



*City of La Puente
California*



*Comprehensive Annual
Financial Report*

For the Fiscal Year Ended

June 30, 2017

City of La Puente

California



Comprehensive Annual Financial Report

For the Fiscal Year Ended

June 30, 2017

Prepared by:

The Administrative Services Department

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City of La Puente
Comprehensive Annual Financial Report
Year Ended June 30, 2017

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INTRODUCTORY SECTION

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City of La Puente

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

November 28, 2017

Honorable Mayor and City Council
City of La Puente, California

INTRODUCTION

The City of La Puente's Comprehensive Annual Financial Report ("CAFR") for the fiscal year ended June 30, 2017 is transmitted herewith in compliance with State law and the relevant requirements of Governmental Accounting, Auditing and Financial Reporting published by the Governmental Finance Officers Association ("GFOA") of the United States and Canada. The information contained in this report offers a comprehensive scope of information which can be utilized by a large segment of the community, and is presented in a manner which will enable each reader to better understand all of the City's financial activities. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the Finance Department.

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 Generally Accepted Accounting Principles ("GAAP") and the pronouncements of the Governmental Accounting Standards Board ("GASB"). 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 City's financial statements have been audited by the independent certified public accounting firm of Van Lant & Fankhanel, LLP, Certified Public Accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for fiscal year ended June 30, 2017, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures

in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The 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.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). In addition, the MD&A is intended to disclose any known significant events or decisions that affect the financial condition of the City. This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City’s MD&A can be found immediately following the report of the independent auditors. The Statistical Section includes selected financial, demographic and other relevant information.

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 (“City”) 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 operates under a council-manager form of government. Policy-making and legislative authority are vested in a governing council consisting of five council members one of which is elected by the council to a one year term as mayor and one as mayor pro-tem. The governing council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees and hiring both the City Manager and a contract City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations and for appointing heads of departments.

The City of La Puente is a contract city and as such contracts for many of its services. This includes police services, building and safety services, engineering, road maintenance and landscape maintenance. Police services are provided by the Los Angeles County Sheriff's Department.

The Los Angeles County Fire District provides fire protection. The County also provides library services through a Library District as well as sewer and sanitation services through a Sanitation District. Funds for district services are collected through property tax bills and are disbursed directly by the Los Angeles County Tax Collector's Office.

Water services for the City are provided by La Puente Valley County Water District, San Gabriel Valley Water Company and Suburban Water Systems. Refuse collection is provided by a private waste collection company. There are also seventeen public and private schools, two County libraries, and a County health center serving the City's residents. Public schools are operated by the Hacienda La Puente Unified School District.

The City provides a number of in-house programs and functions including: City Clerk's Office, Development Services, Administrative Services, Recreation Services, and Public Safety (Code Enforcement). The City also 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.

BUDGETARY CONTROLS

The annual budget serves as the foundation for the City's financial planning and control. 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 San Gabriel Valley has stayed the course with a solid economic performance in 2016. Virtually every industry added jobs to the employment base and, according to data compiled by the Employment Development Department, the total job count in the area now surpasses its pre-recession peak. Total employment in the San Gabriel Valley grew by 2.6% in 2016. Although the San Gabriel Valley experienced a paltry growth rate of 1.2% in 2016, a 3.0% increase in taxable sales in 2017 is forecasted as the San Gabriel Valley economy continues to grow.

The City, like other municipalities has continually been burdened by the financial pressures and impacts imposed by Federal, State, and County governments. Since the early 1980's, these governmental units have passed on to municipalities a myriad of unfunded mandates or service/regulatory requirements and also, have eliminated or redistributed significant sources of revenue. Despite this challenge the City has managed to maintain a balanced budget without any reductions in City services.

The City relies heavily on two major revenue sources – property taxes and sales and use taxes for its general fund operating expenses. These two revenue sources comprise 74% of the General Fund revenue. Other revenue sources such as transient occupancy tax, business license taxes, real property transfer taxes, and licenses and permits fees remain stable.

The City's sales tax base (factoring out the "Triple Flip" closeout), saw an increase of 7.9% compared to fiscal year 2015-2016. The City continues to look for ways to expand the sales tax base, but continues to face challenges due to limited vacant commercial land and retail space selection. The City will continue to promote new business opportunities through marketing and outreach efforts and expanding business networking for the available vacant spaces while it continues to explore other opportunities for business attraction. The City remains committed to a business friendly environment to help foster business expansion projects and new site selections.

Assessed property values within the City were up 6.48% over 2015-16 resulting in an increase in the property tax received. The average home price at June 30, 2017 was \$426,867 while the median price was \$428,000. The unemployment rate continued to improve from 5.9% to 4.6% and is expected to remain the same or improve slightly as employment opportunities increase.

MAJOR INITIATIVES AND ACCOMPLISHMENTS

In July 2017, the City acquired Lighting District 1744 from Los Angeles County. With the passage of Senate Bill 361, the City will be able to expand the services of the district to include maintenance and improvements pursuant to the Landscaping and Lighting Act of 1972. As a result, the City will be able to maintain and improve street lighting, landscaping and qualifying facilities through the current district assessments. This move will alleviate some of the financial burden on the General Fund.

LONG-TERM FINANCIAL PLANNING

The unassigned fund balance in the General Fund is \$7.2 million or 63% of General Fund expenditures and total General Fund reserves are at \$19.5 million. The City adopted a balanced budget policy in Fiscal Year 2015-2016 which requires a General Fund reserve of 25% of budgeted expenditures, a \$1.0 million emergency reserve and a \$1.0 million economic uncertainty reserve. The current reserve amount falls within the management budget guidelines as approved by the City Council for budgetary and planning purposes.

GFOA CERTIFICATE OF ACHIEVEMENT

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its CAFR for the fiscal year ended June 30, 2016. 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 GAAP and applicable legal requirements. The awards are valid for a period of one year

meet program requirements and the City will submit it to the GFOA to determine its eligibility for another award.

ACKNOWLEDGEMENTS

Special recognition is extended to the entire staff of Administrative Services for their ongoing dedication and efficient services provided to all City departments and citizens on a daily basis. Special appreciation is also extended specifically to Finance Division staff who contributed to and participated in the coordination and preparation of this CAFR. 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. Further, thanks are also extended to Van Lant & Fankhanel, LLP, the City's independent auditors, who assisted and contributed in the preparation of this report.

Lastly, special acknowledgement is given 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



Joann M. Gitmed
Finance Manager



CITY OF LA PUENTE, CALIFORNIA

ELECTED OFFICIALS - CITY COUNCIL

Valerie Muñoz, Mayor

Violeta Lewis, Mayor Pro Tem

David Argudo, Councilmember

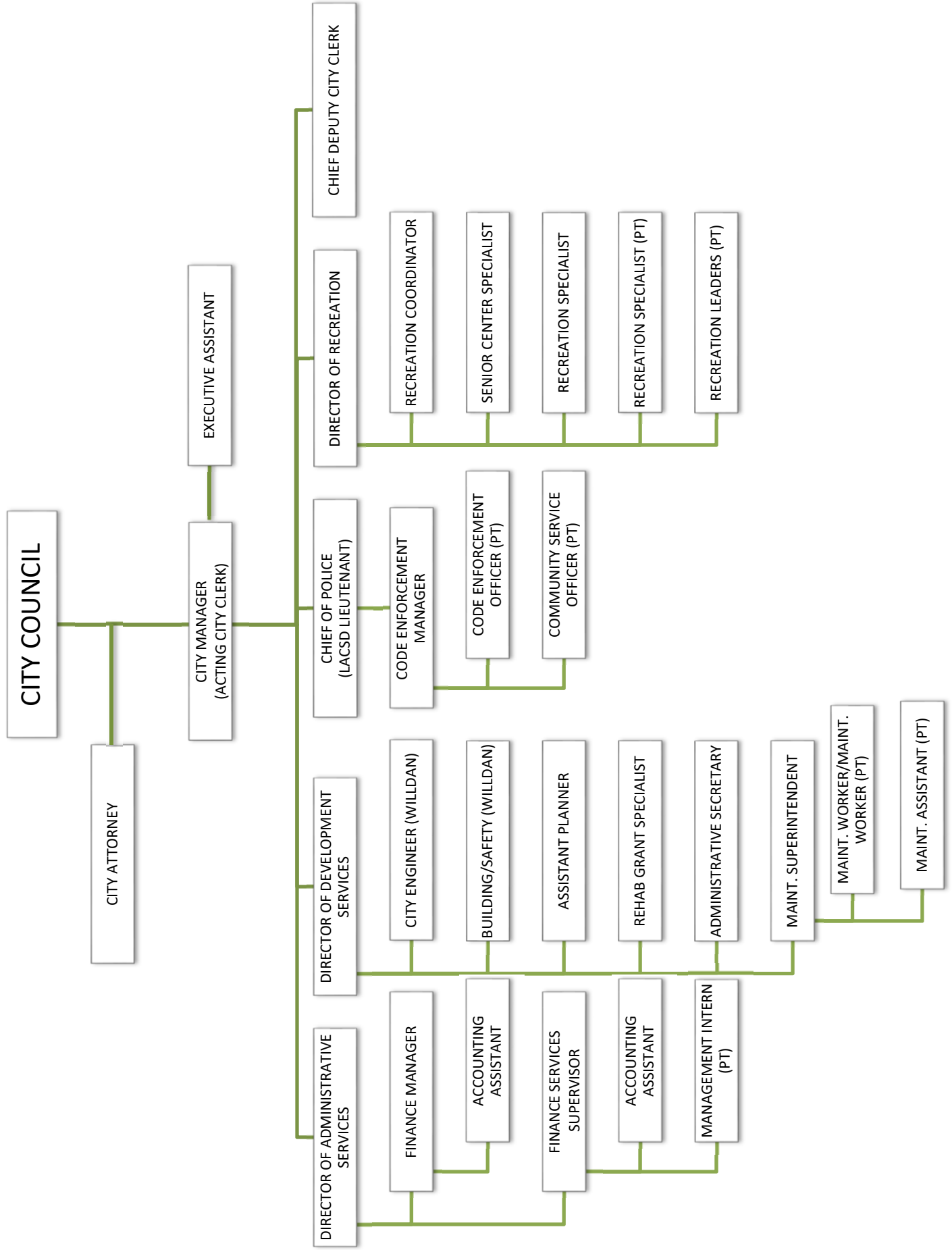
Daniel C. Holloway, Councilmember

John M. Solis, Councilmember

CITY OFFICIALS

City Manager.....	David N. Carmany
Director of Administrative Services/City Treasurer.....	Robbeyn Bird
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, 2016

Executive Director/CEO



FINANCIAL SECTION

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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, 2017, 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, 2017, 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 November 28, 2017 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 & Fankhaed, LLP

November 28, 2017

MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of the City of La Puente ("City") 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, 2017. This discussion and analysis is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the City's financial activity, (3) identify changes in the City's financial position, (4) identify any material deviations from the financial plan (the approved annual budget), and (5) identify individual fund issues or concerns. Readers are encouraged 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 16 of this report.

FINANCIAL HIGHLIGHTS

Government-wide

- The City's assets exceeded its liabilities at the close of the fiscal year by \$53,674,001. Of this, \$16,917,773 is unrestricted funds and may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position decreased by \$464,861 from the previous fiscal year.
- Citywide revenues were \$17,470,117. Total revenues are composed of \$10,801,839 in general revenue dollars, \$3,263,320 in charges for services, \$649,068 in operating grants and contributions, and \$2,755,890 in capital grants and contributions.
- Citywide expenses were \$17,934,978 with public safety being the largest functional area at \$6,110,053, or approximately 34% of the total expenses.

Fund level

- The total fund balance for all governmental funds was \$23,295,884 at the close of the fiscal year. Of that amount, \$12,260,207 is nonspendable and \$3,845,909 is restricted and not available for spending. The remaining \$7,189,768 is unassigned. Additional information on the fund balances for all governmental funds is on page 27 of this report.
- General Fund revenues were less than expenditures by \$267,883 for the fiscal year ended June 30, 2017.
- Governmental fund balances increased by \$140,707 during fiscal year 2016-2017.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

The Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements 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'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 include general government, public safety, public works, recreation/senior services, and community development. Program revenues finance approximately 32% of these activities and general revenues finance the difference.

The Government-wide Financial Statements can be found on pages 16 to 18 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.

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

The City maintains nineteen individual governmental funds for financial reporting purposes. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, CDBG Fund and Prop C Fund, which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its general fund, special revenue funds and capital projects fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The governmental fund financial statements can be found on pages 19 to 25 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 26 and 27 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 28 to 55 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

	2017	2016	Change	% Change
Current and Other Assets	\$ 30,060,262	\$ 29,522,228	\$ 538,034	1.82%
Capital Assets	35,151,257	35,688,761	(537,504)	-1.51%
Total Assets	65,211,519	65,210,989	530	0.00%
Deferred Outflows of Resources	1,501,265	590,313	910,952	154.32%
Other Liabilities	3,543,059	3,414,840	128,219	3.75%
Long-term Liabilities	15,727,550	13,992,285	1,735,265	12.40%
Total Liabilities	19,270,609	17,407,125	1,863,484	10.71%
Deferred Inflows of Resources	389,509	414,299	(24,790)	-5.98%
Net Position:				
Net investment in capital assets	26,447,434	27,632,187	(1,184,753)	-4.29%
Restricted	3,687,459	2,919,138	768,321	26.32%
Unrestricted	16,917,773	17,428,553	(510,780)	-2.93%
Total Net Position	\$ 47,052,666	\$ 47,979,878	\$ (927,212)	-1.93%

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 \$47,052,666 at the close of the fiscal year, a decrease of \$927,212 or 1.93% from the previous year. The primary reasons for the decrease in net position are as follows:

- Deferred outflows related to pensions increased by \$910,952 as a result of changes in employer proportions and net differences between projected and actual earnings on plan investments (See Note 8)
- Long-term liabilities showed a net increase of \$1.86 million primarily due to an increase in the City's net pension liability and an increase due to the commencement of a 30-year loan agreement for construction of a sound wall (see Note 6)

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 \$26,447,434, or 56%, 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, \$3,687,459, or 8%, represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$16,917,773, or 36%, is unrestricted. This amount includes \$11,624,012 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 \$5,293,761 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, 2017**

Table 2

	<u>2017</u>	<u>2016</u>	<u>Change</u>	<u>% Change</u>
Revenues				
Program Revenues:				
Charges for Services	\$ 1,960,656	\$ 2,090,303	\$ (129,647)	-6.20%
Operating Grants and Contributions	649,068	1,818,607	(1,169,539)	-64.31%
Capital Grants and Contributions	2,755,890	2,413,878	342,012	14.17%
General Revenues:				
Taxes:				
Property Taxes	5,960,936	5,336,924	624,012	11.69%
Franchise Taxes	941,026	888,514	52,512	5.91%
Sales and Use Taxes	3,060,517	3,210,185	(149,668)	-4.66%
Property Transfer Taxes	75,968	84,006	(8,038)	-9.57%
Transient Occupancy Taxes	240,696	227,690	13,006	5.71%
Other Taxes	119,792	98,671	21,121	21.41%
Investment Income	260,984	569,168	(308,184)	-54.15%
Other revenues	82,063	493,306	(411,243)	-83.36%
Total revenues	<u>16,107,596</u>	<u>17,231,252</u>	<u>(1,123,656)</u>	-6.52%
Expenses				
General Government	3,344,530	2,040,261	1,304,269	63.93%
Public Safety	6,110,053	5,845,736	264,317	4.52%
Public Works	2,653,875	1,028,734	1,625,141	157.97%
Recreation/Senior Services	2,085,167	2,049,066	36,101	1.76%
Community Development	2,504,463	3,897,493	(1,393,030)	-35.74%
Interest on Long-Term Debt	336,720	244,320	92,400	37.82%
Total expenses	<u>17,034,808</u>	<u>15,105,610</u>	<u>1,929,198</u>	12.77%
Change in net position	(927,212)	2,125,642	(3,052,854)	-143.62%
Net position, beginning	47,979,878	46,917,972	1,061,906	2.26%
Prior Period Adjustments (Note 13)	-	(1,063,736)	1,063,736	-100.00%
Net position, ending	<u>\$47,052,666</u>	<u>\$47,979,878</u>	<u>\$ (927,212)</u>	-1.93%

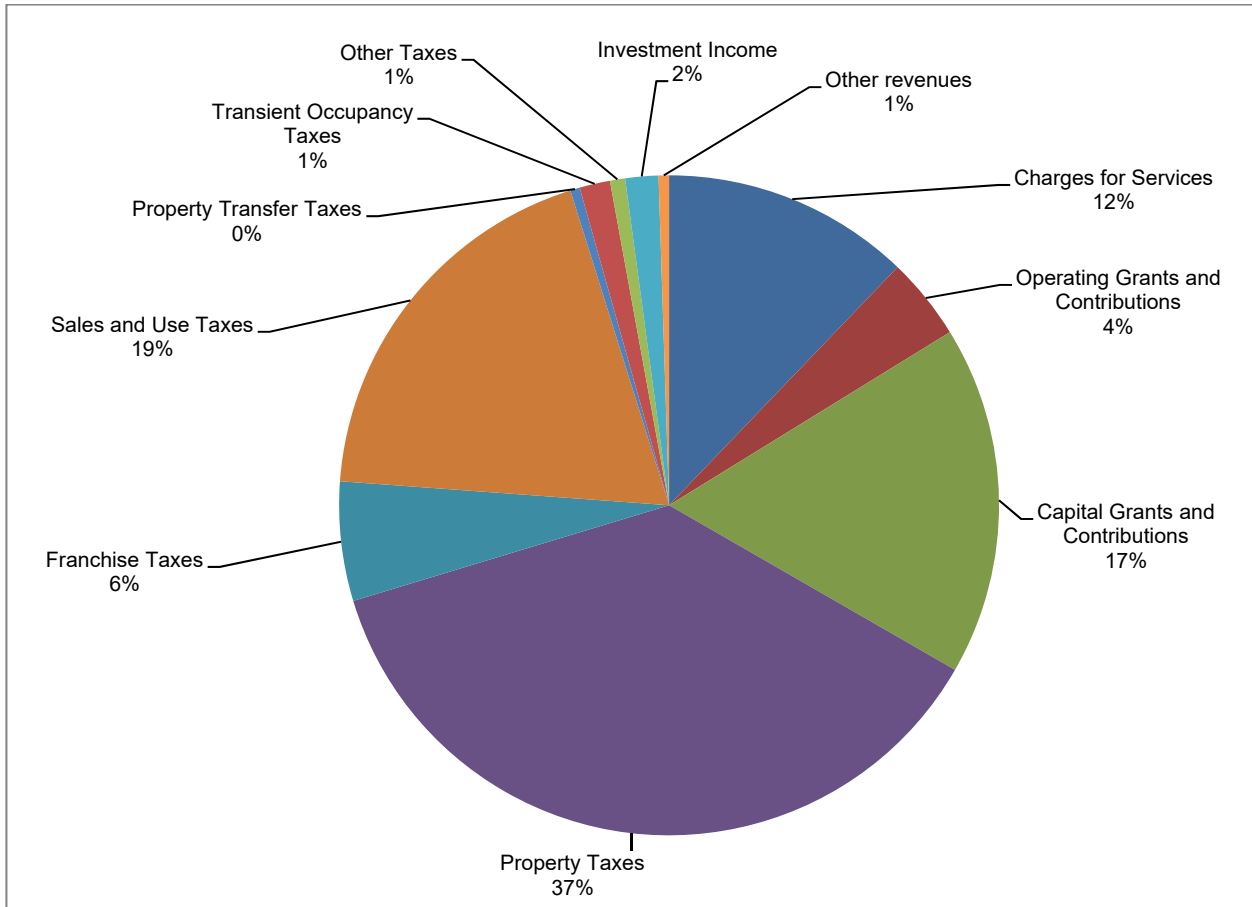
The City's net position decreased by \$927,212 during the fiscal year as a result of expenses being greater than revenues. The total cost of all City governmental activities was \$17,034,808 for the fiscal year. Net cost of all activities was \$11,669,194.

Total revenues decreased by \$1,123,656 primarily due to the decrease operating grants and contributions as indicated above. The overall increase in expenses was attributed to general government, public safety and public works with an accompanying decrease in 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 2016-2017:

Figure 1
Revenues by Source – Governmental Activities



As shown on the above pie chart, about 64% 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 33% of the total resources and investment income and miscellaneous income amounted to 3% 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.

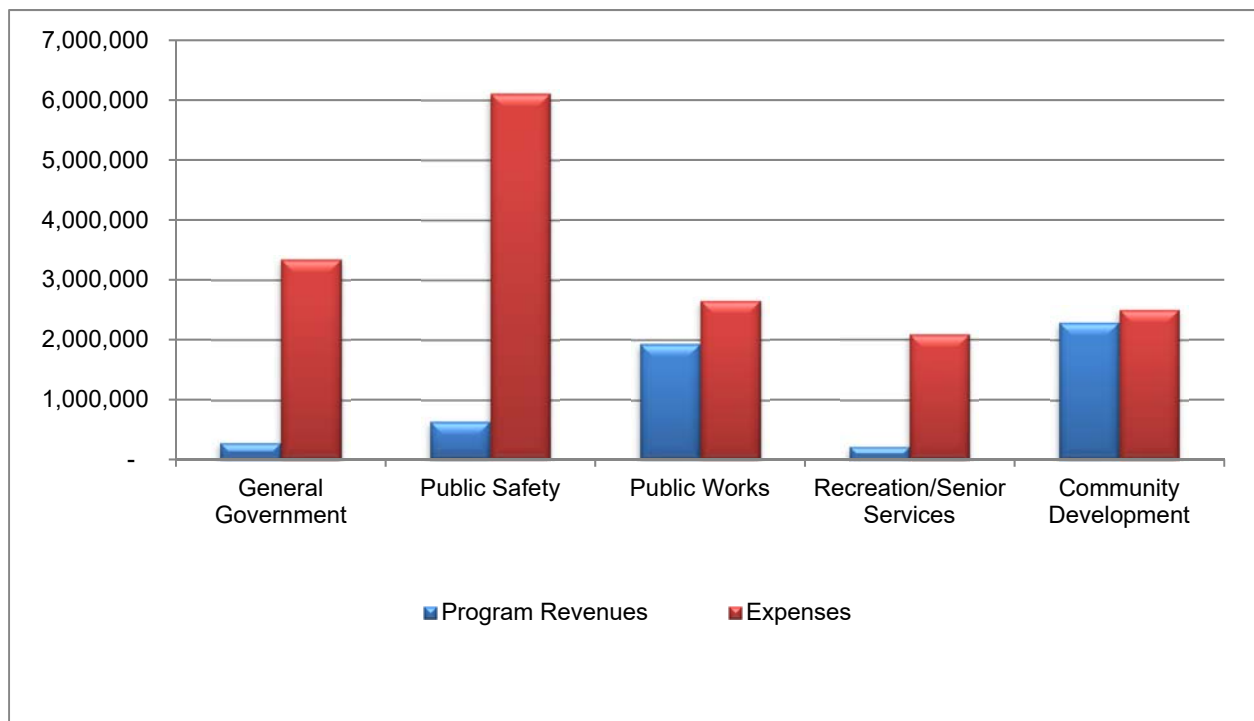
Governmental activities decreased the City's net position by \$927,212. Key elements of this decrease are as follows:

- Operating Grants and Contributions and Capital Grants and Contributions showed a net decrease of \$827,527 as a result of a reduction in federal grants received during fiscal year 2016-2017.
- Total expenses increased by \$1,929,198. This was largely due to increased expenses in general government (\$1,304,269), public safety (\$264,317) and public works (\$1,625,141) while community development expenses decreased \$1,393,030. General government increases were primarily the result of the resumption of general liability and workers' compensation premium payments after a one year "premium holiday" and a loss on the disposal of capital assets. The public safety increase was a result of contractual increases with LA County Sheriff and LA County Animal Control. The increase in public works and corresponding decrease in community development expenses were a result of reclassified expenditures.

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

	2017	2016
Current and Other Assets	\$ 4,545,351	\$ 4,069,114
Capital Assets	10,515,872	10,702,771
Total Assets	<u>15,061,223</u>	<u>14,771,885</u>
Deferred Amounts on Refunding	615,091	-
Total Deferred Outflows of Resources	<u>615,091</u>	<u>-</u>
Other Liabilities	359,979	58,490
Long-term Liabilities Outstanding	8,695,000	8,554,411
Total Liabilities	<u>9,054,979</u>	<u>8,612,901</u>
Net Position:		
Net Investment in Capital Assets	1,505,872	2,148,360
Restricted	5,115,463	4,010,624
Total net position	<u>\$ 6,621,335</u>	<u>\$ 6,158,984</u>

Table 4
Business-type Activities Change in Net Position

	2017	2016
Revenues		
Charges for Services	\$1,302,664	\$1,323,874
Investment Income	59,857	39,383
Total Revenues	<u>1,362,521</u>	<u>1,363,257</u>
Expenses		
Sewer Assessment	710,482	519,321
Other Expenses	189,688	443,708
Total Expenses	<u>900,170</u>	<u>963,029</u>
Excess of Revenues over Expenses	<u>462,351</u>	<u>400,228</u>
Other Financing Sources (uses)		
Transfer in	-	-
Change in Net Position	462,351	400,228
Net Position, Beginning	<u>6,158,984</u>	<u>5,758,756</u>
Net Position, Ending	<u>\$6,621,335</u>	<u>\$6,158,984</u>

The net position of the City's business-type activities increased by \$462,351. As shown in Table 3, "Current and Other Assets" reflects an increase of \$476,237. The increase is primarily a result of capital projects, which had been planned for the 2016-2017 fiscal year and would have used current resources, not commencing by year-end resulting in an increase of cash balances. Further, the City's business-type activities show an increase in liabilities of \$442,078. This increase is predominantly a product of the City refunding its 2007 Sewer Bonds during fiscal year 2016-2017. More information on the refunding can be found in Note 6 of the financial statements.

The City's business-type revenues exceeded program expenses by \$462,351 as shown in Table 4. Revenues slightly decreased by \$736 during the year. There was also a decrease in expenditures this year in the amount of \$62,859 as a result of sewer maintenance expenses being a less than the previous year.

FINANCIAL ANALYSIS OF THE CITY'S MAJOR FUNDS

Governmental Funds – Fund Level

The City 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, 2017, the City's Governmental Funds reported a combined fund balance of \$23,295,884, which increased by \$140,707 or 0.6% from the prior year fund balance.
- Fund Balance Classification
 - The City has \$12,260,207 in non-spendable fund balance as of June 30, 2017. 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 \$3,845,909 at June 30, 2017. Restricted fund balance includes resources that are subject to externally enforceable legal restrictions.
 - The General Fund has unassigned fund balance of \$7,191,875. 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 \$19,452,082 fund balance, a decrease of \$267,883 from the previous year. The major reason for the decrease in fund balance from fiscal year 2015-2016 was due to a \$1.5 million mid-year appropriation from fund balance for multiple deferred maintenance projects. The additional appropriation approved by City Council was for several projects including a City facility renovation project and a sidewalk maintenance project. See the Notes to the Financial Statements for more information regarding the fund balance.
- General Fund Revenues exceeded budgeted revenues by \$745,402. This was primarily due to property tax revenues being \$720,178 higher than projected as a result City receiving additional property tax from the sale of a tax defaulted property; the receipt of higher sales tax and property tax in-lieu of VLF revenue than anticipated; higher franchise fee and transient occupancy tax than budgeted; and licenses and permits, as well as

charges for services, being \$156,910 and \$54,188, respectively, higher than projected due to greater development activity in the City during the year. These increases were offset by an unanticipated decrease in the categories of intergovernmental and other financing revenues.

- Expenditures were \$1,367,242 lower than budgeted amounts. Approximately \$725,000 of decreased expenditures was attributable to deferred maintenance projects that were budgeted at mid-year, but not completed during fiscal year 2016-2017. These projects have been budgeted in the new fiscal year. The remaining savings are a result of staffing vacancies and diligence by the various departments to reduce expenses during the fiscal year.
- Proposition C Fund ended the year with a \$545,767 fund balance, a decrease of \$299,279 from the previous year. This decrease was due to the initiation and completion of several capital improvement projects.
- CDBG fund expenditures and revenues came in under budget due to the delay of a park improvement project that was scheduled to be underway and completed in fiscal year 2016-2017. The project has been budgeted and scheduled for commencement and completion in fiscal year 2017-2018.

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, 2017 is \$45,667,129. 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 decrease (additions minus deletions) in capital assets for the fiscal year was \$724,403. The decrease is attributed to several "construction in progress" expenditures being reclassified from "improvement" to "maintenance". This reclassification resulted in expenditures not being capitalized which brought about a decrease in capital assets. 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, 2017.

Table 5
Capital Assets

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital Assets, Not Depreciated:				
Land	\$ 3,621,179	\$ -	\$ -	\$ 3,621,179
Construction In Progress	<u>2,270,412</u>	<u>1,800,432</u>	<u>3,241,100</u>	<u>829,744</u>
Total Capital Assets Not Being Depreciated	<u>5,891,591</u>	<u>1,800,432</u>	<u>3,241,100</u>	<u>4,450,923</u>
Capital Assets Being Depreciated:				
Buildings and Improvements	21,625,871	200,211	-	21,826,082
Equipment & Furniture	1,944,956	366,549	216,194	2,095,311
Infrastructure	<u>34,571,217</u>	<u>1,855,827</u>	<u>-</u>	<u>36,427,044</u>
Total Capital Assets Being Depreciated	<u>58,142,044</u>	<u>2,422,587</u>	<u>216,194</u>	<u>60,348,437</u>
Less Accumulated Depreciation				
Buildings and Improvements	(8,839,050)	(897,662)	-	(9,736,712)
Equipment & Furniture	(1,396,009)	(117,222)	(216,194)	(1,297,037)
Infrastructure	<u>(18,109,815)</u>	<u>(504,539)</u>	<u>-</u>	<u>(18,614,354)</u>
Total Accumulated Depreciation	<u>(28,344,874)</u>	<u>(1,519,423)</u>	<u>(216,194)</u>	<u>(29,648,103)</u>
Total Capital Assets Being Depreciated, Net	<u>29,797,170</u>	<u>903,164</u>	<u>-</u>	<u>30,700,334</u>
Governmental Activities Capital Assets, Net	<u>\$35,688,761</u>	<u>\$2,703,596</u>	<u>\$ 3,241,100</u>	<u>\$35,151,257</u>
Business-type Activities:				
Capital Assets Being Depreciated:				
Sewer Collection System (Lines)	\$11,213,960	\$ -	\$ -	\$11,213,960
Less Accumulated Depreciation	<u>(511,189)</u>	<u>(186,899)</u>	<u>-</u>	<u>(698,088)</u>
Business Type Activities Capital Assets, Net	<u>\$10,702,772</u>	<u>\$(186,899)</u>	<u>\$ -</u>	<u>\$10,515,872</u>

Debt Administration

In November 2007 the City issued the 2007 Sewer Revenue Bonds for \$10,260,000. The City refinanced the bonds in August 2016 (2016 Sewer Refunding Bonds) to take advantage of lower interest rates. The refunding of the 2007 Sewer Revenue Bonds will result in an annual savings of approximately \$62,000 in debt service payments through 2037. 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, in January 2008 the City entered into a \$10,000,000 lease agreement, 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 agreement is scheduled to be paid by the General Fund with the final payment planned for June 30, 2029.

In October 2015, the City signed an agreement with the City of Industry for a \$5,952,908 loan to

be used for Valley Boulevard improvements. To date, the City has received \$1,688,823 of the loan proceeds. The loan has a term of 30 years at a simple interest rate of .33% (the LAIF interest rate at the time of signing). Payments on the loan will be in the amount of \$208,741.57 annually and are scheduled to begin in November 2017. Payments will be made from annual Measure R funds received by the City.

Additional information on the City's long-term debt can be found in Note 6 to the financial statements.

GENERAL FUND BUDGETARY ANALYSIS

The revenue budget for fiscal year 2016-17 was \$12,171,100 which includes \$746,800 of transfers in from other funds. Actual General Fund revenues were higher than the final budgeted revenues by \$745,402. Most categories of revenues collected were higher than the budgeted projections. "Taxes and Assessments" were \$715,734 higher than projected due to sales tax, property tax and transient occupancy tax received being higher than anticipated. "Licenses and Permits" and "Charges for Services" were higher than anticipated as a result of increased development activity within the City. "Intergovernmental" and "Miscellaneous" revenues were lower than expected due to a decrease in state mandated and Successor Agency reimbursements.

Appropriations were budgeted at \$13,671,100. General Fund expenditures were \$12,437,585 which includes a transfer out of \$133,727. Factoring out the transfers, General Fund expenditures were \$1,367,242 less than the final budgeted expenditures. Approximately \$725,000 of decreased expenditures are attributable to deferred maintenance projects that were budgeted but not completed during fiscal year 2016-2017. These projects have been budgeted in the new fiscal year. The remaining savings are a result of staffing vacancies and diligence by the various departments to reduce expenditures during the 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 4.6% which remains below the state (4.8%) and well below Los Angeles County (5.2%). The regional economy continues to recover at a slow pace with population growth in the .5% range through 2018. Over the next 12-month period job growth is projected to increase by 0.8%. Across the region, permit activity for new homes is experiencing a modest uptick growing by 3.6% in 2017 and projected to grow 2.1% in 2018. The City is projecting a slight increase in General Fund revenues in the coming year as property values continue to recover and the resulting property taxes increase. Additionally, the City is anticipating an increase in sales tax as a result of continued economic development efforts. 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.

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BASIC FINANCIAL STATEMENTS

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City of La Puente
Statement of Net Position
June 30, 2017

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
ASSETS			
Cash and Investments	\$ 11,409,318	\$ 4,525,561	\$ 15,934,879
Accounts Receivable	265,416	-	265,416
Interest Receivable	3,906,825	-	3,906,825
Loans Receivable	1,499,135	-	1,499,135
Due From Other Governments	719,361	19,790	739,151
Prepaid Items	636,195	-	636,195
Advance to Successor Agency, Net	11,624,012	-	11,624,012
Capital Assets, Not Depreciated	4,450,923	-	4,450,923
Capital Assets, Depreciated, Net	30,700,334	10,515,872	41,216,206
Total Assets	<u>65,211,519</u>	<u>15,061,223</u>	<u>80,272,742</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Refunding	-	615,091	615,091
Deferred Outflows Related to Pensions	1,501,265	-	1,501,265
Total Deferred Outflows of Resources	<u>1,501,265</u>	<u>615,091</u>	<u>2,116,356</u>
LIABILITIES			
Accounts Payable and Accrued Liabilities	2,029,471	22,980	2,052,451
Interest Payable	112,240	21,999	134,239
Due to Other Agencies	551,190	-	551,190
Long-Term Liabilities			
Due Within One Year	850,158	315,000	1,165,158
Due in More Than One Year	15,727,550	8,695,000	24,422,550
Total Liabilities	<u>19,270,609</u>	<u>9,054,979</u>	<u>28,325,588</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pensions	389,509	-	389,509
NET POSITION			
Net Investment in Capital Assets	26,447,434	1,505,872	27,953,306
Restricted for:			
Public Safety	19,638	-	19,638
Public Works	1,606,651	-	1,606,651
Community Development	2,061,170	-	2,061,170
Sewer Operations	-	5,115,463	5,115,463
Unrestricted	16,917,773	-	16,917,773
Total Net Position	<u>\$ 47,052,666</u>	<u>\$ 6,621,335</u>	<u>\$ 53,674,001</u>

The accompanying notes are an integral part of this statement.

City of La Puente
Statement of Activities
Year Ended June 30, 2017

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$ 3,344,530	\$ 284,416	\$ -	\$ -
Public Safety	6,110,053	496,926	140,007	-
Public Works	2,653,875	3,945	-	1,926,660
Recreation/Senior Services	2,085,167	188,577	33,188	-
Community Development	2,504,463	986,792	475,873	829,230
Interest Expense	336,720	-	-	-
Total Governmental Activities	17,034,808	1,960,656	649,068	2,755,890
Business-type Activities:				
Sewer Assessment	900,170	1,302,664	-	-
Total Business-type Activities	900,170	1,302,664	-	-
Total Primary Government	\$ 17,934,978	\$ 3,263,320	\$ 649,068	\$ 2,755,890

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

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>
\$ (3,060,114)	\$ -	\$ (3,060,114)
(5,473,120)	-	(5,473,120)
(723,270)	-	(723,270)
(1,863,402)	-	(1,863,402)
(212,568)	-	(212,568)
(336,720)	-	(336,720)
<u>(11,669,194)</u>	<u>-</u>	<u>(11,669,194)</u>
<u>-</u>	<u>402,494</u>	<u>402,494</u>
<u>-</u>	<u>402,494</u>	<u>402,494</u>
<u>(11,669,194)</u>	<u>402,494</u>	<u>(11,266,700)</u>
5,960,936	-	5,960,936
941,026	-	941,026
3,060,517	-	3,060,517
75,968	-	75,968
240,696	-	240,696
119,792	-	119,792
260,984	59,857	320,841
82,063	-	82,063
<u>10,741,982</u>	<u>59,857</u>	<u>10,801,839</u>
(927,212)	462,351	(464,861)
<u>47,979,878</u>	<u>6,158,984</u>	<u>54,138,862</u>
<u>\$ 47,052,666</u>	<u>\$ 6,621,335</u>	<u>\$ 53,674,001</u>

**City of La Puente
Balance Sheet
Governmental Funds
June 30, 2017**

	General Fund	CDBG Grant	Prop C	Other Governmental Funds	Total
ASSETS					
Cash and Investments	\$ 7,451,834	\$ -	\$ 1,120,252	\$ 2,502,124	\$ 11,074,210
Accounts Receivable	256,961	-	-	8,455	265,416
Interest Receivable	3,906,825	-	-	-	3,906,825
Loans Receivable	-	551,190	-	947,945	1,499,135
Due from Other Governments	587,654	73,266	-	58,441	719,361
Due from Other Funds	103,493	-	-	-	103,493
Prepaid Items	636,195	-	-	-	636,195
Advances to Successor Agency	11,624,012	-	-	-	11,624,012
Total Assets	<u>\$ 24,566,974</u>	<u>\$ 624,456</u>	<u>\$ 1,120,252</u>	<u>\$ 3,516,965</u>	<u>\$ 29,828,647</u>
LIABILITIES					
Accounts Payable and Accrued Liabilities	\$ 1,254,182	\$ 17,167	\$ 574,485	\$ 171,536	\$ 2,017,370
Due to Other Agencies	-	551,190	-	-	551,190
Due to Other Funds	-	58,206	-	45,287	103,493
Total Liabilities	<u>1,254,182</u>	<u>626,563</u>	<u>574,485</u>	<u>216,823</u>	<u>2,672,053</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenues - Interest	3,860,710	-	-	-	3,860,710
Total Deferred Inflows of Resources	<u>3,860,710</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,860,710</u>
FUND BALANCES					
Nonspendable	12,260,207	-	-	-	12,260,207
Restricted	-	-	545,767	3,300,142	3,845,909
Unassigned	7,191,875	(2,107)	-	-	7,189,768
Total Fund Balances	<u>19,452,082</u>	<u>(2,107)</u>	<u>545,767</u>	<u>3,300,142</u>	<u>23,295,884</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 24,566,974</u>	<u>\$ 624,456</u>	<u>\$ 1,120,252</u>	<u>\$ 3,516,965</u>	<u>\$ 29,828,647</u>

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, 2017

Fund Balances for Governmental Funds \$ 23,295,884

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	63,479,273
Accumulated Depreciation	(28,822,252)

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, 2017 are:

Lease Agreement	(7,015,000)
Loan Agreement	(1,688,823)
Compensated Absences	(230,305)
Net Pension Liability	(6,058,634)
Net OPEB Obligation	(1,584,946)

Long-term receivables that are not available for current use. Amounts are recorded as unavailable revenue under the modified accrual basis of accounting.	3,860,710
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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	1,501,265
Deferred Inflows Related to Pensions	(389,509)

Accrued interest on long-term debt is not due and payable in the current period and is not reported in the funds.	(112,240)
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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.

817,243

Net Position of Governmental Activities	<u>\$ 47,052,666</u>
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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, 2017

	General Fund	CDBG Grant	Prop C	Other Governmental Funds	Total
REVENUES					
Taxes	\$ 10,346,934	\$ -	\$ -	\$ -	\$ 10,346,934
Licenses and Permits	654,710	-	-	-	654,710
Intergovernmental	62,023	297,378	618,491	2,498,498	3,476,390
Charges for Services	765,988	-	-	172,307	938,295
Fines and Forfeitures	355,900	-	-	-	355,900
Investment Income	(87,752)	1,882	14,382	30,888	(40,600)
Other Revenue	71,899	-	-	-	71,899
Total Revenues	12,169,702	299,260	632,873	2,701,693	15,803,528
EXPENDITURES					
Current:					
General Government	2,136,841	-	-	12,882	2,149,723
Public Safety	5,968,153	-	-	141,900	6,110,053
Public Works	365,050	-	-	858,253	1,223,303
Recreation/Senior Services	1,278,994	-	-	-	1,278,994
Community Development	1,295,044	301,364	-	867,922	2,464,330
Capital Outlay	293,136	-	1,028,576	1,415,315	2,737,027
Debt Service:					
Interest and Fiscal Charges	346,640	-	-	-	346,640
Principal	620,000	-	-	-	620,000
Total Expenditures	12,303,858	301,364	1,028,576	3,296,272	16,930,070
Excess of Revenues Over (Under) Expenditures	(134,156)	(2,104)	(395,703)	(594,579)	(1,126,542)
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	96,424	37,303	133,727
Transfers Out	(133,727)	-	-	-	(133,727)
Loan Proceeds	-	-	-	1,267,249	1,267,249
Total Other Financing Sources (Uses)	(133,727)	-	96,424	1,304,552	1,267,249
Net Change in Fund Balances	(267,883)	(2,104)	(299,279)	709,973	140,707
Fund Balances, Beginning of Year	19,719,965	(3)	845,046	2,590,169	23,155,177
Fund Balances, End of Year	<u>\$ 19,452,082</u>	<u>\$ (2,107)</u>	<u>\$ 545,767</u>	<u>\$ 3,300,142</u>	<u>\$ 23,295,884</u>

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, 2017

Net Change in Fund Balances - Total Governmental Funds \$ 140,707

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 and also the net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations)

Capital Expenditures	1,800,432
Depreciation Expense	(1,445,862)
Loss on Disposal	(913,612)

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	620,000
Loan Proceeds	(1,267,249)

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	(35,253)
Net Pension Liability	(1,123,268)
Other Post-employment Benefits	(121,033)

Accrued interest for long-term debt. This is the net change in accrued interest for the current period. 9,920

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	910,952
Deferred Inflows Related to Pensions	24,790

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. 304,066

The change in net position of the internal service fund is reported with governmental activities 168,198

Change in Net Position of Governmental Activities \$ (927,212)

The accompanying notes are an integral part of this statement.

City of La Puente
Statement of Net Position
Proprietary Funds
June 30, 2017

	Business-type Activities- Enterprise Fund Sewer Assessment	Governmental Activities - Internal Service Fund
ASSETS		
Current Assets:		
Cash and Investments	\$ 4,525,561	\$ 335,108
Due from Other Governments	19,790	-
Total Current Assets	4,545,351	335,108
Noncurrent Assets:		
Capital Assets:		
Sewer Collection Systems	11,213,960	-
Vehicles	-	880,099
Furniture and Equipment	-	439,987
Less: Accumulated Depreciation	(698,088)	(825,850)
Total Noncurrent Assets	10,515,872	494,236
Total Assets	15,061,223	829,344
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Amounts on Refunding	615,091	-
LIABILITIES		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	22,980	12,101
Interest Payable	21,999	-
Bonds Payable - Current	315,000	-
Total Current Liabilities	359,979	12,101
Noncurrent Liabilities:		
Bonds Payable	8,695,000	-
Total Noncurrent Liabilities	8,695,000	-
Total Liabilities	9,054,979	12,101
NET POSITION		
Net Investment In Capital Assets	1,505,872	494,236
Unrestricted	5,115,463	323,007
Total Net Position	\$ 6,621,335	\$ 817,243

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, 2017

	<u>Business-type Activities- Enterprise Fund Sewer Assessment</u>	<u>Governmental Activities - Internal Service Fund</u>
OPERATING REVENUES		
Charges for Services	\$ 1,302,664	\$ 379,363
Total Operating Revenues	<u>1,302,664</u>	<u>379,363</u>
OPERATING EXPENSES		
Other General Expenses	523,583	194,712
Depreciation	<u>186,899</u>	<u>73,561</u>
Total Operating Expenses	<u>710,482</u>	<u>268,273</u>
Operating Income (Loss)	<u>592,182</u>	<u>111,090</u>
NONOPERATING REVENUES (EXPENSES)		
Interest Income	59,857	3,888
Interest Expense	<u>(189,688)</u>	<u>-</u>
Total Nonoperating Revenues (Expenses)	<u>(129,831)</u>	<u>3,888</u>
Capital Contributions	<u>-</u>	<u>53,220</u>
Change in Net Position	462,351	168,198
Total Net Position, Beginning of Year	<u>6,158,984</u>	<u>649,045</u>
Total Net Position, End of Year	<u><u>\$ 6,621,335</u></u>	<u><u>\$ 817,243</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, 2017

	Business-type Activities- Enterprise Fund Sewer Assessment	Governmental Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	\$ 1,304,045	\$ 379,363
Payments to Suppliers and Contractors	(525,610)	(228,180)
Net Cash Provided (Used) by Operating Activities	<u>778,435</u>	<u>151,183</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Payments for Purchase of Property and Equipment	-	(41,879)
Proceeds from Bonds	9,340,000	-
Principal Paid on Long-term Debt	(9,499,502)	-
Interest Paid	(201,172)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(360,674)</u>	<u>(41,879)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	59,857	3,888
Net Increase (Decrease) in Cash and Cash Equivalents	477,618	113,192
Cash and Cash Equivalents - Beginning of Year	4,047,943	221,916
Cash and Cash Equivalents - End of Year	<u>\$ 4,525,561</u>	<u>\$ 335,108</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities		
Operating Income (Loss)	\$ 592,182	\$ 111,090
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation	186,899	73,561
Changes in Assets and Liabilities:		
(Increase) Decrease in Due from Other Governments	1,381	-
Increase (Decrease) in Accounts Payable	(2,027)	(33,468)
TOTAL CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 778,435</u>	<u>\$ 151,183</u>
Schedule of Non-cash Capital and Related Financing Activities		
Amortization of Discount on Bonds	\$ 90,589	\$ -
Contributions of Capital Assets	-	53,220

The accompanying notes are an integral part of this statement.

City of La Puente
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2017

	Agency Funds	Successor Agency Private-Purpose Trust Fund
ASSETS		
Cash and Investments	\$ 115,278	\$ 593,694
Cash with Fiscal Agent	-	134,459
	-	134,459
Total Assets	\$ 115,278	728,153
LIABILITIES		
Accounts Payable	\$ 4,178	-
Deposits Payable	111,100	-
Interest Payable	-	64,344
Advances from the City	-	15,484,722
Bonds Payable	-	3,550,000
	-	3,550,000
Total Liabilities	\$ 115,278	19,099,066
NET POSITION		
Net Position Held in Trust for Successor Agency		\$ (18,370,913)

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, 2017

	<u>Successor Agency Private-Purpose Trust Fund</u>
ADDITIONS	
Taxes	<u>\$ 683,704</u>
Total Additions	<u>684,252</u>
DEDUCTIONS	
Administration and Pass-throughs	24,066
Interest on Advance from City	115,443
Interest on Bonds	<u>503,508</u>
Total Deductions	<u>643,017</u>
Change in Net Position	41,235
Net Position - Beginning of Year	<u>(18,412,148)</u>
Net Position - End of Year	<u><u>\$ (18,370,913)</u></u>

The accompanying notes are an integral part of this statement.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2017

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.

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.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2017

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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.

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.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2017

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

The Prop. C Transportation Fund is used 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.

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.

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.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2017

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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.

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.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2017

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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.

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.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2017

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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 reports deferred outflows related to the pension contributions in accordance with GASB Statement No. 68. In addition, the City reports deferred outflows relating to the 2016 Revenue Refunding Bonds.

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.

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.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2017

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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.

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.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2017

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

GASB has issued the following Statements, which may impact the City's financial reporting requirements in the future:

GASB 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.

GASB 83 - Certain Asset Retirement Obligations: This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018.

GASB 84 - Fiduciary Activities: This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

GASB 85 – Omnibus: This Statement was issued to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits). The requirements of this Statement are effective for reporting periods beginning after June 15, 2017

GASB 86 – Certain Debt Extinguishment Issues: This Statement establishes reporting requirements for when a government places cash and other monetary assets acquired with only existing resources in an irrevocable trust to extinguish debt. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017.

GASB 87 – Leases: This Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

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

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2017

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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) CASH AND INVESTMENTS

The following is a summary of cash and investments at June 30, 2017:

Statement of Net Position:	
Cash and Investments	\$ 15,934,879
Statement of Fiduciary Net Position:	
Cash and Investments	708,972
Cash and Investments with Fiscal Agent	134,459
Total Cash and Investments	\$ 16,778,310

Cash and investments as of June 30, 2017 consist of the following:

Petty Cash	\$ 2,200
Deposits with Financial Institutions	584,874
Investments	16,191,236
Total Cash and Investments	\$ 16,778,310

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

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2017

2) CASH AND INVESTMENTS - Continued

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	25-60 Months	
U.S. Treasury Securities	\$ -	\$ -	\$ 3,962,345	\$ 3,962,345
Negotiable Certificates of Deposit	-	-	4,457,903	4,457,903
LAIF	7,391,922	-	-	7,391,922
Corporate Bonds	-	-	244,607	244,607
Held by Fiscal Agent:				
Money Market Mutual Funds	134,459	-	-	134,459
Total	\$ 7,526,381	\$ -	\$ 8,664,855	\$ 16,191,236

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	A and A-1	Unrated
U.S. Treasury Securities	\$ 3,962,345	N/A	\$ 3,962,345	\$ -	\$ -
Negotiable Certificates of Deposit	4,457,903	N/A	-	-	4,457,903
LAIF	7,391,922	N/A	-	-	7,391,922
Corporate Bonds	244,607	A	244,607	-	-
Held by Bond Trustee:	-				
Mutual Fund	134,459	N/A	134,459	-	-
Total	\$ 16,191,236		\$ 4,341,411	\$ -	\$ 11,849,825

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2017

2) CASH AND INVESTMENTS - Continued

Concentration of Credit Risk

At June 30, 2017, 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, 2017, 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.

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, 2017, 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, 2017:

- Federal Agency securities of \$3,962,345 are valued using a matrix pricing model (Level 2 inputs).
- Negotiable Certificates of Deposit of \$4,457,903 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

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2017

2) CASH AND INVESTMENTS - Continued

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.

3) INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Due To and Due From Other Funds

Amounts due to/due from other funds at June 30, 2017 are as follows:

Receivable	Payable	Amount
General Fund	CDBG Grant Fund	\$ 58,206
General Fund	Other Governmental Funds	<u>45,287</u>
		<u><u>\$ 103,493</u></u>

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

Long-term Advances

At June 30, 2017, the City had the following interfund long-term advances:

ADVANCES FROM	ADVANCES TO Successor Agency Private-purpose Trust Fund
General Fund	<u>\$ 15,484,722</u>
Total	<u><u>\$ 15,484,722</u></u>

As of June 30, 2017, the City has advanced to the former Community Development Commission (CDC) \$15,484,722 (net of repayments), including interest receivable of \$3,860,710, 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 \$11,624,012 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.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2017

3) INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS - Continued

Transfers In and Transfers Out

Transfers in and out for the year ended June 30, 2017 are as follows:

Transfers Out	Transfers In	Amount
General Fund	Prop C Special Revenue Fund	\$ 96,424
	Other Governmental Funds	37,303
		<u>\$ 133,727</u>

The above transfers from the General Fund to the Prop C Special Revenue Fund and Other Governmental Funds were to fund projects.

4) 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 \$1,499,135 at June 30, 2017 have been reflected in the accompanying financial statements as loans receivable.

5) CAPITAL ASSETS

A summary of changes in the Governmental Activities capital assets at June 30, 2017 is as follows:

Governmental Activities:	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets, Not Depreciated:				
Land	\$ 3,621,179	\$ -	\$ -	\$ 3,621,179
Construction in Progress	2,270,412	1,800,432	3,241,100	829,744
Total Capital Assets, Not Depreciated	<u>5,891,591</u>	<u>1,800,432</u>	<u>3,241,100</u>	<u>4,450,923</u>
Capital Assets Being Depreciated:				
Buildings and Improvements	21,625,871	200,211	-	21,826,082
Equipment and Furniture	1,944,956	366,549	216,194	2,095,311
Infrastructure	34,571,217	1,855,827	-	36,427,044
Total Capital Assets, Depreciated	<u>58,142,044</u>	<u>2,422,587</u>	<u>216,194</u>	<u>60,348,437</u>
Less Accumulated Depreciation:				
Buildings and Improvements	(8,839,049)	(897,662)	-	(9,736,711)
Equipment and Furniture	(1,396,009)	(117,222)	(216,194)	(1,297,036)
Infrastructure	(18,109,816)	(504,539)	-	(18,614,355)
Total Accumulated Depreciation	<u>(28,344,874)</u>	<u>(1,519,423)</u>	<u>(216,194)</u>	<u>(29,648,102)</u>
Net Capital Assets, Depreciated	<u>29,797,170</u>	<u>903,164</u>	<u>-</u>	<u>30,700,334</u>
Governmental Activities Capital Assets	<u>\$ 35,688,761</u>	<u>\$ 2,703,596</u>	<u>\$ 3,241,100</u>	<u>\$ 35,151,257</u>

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2017

5) CAPITAL ASSETS - Continued

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

General Government	\$ 35,601
Public Works	563,955
Recreation/Senior Services	806,173
Community Development	40,133
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets.	<u>73,561</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 1,519,423</u>

A summary of changes in the Business-type Activities capital assets at June 30, 2017 is as follows:

Business-type Activities:	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets, Not Depreciated				
Construction in Progress	\$ -	\$ -	\$ -	\$ -
Total Capital Assets, Not Depreciated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital Assets Being Depreciated:				
Sewer Collection System	11,213,960	-	-	11,213,960
Total Capital Assets, Depreciated	<u>11,213,960</u>	<u>-</u>	<u>-</u>	<u>11,213,960</u>
Less Accumulated Depreciation:				
Sewer Collection System	(511,189)	(186,899)	-	(698,088)
Net Capital Assets, Depreciated	<u>10,702,771</u>	<u>(186,899)</u>	<u>-</u>	<u>10,515,872</u>
Business-type Activities Capital Assets	<u>\$ 10,702,771</u>	<u>\$ (186,899)</u>	<u>\$ -</u>	<u>\$ 10,515,872</u>

6) LONG-TERM LIABILITIES

The following is a summary of long-term liability transactions for the year ended June 30, 2017:

Governmental Activities:	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Capital One Bank Loan	\$ 7,635,000	\$ -	\$ 620,000	\$ 7,015,000	\$ 615,000
City of Industry Loan Agreement	421,574	1,267,249	-	1,688,823	189,097
Compensated Absences	195,052	136,184	100,931	230,305	46,061
Net OPEB Obligation	1,463,913	377,485	256,452	1,584,946	-
Net Pension Liability	4,935,366	1,123,268	-	6,058,634	-
Total	<u>\$ 14,650,905</u>	<u>\$ 2,904,186</u>	<u>\$ 977,383</u>	<u>\$ 16,577,708</u>	<u>\$ 850,158</u>
Business-type Activities:					
Sewer Revenue Bonds	\$ 8,645,000	-	\$ 8,645,000	\$ -	\$ -
Unamortized Discount	(90,589)	-	(90,589)	-	-
2016 Sewer Refunding Bonds	-	9,340,000	330,000	9,010,000	315,000
Total	<u>\$ 8,554,411</u>	<u>\$ 9,340,000</u>	<u>\$ 8,884,411</u>	<u>\$ 9,010,000</u>	<u>\$ 315,000</u>

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2017

6) 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, 2017, the future lease payments are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
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	<u>\$ 7,015,000</u>	<u>\$ 1,319,600</u>	<u>\$ 8,334,600</u>

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2017

6) 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 and other improvements 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, 2017, the City had drawn down \$1,688,823 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 future debt service requirements:

Fiscal Year Ending	Principal	Interest	Total
June 30,			
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	191,605	17,136	208,741
2023-2027	967,554	76,154	1,043,708
2028-2032	983,624	60,084	1,043,708
2033-2037	999,961	43,747	1,043,708
2038-2042	1,016,570	27,138	1,043,708
2043-2047	1,033,454	10,254	1,043,708
Totals	<u>\$ 5,952,908</u>	<u>\$ 309,339</u>	<u>\$ 6,262,247</u>

2016 Sewer Revenue Refunding Bonds

In August of 2016, the La Puente Financing Authority (a component unit of the City of La Puente) issued \$9,340,000 in Sewer Revenue Refunding Bonds to refund the 2007 Sewer Revenue Bonds. Proceeds from the 2016 bonds were placed in escrow to refund in full the 2007 bonds, and to pay costs of issuance. As a result, the 2007 bonds are considered defeased and the liability has been removed from these financial statements. The 2016 bonds mature in amounts from \$315,000 to \$565,000 annually from 2017 to 2038, with interest payments of 2.93% 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.

The City advance refunded the 2007 Sewer Revenue Bonds to reduce its total debt service payments for the next 20 years by \$1,365,860 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$1,021,666.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2017

6) LONG-TERM LIABILITIES – Continued

Future debt service requirements on the 2016 Sewer Revenue Refunding Bonds are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2018	\$ 315,000	\$ 259,378	\$ 574,378
2019	325,000	250,002	575,002
2020	335,000	240,333	575,333
2021	345,000	230,371	575,371
2022	355,000	220,116	575,116
2023	365,000	209,568	574,568
2024	375,000	198,727	573,727
2025	390,000	187,520	577,520
2026	400,000	175,947	575,947
2027	410,000	164,080	574,080
2028	420,000	151,921	571,921
2029	435,000	139,395	574,395
2030	450,000	126,430	576,430
2031	460,000	113,098	573,098
2032	475,000	99,400	574,400
2033	485,000	85,336	570,336
2034	505,000	70,833	575,833
2035	520,000	55,817	575,817
2036	530,000	40,434	570,434
2037	550,000	24,612	574,612
2038	565,000	8,277	573,277
Totals	\$ 9,010,000	\$ 3,051,595	\$ 12,061,595

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, 2017:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Tax Allocation Refunding Bonds:					
Series 2014A	\$ 3,650,000	\$ -	\$ 100,000	\$ 3,550,000	\$ 105,000
Total	<u>\$ 3,650,000</u>	<u>\$ -</u>	<u>\$ 100,000</u>	<u>\$ 3,550,000</u>	<u>\$ 105,000</u>

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2017

6) 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	Principal	Interest	Total
June 30,			
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>\$ 3,550,000</u>	<u>\$ 1,870,935</u>	<u>\$ 5,420,935</u>

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2017

7) 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.

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

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2017

7) RISK MANAGEMENT - Continued

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.

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.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2017

7) RISK MANAGEMENT - Continued

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 2016-17.

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.

8) 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.

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, 2015 Annual Actuarial Valuation Report. Details of the benefits provided can be obtained in Appendix B of the June 30, 2015 actuarial valuation report. This report is a publicly available valuation report that can be obtained at CalPERS' website under Forms and Publications.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2017

8) PENSION PLAN - Continued

The rate plan provisions and benefits in effect at June 30, 2017, are summarized as follows:

	Miscellaneous Prior to January 1, 2013	Miscellaneous PEPRA On or after January 1, 2013
Hire date		
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 compensat	Last 12 Mos. of Service	Last 36 Mos. of Service
Required employee contribution rates	8%	7%
Required employer contribution rates	11.934% + \$268,486	7.191%

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 \$268,486 in fiscal year 2017. The City’s contributions to the Plan for the year ended June 30, 2017 were \$454,011.

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

As of June 30, 2017, the City reported a liability of \$6,058,634 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, 2016, 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, 2015 rolled forward to June 30, 2016 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, 2015 and 2016 was as follows:

Proportion - June 30, 2015	0.17990%
Proportion - June 30, 2016	0.17441%
Change - Increase (Decrease)	-0.00549%

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2017

8) PENSION PLAN - Continued

For the year ended June 30, 2017, the City recognized pension expense of \$641,536. At June 30, 2017, 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	\$ 454,011	\$ -
Differences between actual and expected experience	11,372	-
Changes in assumptions	-	139,568
Differences between employer's contributions and proportionate share of contributions	-	249,940
Change in employer's proportions	309,479	-
Net differences between projected and actual earnings on plan investments	726,403	-
Total	\$ 1,501,265	\$ 389,508

Items reported in the amount of \$454,011 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, 2018. 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,	
2018	\$ 40,689
2019	81,354
2020	347,556
2021	188,146
2022	-
Thereafter	-

Actuarial Assumptions – The total pension liabilities in the June 30, 2015 actuarial valuations were determined using the following actuarial assumptions:

Valuation date	June 30, 2015
Measurement date	June 30, 2016
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.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2017

8) PENSION PLAN - Continued

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2015 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.

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, 2015.

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	20%	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	1%	-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, 2017

8) 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	\$		8,740,705
Current Discount Rate			7.65%
Net Pension Liability	\$		6,058,634
1% Increase			8.65%
Net Pension Liability	\$		3,842,036

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, 2017, the City reported no payables due to the pension plan, for outstanding contributions required for the year ended June 30, 2017.

9) 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.

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.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2017

9) OTHER POSTEMPLOYMENT BENEFITS - Continued

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 2016-17 were as follows:

Annual Required Contribution (ARC)	\$	387,204
Interest on Net OPEB Obligation		70,268
Adjustment to ARC		<u>(79,987)</u>
Annual OPEB Cost		377,485
Contribution Made		<u>(256,452)</u>
Increase in Net OPEB Obligation		121,033
Net OPEB Obligation at June 30, 2016		<u>1,463,913</u>
 Net OPEB Obligation at June 30, 2017	 \$	 <u><u>1,584,946</u></u>

For 2016-17, the City's annual OPEB cost (expense) of \$377,485 for LPRHP was \$9,719 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 2016-17 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)
6/30/15	\$ 481,059	55%	\$ 1,352,979
6/30/16	\$ 367,911	70%	\$ 1,463,913
6/30/17	\$ 377,485	68%	\$ 1,584,946

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, 2017

9) 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%

A closed 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, 2017

10) FUND BALANCES

Details of the City's governmental fund balances at June 30, 2017, are presented below:

	General Fund	CDBG Grant Fund	Prop C Fund	Other Governmental Funds	Total
Nonspendable:					
Prepaid Costs	\$ 636,195	\$	\$	\$	\$ 636,195
Long-term Advances	11,624,012				11,624,012
Restricted for:					
Low Income Housing				1,368,568	1,368,568
Traffic Safety				18,983	18,983
Police				655	655
PEG Access				145,423	145,423
Street Projects			545,767	1,060,874	1,606,641
Air Pollution Reduction Measures				156,343	156,343
Transportation				549,296	549,296
Unassigned	7,191,875	(2,107)			7,189,768
 Total Fund Balance	 <u>\$ 19,452,082</u>	 <u>\$ (2,107)</u>	 <u>\$ 545,767</u>	 <u>\$ 3,300,142</u>	 <u>\$ 23,295,884</u>

11) 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 \$1,007,205.

12) SUBSEQUENT EVENTS

Management of the City has evaluated subsequent events through November 28, 2017, the date these financial statements were available to be issued, and has determined the following subsequent events:

Effective July 1, 2017, the City assumed control of the former Los Angeles County Lighting Maintenance District 1744. As a result, the City has established a lighting district fund. In addition, as part of the transfer from the County to the City, the City received \$9.3 million from the County of Los Angeles. These funds represent amounts accumulated by the County for the district. In addition, in July 2017, subsequent to receipt of these funds, the City paid the remaining outstanding loan balance of the Capital One Bank Loan.

REQUIRED SUPPLEMENTARY INFORMATION

City of La Puente
Required Supplementary Information
For the Year Ended June 30, 2017

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, 2017

**Schedule of the City's Proportionate Share of the Net Pension Liability
Last 10 Years***

<u>Measurement Date</u>	<u>Proportion of the Net Pension Liability</u>	<u>Proportionate Share of Net Pension Liability</u>	<u>Covered Employee Payroll</u>	<u>Proportionate Share of the Net Pension Liability as a % of Payroll</u>	<u>Plan Fiduciary Net Position as a % of the Total Pension Liability</u>
2016	0.17441%	\$ 6,058,634	\$ 1,708,926	354.53%	69.59%
2015	0.17990%	4,935,366	1,469,397	335.88%	76.07%
2014	0.14530%	3,590,581	1,469,397	335.88%	76.07%

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, 2015 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: None

*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, 2017

Schedule of Plan Contributions
Last 10 Years*

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency/ (Excess)	Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2017	\$ 454,011	\$ (454,011)	\$ -	\$ 1,732,444	26.20%
2016	412,824	(412,824)	-	1,708,926	24.16%
2015	268,333	(268,333)	-	1,469,397	18.26%

Notes to the Schedule of Plan Contributions

Valuation Date: 6/30/2015

Changes in Assumptions: None.

*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, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 9,631,200	\$ 9,631,200	\$ 10,346,934	\$ 715,734
Licenses and Permits	497,800	497,800	654,710	156,910
Intergovernmental	94,500	94,500	62,023	(32,477)
Charges for Services	711,800	711,800	765,988	54,188
Fines and Forfeitures	354,000	354,000	355,900	1,900
Investment Income	60,000	60,000	(87,752)	(147,752)
Other Revenue	75,000	75,000	71,899	(3,101)
Total Revenues	11,424,300	11,424,300	12,169,702	745,402
EXPENDITURES				
Current:				
General Government	2,507,400	2,507,400	2,136,841	370,559
Public Safety	6,216,200	6,228,200	5,968,153	260,047
Public Works	354,300	781,583	365,050	416,533
Recreation/Senior Services	1,214,700	1,228,700	1,278,994	(50,294)
Community Development	1,024,100	1,044,100	1,295,044	(250,944)
Debt Service	854,400	854,400	966,640	(112,240)
Capital Outlay	-	1,026,717	293,136	733,581
Total Expenditures	12,171,100	13,671,100	12,303,858	1,367,242
Excess (Deficiency) of Revenues over Expenditures	(746,800)	(2,246,800)	(134,156)	2,112,644
OTHER FINANCING SOURCES (USES)				
Transfers In	746,800	746,800	-	(746,800)
Transfers Out	-	-	(133,727)	(133,727)
Total Other Financing Sources (Uses)	746,800	746,800	(133,727)	(880,527)
Net Change in Fund Balances	-	(1,500,000)	(267,883)	1,232,117
Fund Balance, Beginning of Year	19,719,965	19,719,965	19,719,965	-
Fund Balance, End of Year	<u>\$ 19,719,965</u>	<u>\$ 18,219,965</u>	<u>\$ 19,452,082</u>	<u>\$ 1,232,117</u>

City of La Puente
Budgetary Comparison Schedule
Budget and Actual - CDBG Grant Fund
Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Orinal	Final		
REVENUES				
Intergovernmental	\$ 612,600	\$ 612,600	\$ 297,378	\$ (315,222)
Investment Income	-	-	1,882	1,882
	<u>612,600</u>	<u>612,600</u>	<u>299,260</u>	<u>(313,340)</u>
EXPENDITURES				
Current:				
Community Development	334,600	334,600	301,364	33,236
Capital Outlay	278,000	278,000	-	278,000
	<u>612,600</u>	<u>612,600</u>	<u>301,364</u>	<u>311,236</u>
Excess (Deficiency) of Revenues Over (under) Expenditures	<u>-</u>	<u>-</u>	<u>(2,104)</u>	<u>(2,104)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	-	-	(2,104)	(2,104)
Fund Balance, Beginning of Year	<u>(3)</u>	<u>(3)</u>	<u>(3)</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ (3)</u>	<u>\$ (3)</u>	<u>\$ (2,107)</u>	<u>\$ (2,104)</u>

City of La Puente
Budgetary Comparison Schedule
Budget and Actual - Prop C Fund
Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 600,000	\$ 600,000	\$ 618,491	\$ 18,491
Investment Income	6,000	6,000	14,382	8,382
Total Revenues	<u>606,000</u>	<u>606,000</u>	<u>632,873</u>	<u>26,873</u>
EXPENDITURES				
Capital Outlay	<u>1,185,000</u>	<u>1,185,000</u>	<u>1,028,576</u>	<u>156,424</u>
Total Expenditures	<u>1,185,000</u>	<u>1,185,000</u>	<u>1,028,576</u>	<u>156,424</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(579,000)</u>	<u>(579,000)</u>	<u>(395,703)</u>	<u>183,297</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	96,424	96,424
Transfers Out	<u>(237,000)</u>	<u>(237,000)</u>	<u>-</u>	<u>237,000</u>
Total Other Financing Sources (Uses)	<u>(237,000)</u>	<u>(237,000)</u>	<u>96,424</u>	<u>333,424</u>
Net Change in Fund Balances	(816,000)	(816,000)	(299,279)	516,721
Fund Balance, Beginning of Year	<u>845,046</u>	<u>845,046</u>	<u>845,046</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 29,046</u>	<u>\$ 29,046</u>	<u>\$ 545,767</u>	<u>\$ 516,721</u>

City of La Puente
Notes to Required Supplementary Information
Year Ended June 30, 2017

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 2016-2017, 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, 2017, 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.



SUPPLEMENTARY INFORMATION

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City of La Puente
Other Governmental Funds
June 30, 2017

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:

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

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.

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.

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
Other Governmental Funds – Continued
June 30, 2017

SPECIAL REVENUE FUNDS - Continued

Miscellaneous Grants Fund - To account for the various grants restricted for specific purposes.

CAPITAL PROJECTS FUND

Capital Projects Fund – To account for loan proceeds restricted for certain capital projects, and other related expenditures.

City of La Puente
Combining Balance Sheet
Other Governmental Funds
June 30, 2017

	<u>Gas Tax</u>	<u>Asset Seizure</u>	<u>PEG Access</u>	<u>State COPS</u>
ASSETS				
Cash and Investments	\$ 208,792	\$ 652	\$ 137,047	\$ -
Accounts Receivable	-	-	8,455	-
Loans Receivable	-	-	-	-
Due From Other Governments	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 208,792</u>	<u>\$ 652</u>	<u>\$ 145,502</u>	<u>\$ -</u>
LIABILITIES				
Accounts Payable and Accrued Liabilities	\$ 42,434	\$ -	\$ 79	\$ -
Due to Other Funds	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>42,434</u>	<u>-</u>	<u>79</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	166,358	652	145,423	-
Unassigned	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>166,358</u>	<u>652</u>	<u>145,423</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 208,792</u>	<u>\$ 652</u>	<u>\$ 145,502</u>	<u>\$ -</u>

<u>Office of Traffic Safety</u>	<u>JAG Grant</u>	<u>Cal-HOME Grant</u>	<u>STPL Grant</u>	<u>Air Quality Improvement</u>	<u>Measure R</u>	<u>Prop. A Transportation</u>
\$ 18,983	\$ 3	\$ 420,623	\$ -	\$ 143,189	\$ 919,833	\$ 652,992
-	-	-	-	-	-	-
-	-	947,945	-	-	-	-
-	-	-	-	13,154	-	-
<u>\$ 18,983</u>	<u>\$ 3</u>	<u>\$ 1,368,568</u>	<u>\$ -</u>	<u>\$ 156,343</u>	<u>\$ 919,833</u>	<u>\$ 652,992</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,317	\$ 103,706
-	-	-	-	-	-	-
-	-	-	-	-	25,317	103,706
-	-	-	-	-	-	-
-	-	-	-	-	-	-
18,983	3	1,368,568	-	156,343	894,516	549,286
-	-	-	-	-	-	-
<u>18,983</u>	<u>3</u>	<u>1,368,568</u>	<u>-</u>	<u>156,343</u>	<u>894,516</u>	<u>549,286</u>
<u>\$ 18,983</u>	<u>\$ 3</u>	<u>\$ 1,368,568</u>	<u>\$ -</u>	<u>\$ 156,343</u>	<u>\$ 919,833</u>	<u>\$ 652,992</u>

Continued

City of La Puente
Combining Balance Sheet
Other Governmental Funds - Continued
June 30, 2017

	Local Transportation	HSIP Grant	Safe Routes to School	Miscellaneous Grants
ASSETS				
Cash and Investments	\$ -	\$ -	\$ -	\$ -
Accounts Receivable	-	-	-	-
Loans Receivable	-	-	-	-
Due From Other Governments	1,566	8,721	-	35,000
Total Assets	\$ 1,566	\$ 8,721	\$ -	\$ 35,000
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	1,566	8,721	-	35,000
Total Liabilities	1,566	8,721	-	35,000
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues - Grants	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
FUND BALANCES				
Restricted	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	-	-	-	-
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 1,566	\$ 8,721	\$ -	\$ 35,000

<u>Capital Projects</u>	<u>Total</u>
\$ 10	\$ 2,502,124
-	8,455
-	947,945
-	58,441
<u>\$ 10</u>	<u>\$ 3,516,965</u>
\$ -	\$ 171,536
-	45,287
-	216,823
<u>-</u>	<u>-</u>
-	-
10	3,300,142
-	-
<u>10</u>	<u>3,300,142</u>
<u>\$ 10</u>	<u>\$ 3,516,965</u>

City of La Puente
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Other Governmental Funds - Continued
Year Ended June 30, 2017

	Gas Tax	Asset Seizure	PEG Access	State COPS
REVENUES				
Intergovernmental	\$ 768,094	\$ -	\$ -	\$ 129,324
Charges for Services	1,276	-	32,210	-
Investment Income	2,668	27	1,475	-
Total Revenues	<u>772,038</u>	<u>27</u>	<u>33,685</u>	<u>129,324</u>
EXPENDITURES				
Current:				
General Government	-	-	12,882	-
Public Safety	-	3,618	-	129,324
Public Works	858,253	-	-	-
Community Development	-	-	-	-
Capital Outlay	-	-	-	-
Total Expenditures	<u>858,253</u>	<u>3,618</u>	<u>12,882</u>	<u>129,324</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(86,215)</u>	<u>(3,591)</u>	<u>20,803</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(86,215)	(3,591)	20,803	-
Fund Balances, Beginning of Year	<u>252,573</u>	<u>4,243</u>	<u>124,620</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 166,358</u>	<u>\$ 652</u>	<u>\$ 145,423</u>	<u>\$ -</u>

<u>Office of Traffic Safety</u>	<u>JAG Grant</u>	<u>Cal-HOME Grant</u>	<u>STPL Grant</u>	<u>Air Quality Improvement</u>	<u>Measure R</u>	<u>Prop. A Transportation</u>
\$ -	\$ 8,626	\$ 178,495	\$ 63,993	\$ 51,745	\$ 462,015	\$ 742,485
-	-	-	-	-	-	138,821
206	2	4,265	-	1,938	10,322	9,972
206	8,628	182,760	63,993	53,683	472,337	891,278
-	-	-	-	-	-	-
-	8,958	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	867,922
-	-	-	28,059	53,221	115,812	221,067
-	8,958	-	28,059	53,221	115,812	1,088,989
206	(330)	182,760	35,934	462	356,525	(197,711)
-	-	-	-	-	-	-
-	-	-	-	-	30,950	6,353
-	-	-	-	-	-	-
-	-	-	-	-	30,950	6,353
206	(330)	182,760	35,934	462	387,475	(191,358)
18,777	333	1,185,808	(35,934)	155,881	507,041	740,644
\$ 18,983	\$ 3	\$ 1,368,568	\$ -	\$ 156,343	\$ 894,516	\$ 549,286

Continued

City of La Puente
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Other Governmental Funds - Continued
Year Ended June 30, 2017

	<u>Local Transportation</u>	<u>HSIP Grant</u>	<u>Safe Routes to School</u>	<u>Miscellaneous Grants</u>
REVENUES				
Intergovernmental	\$ 50,000	\$ 8,721	\$ -	\$ 35,000
Charges for Services	-	-	-	-
Investment Income	-	-	-	-
	<u>50,000</u>	<u>8,721</u>	<u>-</u>	<u>35,000</u>
Total Revenues				
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Community Development	-	-	-	-
Capital Outlay	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>35,000</u>
	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>35,000</u>
Total Expenditures				
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>8,721</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Loan Proceeds	-	-	-	-
Transfers In	-	-	-	-
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)				
Net Change in Fund Balances	-	8,721	-	-
Fund Balances, Beginning of Year	<u>-</u>	<u>(8,721)</u>	<u>-</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>Capital Projects</u>	<u>Total</u>
\$ -	\$ 2,498,498
-	172,307
13	30,888
13	2,701,693
-	12,882
-	141,900
-	858,253
-	867,922
912,156	1,415,315
912,156	3,296,272
(912,143)	(594,579)
1,267,249	1,267,249
-	37,303
-	-
1,267,249	1,304,552
355,106	709,973
(355,096)	2,590,169
\$ 10	\$ 3,300,142

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Gas Tax Fund
Year Ended June 30, 2017

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 837,800	\$ 768,094	\$ (69,706)
Charges for Services	-	1,276	1,276
Investment Income	4,000	2,668	(1,332)
	<u>841,800</u>	<u>772,038</u>	<u>(69,762)</u>
EXPENDITURES			
Current:			
Public Works	915,300	858,253	57,047
	<u>915,300</u>	<u>858,253</u>	<u>57,047</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(73,500)</u>	<u>(86,215)</u>	<u>(12,715)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(73,500)	(86,215)	(12,715)
Fund Balance, Beginning of Year	<u>252,573</u>	<u>252,573</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 179,073</u>	<u>\$ 166,358</u>	<u>\$ (12,715)</u>

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Asset Seizure Fund
Year Ended June 30, 2017

	<u>Budgeted Amounts Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Investment Income	\$ 100	\$ 27	\$ (73)
Total Revenues	<u>100</u>	<u>27</u>	<u>(73)</u>
EXPENDITURES			
Current:			
Public Safety	<u>5,000</u>	<u>3,618</u>	<u>1,382</u>
Total Expenditures	<u>5,000</u>	<u>3,618</u>	<u>1,382</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,900)</u>	<u>(3,591)</u>	<u>1,309</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	(4,900)	(3,591)	1,309
Fund Balance, Beginning of Year	<u>4,243</u>	<u>4,243</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ (657)</u>	<u>\$ 652</u>	<u>\$ 1,309</u>

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - PEG Access Fund
Year Ended June 30, 2017

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Charges for Services	\$ 40,000	\$ 32,210	\$ (7,790)
Investment Income	800	1,475	675
	<u>40,800</u>	<u>33,685</u>	<u>(7,115)</u>
EXPENDITURES			
Current:			
General Government	43,700	12,882	30,818
Capital Outlay	-	-	-
	<u>43,700</u>	<u>12,882</u>	<u>30,818</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,900)</u>	<u>20,803</u>	<u>23,703</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(2,900)	20,803	23,703
Fund Balance, Beginning of Year	<u>124,620</u>	<u>124,620</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 121,720</u></u>	<u><u>\$ 145,423</u></u>	<u><u>\$ 23,703</u></u>

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - State COPS Fund
Year Ended June 30, 2017

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget Positive (Negative) <u></u>
REVENUES			
Intergovernmental	\$ 100,000	\$ 129,324	\$ 29,324
Investment Income	-	-	-
	<u>100,000</u>	<u>129,324</u>	<u>29,324</u>
Total Revenues			
EXPENDITURES			
Current:			
Public Safety	100,000	129,324	(29,324)
	<u>100,000</u>	<u>129,324</u>	<u>(29,324)</u>
Total Expenditures			
Excess (Deficiency) of Revenues Over (under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)			
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>

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Office of Traffic Safety Fund
Year Ended June 30, 2017

	Budgeted Amounts	Actual Amounts	Variance with Final Budget Positive (Negative)
	Final		
REVENUES			
Intergovernmental	\$ -	\$ -	\$ -
Investment Income	100	206	106
	100	206	106
Total Revenues	100	206	106
EXPENDITURES			
Current:			
Public Safety	-	-	-
	-	-	-
Total Expenditures	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	100	206	106
Fund Balance, Beginning of Year	18,777	18,777	-
Fund Balance, End of Year	\$ 18,877	\$ 18,983	\$ 106

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - JAG Grant Fund
Year Ended June 30, 2017

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget Positive (Negative) <u></u>
REVENUES			
Intergovernmental	\$ 10,400	\$ 8,626	\$ (1,774)
Investment Income	<u>-</u>	<u>2</u>	<u>2</u>
Total Revenues	<u>10,400</u>	<u>8,628</u>	<u>(1,772)</u>
EXPENDITURES			
Current:			
Public Safety	<u>10,400</u>	<u>8,958</u>	<u>1,442</u>
Total Expenditures	<u>10,400</u>	<u>8,958</u>	<u>1,442</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>(330)</u>	<u>(330)</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	-	(330)	(330)
Fund Balance, Beginning of Year	<u>333</u>	<u>333</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 333</u></u>	<u><u>\$ 3</u></u>	<u><u>\$ (330)</u></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, 2017

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget Positive (Negative) <u></u>
REVENUES			
Intergovernmental	\$ 240,000	\$ 178,495	\$ (61,505)
Investment Income	200	4,265	4,065
	<u>240,200</u>	<u>182,760</u>	<u>(57,440)</u>
EXPENDITURES			
Current:			
Community Development	<u>232,000</u>	<u>-</u>	<u>232,000</u>
	<u>232,000</u>	<u>-</u>	<u>232,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>8,200</u>	<u>182,760</u>	<u>174,560</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	8,200	182,760	174,560
Fund Balance, Beginning of Year	<u>1,185,808</u>	<u>1,185,808</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 1,194,008</u></u>	<u><u>\$ 1,368,568</u></u>	<u><u>\$ 174,560</u></u>

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - STPL Grant Fund
Year Ended June 30, 2017

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ -	\$ 63,993	\$ 63,993
Investment Income	-	-	-
Total Revenues	<u>-</u>	<u>63,993</u>	<u>63,993</u>
EXPENDITURES			
Capital Outlay	-	28,059	(28,059)
Total Expenditures	<u>-</u>	<u>28,059</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	<u>(35,934)</u>	<u>(35,934)</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ (35,934)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 35,934</u></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, 2017

	<u>Budgeted Amounts Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ 58,000	\$ 51,745	\$ (6,255)
Investment Income	1,000	1,938	938
	<u>59,000</u>	<u>53,683</u>	<u>(5,317)</u>
EXPENDITURES			
Current:			
Public Works	-	-	-
Capital Outlay	55,000	53,221	1,779
	<u>55,000</u>	<u>53,221</u>	<u>1,779</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>4,000</u>	<u>462</u>	<u>(3,538)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	4,000	462	(3,538)
Fund Balance, Beginning of Year	<u>155,881</u>	<u>155,881</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 159,881</u></u>	<u><u>\$ 156,343</u></u>	<u><u>\$ (3,538)</u></u>

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Measure R Fund
Year Ended June 30, 2017

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget Positive (Negative) <u></u>
REVENUES			
Intergovernmental	\$ 450,000	\$ 462,015	\$ 12,015
Investment Income	3,000	10,322	7,322
	<u>453,000</u>	<u>472,337</u>	<u>19,337</u>
EXPENDITURES			
Current:			
Public Works	-	-	-
Capital Outlay	734,000	115,812	618,188
	<u>734,000</u>	<u>115,812</u>	<u>618,188</u>
Total Expenditures			
	<u>734,000</u>	<u>115,812</u>	<u>618,188</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(281,000)</u>	<u>356,525</u>	<u>637,525</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	30,950	30,950
Transfers Out	(146,800)	-	146,800
	<u>(146,800)</u>	<u>30,950</u>	<u>177,750</u>
Total Other Financing Sources (Uses)			
	<u>(146,800)</u>	<u>30,950</u>	<u>177,750</u>
Net Change in Fund Balances	(427,800)	387,475	815,275
Fund Balance, Beginning of Year	507,041	507,041	-
Fund Balance, End of Year	<u>\$ 79,241</u>	<u>\$ 894,516</u>	<u>\$ 815,275</u>

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Prop A Transportation Fund
Year Ended June 30, 2017

	<u>Budgeted Amounts Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ 700,000	\$ 742,485	\$ 42,485
Charges for Services	156,900	138,821	(18,079)
Investment Income	4,000	9,972	5,972
	<u>860,900</u>	<u>891,278</u>	<u>30,378</u>
EXPENDITURES			
Current:			
Community Development	942,900	867,922	74,978
Capital Outlay	97,800	221,067	(123,267)
	<u>1,040,700</u>	<u>1,088,989</u>	<u>(48,289)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(179,800)</u>	<u>(197,711)</u>	<u>(17,911)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	6,353	6,353
	<u>-</u>	<u>6,353</u>	<u>6,353</u>
Net Change in Fund Balances	(179,800)	(191,358)	(11,558)
Fund Balance, Beginning of Year	<u>740,644</u>	<u>740,644</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 560,844</u></u>	<u><u>\$ 549,286</u></u>	<u><u>\$ (11,558)</u></u>

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Local Transportation Fund
Year Ended June 30, 2017

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 50,000	\$ 50,000	\$ -
Investment Income	-	-	-
Total Revenues	<u>50,000</u>	<u>50,000</u>	<u>-</u>
EXPENDITURES			
Capital Outlay	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Total Expenditures	<u>50,000</u>	<u>50,000</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, 2017

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget Positive (Negative) <u></u>
REVENUES			
Intergovernmental	\$ 756,000	\$ 8,721	\$ (747,279)
Investment Income	-	-	-
	<u>756,000</u>	<u>8,721</u>	<u>(747,279)</u>
Total Revenues			
EXPENDITURES			
Current:			
General Government	-	-	-
Capital Outlay	756,000	-	756,000
	<u>756,000</u>	<u>-</u>	<u>756,000</u>
Total Expenditures			
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>8,721</u>	<u>8,721</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balances	-	8,721	8,721
Fund Balance, Beginning of Year	<u>(8,721)</u>	<u>(8,721)</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ (8,721)</u>	<u>\$ -</u>	<u>\$ 8,721</u>

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Miscellaneous Grants Fund
Year Ended June 30, 2017

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 99,700	\$ 35,000	\$ (64,700)
Investment Income	-	-	-
	<u>99,700</u>	<u>35,000</u>	<u>(64,700)</u>
Total Revenues			
EXPENDITURES			
Current:			
General Government	-	-	-
Capital Outlay	25,000	35,000	(10,000)
	<u>25,000</u>	<u>35,000</u>	<u>(10,000)</u>
Total Expenditures			
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>74,700</u>	<u>-</u>	<u>(74,700)</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balances	74,700	-	(74,700)
Fund Balance, Beginning of Year	-	-	-
Fund Balance, End of Year	<u>\$ 74,700</u>	<u>\$ -</u>	<u>\$ (74,700)</u>

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Capital Projects Fund
Year Ended June 30, 2017

	<u>Budgeted Amounts Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ -	\$ -	\$ -
Investment Income	-	13	13
	<u>-</u>	<u>13</u>	<u>13</u>
Total Revenues	<u>-</u>	<u>13</u>	<u>13</u>
EXPENDITURES			
Current:			
General Government	-	-	-
Capital Outlay	500,000	912,156	(412,156)
	<u>500,000</u>	<u>912,156</u>	<u>(412,156)</u>
Total Expenditures	<u>500,000</u>	<u>912,156</u>	<u>(412,156)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(500,000)</u>	<u>(912,143)</u>	<u>(412,143)</u>
OTHER FINANCING SOURCES (USES)			
Loan Proceeds	300,000	1,267,249	967,249
	<u>300,000</u>	<u>1,267,249</u>	<u>967,249</u>
Total Other Financing Sources (Uses)	<u>300,000</u>	<u>1,267,249</u>	<u>967,249</u>
Net Change in Fund Balances	(200,000)	355,106	555,106
Fund Balance, Beginning of Year	<u>(355,096)</u>	<u>(355,096)</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ (555,096)</u>	<u>\$ 10</u>	<u>\$ 555,106</u>

City of La Puente
Fiduciary Funds
June 30, 2017

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

City of La Puente
Statement of Changes in Assets and Liabilities - Agency Funds
Year Ended June 30, 2017

<u>DEPOSITS</u>	<u>Balance at</u> <u>July 1, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at</u> <u>June 30, 2017</u>
ASSETS				
Cash and Investments	\$ 79,806	\$ 54,613	\$ 19,141	\$ 115,278
Total Assets	<u>\$ 79,806</u>	<u>\$ 54,613</u>	<u>\$ 19,141</u>	<u>\$ 115,278</u>
LIABILITIES				
Accounts Payable	\$ 7,808	\$ -	\$ 3,630	\$ 4,178
Deposits	71,998	54,613	15,511	111,100
Total Liabilities	<u>\$ 79,806</u>	<u>\$ 54,613</u>	<u>\$ 19,141</u>	<u>\$ 115,278</u>



STATISTICAL SECTION

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City of La Puente
Description of Statistical Section Contents
June 30, 2017

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	91
<u>Revenue Capacity</u> these schedules contain information to help the reader assess the City's most significant local revenue source, the property tax	102
<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	106
<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	110
<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	113

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

	Fiscal Year			
	2008	2009	2010	2011
Governmental Activities:				
Net investment in capital assets	\$ 19,264,458	\$ 16,983,727	\$ 16,092,239	\$ 16,941,283
Restricted for:				
Public Safety	65,725	46,084	54,421	32,625
Public Works	2,435,774	1,507,413	962,696	2,352,679
Community Development	386,591	1,370,161	1,095,201	933,572
Redevelopment and Housing	258,694	240,029	197,844	83,571
Debt Service	-	1,337,441	-	-
Total Restricted	<u>3,146,784</u>	<u>4,501,128</u>	<u>2,310,162</u>	<u>3,402,447</u>
Unrestricted	<u>18,498,278</u>	<u>20,112,358</u>	<u>14,822,183</u>	<u>12,840,852</u>
Total governmental activities net position	<u>\$ 40,909,520</u>	<u>\$ 41,597,213</u>	<u>\$ 33,224,584</u>	<u>\$ 33,184,582</u>
 Business-type Activities				
Net investment in capital assets	\$ -	\$ -	\$ (1,115,652)	\$ 2,754
Restricted	<u>961,825</u>	<u>1,771,347</u>	<u>3,590,394</u>	<u>3,049,730</u>
Total business-type activities net position	<u>\$ 961,825</u>	<u>\$ 1,771,347</u>	<u>\$ 2,474,742</u>	<u>\$ 3,052,484</u>
 Primary Government				
Net investment in capital assets	\$ 19,264,458	\$ 16,983,727	\$ 14,976,587	\$ 16,944,037
Restricted	4,108,609	6,272,475	5,900,556	6,452,177
Unrestricted	<u>18,498,278</u>	<u>20,112,358</u>	<u>14,822,183</u>	<u>12,840,852</u>
Total Primary Government Net Position	<u>\$ 41,871,345</u>	<u>\$ 43,368,560</u>	<u>\$ 35,699,326</u>	<u>\$ 36,237,066</u>

Source: Statement of Net Position

Fiscal Year					
2012	2013	2014	2015	2016	2017
\$ 24,660,544	\$ 26,030,656	\$ 27,186,259	\$ 27,804,320	\$ 27,632,187	\$ 26,447,434
132,778	133,966	38,823	30,021	23,020	19,638
3,480,766	3,343,118	2,278,943	2,934,848	1,585,690	1,606,651
648,165	510,581	723,622	1,041,358	1,310,428	2,061,170
-	-	-	-	-	-
-	-	-	-	-	-
<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>3,687,459</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>16,917,773</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>	<u>\$ 47,052,666</u>
\$ 198,502	\$ -	\$ 2,070,787	\$ 2,104,573	\$ 2,148,360	\$ 1,505,872
<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>5,115,463</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>	<u>\$ 6,621,335</u>
\$ 24,859,046	\$ 26,030,656	\$ 29,257,046	\$ 29,908,893	\$ 29,780,547	\$ 27,953,306
8,333,840	8,701,899	6,292,166	7,660,410	6,929,762	8,802,922
<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>16,917,773</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>	<u>\$ 53,674,001</u>

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

	Fiscal Year			
	2008	2009	2010	2011
Expenses				
Governmental activities:				
General Government	\$ 2,334,414	\$ 2,278,010	\$ 2,451,276	\$ 3,007,718
Public Safety	4,726,466	4,740,092	4,666,557	4,874,645
Public Works	2,308,174	2,199,934	2,241,821	1,913,164
Recreation/Senior Services	926,008	1,620,980	1,818,721	1,742,028
Community Development	2,702,339	2,351,984	2,591,842	2,783,759
Redevelopment and Housing	355,308	633,713	9,045,803	433,232
Interest on Long-Term Debt	<u>365,075</u>	<u>866,783</u>	<u>796,115</u>	<u>848,724</u>
Total governmental activities expenses	<u>13,717,784</u>	<u>14,691,496</u>	<u>23,612,135</u>	<u>15,603,270</u>
Business-type activities:				
Sewer Maintenance	<u>493,506</u>	<u>356,205</u>	<u>251,431</u>	<u>753,264</u>
Total business-type activities expenses	<u>493,506</u>	<u>356,205</u>	<u>251,431</u>	<u>753,264</u>
Total primary government expenses	<u>\$ 14,211,290</u>	<u>\$ 15,047,701</u>	<u>\$ 23,863,566</u>	<u>\$ 16,356,534</u>
Program Revenue				
Governmental activities:				
Charges for services:				
General Government	\$ 212,007	\$ 141,391	\$ 44,159	\$ 47,445
Public Safety	483,631	741,057	1,235,688	618,183
Public Works	19,616	48,417	209,605	223,676
Recreation/Senior Services	201,896	260,694	263,437	288,248
Community Development	1,109,159	611,166	449,431	762,499
Redevelopment and Housing	30,000	-	-	-
Operating Grants and Contributions	2,511,242	2,604,895	1,739,023	1,923,401
Capital Grants and Contributions	<u>2,884,233</u>	<u>1,298,214</u>	<u>2,699,626</u>	<u>2,488,930</u>
Total governmental activities program revenues	7,451,784	5,705,834	6,640,969	6,352,382
Business-type activities:				
Charges for services:				
Legal settlement	845,918	942,477	885,843	1,304,280
Legal settlement	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total business-type activities program revenues	<u>845,918</u>	<u>942,477</u>	<u>885,843</u>	<u>1,304,280</u>
Total primary government program revenues	<u>\$ 8,297,702</u>	<u>\$ 6,648,311</u>	<u>\$ 7,526,812</u>	<u>\$ 7,656,662</u>

Fiscal Year						
2012	2013	2014	2015	2016	2017	
\$ 2,541,017	\$ 2,540,210	\$ 3,480,756	\$ 2,422,592	\$ 2,040,261	\$ 3,344,530	
4,845,030	4,913,590	5,000,488	5,563,600	5,845,736	6,110,053	
1,780,147	1,847,640	2,276,659	1,045,925	1,028,734	2,653,875	
1,675,871	1,670,038	1,772,731	1,910,777	2,049,066	2,085,167	
2,206,673	2,121,666	2,637,299	2,618,301	3,897,493	2,504,463	
185,562	-	-	-	-	-	
723,961	465,004	330,960	229,495	244,320	336,720	
<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>	<u>17,034,808</u>	
<u>1,091,411</u>	<u>698,400</u>	<u>760,016</u>	<u>927,904</u>	<u>963,029</u>	<u>900,170</u>	
<u>1,091,411</u>	<u>698,400</u>	<u>760,016</u>	<u>927,904</u>	<u>963,029</u>	<u>900,170</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>	<u>\$ 17,934,978</u>	
\$ 54,087	\$ 53,996	\$ 60,688	\$ 435,660	\$ 507,302	\$ 284,416	
549,768	462,652	498,247	459,251	319,773	496,926	
221,072	219,396	197,430	-	-	3,945	
252,787	248,797	265,538	272,093	202,313	188,577	
556,668	750,432	743,979	674,198	1,060,915	986,792	
-	-	-	-	-	-	
1,908,160	2,344,928	2,142,823	1,734,036	1,818,607	649,068	
<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>	<u>2,755,890</u>	
6,360,748	5,941,193	5,828,576	5,908,407	6,322,788	5,365,614	
<u>1,308,823</u>	<u>1,311,226</u>	<u>1,347,146</u>	<u>1,325,685</u>	<u>1,323,874</u>	<u>1,302,664</u>	
<u>992,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</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>1,302,664</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>	<u>\$ 6,668,278</u>	

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

	Fiscal Year			
	2008	2009	2010	2011
Net (Expense)/Revenue				
Government activities	\$ (6,266,000)	\$ (8,985,662)	\$ (16,971,166)	\$ (9,250,888)
Business-type activities	<u>352,412</u>	<u>586,272</u>	<u>634,412</u>	<u>551,016</u>
Total primary government net expense	<u>\$ (5,913,588)</u>	<u>\$ (8,399,390)</u>	<u>\$ (16,336,754)</u>	<u>\$ (8,699,872)</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes:				
Property Taxes	\$ 5,346,519	\$ 5,604,423	\$ 5,229,270	\$ 5,118,947
Franchise Taxes	734,498	970,943	662,966	896,989
Sales Taxes	1,763,275	1,467,084	1,500,841	1,779,729
Property Transfer Tax	58,934	95,248	117,126	40,608
Transient Occupancy Taxes	79,490	71,967	82,605	137,402
Business License Taxes	92,605	90,642	86,927	186,303
In-Lieu Sales Tax	676,367	545,380	386,646	548,785
Other	-	-	-	-
Total taxes	<u>8,751,688</u>	<u>8,845,687</u>	<u>8,066,381</u>	<u>8,708,763</u>
Intergovernmental	247,333	255,884	170,929	377,755
Investment Income	481,495	463,456	144,194	93,806
Miscellaneous Revenues	<u>107,844</u>	<u>108,328</u>	<u>199,206</u>	<u>30,562</u>
Total Governmental activities	<u>9,588,360</u>	<u>9,673,355</u>	<u>8,580,710</u>	<u>9,210,886</u>
Business-type activities:				
Total business-type activities	<u>250,428</u>	<u>223,250</u>	<u>68,983</u>	<u>26,726</u>
Total primary government	<u>\$ 9,838,788</u>	<u>\$ 9,896,605</u>	<u>\$ 8,649,693</u>	<u>\$ 9,237,612</u>
Change in Net Position				
Governmental activities	\$ 3,322,360	\$ 687,693	\$ (8,390,456)	\$ (40,002)
Business-type activities	602,840	809,522	703,395	577,742
Prior Period Adjustments	-	-	-	-
Total primary government	<u>\$ 3,925,200</u>	<u>\$ 1,497,215</u>	<u>\$ (7,687,061)</u>	<u>\$ 537,740</u>

Source: Statement of Activities

Fiscal Year					
2012	2013	2014	2015	2016	2017
\$ (7,597,513)	\$ (7,616,955)	\$ (9,670,317)	\$ (7,882,283)	\$ (8,782,822)	\$ (11,669,194)
<u>1,209,912</u>	<u>612,826</u>	<u>587,130</u>	<u>397,781</u>	<u>360,845</u>	<u>402,494</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>	<u>\$ (11,266,700)</u>
\$ 4,649,124	\$ 4,591,293	\$ 4,793,494	\$ 4,996,279	\$ 5,336,924	\$ 5,960,936
915,203	981,476	942,507	974,152	888,514	941,026
1,779,534	1,767,497	1,782,617	2,040,668	2,593,802	3,060,517
48,832	46,120	52,324	53,669	84,006	75,968
153,444	172,369	192,100	207,306	227,690	240,696
128,970	91,961	92,207	91,025	98,671	119,792
609,430	632,735	572,155	612,837	616,383	-
-	(100,000)	-	-	-	-
<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>	<u>10,398,935</u>
86,146	60,404	124,139	-	-	-
61,285	31,786	114,002	423,177	569,168	260,984
<u>242,172</u>	<u>43,067</u>	<u>98,793</u>	<u>284,213</u>	<u>493,306</u>	<u>82,063</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>	<u>10,741,982</u>
<u>8,237</u>	<u>111,951</u>	<u>20,201</u>	<u>39,410</u>	<u>39,383</u>	<u>59,857</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>	<u>\$ 10,801,839</u>
\$ 1,076,627	\$ 701,753	\$ (905,979)	\$ 1,801,043	\$ 2,125,642	\$ (927,212)
1,218,149	724,777	607,331	437,191	400,228	462,351
-	-	-	9,572,732	(1,063,736)	-
<u>\$ 2,294,776</u>	<u>\$ 1,426,530</u>	<u>\$ (298,648)</u>	<u>\$ 11,810,966</u>	<u>\$ 1,462,134</u>	<u>\$ (464,861)</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
2017	5,960,936	3,060,517	941,026	75,968	240,696	119,792	-	10,398,935

Source: Statement of Activities



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

	Fiscal Year			
	2008	2009	2010	2011
General Fund				
Reserved	\$ 11,943,037	\$ 14,117,346	\$ 13,017,404	\$ -
Unreserved	8,779,737	5,958,656	6,093,429	-
Total General Fund	<u>\$ 20,722,774</u>	<u>\$ 20,076,002</u>	<u>\$ 19,110,833</u>	<u>\$ -</u>
All other governmental funds				
Reserved	\$ 11,985,341	\$ 14,239,645	\$ 7,513,002	\$ -
Unreserved, reported in:				
Special Revenue Funds	2,229,734	3,089,829	2,146,069	-
Debt Service Fund	(2,795,778)	(3,377,292)	(4,126,158)	-
Capital Projects Funds	(5,500,761)	(11,674,885)	(12,508,278)	-
Total all other governmental funds	<u>\$ 5,918,536</u>	<u>\$ 2,277,297</u>	<u>\$ (6,975,365)</u>	<u>\$ -</u>
General Fund				
Nonspendable	\$ -	\$ -	\$ -	\$ 12,968,441
Restricted	-	-	-	-
Unrestricted:				
Unassigned	-	-	-	-
General Fund	-	-	-	5,601,360
Total Fund Balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,569,801</u>
All other governmental funds				
Nonspendable	\$ -	\$ -	\$ -	\$ 6,615,757
Restricted	-	-	-	3,402,447
Unrestricted:				
Unassigned	-	-	-	(17,640,549)
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (7,622,345)</u>

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

Source: Balance Sheets - Governmental Funds

Fiscal Year						
2012	2013	2014	2015	2016	2017	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<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>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
\$ 1,143,252	\$ 790,213	\$ 1,103,523	\$ 12,741,849	\$ 11,813,032	\$ 12,260,207	
1,521,681	1,527,172	-	-	-	-	
-	-	-	-	-	-	
<u>4,843,455</u>	<u>5,327,809</u>	<u>4,908,111</u>	<u>5,317,486</u>	<u>7,906,933</u>	<u>7,191,875</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>	<u>\$ 19,452,082</u>	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
4,261,709	3,987,665	3,041,388	4,025,952	3,834,966	3,845,909	
<u>(794,854)</u>	<u>(837,528)</u>	<u>-</u>	<u>(132,247)</u>	<u>(399,754)</u>	<u>(2,107)</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>	<u>\$ 3,843,802</u>	

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

	Fiscal Year			
	2008	2009	2010	2011
Revenues:				
Taxes	\$ 8,751,688	\$ 8,845,687	\$ 8,066,381	\$ 8,708,763
Licenses and permits	332,227	241,162	313,337	273,183
Intergovernmental	5,038,388	5,178,684	4,477,921	4,945,362
Charges for services	840,148	958,304	886,241	1,003,997
Fines and Forfeitures	665,409	603,259	547,680	458,677
Investment Income	466,760	463,456	144,194	60,604
Other revenue	171,996	108,328	714,402	35,812
Total revenues	<u>16,266,616</u>	<u>16,398,880</u>	<u>15,150,156</u>	<u>15,486,398</u>
Expenditures:				
General government	1,977,375	1,979,259	2,267,156	2,893,469
Public safety	4,726,466	4,740,578	4,666,557	4,824,769
Public Works	1,937,843	1,895,557	1,711,607	1,485,074
Recreation/Senior Services	786,704	1,252,315	988,071	958,193
Community Development	2,776,773	2,368,298	2,414,069	2,606,245
Redevelopment and Housing	355,308	634,199	9,045,803	461,447
Capital outlay	7,239,556	8,883,691	2,751,793	1,955,078
Debt service:				
Interest & Fiscal Charges	612,721	1,350,974	1,348,651	1,390,135
Principal	-	-	100,000	100,000
Cost of Issuance	252,180	82,020	-	-
Total expenditures	<u>20,664,926</u>	<u>23,186,891</u>	<u>25,293,707</u>	<u>16,674,410</u>
Excess of revenues over (under) expenditures	<u>(4,398,310)</u>	<u>(6,788,011)</u>	<u>(10,143,551)</u>	<u>(1,188,012)</u>
Other Financing Sources (Uses)				
Debt Issuance	14,040,000	-	-	-
Loan Proceeds	-	2,500,000	-	-
Transfers In	7,933,410	558,430	1,598,359	967,830
Transfers Out	<u>(7,961,615)</u>	<u>(558,430)</u>	<u>(1,672,639)</u>	<u>(967,830)</u>
Total Other Financing Sources (Uses)	14,011,795	2,500,000	(74,280)	-
Special / Extraordinary Items				
Dissolution of RDA	-	-	-	-
Total Special / Extraordinary Items	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ 9,613,485</u>	<u>\$ (4,288,011)</u>	<u>\$ (10,217,831)</u>	<u>\$ (1,188,012)</u>
Debt service as a percentage of noncapital expenditures	6.43%	10.12%	6.40%	10.15%

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

Fiscal Year					
2012	2013	2014	2015	2016	2017
\$ 8,284,537	\$ 8,283,451	\$ 8,427,404	\$ 8,975,936	\$ 9,747,319	\$ 10,346,934
356,891	393,005	489,130	429,681	637,990	654,710
4,344,589	4,348,679	4,577,580	3,272,845	4,369,861	3,476,390
806,404	942,820	933,451	1,760,488	1,108,498	938,295
491,027	399,365	339,929	276,871	390,778	355,900
1,109,729	43,903	225,279	106,379	215,115	(40,600)
320,617	43,150	95,209	280,225	493,306	71,899
<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>	<u>\$ 15,803,528</u>
2,414,268	2,441,815	3,406,585	2,463,305	1,719,259	2,149,723
4,773,178	4,873,055	5,000,763	5,563,600	5,845,736	6,110,053
1,189,367	1,305,707	1,625,091	1,004,253	1,128,999	1,223,303
882,589	878,004	958,390	1,372,592	1,488,370	1,278,994
1,971,871	1,940,182	2,488,043	1,459,534	2,011,353	2,464,330
179,235	-	-	-	-	-
2,331,483	2,369,863	2,138,224	2,126,904	3,089,542	2,737,027
2,350,000	588,235	158,195	274,400	254,320	346,640
724,788	670,659	1,055,000	630,000	625,000	620,000
-	-	-	-	-	-
<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>16,930,070</u>
<u>(1,102,985)</u>	<u>(613,147)</u>	<u>(1,742,309)</u>	<u>207,837</u>	<u>800,288</u>	<u>(1,126,542)</u>
-	9,945,000	-	-	-	-
-	(9,411,765)	-	-	421,574	1,267,249
1,242,934	196,390	697,503	666,920	2,862	133,727
<u>(1,292,934)</u>	<u>(296,390)</u>	<u>(697,503)</u>	<u>(666,920)</u>	<u>(2,862)</u>	<u>(133,727)</u>
(50,000)	433,235	-	-	421,574	1,267,249
1,180,772	-	-	-	-	-
1,180,772	-	-	-	-	-
<u>\$ 27,787</u>	<u>\$ (179,912)</u>	<u>\$ (1,742,309)</u>	<u>\$ 207,837</u>	<u>\$ 1,221,862</u>	<u>\$ 140,707</u>
20.96%	9.80%	8.26%	6.91%	6.28%	6.39%

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			
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	0.64910%
2017	1,717,162,394	292,845,791	25,643,057	71,227,609	(8,365,536)	2,098,513,315	0.64980%

Source: HdL, Coren & Cone; L.A. County Assessor 2016/17 Combined Tax Rolls

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

Agency	Fiscal Year									
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
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	0.10806	0.08990	0.10877	0.12316	0.11628	0.12773	0.11632	0.11539	0.15770	0.16781
Hacienda-La Puente Unified	0.05103	0.05681	0.05973	0.06462	0.06430	0.06689	0.06653	0.06432	0.06394	0.06600
Metropolitan Water District	0.00450	0.00430	0.00430	0.00370	0.00370	0.00350	0.00350	0.00350	0.00350	0.00350
Mt. San Antonio College	0.01750	0.02333	0.02571	0.02636	0.02642	0.02896	0.02023	0.02129	0.02154	0.02400
Rowland Heights Unified	0.06944	0.07029	0.06769	0.07538	0.09195	0.10053	0.12297	0.14313	0.12426	0.10939
Rowland Heights USD DS 2012 Series B	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.01505
West Covina Unified	0.05143	0.06041	0.05258	0.05920	0.05377	0.04965	0.03626	0.05412	0.04205	0.04914
Total Direct & Overlapping² Tax Rates	1.30196	1.30502	1.31878	1.35242	1.35641	1.37725	1.36581	1.40175	1.41299	1.43489
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	1.00450	1.00430	1.00430	1.00370	1.00370	n/a	n/a	n/a	n/a	n/a
Total Direct Rate⁵	0.09465	0.10454	0.10809	0.10549	0.10669	0.11113	0.06478	0.06478	0.06491	0.06498

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 2007/08 - 2016/17 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>	2007/08			2016/17		
	Taxable <u>AV</u>	<u>Rank</u>	% of Total Taxable <u>AV</u>	Taxable <u>AV</u>	<u>Rank</u>	% of Total Taxable <u>AV</u>
Group X Rosemead Properties LP	\$ -	-	-	\$ 20,348,762	1	1.19%
Hacienda Plaza JPS LLC	-	-	-	19,026,000	2	1.11%
Haeri LLC	14,186,880	3	0.91%	14,470,615	3	0.85%
Granite Hacienda I LP	18,189,232	2	1.16%	11,374,000	4	0.67%
Walnut Apartments	9,962,238	4	0.64%	10,160,126	5	0.59%
Wind Chime Properties LP	9,588,000	5	0.61%	9,779,759	6	0.57%
Laurala Limited	8,456,982	6	0.54%	8,625,978	7	0.50%
Villa Las Brisas LLC	7,790,842	7	0.50%	7,946,643	8	0.46%
Royal Street Communications LLC	7,486,025	8	0.48%	7,635,744	9	0.45%
EML LLC	-	-	-	6,857,691	10	0.40%
Group VI S & P Properties	22,128,890	1	1.41%	-	-	-
Mahomed & A.M. Limbada	6,723,230	9	0.43%	-	-	-
La Puente Gardens	5,868,630	10	0.38%	-	-	-
Top Ten Total	<u>\$ 110,380,949</u>		<u>7.06%</u>	<u>\$ 116,225,318</u>		<u>5.60%</u>
City Total	\$ 1,685,210,189			\$ 1,709,718,954		

Source: HdL Coren & Cone

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

Fiscal Year	Total Tax Levy ⁽¹⁾	Current Tax Collections	Percent of Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Total Tax Levy
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%
2017	1,282,303	1,181,417	92.1%	-	1,181,417	92.1%

⁽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
2017	-	7,015,000	1,688,823	9,010,000	17,713,823	3.75%	437

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, 2017

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	\$ 7,015,000	100.000	\$ 7,015,000
Total Direct Debt			<u>7,015,000</u>
Overlapping Debt:			
Water District:			
*330.10 METROPOLITAN WATER DISTRICT	36,281,674	0.181	65,705
Mt San Antonio College:			
MT. SAN ANTONIO CCD DS 2001, 2008 SERIES D	394,812	2.526	9,974
MT. SAN ANTONIO CCD DS 2008 SERIES 13A	200,561,691	2.526	5,066,719
MT. SAN ANTONIO CCD DS 2008 SERIES 2013B	8,460,000	2.526	213,722
MT. SAN ANTONIO CCD DS 2013 REF SERIES A	67,410,000	2.526	1,702,955
MT. SAN ANTONIO CCD DS 2013 REF SERIES B	40,990,000	2.526	1,035,516
MT. SAN ANTONIO CCD DS 2008 REF SERIES 2015C	19,500,000	2.526	492,622
MT. SAN ANTONIO CCD DS 2015 REF BONDS	19,130,000	2.526	483,274
School District:			
BASSETT USD DS 2004 SERIES 2005 A	521,208	7.379	38,462
BASSETT USD DS 2006 SER 2007	6,475,758	7.379	477,877
BASSETT USD DS 2006 SER B	4,999,970	7.379	368,972
BASSETT USD DS 2014 REF SERIES A	8,335,000	7.379	615,079
BASSETT USD DS 2014 SERIES A	15,690,000	7.379	1,157,840
BASSETT USD DS 2016 REF BONDS	28,830,000	7.379	2,127,503
HACIENDA-LA PUENTE USD DS 2000 SERIES A	1,454,540	13.315	193,666
HACIENDA-LA PUENTE USD DS 2000 SERIES 2003B	1,867,286	13.315	248,621
HACIENDA-LA PUENTE USD DS 2005 REFUNDING BONDS	23,290,000	13.315	3,100,966
HACIENDA-LA PUENTE USD DS 2007 REFUNDING	54,285,000	13.315	7,227,820
ROWLAND HEIGHTS USD DS 2000 SERIES A	1,461,829	1.679	24,551
ROWLAND HEIGHTS USD DS 2005 REF BONDS	8,944,753	1.679	150,223
ROWLAND HEIGHTS USD DS 2006 SERIES B	27,022,549	1.679	453,832
ROWLAND HEIGHTS USD DS 2006 SERIES C (BABS)	12,000,000	1.679	201,535
ROWLAND HEIGHTS USD DS 2006 SERIES D QSCB	18,750,000	1.679	314,898
ROWLAND HEIGHTS USD DS 2006 SERIES E	557,451	1.679	9,362
ROWLAND HEIGHTS USD DS 2012 SERIES A	41,935,000	1.679	704,280
ROWLAND HEIGHTS USD DS 2013 REF BONDS	27,285,000	1.679	458,240
ROWLAND HEIGHTS USD DS 2012 SERIES B	66,999,972	1.679	1,108,440
ROWLAND HEIGHTS USD DS 2015 REF BONDS	44,195,000	1.679	742,236
WEST COVINA USD 2002 REFUNDING SERIES A	11,425,000	0.988	112,896
WEST COVINA USD DS 2012 REF BONDS	12,620,000	0.988	<u>124,704</u>
Total Overlapping Debt			<u>29,032,490</u>
Total Direct and Overlapping Debt			<u>\$ 36,047,490</u>

2016/17 Assessed Valuation: \$1,958,041,077 after deducting \$140,472,238 incremental value.

Debt To Assessed Valuation Ratios:

Direct Debt	0.36%
Overlapping Debt	1.48%
Total Debt	1.84%

*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 2016/17 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**

	Fiscal Year				
	2008	2009	2010	2011	2012
Debt Limit	\$ 256,457,843	\$ 273,621,630	\$ 252,413,092	\$ 244,595,483	\$ 255,181,011
Total net debt applicable to limit	-	-	-	-	-
Legal debt margin	<u>\$ 234,634,986</u>	<u>\$ 256,457,843</u>	<u>\$ 273,621,630</u>	<u>\$ 244,595,483</u>	<u>\$ 255,181,011</u>
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 2016/17 Combined Tax Rolls

Fiscal Year				
2013	2014	2015	2016	2017
\$ 255,472,709	\$ 268,982,248	\$ 282,421,686	\$ 297,024,247	\$ 316,031,828
-	-	-	-	-
<u>\$ 255,472,709</u>	<u>\$ 268,982,248</u>	<u>\$ 282,421,686</u>	<u>\$ 297,024,247</u>	<u>\$ 316,031,828</u>
0%	0%	0%	0%	0%

Legal Debt Margin Calculation for Fiscal Year 2017

Assessed value	\$ 2,098,513,315
Add back: exempt real property	<u>8,365,536</u>
Total assessed value	2,106,878,851
Debt limit (15% of total assessed value)	316,031,828
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><u>\$ 316,031,828</u></u>

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

<u>Calendar Year</u>	<u>Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income</u>	<u>School Enrollment⁽¹⁾</u>	<u>Unemployment Rate</u>	<u>Median Age</u>
2007	42,919	\$ 594,077	\$ 13,842	19,072	6.0%	
2008	42,937	598,852	13,947	18,153	8.8%	
2009	43,105	586,965	13,617	17,495	13.6%	28.2
2010	43,355	611,219	14,098	17,235	14.8%	30.5
2011	39,987	601,364	15,039	20,708	14.4%	29.8
2012	40,222	629,796	15,658	20,783	10.9%	30.7
2013	40,478	630,526	15,577	20,032	9.0%	31.6
2014	40,496	623,314	15,392	19,642	7.3%	31.8
2015	40,521	625,683	15,440	19,367	5.9%	31.8
2016	40,455	664,145	16,416	18,883	4.6%	32.5

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



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

Employer	2008			2009		
	# of Emp.	Rank #	% of Total City Employment	# of Emp.	Rank #	% of Total City Employment
Northgate Supermarket	120	1	3.14%	120	1	3.25%
Bodega Latina Corp	-	-	0%	-	-	0%
Food 4 Less #369	58	6	1.52%	75	2	2.03%
Sunset Gardens West	75	2	1.96%	75	2	2.03%
Ed Butts Ford	70	3	1.83%	70	3	1.89%
Big Saver Foods #12	60	4	1.57%	60	4	1.62%
Merritt's Hardware	50	8	1.31%	50	6	1.35%
Burger King	-	-	0%	37	8	1.00%
99cents Only Stores	38	10	0.99%	37	8	1.00%
CVS Pharmacy #9629	54	7	1.41%	54	5	1.46%
Jack in the Box	-	-	0%	32	10	0.87%
Walgreens #05702	41	9	1.07%	41	7	1.11%
AJ Wright #218	-	-	0%	35	9	0.95%
Benchmark Staffing	60	5	1.57%	-	-	0%
Big Lots	-	-	0%	-	-	0%
Others	3,198	-	83.63%	3,009	-	81.43%
Total	3,824		100.00%	3,695		100.00%

Employer	2013			2014		
	# of Emp.	Rank #	% of Total City Employment	# of Emp.	Rank #	% of Total City Employment
Northgate Supermarket	120	1	3.72%	120	1	3.47%
Bodega Latina Corp	80	2	2.48%	80	2	2.31%
Alert Insulation	-	-	0.00%	-	-	0.00%
Walmart Stores Inc	-	-	0.00%	-	-	0.00%
Food 4 Less #369	75	3	2.33%	75	3	2.17%
Big Saver Foods #12	60	5	1.86%	60	4	1.73%
Ed Butts Ford	70	4	2.17%	59	5	1.70%
Ross Store	-	-	0.00%	51	6	1.47%
El Sushi Loco	-	-	0.00%	-	-	0.00%
Merritt's Hardware	43	6	1.33%	43	7	1.24%
In and Out Burger	-	-	0.00%	-	-	0.00%
CVS Pharmacy #9629	35	8	1.09%	35	9	1.01%
99cents Only Stores	32	9	0.99%	32	10	0.92%
Jack in the Box	32	9	0.99%	32	10	0.92%
Walgreens #05702	32	9	0.99%	32	10	0.92%
Burger King	37	7	1.15%	37	8	1.07%
Others	2,608	-	80.89%	2,805	-	81.05%
Total	3,224		100.00%	3,461		100.00%

Source: City Finance Department - Business License Division

2010			2011			2012		
# of Emp.	Rank #	% of Total City Employment	# of Emp.	Rank #	% of Total City Employment	# of Emp.	Rank #	% of Total City Employment
120	1	3.13%	120	1	3.29%	120	1	4.02%
-	-	0%	-	-	0%	80	2	2.68%
77	2	2.01%	77	2	2.11%	75	3	2.51%
75	3	1.96%	-	-	0.00%	-	-	0%
70	4	1.83%	70	3	1.92%	70	4	2.35%
60	5	1.57%	60	4	1.65%	60	5	2.01%
50	7	1.30%	50	5	1.37%	50	6	1.68%
37	8	0.97%	37	6	1.01%	37	7	1.24%
37	8	0.97%	34	7	0.93%	34	8	1.14%
54	6	1.41%	33	8	0.90%	33	9	1.11%
32	10	0.83%	32	9	0.88%	32	10	1.07%
32	10	0.83%	32	10	0.88%	32	10	1.07%
35	9	0.91%	-	-	0.00%	-	-	0%
-	-	0%	-	-	0%	-	-	0%
-	-	0%	-	-	0%	-	-	0%
3,154	-	82.29%	3,102	-	85.06%	2,362	-	79.12%
3,833	-	100.00%	3,647	-	100.00%	2,985	-	100.00%

2015			2016			2017		
# of Emp.	Rank #	% of Total City Employment	# of Emp.	Rank #	% of Total City Employment	# of Emp.	Rank #	% of Total City Employment
120	1	3.24%	120	1	3.26%	120	1	4.05%
80	3	2.16%	80	3	2.17%	101	2	3.41%
88	2	2.38%	88	2	2.39%	88	3	2.97%
80	3	2.16%	80	3	2.17%	80	4	2.70%
75	4	2.03%	75	4	2.04%	75	5	2.53%
60	5	1.62%	60	5	1.63%	60	6	2.03%
59	6	1.59%	59	6	1.60%	59	7	1.99%
49	7	1.32%	50	7	1.36%	44	8	1.49%
33	-	0.89%	43	8	1.17%	43	9	1.45%
43	8	1.16%	43	8	1.17%	41	10	1.38%
40	9	1.08%	40	9	1.09%	40	-	1.35%
35	-	0.95%	35	10	0.95%	35	-	1.18%
32	-	0.86%	32	-	0.87%	32	-	1.08%
32	-	0.86%	32	-	0.87%	32	-	1.08%
32	-	0.86%	26	-	0.71%	26	-	0.88%
37	10	1.00%	18	-	0.49%	18	-	0.61%
2,805	-	75.81%	2,800	-	76.07%	2,068	-	69.82%
3,700	-	100.00%	3,681	-	100.00%	2,962	-	100.00%

City of La Puente, California
Full-time Equivalent City Government Employees by Program/Function
As of June 30, 2017

Program/Function	Fiscal Year		
	2008	2009	2010
General Government			
City Council	5.00	5.00	5.00
City Clerk/Election Services	3.65	3.80	0.98
Human Resources/Risk Management	0.75	0.75	1.50
Administration	1.95	1.92	0.85
Financial Services	3.45	3.86	3.35
Public Safety			
Code Enforcement	-	-	-
Public Safety Services	Contract	Contract	Contract
Public Works Services			
General Services	0.75	1.00	1.02
Emergency Preparedness Services	Contract	Contract	Contract
Public Works Services	3.30	2.65	4.77
Measure R			0.11
Streets/Sidewalks (Prop C)	0.45	1.40	0.99
Waste Management Services	0.25	0.20	0.06
Park/Maintenance Services	5.00	6.65	4.71
Community Development			
Planning/Zoning Services	2.72	3.03	2.68
Housing/Community Services	4.23	1.84	1.70
Community Preservation Services	5.40	6.00	6.00
Public Transit Services (Prop A)	2.00	2.15	2.39
Recreation/Senior Services			
Recreation Services	2.50	2.34	2.19
Youth Activity Learning Center	-	0.33	-
Nature Education Center	-	1.00	2.62
Senior Services	0.90	2.83	1.19
Sewer Maintenance Fund			
Sewer Maintenance	1.10	1.80	1.79
Equipment Replacement Fund			
IT/Equipment Charges	1.00	1.20	1.50
Community Development Commission			
Low Mod Income Housing/Capital Project Fund	0.60	0.75	3.60
	<u>45.00</u>	<u>50.50</u>	<u>49.00</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.

Fiscal Year						
2011*	2012	2013	2014	2015	2016	2017
n/a	5.00	5.00	5.00	5.00	5.00	5.00
n/a	1.00	2.00	2.00	2.00	1.00	1.00
n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	2.00	2.00	2.00	2.00	2.00	2.00
n/a	6.00	5.00	7.00	7.50	6.50	6.50
-	-	-	-	-	Contract	6.50
Contract	Contract	Contract	Contract	Contract	Contract	Contract
n/a	n/a	n/a	n/a	n/a	n/a	n/a
Contract	Contract	Contract	Contract	Contract	Contract	Contract
n/a	4.00	6.00	6.00	4.00	5.50	5.50
n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	1.00	1.00	1.00	2.00	3.00	3.00
n/a	1.00	1.00	1.00	1.00	1.00	1.00
n/a	6.00	6.00	6.00	Contract	Contract	Contract
n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	2.00	3.00	6.50	6.50	6.50	6.50
-	-	1.00	1.00	1.00	1.00	1.00
n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	1.00	1.00	1.00	1.00	1.00	1.00
n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a	n/a
-	29.00	33.00	38.50	32.00	32.50	39.00

City of La Puente, California
Operating Indicators by Function
As of June 30, 2017

Function/Program	Fiscal Year			
	2008	2009	2010	2011
Public Safety*				
Physical arrests	-	1,887	1,781	1,772
Parking Citations Issued	10,394	9,432	5,650	6,619
Building and Safety				
Construction Valuation	7,144,374	6,195,378	5,624,712	3,900,556
Building Permits Issued	308	216	293	321
Highways and Streets*				
Street resurfacing (Square Feet)	n/a	n/a	n/a	n/a
Sanitation*				
Refuse collected (tons/day)	51.75	67.36	57.18	55.27
Recyclables collected (tons/day)	4.28	6.98	4.89	4.59
Green waste collected (tons/day)	10.59	9.36	10.99	10.97
Community Services				
Special Event-Main Street Run (number of participants)	3,335	3,653	5,190	3,500

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

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

Fiscal Year					
2012	2013	2014	2015	2016	2017
1,160	1,210	1,279	1,458	1,385	1,952
6,993	6,687	5,881	5,382	8,852	6,809
9,935,892	7,773,162	6,645,112	6,775,623	10,441,752	11,581,386
292	396	364	317	467	967
154,660	288,100	305,447	240,180	61,550	187,600
55.02	51.75	61.53	60.12	64.90	58.02
4.57	4.28	4.59	4.53	4.77	4.96
11.23	10.59	9.77	9.64	8.98	9.81
3,330	4,391	3,730	3,825	4,283	3,750

City of La Puente, California
Capital Asset Statistics by Function
As of June 30, 2017

Function/Program	Fiscal Year 2017
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