taxes for its general fund operating expenses. During the year, property values continued to increase significantly, but still remained below the high values at the height of the market in 2007. This is expected to continue at a slow but stable rate. The unemployment rate continued to improve from 7.3% to 5.9% and is expected to remain the same or improve slightly as employment opportunities increase.

The City was successful in attracting branded businesses, such as McDonalds which opened during the 2015-2016 fiscal year, but continues to face challenges due to limited location and retail space selection. The City will continue to promote new business opportunities using business fairs and expanding business networking for the available vacant spaces while it continues to explore other revenue generating sources in advertising and promotion of commercial development of existing businesses.

LONG-TERM FINANCIAL PLANNING

The unassigned fund balance in the General Fund is \$7.9 million or 65% of General Fund expenditures. The City adopted a balanced budget policy in Fiscal Year 2014-2015 which requires a General Fund reserve of 25% of budgeted expenditures. The current amount falls within the management budget guidelines as approved by the City Council for budgetary and planning purposes and is considered above average for similar size cities.

GFOA CERTIFICATE OF ACHIEVEMENT

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, 2015. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of State and local government financial reports. In order to receive the award, a government has to publish an easily readable and efficiently organized CAFR that satisfied both Generally Accepted Accounting Principles and applicable legal requirements. The awards are valid for a period of one year only. The City of La Puente believes that the current CAFR continues to meet program requirements and the City will submit it to the GFOA to determine its eligibility for another award.

ACKNOWLEDGEMENTS

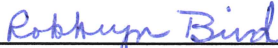
The preparation of the CAFR could not have been accomplished without the efficient and dedicated services of the Administrative Services and Finance Division staff. We wish to express our appreciation to the numerous City employees who assisted in gathering information for the preparation of this report. This document reflects the hard work, talent and commitment of City Staff and could not have been accomplished without the high level of professionalism and dedication that they bring to the City of La Puente. We would also like to express our appreciation to Van Lant & Fankhanel, LLP, the City's independent auditors, who assisted and contributed in the preparation of this report.

We also would like to give special acknowledgement to the Mayor and City Council for their continued support and interest in directing the efforts to maintain the City's strong fiscal health in a responsible and professional manner.

Respectfully submitted,



David N. Carmany
City Manager



Robbeyn Bird, CPA
Director of Administrative Services



CITY OF LA PUENTE, CALIFORNIA

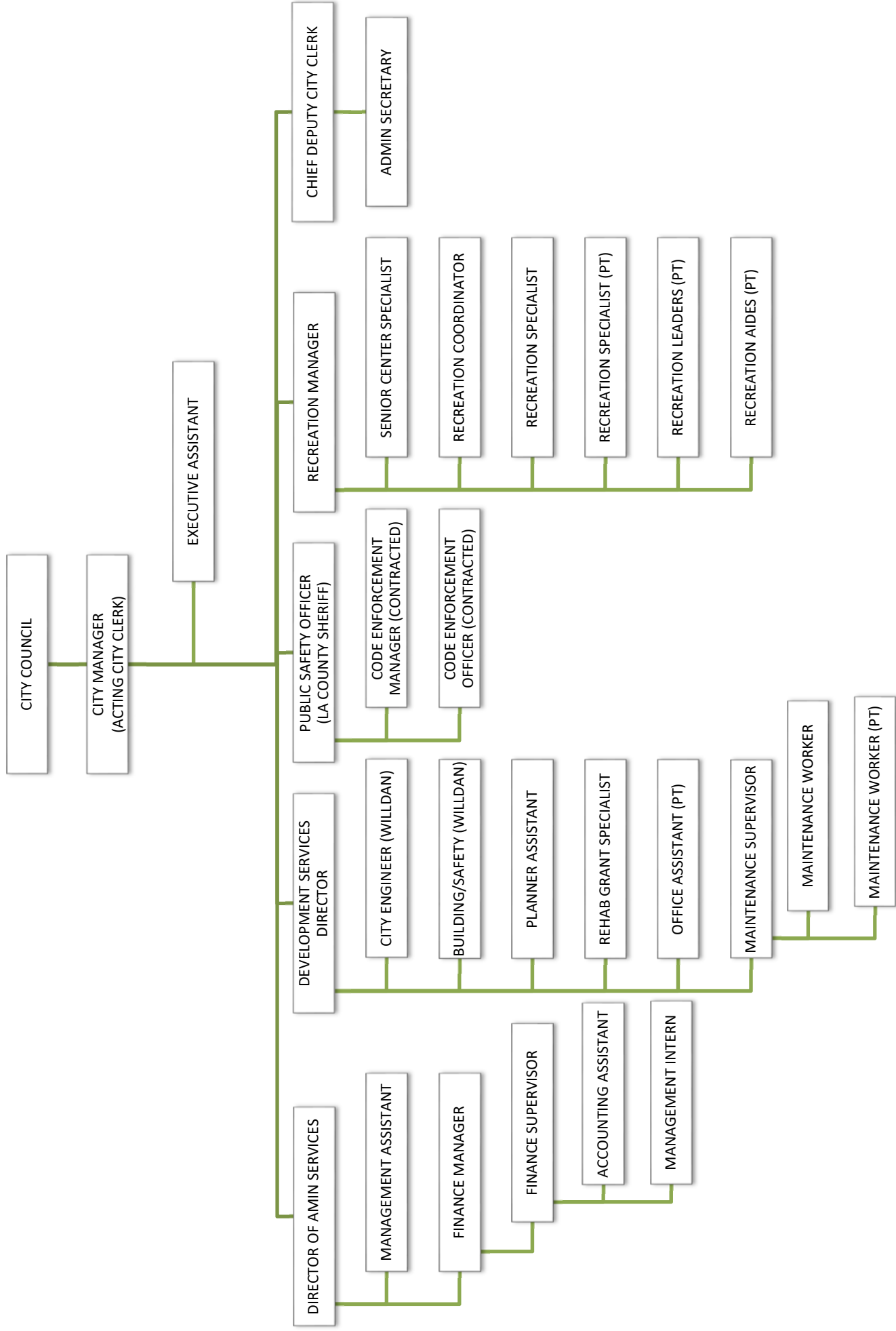
ELECTED OFFICIALS - CITY COUNCIL

Valerie Muñoz, Mayor
 Violeta Lewis, Mayor Pro Tem
 David Argudo, Councilmember
 Daniel C. Holloway, Councilmember
 John M. Solis, Councilmember

CITY OFFICIALS

City ManagerDavid N. Carmany
 Director of Administrative Services/City Treasurer.....Robbeyn Bird
 Chief Deputy City Clerk.....Sheryl Garcia
 City Attorney.....James Casso
 Finance Manager.....Joann Gitmed
 Development Services Director.....John DiMario
 Recreation Services Director.....Roxanne Lerma
 Chief of Police.....Pete Cacheiro

CITY OF LA PUENTE ORGANIZATIONAL CHART





Government Finance Officers Association

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

Presented to

**City of La Puente
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

Executive Director/CEO



FINANCIAL SECTION



Independent Auditor's Report

The Honorable City Council
City of La Puente, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of La Puente (City), as of and for the year ended June 30, 2016, and the related notes to the financial statements which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of La Puente, as of June 30, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City's basic financial statements. The introductory section, schedules listed in the supplementary information section of the table of contents, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated December 5, 2016 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Van Lant & Fankhaenel, LLP

December 5, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of the City of La Puente offers the readers of the City's basic financial statements, this narrative overview, and analysis of the financial activities of the City as of and for the fiscal year ended June 30, 2016. We encourage readers to consider the information presented here in conjunction with additional information furnished in the letter of transmittal, which can be found on page i of this report and the City's basic financial statements, which begin on page 15 of this report.

FINANCIAL HIGHLIGHTS

Government-wide

- The assets of the City of La Puente exceeded its liabilities at the close of the fiscal year by \$54,138,862. Of this, \$17,428,553 is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$1,462,134 from the previous fiscal year.
- City wide revenues were \$18,594,509. Total revenues are composed of \$10,947,847 in general revenue dollars, \$3,414,177 in charges for services, \$1,818,607 in operating grants and contributions, and \$2,413,878 in capital grants and contributions.
- Citywide expenses were \$16,068,639 with public safety being the largest functional area at \$5,845,732, or approximately 39% of the total expenses.

Fund level

- The total fund balance of the City governmental funds was \$23,155,177 at the close of the fiscal year. Of that amount, \$11,813,032 is nonspendable, \$3,834,966 is restricted and not available for spending, and \$7,507,179 is unassigned. Additional information on the fund balances for all governmental funds is on page 18 of this report.
- General Fund revenues were above expenditures by \$1,660,630 for the fiscal year ended June 30, 2016.
- Governmental fund balances increased by \$1,221,862 during fiscal year 2015-2016.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

The Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of La Puente'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. The report also contains required supplementary information and other supplementary information in addition to the basic financial statements.

Government-wide financial statements. The government-wide financial statements are comprised of the Statement of Net Position and Statement of Activities. These two statements are designed to provide readers with a broad overview of the City of La Puente's finances utilizing the full accrual method of accounting, in a manner similar to a private-sector business. Under the full accrual method of accounting, transactions are reported as soon as the underlying events occur, regardless of the timing of related cash flows.

Statement of Net Position. This report presents information on all the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, including capital assets and long-term liabilities, with the difference between the two 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 as a whole is improving or deteriorating.

Statement of Activities. The information presented in this report shows how the City's net position changed during the most recent fiscal year. Functional activities are highlighted in this statement, whereby direct and indirect functional expenses are shown net of related program revenue. This statement shows the extent to which various functions depend on general taxes and non-program revenues for support.

Both of these government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (referred to as governmental activities), from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (referred to as business-type activities). The governmental activities of the City of La Puente include general government, public safety, public works, recreation/senior services, and community development. Program revenues finance approximately 42% of these activities and general revenues finance the difference.

The government-wide financial statements can be found on pages 15 to 17 of this report.

Fund financial statements. The fund financial statements focus on current available resources and report the City's operations in more detail for the City's most significant funds. Each fund is defined as a fiscal and accounting entity with a self-balancing set of accounts established for the purpose of carrying on specific activities or attaining certain objectives in accordance with authorities or legal mandates, restrictions or limitations. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. These statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources at the end of the fiscal year. Such information provides a short-term view of the City's general government operations and show whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. These funds are reported using the *modified accrual method* of accounting, which measures cash and all other financial assets that can readily be converted to cash. The relationship between governmental activities and the governmental funds are reported on the Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position page of the Government-wide Financial Statements.

The governmental fund financial statements can be found on pages 18 to 21 of this report.

Proprietary fund. The City maintains two different types of proprietary funds. The enterprise fund is used to report the same functions presented as *business-type activities* in the *government-wide financial statements*. The City's enterprise fund accounts for sewer construction and maintenance operations. The City's internal service funds account for equipment and maintenance services for the computer systems as well as vehicles owned by the City.

Fiduciary funds. These funds are used to account for resources held for the benefit of parties outside the government. They are not reflected in the government-wide financial statements because the resources of these funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The fiduciary fund financial statements can be found on page 25 and 26 of this report.

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

The notes are on pages 27 to 57 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Governmental Activities

This analysis focuses on the net position and changes in net position of the City's governmental activities which are presented in the government-wide financial statements.

Table 1

	2016	2015	Change	% Change
Current and Other Assets	\$ 29,522,228	\$ 27,302,949	\$ 2,219,279	8.13%
Capital Assets	35,688,761	36,064,320	(375,559)	-1.04%
Total Assets	65,210,989	63,367,269	1,843,720	2.91%
Deferred Outflows of Resources	590,313	359,826	230,487	64.06%
Other Liabilities	3,414,840	2,756,677	658,163	23.88%
Long-term Liabilities	13,992,285	12,679,873	1,312,412	10.35%
Total Liabilities	17,407,125	15,436,550	1,970,575	12.77%
Deferred Inflows of Resources	414,299	1,372,573	(958,274)	-69.82%
Net Position:				
Net investment in capital assets	27,632,187	27,804,320	(172,133)	-0.62%
Restricted	2,919,138	4,006,227	(1,087,089)	-27.13%
Unrestricted	17,428,553	15,107,425	2,321,128	15.36%
Total Net Position	\$ 47,979,878	\$ 46,917,972	\$ 1,061,906	2.26%

Net position may serve over time as a useful indicator of the City's financial position. The City's governmental assets exceeded its liabilities by \$47,979,878 at the close of the fiscal year, an increase of \$1,061,906 or 2% from the previous year.

The largest portion of the City's net position is net investment in capital assets (land, construction in progress, buildings and improvements, equipment/furniture, and infrastructure) valued at \$27,632,187 or 58% less any related debt outstanding used to acquire those assets. The City uses these capital assets to provide services to citizens. The capital assets are not available for future spending. Resources needed to repay the related debt outstanding must be provided from other sources because the capital assets cannot be used to liquidate these liabilities.

A portion of net position, \$2,919,138, or 6%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$17,428,553 or 36% is *unrestricted*. This amount includes \$11,801,764 which represents the Advances for the loans between the former Redevelopment Agency and the City and is not in spendable form. The remaining amount is \$5,626,789 and may be used to meet the City's ongoing obligations to citizens and creditors.

City of La Puente
Management Discussion and Analysis
June 30, 2016

Table 2

	<u>2016</u>	<u>2015</u>	<u>Change</u>	<u>% Change</u>
Revenues				
Program Revenues:				
Charges for Services	\$ 2,090,303	1,841,202	\$ 249,101	13.53%
Operating Grants and Contributions	1,818,607	1,734,036	84,571	4.88%
Capital Grants and Contributions	2,413,878	2,333,169	80,709	3.46%
General Revenues:				
Taxes:				
Property Taxes	5,336,924	4,996,279	340,645	6.82%
Franchise Taxes	888,514	974,152	(85,638)	-8.79%
Sales and Use Taxes	3,210,185	2,653,505	556,680	20.98%
Property Transfer Taxes	84,006	53,669	30,337	56.53%
Transient Occupancy Taxes	227,690	207,306	20,384	9.83%
Other Taxes	98,671	91,025	7,646	8.40%
Investment Income	569,168	423,177	145,991	34.50%
Other revenues	493,306	284,213	209,093	73.57%
Total revenues	<u>17,231,252</u>	<u>15,591,733</u>	<u>1,639,519</u>	10.52%
Expenses				
General Government	2,040,261	2,422,592	(382,331)	-15.78%
Public Safety	5,845,736	5,563,600	282,136	5.07%
Public Works	1,028,734	1,045,925	(17,191)	-1.64%
Recreation/Senior Services	2,049,066	1,910,777	138,289	7.24%
Community Development	3,897,493	2,618,301	1,279,192	48.86%
Interest on Long-Term Debt	244,320	229,495	14,825	6.46%
Total expenses	<u>15,105,610</u>	<u>13,790,690</u>	<u>1,314,920</u>	9.53%
Change in net position	2,125,642	1,801,043	324,599	18.02%
Net position, beginning	46,917,972	35,544,197	11,373,775	32.00%
Prior Period Adjustments (Note 13)	<u>(1,063,736)</u>	<u>9,572,732</u>	<u>(10,636,468)</u>	-111.11%
Net position, ending	<u>\$47,979,878</u>	<u>\$46,917,972</u>	<u>\$ 1,061,906</u>	2.26%

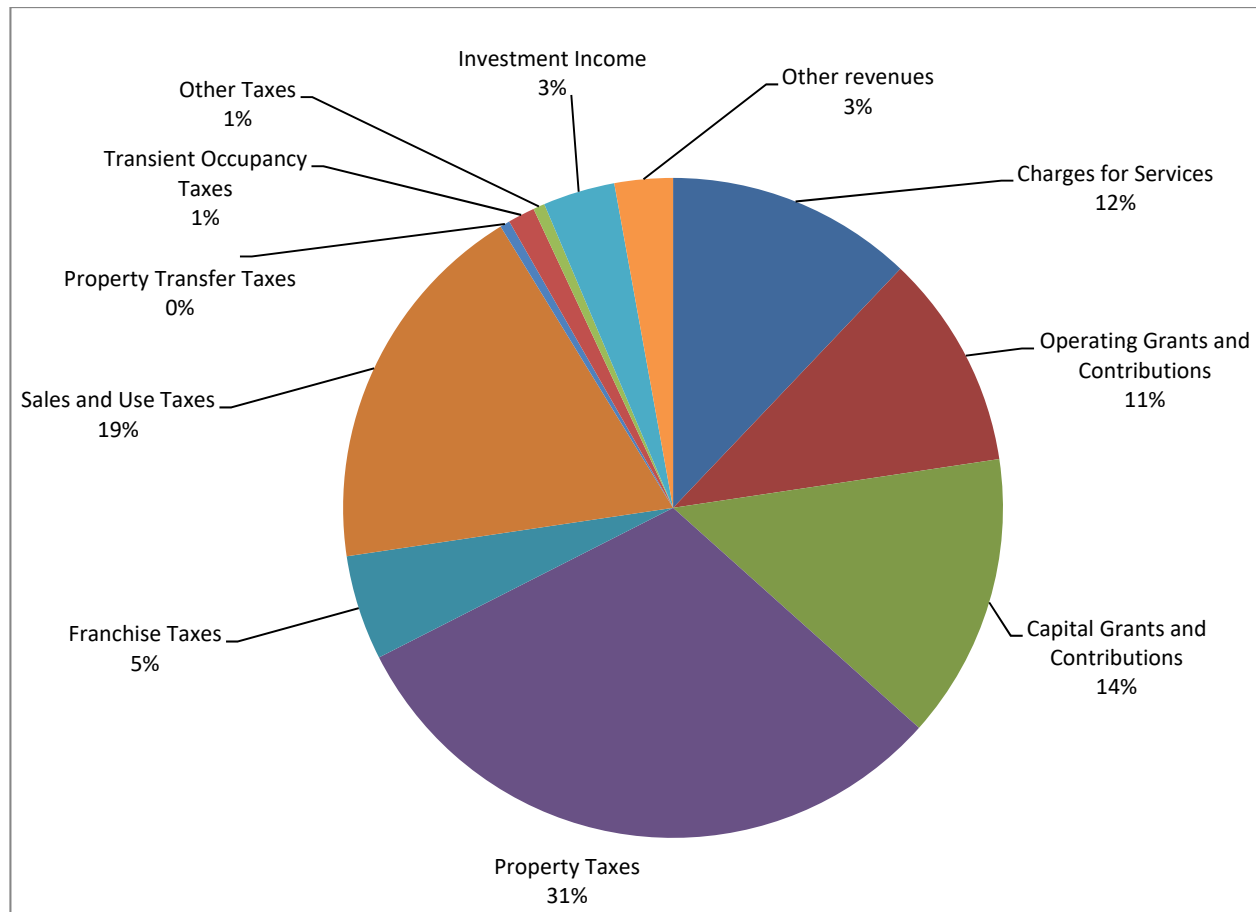
The City's net position increased by \$2,125,642 during the fiscal year as a result of revenues exceeding expenses. The total cost of all City governmental activities was \$15,105,610 for the fiscal year. Net cost of all activities was \$8,782,822.

Total revenues increased by \$1,639,519 mainly due to the increase in general revenues as indicated above. The overall decrease in expenses was attributed to the decrease in general government, public works and community development expenses.

Revenue Sources:

The revenue sources from governmental activities presented in the preceding table are illustrated in a pie chart below to show the percentage relationship of these revenues to each other, as well as their impact on the City's total resources. Figure 1 below is the pie chart for fiscal year 2015-2016:

Figure 1
Revenues by Source – Governmental Activities



As shown on the above pie chart, about 57% of the City's total governmental revenues are from taxes, which are primarily comprised of property, sales and use, transient occupancy, and franchise taxes. Program revenues totaled 37% of the total resources and investment income and miscellaneous income amounted to 6% of the total governmental revenues for the year.

Expense and Program Revenues:

The City's expenses in connection with its governmental activities are categorized by function, namely: general government, public safety, public works, recreation/senior services, and community development. The program revenues associated with these governmental activities are classified into three categories which are charges for services, operating grants and contributions, and capital grants and contributions.

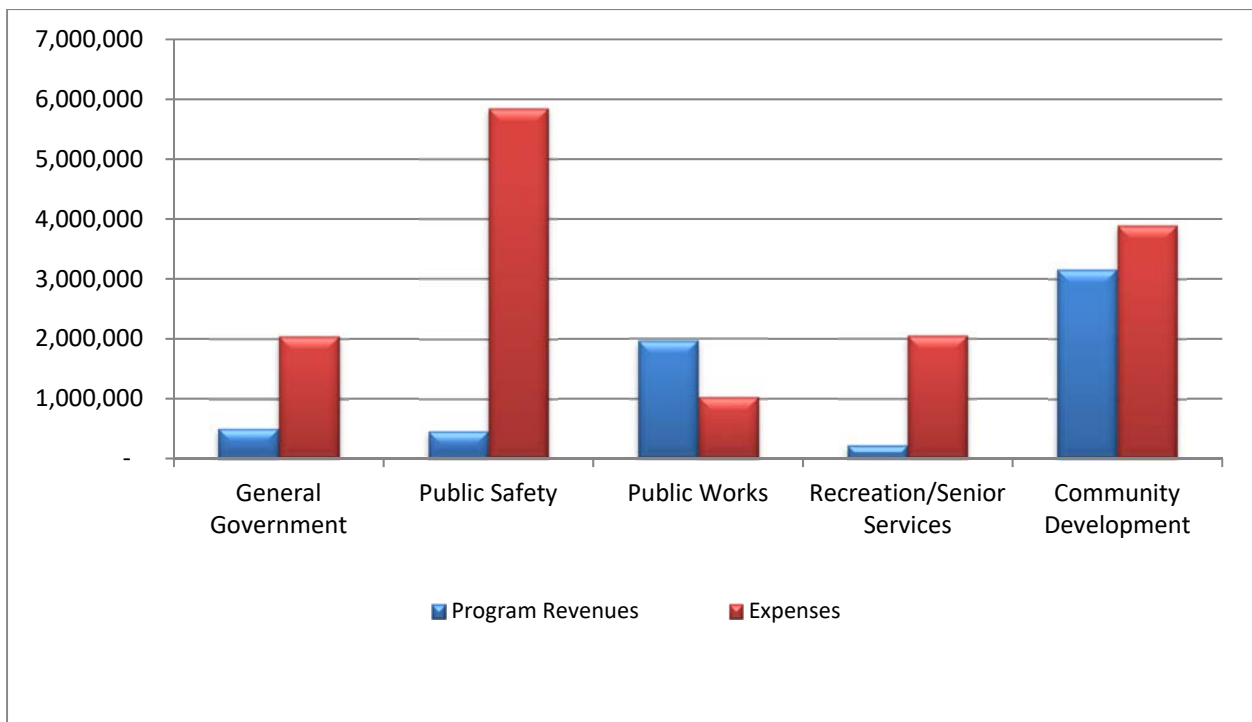
Governmental activities increased the City's net position by \$2,125,642. Key elements of this increase are as follows:

- Total expenses decreased by \$1,708,203. This was largely due to decreased expenses in general government (\$1,058,164) and public works (\$1,230,734) while public safety expenses increased \$563,112.
- Operating grants and contributions increased by \$84,571.
- Capital grants and contributions increased by \$80,709.

The relationship of the City's program revenues with the related governmental functions is illustrated in Figure 2 below.

The graph below shows that public works and community development services are largely provided for by program revenues. The general government, public safety, and recreation/senior services receive limited program revenue and are primarily funded from the general revenues of the City. It is typical for governmental programs to be subsidized by general fund revenues, as the program revenues are generally not adequate to finance the governmental programs.

Figure 2
Expense and Program Revenues



Business-type Activities

The analysis of business-type activities focuses on the net position and changes in net position of the City's sewer construction/maintenance functions which are presented in the government-wide financial statements.

Table 3
Business-type Activities Net Position

	2016	2015
Current and other assets	\$ 4,069,114	\$ 3,736,289
Capital Assets	10,702,771	10,889,671
Total assets	<u>14,771,885</u>	<u>14,625,960</u>
Other Liabilities	58,490	82,107
Long-term liabilities outstanding	8,554,411	8,785,097
Total liabilities	<u>8,612,901</u>	<u>8,867,204</u>
Net position:		
Net investment in capital assets	2,148,360	2,104,574
Restricted	4,010,624	3,654,182
Total net position	<u>\$ 6,158,984</u>	<u>\$ 5,785,756</u>

The City's business-type revenues exceeded program expenses by \$400,228 as shown in Table 4 below. Revenues slightly decreased by \$1,838 during the year. There was also an increase in expenditures this year in the amount of \$35,125 primarily due to increases in the costs to maintain the sewer systems.

Table 4
Business-type Activities Change in Net Position

	2016	2015
Revenues		
Charges for services	\$ 1,323,874	\$ 1,325,685
Investment Income	39,383	39,410
Total revenues	<u>1,363,257</u>	<u>1,365,095</u>
Expenses		
Sewer assessment	519,321	509,629
Other expenses	443,708	418,275
Total expenses	<u>963,029</u>	<u>927,904</u>
Excess of revenues over expenses	<u>400,228</u>	<u>437,191</u>
Other financing Sources (uses)		
Transfer in	-	-
Change in net position	<u>400,228</u>	<u>437,191</u>
Net position, beginning	<u>5,758,756</u>	<u>5,321,565</u>
Net Position, ending	<u>\$ 6,158,984</u>	<u>\$ 5,758,756</u>

FINANCIAL ANALYSIS OF THE CITY'S MAJOR FUNDS

Governmental Funds – Fund Level

The City of La Puente uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Focusing on financial resources, the City's Governmental Funds provide information on near-term inflows and outflows, and balances of spendable resources. This information is useful in assessing the City's ability to meet financial requirements. In particular, unreserved fund balance may serve as a useful measure of government net resources available for spending at the end of the fiscal year.

- Fund Balance – As of June 30, 2016, the City's Governmental Funds reported a combined fund balance of \$23,155,177, which increased by \$1,202,137 or 5.5% from the prior year fund balance.
- Fund Balance Classification
 - The City has \$11,813,032 in non-spendable fund balance as of June 30, 2016. Non-spendable fund balance includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Examples are inventories, prepaid expenses, long-term receivables, or land held for resale.
 - Restricted fund balance amounted to \$3,834,966 at June 30, 2016. Restricted fund balance includes resources that are subject to externally enforceable legal restrictions.
 - The General Fund has unassigned fund balance of \$7,906,933. Unassigned fund balance is the residual classification for the City's General Fund and includes all spendable amounts not contained in the other classifications.

Major activities in the Governmental Funds in the current fiscal year include the following:

- General Fund – The General Fund ended the year with a \$19,719,965 fund balance, an increase of \$1,660,630 from the previous year. The major reason for the increase in fund balance from fiscal year 2014-2015 was due to an unanticipated retroactive refund from the California Joint Powers Insurance Authority (CJPIA) and a premium "holiday" in fiscal year 2015-2016. Additionally, the City saw an increase in sales tax over 2014-2015 as a result of increased business activity and the triple flip closeout. See the Notes to the Financial Statements for more information regarding the fund balance.
- General Fund Revenues exceeded budgeted revenues by \$1,636,051. This was due to taxes coming in \$525,719 higher than projected as a result of receiving more property tax and sales tax revenue than anticipated; a retro-adjustment refund from the California Joint Powers Insurance Authority (CJPIA), which was not budgeted for; licenses and permits being \$222,990 higher than projected due to unanticipated development in the City during the year; and charges for services being \$231,583 higher than projected, which was almost entirely due to reimbursements from the Successor Agency that were not budgeted for.
- Expenditures were \$647,317 lower than budgeted amounts. Approximately 52% of this amount was due to the budgeted amount for the general liability insurance and the worker's compensation insurance payment that was budgeted at \$335,400. During fiscal

year 2015-2016, they City did not have to make a payment to the CJPIA due to the City's loss experience being much lower than was calculated by the Authority and, in fact, the City received a large refund.

- Gas Tax Fund fund balance decreased from fiscal year 2014-2015 due to the initiation and completion of several capital improvement projects. For fiscal year 2015-16 Gas Tax Fund revenues and expenditures were lower than budgeted. The City has been experiencing a slight, but steady decline in gas tax revenues due to consumer conservation. Additionally, expenditures were less than budgeted as a result of reallocation of personnel expenditures and capital improvement projects being completed under budget.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of June 30, 2016 is \$46,391,535. Capital assets, net of accumulated depreciation, include land, construction in progress, buildings and improvements, equipment, furniture, fixtures, and computer software and hardware. Infrastructure assets are reported at cost, where historical records are available and at estimated cost where no historical records exist.

The net increase (additions minus deletions) in capital assets for the fiscal year was \$2,045,081. The increase is attributed primarily to the purchase of computer equipment and street improvement projects. Additional information on the City's capital assets can be found in Note 6 of the financial statements. Table 5 shows a summary of changes in capital assets (net of depreciation) as of June 30, 2016.

Table 5
Capital Assets

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Not Depreciated:				
Land	\$ 3,620,179	\$ 1,000	\$ -	\$ 3,621,179
Construction In Progress	<u>888,434</u>	<u>2,152,623</u>	<u>770,645</u>	<u>2,270,412</u>
Total Capital Assets Not Depreciated	<u>4,508,613</u>	<u>2,153,623</u>	<u>770,645</u>	<u>5,891,591</u>
Capital Assets Being Depreciated:				
Buildings and Improvements	21,380,816	245,055	-	21,625,871
Equipment & Furniture	2,053,497	104,854	213,395	1,944,956
Infrastructure	<u>34,045,628</u>	<u>525,589</u>	<u>-</u>	<u>34,571,217</u>
Total Capital Assets Being Depreciated	<u>57,479,941</u>	<u>875,498</u>	<u>213,395</u>	<u>58,142,044</u>
Less Accumulated Depreciation				
Buildings and Improvements	(7,935,855)	(903,194)	-	(8,839,049)
Equipment & Furniture	(1,451,530)	(157,874)	(213,395)	(1,396,009)
Infrastructure	<u>(17,580,862)</u>	<u>(528,954)</u>	<u>-</u>	<u>(18,109,816)</u>
Total Accumulated Depreciation	<u>(26,968,247)</u>	<u>(1,590,022)</u>	<u>(213,395)</u>	<u>(28,344,874)</u>
Total Capital Assets Being Depreciated, Net	<u>30,511,694</u>	<u>(714,524)</u>	<u>-</u>	<u>29,797,170</u>
Governmental Activities Capital Assets, Net	<u>\$ 35,020,307</u>	<u>\$ 1,439,099</u>	<u>\$ 770,645</u>	<u>\$ 35,688,761</u>
Business-type Activities:				
Capital Assets Being Depreciated:				
Sewer Collection System (Lines)	\$ 11,213,960	\$ -	\$ -	\$ 11,213,960
Less Accumulated Depreciation	<u>(324,289)</u>	<u>(186,900)</u>	<u>-</u>	<u>(511,189)</u>
Business Type Activities Capital Assets, Net	<u>\$ 10,889,671</u>	<u>\$ (186,900)</u>	<u>\$ -</u>	<u>\$ 10,702,771</u>

Debt Administration

The City issued the 2007 Sewer Revenue Bonds for \$10,260,000. The City is in the process of refinancing the bonds to take advantage of lower interest rates which should be completed in early 2016-2017. The debt service payment on the bonds will be made by the sewer fees collected from the City residents on their property tax bills.

In addition, the City also received a loan of \$10,000,000, which financed the construction of the Community Center and Youth Learning Activity Center. During fiscal year ended June 30, 2013, the loan was refinanced to take advantage of lower interest rates. The loan will be paid by the General Fund over the next 18 years.

Additional information on the City's long-term debt can be found in Note 7 to the financial statements.

GENERAL FUND BUDGETARY ANALYSIS

The revenue budget for fiscal year 2015-16 was \$11,522,400 which includes \$625,600 of transfers in from other funds. Actual General Fund revenues were higher than the final budgeted revenues by \$1,636,051. All categories of revenues collected were higher than the budgeted projections. This was due to taxes coming in \$525,719 higher than projected largely due to sales and property tax received being higher than anticipated. The City received an unexpected retroactive refund from the CJPIA in the amount of \$327,052. State mandated reimbursements from the State of California were received in the amount of approximately \$69,000 which was not budgeted for and the City received a grant from the County of Los Angeles for \$75,000. These two amounts account for the intergovernmental increase. Charges for services were \$231,583 higher than projected, which was almost entirely due to reimbursements from the Successor Agency.

Appropriations were budgeted at \$11,522,400. Actual General Fund expenditures were \$647,317 less than the final budgeted expenditures. A reduction in projected expenditures of \$335,400 was a result of not having general liability and worker's compensation liabilities due during the year. This was due to significant reductions in claims experience in previous years with the CJPIA. Legal fees were also not as high as anticipated and there was \$40,000 budgeted for a cost allocation plan and user fee study that has been carried over to the 2016-2017 fiscal year.

NEXT YEAR'S BUDGET AND ECONOMIC FACTORS

The fiscal outlook for cities, counties, federal and state agencies remains fragile. The economy is slowly improving and the housing market is seeing slight signs of recovery. The unemployment rate in La Puente remains at approximately 5.9% and it is anticipated that the City of La Puente's General Fund revenues will slightly increase in the coming year. As costs of providing service to the residents and businesses in La Puente continue to rise, City staff will diligently pursue opportunities to increase revenues and decrease expenditures.

The economic outlook of the City and its major initiatives for the coming year is discussed in detail in the accompanying Transmittal Letter.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of La Puente's finances for all those interested in them. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the City's Finance Department, at 15900 E. Main Street, La Puente, California, 91744.



BASIC FINANCIAL STATEMENTS

City of La Puente
Statement of Net Position
June 30, 2016

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Investments	\$ 11,051,673	\$ 4,047,943	\$ 15,099,616
Accounts Receivable	348,522	-	348,522
Interest Receivable	3,548,426	-	3,548,426
Loans Receivable	1,559,877	-	1,559,877
Due From Other Governments	1,200,698	21,171	1,221,869
Prepaid Items	11,268	-	11,268
Advance to Successor Agency, Net	11,801,764	-	11,801,764
Internal Balances	-	-	-
Capital Assets, Not Depreciated	5,891,591	-	5,891,591
Capital Assets, Depreciated, Net	29,797,170	10,702,771	40,499,941
Total Assets	<u>65,210,989</u>	<u>14,771,885</u>	<u>79,982,874</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pensions	<u>590,313</u>	<u>-</u>	<u>590,313</u>
LIABILITIES			
Accounts Payable and Accrued Liabilities	2,046,155	25,007	2,071,162
Interest Payable	122,160	33,483	155,643
Due to Other Agencies	587,905	-	587,905
Long-Term Liabilities			
Due Within One Year	658,620	240,000	898,620
Due in More Than One Year	13,992,285	8,314,411	22,306,696
Total Liabilities	<u>17,407,125</u>	<u>8,612,901</u>	<u>26,020,026</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pensions	<u>414,299</u>	<u>-</u>	<u>414,299</u>
NET POSITION			
Net Investment in Capital Assets	27,632,187	2,148,360	29,780,547
Restricted for:			
Public Safety	23,020	-	23,020
Public Works	1,585,690	-	1,585,690
Community Development	1,310,428	-	1,310,428
Sewer Operations	-	4,010,624	4,010,624
Unrestricted	17,428,553	-	17,428,553
Total Net Position	<u>\$ 47,979,878</u>	<u>\$ 6,158,984</u>	<u>\$ 54,138,862</u>

The accompanying notes are an integral part of this statement.

City of La Puente
Statement of Activities
Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$ 2,040,261	\$ 507,302	\$ -	\$ -
Public Safety	5,845,736	319,773	145,462	-
Public Works	1,028,734	-	1,027,048	939,148
Recreation/Senior Services	2,049,066	202,313	21,583	-
Community Development	3,897,493	1,060,915	624,514	1,474,730
Interest Expense	244,320	-	-	-
Total Governmental Activities	15,105,610	2,090,303	1,818,607	2,413,878
Business-type Activities:				
Sewer Assessment	963,029	1,323,874	-	-
Total Business-type Activities	963,029	1,323,874	-	-
Total Primary Government	\$ 16,068,639	\$ 3,414,177	\$ 1,818,607	\$ 2,413,878

General Revenues:

Taxes:

Property Taxes

Franchise Taxes

Sales Taxes

Property Transfer Tax

Transient Occupancy Tax

Business License Taxes

Investment Income

Other

Total General Revenues

Change in Net Position

Net Position - Beginning of Year

Prior Period Adjustments

Net Position - End of Year

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$ (1,532,959)	\$ -	\$ (1,532,959)
(5,380,501)	-	(5,380,501)
937,462	-	937,462
(1,825,170)	-	(1,825,170)
(737,334)	-	(737,334)
<u>(244,320)</u>	<u>-</u>	<u>(244,320)</u>
<u>(8,782,822)</u>	<u>-</u>	<u>(8,782,822)</u>
<u>-</u>	<u>360,845</u>	<u>360,845</u>
<u>-</u>	<u>360,845</u>	<u>360,845</u>
<u>(8,782,822)</u>	<u>360,845</u>	<u>(8,421,977)</u>
5,336,924	-	5,336,924
888,514	-	888,514
3,210,185	-	3,210,185
84,006	-	84,006
227,690	-	227,690
98,671	-	98,671
569,168	39,383	608,551
<u>493,306</u>	<u>-</u>	<u>493,306</u>
<u>10,908,464</u>	<u>39,383</u>	<u>10,947,847</u>
2,125,642	400,228	2,525,870
46,917,972	5,758,756	52,676,728
<u>(1,063,736)</u>	<u>-</u>	<u>(1,063,736)</u>
<u>\$ 47,979,878</u>	<u>\$ 6,158,984</u>	<u>\$ 54,138,862</u>

**City of La Puente
Balance Sheet
Governmental Funds
June 30, 2016**

	General Fund	Gas Tax Fund	Capital Projects Fund	Other Governmental Funds	Total
ASSETS					
Cash and Investments	\$ 7,896,091	\$ 371,756	\$ -	\$ 2,561,910	\$ 10,829,757
Accounts Receivable	332,280	-	-	16,242	348,522
Interest Receivable	3,548,426	-	-	-	3,548,426
Loans Receivable	-	-	-	1,559,877	1,559,877
Due from Other Governments	977,292	-	-	223,406	1,200,698
Due from Other Funds	270,807	-	-	-	270,807
Prepaid Items	11,268	-	-	-	11,268
Advances to Successor Agency	11,801,764	-	-	-	11,801,764
Total Assets	\$ 24,837,928	\$ 371,756	\$ -	\$ 4,361,435	\$ 29,571,119
LIABILITIES					
Accounts Payable and Accrued Liabilities	\$ 1,605,974	\$ 119,183	\$ 144,912	\$ 130,517	\$ 2,000,586
Due to Other Agencies	-	-	-	587,905	587,905
Due to Other Funds	-	-	210,184	60,623	270,807
Total Liabilities	1,605,974	119,183	355,096	779,045	2,859,298
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenues - Interest	3,511,989	-	-	-	3,511,989
Unavailable Revenues - Grants	-	-	-	44,655	44,655
Total Deferred Inflows of Resources	3,511,989	-	-	44,655	3,556,644
FUND BALANCES					
Nonspendable	11,813,032	-	-	-	11,813,032
Restricted	-	252,573	-	3,582,393	3,834,966
Unassigned	7,906,933	-	(355,096)	(44,658)	7,507,179
Total Fund Balances	19,719,965	252,573	(355,096)	3,537,735	23,155,177
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 24,837,928	\$ 371,756	\$ -	\$ 4,361,435	\$ 29,571,119

The accompanying notes are an integral part of this statement.

City of La Puente
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2016

Fund Balances for Governmental Funds \$ 23,155,177

Amounts reported for Governmental Activities in the Statement of Net Position are different because:

Capital assets net of depreciation have not been included as financial resources in the governmental fund activity.

Capital Assets	62,629,504
Accumulated Depreciation	(27,413,441)

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position. Balances at June 30, 2016 are:

Lease Agreement	(7,635,000)
Loan Agreement	(421,574)
Compensated Absences	(195,052)
Net Pension Liability	(4,935,366)
Net OPEB Obligation	(1,463,913)

Long-term receivables that are not available for current use. Amounts are recorded as unavailable revenue under the modified accrual basis of accounting. 3,556,644

Amounts for deferred inflows and deferred outflows related to the City's Net Pension Liability are not reported in the funds.

Deferred Outflows Related to Pensions	590,313
Deferred Inflows Related to Pensions	(414,299)

Accrued interest on long-term debt is not due and payable in the current period and is not reported in the funds. (122,160)

The internal service fund is used by management to charge the costs of equipment purchases to individual funds. The assets and liabilities of the internal service fund are included in the Statement of Net Position. 649,045

Net Position of Governmental Activities \$ 47,979,878

The accompanying notes are an integral part of this statement.

City of La Puente
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2016

	General Fund	Gas Tax Fund	Capital Projects Fund	Other Governmental Funds	Total
REVENUES					
Taxes	\$ 9,747,319	\$ -	\$ -	\$ -	\$ 9,747,319
Licenses and Permits	637,990	-	-	-	637,990
Intergovernmental	185,318	879,731	-	3,304,812	4,369,861
Charges for Services	893,283	-	-	215,215	1,108,498
Fines and Forfeitures	390,778	-	-	-	390,778
Investment Income	184,857	5,935	242	24,081	215,115
Other Revenue	493,306	-	-	-	493,306
Total Revenues	12,532,851	885,666	242	3,544,108	16,962,867
EXPENDITURES					
Current:					
General Government	1,698,947	-	-	20,312	1,719,259
Public Safety	5,714,524	-	-	131,212	5,845,736
Public Works	312,924	780,720	-	35,355	1,128,999
Recreation/Senior Services	1,488,370	-	-	-	1,488,370
Community Development	780,998	-	-	1,230,355	2,011,353
Capital Outlay	-	904,903	776,912	1,407,727	3,089,542
Debt Service:					
Interest and Fiscal Charges	254,320	-	-	-	254,320
Principal	625,000	-	-	-	625,000
Total Expenditures	10,875,083	1,685,623	776,912	2,824,961	16,162,579
Excess of Revenues Over (Under) Expenditures	1,657,768	(799,957)	(776,670)	719,147	800,288
OTHER FINANCING SOURCES (USES)					
Transfers In	2,862	-	-	-	2,862
Transfers Out	-	-	-	(2,862)	(2,862)
Loan Proceeds	-	-	421,574	-	421,574
Total Other Financing Sources (Uses)	2,862	-	421,574	(2,862)	421,574
Net Change in Fund Balances	1,660,630	(799,957)	(355,096)	716,285	1,221,862
Fund Balances, Beginning of Year	18,059,335	1,052,530	-	2,841,175	21,953,040
Prior Period Adjustment	-	-	-	(19,725)	(19,725)
Fund Balances, End of Year	\$ 19,719,965	\$ 252,573	\$ (355,096)	\$ 3,537,735	\$ 23,155,177

The accompanying notes are an integral part of this statement.

City of La Puente
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund
Balances of Governmental Funds to the Statement of Activities
Year Ended June 30, 2016

Net Change in Fund Balances - Total Governmental Funds \$ 1,221,862

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense. This the amount by which capital outlays exceeded depreciation in the current period.

Capital Expenditures	2,162,417
Depreciation Expense	(1,475,516)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. These amounts are the net effect of these differences in the treatment of long-term debt and related items:

Principal Payments	625,000
Loan Proceeds	(421,574)

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

Compensated Absences	(68,739)
Net Pension Liability	(1,344,785)
Other Post-employment Benefits	(110,934)

Accrued interest for long-term debt. This is the net change in accrued interest for the current period. 10,000

Amounts for deferred inflows and deferred outflows related to the City's Net Pension Liability are not reported in the funds. This is the net change in deferred inflows and outflows related to the net pension liability

Deferred Outflows Related to Pensions	230,487
Deferred Inflows Related to Pensions	958,274

Some revenues reported in the Statement of Activities are not considered to be available to finance current expenditures and therefore are not reported as revenues in the governmental funds. 268,385

The change in net position of the internal service fund is reported with governmental activities 70,765

Change in Net Position of Governmental Activities \$ 2,125,642

The accompanying notes are an integral part of this statement.

City of La Puente
Statement of Net Position
Proprietary Funds
June 30, 2016

	<u>Business-type Activities- Enterprise Fund Sewer Assessment</u>	<u>Governmental Activities - Internal Service Fund</u>
ASSETS		
Current Assets:		
Cash and Investments	\$ 4,047,943	\$ 221,916
Due from Other Governments	21,171	-
Due From Other Funds	-	-
Total Current Assets	<u>4,069,114</u>	<u>221,916</u>
Noncurrent Assets:		
Capital Assets:		
Sewer Collection Systems	11,213,960	-
Vehicles	-	826,879
Furniture and Equipment	-	577,253
Less: Accumulated Depreciation	(511,189)	(931,434)
Total Noncurrent Assets	<u>10,702,771</u>	<u>472,698</u>
Total Assets	<u>14,771,885</u>	<u>694,614</u>
LIABILITIES		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	25,007	45,569
Interest Payable	33,483	-
Bonds Payable - Current	240,000	-
Total Current Liabilities	<u>298,490</u>	<u>45,569</u>
Noncurrent Liabilities:		
Bonds Payable (net of unamortized discount)	8,314,411	-
Total Noncurrent Liabilities	<u>8,314,411</u>	<u>-</u>
Total Liabilities	<u>8,612,901</u>	<u>45,569</u>
NET POSITION		
Net Investment In Capital Assets	2,148,360	472,698
Unrestricted	4,010,624	176,347
Total Net Position	<u>\$ 6,158,984</u>	<u>\$ 649,045</u>

The accompanying notes are an integral part of this statement.

City of La Puente
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
Year Ended June 30, 2016

	<u>Business-type Activities- Enterprise Fund Sewer Assessment</u>	<u>Governmental Activities - Internal Service Fund</u>
OPERATING REVENUES		
Charges for Services	\$ 1,323,874	\$ 283,812
Other	-	-
	<hr/>	<hr/>
Total Operating Revenues	<u>1,323,874</u>	<u>283,812</u>
OPERATING EXPENSES		
Salaries and Benefits	262,256	-
Other General Expenses	70,165	170,315
Depreciation	186,900	44,507
	<hr/>	<hr/>
Total Operating Expenses	<u>519,321</u>	<u>214,822</u>
Operating Income (Loss)	<u>804,553</u>	<u>68,990</u>
NONOPERATING REVENUES (EXPENSES)		
Interest Income	39,383	1,775
Interest Expense	(443,708)	-
	<hr/>	<hr/>
Total Nonoperating Revenues (Expenses)	<u>(404,325)</u>	<u>1,775</u>
Change in Net Position	400,228	70,765
Total Net Position, Beginning of Year	<u>5,758,756</u>	<u>578,280</u>
Total Net Position, End of Year	<u><u>\$ 6,158,984</u></u>	<u><u>\$ 649,045</u></u>

The accompanying notes are an integral part of this statement.

City of La Puente
Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2016

	<u>Business-type Activities- Enterprise Fund Sewer Assessment</u>	<u>Governmental Activities - Internal Service Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	\$ 1,425,349	\$ 283,812
Payments to Suppliers and Contractors	(127,265)	(137,569)
Payments to Employees	<u>(262,256)</u>	<u>-</u>
Net Cash Provided (Used) by Operating Activities	<u>1,035,828</u>	<u>146,243</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Payments for Purchase of Property and Equipment	-	(26,058)
Principal Paid on Long-term Debt	(235,000)	-
Interest Paid	<u>(405,911)</u>	<u>-</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(640,911)</u>	<u>(26,058)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	<u>39,383</u>	<u>1,775</u>
Net Increase (Decrease) in Cash and Cash Equivalents	434,300	121,960
Cash and Cash Equivalents - Beginning of Year	<u>3,613,643</u>	<u>99,956</u>
Cash and Cash Equivalents - End of Year	<u>\$ 4,047,943</u>	<u>\$ 221,916</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	\$ 804,553	\$ 68,990
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation	186,900	44,507
Changes in Assets and Liabilities:		
(Increase) Decrease in Due from Other Governments	1,475	-
(Increase) Decrease in Due from Other Funds	100,000	-
Increase (Decrease) in Accounts Payable	<u>(57,100)</u>	<u>32,746</u>
TOTAL CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 1,035,828</u>	<u>\$ 146,243</u>
Schedule of Non-cash Capital and Related Financing Activities		
Amortization of Discount on Bonds	\$ 4,314	\$ -

The accompanying notes are an integral part of this statement.

City of La Puente
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2016

	Agency Funds	Successor Agency Private-Purpose Trust Fund
ASSETS		
Cash and Investments	\$ 79,806	\$ 483,850
Accounts Receivable	-	-
Cash with Fiscal Agent	-	133,911
Land Held for Resale	-	-
	<u>\$ 79,806</u>	<u>617,761</u>
LIABILITIES		
Accounts Payable	\$ 7,808	-
Deposits Payable	71,998	-
Interest Payable	-	66,156
Advances from the City	-	15,313,753
Bonds Payable	-	3,650,000
	<u>\$ 79,806</u>	<u>19,029,909</u>
NET POSITION		
Net Position Held in Trust for Successor Agency		<u>\$ (18,412,148)</u>

The accompanying notes are an integral part of this statement.

City of La Puente
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year Ended June 30, 2016

	Successor Agency Private-Purpose Trust Fund
ADDITIONS	
Taxes	\$ 631,648
Interest Income	344
Other Income	-
Total Additions	631,992
DEDUCTIONS	
Administration and Pass-throughs	906,226
Interest on Advance from City	354,053
Interest on Bonds	159,175
Total Deductions	1,419,454
Change in Net Position	(787,462)
Net Position - Beginning of Year	(17,624,686)
Net Position - End of Year	\$ (18,412,148)

The accompanying notes are an integral part of this statement.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2016

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A) Description of Reporting Entity

The City of La Puente was incorporated August 1, 1956 under the general laws of the State of California, and enjoys all the rights and privileges pertaining to "General Law" Cities. It is governed by a five-member council.

The accompanying financial statements present the City of La Puente and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City's operations. Discretely presented component units, if any, are reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that they are legally separate from the City. There are no discretely presented component units presented in these financial statements.

Blended Component Units

The City of La Puente Public Financing Authority is a Joint Exercise of Powers Authority organized and existing under and by virtue of the Joint Exercise of Power Act of the Government Code of the State of California. The City and the former Community Development Commission formed the Authority by the execution of a Joint Exercise of Powers Agreement. The primary purpose of the Authority is to issue bonds and make loans to the City and former Community Development Commission. The City appoints the voting majority of the board and is able to impose its will on this component unit. There are no separate financial statements prepared for the Authority.

B) Government-Wide and Fund Financial Statements

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

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

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2016

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Separate financial statements for the City's governmental and proprietary funds are presented after the Government-wide Financial Statements. These statements display information about major funds individually and other governmental funds in the aggregate for governmental and enterprise funds.

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Under the economic resources measurement focus, all assets and liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for proprietary 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 nonoperating revenues and expenses. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all the eligibility requirements have been satisfied.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are both collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current period, except for certain grants which are considered available if collected within 7 months after year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2016

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source. All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary and private-purpose trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

Fund Classifications

The funds designated as major funds are determined by a mathematical calculation consistent with GASB Statement No. 34, as amended. The City reports the following major governmental funds:

The General Fund is the City's primary operating fund and accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Gas Tax Fund is used to account for gasoline taxes received by the City. These funds may be used for street maintenance, right-of-way acquisition and street construction.

The Capital Projects Fund is used to account for loan proceeds restricted for certain capital projects, and the related expenditures.

The City reports the following major enterprise funds:

The Sewer Assessment Fund is used to account for the repair and maintenance of the City's sewer system.

The City also reports the following fund types:

The Internal Service Fund is used to account for the replacement of City owned and operated vehicles, furniture and equipment, except for vans used in transit operations. The costs are accumulated in this fund and allocated as interfund user charges to other City departments.

The Successor Agency Private-Purpose Trust Fund accounts for the revenues and expenditures of the former La Puente Community Development Commission.

The Agency Funds are used to account for collection and payment of such items as performance bond deposits.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Direct expenses have not been eliminated from the functional categories; indirect expenses and internal payments have been eliminated.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2016

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D) Cash and Cash Equivalents

For purposes of the statement of cash flows, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash or so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Cash equivalents also represent the proprietary funds' share in the cash and investment pool of the City of La Puente. Cash equivalents have an original maturity date of three months or less from the date of purchase.

E) Investments

Investments are reported in the accompanying financial statements at fair value (which represents the quoted or stated market value), except for nonparticipating certificates of deposit and investment contracts that would be reported at cost because they are not transferable and they have terms that are not affected by changes in market interest rates.

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

The City pools cash and investments of all funds. Each fund's share in this pool is displayed in the accompanying financial statements as cash and investments.

The City pools cash from all funds in order to increase income earned through its investment program. Investment income from pooled investments is allocated to those funds which are required by law or administrative action to receive interest. Investment income is allocated on a quarterly basis based on the weighted average cash balance in each fund.

F) Capital Assets

Capital assets, which include land, structures, equipment, and infrastructure assets, are reported in the government-wide and proprietary fund financial statements. Capital assets are recorded at cost where historical records are available and at an estimated historical cost where no historical records exist. Assets purchased in excess of \$5,000 are capitalized if they have an expected useful life of 2 years or more. Infrastructure is capitalized if cost is in excess of \$50,000 and it has an expected useful life of 2 years or more. The cost of normal maintenance and repairs that do not add to the value of the asset's lives are not capitalized.

Major capital outlay for capital assets and improvements are capitalized as projects are constructed. For debt-financed capital assets in proprietary funds, interest incurred during the construction phase is reflected in the capitalization value of the asset constructed, net of interest earned on the invested proceeds over the same period. Capital assets acquired through lease obligations are valued at the present value of future lease payments at the date acquired. Donated capital assets received prior to the implementation of GASB Statement No. 72 were recorded at fair value on the date of donation. Donated capital assets received subsequent to the implementation of GASB 72 are recorded at acquisition value as of the date received.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2016

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Capital assets used in operations are depreciated over their estimated useful lives using the straight-line method in the government-wide financial statements and in the fund financial statements of the proprietary funds. Depreciation is charged as an expense against operations and accumulated depreciation is reported on the respective statement of net position. The ranges of lives used for depreciation purposes for each capital asset class are as follows:

Buildings and Improvements	15 - 40 years
Equipment and Furniture	5 - 10 years
Infrastructure	20 - 60 years

G) Compensated Absences

In accordance with GASB Statement No. 16, a liability is recorded for unused vacation and similar compensatory leave balances since the employees' entitlement to these balances is attributable to services already rendered and it is probable that virtually all of these balances will be liquidated by either paid time off or payment upon termination or retirement.

Under GASB Statement No. 16, a liability is recorded for unused sick leave balances only to the extent that it is probable that the unused balances will result in termination payments. This is to be estimated by including in the liability the unused balances of employees currently entitled to receive termination payment, as well as those who are expected to become eligible to receive termination benefits as a result of continuing their employment with the City. It is the practice of the City to record a liability for one half of the unused sick leave balance. After five years of service, employees are able to receive a termination payment at the rate of one half of the employee's regular straight time hourly rate of pay at the time of termination.

All leave benefits are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Leave benefits are generally liquidated by the general fund.

H) Claims and Judgments

When it is probable that a claim liability has been incurred at year-end, and the amount of the loss can be reasonably estimated, the City records the estimated loss, net of any insurance coverage under its self-insurance program. For governmental funds, if claims will not be liquidated from currently available resources, they are recorded only in the government-wide financial statements.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2016

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

I) Receivables and Payables

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

As a no-low property tax City, the City is allocated the minimum amount (6.6%) required by law. The County bills and collects the property taxes and remits them to the City in installments during the year. City property tax revenues are recognized when levied provided that the revenue is collected during the year or within 60 days of year-end. Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on July 1, and are payable in two installments on November 1 and February 1. Such taxes become delinquent on December 10 and April 10, respectively.

J) Use of Estimates

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

K) Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and balance sheet for the governmental funds will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense) until then. The City has only one item that qualifies for reporting in this category. It is the deferred outflows related to the pension contributions in accordance with GASB Statement No. 68.

In addition to liabilities, the statement of financial position and balance sheet for the governmental funds 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 position 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 one item, which arises only under the modified accrual basis of accounting, and another, which is a result of the City’s implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, which qualify for reporting in this category. Under the modified accrual basis of accounting, the item, *unavailable revenues*, is reported in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes, special assessments, grant receivables, and other miscellaneous receivables. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2016

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

L) Fund Equity

In the government-wide, proprietary funds, and fiduciary fund financial statements, net position is classified in the following categories.

Net Investment in Capital Assets

This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce this category.

Restricted Net Position

This category presents external restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position

This category represents the net position of the City that is not externally restricted for any project or other purpose.

M) Net Position Flow Assumption

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 statement of net position, 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.

N) Fund Balances

Fund balances in governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. 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 government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2016

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Nonspendable - This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted - This classification includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers or through enabling legislation.

Committed - This classification includes amounts that can be used only for the specific purposes determined by a formal action or resolution of the City's highest level of decision-making authority (City Council). Committed amounts cannot be used for any other purpose unless the City Council removes or changes the specific use through the same type of formal action or resolution taken to establish the commitment. The City has no committed fund balances.

Assigned - This classification consists of funds that are set aside for specific purposes by the City's highest level of decision making authority or a body or official that has been given the authority to assign funds. The City Council delegates the authority to assign fund balance to the City Manager for purposes of reporting in the annual financial statements. The City has no assigned fund balances.

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

O) Implementation of Governmental Accounting Standards Board (GASB) Pronouncements

Governmental Accounting Standards Board Statement No. 72

In February of 2015, GASB issued Statement No. 72, *Fair Value Measurement and Application*. This statement was issued to address accounting and financial reporting issues related to fair value measurements. The City has implemented this statement as of June 30, 2016.

Governmental Accounting Standards Board Statement No. 75

In June of 2015, GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This statement was issued to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions. This GASB Statement is required to be implemented in financial statements issued for the periods beginning after June 15, 2017. The City has elected not to early implement this statement and has not determined its effect on the financial statements.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2016

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

P) Pensions

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

2) STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

The following non-major funds had deficit fund balances as of June 30, 2016:

Deficit Fund Equity

Special Revenue Funds:		
CDBG Grant	\$	(3)
STPL Grant		(35,934)
HSIP Grant		(8,721)

The above deficit will be eliminated by revenues that will become available in subsequent periods.

3) CASH AND INVESTMENTS

The following is a summary of cash and investments at June 30, 2016:

Statement of Net Position:	
Cash and Investments	\$ 15,099,616
Statement of Fiduciary Net Position:	
Cash and Investments	563,656
Cash and Investments with Fiscal Agent	<u>133,911</u>
Total Cash and Investments	<u>\$ 15,797,183</u>

Cash and investments as of June 30, 2016 consist of the following:

Petty Cash	\$ 2,200
Deposits with Financial Institutions	2,131,209
Investments	<u>13,663,774</u>
Total Cash and Investments	<u>\$ 15,797,183</u>

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2016

3) CASH AND INVESTMENTS - Continued

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

The table below identifies the investment types that are authorized for the City by the City's investment policy. 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.

Authorized Investment Type	Maximum Maturity	Maximum Allowable Investment Percentage	Maximum Investment In One Issuer
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptances	180 days	15%	2%
Repurchase Agreements	7 days	15%	None
Money Market Savings Accounts	N/A	None	\$ 250,000
Money Market Mutual Funds	N/A	15%	5%
County Pooled Investment Funds	N/A	5% of Pool	None
Certificates of Deposit	5 years	30%	\$ 250,000
Negotiable Certificates of Deposit	5 years	30%	\$ 250,000
Medium Term Notes	5 years	30%	None
Local Agency Investment Fund (LAIF)	N/A	None	\$ 65,000,000

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 is 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 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 to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

Investment Type	Remaining Maturity (in Months)			Fair Value
	12 Months or Less	13 to 24 Months	25 to 60 Months	
Federal Agency Securities	\$ -	\$ -	\$ 4,009,823	\$ 4,009,823
Negotiable Certificates of Deposit	-	-	4,050,325	4,050,325
LAIF	5,469,715	-	-	5,469,715
Cash with Fiscal Agent:				
Money Market Mutual Funds	133,911	-	-	133,911
Total	<u>\$ 5,603,626</u>	<u>\$ -</u>	<u>\$ 8,060,148</u>	<u>\$ 13,663,774</u>

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2016

3) CASH AND INVESTMENTS - 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 or the City's investment policy and the actual rating as of year-end for each investment type.

Investment Type	Total Investment	Minimum Legal Rating	Rating as of Year End	
			AAA/AA	Unrated
Federal Agency Securities	\$ 4,009,823	N/A	\$ 4,009,823	\$ -
Negotiable Certificates of Deposit	4,050,325	N/A	-	4,050,325
LAIF	5,469,715	N/A	-	5,469,715
Held by Bond Trustees:				
Money Market Mutual Funds	133,911	N/A	-	133,911
Total	<u>\$13,663,774</u>		<u>\$ 4,009,823</u>	<u>\$ 9,653,951</u>

Concentration of Credit Risk

At June 30, 2016, the City had no investments in any one issuer (other than LAIF) that represent 5% or more of total City investments, except for investments in federal agency securities, including FHLB, FNMA, and FHLMC.

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 California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2016, no deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2016

3) CASH AND INVESTMENTS - Continued

Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF). As of June 30, 2016, none of the City's investments were held by the broker-dealer (counterparty) that was used by the City to purchase the securities.

Fair Value

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, 2016:

Federal Agency securities of \$4,009,823 are valued using a matrix pricing model (Level 2 inputs).

Negotiable Certificates of Deposit of \$4,050,325 are valued using a matrix pricing model (Level 2 inputs).

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 Entity's investment in this pool is reported in the accompanying financial statements at amounts based on the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Information regarding LAIF's and the City's exposure to risk (credit, market, or legal) is not currently available.

4) INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Due To and Due From Other Funds

Amounts due to/due from other funds at June 30, 2016 are as follows:

Receivable	Payable	Amount
General Fund	Capital Projects Fund	\$ 210,184
General Fund	Other Governmental Funds	60,623
		\$ 270,807

The outstanding balances between funds result mainly from temporary borrowings to cover operating deficits.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2016

4) INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS - Continued

Long-term Advances

At June 30, 2016, the City had the following interfund long-term advances:

		ADVANCES TO Successor Agency Private-purpose Trust Fund
ADVANCES FROM	General Fund	\$ 15,313,753
	Total	\$ 15,313,753

As of June 30, 2016, the City has advanced to the former Community Development Commission (CDC) \$15,313,753 (net of repayments), including interest receivable of \$3,511,989, to assist in redevelopment activities. In June 2011, Assembly Bill 26 (1st extraordinary session) dissolved the former CDC, effective (after some litigation on the matter) February 1, 2012. On April 26, 2013, the Department of Finance allowed the loan to be placed on the Recognized Obligation Payment Schedule (ROPS) as an enforceable obligation. The principal balance of the receivable of \$11,801,764 accrues simple interest of 3% per year in accordance with Senate Bill 107. Repayment of the advance by the Successor Agency is contingent upon excess property taxes received by the Successor Agency after paying all other enforceable obligations. There is no established repayment schedule due to the uncertainty of the amounts available for repayment in a given year. The entire principal portion of the receivable is included in non-spendable fund balance in the General Fund and the accrued interest receivable is included in deferred inflows as unavailable revenue.

Transfers In and Transfers Out

Transfers in and out for the year ended June 30, 2016 are as follows:

Transfers In	Transfers Out	Amount
General Fund	Other Governmental Funds	\$ 2,862
		\$ 2,862

The above transfers to the General Fund were made from the Traffic Safety nonmajor special revenue fund for excess amounts in the fund.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2016

5) LOANS RECEIVABLE

The City uses Housing and Community Development Block Grant and Cal-Home Grant funds to provide deferred payment housing rehabilitation loans to eligible applicants. Such loans are made to low and moderate income persons to improve or rehabilitate residences. Loan repayment is deferred until the home is sold or changes title.

The City accounts for this program in the Special Revenue CDBG and Cal-Home Grant Funds. Rehabilitation loans receivable of \$1,559,877 at June 30, 2016 have been reflected in the accompanying financial statements as loans receivable.

6) CAPITAL ASSETS

A summary of changes in the Governmental Activities capital assets at June 30, 2016 is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 3,620,179	\$ 1,000	\$ -	\$ 3,621,179
Construction in Progress	888,434*	2,152,623	770,645	2,270,412
Total Capital Assets, Not Being Depreciated	<u>4,508,613</u>	<u>2,153,623</u>	<u>770,645</u>	<u>5,891,591</u>
Capital Assets Being Depreciated:				
Buildings and Improvements	21,380,816	245,055	-	21,625,871
Equipment and Furniture	2,053,497	104,854	213,395	1,944,956
Infrastructure	34,045,628	525,589	-	34,571,217
Total Capital Assets Being Depreciated	<u>57,479,941</u>	<u>875,498</u>	<u>213,395</u>	<u>58,142,044</u>
Less Accumulated Depreciation:				
Buildings and Improvements	(7,935,855)	(903,194)	-	(8,839,049)
Equipment and Furniture	(1,451,530)	(157,874)	(213,395)	(1,396,009)
Infrastructure	(17,580,862)	(528,954)	-	(18,109,816)
Total Accumulated Depreciation	<u>(26,968,247)</u>	<u>(1,590,022)</u>	<u>(213,395)</u>	<u>(28,344,874)</u>
Total Capital Assets Being Depreciated, Net	<u>30,511,694</u>	<u>(714,524)</u>	<u>-</u>	<u>29,797,170</u>
Governmental Activities Capital Assets, Net	<u>\$ 35,020,307</u>	<u>\$ 1,439,099</u>	<u>\$ 770,645</u>	<u>\$ 35,688,761</u>

* Includes a prior period adjustment of \$(1,044,011) – see Note 13.

Depreciation expense was charged to functions/programs of the governmental activities as follows:

General Government	\$ 47,533
Public Works	557,709
Recreation/Senior Services	812,828
Community Development	57,446
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets.	<u>114,506</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 1,590,022</u>

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2016

6) CAPITAL ASSETS - Continued

A summary of changes in the Business-type Activities capital assets at June 30, 2016 is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type Activities:				
Capital Assets, Not Being Depreciated				
Construction in Progress	\$ -	\$ -	\$ -	\$ -
Total Capital Assets, Not Being Depreciated	-	-	-	-
Capital Assets Being Depreciated:				
Sewer Collection System	11,213,960	-	-	11,213,960
Total Capital Assets Being Depreciated	11,213,960	-	-	11,213,960
Less Accumulated Depreciation:				
Sewer Collection System	(324,289)	(186,900)	-	(511,189)
Total Accumulated Depreciation	(324,289)	(186,900)	-	(511,189)
Total Capital Assets Being Depreciated, Net	10,889,671	(186,900)	-	10,702,771
Business-type Activities Capital Assets, Net	<u>\$ 10,889,671</u>	<u>\$ (186,900)</u>	<u>\$ -</u>	<u>\$ 10,702,771</u>

7) LONG-TERM LIABILITIES

The following is a summary of long-term liability transactions for the year ended June 30, 2016:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental Activities:					
Capital One Bank Loan	\$ 7,635,000	\$ -	\$ -	\$ 7,635,000	\$ 620,000
City of Industry Loan Agreement	-	421,574	-	421,574	-
Compensated Absences	126,313	157,307	88,568	195,052	38,620
Net OPEB Obligation	1,352,979	367,911	256,977	1,463,913	-
Net Pension Liability	3,590,581	1,743,109	398,324	4,935,366	-
Total	<u>\$ 12,704,873</u>	<u>\$ 2,689,901</u>	<u>\$ 743,869</u>	<u>\$ 14,650,905</u>	<u>\$ 658,620</u>
Business-type Activities:					
Sewer Revenue Bonds	\$ 8,880,000	\$ -	\$ 235,000	\$ 8,645,000	\$ 240,000
Unamortized Discount	(94,903)	-	(4,314)	(90,589)	-
Total	<u>\$ 8,785,097</u>	<u>\$ -</u>	<u>\$ 230,686</u>	<u>\$ 8,554,411</u>	<u>\$ 240,000</u>

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2016

7) LONG-TERM LIABILITIES - Continued

Lease Agreement

On January 1, 2008, the City entered into a lease agreement with the La Puente Public Financing Authority (the "Authority") for an up-front rental payment to be used in the construction and improvement of a community center and a youth learning activity center. In order to provide financing to the City, the Authority assigned its rights under the lease to Union Bank of California ("UBOC"). In consideration of the foregoing assignment, UBOC paid the Authority an amount of \$10,000,000 to be deposited in the project fund established under the lease.

On June 1, 2013, the Authority and the City entered into a loan agreement with the Bank of Nevada to refinance the UBOC debt. The \$9,675,000 loan proceeds from the Bank of Nevada were used to retire the UBOC outstanding debt of \$9,411,765, pay interest expense of \$192,116 and loan processing costs of \$60,182. The City did not lose or gain from the loan refinancing except for future savings from the interest expense resulting from the 1% reduction in interest rate. With the refinancing of the UBOC debt, the above lease agreement was assigned to the Bank of Nevada. In September 2014, the Bank of Nevada assigned the loan to Capital One Bank under the same terms and conditions.

Under the terms of the lease, the Authority leased back the said projects to the City for lease payments as the rental for the leased property. The lease payments are payable semiannually with an interest rate of 3.2% on January 1 and July 1 of each year, commencing July 1, 2013. At June 30, 2016, the future lease payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2017	\$ 620,000	\$ 234,400	\$ 854,400
2018	615,000	214,640	829,640
2019	610,000	195,040	805,040
2020	605,000	175,600	780,600
2021	600,000	156,320	756,320
2022	595,000	137,200	732,200
2023	590,000	118,240	708,240
2024	585,000	99,440	684,440
2025	575,000	80,880	655,880
2026	570,000	62,560	632,560
2027	565,000	44,400	609,400
2028	555,000	26,480	581,480
2029	550,000	8,800	558,800
Totals	\$ 7,635,000	\$ 1,554,000	\$ 9,189,000

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2016

7) LONG-TERM LIABILITIES - Continued

City of Industry Loan Agreement

In October of 2015, the City entered into an agreement to borrow funds from the City of Industry to finance construction of a sound wall on Valley Boulevard. The City of Industry has agreed to lend the City of La Puente \$5,952,908 for these improvements, at a simple interest rate of .33%. As of June 30, 2016, the City had drawn down \$421,574 on this loan. The agreement provides for annual loan repayments of \$208,742, including principal and interest, commencing November 1, 2017, assuming the entire \$5,952,908 is eventually borrowed. The following represents the anticipated future debt service requirements when the project is completed:

Fiscal Year Ending June 30,	Principal	Interest	Total
2017	\$ -	\$ -	\$ -
2018	189,097	19,645	208,742
2019	189,721	19,021	208,742
2020	190,347	18,394	208,741
2021	190,975	17,766	208,741
2022-2026	964,371	79,337	1,043,708
2027-2031	980,389	63,319	1,043,708
2032-2036	996,672	47,036	1,043,708
2037-2041	1,013,226	30,482	1,043,708
2042-2046	1,030,055	13,653	1,043,708
2047	208,055	686	208,741
Totals	<u>\$ 5,952,908</u>	<u>\$ 309,339</u>	<u>\$ 6,262,247</u>

2007 Sewer Revenue Bonds

In November of 2007, the La Puente Financing Authority (a component unit of the City of La Puente) issued \$10,260,000 in Sewer Revenue Bonds, which mature in amounts from \$175,000 to \$615,000 annually from 2009 to 2038, with interest payments of 4.00% to 5.00% payable semi-annually on June 1 and December 1 of each year.

The bonds were issued to provide funds to construct improvements for the City's sewer system. The bonds are payable from and secured by the Authority's pledge under the indenture of that portion of "Revenues" necessary to pay debt service on the bonds and any parity bonds issued under the indenture. "Revenues" are derived of installment payments to be made by the City pursuant to an Installment Sale Agreement dated as of November 1, 2007, between the City and the Authority. Installment payments are payable from net revenues, defined generally as gross revenues received from the sewer system, less maintenance and operation costs.

Future debt service requirements on the 2007 Sewer Revenue Bonds are as follows:

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2016

7) LONG-TERM LIABILITIES - Continued

Fiscal Year Ending June 30,	Principal	Interest	Total
2017	\$ 240,000	\$ 396,999	\$ 636,999
2018	250,000	387,199	637,199
2019	260,000	376,999	636,999
2020	270,000	366,399	636,399
2021	285,000	355,120	640,120
2022	295,000	342,974	637,974
2023	305,000	330,147	635,147
2024	320,000	316,390	636,390
2025	335,000	301,653	636,653
2026	350,000	286,240	636,240
2027	365,000	269,970	634,970
2028	380,000	252,787	632,787
2029	400,000	234,500	634,500
2030	420,000	215,025	635,025
2031	440,000	194,600	634,600
2032	460,000	173,225	633,225
2033	480,000	150,900	630,900
2034	505,000	126,875	631,875
2035	530,000	101,000	631,000
2036	555,000	73,875	628,875
2037	585,000	45,375	630,375
2038	615,000	15,375	630,375
Totals	<u>\$ 8,645,000</u>	<u>\$ 5,313,627</u>	<u>\$ 13,958,627</u>

Fiduciary Fund Long-term Liabilities

Long-term liabilities of the former La Puente CDC were transferred to the Successor Agency Private-purpose Trust Fund during 2011-12 as a result of the State's action to dissolve redevelopment agencies. The following is a schedule of changes in long-term debt of the Successor Agency for the fiscal year ended June 30, 2016:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Tax Allocation Refunding Bonds:					
Series 2014A	\$ 3,760,000	\$ -	\$ 110,000	\$ 3,650,000	\$ 100,000
Total	<u>\$ 3,760,000</u>	<u>\$ -</u>	<u>\$ 110,000</u>	<u>\$ 3,650,000</u>	<u>\$ 100,000</u>

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2016

7) LONG-TERM LIABILITIES - Continued

2014A Tax Allocation Refunding Bonds

In August 2014, the Successor Agency to the La Puente Community Development Commission issued \$3,760,000 Tax Allocation Revenue Refunding Bonds, Series 2014, which mature in amounts from \$100,000 to \$255,000 annually from 2016 to 2038 with interest payments of 4.35% payable semi-annually on February 1 and August 1 of each year.

The purpose of the bonds was to refund the 2007 Tax Allocation Bonds issued by the former La Puente Community Development Commission. The bonds are special obligations of the Successor Agency to the La Puente Community Development Commission and are payable exclusively from Pledged Tax Revenues. The bonds are not a debt, liability or obligation of the City of La Puente (the "City"), the County of Los Angeles (the "County"), the State of California or any of its political subdivisions, other than the Commission. In no event shall the bonds be payable out of any funds or properties other than those of the Commission.

Future debt service requirements on the 2014A Tax Allocation Refunding Bonds are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2017	\$ 100,000	\$ 156,600	\$ 256,600
2018	105,000	152,141	257,141
2019	110,000	147,465	257,465
2020	115,000	142,571	257,571
2021	120,000	137,460	257,460
2022	125,000	132,131	257,131
2023	130,000	126,585	256,585
2024	135,000	120,821	255,821
2025	145,000	114,731	259,731
2026	145,000	108,424	253,424
2027	155,000	101,899	256,899
2028	160,000	95,048	255,048
2029	170,000	87,870	257,870
2030	180,000	80,257	260,257
2031	185,000	72,319	257,319
2032	195,000	64,054	259,054
2033	205,000	55,354	260,354
2034	215,000	46,219	261,219
2035	220,000	36,758	256,758
2036	235,000	26,861	261,861
2037	245,000	16,421	261,421
2038	255,000	5,546	260,546
Totals	<u>\$ 3,650,000</u>	<u>\$ 2,027,535</u>	<u>\$ 5,677,535</u>

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2016

8) RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the City participates in the California Joint Powers Insurance Authority (Authority) as follows:

Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The City of La Puente is a member of the California Joint Power Insurance Authority (Authority). The Authority was organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The Authority began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

Self-Insurance Programs of the Authority

Each member pays an annual contribution to cover estimated losses for the coverage period. This initial funding is paid at the beginning of the coverage period. After the close of the coverage period, outstanding claims are valued. A retrospective deposit computation is then conducted annually thereafter until all claims incurred during the coverage period are closed on a pool-wide basis. This subsequent cost re-allocation among members based on actual claim development can result in adjustments of either refunds or additional deposits required.

The total funding requirement for self-insurance programs is estimated using actuarial models and pre-funded through the annual contribution. Costs are allocated to individual agencies based on exposure (payroll) and experience (claims) relative to other members of the risk-sharing pool. Additional information regarding the cost allocation methodology is provided below.

Liability

In the liability program claims are pooled separately between police and non-police exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$30,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$30,000 to \$750,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs in excess of \$750,000 up to the reinsurance attachment point of \$5 million are distributed based on the outcome of cost allocation within the first and second loss layers. (5) Costs of covered claims from \$5 million to \$10 million are paid under a reinsurance contract subject to a \$2.5 million annual aggregate deductible. The \$2.5 million annual aggregate deductible is fully covered under a separate policy; as such no portion of it is retained by the Authority. Costs of covered claims from \$10 million to \$15 million are paid under two reinsurance contracts subject to a combined \$3 million annual aggregate deductible. The \$3.0 million annual aggregate deductible is fully retained by the Authority. (6) Costs of covered claims from \$15 million to \$20 million are paid under reinsurance agreements. (7) Costs of covered claims from \$20 million to \$50 million are paid under excess insurance policies.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2016

8) RISK MANAGEMENT - Continued

The overall coverage limit for each member including all layers of coverage is \$50 million per occurrence.

Costs of covered claims for subsidence losses are paid by reinsurance and excess insurance with a pooled sub-limit of \$30 million per occurrence. This \$30 million subsidence sub-limit is composed of (a) \$5 million retained within the pool's SIR, (b) \$15 million in reinsurance, subject to the same annual aggregate deductibles previously stated, and (c) \$10 million in excess insurance. The excess insurance layer has a \$10 million annual aggregate limit.

Worker's Compensation

In the workers' compensation program claims are pooled separately between public safety (police and fire) and non-public safety exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$50,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$50,000 to \$100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs in excess of \$100,000 up to the reinsurance attachment point of \$2 million are distributed based on the outcome of cost allocation within the first and second loss layers. (5) Costs of covered claims from \$2 million up to statutory limits are paid under a reinsurance policy. Protection is provided per statutory liability under California Workers' Compensation Law.

Employer's Liability losses are pooled among members to \$2 million. Coverage from \$2 million to \$5 million is purchased as part of a reinsurance policy, and Employer's Liability losses from \$5 million to \$10 million are pooled among members.

Purchased Insurance

Pollution Legal Liability Insurance

The City of La Puente participates in the pollution legal liability insurance program (formerly called environmental insurance) which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City of La Puente. Coverage is on a claims-made basis. There is a \$50,000 deductible. The Authority has a limit of \$50 million for the 3-year period from July 1, 2014 through July 1, 2017. Each member of the Authority has a \$10 million sub-limit during the 3-year term of the policy.

Property Insurance

The City of La Puente participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. City of La Puente property is currently insured according to a schedule of covered property submitted by the City of La Puente to the Authority. There is a \$5,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$1,000 deductible. Premiums for the coverage are paid annually and are not subject to retrospective adjustments.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2016

8) RISK MANAGEMENT - Continued

Earthquake and Flood Insurance

The City of La Puente purchases earthquake and flood insurance on a portion of its property. The earthquake insurance is part of the property protection insurance program of the Authority. There is a deductible of 5% per unit of value with a minimum deductible of \$100,000. Premiums for the coverage are paid annually and are not subject to retrospective adjustments.

Crime Insurance

The City of La Puente purchases crime insurance coverage in the amount of \$1,000,000 with a \$2,500 deductible. The fidelity coverage is provided through the Authority. Premiums are paid annually and are not subject to retrospective adjustments.

Special Event Tenant User Liability Insurance

The City of La Puente further protects against liability damages by requiring tenant users of certain property to purchase low-cost tenant user liability insurance for certain activities on agency property. The insurance premium is paid by the tenant user and is paid to the City of La Puente according to a schedule. The City of La Puente then pays for the insurance. The insurance is arranged by the Authority.

Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2015-16.

Claims and Judgments

The City accounts for uninsured, material claims and judgments and associated legal and administrative costs when it is probable that the liability claim has been incurred and the amount of the loss can be reasonably estimated. Included therein are claims incurred but not reported, which consists of (a) known loss events expected to be presented as claims later, (b) unknown loss events that are expected to become claims, and (c) expected future development on claims already reported. This is based upon historical actual results that have established a reliable pattern supplemented by specific information about current matters. Small dollar claims and judgments are recorded as expenditures when paid.

9) PENSION PLAN

General Information about the Pension Plan

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

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2016

9) PENSION PLAN - Continued

Benefits Provided – The Plan is a cost-sharing multiple-employer defined benefit pension plan administered by the California Public Employees’ Retirement System (CalPERS). A full description of the pension plan benefit provisions, assumptions for funding purposes but not accounting purposes, and membership information is listed in the June 30, 2014 Annual Actuarial Valuation Report. Details of the benefits provided can be obtained in Appendix B of the June 30, 2014 actuarial valuation report. This report is a publicly available valuation report that can be obtained at CalPERS’ website under Forms and Publications.

The rate plan provisions and benefits in effect at June 30, 2016, are summarized as follows:

	Miscellaneous	Miscellaneous
	Prior to	PEPRA
	January 1, 2013	On or after
	January 1, 2013	January 1, 2013
Hire date	January 1, 2013	January 1, 2013
Benefit formula	2.5% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	55	62
Monthly benefits, as a % of eligible compensation	Last 12 Mos. of Service	Last 36 Mos. of Service
Required employee contribution rates	8%	7%
Required employer contribution rates	11.736% + \$241,339	6.967%

Contributions – Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability. The dollar amounts are billed on a monthly basis. The City’s required contribution for the unfunded liability was \$241,339 in fiscal year 2016.

The City’s contributions to the Plan for the year ended June 30, 2016 were \$412,824.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2016

9) PENSION PLAN - Continued

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2016, the City reported a liability of \$4,935,366 for its proportionate share of the net pension liability. The City's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2015, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2014 rolled forward to June 30, 2015 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 plan relative to the projected contributions of all participating employers, actuarially determined.

The City's proportionate share of the Plan's net pension liability as of June 30, 2014 and 2015 was as follows:

Proportion - June 30, 2014	0.1453%
Proportion - June 30, 2015	0.1799%
Change - Increase (Decrease)	0.0346%

For the year ended June 30, 2016, the City recognized pension expense of \$156,023. At June 30, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 412,824	\$ -
Differences between actual and expected experience	14,932	-
Changes in assumptions	-	141,270
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	162,557	202,209
Net differences between projected and actual earnings on plan investments	-	70,820
Total	\$ 590,313	\$ 414,299

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2016

9) PENSION PLAN - Continued

Items reported in the amount of \$412,824 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, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ending June 30,		
2017	\$	(161,899)
2018		(156,580)
2019		(126,864)
2020		208,533
2021		-
Thereafter		-

Actuarial Assumptions – The total pension liabilities in the June 30, 2014 actuarial valuations were determined using the following actuarial assumptions:

Valuation date	June 30, 2014
Measurement date	June 30, 2015
Actuarial cost method	entry-age normal
Actuarial assumptions:	
Discount rate	7.65%
Inflation	2.75%
Payroll growth	3.00%
Projected salary increase	(1)
Investment rate of return	7.65%
Mortality	(2)

(1) Depending on age, service and type of employment

(2) Derived using CalPERS' Membership Data for all Funds.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2014 valuation were based on the results of a January 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can found on the CalPERS website.

Change of Assumptions - GASB 68, paragraph 68 states that the long long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50 percent used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65 percent used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2016

9) PENSION PLAN – Continued

Discount Rate – The discount rate used to measure the total pension liability was 7.65 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing of the plans, the tests revealed the assets would not run out. Therefore, the current 7.65 percent discount rate is appropriate and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.65 percent is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called “GASB Crossover Testing Report” that can be obtained at CalPERS’ website under the GASB 68 section.

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

In determining the long-term expected rate of return, staff took into account both short-term and long-term market return expectations as well as the expected pension fund (Public Employees’ Retirement Fund) cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds’ asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 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 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 equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. The target allocation shown was adopted by the Board effective on July 1, 2014.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (1)	Real Return Years 11+ (2)
Global Equity	51%	5.25%	5.71%
Global Fixed Income	19%	0.99%	2.43%
Inflation Sensitive	6%	0.45%	3.36%
Private Equity	10%	6.83%	6.95%
Real Estate	10%	4.50%	5.13%
Infrastructure and Forestland	2%	4.50%	5.09%
Liquidity	2%	-0.55%	-1.05%

(1) An expected inflation of 2.5% used for this period.

(2) An expected inflation of 3.0% used for this period.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2016

9) PENSION PLAN – Continued

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate –

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

1% Decrease		6.65%	
Net Pension Liability	\$	8,276,952	
Current Discount Rate		7.65%	
Net Pension Liability	\$	4,935,366	
1% Increase		8.65%	
Net Pension Liability	\$	2,176,497	

Pension Plan Fiduciary Net Position – Detailed information about the Plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

Payable to the Pension Plan

At June 30, 2016, the City reported no payables due to the pension plan, for outstanding contributions required for the year ended June 30, 2016.

10) OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The City’s defined benefit postemployment healthcare plan, (City of La Puente Retiree Healthcare Plan, LPRHP), provides medical, dental and vision benefits to eligible retired City employees and eligible dependents. LPRHP is part of the Public Agency portion of the California Employers’ Retiree Benefit Trust Fund (CERBT), a single-employer defined benefit healthcare plan administered by California Public Employees’ Retirement System (CalPERS), which acts as a common investment and administrative agent for participating public employers within the State of California. A menu of benefit provisions as well as other requirements is established by State statute within the Public Employees’ Retirement Law. LPRHP selects optional benefit provisions from the benefit menu by contracting with CalPERS and adopts those benefits through City resolution. CalPERS issues a Comprehensive Annual Financial Report (CAFR). The CAFR is issued in aggregate and includes the sum of all CalPERS plans. Copies of the CalPERS CAFR may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, California 95814.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2016

10) OTHER POSTEMPLOYMENT BENEFITS - Continued

Funding Policy

The contribution requirements of plan members and the City are established and may be amended by the City Council. The City contributes the Public Employees' Medical and Hospital Care Act (PEMHCA) minimum.

The City is required to contribute the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The City Council, through resolution, determined the City will make contributions using the 10-Year ARC Phase-In 30-Year Amortization method. The City will contribute the Pay-Go amount plus 20% of the ARC minus the Pay-Go amount in the fiscal year 2010-11. The percentage of the ARC minus the Pay-Go amount will increase by 10% over 10 years until the City contributes the full ARC.

The City's annual OPEB cost, net OPEB obligation and the related information for 2015-16 were as follows:

Annual Required Contribution (ARC)	\$	376,841
Interest on Net OPEB Obligation		64,943
Adjustment to ARC		(73,873)
Annual OPEB Cost		367,911
Contribution Made		(256,977)
Increase in Net OPEB Obligation		110,934
Net OPEB Obligation at June 30, 2015		1,352,979
 Net OPEB Obligation at June 30, 2016	 \$	 1,463,913

For 2015-16, the City's annual OPEB cost (expense) of \$367,911 for LPRHP was \$8,930 less than the ARC. The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2015-16 and the two preceding years were as follows:

THREE YEAR TREND INFORMATION			
Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
6/30/14	\$ 437,221	96%	\$ 1,135,459
6/30/15	\$ 481,059	55%	\$ 1,352,979
6/30/16	\$ 367,911	70%	\$ 1,463,913

Funded Status and Funding Progress

The funded status of the plan as of June 30, 2015, the date of the latest actuarial valuation report, was as follows:

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2016

10) OTHER POSTEMPLOYMENT BENEFITS - Continued

Actuarial Accrued Liability (AAL)	\$	6,484,213
Actuarial Value of Plan Assets	\$	195,939
Unfunded Actuarial Accrued Liability (UAAL)	\$	6,288,274
Funded Ratio (Actuarial Value of Plan Assets/AAL)		3%
Covered Payroll (Active Plan Members)	\$	1,568,608
UAAL as a Percentage of Covered Payroll		329%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The following is a summary of the actuarial assumptions and methods:

Valuation Date	June 30, 2015
Actuarial Cost Method	Entry Age Normal Cost Method
Amortization method	Level Percent of Payroll
Amortization Period	30 years as of the Valuation Date
Projected Salary Increase	2.75%
Health Care Trend Rate	4%
Inflation Rate	2.75%
Investment Rate of Return	4.8%

An open 30-year amortization period is used to amortize the unfunded actuarial accrued liability.

The liability for governmental activities is primarily liquidated from the general fund while the liability for business-type activities is liquidated from the enterprise funds.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2016

11) FUND BALANCES

Details of the City's governmental fund balances at June 30, 2016, are presented below:

	General Fund	Gas Tax Fund	Capital Projects Fund	Other Governmental Funds	Total
Nonspendable:					
Prepaid Costs	\$ 11,268	\$	\$	\$	\$ 11,268
Long-term Advances	11,801,764				11,801,764
Restricted for:					
Low Income Housing				1,185,808	1,185,808
Traffic Safety				18,777	18,777
Police				4,576	4,576
PEG Access				124,620	124,620
Street Projects		252,573			252,573
Air Pollution Reduction Measures				155,881	155,881
Transportation				2,092,731	2,092,731
Unassigned	7,906,933		(355,096)	(44,658)	7,507,179
Total Fund Balance	\$ 19,719,965	\$ 252,573	\$ (355,096)	\$ 3,537,735	\$ 23,155,177

12) OTHER INFORMATION

Contingent Liabilities

Claims and lawsuits have been filed against the City in the normal course of business. The outcome of these matters is not presently determinable. However, in the opinion of management, the resolution of these matters is not expected to have a significant impact on the financial condition of the City.

Other Commitments and Contingencies

The City has received 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 estimated amount of remaining construction contract obligations at year-end is \$916,376.

13) PRIOR PERIOD ADJUSTMENTS

The prior period adjustments reducing beginning net position by \$1,063,736 in the Statement of Activities are a result of the following: \$1,044,011 of amounts previously reported in Construction in Progress were reclassified as expenses of prior periods; beginning fund balance in the nonmajor CDBG Fund was reduced by \$19,725 for amounts due to other agencies.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2016

14) SUBSEQUENT EVENTS

Management of the City has evaluated subsequent events through December 5, 2016, the date these financial statements were available to be issued, and has determined the following subsequent events:

On August 23, 2016, the City Council adopted a Resolution authorizing the issuance of Sewer Revenue Refunding Bonds in the initial aggregate principal amount not to exceed \$9,340,000. The proceeds will be used to refund the outstanding 2007 Sewer Revenue Bonds.

REQUIRED SUPPLEMENTARY INFORMATION

City of La Puente
Required Supplementary Information
For the Year Ended June 30, 2016

Schedule of Funding Progress - Other Post-Employment Benefits Plan

Actuarial Valuation Date	Actuarial Asset Value (a)	Entry Age Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (b) - (a)	Funded Ratio AVA (a)/(b)	Covered Payroll (c)	Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll [(b)-(a)]/(c)
6/30/11	\$ 140,556	\$ 5,902,812	\$ 5,762,256	2%	\$ 2,526,015	228%
6/30/13	168,156	5,250,891	5,082,735	3%	2,008,468	253%
6/30/15	195,939	6,484,213	6,288,274	3%	1,568,608	329%

City of La Puente
Required Supplementary Information
For the Year Ended June 30, 2016

**SCHEDULE OF THE CITY'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
Last 10 Years***

	<u>Measurement Date</u>	
	2015	2014
Proportion of the Net Pension Liability	0.17989%	0.14530%
Proportionate Share of Net Pension Liability	\$ 4,935,366	\$ 3,590,581
Covered - Employee Payroll	\$ 1,469,397	\$ 1,689,344
Proportionate Share of the Net Pension Liability as a percentage of Payroll	335.88%	212.54%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	76.07%	83.03%

Notes to the Schedule of the City's Proportionate Share of the Net Pension Liability

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2014 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes in Assumptions: The discount rate was changed from 7.5 percent (net of administrative expense) to 7.65 percent to correct for an adjustment to exclude administrative expense.

*Fiscal year 2015 was the first year of implementation, therefore, not all 10 years of information are available.

City of La Puente
Required Supplementary Information
For the Year Ended June 30, 2016

SCHEDULE OF PLAN CONTRIBUTIONS
Last 10 Years*

	2016	2015
Contractually Required Contributions (actuarially determined)	\$ 412,824	\$ 268,333
Contributions in Relation to the Actuarially Determined Contributions	(412,824)	(268,333)
Contribution Deficiency (Excess)	\$ -	\$ -
Covered-Employee Payroll	\$ 1,708,926	\$ 1,469,397
Contributions as a Percentage of Covered Employee Payroll	24.16%	18.26%

Notes to the Schedule of Plan Contributions

Valuation Date: 6/30/2014

Changes in Assumptions: The discount rate was changed from 7.5 percent (net of administrative expense) to 7.65 percent to correct for an adjustment to exclude administrative expense.

*Fiscal year 2015 was the first year of implementation, therefore, not all 10 years of information are available.

City of La Puente
Budgetary Comparison Schedule
Budget and Actual - General Fund
Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		Positive (Negative)
REVENUES				
Taxes	\$ 9,221,600	\$ 9,221,600	\$ 9,747,319	\$ 525,719
Licenses and Permits	415,000	415,000	637,990	222,990
Intergovernmental	74,000	74,000	185,318	111,318
Charges for Services	661,700	661,700	893,283	231,583
Fines and Forfeitures	285,000	285,000	390,778	105,778
Investment Income	60,000	60,000	184,857	124,857
Other Revenue	179,500	179,500	493,306	313,806
	<u>10,896,800</u>	<u>10,896,800</u>	<u>12,532,851</u>	<u>1,636,051</u>
Total Revenues				
EXPENDITURES				
Current:				
General Government	2,806,900	2,806,900	1,698,947	1,107,953
Public Safety	5,596,800	5,579,200	5,714,524	(135,324)
Public Works	218,200	235,800	312,924	(77,124)
Recreation/Senior Services	1,438,800	1,438,800	1,488,370	(49,570)
Community Development	582,300	582,300	780,998	(198,698)
Debt Service	879,400	879,400	879,320	80
	<u>11,522,400</u>	<u>11,522,400</u>	<u>10,875,083</u>	<u>647,317</u>
Total Expenditures				
Excess (Deficiency) of Revenues over Expenditures	<u>(625,600)</u>	<u>(625,600)</u>	<u>1,657,768</u>	<u>2,283,368</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	625,600	625,600	2,862	(622,738)
Transfers Out	-	-	-	-
	<u>625,600</u>	<u>625,600</u>	<u>2,862</u>	<u>(622,738)</u>
Total Other Financing Sources (Uses)				
Net Change in Fund Balances	-	-	1,660,630	1,660,630
Fund Balance, Beginning of Year	<u>18,059,335</u>	<u>18,059,335</u>	<u>18,059,335</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 18,059,335</u>	<u>\$ 18,059,335</u>	<u>\$ 19,719,965</u>	<u>\$ 1,660,630</u>

City of La Puente
Budgetary Comparison Schedule
Budget and Actual - Gas Tax Fund
Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Orinal	Final		
REVENUES				
Intergovernmental	\$ 941,700	\$ 941,700	\$ 879,731	\$ (61,969)
Investment Income	8,000	8,000	5,935	(2,065)
Total Revenues	<u>949,700</u>	<u>949,700</u>	<u>885,666</u>	<u>(64,034)</u>
EXPENDITURES				
Current:				
Public Works	951,500	951,500	780,720	170,780
Capital Outlay	455,400	1,010,400	904,903	105,497
Total Expenditures	<u>1,406,900</u>	<u>1,961,900</u>	<u>1,685,623</u>	<u>276,277</u>
Excess (Deficiency) of Revenues Over (under) Expenditures	<u>(457,200)</u>	<u>(1,012,200)</u>	<u>(799,957)</u>	<u>212,243</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(457,200)	(1,012,200)	(799,957)	212,243
Fund Balance, Beginning of Year	<u>1,052,530</u>	<u>1,052,530</u>	<u>1,052,530</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 595,330</u>	<u>\$ 40,330</u>	<u>\$ 252,573</u>	<u>\$ 212,243</u>

City of La Puente
Notes to Required Supplementary Information
Year Ended June 30, 2016

BUDGETS AND BUDGETARY ACCOUNTING

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

- Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at fiscal year-end.
- The City Council approves total budgeted appropriations. The appropriated budget is prepared by fund, program and activity. Each program of the City represents a separate government function, namely: general government public safety, transportation, culture and leisure, community development and redevelopment and housing. Accordingly, each program of the City has been identified as a separate line item in the accompanying combined statement of revenues, expenditures and changes in fund balances. The City Manager is authorized to make appropriation transfers from one activity to another leaving the total fund appropriation unchanged within the same fund. City Council approves all other amendments to appropriations throughout the year. Actual expenditures may not exceed budgeted appropriations at the fund level. Budget figures used in the financial statements are the final adjusted amounts. During the fiscal year 2015-2016, the City Council made several supplemental budgetary appropriations, although none of the adjustments were considered material.
- Formal budget integration is employed as a management control device during the year.
- Under Article XIII B of the California Constitution (the Gann Spending Litigation Initiative), the City is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller, returned to the taxpayers through revised tax rates, or revised fee schedules, or an excess in one year may be offset against a deficit in the following year. For the fiscal year ended June 30, 2016, based on calculations by City management, proceeds of taxes did not exceed appropriations. Further, Section 5 of Article XIII B allows the City to designate a portion of fund balance for general contingencies, to be used for any purpose.
- No budget was adopted for the Energy Efficiency nonmajor special revenue fund.



SUPPLEMENTARY INFORMATION



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City of La Puente
Budgetary Comparison Schedule
Budget and Actual - Capital Projects Fund
Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Investment Income	-	-	242	242
Total Revenues	-	-	242	242
EXPENDITURES				
Capital Outlay	-	1,895,000	776,912	1,118,088
Total Expenditures	-	1,895,000	776,912	1,118,088
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(1,895,000)	(776,670)	1,118,330
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	421,574	421,574
Transfers In	-	-	-	-
Total Other Financing Sources (Uses)	-	-	421,574	421,574
Net Change in Fund Balances	-	(1,895,000)	(355,096)	1,539,904
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	\$ -	\$ (1,895,000)	\$ (355,096)	\$ 1,539,904

City of La Puente
Other Governmental Funds
June 30, 2016

SPECIAL REVENUE FUNDS

Special revenue funds account for specific revenues that are legally restricted to expenditures for particular purposes. The other special revenue funds include:

Traffic Safety Fund - Under the provision of the Vehicle Code of the State of California, fines resulting from traffic violations must be deposited in this fund. Expenditures from this fund are restricted to traffic signs, signals and control devices, equipment and supplies for traffic law enforcement and accident prevention, street purposes and certain others.

Asset Seizure Fund - To account for the revenues received from asset forfeiture fines and for the expenditure of these funds.

PEG Access Fund - Accounts for funds received to develop public, educational, and governmental access to cable television.

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

Office of Traffic Safety Fund - To account for receiving and expending fees collected for the impoundment of vehicles at a La Puente Traffic Offender Program (LAPTOP) check point.

JAG Grant Fund - To account for revenues received from the Justice Assistance Grant Program that are to be used exclusively for law enforcement programs.

CDBG Fund - To account for the funds received from the Community Development Block Grant for housing loans, code enforcement, and senior services program.

Cal-HOME Grant Fund - To account for funding from the Department of Housing and Urban Development (HUD) in the form of grant to provide decent housing for low and moderate income families.

STPL Grant Fund - To account for restricted grant funds received for various projects.

Air Quality Improvement Fund - Accounts for clean air fees collected by the State and distributed by the Southern California Air Quality Management District to cities for clean air project expenditures.

Measure R Fund - To account for revenues received from Los Angeles County under Measure R that are to be used exclusively for transportation projects and improvements.

Prop. A Transportation Fund - To account for revenues received from Los Angeles County under Proposition A that are to be used exclusively for public transit.

Prop. C Transportation Fund - To account for revenues received from the Los Angeles County Metropolitan Transportation Authority under Proposition C that are to be used for transportation related purposes.

City of La Puente
Other Governmental Funds – Continued
June 30, 2016

SPECIAL REVENUE FUNDS - Continued

Local Transportation Fund - This fund is to account for the funds received from the State to improve street access for bicycle and pedestrian.

Highway Safety Improvement Program (HSIP) Grant Fund - This fund is to account for grant money received from Caltrans to be used for public roads to achieve a significant reduction in traffic fatalities and serious injuries.

Safe Routes to School Fund - To account for the funds received to remove barriers that prevent children who walk or use bicycle to go to school.

City of La Puente
Combining Balance Sheet
Other Governmental Funds
June 30, 2016

	Traffic Safety	Asset Seizure	PEG Access	State COPS
ASSETS				
Cash and Investments	\$ -	\$ 8,667	\$ 114,200	\$ -
Accounts Receivable	-	-	11,812	-
Loans Receivable	-	-	-	-
Due From Other Governments	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ -</u>	<u>\$ 8,667</u>	<u>\$ 126,012</u>	<u>\$ -</u>
LIABILITIES				
Accounts Payable and Accrued Liabilities	\$ -	\$ 4,424	\$ 1,392	\$ -
Due to Other Agencies	-	-	-	-
Due to Other Funds	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>4,424</u>	<u>1,392</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues - Grants	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Restricted	-	4,243	124,620	-
Unassigned	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>-</u>	<u>4,243</u>	<u>124,620</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ -</u>	<u>\$ 8,667</u>	<u>\$ 126,012</u>	<u>\$ -</u>

Traffic Safety LAPTOP	JAG Grant	CDBG Grant	Cal-HOME Grant	STPL Grant	Air Quality Improvement	Measure R
\$ 18,777	\$ 333	\$ -	\$ 102,752	\$ -	\$ 141,959	\$ 504,612
-	-	970	-	-	-	2,846
-	-	587,905	971,972	-	-	-
-	-	36,575	111,410	35,934	13,922	-
<u>\$ 18,777</u>	<u>\$ 333</u>	<u>\$ 625,450</u>	<u>\$ 1,186,134</u>	<u>\$ 35,934</u>	<u>\$ 155,881</u>	<u>\$ 507,458</u>
\$ -	\$ -	\$ -	\$ 326	\$ 35,708	\$ -	\$ 417
-	-	587,905	-	-	-	-
-	-	37,548	-	226	-	-
-	-	625,453	326	35,934	-	417
-	-	-	-	35,934	-	-
-	-	-	-	35,934	-	-
18,777	333	-	1,185,808	-	155,881	507,041
-	-	(3)	-	(35,934)	-	-
18,777	333	(3)	1,185,808	(35,934)	155,881	507,041
<u>\$ 18,777</u>	<u>\$ 333</u>	<u>\$ 625,450</u>	<u>\$ 1,186,134</u>	<u>\$ 35,934</u>	<u>\$ 155,881</u>	<u>\$ 507,458</u>

Continued

City of La Puente
Combining Balance Sheet
Other Governmental Funds - Continued
June 30, 2016

	<u>Prop. A</u> <u>Transportation</u>	<u>Prop. C</u> <u>Transportation</u>	<u>Local</u> <u>Transportation</u>	<u>HSIP</u> <u>Grant</u>
ASSETS				
Cash and Investments	\$ 803,297	\$ 867,313	\$ -	\$ -
Accounts Receivable	-	614	-	-
Loans Receivable	-	-	-	-
Due From Other Governments	-	-	-	25,565
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 803,297</u>	<u>\$ 867,927</u>	<u>\$ -</u>	<u>\$ 25,565</u>
LIABILITIES				
Accounts Payable	\$ 62,653	\$ 22,881	\$ -	\$ 2,716
Due to Other Agencies	-	-	-	-
Due to Other Funds	-	-	-	22,849
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>62,653</u>	<u>22,881</u>	<u>-</u>	<u>25,565</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues - Grants	-	-	-	8,721
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,721</u>
FUND BALANCES				
Restricted	740,644	845,046	-	-
Unassigned	-	-	-	(8,721)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances	<u>740,644</u>	<u>845,046</u>	<u>-</u>	<u>(8,721)</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 803,297</u>	<u>\$ 867,927</u>	<u>\$ -</u>	<u>\$ 25,565</u>

<u>Safe Routes to School</u>	<u>Total</u>
\$ -	\$ 2,561,910
-	16,242
-	1,559,877
-	223,406
<u> </u>	<u> </u>
<u>\$ -</u>	<u>\$ 4,361,435</u>
\$ -	\$ 130,517
-	587,905
-	60,623
<u> </u>	<u> </u>
-	779,045
<u> </u>	<u> </u>
-	44,655
<u> </u>	<u> </u>
-	44,655
<u> </u>	<u> </u>
-	3,582,393
-	(44,658)
<u> </u>	<u> </u>
-	3,537,735
<u> </u>	<u> </u>
<u>\$ -</u>	<u>\$ 4,361,435</u>

City of La Puente
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Other Governmental Funds
Year Ended June 30, 2016

	Traffic Safety	Asset Seizure	PEG Access	State COPS
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ 114,618
Charges for Services	-	-	46,486	-
Investment Income	22	83	992	-
	<u>22</u>	<u>83</u>	<u>992</u>	<u>-</u>
Total Revenues	<u>22</u>	<u>83</u>	<u>47,478</u>	<u>114,618</u>
EXPENDITURES				
Current:				
General Government	-	-	20,312	-
Public Safety	-	4,424	-	114,618
Public Works	-	-	-	-
Recreation/Senior Services	-	-	-	-
Community Development	-	-	-	-
Capital Outlay	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>4,424</u>	<u>20,312</u>	<u>114,618</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>22</u>	<u>(4,341)</u>	<u>27,166</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	(2,862)	-	-	-
	<u>(2,862)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(2,862)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(2,840)	(4,341)	27,166	-
Fund Balances, Beginning of Year	2,840	8,584	97,454	-
Prior Period Adjustment	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ 4,243</u>	<u>\$ 124,620</u>	<u>\$ -</u>

Traffic Safety LAPTOP	JAG Grant	CDBG Grant	Cal-HOME Grant	STPL Grant	Air Quality Improvement	Measure R
\$ -	\$ 14,426	\$ 336,227	\$ 248,286	\$ 570,007	\$ 51,708	\$ 454,809
-	-	-	-	-	-	-
180	-	-	314	-	1,177	4,234
180	14,426	336,227	248,600	570,007	52,885	459,043
-	-	-	-	-	-	-
-	12,170	-	-	-	-	-
-	-	-	-	-	-	35,355
-	-	336,230	6,696	-	-	-
-	-	-	-	605,941	-	154,751
-	12,170	336,230	6,696	605,941	-	190,106
180	2,256	(3)	241,904	(35,934)	52,885	268,937
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
180	2,256	(3)	241,904	(35,934)	52,885	268,937
18,597	(1,923)	19,725	943,904	-	102,996	238,104
-	-	(19,725)	-	-	-	-
<u>\$ 18,777</u>	<u>\$ 333</u>	<u>\$ (3)</u>	<u>\$ 1,185,808</u>	<u>\$ (35,934)</u>	<u>\$ 155,881</u>	<u>\$ 507,041</u>

Continued

City of La Puente
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Other Governmental Funds - Continued
Year Ended June 30, 2016

	<u>Prop. A Transportation</u>	<u>Prop. C Transportation</u>	<u>Local Transportation</u>	<u>HSIP Grant</u>
REVENUES				
Intergovernmental	\$ 730,638	\$ 608,355	\$ 30,000	\$ 105,737
Charges for Services	168,729	-	-	-
Investment Income	7,934	9,145	-	-
	<u>907,301</u>	<u>617,500</u>	<u>30,000</u>	<u>105,737</u>
Total Revenues				
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Recreation/Senior Services	-	-	-	-
Community Development	887,429	-	-	-
Capital Outlay	14,968	577,932	30,000	24,135
	<u>902,397</u>	<u>577,932</u>	<u>30,000</u>	<u>24,135</u>
Total Expenditures				
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>4,904</u>	<u>39,568</u>	<u>-</u>	<u>81,602</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)				
Net Change in Fund Balances	4,904	39,568	-	81,602
Fund Balances, Beginning of Year	735,740	805,478	-	(90,323)
Prior Period Adjustment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 740,644</u>	<u>\$ 845,046</u>	<u>\$ -</u>	<u>\$ (8,721)</u>

<u>Safe Routes to School</u>	<u>Total</u>
\$ 40,001	\$ 3,304,812
-	215,215
-	24,081
<u>40,001</u>	<u>3,544,108</u>
-	20,312
-	131,212
-	35,355
-	-
-	1,230,355
<u>-</u>	<u>1,407,727</u>
<u>-</u>	<u>2,824,961</u>
<u>40,001</u>	<u>719,147</u>
-	-
<u>-</u>	<u>(2,862)</u>
<u>-</u>	<u>(2,862)</u>
40,001	716,285
(40,001)	2,841,175
<u>-</u>	<u>(19,725)</u>
<u>\$ -</u>	<u>\$ 3,537,735</u>

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Traffic Safety Fund
Year Ended June 30, 2016

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ -	\$ -	\$ -
Investment Income	-	22	22
	<u>-</u>	<u>22</u>	<u>22</u>
Total Revenues	-	22	22
EXPENDITURES			
Current:			
Public Safety	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	22	22
	<u>-</u>	<u>22</u>	<u>22</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	(2,862)	(2,862)
	<u>-</u>	<u>(2,862)</u>	<u>(2,862)</u>
Total Other Financing Sources (Uses)	-	(2,862)	(2,862)
	<u>-</u>	<u>(2,862)</u>	<u>(2,862)</u>
Net Change in Fund Balances	-	(2,840)	(2,840)
Fund Balance, Beginning of Year	2,840	2,840	-
	<u>2,840</u>	<u>2,840</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 2,840</u>	<u>\$ -</u>	<u>\$ (2,840)</u>

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Asset Seizure Fund
Year Ended June 30, 2016

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget Positive (Negative) <u></u>
REVENUES			
Investment Income	\$ 100	\$ 83	\$ (17)
Total Revenues	<u>100</u>	<u>83</u>	<u>(17)</u>
EXPENDITURES			
Current:			
Public Safety	<u>6,200</u>	<u>4,424</u>	<u>1,776</u>
Total Expenditures	<u>6,200</u>	<u>4,424</u>	<u>1,776</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(6,100)</u>	<u>(4,341)</u>	<u>1,759</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(6,100)	(4,341)	1,759
Fund Balance, Beginning of Year	<u>8,584</u>	<u>8,584</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 2,484</u>	<u>\$ 4,243</u>	<u>\$ 1,759</u>

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - PEG Access Fund
Year Ended June 30, 2016

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Charges for Services	\$ 20,000	\$ 46,486	\$ 26,486
Investment Income	<u>800</u>	<u>992</u>	<u>192</u>
Total Revenues	<u>20,800</u>	<u>47,478</u>	<u>26,678</u>
EXPENDITURES			
Current:			
General Government	<u>40,000</u>	<u>20,312</u>	<u>19,688</u>
Total Expenditures	<u>40,000</u>	<u>20,312</u>	<u>19,688</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(19,200)</u>	<u>27,166</u>	<u>46,366</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(19,200)	27,166	46,366
Fund Balance, Beginning of Year	<u>97,454</u>	<u>97,454</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 78,254</u>	<u>\$ 124,620</u>	<u>\$ 46,366</u>

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - State COPS Fund
Year Ended June 30, 2016

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget Positive (Negative) <u></u>
REVENUES			
Intergovernmental	\$ 100,000	\$ 114,618	\$ 14,618
Investment Income	<u>200</u>	<u>-</u>	<u>(200)</u>
Total Revenues	<u>100,200</u>	<u>114,618</u>	<u>14,418</u>
EXPENDITURES			
Current:			
Public Safety	<u>100,000</u>	<u>114,618</u>	<u>(14,618)</u>
Total Expenditures	<u>100,000</u>	<u>114,618</u>	<u>(14,618)</u>
Excess (Deficiency) of Revenues Over (under) Expenditures	<u>200</u>	<u>-</u>	<u>(200)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	200	-	(200)
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 200</u>	<u>\$ -</u>	<u>\$ (200)</u>

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Traffic Safety LAPTOP Fund
Year Ended June 30, 2016

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ -	\$ -	\$ -
Investment Income	<u>100</u>	<u>180</u>	<u>80</u>
Total Revenues	<u>100</u>	<u>180</u>	<u>80</u>
EXPENDITURES			
Current:			
Public Safety	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	100	180	80
Fund Balance, Beginning of Year	<u>18,597</u>	<u>18,597</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 18,697</u></u>	<u><u>\$ 18,777</u></u>	<u><u>\$ 80</u></u>

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - JAG Grant Fund
Year Ended June 30, 2016

	<u>Budgeted Amounts Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Intergovernmental	<u>\$ 12,100</u>	<u>\$ 14,426</u>	<u>\$ 2,326</u>
Total Revenues	<u>12,100</u>	<u>14,426</u>	<u>2,326</u>
EXPENDITURES			
Current:			
Public Safety	<u>12,100</u>	<u>12,170</u>	<u>(70)</u>
Total Expenditures	<u>12,100</u>	<u>12,170</u>	<u>(70)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>2,256</u>	<u>2,256</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	2,256	2,256
Fund Balance, Beginning of Year	<u>(1,923)</u>	<u>(1,923)</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ (1,923)</u></u>	<u><u>\$ 333</u></u>	<u><u>\$ 2,256</u></u>

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - CDBG Grant Fund
Year Ended June 30, 2016

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 635,600	\$ 336,227	\$ (299,373)
Investment Income	-	-	-
Total Revenues	<u>635,600</u>	<u>336,227</u>	<u>(299,373)</u>
EXPENDITURES			
Current:			
Community Development	390,100	336,230	53,870
Capital Outlay	<u>300,000</u>	<u>-</u>	<u>300,000</u>
Total Expenditures	<u>690,100</u>	<u>336,230</u>	<u>353,870</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(54,500)</u>	<u>(3)</u>	<u>54,497</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(54,500)	(3)	54,497
Fund Balance, Beginning of Year	19,725	19,725	-
Prior Period Adjustment	<u>-</u>	<u>(19,725)</u>	<u>(19,725)</u>
Fund Balance, End of Year	<u>\$ (34,775)</u>	<u>\$ (3)</u>	<u>\$ 34,772</u>

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Cal-HOME Grant Fund
Year Ended June 30, 2016

	Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
	Final		
REVENUES			
Intergovernmental	\$ 120,000	\$ 248,286	\$ 128,286
Investment Income	200	314	114
Total Revenues	120,200	248,600	128,400
EXPENDITURES			
Current:			
Community Development	294,600	6,696	287,904
Total Expenditures	294,600	6,696	287,904
Excess (Deficiency) of Revenues Over (Under) Expenditures	(174,400)	241,904	416,304
OTHER FINANCING SOURCES (USES)			
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balances	(174,400)	241,904	416,304
Fund Balance, Beginning of Year	943,904	943,904	-
Fund Balance, End of Year	\$ 769,504	\$ 1,185,808	\$ 416,304

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - STPL Grant Fund
Year Ended June 30, 2016

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 634,000	\$ 570,007	\$ (63,993)
Investment Income	-	-	-
Total Revenues	<u>634,000</u>	<u>570,007</u>	<u>(63,993)</u>
EXPENDITURES			
Capital Outlay	<u>634,000</u>	<u>605,941</u>	<u>28,059</u>
Total Expenditures	<u>634,000</u>	<u>605,941</u>	<u>28,059</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>(35,934)</u>	<u>(35,934)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	(35,934)	(35,934)
Fund Balance, Beginning of Year	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ (35,934)</u>	<u>\$ (35,934)</u>

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Air Quality Improvement Fund
Year Ended June 30, 2016

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget Positive (Negative) <u></u>
REVENUES			
Intergovernmental	\$ 50,000	\$ 51,708	\$ 1,708
Investment Income	<u>1,500</u>	<u>1,177</u>	<u>(323)</u>
Total Revenues	<u>51,500</u>	<u>52,885</u>	<u>1,385</u>
EXPENDITURES			
Current:			
Public Works	-	-	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>51,500</u>	<u>52,885</u>	<u>1,385</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	51,500	52,885	1,385
Fund Balance, Beginning of Year	<u>102,996</u>	<u>102,996</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 154,496</u>	<u>\$ 155,881</u>	<u>\$ 1,385</u>

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Measure R Fund
Year Ended June 30, 2016

	Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
	Final		
REVENUES			
Intergovernmental	\$ 428,000	\$ 454,809	\$ 26,809
Investment Income	2,000	4,234	2,234
Total Revenues	430,000	459,043	29,043
EXPENDITURES			
Current:			
Public Works	24,100	35,355	(11,255)
Capital Outlay	476,400	154,751	321,649
Total Expenditures	500,500	190,106	310,394
Excess (Deficiency) of Revenues Over (Under) Expenditures	(70,500)	268,937	339,437
OTHER FINANCING SOURCES (USES)			
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balances	(70,500)	268,937	339,437
Fund Balance, Beginning of Year	238,104	238,104	-
Fund Balance, End of Year	\$ 167,604	\$ 507,041	\$ 339,437

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Prop A Transportation Fund
Year Ended June 30, 2016

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 688,000	\$ 730,638	\$ 42,638
Charges for Services	200,400	168,729	(31,671)
Investment Income	<u>2,000</u>	<u>7,934</u>	<u>5,934</u>
Total Revenues	<u>890,400</u>	<u>907,301</u>	<u>16,901</u>
EXPENDITURES			
Current:			
Community Development	920,300	887,429	32,871
Capital Outlay	<u>135,000</u>	<u>14,968</u>	<u>120,032</u>
Total Expenditures	<u>1,055,300</u>	<u>902,397</u>	<u>152,903</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(164,900)</u>	<u>4,904</u>	<u>169,804</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(164,900)	4,904	169,804
Fund Balance, Beginning of Year	<u>735,740</u>	<u>735,740</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 570,840</u>	<u>\$ 740,644</u>	<u>\$ 169,804</u>

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Prop C Transportation Fund
Year Ended June 30, 2016

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 584,200	\$ 608,355	\$ 24,155
Investment Income	<u>2,000</u>	<u>9,145</u>	<u>7,145</u>
Total Revenues	<u>586,200</u>	<u>617,500</u>	<u>31,300</u>
EXPENDITURES			
Current:			
General Government	27,800	-	27,800
Community Development	-	-	
Capital Outlay	<u>1,099,200</u>	<u>577,932</u>	<u>521,268</u>
Total Expenditures	<u>1,127,000</u>	<u>577,932</u>	<u>549,068</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(540,800)</u>	<u>39,568</u>	<u>580,368</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(540,800)	39,568	580,368
Fund Balance, Beginning of Year	<u>805,478</u>	<u>805,478</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 264,678</u>	<u>\$ 845,046</u>	<u>\$ 580,368</u>

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Local Transportation Fund
Year Ended June 30, 2016

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 30,000	\$ 30,000	\$ -
Investment Income	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>30,000</u>	<u>30,000</u>	<u>-</u>
EXPENDITURES			
Current:			
General Government	-	-	-
Capital Outlay	<u>30,000</u>	<u>30,000</u>	<u>-</u>
Total Expenditures	<u>30,000</u>	<u>30,000</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	-	-
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - HSIP Grant Fund
Year Ended June 30, 2016

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget Positive (Negative) <u></u>
REVENUES			
Intergovernmental	\$ 873,000	\$ 105,737	\$ (767,263)
Investment Income	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>873,000</u>	<u>105,737</u>	<u>(767,263)</u>
EXPENDITURES			
Current:			
General Government	-	-	-
Capital Outlay	873,000	24,135	848,865
Total Expenditures	<u>873,000</u>	<u>24,135</u>	<u>848,865</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>81,602</u>	<u>81,602</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	81,602	81,602
Fund Balance, Beginning of Year	<u>(90,323)</u>	<u>(90,323)</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ (90,323)</u>	<u>\$ (8,721)</u>	<u>\$ 81,602</u>

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Safe Routes 2 School Grant Fund
Year Ended June 30, 2016

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget Positive (Negative) <u></u>
REVENUES			
Intergovernmental	\$ -	\$ 40,001	\$ 40,001
Investment Income	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>-</u>	<u>40,001</u>	<u>40,001</u>
EXPENDITURES			
Current:			
General Government	-	-	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>40,001</u>	<u>40,001</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	40,001	40,001
Fund Balance, Beginning of Year	<u>(40,001)</u>	<u>(40,001)</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ (40,001)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 40,001</u></u>

City of La Puente
Fiduciary Funds
June 30, 2016

Deposit Funds - This fund is used to account for collection and payment of such items as performance bond deposits.

County Court Parking Fines Fund – This fund is used to account for the collection of parking fines and the payment of these funds to the County Court.

City of La Puente
Statement of Assets and Liabilities - Agency Funds
Year Ended June 30, 2016

	<u>Deposits</u>	<u>County Court Parking Fines</u>	<u>Ending Balance</u>
ASSETS			
Cash and Investments	\$ 79,806	\$	\$ 79,806
Total Assets	<u>\$ 79,806</u>	<u>\$ -</u>	<u>\$ 79,806</u>
LIABILITIES			
Accounts Payable	\$ 7,808	\$ -	\$ 7,808
Deposits	<u>71,998</u>	<u>-</u>	<u>71,998</u>
Total Liabilities	<u>\$ 79,806</u>	<u>\$ -</u>	<u>\$ 79,806</u>

City of La Puente
Statement of Changes in Assets and Liabilities - Agency Funds
Year Ended June 30, 2016

<u>DEPOSITS</u>	<u>Balance at</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at</u> <u>June 30, 2016</u>
ASSETS				
Cash and Investments	\$ 56,422	\$ 70,199	\$ 46,815	\$ 79,806
Total Assets	<u>\$ 56,422</u>	<u>\$ 70,199</u>	<u>\$ 46,815</u>	<u>\$ 79,806</u>
LIABILITIES				
Accounts Payable	\$ 8,382	\$ 24,256	\$ 24,830	\$ 7,808
Deposits	48,040	74,036	50,078	71,998
Total Liabilities	<u>\$ 56,422</u>	<u>\$ 98,292</u>	<u>\$ 74,908</u>	<u>\$ 79,806</u>
 <u>COUNTY COURT PARKING FINES</u>				
ASSETS				
Cash and Investments	\$ 4,694	\$ 44,006	\$ 48,700	\$ -
Total Assets	<u>\$ 4,694</u>	<u>\$ 44,006</u>	<u>\$ 48,700</u>	<u>\$ -</u>
LIABILITIES				
Accounts Payable	\$ 4,694	\$ 30,996	\$ 35,690	\$ -
Total Liabilities	<u>\$ 4,694</u>	<u>\$ 30,996</u>	<u>\$ 35,690</u>	<u>\$ -</u>
 <u>TOTAL - ALL AGENCY FUNDS</u>				
ASSETS				
Cash and Investments	\$ 61,116	\$ 114,205	\$ 95,515	\$ 79,806
Total Assets	<u>\$ 61,116</u>	<u>\$ 114,205</u>	<u>\$ 95,515</u>	<u>\$ 79,806</u>
LIABILITIES				
Accounts Payable	\$ 13,076	\$ 55,252	\$ 60,520	\$ 7,808
Deposits	48,040	74,036	50,078	71,998
Total Liabilities	<u>\$ 61,116</u>	<u>\$ 129,288</u>	<u>\$ 110,598</u>	<u>\$ 79,806</u>



STATISTICAL SECTION



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City of La Puente
Description of Statistical Section Contents
June 30, 2016

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

Contents:	<u>Pages</u>
<u>Financial Trends</u> these schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time	95
<u>Revenue Capacity</u> these schedules contain information to help the reader assess the City's most significant local revenue source, the property tax	106
<u>Debt Capacity</u> these schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future	110
<u>Demographic and Economic Information</u> these schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place	114
<u>Operating Information</u> 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	117

City of La Puente, California
Net Position by Component
Last Ten Fiscal Years

	Fiscal Year			
	2007	2008	2009	2010
Governmental Activities:				
Net investment in capital assets	\$ 16,370,709	\$ 19,264,458	\$ 16,983,727	\$ 16,092,239
Restricted for:				
Public Safety	59,343	65,725	46,084	54,421
Public Works	1,640,448	2,435,774	1,507,413	962,696
Community Development	357,972	386,591	1,370,161	1,095,201
Redevelopment and Housing	126,041	258,694	240,029	197,844
Debt Service	-	-	1,337,441	-
Total Restricted	<u>2,183,804</u>	<u>3,146,784</u>	<u>4,501,128</u>	<u>2,310,162</u>
Unrestricted	<u>19,032,647</u>	<u>18,498,278</u>	<u>20,112,358</u>	<u>14,822,183</u>
Total governmental activities net position	<u>\$ 37,587,160</u>	<u>\$ 40,909,520</u>	<u>\$ 41,597,213</u>	<u>\$ 33,224,584</u>
 Business-type Activities				
Net investment in capital assets	\$ -	\$ -	\$ -	\$ (1,115,652)
Unrestricted	<u>358,985</u>	<u>961,825</u>	<u>1,771,347</u>	<u>3,590,394</u>
Total business-type activities net position	<u>\$ 358,985</u>	<u>\$ 961,825</u>	<u>\$ 1,771,347</u>	<u>\$ 2,474,742</u>
 Primary Government				
Net investment in capital assets	\$ 16,370,709	\$ 19,264,458	\$ 16,983,727	\$ 14,976,587
Restricted	2,183,804	3,146,784	4,501,128	2,310,162
Unrestricted	<u>19,391,632</u>	<u>19,460,103</u>	<u>21,883,705</u>	<u>18,412,577</u>
Total Primary Government Net Position	<u>\$ 37,946,145</u>	<u>\$ 41,871,345</u>	<u>\$ 43,368,560</u>	<u>\$ 35,699,326</u>

Source: Statement of Net Position

Fiscal Year					
2011	2012	2013	2014	2015	2016
\$ 16,941,283	\$ 24,660,544	\$ 26,030,656	\$ 27,186,259	\$ 27,804,320	\$ 27,632,187
32,625	132,778	133,966	38,823	30,021	23,020
2,352,679	3,480,766	3,343,118	2,278,943	2,934,848	1,585,690
933,572	648,165	510,581	723,622	1,041,358	1,310,428
83,571	-	-	-	-	-
-	-	-	-	-	-
<u>3,402,447</u>	<u>4,261,709</u>	<u>3,987,665</u>	<u>3,041,388</u>	<u>4,006,227</u>	<u>2,919,138</u>
<u>12,840,852</u>	<u>6,826,170</u>	<u>6,431,855</u>	<u>5,316,550</u>	<u>15,107,425</u>	<u>17,428,553</u>
<u>\$ 33,184,582</u>	<u>\$ 35,748,423</u>	<u>\$ 36,450,176</u>	<u>\$ 35,544,197</u>	<u>\$ 46,917,972</u>	<u>\$ 47,979,878</u>
\$ 2,754	\$ 198,502	\$ -	\$ 2,070,787	\$ 2,104,573	\$ 2,148,360
<u>3,049,730</u>	<u>4,072,131</u>	<u>4,714,234</u>	<u>3,250,778</u>	<u>3,654,183</u>	<u>4,010,624</u>
<u>\$ 3,052,484</u>	<u>\$ 4,270,633</u>	<u>\$ 4,714,234</u>	<u>\$ 5,321,565</u>	<u>\$ 5,758,756</u>	<u>\$ 6,158,984</u>
\$ 16,944,037	\$ 24,859,046	\$ 26,030,656	\$ 29,257,046	\$ 29,908,893	\$ 29,780,547
3,402,447	4,261,709	3,987,665	3,041,388	4,006,227	2,919,138
<u>15,890,582</u>	<u>10,898,301</u>	<u>11,146,089</u>	<u>8,567,328</u>	<u>18,761,608</u>	<u>21,439,177</u>
<u>\$ 36,237,066</u>	<u>\$ 40,019,056</u>	<u>\$ 41,164,410</u>	<u>\$ 40,865,762</u>	<u>\$ 52,676,728</u>	<u>\$ 54,138,862</u>

City of La Puente, California
Changes in Net Position
Last Ten Fiscal Years

	Fiscal Year			
	2007	2008	2009	2010
Expenses				
Governmental activities:				
General Government	\$ 2,616,817	\$ 2,334,414	\$ 2,278,010	\$ 2,451,276
Public Safety	4,384,287	4,726,466	4,740,092	4,666,557
Public Works	2,401,088	2,308,174	2,199,934	2,241,821
Recreation/Senior Services	1,682,856	926,008	1,620,980	1,818,721
Community Development	2,058,623	2,702,339	2,351,984	2,591,842
Redevelopment and Housing	293,793	355,308	633,713	9,045,803
Interest on Long-Term Debt	-	365,075	866,783	796,115
Total governmental activities expenses	<u>13,437,464</u>	<u>13,717,784</u>	<u>14,691,496</u>	<u>23,612,135</u>
Business-type activities:				
Sewer Maintenance	<u>207,386</u>	<u>493,506</u>	<u>356,205</u>	<u>251,431</u>
Total business-type activities expenses	<u>207,386</u>	<u>493,506</u>	<u>356,205</u>	<u>251,431</u>
Total primary government expenses	<u>\$ 13,644,850</u>	<u>\$ 14,211,290</u>	<u>\$ 15,047,701</u>	<u>\$ 23,863,566</u>
Program Revenue				
Governmental activities:				
Charges for services:				
General Government	\$ 18,849	\$ 212,007	\$ 141,391	\$ 44,159
Public Safety	716,992	483,631	741,057	1,235,688
Public Works	226,555	19,616	48,417	209,605
Recreation/Senior Services	229,627	201,896	260,694	263,437
Community Development	862,105	1,109,159	611,166	449,431
Redevelopment and Housing	25,000	30,000	-	-
Operating Grants and Contributions	2,576,987	2,511,242	2,604,895	1,739,023
Capital Grants and Contributions	<u>1,093,492</u>	<u>2,884,233</u>	<u>1,298,214</u>	<u>2,699,626</u>
Total governmental activities program revenues	5,749,607	7,451,784	5,705,834	6,640,969
Business-type activities:				
Charges for services:				
Legal settlement	821,819	845,918	942,477	885,843
Legal settlement	-	-	-	-
Total business-type activities program revenues	<u>821,819</u>	<u>845,918</u>	<u>942,477</u>	<u>885,843</u>
Total primary government program revenues	<u>\$ 6,571,426</u>	<u>\$ 8,297,702</u>	<u>\$ 6,648,311</u>	<u>\$ 7,526,812</u>

Fiscal Year						
2011	2012	2013	2014	2015	2016	
\$ 3,007,718	\$ 2,541,017	\$ 2,540,210	\$ 3,480,756	\$ 2,422,592	\$ 2,040,261	
4,874,645	4,845,030	4,913,590	5,000,488	5,563,600	5,845,736	
1,913,164	1,780,147	1,847,640	2,276,659	1,045,925	1,028,734	
1,742,028	1,675,871	1,670,038	1,772,731	1,910,777	2,049,066	
2,783,759	2,206,673	2,121,666	2,637,299	2,618,301	3,897,493	
433,232	185,562	-	-	-	-	
848,724	723,961	465,004	330,960	229,495	244,320	
<u>15,603,270</u>	<u>13,958,261</u>	<u>13,558,148</u>	<u>15,498,893</u>	<u>13,790,690</u>	<u>15,105,610</u>	
753,264	1,091,411	698,400	760,016	927,904	963,029	
<u>753,264</u>	<u>1,091,411</u>	<u>698,400</u>	<u>760,016</u>	<u>927,904</u>	<u>963,029</u>	
<u>\$ 16,356,534</u>	<u>\$ 15,049,672</u>	<u>\$ 14,256,548</u>	<u>\$ 16,258,909</u>	<u>\$ 14,718,594</u>	<u>\$ 16,068,639</u>	
\$ 47,445	\$ 54,087	\$ 53,996	\$ 60,688	\$ 435,660	\$ 507,302	
618,183	549,768	462,652	498,247	459,251	319,773	
223,676	221,072	219,396	197,430	-	-	
288,248	252,787	248,797	265,538	272,093	202,313	
762,499	556,668	750,432	743,979	674,198	1,060,915	
-	-	-	-	-	-	
1,923,401	1,908,160	2,344,928	2,142,823	1,734,036	1,818,607	
<u>2,488,930</u>	<u>2,818,206</u>	<u>1,860,992</u>	<u>1,919,871</u>	<u>2,333,169</u>	<u>2,413,878</u>	
6,352,382	6,360,748	5,941,193	5,828,576	5,908,407	6,322,788	
1,304,280	1,308,823	1,311,226	1,347,146	1,325,685	1,323,874	
-	992,500	-	-	-	-	
<u>1,304,280</u>	<u>2,301,323</u>	<u>1,311,226</u>	<u>1,347,146</u>	<u>1,325,685</u>	<u>1,323,874</u>	
<u>\$ 7,656,662</u>	<u>\$ 8,662,071</u>	<u>\$ 7,252,419</u>	<u>\$ 7,175,722</u>	<u>\$ 7,234,092</u>	<u>\$ 7,646,662</u>	

City of La Puente, California
Changes in Net Position (Continued)
Last Ten Fiscal Years

	Fiscal Year			
	2007	2008	2009	2010
Net (Expense)/Revenue				
Government activities	\$ (7,687,857)	\$ (6,266,000)	\$ (8,985,662)	\$ (16,971,166)
Business-type activities	614,433	352,412	586,272	634,412
Total primary government net expense	<u>\$ (7,073,424)</u>	<u>\$ (5,913,588)</u>	<u>\$ (8,399,390)</u>	<u>\$ (16,336,754)</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes:				
Property Taxes	\$ 4,794,769	\$ 5,346,519	\$ 5,604,423	\$ 5,229,270
Franchise Taxes	709,320	734,498	970,943	662,966
Sales Taxes	1,935,111	1,763,275	1,467,084	1,500,841
Property Transfer Tax	207,756	58,934	95,248	117,126
Transient Occupancy Taxes	83,025	79,490	71,967	82,605
Business License Taxes	87,169	92,605	90,642	86,927
In-Lieu Sales Tax	632,023	676,367	545,380	386,646
Other	-	-	-	-
Total taxes	<u>8,449,173</u>	<u>8,751,688</u>	<u>8,845,687</u>	<u>8,066,381</u>
Motor Vehicle In-Lieu	-	-	-	-
Intergovernmental	432,818	247,333	255,884	170,929
Investment Income	680,643	481,495	463,456	144,194
Miscellaneous Revenues	118,534	107,844	108,328	199,206
Special Items:				
Legal Settlement	1,045,000	-	-	-
Sale of Land	630	-	-	-
Total Governmental activities	<u>10,726,798</u>	<u>9,588,360</u>	<u>9,673,355</u>	<u>8,580,710</u>
Business-type activities:				
Total business-type activities	15,985	250,428	223,250	68,983
Total primary government	<u>\$ 10,742,783</u>	<u>\$ 9,838,788</u>	<u>\$ 9,896,605</u>	<u>\$ 8,649,693</u>
Change in Net Position				
Governmental activities	\$ 3,038,941	\$ 3,322,360	\$ 687,693	\$ (8,390,456)
Business-type activities	630,418	602,840	809,522	703,395
Prior Period Adjustments	-	-	-	-
Total primary government	<u>\$ 3,669,359</u>	<u>\$ 3,925,200</u>	<u>\$ 1,497,215</u>	<u>\$ (7,687,061)</u>

Source: Statement of Activities

Fiscal Year					
2011	2012	2013	2014	2015	2016
\$ (9,250,888)	\$ (7,597,513)	\$ (7,616,955)	\$ (9,670,317)	\$ (7,882,283)	\$ (8,782,822)
551,016	1,209,912	612,826	587,130	397,781	360,845
<u>\$ (8,699,872)</u>	<u>\$ (6,387,601)</u>	<u>\$ (7,004,129)</u>	<u>\$ (9,083,187)</u>	<u>\$ (7,484,502)</u>	<u>\$ (8,421,977)</u>
\$ 5,118,947	\$ 4,649,124	\$ 4,591,293	\$ 4,793,494	\$ 4,996,279	\$ 5,336,924
896,989	915,203	981,476	942,507	974,152	888,514
1,779,729	1,779,534	1,767,497	1,782,617	2,040,668	2,593,802
40,608	48,832	46,120	52,324	53,669	84,006
137,402	153,444	172,369	192,100	207,306	227,690
186,303	128,970	91,961	92,207	91,025	98,671
548,785	609,430	632,735	572,155	612,837	616,383
-	-	(100,000)	-	-	-
<u>8,708,763</u>	<u>8,284,537</u>	<u>8,183,451</u>	<u>8,427,404</u>	<u>8,975,936</u>	<u>9,845,990</u>
-	-	-	-	-	-
377,755	86,146	60,404	124,139	-	-
93,806	61,285	31,786	114,002	423,177	569,168
30,562	242,172	43,067	98,793	284,213	493,306
-	-	-	-	-	-
<u>9,210,886</u>	<u>8,674,140</u>	<u>8,318,708</u>	<u>8,764,338</u>	<u>9,683,326</u>	<u>10,908,464</u>
26,726	8,237	111,951	20,201	39,410	39,383
<u>\$ 9,237,612</u>	<u>\$ 8,682,377</u>	<u>\$ 8,430,659</u>	<u>\$ 8,784,539</u>	<u>\$ 9,722,736</u>	<u>\$ 10,947,847</u>
\$ (40,002)	\$ 1,076,627	\$ 701,753	\$ (905,979)	\$ 1,801,043	\$ 2,125,642
577,742	1,218,149	724,777	607,331	437,191	400,228
-	-	-	-	9,572,732	(1,063,736)
<u>\$ 537,740</u>	<u>\$ 2,294,776</u>	<u>\$ 1,426,530</u>	<u>\$ (298,648)</u>	<u>\$ 11,810,966</u>	<u>\$ 1,462,134</u>

City of La Puente, California
Governmental Activities Tax Revenues by Source
Last Ten Fiscal Years

Fiscal Year	Property Tax	Sales Tax	Franchise Tax	Property Transfer Tax	Transient Occupancy Taxes	Business License Taxes	In-Lieu Sales Tax	Total
2007	4,794,769	1,935,111	709,320	207,756	83,025	87,169	632,023	8,449,173
2008	5,346,519	1,763,275	734,498	58,934	79,490	92,605	676,367	8,751,688
2009	5,604,423	1,467,084	970,943	95,248	71,967	90,642	545,380	8,845,687
2010	5,229,270	1,500,841	662,966	117,126	82,605	86,927	386,646	8,066,381
2011	5,118,947	1,779,729	896,989	40,608	137,402	186,303	548,785	8,708,763
2012	4,649,124	1,779,534	915,203	48,832	153,444	128,970	609,430	8,284,537
2013	4,591,293	1,767,497	981,476	46,120	172,369	91,961	632,735	8,283,451
2014	4,793,494	1,782,617	942,506	52,324	192,100	92,207	572,155	8,427,403
2015	4,996,279	2,040,668	974,152	53,669	207,306	91,025	612,837	8,975,936
2016	5,336,924	2,593,802	888,514	84,006	227,690	98,671	616,383	9,845,990

Source: Statement of Activities



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City of La Puente, California
Fund Balances of Governmental Funds
Last Ten Fiscal Years

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
General Fund				
Reserved	\$ 11,356,449	\$ 11,943,037	\$ 14,117,346	\$ 13,017,404
Unreserved	<u>6,569,579</u>	<u>8,779,737</u>	<u>5,958,656</u>	<u>6,093,429</u>
Total general fund	<u>\$ 17,926,028</u>	<u>\$ 20,722,774</u>	<u>\$ 20,076,002</u>	<u>\$ 19,110,833</u>
All other governmental funds				
Reserved	\$ 5,537,503	\$ 11,985,341	\$ 14,239,645	\$ 7,513,002
Unreserved, reported in:				
Special Revenue Funds	2,179,965	2,229,734	3,089,829	2,146,069
Debt Service Fund	(1,950,311)	(2,795,778)	(3,377,292)	(4,126,158)
Capital Projects Funds	<u>(6,665,360)</u>	<u>(5,500,761)</u>	<u>(11,674,885)</u>	<u>(12,508,278)</u>
Total all other governmental funds	<u>\$ (898,203)</u>	<u>\$ 5,918,536</u>	<u>\$ 2,277,297</u>	<u>\$ (6,975,365)</u>
General Fund				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Unrestricted:				
Unassigned	-	-	-	-
General Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
All other governmental funds				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-
Unrestricted:				
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Note: The City implemented GASB Statement No. 54, Fund Balance Reporting in FY 2010-2011.

Source: Balance Sheets - Governmental Funds

	2011	2012	2013	2014	2015	2016
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-	-
<u>\$</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
<u>\$</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$	12,968,441	\$ 1,143,252	\$ 790,213	\$ 1,103,523	\$ 12,741,849	\$ 11,813,032
	-	1,521,681	1,527,172	-	-	-
	5,601,360	4,843,455	5,327,809	4,908,111	5,317,486	7,906,933
<u>\$</u>	<u>18,569,801</u>	<u>\$ 7,508,388</u>	<u>\$ 7,645,194</u>	<u>\$ 6,011,634</u>	<u>\$ 18,059,335</u>	<u>\$ 19,719,965</u>
\$	6,615,757	\$ -	\$ -	\$ -	\$ -	\$ -
	3,402,447	4,261,709	3,987,665	3,041,388	4,025,952	3,834,966
	(17,640,549)	(794,854)	(837,528)	-	(132,247)	(399,754)
<u>\$</u>	<u>(7,622,345)</u>	<u>\$ 3,466,855</u>	<u>\$ 3,150,137</u>	<u>\$ 3,041,388</u>	<u>\$ 3,893,705</u>	<u>\$ 3,435,212</u>

City of La Puente, California
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Revenues:				
Taxes	\$ 8,449,174	\$ 8,751,688	\$ 8,845,687	\$ 8,066,381
Licenses and permits	386,911	332,227	241,162	313,337
Intergovernmental	4,103,297	5,038,388	5,178,684	4,477,921
Charges for services	930,265	840,148	958,304	886,241
Fines and Forfeitures	625,597	665,409	603,259	547,680
Investment Income	664,921	466,760	463,456	144,194
Other revenue	<u>122,477</u>	<u>171,996</u>	<u>108,328</u>	<u>714,402</u>
Total revenues	<u>15,282,642</u>	<u>16,266,616</u>	<u>16,398,880</u>	<u>15,150,156</u>
Expenditures:				
General government	2,559,138	1,977,375	1,979,259	2,267,156
Public safety	4,384,287	4,726,466	4,740,578	4,666,557
Public Works	1,923,101	1,937,843	1,895,557	1,711,607
Recreation/Senior Services	1,553,937	786,704	1,252,315	988,071
Community Development	1,959,098	2,776,773	2,368,298	2,414,069
Redevelopment and Housing	293,793	355,308	634,199	9,045,803
Capital outlay	1,952,728	7,239,556	8,883,691	2,751,793
Debt service:				
Interest & Fiscal Charges	404,642	612,721	1,350,974	1,348,651
Principal	-	-	-	100,000
Cost of Issuance	-	252,180	82,020	-
Total expenditures	<u>15,030,724</u>	<u>20,664,926</u>	<u>23,186,891</u>	<u>25,293,707</u>
Excess of revenues over (under) expenditures	<u>251,918</u>	<u>(4,398,310)</u>	<u>(6,788,011)</u>	<u>(10,143,551)</u>
Other Financing Sources (Uses)				
Debt Issuance	-	14,040,000	-	-
Loan Proceeds	-	-	2,500,000	-
Transfers In	88,546	7,933,410	558,430	1,598,359
Transfers Out	<u>(148,890)</u>	<u>(7,961,615)</u>	<u>(558,430)</u>	<u>(1,672,639)</u>
Total Other Financing Sources (Uses)	<u>(60,344)</u>	<u>14,011,795</u>	<u>2,500,000</u>	<u>(74,280)</u>
Special / Extraordinary Items				
Legal Settlement	1,045,000	-	-	-
Sale of Land	-	-	-	-
Dissolution of RDA	-	-	-	-
Total Special / Extraordinary Items	<u>1,045,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ 1,236,574</u>	<u>\$ 9,613,485</u>	<u>\$ (4,288,011)</u>	<u>\$ (10,217,831)</u>
Debt service as a percentage of noncapital expenditures	3.09%	6.43%	10.12%	6.40%

Source: Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds

	2011	2012	2013	2014	2015	2016
\$	8,708,763	\$ 8,284,537	\$ 8,283,451	\$ 8,427,404	\$ 8,975,936	\$ 9,747,319
	273,183	356,891	393,005	489,130	429,681	637,990
	4,945,362	4,344,589	4,348,679	4,577,580	3,272,845	4,369,861
	1,003,997	806,404	942,820	933,451	1,760,488	1,108,498
	458,677	491,027	399,365	339,929	276,871	390,778
	60,604	1,109,729	43,903	225,279	106,379	215,115
	35,812	320,617	43,150	95,209	280,225	493,306
	<u>15,486,398</u>	<u>15,713,794</u>	<u>\$ 14,454,373</u>	<u>\$ 15,087,982</u>	<u>\$ 15,102,425</u>	<u>\$ 16,962,867</u>
	2,893,469	2,414,268	2,441,815	3,406,585	2,463,305	1,719,259
	4,824,769	4,773,178	4,873,055	5,000,763	5,563,600	5,845,736
	1,485,074	1,189,367	1,305,707	1,625,091	1,004,253	1,128,999
	958,193	882,589	878,004	958,390	1,372,592	1,488,370
	2,606,245	1,971,871	1,940,182	2,488,043	1,459,534	2,011,353
	461,447	179,235	-	-	-	-
	1,955,078	2,331,483	2,369,863	2,138,224	2,126,904	3,089,542
	1,390,135	2,350,000	588,235	158,195	274,400	254,320
	100,000	724,788	670,659	1,055,000	630,000	625,000
	-	-	-	-	-	-
	<u>16,674,410</u>	<u>16,816,779</u>	<u>15,067,520</u>	<u>16,830,291</u>	<u>14,894,588</u>	<u>16,162,579</u>
	<u>(1,188,012)</u>	<u>(1,102,985)</u>	<u>(613,147)</u>	<u>(1,742,309)</u>	<u>207,837</u>	<u>800,288</u>
	-	-	9,945,000	-	-	-
	-	-	(9,411,765)	-	-	421,574
	967,830	1,242,934	196,390	697,503	666,920	2,862
	<u>(967,830)</u>	<u>(1,292,934)</u>	<u>(296,390)</u>	<u>(697,503)</u>	<u>(666,920)</u>	<u>(2,862)</u>
	-	(50,000)	433,235	-	-	421,574
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	1,180,772	-	-	-	-
	<u>-</u>	<u>1,180,772</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$	<u>(1,188,012)</u>	<u>\$ 27,787</u>	<u>\$ (179,912)</u>	<u>\$ (1,742,309)</u>	<u>\$ 207,837</u>	<u>\$ 1,221,862</u>
	10.15%	20.96%	9.80%	8.26%	7.42%	6.70%

City of La Puente, California
Assessed Value of Taxable Property by Use
Last Ten Fiscal Years

Fiscal Year	Assessed Values				Less: Tax Exempt	Total Taxable Assessed Value	Total Direct Tax Rate
	Residential	Commercial	Industrial	Other			
2006	1,143,123,909	176,780,144	19,495,859	46,191,425	(8,409,435)	1,377,181,902	0.07425%
2007	1,300,336,565	196,103,013	20,050,753	47,742,908	(12,892,335)	1,551,340,904	0.08601%
2008	1,424,807,676	215,130,123	21,761,258	48,019,897	(12,160,956)	1,697,557,998	0.09465%
2009	1,504,488,964	247,993,848	22,599,723	49,061,668	(12,216,097)	1,811,928,106	0.10454%
2010	1,377,271,873	235,079,377	22,613,632	47,789,065	(12,216,097)	1,670,537,850	0.10809%
2011	1,335,702,403	229,938,122	23,184,803	41,811,224	(13,156,968)	1,617,479,584	0.10549%
2012	1,383,870,463	234,556,238	23,291,279	59,488,762	(12,472,489)	1,672,773,503	0.10669%
2013	1,372,048,956	240,616,336	22,688,117	76,877,520	(9,079,536)	1,703,151,393	0.11113%
2014	1,451,168,711	253,204,927	23,578,548	65,262,798	(9,079,536)	1,784,135,448	0.06478%
2015	1,538,326,262	256,091,046	23,804,101	64,589,834	(9,079,536)	1,873,731,707	0.64860%
2016	1,620,353,447	270,292,517	24,210,705	65,304,980	(9,079,536)	1,971,082,113	0.64860%

Source: HdL, Coren & Cone; L.A. County Assessor 2015/16 Combined Tax Rolls

**City of La Puente, California
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years**

Agency	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
Basic Levy¹	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
Bassett Unified School Dist	0.08210	0.10806	0.08990	0.10877	0.12316	0.11628	0.12773	0.11632	0.11539	0.15770
County Detention Facilities 1987 Debt	0.00066	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
Hacienda-La Puente Unified	0.05239	0.05103	0.05681	0.05973	0.06462	0.06430	0.06689	0.06653	0.06432	0.06394
La County Flood Control	0.00005	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
Metropolitan Water District	0.00470	0.00450	0.00430	0.00430	0.00370	0.00370	0.00350	0.00350	0.00350	0.00350
Mt. San Antonio College	0.02530	0.01750	0.02333	0.02571	0.02636	0.02642	0.02896	0.02023	0.02129	0.02154
Rowland Heights Unified	0.07429	0.06944	0.07029	0.06769	0.07538	0.09195	0.10053	0.12297	0.14313	0.12426
West Covina Unified	0.06511	0.05143	0.06041	0.05258	0.05920	0.05377	0.04965	0.03626	0.05412	0.04205
Total Direct & Overlapping² Tax Rates	1.30461	1.30196	1.30502	1.31878	1.35242	1.35641	1.37725	1.36581	1.40175	1.41299
City's Share of 1% Levy Per Prop 13³	0.06582	0.06582	0.06582	0.06582	0.06582	0.06582	0.06582	0.06582	0.06582	0.06582
Redevelopment Rate⁴	1.00541	1.00450	1.00430	1.00430	1.00370	1.00370	n/a	n/a	n/a	n/a
Total Direct Rate⁵	0.08601	0.09465	0.10454	0.10809	0.10549	0.10669	0.11113	0.06478	0.06478	0.06491

Notes:

¹In 1978, California voters passed Proposition 13 which set the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.

²Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all city property owners.

³City's Share of 1% Levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the city. ERAF general fund tax shifts may not be included in tax ratio figures.

⁴Redevelopment Rate is based on the largest RDA tax rate area and includes only rate(s) from indebtedness adopted prior to 1989 per California State statute. RDA direct and overlapping rates are applied only to the incremental property values. The approval of ABX1 26 eliminated Redevelopment from the State of California for the fiscal year 2012/2013 and years thereafter.

⁵Total Direct Rate is the weighted average of all individual direct rates applied by the government preparing the statistical section information. Beginning 2013/14 the Total Direct Rate no longer includes revenue generated from the former redevelopment tax rate areas. Challenges to recognized enforceable obligations are assumed to have been resolved during 2012/13. For the purposes of this report, residual revenue is assumed to be distributed to the City in the same proportions as general fund revenue.

n/a - not applicable

Data Source: L. A. County Assessor 2006/07 - 2015/16 Tax Rate Table
This report is not to be used in support of debt issuance or continuing disclosure statements without the written consent of HdL, Coren & Cone

**City of La Puente, California
Principal Property Taxpayers
Current Year and Ten Years Ago**

<u>Taxpayer</u>	2006/07			2015/16		
	<u>Taxable AV</u>	<u>Rank</u>	<u>% of Total Taxable AV</u>	<u>Taxable AV</u>	<u>Rank</u>	<u>% of Total Taxable AV</u>
Hacienda Plaza JPS LLC	\$ -	-	-	\$ 30,398,000	1	1.54%
Group X Rosemead Prop.	-	-	-	22,681,108	2	1.15%
Laurala Limited	8,456,982	6	0.54%	16,971,268	3	0.86%
Haeri LLC	14,186,880	3	0.91%	15,837,329	4	0.80%
Jasmine Real Estate Investments LLC	-	-	-	12,978,960	5	0.66%
La Puente 104 LLC	-	-	-	12,532,127	6	0.64%
PI Properties	-	-	-	12,487,624	7	0.63%
Walnut Apartments	9,962,238	4	0.64%	1,131,860	8	0.57%
Wind Chime Properties	9,588,000	5	0.61%	10,956,258	9	0.56%
PJB Sunkist LP	-	-	0.00%	8,812,842	10	0.45%
Group VI S & P Properties	22,128,890	1	1.41%	-	-	-
Granite Hacienda LP	18,189,232	2	1.16%	-	-	-
Villa Las Brisas LLC	7,790,842	7	0.50%	-	-	-
Royal Street Comm.	7,486,025	8	0.48%	-	-	-
Mahomed & A.M. Limbada	6,723,230	9	0.43%	-	-	-
La Puente Gardens	5,868,630	10	0.38%	-	-	-
	<u>\$ 110,380,949</u>		<u>7.06%</u>	<u>\$ 144,787,376</u>		<u>7.86%</u>

Source: HdL Coren & Cone

**City of La Puente, California
Property Tax Levies and Collections ⁽¹⁾
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Total Tax Levy ⁽¹⁾</u>	<u>Current Tax Collections</u>	<u>Percent of Current Taxes Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections to Total Tax Levy</u>
2007	976,622	852,795	87.3%	5,879	858,674	87.9%
2008	1,056,106	897,977	85.0%	-	897,977	85.0%
2009	1,126,953	968,444	85.9%	9,737	978,181	86.8%
2010	1,040,321	888,710	85.4%	12,259	900,969	86.6%
2011	999,478	867,546	86.8%	371	867,916	86.8%
2012	1,027,929	942,203	91.7%	-	942,203	91.7%
2013	1,048,173	950,591	90.7%	-	950,591	90.7%
2014	1,078,480	999,723	92.7%	-	999,723	92.7%
2015	1,152,928	1,072,238	93.0%	-	1,072,238	93.0%
2016	1,208,236	1,124,478	93.1%	-	1,124,478	93.1%

⁽¹⁾ Includes secured and unsecured property tax levies exclusive of homeowner exemption and supplemental roll.

Source: Los Angeles County

City of La Puente, California
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-Type Activities	Total Primary Government	Percentage of Personal Income ⁽²⁾	Per Capita ⁽²⁾
	Tax Allocation Bond ⁽¹⁾	Lease Agreement	Loan	Sewer Bonds			
2007	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2008	4,040,000	10,000,000	-	10,260,000	24,300,000	2.46%	566
2009	4,040,000	10,000,000	2,500,000	10,085,000	26,625,000	2.20%	618
2010	4,040,000	10,000,000	2,400,000	9,925,000	26,365,000	2.32%	608
2011	3,990,000	10,000,000	2,300,000	9,730,000	26,020,000	2.31%	656
2012	3,940,000	9,411,765	-	9,530,000	22,881,765	2.75%	471
2013	-	8,890,000	270,000	9,320,000	18,480,000	3.41%	450
2014	-	8,260,000	-	9,105,000	17,365,000	3.59%	429
2015	-	7,635,000	-	8,880,000	16,515,000	3.77%	408
2016	-	7,635,000	421,574	8,645,000	16,701,574	3.75%	412

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

¹ Debt is related to dissolved Community Development Commission

² See the Schedule of Demographic and Economic Statistics for personal income and population data.

City of La Puente, California
Computation of Direct and Overlapping Bonded Debt
June 30, 2016

Jurisdiction	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to City of La Puente	Net Bonded Debt
Direct - City of La Puente			
Community Center Debt	\$ 7,635,000	100.000	\$ 7,635,000
2007 Sewer Revenue Bonds	8,645,000	100.000	8,645,000
SA Rev Ref Bonds	3,650,000	100.000	<u>3,650,000</u>
Total Direct Debt			<u>19,930,000</u>
Overlapping Debt:			
Water District:			
*330.10 METROPOLITAN WATER DISTRICT	44,916,916	0.180	80,870
Mt San Antonio College:			
MT. SAN ANTONIO CCD DS 2001, 2006 SERIES C	1,000,000	2.490	24,905
MT. SAN ANTONIO CCD DS 2001, 2008 SERIES D	1,000,924	2.490	24,928
MT. SAN ANTONIO CCD DS 2008 SERIES 13A	202,351,691	2.490	5,039,531
MT. SAN ANTONIO CCD DS 2008 SERIES 2013B	9,555,000	2.490	237,965
MT. SAN ANTONIO CCD DS 2013 REF SERIES A	70,910,000	2.490	1,766,000
MT. SAN ANTONIO CCD DS 2013 REF SERIES B	44,045,000	2.490	1,096,932
MT. SAN ANTONIO CCD DS 2008 REF SERIES 2015C	39,130,000	2.490	974,525
School District:			
BASSETT USD DS 2004 SERIES 2005 A	773,352	6.989	54,046
BASSETT USD DS 2006 SER 2007	4,636,192	6.989	324,004
BASSETT USD DS 2006 SER B	2,409,566	6.989	168,395
BASSETT USD DS 2014 REF SERIES A	4,999,970	6.989	349,427
BASSETT USD DS 2014 REF SERIES B	8,445,000	6.989	590,186
BASSETT USD DS 2014 SERIES A	25,090,000	6.989	1,753,436
HACIENDA-LA PUENTE USD DS 2000 SERIES A	2,091,173	13.060	273,098
HACIENDA-LA PUENTE USD DS 2000 SERIES 2003B	2,821,876	13.060	368,524
HACIENDA-LA PUENTE USD DS 2005 REFUNDING BONDS	23,615,000	13.060	3,084,011
HACIENDA-LA PUENTE USD DS 2007 REFUNDING	54,550,000	13.060	7,123,981
ROWLAND HEIGHTS USD DS 2000 SERIES A	1,531,982	1.628	24,948
ROWLAND HEIGHTS USD DS 2000 SERIES B	439,075	1.628	7,150
ROWLAND HEIGHTS USD DS 2005 REF BONDS	9,538,815	1.628	155,337
ROWLAND HEIGHTS USD DS 2006 SERIES A	735,000	1.628	11,969
ROWLAND HEIGHTS USD DS 2006 SERIES B	28,197,549	1.628	459,190
ROWLAND HEIGHTS USD DS 2006 SERIES C (BABS)	12,000,000	1.628	195,417
ROWLAND HEIGHTS USD DS 2006 SERIES D QSCB	20,150,000	1.628	328,138
ROWLAND HEIGHTS USD DS 2006 SERIES E	557,451	1.628	9,078
ROWLAND HEIGHTS USD DS 2012 SERIES A	72,410,000	1.628	1,179,180
ROWLAND HEIGHTS USD DS 2013 REF BONDS	111,219,972	1.628	1,811,191
WEST COVINA USD 2002 REFUNDING SERIES A	12,160,000	0.980	119,123
WEST COVINA USD DS 2012 REF BONDS	13,455,000	0.980	<u>131,809</u>
Total Overlapping Debt			<u>27,767,294</u>
Total Direct and Overlapping Debt			<u>\$ 47,697,294</u>

2015/16 Assessed Valuation: \$1,851,889,032 after deducting \$119,193,081 incremental value.

Debt To Assessed Valuation Ratios:

Direct Debt	1.08%
Overlapping Debt	1.50%
Total Debt	2.58%

*This fund is a portion of a larger agency, and is responsible for debt in areas outside the City.

This report reflects debt which is being repaid through voter-approved property tax indebtedness. It excludes mortgage revenue, tax allocation bonds, interim financing obligations, non-bonded capital lease obligations, and certificates of participation, unless provided by the City.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. The percentage of overlapping debt applicable is estimated by using taxable assessed values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.

Data Source: HdL Coren & Cone, L. A. County Assessor and Auditor Combined 2015/16 Lien Date Tax Rolls.

This report is not to be used in support of debt issuance or continuing disclosure statements without the written consent of HdL, Coren & Cone

**City of La Puente, California
Legal Debt Margin Information
Last Ten Fiscal Years**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Debt Limit	\$ 234,634,986	\$ 256,457,843	\$ 273,621,630	\$ 252,413,092	\$ 244,595,483
Total net debt applicable to limit	-	-	-	-	-
Legal debt margin	\$ 207,838,701	\$ 234,634,986	\$ 256,457,843	\$ 273,621,630	\$ 244,595,483
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%	0%

Source: HdL Coren & Cone; L.A. County Assessor 2015/16 Combined Tax Rolls

<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
\$ 255,181,011	\$ 255,472,709	\$ 268,982,248	\$ 282,421,686	\$ 297,024,247
-	-	-	-	-
<u>\$ 255,181,011</u>	<u>\$ 255,472,709</u>	<u>\$ 268,982,248</u>	<u>\$ 282,421,686</u>	<u>\$ 297,024,247</u>
0%	0%	0%	0%	0%

Legal Debt Margin Calculation for Fiscal Year 2016

Assessed value	\$ 1,971,082,113
Add back: exempt real property	<u>9,079,536</u>
Total assessed value	1,980,161,649
Debt limit (15% of total assessed value)	297,024,247
Debt applicable to limit:	
General obligation bonds	-
Less: Amount set aside for repayment of general obligation debt	<u>-</u>
Total net debt applicable to limit	<u>-</u>
Legal debt margin	<u>\$ 297,024,247</u>



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City of La Puente, California
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	School Enrollment ⁽¹⁾	Unemployment Rate
2007	42,999	575,580	13,386	19,831	5.7%
2008	42,919	594,077	13,842	19,072	6.0%
2009	42,937	598,852	13,947	18,153	8.8%
2010	43,105	586,965	13,617	17,495	13.6%
2011	43,355	611,219	14,098	17,235	14.8%
2012	39,987	601,364	15,039	20,708	14.4%
2013	40,222	629,796	15,658	20,783	10.9%
2014	40,478	630,526	15,577	20,032	9.0%
2015	40,496	623,314	15,392	19,642	7.3%
2016	40,521	625,683	15,440	19,367	5.9%

Notes: ⁽¹⁾ School Enrollment is total enrollment for Hacienda-La Puente Unified School District

Source: Population - California State Department of Finance
 Personal Income, Per Capita Personal Income, Median Age are provided by HdL Coren & Cone
 School Enrollment - California Department of Education
 Unemployment Rate - California Employment Development Department

**City of La Puente, California
Principal Employers
Last Ten Fiscal Years**

Employer	2007			2008		
	# of Emp.	Rank #	% of Total City Employment	# of Emp.	Rank #	% of Total City Employment
Northgate Supermarket	120	1	3.13%	120	1	3.14%
Food 4 Less #369	58	5	1.51%	58	6	1.52%
Sunset Gardens West	-	-	-	75	2	1.96%
Ed Butts Ford	70	3	1.83%	70	3	1.83%
Big Saver Foods #12	60	4	1.57%	60	4	1.57%
CVS Pharmacy #9629	-	-	-	54	7	1.41%
Merritt's Hardware	50	6	1.31%	50	8	1.31%
99cents Only Stores	-	-	-	38	10	0.99%
Burger King	37	8	0.97%	-	-	-
AJ Wright #218	35	9	0.91%	-	-	-
Jack in the Box	-	-	-	-	-	-
Walgreens #05702	41	7	1.07%	41	9	1.07%
Others	3,214	-	83.94%	3,198	-	83.63%
Benchmark Staffing	109	2	2.85%	60	5	1.57%
Big Lots	35	10	0.91%	-	-	-
Northgate Gonzales	-	-	-	-	-	-
Sav On Drugs #9629	-	-	-	-	-	-
Total	3,829		100.00%	3,824		100.00%

Employer	2012			2013		
	# of Emp.	Rank #	% of Total City Employment	# of Emp.	Rank #	% of Total City Employment
Northgate Supermarket	120	1	4.02%	120	1	3.72%
Alert Insulation	-	-	0.00%	-	-	0.00%
Walmart Stores Inc	-	-	0.00%	-	-	0.00%
Bodega Latina Corp	80	2	2.68%	80	2	2.48%
Food 4 Less #369	75	3	2.51%	75	3	2.33%
Big Saver Foods #12	60	5	2.01%	60	5	1.86%
Ed Butts Ford	70	4	2.35%	70	4	2.17%
Ross Store	-	-	0.00%	-	-	0.00%
Merritt's Hardware	50	6	1.68%	43	6	1.33%
El Sushi Loco	-	-	0.00%	-	-	0.00%
In and Out Burger	-	-	0.00%	-	-	0.00%
CVS Pharmacy #9629	33	9	1.11%	35	8	1.09%
99cents Only Stores	34	8	1.14%	32	9	0.99%
Jack in the Box	32	10	1.07%	32	9	0.99%
Walgreens #05702	32	10	1.07%	32	9	0.99%
Burger King	37	7	1.24%	37	7	1.15%
Others	2,362	-	79.13%	2,608	-	80.89%
Total	2,985		100.00%	3,224		100.00%

Source: City Finance Department - Business License Division

2009			2010			2011		
# of Emp.	Rank #	% of Total City Employment	# of Emp.	Rank #	% of Total City Employment	# of Emp.	Rank #	% of Total City Employment
120	1	3.25%	120	1	3.13%	120	1	3.29%
75	2	2.03%	77	2	2.01%	77	2	2.11%
75	2	2.03%	75	3	1.96%	-	-	0.00%
70	3	1.89%	70	4	1.83%	70	3	1.92%
60	4	1.62%	60	5	1.57%	60	4	1.65%
54	5	1.46%	54	6	1.41%	33	8	0.90%
50	6	1.35%	50	7	1.30%	50	5	1.37%
37	8	1.00%	37	8	0.97%	34	7	0.93%
37	8	1.00%	37	8	0.97%	37	6	1.01%
35	9	0.95%	35	9	0.91%	-	-	0.00%
32	10	0.87%	32	10	0.83%	32	9	0.88%
41	7	1.11%	32	10	0.83%	32	10	0.88%
3,009	-	81.43%	3,154	-	82.29%	3,102	-	85.06%
-	-	-	-	-	-	-	-	0.00%
-	-	-	-	-	-	-	-	0.00%
-	-	-	-	-	-	-	-	0.00%
-	-	-	-	-	-	-	-	0.00%
3,695		100.00%	3,833		100.00%	3,647	0	100.00%

2014			2015			2016		
# of Emp.	Rank #	% of Total City Employment	# of Emp.	Rank #	% of Total City Employment	# of Emp.	Rank #	% of Total City Employment
120	1	3.47%	120	1	3.24%	120	1	3.26%
-	-	0.00%	88	2	2.38%	88	2	2.39%
-	-	0.00%	80	3	2.16%	80	3	2.17%
80	2	2.31%	80	3	2.16%	80	3	2.17%
75	3	2.17%	75	4	2.03%	75	4	2.04%
60	4	1.73%	60	5	1.62%	60	5	1.63%
59	5	1.70%	59	6	1.59%	59	6	1.60%
51	6	1.47%	49	7	1.32%	50	7	1.36%
43	7	1.24%	43	8	1.16%	43	8	1.17%
-	-	0.00%	33	-	0.89%	43	8	1.17%
-	-	0.00%	40	9	1.08%	40	9	1.09%
35	9	1.01%	35	-	0.95%	35	10	0.95%
32	10	0.92%	32	-	0.86%	32	-	0.87%
32	10	0.92%	32	-	0.86%	32	-	0.87%
32	10	0.92%	32	-	0.86%	26	-	0.71%
37	8	1.07%	37	10	1.00%	18	-	0.49%
2,805	-	81.05%	2,805	-	75.81%	2,800	-	76.07%
3,461		100.00%	3,700		100.00%	3,681		100.00%

City of La Puente, California
Full-time Equivalent City Government Employees by Program/Function
As of June 30, 2016

Program/Function	2007	2008	2009
General Government			
City Council	5.00	5.00	5.00
City Clerk/Election Services	1.73	3.65	3.80
Human Resources/Risk Management	-	0.75	0.75
Administration	1.62	1.95	1.92
Financial Services	3.83	3.45	3.86
Public Safety			
Code Enforcement	-	-	-
Public Safety Services	Contract	Contract	Contract
Public Works Services			
General Services	0.75	0.75	1.00
Emergency Preparedness Services	Contract	Contract	Contract
Public Works Services	2.20	3.30	2.65
Measure R			
Streets/Sidewalks (Prop C)	2.02	0.45	1.40
Waste Management Services	0.40	0.25	0.20
Park/Maintenance Services	5.34	5.00	6.65
Community Development			
Planning/Zoning Services	2.11	2.72	3.03
Housing/Community Services	2.65	4.23	1.84
Community Preservation Services	5.76	5.40	6.00
Public Transit Services (Prop A)	2.32	2.00	2.15
Recreation/Senior Services			
Recreation Services	2.42	2.50	2.34
Youth Activity Learning Center	-	-	0.33
Nature Education Center	-	-	1.00
Senior Services	0.94	0.90	2.83
Sewer Maintenance Fund			
Sewer Maintenance	1.11	1.10	1.80
Equipment Replacement Fund			
IT/Equipment Charges	0.80	1.00	1.20
Community Development Commission			
Low Mod Income Housing/Capital Project Fund	-	0.60	0.75
	<u>41.00</u>	<u>45.00</u>	<u>50.50</u>

*On March 7, 2011, City Council approved a reorganization plan to create salary savings by eliminating various positions. Unable to determine F.T.E. for FY10/11.

2010	2011*	2012	2013	2014	2015	2016
5.00	n/a	5.00	5.00	5.00	5.00	5.00
0.98	n/a	1.00	2.00	2.00	2.00	2.00
1.50	n/a	n/a	n/a	n/a	n/a	n/a
0.85	n/a	2.00	2.00	2.00	2.00	2.00
3.35	n/a	6.00	5.00	6.00	6.50	7.00
-	-	-	-	-	-	Contract
Contract	Contract	Contract	Contract	Contract	Contract	Contract
1.02	n/a	n/a	n/a	n/a	n/a	n/a
Contract	Contract	Contract	Contract	Contract	Contract	Contract
4.77	n/a	4.00	6.00	6.00	4.00	4.00
0.11	n/a	n/a	n/a	n/a	n/a	n/a
0.99	n/a	n/a	n/a	n/a	n/a	n/a
0.06	n/a	n/a	n/a	n/a	n/a	n/a
4.71	n/a	n/a	n/a	n/a	n/a	n/a
2.68	n/a	1.00	1.00	1.00	2.00	2.00
1.70	n/a	1.00	1.00	1.00	1.00	1.00
6.00	n/a	6.00	6.00	6.00	Contract	Contract
2.39	n/a	n/a	n/a	n/a	n/a	n/a
2.19	n/a	2.00	3.00	3.00	3.00	3.00
-	-	-	1.00	1.00	1.00	1.00
2.62	n/a	n/a	n/a	n/a	n/a	n/a
1.19	n/a	1.00	1.00	1.00	1.00	1.00
1.79	n/a	n/a	n/a	n/a	n/a	n/a
1.50	n/a	n/a	n/a	n/a	n/a	n/a
3.60	n/a	n/a	n/a	n/a	n/a	n/a
49.00	-	29.00	33.00	34.00	27.50	28.00

City of La Puente, California
Operating Indicators by Function
As of June 30, 2016

Function/Program	<u>2007</u>	<u>2008</u>	<u>2009</u>
Public Safety*			
Physical arrests	3,646	-	1,887
Parking Citations Issued	10,208	10,394	9,432
Building and Safety			
Construction Valuation	8,482,989	7,144,374	6,195,378
Building Permits Issued	369	308	216
Highways and Streets*			
Street resurfacing (Square Feet)	n/a	n/a	n/a
Sanitation*			
Refuse collected (tons/day)	69.49	51.75	67.36
Recyclables collected (tons/day)	6.79	4.28	6.98
Green waste collected (tons/day)	9.60	10.59	9.36
Community Services			
Special Event-Main Street Run (number of participants)	3,675	3,335	3,653

* The City of La Puente is a contracting city for Public Safety, Fire Prevention, Public Works, Water and Waste Services.

Sources: City of La Puente
L.A. County Fire Department
L.A. County Sheriff Department
Valley Vista Services

2010	2011	2012	2013	2014	2015	2016
1,781	1,772	1,160	1,210	1,279	1,458	1,385
5,650	6,619	6,993	6,687	5,881	5,382	8,852
5,624,712	3,900,556	9,935,892	7,773,162	6,645,112	6,775,623	10,441,752
293	321	292	396	364	317	467
n/a	n/a	154,660	288,100	305,447	240,180	61,550
57.18	55.27	55.02	51.75	61.53	60.12	64.90
4.89	4.59	4.57	4.28	4.59	4.53	4.77
10.99	10.97	11.23	10.59	9.77	9.64	8.98
5,190	3,500	3,330	4,391	3,730	3,825	4,283

City of La Puente, California
Capital Asset Statistics by Function
As of June 30, 2016

Function/Program	Fiscal Year 2016
General Government	
City Hall	1
Public Safety	
Police:	
Stations	Contract out
Patrol units	Contract out
Fire stations	Contract out
Sanitation	
Collection trucks	Contract out
Highways and streets	
Streets (miles)	73
Streetlights	94
Traffic signals	43
Community Services	
Park acreage	24.2
Park	2
Community Center	1
Youth Learning Activity Center	1
Senior Center	1
Water	
Water mains (miles)	Non City-Owned
Fire hydrants	Non City-Owned
Maximum daily capacity (thousands of gallons)	N/A
Sewer	
Sanitary sewers (miles)	64.3
Storm drains (miles)	11.5
Electric	
Number of distribution stations	Contract out
Miles of service line	Contract out

The City of La Puente is a contracting city for Public Safety, Fire Prevention, Public Works, Water and Waste services. These figures represent the capital assets owned by the City. They remain the same for the past ten years other than the addition of the Youth Learning Activity Center and the recently completed Puente Creek Nature and Education Center.

Source: City of La Puente