

Fiscal Year ending June 30th, 2021

Popular Annual Financial Report



LA PUENTE CALIFORNIA

"where the past meets the future"

INTRODUCTION

ABOUT THIS REPORT

Thank you for your interest in the Popular Annual Financial Report (PAFR) for the fiscal year ending June 30, 2021. This report offers a summary of the City's financial information for Fiscal Year 2020-2021, presented in a manner that is easily understandable. The purpose of the PAFR is to provide citizens with a simple way to learn how public resources are used throughout the community. The PAFR is informational, and it does not constitute a formal financial statement.

The data presented in the PAFR is taken directly from the audited Annual Consolidated Financial Report (ACFR), which is prepared in accordance with generally accepted accounting principles (GAAP). To view the full Annual Comprehensive Financial Report (ACFR) for the 2020/2021 Fiscal Year, please visit www.lapuente.org/government/departments/finance or call (626) 855-1500.

STAFF MESSAGE

Dear Honorable Mayor, Members of the City Council, and La Puente community:

Fiscal Year 2020-2021 was ushered in by the early months of the COVID-19 pandemic. The uncertainty felt by many across the nation was reflected within our local community. Business owners, students, teachers, and families were forced to adapt to a new reality – one marked by less economic opportunity, increased concerns about health and welfare, and a stark isolation that prevented us from engaging in many of our most cherished forms of human connectedness.

This uncertainty resonated within City Hall as well. In preparing the Fiscal Year 2020-2021 Annual Budget, the City Council and staff adopted an outlook of fiscal conservatism, paring down expenditures in order to maintain a balanced budget amid reduced revenue forecasts.

As the fiscal year progressed, the initial concerns about economic austerity lessened. Infection rates fell and retail capacities increased. General Fund revenues exceeded their budgets, and one-time special revenues from the federal government eased the burden of COVID-related expenses.

The financial results displayed in this report should reassure all within La Puente that our City is strong and ready to meet the challenges of the future. As we enter 2022, the City maintains its focus on public safety and capital improvements, especially local roadways and park facilities.

We would like to acknowledge the City Council for its leadership throughout the year, as well as the citizens of La Puente. The dignity with which you participate in civic affairs is an example to communities everywhere, and it is our honor to serve you daily.



Bob Lindsey
City Manager



Troy Grunklee, CPA
Director of Administrative Services



Alexander Merkel Medina
Finance Manager 1

LA PUENTE FAST STATS

**74% SINGLE
FAMILY HOMES**

**POPULATION
38,062**

**11.8% ASIAN
AMERICAN**

3.5 SQUARE MILES

**40.3%
FOREIGN BORN**

82.9% LATINO

**17,826
STUDENTS
ENROLLED**

**INCORPORATED
1956**

**24.2 ACRES OF
PARKS**

**UNEMPLOYMENT
13.0%**

**MEDIAN INCOME
\$64,592**

**RANKED TOP 25 IN
GREATER LA FOR
FISCAL RESERVES
BY STATE AUDITOR**

**63.32 TONS
REFUSE/DAY**

MEDIAN AGE 33

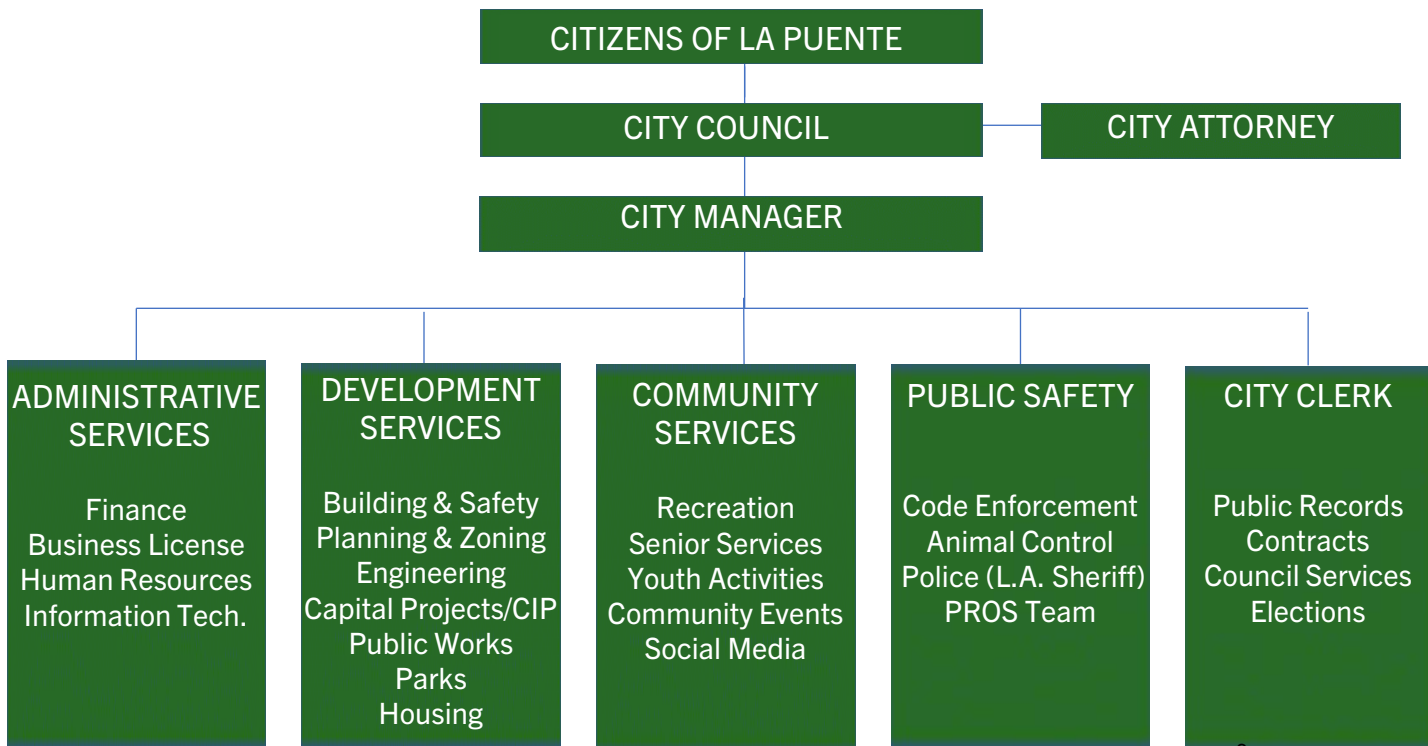
**64.3 MILES OF
SEWER**

CITY GOVERNMENT

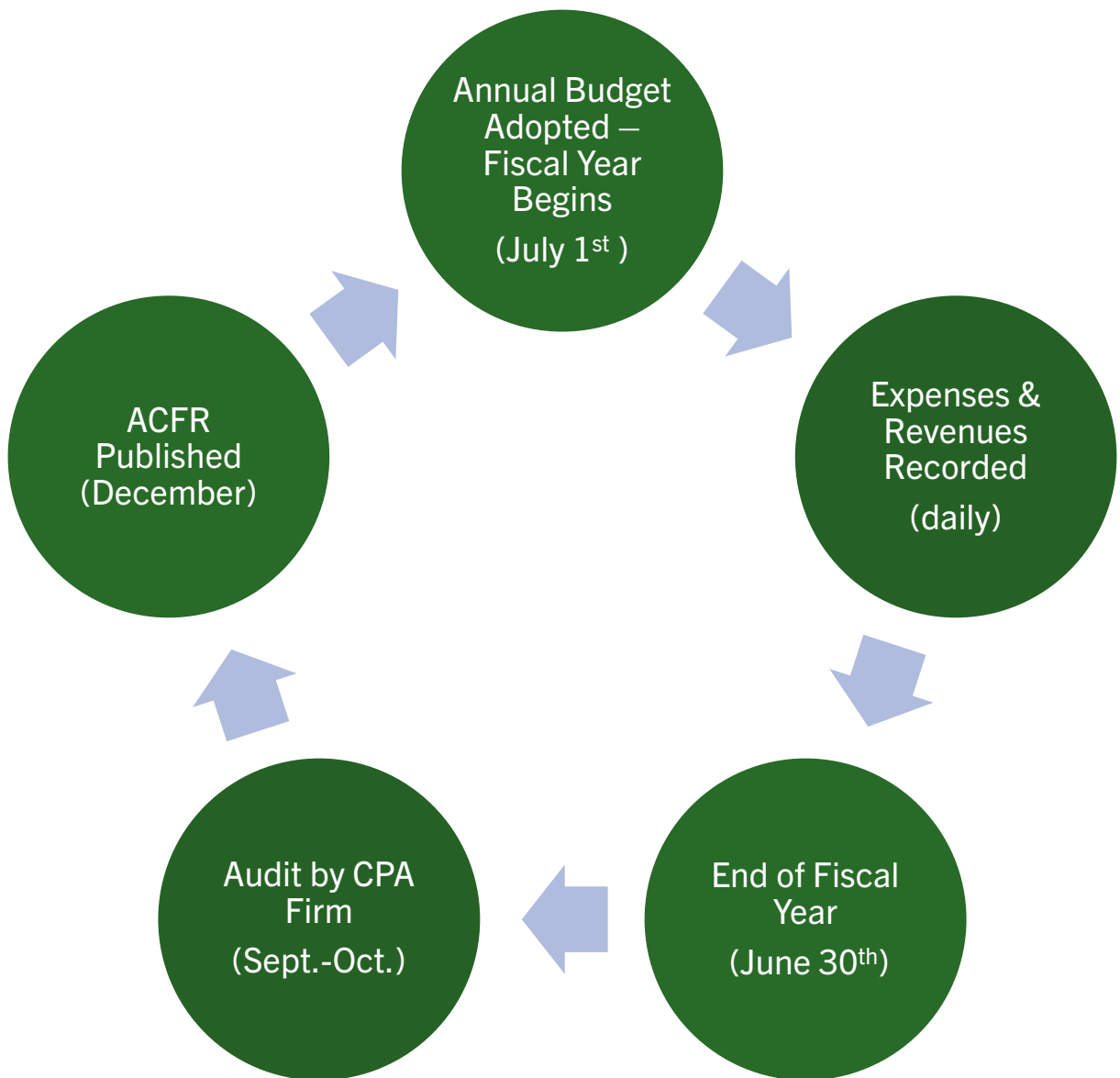
LA PUENTE CITY COUNCIL



ORGANIZATIONAL STRUCTURE



FISCAL CYCLE



KEY TERMS

Budget – a financial plan for the fiscal year legally authorizing the spending of City funds. Adopted by City Council prior to June 30th of each year.

Fiscal Year – the reporting period for financial transactions, from July 1st to June 30th of the next calendar year.

(ACFR) - Annual Comprehensive Financial Report – formal, audited report of actual financial results of a fiscal year.

REVENUES

GOVERNMENTAL ACTIVITY REVENUES (income received by the City) totaled \$26,383,814 in Fiscal Year 2020-2021. As the chart below shows, Sales Tax and Property Tax are the largest sources.

Revenues

Program Revenues:

Charges for Services	\$ 1,792,850
Operating Grants and Contributions	1,418,905
Capital Grants and Contributions	6,127,848

General Revenues:

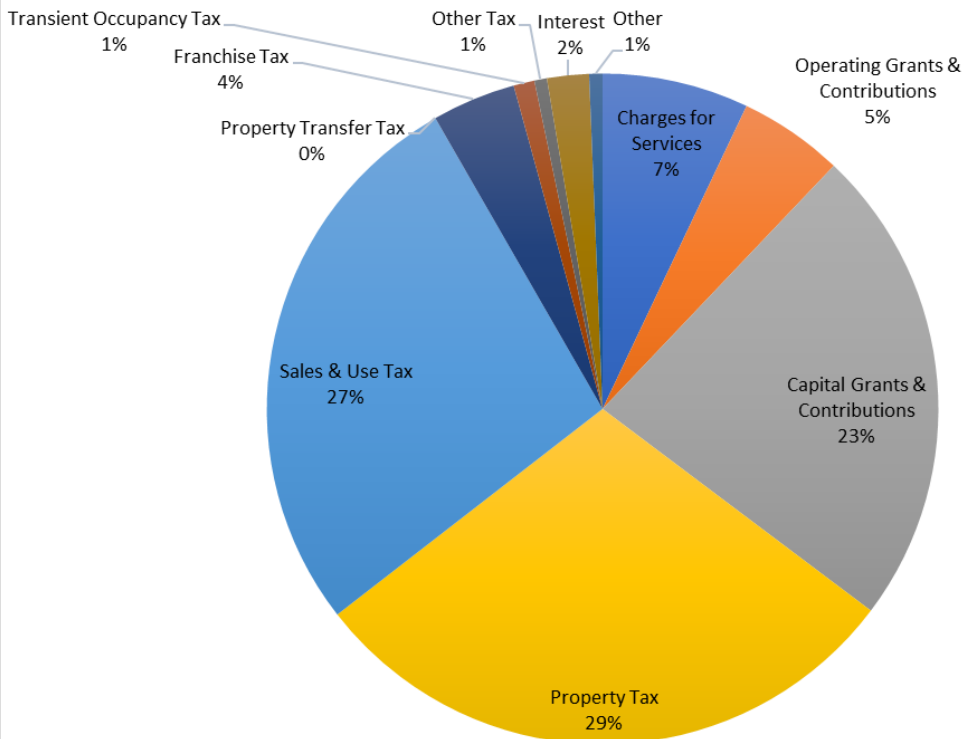
Taxes:

Property Taxes	7,756,848
Franchise Taxes	1,059,799
Sales and Use Taxes	7,065,541
Property Transfer Taxes	70,989
Transient Occupancy Taxes	205,661
Other Taxes	149,476

Investment Income 577,290

Other revenues 158,607

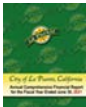
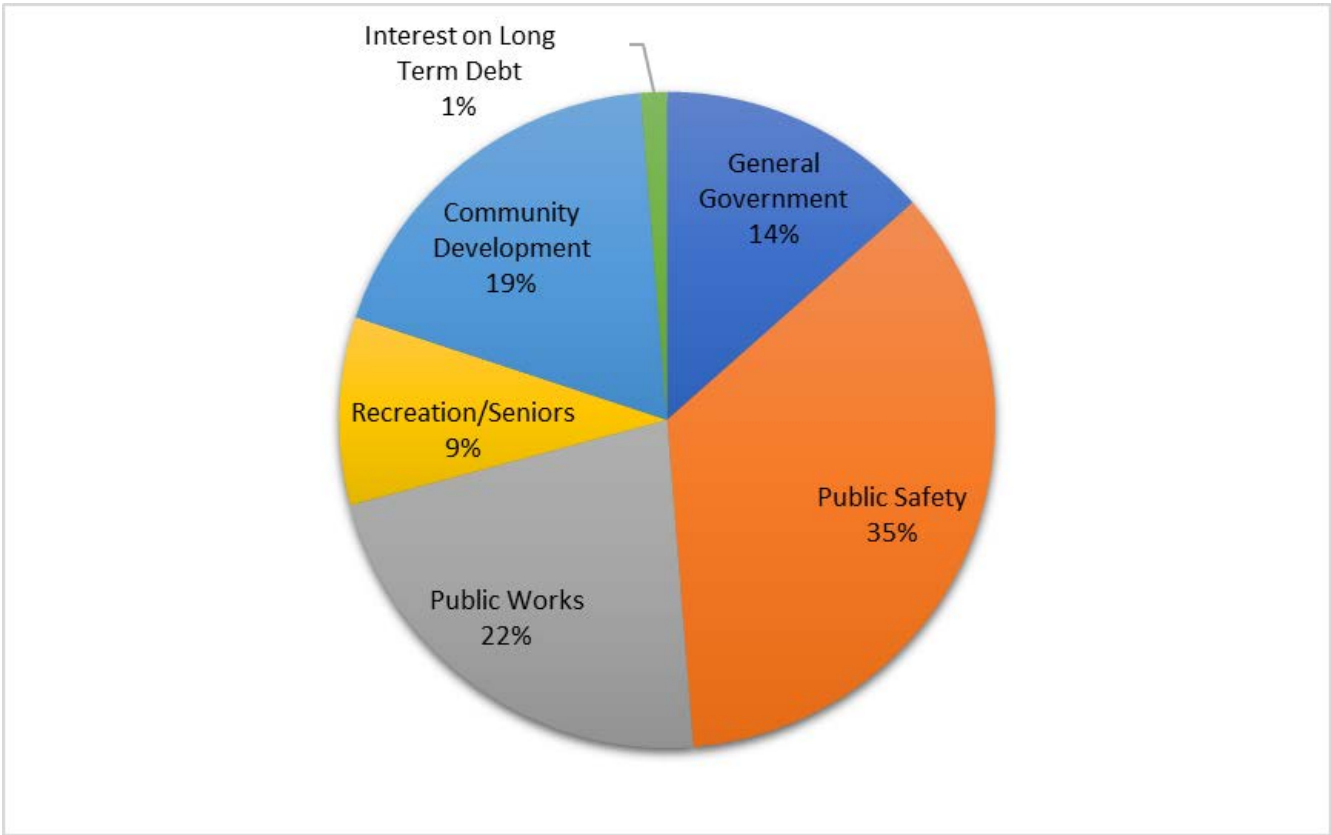
Total revenues 26,383,814



EXPENSES

GOVERNMENTAL ACTIVITY EXPENSES (money spent by the City throughout the Fiscal Year) totaled \$23,026,902. Public Safety is the largest expense, at 35% of total. This category includes the policing contract with the Los Angeles County Sheriff’s Department.

Expenses	
General Government	3,102,274
Public Safety	8,117,393
Public Works	5,086,569
Recreation/Senior Services	2,130,122
Community Development	4,292,118
Interest on Long-Term Debt	298,426
Total expenses	<u>23,026,902</u>



FUND BALANCE

FUND BALANCE is the City's accumulated reserve of money, much like a savings account. Fund balances increase when revenues exceed expenses (*surplus*). They decrease when a *deficit* occurs, and expenses are greater than revenues. Fund balances can be spent on projects, payroll, or operating costs. Fund Balance in the General Fund increased in FY 20-21 by **\$2,034,644.**

FUND	PURPOSE	FUND BALANCE
General Fund	Main operating fund. May be used for any government purpose.	\$26,878,350
Gas Tax	Street and road maintenance/ construction.	\$956,432
Measure M	Street and road maintenance/construction.	\$517,927
Measure R	Street and road maintenance/construction.	\$444,356
Proposition C	Transportation infrastructure/operations.	\$1,797,385
Proposition A	Transportation infrastructure/operations.	\$825,642
PEG Access Fund	Promotion of citizen participation.	\$160,826
Cal-Home Grant Fund	Provide grants for housing.	\$1,428,255
Air Quality Fund	Purchase of clean air fleet vehicles.	\$59,614
Housing Fund	Promote affordable housing.	\$318,756
2019A & 2019B Capital Project Funds	Bond funds for street construction.	\$5,937,792
Measure W	Stormwater management.	\$207,140
Landscape & Lighting Maintenance District Fund	Street lighting, construction, parkway landscape, park and facility maintenance.	\$734,379
Miscellaneous Grants	State and federal grants for projects.	\$(93,053)
FUND	PURPOSE	NET POSITION*
Sewer Maintenance/Const.	Construction and maintenance of sewer.	\$8,535,602
Internal Service Fund	Funds City fleet vehicles and computers.	\$1,496,160
Successor Agency Fund	Former LP CDC/Redevelopment Agency.	\$(18,084,916)

Proprietary and fiduciary funds use the term net position rather than fund balance since they are full accrual basis*
One-time revenues have been excluded from this table including COVID-19 relief funds and debt service funds**



ASSETS AND LIABILITIES

GOVERNMENT WIDE ASSETS AND LIABILITIES

