

City of La Puente, California

**Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2022**

City of La Puente

California



Annual Comprehensive Financial Report

For the Fiscal Year Ended

June 30, 2022

Prepared by:

The Administrative Services Department

City of La Puente
Annual Comprehensive Financial Report
Year Ended June 30, 2022

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INTRODUCTORY SECTION



City of La Puente

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December 14, 2022

Honorable Mayor and City Council
City of La Puente, California

INTRODUCTION

The City of La Puente's Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022 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, 2022, 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 unmodified (“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 nearly 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 original name “Puente” means *bridge* in 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 49,000-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 what would become the City.

The City operates under a council-manager form of government. Policy-making and legislative authority are vested in a governing City 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 is a contract city and as such contracts for many of its services. These include law enforcement services, building and safety services, engineering, road maintenance and landscape maintenance. Law enforcement 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 and public health services through a health center in the City. 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 through a franchise agreement with a private waste collection company. There are seventeen public and private schools 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, Parking Enforcement, and Animal Control). 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 2021-2022 fiscal period saw significant changes in the national and local economies. In July of 2021, unemployment in Los Angeles County registered at 9.6%, and the contractionary conditions caused by the COVID-19 pandemic still loomed large in the minds of policymakers. Early signs of recovery were visible, due in large part to widespread public health advancements that allowed many sectors of the economy to return to full operating capacity. Even so, the fluid nature of the crisis and its accompanying economic variances prompted officials to continue to approach budgetary matters with a cautionary attitude.

As the year continued, any remaining doubts about the nascent economic recovery were readily dispatched. By the fall of 2021 a clear trend of growth had emerged. Unemployment rates in the region plunged to 6.1% in January 2022 and even further to

round out the fiscal year at 5.2% in June (source: California Employment Development Department). Inflation, measured using the Consumer Price Index (CPI), is another important indicator of macroeconomic growth. Inflation typically displays an inverse relationship to unemployment, and this correlation became increasingly evident as the fiscal year elapsed. In July 2021, the year-over-year change in CPI was 3.9% in the Los Angeles region. By January 2022, the midway point in the fiscal year, this figure had nearly doubled to 7.5%, and continued to rise until reaching 8.6% in June (source: US Bureau of Labor Statistics).

As of the publication of this report, both prices and employment levels continue their progressive trajectory. Expansionary economic conditions such as those being witnessed currently are generally a positive indication for the City's revenues. Increased prices in retail goods help to drive robust sales tax receipts, and strong real estate valuations bolster the property tax accounts. In the General Fund, tax revenues for FY 2021-2022 exceeded their adopted budget by \$1.3 million.

Conversely, an environment of economic growth can spell uncertainty for the agency's expenditure budget. Rapid inflation has caused an overall increase in price levels, which may affect the City's ability to procure the goods and services necessary to the fulfillment of its public mission. Furthermore, low levels of unemployment indicate widespread labor shortages, which can lead to difficulty in maintaining adequate staffing levels. Generally, when supply is limited and demand is high, the corresponding shift in the equilibrium price of goods, services, and wages can strain agency resources. Although these areas have not arisen as major concerns to date, they will be closely monitored into the next fiscal year by management.

MAJOR INITIATIVES AND ACCOMPLISHMENTS

In January of 2022, the City completed the issuance of Series 2022A Certificates of Participation (COPs), raising over \$3.7 million. This private-placement agreement will be liquidated through semiannual payments until 2039 and is financed by transfers appropriated within the General Fund. The issuance was authorized for the purpose of funding energy efficiency capital improvements to City facilities. Upgrades planned for this project include the replacement of plumbing and lighting fixtures at all facilities with energy efficient models, major roofing repairs and addition of solar panels at City Hall, and the construction of a solar panel carport in the Community Center parking lot. Once completed, these solar panels are expected to produce a substantial amount of electricity, offsetting the cost associated with usage at each respective location. During Fiscal Year 2021-2022, significant progress was made on these physical plant improvements, and approximately \$2.1 million of the Series 2022A funds were drawn down.

Across the board, the Capital Improvement Program (CIP) was a major focal point of activity throughout the fiscal year. The Local Streets Pavement Resurfacing project, continued from prior fiscal years, is an ambitious pavement rehabilitation program, repairing selected streets and roads in deteriorating condition after years of deferred maintenance. The project employs both slurry seal and grind-and-overlay techniques depending on the surveyed condition of the individual street. In Fiscal Year 2021-2022, about \$4.97 million was expended on construction, engineering, and related services for this project. In addition to repairing damage that has already taken place, this project will

preserve public roadways in an improved condition moving forward, saving annual maintenance costs from the operating budget in perpetuity.

Another matter of emphasis for the City's capital improvement efforts is the continuation of the La Puente Park Master Plan. Fiscal Year 2021-2022 saw the completion of several major areas of construction within the park complex. State-of-the-art recreational opportunities now available to La Puente residents include an enclosed soccer field, fitness courts, exercise equipment, several trails and walking paths, and age-specific playgrounds. Additionally, safety and accessibility at La Puente Park were improved through the relocation of a restricted-access road and driveway. Funding for these long-term investments was provided by several one-time sources, including state grants. This project is expected to reach its terminus within the next fiscal cycle.

During Fiscal Year 2021-2022, the City received its second tranche of American Rescue Plan Act ("ARPA") funding from the federal government in the amount of \$4.7 million. Throughout the year, funds were expended on eligible activities, including grants to local small businesses, subsidization of registration fees for youth sports leagues, services to unhoused individuals, expansion of community engagement efforts, and support to community-based organizations. In an effort to improve access to government as well as public safety, several ARPA-funded capital improvement projects commenced during the fiscal year. These included the design phase for the Council Chamber Renovation Project at City Hall, and the installation of automated license plate reader (ALPR) cameras throughout the City, used to identify stolen vehicles and fugitives from justice.

LONG-TERM FINANCIAL PLANNING

The unassigned fund balance in the General Fund is \$15.9 million or 95% of General Fund expenditures and total General Fund balances is \$26 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 planning purposes.

GFOA CERTIFICATE OF ACHIEVEMENT

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021. 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 Annual Comprehensive Financial Report that satisfied both GAAP and applicable legal requirements. The awards are valid for a period of one year only. The City believes that the current Annual Comprehensive Financial Report continues to 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 staff of the Administrative Services Department and Finance Division for coordinating and preparing this Annual Comprehensive Financial Report. Their dedication in managing the City's resources on a daily basis is the object of our appreciation. Additionally, our gratitude extends to the firm Van Lant and Fankhanel, LLP, for their assistance in the publication of this document.

Our final acknowledgement is reserved for the Mayor and City Council. Their commitment to transparency and attention to financial matters form the cornerstone of the agency's healthy fiscal condition and will enable the City to continue providing critical community services for years to come.

Respectfully submitted,



Troy Grunklee, CPA
Administrative Services Director



Alexander Merkel Medina
Finance Manager



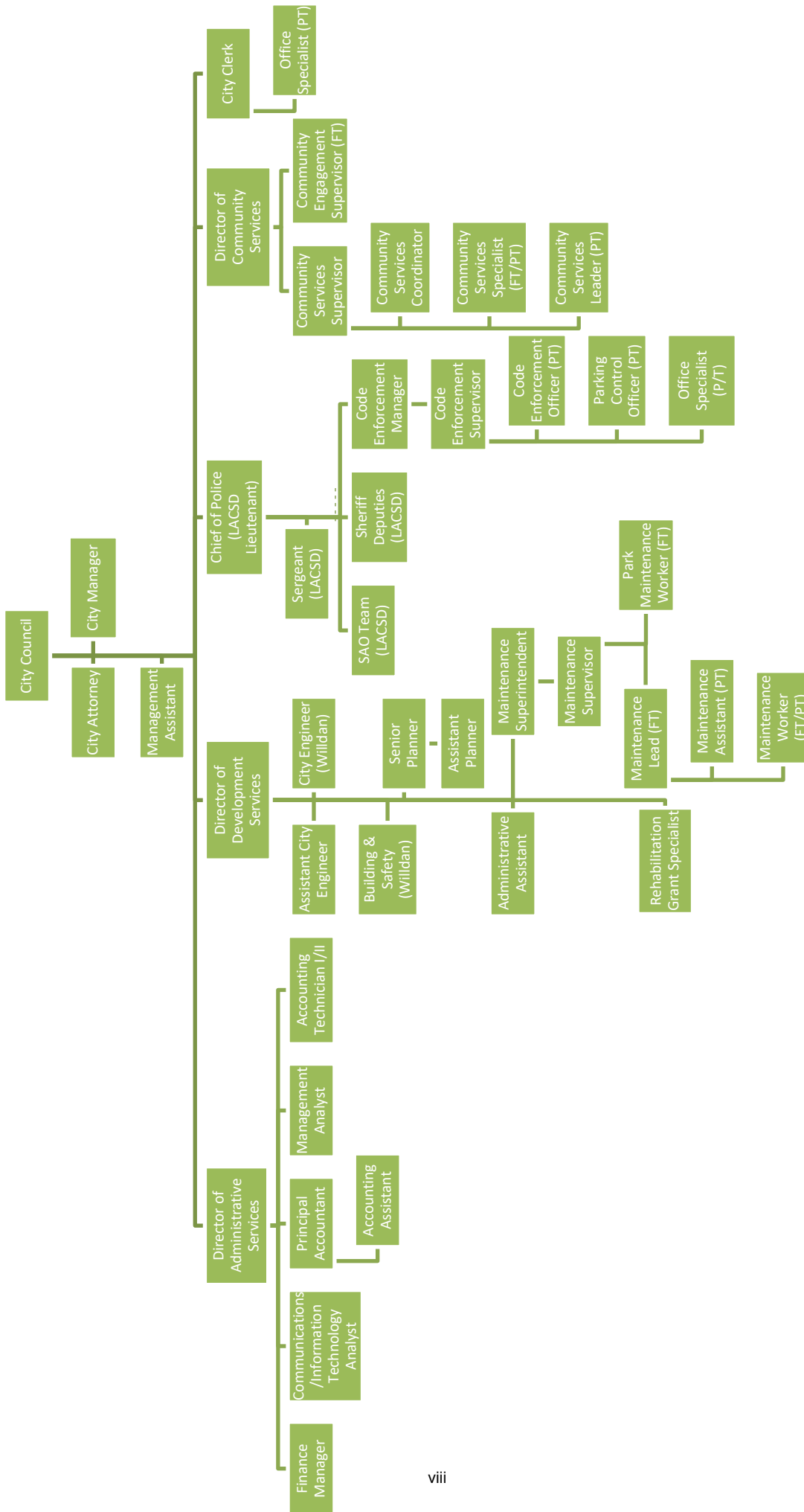
CITY OF LA PUENTE, CALIFORNIA

ELECTED OFFICIALS - CITY COUNCIL

Charlie Klinakis, Mayor
Valerie Muñoz, Mayor Pro Tem
David Argudo, Council Member
Gabriel Quiñones, Council Member
Nadia Mendoza, Council Member

CITY OFFICIALS

City Manager..... Bob Lindsey
City Attorney Olivarez Madruga Law Organization LLP
City Clerk Sheryl Garcia, CMC, CPM
Director of Administrative Services/City Treasurer..... Troy Grunklee, CPA
Director of Development Services..... John Di Mario
Director of Community Services..... Alex Bauman
Finance Manager Alexander Merkel-Medina





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of La Puente
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO



FINANCIAL SECTION

Independent Auditor's Report

The Honorable City Council
City of La Puente, California

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the 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, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of La Puente, as of June 30, 2022, 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.

Basis for Opinions

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

Change in Accounting Principle

As described in Note 1) O. to the financial statements, in 2022, the City adopted new accounting guidance, *GASB Statement No. 87, Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated December 14, 2022, 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

December 14, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the City of La Puente's financial performance provides a narrative overview and analysis of the financial activities of the City of La Puente (City) for the fiscal year ended June 30, 2022. Our analysis includes information regarding the City's overall financial position and results of operations to assist users in evaluating the City's financial position, a discussion of significant changes that occurred in funds, and information regarding significant budget variances. In addition, it describes the activities during the year for capital assets and long-term debt. We end our discussion and analysis with a description of currently known facts, decisions, and conditions that are expected to have a significant effect on the financial position or results of operations. 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 17 of this report.

FINANCIAL HIGHLIGHTS

Government-wide

- The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$86,868,547 (net position). Of this, \$26,693,694 is in unrestricted funds that may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$10,666,916 from the previous fiscal year.
- Citywide revenues were \$32,436,492. Total revenues are composed of \$15,790,649 in general revenue dollars, \$3,286,798 in charges for services, \$3,117,742 in operating grants and contributions, and \$10,241,303 in capital grants and contributions.
- Citywide expenses were \$21,769,576 with public safety being the largest functional area at \$9,408,249 or approximately 43% of the total expenses.

Fund level

- The total fund balance for all governmental funds was \$33,699,676 at the close of the fiscal year. Of that amount, \$10,173,609 is nonspendable and \$12,036,237 is restricted and not available for spending. The remaining \$11,489,830 is unassigned. Additional information on the fund balances for all governmental funds is on page 20 of this report.
- General Fund net change in fund balance decreased by \$(799,859) for the fiscal year ended June 30, 2022.
- Governmental fund balances decreased by \$(6,511,937) during fiscal year 2021-2022.

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 as follows:

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 one-third of these activities and general revenues finance the difference.

The Government-wide Financial Statements can be found on pages 17 to 19 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 narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the 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 twenty-five 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, Miscellaneous Grants Fund, and American Rescue Plan Act (ARPA) 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 20 to 23 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 27 and 28 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 29 to 59 of this report.

In addition to the basic financial statements and notes, this report contains other supplementary information.

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

Net Position - Governmental Activities				
	<u>2022</u>	<u>2021</u>	<u>Change</u>	<u>% Change</u>
Current and Other Assets	\$ 54,019,643	\$ 51,168,828	\$ 2,850,815	5.57%
Capital Assets	<u>51,488,010</u>	<u>39,854,215</u>	<u>11,633,795</u>	<u>29.19%</u>
Total Assets	<u>105,507,653</u>	<u>91,023,043</u>	<u>14,484,610</u>	<u>15.91%</u>
Deferred Outflows of Resources	<u>5,937,889</u>	<u>10,121,718</u>	<u>(4,183,829)</u>	<u>-41.34%</u>
Other Liabilities	8,325,889	5,775,884	2,550,005	44.15%
Long-term Liabilities	<u>19,862,070</u>	<u>27,379,525</u>	<u>(7,517,455)</u>	<u>-27.46%</u>
Total Liabilities	<u>28,187,959</u>	<u>33,155,409</u>	<u>(4,967,450)</u>	<u>-14.98%</u>
Deferred Inflows of Resources	<u>4,781,830</u>	<u>323,323</u>	<u>4,458,507</u>	<u>1378.96%</u>
Net Position:				
Net investment in capital assets	42,488,052	38,528,613	3,959,439	10.28%
Restricted	9,294,007	5,513,180	3,780,827	68.58%
Unrestricted	<u>26,693,694</u>	<u>23,624,236</u>	<u>3,069,458</u>	<u>12.99%</u>
Total Net Position	<u>\$ 78,475,753</u>	<u>\$ 67,666,029</u>	<u>\$ 10,809,724</u>	<u>15.98%</u>

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 \$78,475,753 at the close of the fiscal year, an increase of \$10,809,724 or 15.98% from the previous year. The primary reasons for the increase in net position are as follows:

- Current and Other Assets increased by \$2,850,815 or 5.57% as a result of the following:
 - An increase in proceeds from tax revenues.
 - Increases in amounts Due from Other Governments due to state grant funding requests submitted and receivable as of fiscal year end.
- Capital Assets increased by \$11,633,795 or 29.19 % primarily due to completion of significant portions of the La Puente Park Master Plan.

Deferred inflows of resources significantly increased year-over-year, by \$4,458,507 or 1,378.96%, related primarily to pension and other post-employment benefits (OPEB), as well as the implementation of the GASB 87 standard with regard to leases.

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 \$42,488,052 (54% of total net position), 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, \$9,294,007 or 11.8%, represents resources that are subject to external restrictions on how they may be used (shown as "restricted" in Table 1). The remaining balance of \$26,693,694, or 34%, is unrestricted. This amount includes \$10,099,882 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 \$16,593,812 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, 2022

Table 2

	2022	2021	Change	% Change
Revenues				
Program Revenues:				
Charges for Services	\$ 1,962,983	\$ 1,792,850	\$ 170,133	9.49%
Operating Grants and Contributions	3,117,742	1,418,905	1,698,837	119.73%
Capital Grants and Contributions	10,241,303	6,127,848	4,113,455	67.13%
General Revenues:				
Taxes:				
Property Taxes	8,081,850	7,756,848	325,002	4.19%
Franchise Taxes	1,113,913	1,059,799	54,114	5.11%
Sales and Use Taxes	7,452,307	7,065,541	386,766	5.47%
Property Transfer Taxes	101,229	70,989	30,240	42.60%
Transient Occupancy Taxes	282,519	205,661	76,858	37.37%
Other Taxes	173,166	149,476	23,690	15.85%
Investment Income	(1,472,969)	577,290	(2,050,259)	-355.15%
Transfers	635,839	-	635,839	100.00%
Other revenues	39,954	158,607	(118,653)	-74.81%
Total revenues	<u>31,729,836</u>	<u>26,383,814</u>	<u>5,346,022</u>	<u>20.26%</u>
Expenses				
General Government	1,332,903	3,102,274	(1,769,371)	-57.03%
Public Safety	9,408,249	8,117,393	1,290,856	15.90%
Public Works	2,215,979	5,086,569	(2,870,590)	-56.43%
Recreation/Senior Services	2,504,741	2,130,122	374,619	17.59%
Community Development	4,904,341	4,292,118	612,223	14.26%
Interest on Long-Term Debt	553,899	298,426	255,473	85.61%
Total expenses	<u>20,920,112</u>	<u>23,026,902</u>	<u>(2,106,790)</u>	<u>-9.15%</u>
 Increase (decrease) in net assets	 10,809,724	 3,356,912	 7,452,812	 222.01%
 Net position, beginning	 <u>67,666,029</u>	 <u>64,309,117</u>	 <u>3,356,912</u>	 5.22%
Net position, ending	<u>\$ 78,475,753</u>	<u>\$ 67,666,029</u>	<u>\$ 10,809,724</u>	15.98%

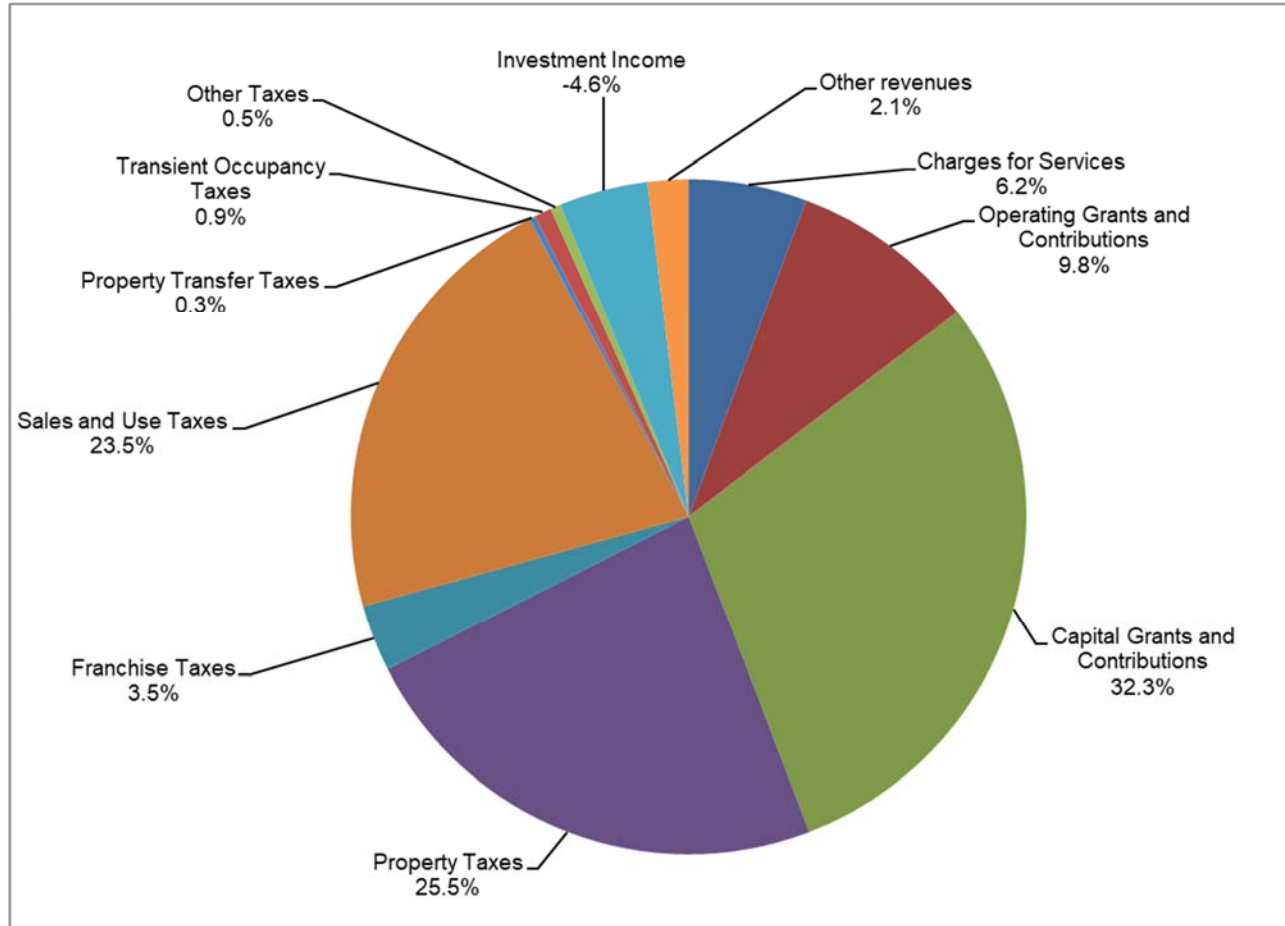
The City's net position increased by \$10,809,724 during the fiscal year as a result of revenues being greater than expenses. The total cost of all City governmental activities was \$20,920,112 for the fiscal year. Net gain of all governmental activities was \$10,809,724.

Total revenues increased by \$5,346,022 primarily due to the increase in property taxes, sales and use taxes, and other revenues as indicated above, including state grants.

Revenue Sources:

The revenue sources from governmental activities presented in Table 2 are illustrated in Figure 1 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
Revenues by Source – Governmental Activities



As shown in Figure 1, over 54% 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 48% of the total resources and investment income and miscellaneous income amounted to (2)% of the total governmental revenues for the year. This has not changed in any significant way from last fiscal year.

Expense and Program Revenues:

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

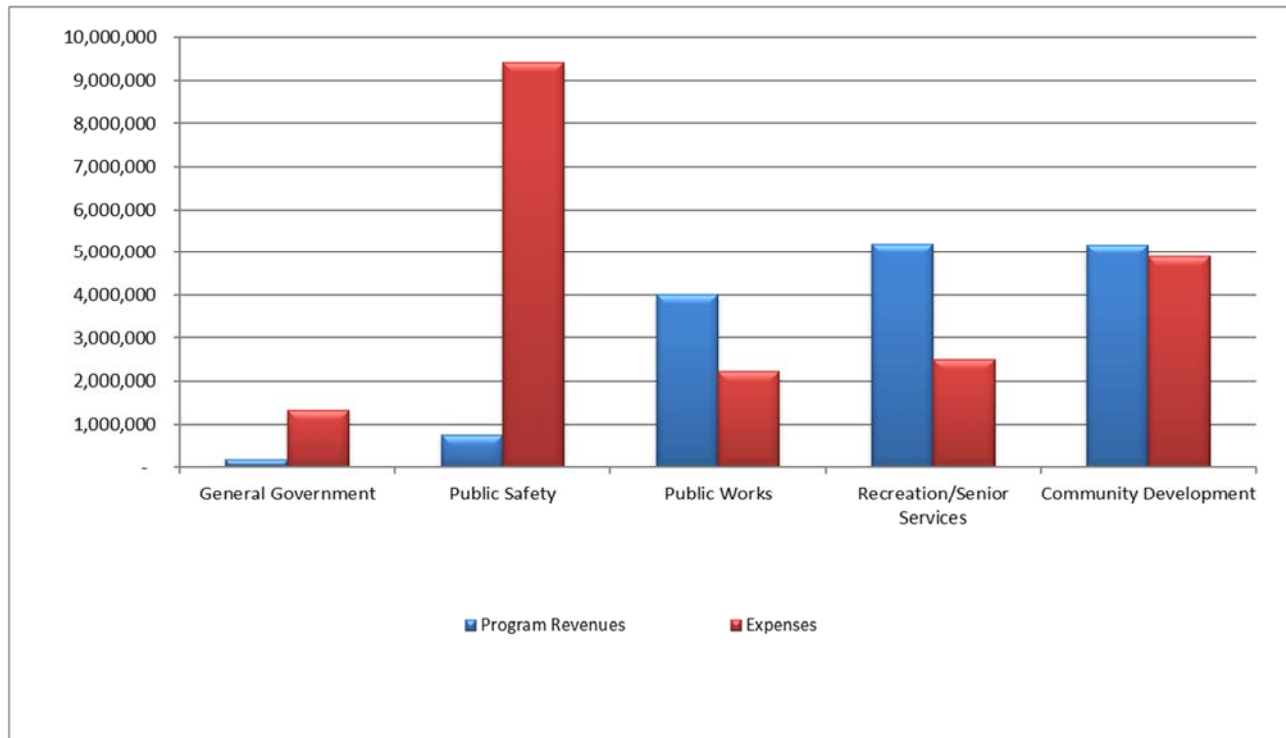
Governmental activities increased the City's net position by \$10,809,724. Key elements of this increase are as follows:

- Sales and Use Taxes increased by \$386,766, a year-over-year increase of over 5.47%. This increase was primarily attributable to the full post-pandemic recovery of the retail sector within La Puente, as well as inflationary prices.
- Property Tax increased by \$325,002 – around 4.19% - driven by high demand in the housing market throughout the year. The strength of real estate sales in the local area was also a driving factor in the 42.60% increase seen in Property Transfer Taxes.
- Capital Grants and Contributions increased by 67.13% or \$4,113,455 due to revenue derived from several state grants for the capital improvements at La Puente Park.
- Operating Grants and Contributions increased by 119.73% or \$1,698,837, primarily due to the receipt of federal funding in the form of the American Rescue Plan Act (ARPA).
- Overall, expense decreased by 9.15% from Fiscal Year 2020-2021. The majority of this change occurred within the General Government function, with a reduction of \$(1,769,371) or 57.03%, and Public Works, with a reduction of \$(2,870,590) or 56.43%. This trend is mostly due to shifting of funding sources due to the availability of grants for capital projects.
- Investment income decreased by \$(2,050,259) due to unfavorable conditions in global credit markets at the posting date of the GASB 72 fair value adjustment. This is not reflective of the rate of return in the City's portfolio.

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

Public works and community development services are largely funded by program revenues. The general government, public safety, and recreation/senior services receive limited program revenue and are primarily funded with 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. The significant program revenues seen in Recreation/Senior Services this fiscal year are due to capital grants and contributions, in the form of state grants funding the capital improvements at La Puente Park.

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

	2022	2021
Current and Other Assets	\$ 2,352,773	\$ 2,113,330
Capital Assets	12,940,370	13,808,079
Total Assets	15,293,143	15,921,409
Deferred Amounts on Refunding	468,641	497,931
Total Deferred Outflows of Resources	468,641	497,931
Other Liabilities	398,990	548,738
Long-term Liabilities Outstanding	6,970,000	7,335,000
Total Liabilities	7,368,990	7,883,738
Net Position:		
Net investment in capital assets	6,074,011	6,616,010
Restricted	2,318,783	1,919,592
Total net position	\$ 8,392,794	\$ 8,535,602

Table 4
Business-type Activities Change in Net Position

	2022	2021
Revenues		
Charges for services	\$ 1,323,815	\$ 1,413,471
Investment & Other Income	<u>18,680</u>	<u>48,969</u>
Total revenues	<u>1,342,495</u>	<u>1,462,440</u>
Expenses		
Sewer assessment	600,924	1,266,391
Other expenses	<u>884,379</u>	<u>258,819</u>
Total expenses	<u>1,485,303</u>	<u>1,525,210</u>
Excess of revenues over expenses	<u>(142,808)</u>	<u>(62,770)</u>
Change in net position	(142,808)	(62,770)
Net position, beginning	<u>8,535,602</u>	<u>8,598,372</u>
Net position, ending	<u><u>\$ 8,392,794</u></u>	<u><u>\$ 8,535,602</u></u>

The net position of the City's business-type activities decreased by \$142,808. As shown in Table 3, "Current and Other Assets" reflects an increase of \$239,443. The increase is primarily due to a reduction in outlays, as capital projects from prior years reach completion.

The City's business-type expenses exceeded program revenues by \$142,808 as shown in Table 4. This is due in large part to a reassignment of capital assets in the amount of \$635,839. The asset was acquired using the financial resources of the enterprise fund. Upon capitalization, however, it was determined that the asset was more appropriately classified as a general fixed asset. The City's sewer utility is its only business-type activity.

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, 2022, the City's Governmental Funds reported a combined fund balance of \$33,699,676 which decreased by \$(6,511,937) from the prior year fund balance.
- Fund Balance Classification
 - The City has \$10,173,609 in non-spendable fund balance as of June 30, 2022. 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 \$12,036,237 at June 30, 2022. Restricted fund balance includes resources that are subject to externally enforceable legal restrictions.
- The General Fund has unassigned fund balance of \$15,915,585. 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 \$26,078,491 fund balance, a decrease of \$(799,859) from the previous year.
- General Fund revenues fell short of budgeted revenues by \$(482,881). The impetus for this shortfall is a large negative revenue figure for Investment Income, in the amount of \$(1,906, 893), caused by an unfavorable GASB 72 fair value adjustment entry. This in turn caused the fund balance to decrease. Almost all other General Fund revenue categories display positive budget variances.
- General Fund expenditures were \$1,265,998 less than budgeted amounts. This favorable budget variance was driven by savings in Public Safety, due to staffing vacancies, as well as delayed implementation of increased deputy staffing levels that were planned for in the adopted budget.
- American Rescue Plan Act (ARPA) revenues were \$2,027,017 in contrast to the budgeted amount of \$4,738,300. Although the entire subvention of \$4,738,300 was received during the fiscal year, the unspent portion was considered unearned, reducing the amount of revenue recognized within the period. ARPA expenditures were \$2,027,017, a significant savings over the budget of \$4,008,500. Although the fund reports an ending fund balance of zero dollars due to the unearned revenue liability, the unspent allocation remains in the fund's cash account and are available for use in the next fiscal year.
- The Miscellaneous Grants Fund had a negative ending fund balance of \$(4,340,071). This fund is comprised of several state grants used for the capital improvement project at La Puente Park. The grant agreements require that the City outlay the initial cash for purchases of eligible goods and services, and later apply for state reimbursement. The City expects to receive the related cash in the next fiscal period, ameliorating the negative fund balance.

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, 2022 is \$64,428,380. 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.

City of La Puente
Management Discussion and Analysis
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The net increase (additions minus deletions) in capital assets for the fiscal year was \$10,766,086 owing in large part to work completed at La Puente Park. Additional information on the City's capital assets can be found in Note 5 of the financial statements. Table 5 shows a summary of changes in capital assets (net of depreciation) as of June 30, 2022.

Table 5
Capital Assets

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities:				
Capital Assets, Not Depreciated:				
Land	\$ 3,621,179	\$ -	\$ -	\$ 3,621,179
Construction in Progress	1,427,843	12,762,034	(5,673,702)	8,516,175
Total Capital Assets, Not Depreciated	5,049,022	12,762,034	(5,673,702)	12,137,354
Capital Assets Being Depreciated:				
Buildings and Improvements	25,408,570	5,541,409	(262,668)	30,687,311
Equipment and Furniture	2,870,940	425,314	(167,487)	3,128,767
Infrastructure	41,841,947	676,795	-	42,518,742
Right-to-use Leased Vehicle	-	131,994	-	131,994
Total Capital Assets, Depreciated	70,121,457	6,775,512	(430,155)	76,466,814
Less Accumulated Depreciation:				
Buildings and Improvements	(12,662,379)	(1,266,304)	254,187	(13,674,496)
Equipment and Furniture	(1,659,695)	(200,583)	99,041	(1,761,237)
Infrastructure	(20,994,190)	(671,664)	-	(21,665,854)
Right-to-use Leased Vehicle	-	(14,571)	-	(14,571)
Total Accumulated Depreciation	(35,316,264)	(2,153,122)	353,228	(37,116,158)
Net Capital Assets, Depreciated	34,805,193	4,622,390	(76,927)	39,350,656
Governmental Activities Capital Assets	\$ 39,854,215	\$ 17,384,424	\$ (5,750,629)	\$ 51,488,010
Business-type Activities:				
Capital Assets, Not Depreciated				
Construction in Progress	\$ 623,391	\$ 12,448	\$ (635,839)	\$ -
Total Capital Assets, Not Depreciated	623,391	12,448	(635,839)	-
Capital Assets Being Depreciated:				
Sewer Collection System	14,659,082	-	-	14,659,082
Total Capital Assets, Depreciated	14,659,082	-	-	14,659,082
Less Accumulated Depreciation:				
Sewer Collection System	(1,474,394)	(244,318)	-	(1,718,712)
Net Capital Assets, Depreciated	13,184,688	(244,318)	-	12,940,370
Business-type Activities Capital Assets	\$ 13,808,079	\$ (231,870)	\$ (635,839)	\$ 12,940,370

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 resulted 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 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 \$1,422,945 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 were to be in the amount of \$208,741.57 annually and will be made from annual Measure R funds received by the City, however during the 2018-19 fiscal year; the City will not draw on any additional funds on this loan. A new amortization schedule was developed and approved by the City of Industry in October 2019 and the new annual payment will be \$53,287.

In November 2019, the City issued Series 2019A and Series 2019B Bonds, the proceeds of which were \$3,910,000 and \$3,470,000, respectively. The purpose of this debt issuance is to finance deferred capital costs related to street resurfacing throughout the City. The annual debt service, including principal and interest, is funded by Measure R and Measure M Local Return revenues received from the Los Angeles County Metropolitan Transportation Authority. Interest rates on this debt range from 2.75% to 4.00%, with semiannual payments from \$125,000 to \$225,000 over the next twenty years.

In 2020, the City issued Series 2020A Pension Obligation Bonds, raising \$8,517,708 in certificates of participation. The proceeds were disbursed to the California Public Employees Retirement System (CalPERS) for liquidation of the City's Unfunded Actuarial Liability (UAL) and Other Post Employment Benefit (OPEB) liabilities. This action allows the City to save thousands of dollars over the next several decades and take advantage of favorable interest rates. Payments will be made twice per year until 2039 at a rate of 3.05%. Total debt service will amount to \$10,888,092.

In January of 2022, the City issued Series 2022A Certificates of Participation (COPs). This is a private-placement debt with an interest rate of 2.310% payable through 2039. \$3,758,856 was raised for the purpose of funding energy efficient capital improvements at various City facilities. Annual principal and interest payments are financed by the General Fund.

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 2021-2022 was \$17,243,400. Actual General Fund revenues were lower than the final budgeted revenues by \$(482,881) for a total of \$16,760,519. Several factors played into this variance with budgeted projections. "Taxes" were \$1,364,402 higher than projected due to sales tax and property tax received being higher than anticipated. Licenses and Permits, Intergovernmental, Charges for Services, and Fines and Forfeitures also registered higher than budget. The reason for the \$(482,881) variance was a large negative revenue posting for Investment Income. This was caused by an unfavorable fair value adjustment, required under GASB standards. This is not a realized loss, and only represents the potential consequences if the City were to liquidate its investment portfolio under current market conditions.

Expenditure appropriations were originally adopted at \$17,886,600. Budget Amendments conducted throughout the fiscal year brought the final budget total to \$17,946,600. Factoring out the transfers, General Fund expenditures were \$1,265,998 less than the final budgeted expenditures. In the General Fund, the fund balance decreased by \$(799,859) during the fiscal period due the \$(1,906,893) effect of the mark-to-market investment adjustment. Were it not for this entry, fund balance would by all accounts have increased.

NEXT YEAR'S BUDGET AND ECONOMIC FACTORS

As the City looks toward next fiscal year, many of its priorities remain unchanged. The City of La Puente strives to provide an environment in which residents and visitors can travel, recreate, and conduct business with ease and safety. Completion of the final details of the La Puente Park Master Plan, and expending all remaining state grant funds, will continue to be of utmost importance into FY 2022-2023. Capital projects related to the repair and resurfacing of public roadways are also a constant area of focus. The capital improvement program offers an ambitious plan to modernize the City's pavement system utilizing a matrix of special revenue funds and bond funds.

The programs and services identified by the City Council as part of the American Rescue Plan Act (ARPA) are also a major area of emphasis moving forward. Priorities for this federal funding include subsidization of youth sports programs, improvement and beautification of public facilities, support for local non-profits promoting diversity and inclusion, direct aid to local businesses, services for unhoused and unemployed individuals, and food security assistance.

Throughout the global economy, expansionary conditions continue to point towards inflationary prices for a wide variety of goods and services, in addition to challenges related to labor shortages. Management will continue to closely monitor these matters as the new fiscal year unfolds and will be proactive in understanding their implications on the expenditure budget. The City's revenue sources have displayed a strong trajectory over the past several years, especially taxes, fees, and charges for services. As the City moves into the future, any economic uncertainty will likely be counterbalanced by the stability of the agency budget, allowing quality public services to be delivered for decades to come.

REQUESTS FOR INFORMATION

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



BASIC FINANCIAL STATEMENTS

City of La Puente
Statement of Net Position
June 30, 2022

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Investments	\$ 24,728,566	\$ 2,320,671	\$ 27,049,237
Cash and Investments with Fiscal Agent	3,018,080	-	3,018,080
Accounts Receivable	299,719	-	299,719
Interest Receivable	5,627,261	-	5,627,261
Loans Receivable	1,263,087	-	1,263,087
Lease Receivable	199,342	-	199,342
Due From Other Governments	6,360,507	32,102	6,392,609
Prepaid Items	81,431	-	81,431
Net Pension Asset	1,250,787	-	1,250,787
Net OPEB Asset	685,313	-	685,313
Advance to Successor Agency, Net	10,099,882	-	10,099,882
Restricted Cash	405,668	-	405,668
Capital Assets, Not Depreciated	12,137,354	-	12,137,354
Capital Assets, Depreciated, Net	39,350,656	12,940,370	52,291,026
Total Assets	<u>105,507,653</u>	<u>15,293,143</u>	<u>120,800,796</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Refunding	-	468,641	468,641
Deferred Outflows Related to Pensions	5,517,494	-	5,517,494
Deferred Outflows Related to OPEB	420,395	-	420,395
Total Deferred Outflows of Resources	<u>5,937,889</u>	<u>468,641</u>	<u>6,406,530</u>
LIABILITIES			
Accounts Payable and Accrued Liabilities	3,738,553	16,080	3,754,633
Interest Payable	113,067	17,910	130,977
Unearned Revenues	2,830,517	-	2,830,517
Due to Other Agencies	483,768	-	483,768
Deposits	405,668	-	405,668
Long-Term Liabilities			
Due Within One Year	754,316	365,000	1,119,316
Due in More Than One Year	19,862,070	6,970,000	26,832,070
Total Liabilities	<u>28,187,959</u>	<u>7,368,990</u>	<u>35,556,949</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pensions	3,671,044	-	3,671,044
Deferred Inflows Related to OPEB	911,444	-	911,444
Lease Related	199,342	-	199,342
Total Deferred Inflows of Resources	<u>4,781,830</u>	<u>-</u>	<u>4,781,830</u>
NET POSITION			
Net Investment in Capital Assets	42,488,052	6,074,011	48,562,063
Restricted for:			
Street Projects	3,945,973	-	3,945,973
Public Works	2,569,994	-	2,569,994
Housing	1,817,453	-	1,817,453
Community Development	960,587	-	960,587
Sewer Operations	-	2,318,783	2,318,783
Unrestricted	26,693,694	-	26,693,694
Total Net Position	<u>\$ 78,475,753</u>	<u>\$ 8,392,794</u>	<u>\$ 86,868,547</u>

The accompanying notes are an integral part of this statement.

City of La Puente
Statement of Activities
Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$ 1,332,903	\$ 187,548	\$ -	\$ -
Public Safety	9,408,249	543,266	198,867	11,547
Public Works	2,215,979	18,283	-	3,983,815
Recreation/Senior Services	2,504,741	52,926	451,035	4,694,266
Community Development	4,904,341	1,160,960	2,467,840	1,551,675
Interest Expense	553,899	-	-	-
Total Governmental Activities	20,920,112	1,962,983	3,117,742	10,241,303
Business-type Activities:				
Sewer Assessment	849,464	1,323,815	-	-
Total Business-type Activities	849,464	1,323,815	-	-
Total Primary Government	<u>\$ 21,769,576</u>	<u>\$ 3,286,798</u>	<u>\$ 3,117,742</u>	<u>\$ 10,241,303</u>

General Revenues:

Taxes:

Property Taxes

Franchise Taxes

Sales Taxes

Property Transfer Tax

Transient Occupancy Tax

Business License Taxes

Investment Income

Other

Transfers

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>
\$ (1,145,355)	\$ -	\$ (1,145,355)
(8,654,569)	-	(8,654,569)
1,786,119	-	1,786,119
2,693,486	-	2,693,486
276,134	-	276,134
<u>(553,899)</u>	<u>-</u>	<u>(553,899)</u>
<u>(5,598,084)</u>	<u>-</u>	<u>(5,598,084)</u>
<u>-</u>	<u>474,351</u>	<u>474,351</u>
<u>-</u>	<u>474,351</u>	<u>474,351</u>
<u>(5,598,084)</u>	<u>474,351</u>	<u>(5,123,733)</u>
8,081,850	-	8,081,850
1,113,913	-	1,113,913
7,452,307	-	7,452,307
101,229	-	101,229
282,519	-	282,519
173,166	-	173,166
(1,472,969)	18,680	(1,454,289)
39,954	-	39,954
<u>635,839</u>	<u>(635,839)</u>	<u>-</u>
<u>16,407,808</u>	<u>(617,159)</u>	<u>15,790,649</u>
10,809,724	(142,808)	10,666,916
<u>67,666,029</u>	<u>8,535,602</u>	<u>76,201,631</u>
<u>\$ 78,475,753</u>	<u>\$ 8,392,794</u>	<u>\$ 86,868,547</u>

City of La Puente
Balance Sheet
Governmental Funds
June 30, 2022

	General Fund	ARPA	Miscellaneous Grants	Other Governmental Funds	Total
ASSETS					
Cash and Investments	\$ 12,480,841	\$ 2,777,109	\$ -	\$ 8,845,508	\$ 24,103,458
Cash with Fiscal Agent	-	-	-	3,018,080	3,018,080
Accounts Receivable	289,610	-	-	10,109	299,719
Interest Receivable	5,627,261	-	-	-	5,627,261
Loans Receivable	-	-	-	1,263,087	1,263,087
Lease Receivable	199,342	-	-	-	199,342
Due from Other Governments	1,591,284	-	4,393,523	372,296	6,357,103
Due from Other Funds	4,246,746	-	-	-	4,246,746
Restricted Cash	405,668	-	-	-	405,668
Prepaid Items	63,024	-	-	10,703	73,727
Advances to Successor Agency	10,099,882	-	-	-	10,099,882
Total Assets	<u>\$ 35,003,658</u>	<u>\$ 2,777,109</u>	<u>\$ 4,393,523</u>	<u>\$ 13,519,783</u>	<u>\$ 55,694,073</u>
LIABILITIES					
Accounts Payable and Accrued Liabilities	\$ 2,548,985	65,871	\$ 238,008	\$ 871,207	\$ 3,724,071
Due to Other Agencies	-	-	-	483,768	483,768
Unearned Revenue	119,279	2,711,238	-	-	2,830,517
Deposits	405,668	-	-	-	405,668
Due to Other Funds	-	-	4,142,063	104,683	4,246,746
Total Liabilities	<u>3,073,932</u>	<u>2,777,109</u>	<u>4,380,071</u>	<u>1,459,658</u>	<u>11,690,770</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenues - Interest	5,651,893	-	-	-	5,651,893
Unavailable Revenues - Grants	-	-	4,353,523	98,869	4,452,392
Lease Related	199,342	-	-	-	199,342
Total Deferred Inflows of Resources	<u>5,851,235</u>	<u>-</u>	<u>4,353,523</u>	<u>98,869</u>	<u>10,303,627</u>
FUND BALANCES					
Nonspendable	10,162,906	-	-	10,703	10,173,609
Restricted	-	-	-	12,036,237	12,036,237
Unassigned	15,915,585	-	(4,340,071)	(85,684)	11,489,830
Total Fund Balances	<u>26,078,491</u>	<u>-</u>	<u>(4,340,071)</u>	<u>11,961,256</u>	<u>33,699,676</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 35,003,658</u>	<u>\$ 2,777,109</u>	<u>\$ 4,393,523</u>	<u>\$ 13,519,783</u>	<u>\$ 55,694,073</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, 2022

Fund Balances for Governmental Funds	\$	33,699,676
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Amounts reported for Governmental Activities in the Statement of Net Position are different because:

Capital assets used in governmental activities, net of depreciation, are not financial resources and, therefore, are not reported in the funds.

Capital Assets		86,341,237
Accumulated Depreciation		(36,002,574)

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, 2022 are:

City of Industry Loan Agreement		(1,276,689)
2019A Sales Tax Revenue Bonds		(3,430,000)
2019B Sales Tax Revenue Bonds		(3,050,000)
Premium on Bonds		(385,070)
2020A Certificates of Participation		(8,144,035)
2022A Certificates of Participation		(3,758,856)
Compensated Absences		(454,313)

Net Pension Asset related to the City's Pension plan is not reported in the governmental funds		1,250,787
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Net OPEB Asset related to the City's other postemployment benefits is not reported in the governmental funds		685,313
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Interest expenditures are recognized when due, and therefore, interest payable is not recorded in the governmental funds.		(113,067)
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Long-term receivables are not available to pay for current period expenditures and, therefore, are report as unavailable revenue in the funds.		10,104,285
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Amounts for deferred inflows and deferred outflows related to the City's Net Pension Liability and Net OPEB Liability are not reported in the funds.

Deferred Outflows Related to Pensions		5,517,494
Deferred Inflows Related to Pensions		(3,671,044)
Deferred Outflows Related to OPEB		420,395
Deferred Inflows Related to OPEB		(911,444)

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 governmental activities in the Statement of Net Position.		1,653,658
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Net Position of Governmental Activities	\$	78,475,753
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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, 2022

	General Fund	ARPA	Miscellaneous Grants	Other Governmental Funds	Total
REVENUES					
Taxes	\$ 16,175,002	\$ -	\$ -	\$ 916,805	\$ 17,091,807
Licenses and Permits	735,741	-	-	-	735,741
Intergovernmental	582,178	2,027,017	185,716	6,303,768	9,098,679
Charges for Services	737,836	-	-	76,676	814,512
Fines and Forfeitures	422,109	-	-	-	422,109
Investment Income	(1,906,893)	-	-	72,579	(1,834,314)
Other Revenue	14,546	-	-	19,544	34,090
Total Revenues	16,760,519	2,027,017	185,716	7,389,372	26,362,624
EXPENDITURES					
Current:					
General Government	2,811,864	-	-	102,385	2,914,249
Public Safety	9,235,417	-	-	172,832	9,408,249
Public Works	578,699	-	-	1,435,133	2,013,832
Recreation/Senior Services	1,587,332	-	-	-	1,587,332
Community Development	2,003,116	1,594,597	-	2,050,850	5,648,563
Capital Outlay	464,174	432,420	4,432,734	8,409,357	13,738,685
Debt Service:					
Bond Issuance Costs	-	-	-	47,418	47,418
Interest and Fiscal Charges	-	-	-	482,503	482,503
Principal	-	-	-	692,586	692,586
Total Expenditures	16,680,602	2,027,017	4,432,734	13,393,064	36,533,417
Excess of Revenues Over (Under) Expenditures	79,917	-	(4,247,018)	(6,003,692)	(10,170,793)
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	1,327,101	1,327,101
Transfers Out	(879,776)	-	-	(547,325)	(1,427,101)
Issuance of Debt	-	-	-	3,758,856	3,758,856
Total Other Financing Sources (Uses)	(879,776)	-	-	4,538,632	3,658,856
Net Change in Fund Balances	(799,859)	-	(4,247,018)	(1,465,060)	(6,511,937)
Fund Balances, Beginning of Year	26,878,350	-	(93,053)	13,426,316	40,211,613
Fund Balances, End of Year	<u>\$ 26,078,491</u>	<u>-</u>	<u>\$ (4,340,071)</u>	<u>\$ 11,961,256</u>	<u>\$ 33,699,676</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, 2022

Net Change in Fund Balances - Total Governmental Funds \$ (6,511,937)

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	12,816,237
Donated Capital Assets from Business-type Activities	635,839
Depreciation Expense	(1,983,012)
Loss on Disposal	(8,481)

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	692,586
Debt Incurred	(3,758,856)
Premium on Bonds	22,651

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	(51,544)
Net Pension Asset	9,047,553
Net OPEB Asset	3,556,858

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

Deferred Outflows Related to Pensions	(1,582,804)
Deferred Inflows Related to Pensions	(3,430,091)
Deferred Outflows Related to OPEB	(2,601,025)
Deferred Inflows Related to OPEB	(829,074)

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.	4,731,373
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Accrued interest on bonds is not recorded in the governmental funds. This is the net change in accrued interest for the period.	(94,047)
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The change in net position of the internal service fund is reported with governmental activities.	157,498
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Change in Net Position of Governmental Activities	\$ 10,809,724
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The accompanying notes are an integral part of this statement.

City of La Puente
Statement of Net Position
Proprietary Funds
June 30, 2022

	Business-type Activities- Enterprise Fund Sewer Assessment	Governmental Activities - Internal Service Fund
ASSETS		
Current Assets:		
Cash and Investments	\$ 2,320,671	\$ 625,108
Due from Other Governments	32,102	3,404
Accounts Receivable	-	-
Prepaid Expenses	-	7,704
	<hr/>	<hr/>
Total Current Assets	2,352,773	636,216
	<hr/>	<hr/>
Noncurrent Assets:		
Capital Assets, Being Depreciated:		
Sewer Collection Systems	14,659,082	-
Vehicles	-	1,621,231
Furniture and Equipment	-	509,706
Right-to-use Leased Vehicle	-	131,994
Less: Accumulated Depreciation	(1,718,712)	(1,113,584)
	<hr/>	<hr/>
Total Noncurrent Assets	12,940,370	1,149,347
	<hr/>	<hr/>
Total Assets	15,293,143	1,785,563
	<hr/>	<hr/>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Amounts on Refunding	468,641	-
	<hr/>	<hr/>
LIABILITIES		
Current Liabilities:		
Accounts Payable and Accrued Liabilities	16,080	14,482
Interest Payable	17,910	-
Leases Payable - Current	-	23,140
Bonds Payable - Current	365,000	-
	<hr/>	<hr/>
Total Current Liabilities	398,990	37,622
	<hr/>	<hr/>
Noncurrent Liabilities:		
Leases Payable	-	94,283
Bonds Payable	6,970,000	-
	<hr/>	<hr/>
Total Noncurrent Liabilities	6,970,000	94,283
	<hr/>	<hr/>
Total Liabilities	7,368,990	131,905
	<hr/>	<hr/>
NET POSITION		
Net Investment In Capital Assets	6,074,011	1,149,347
Unrestricted	2,318,783	504,311
	<hr/>	<hr/>
Total Net Position	\$ 8,392,794	\$ 1,653,658
	<hr/>	<hr/>

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, 2022

	Business-type Activities- Enterprise Fund Sewer Assessment	Governmental Activities - Internal Service Fund
OPERATING REVENUES		
Charges for Services	\$ 1,323,815	\$ 388,108
Other Revenues	<u>-</u>	<u>14,250</u>
Total Operating Revenues	<u>1,323,815</u>	<u>402,358</u>
OPERATING EXPENSES		
Other General Expenses	356,606	109,327
Depreciation	<u>244,318</u>	<u>170,110</u>
Total Operating Expenses	<u>600,924</u>	<u>279,437</u>
Operating Income (Loss)	<u>722,891</u>	<u>122,921</u>
NONOPERATING REVENUES (EXPENSES)		
Reassignment of Capital Assets	(635,839)	-
Loss on Disposal	-	(68,446)
Interest Income	18,680	4,774
Interest Expense	<u>(248,540)</u>	<u>(1,751)</u>
Total Nonoperating Revenues (Expenses)	<u>(865,699)</u>	<u>(65,423)</u>
OTHER FINANCING SOURCES (USES)		
Transfers In	<u>-</u>	<u>100,000</u>
Total Financing Sources (Uses)	<u>-</u>	<u>100,000</u>
Change in Net Position	(142,808)	157,498
Net Position, Beginning of Year	<u>8,535,602</u>	<u>1,496,160</u>
Net Position, End of Year	<u><u>\$ 8,392,794</u></u>	<u><u>\$ 1,653,658</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, 2022

	Business-type Activities- Enterprise Fund Sewer Assessment	Governmental Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	\$ 1,341,245	\$ 399,264
Payments to Suppliers and Contractors	(515,488)	(130,544)
Net Cash Provided (Used) by Operating Activities	<u>825,757</u>	<u>268,720</u>
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES		
Cash Received From Other Funds	-	100,000
Net Cash Provided (Used) by Noncapital and Related Financing Activities	<u>-</u>	<u>100,000</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Payments for Purchase of Property and Equipment	(12,448)	(279,774)
Principal Paid on Long-term Debt	(355,000)	(14,571)
Interest Paid	(220,116)	(1,751)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(587,564)</u>	<u>(296,096)</u>
ACTIVITIES		
Interest Received	18,680	4,774
Net Increase (Decrease) in Cash and Cash Equivalents	256,873	77,398
Cash and Cash Equivalents - Beginning of Year	2,063,798	547,710
Cash and Cash Equivalents - End of Year	<u><u>\$ 2,320,671</u></u>	<u><u>\$ 625,108</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Operating Income (Loss)	\$ 722,891	\$ 122,921
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Depreciation	244,318	170,110
Changes in Assets and Liabilities:		
(Increase) Decrease in Due from Other Governments	(8,057)	(3,094)
(Increase) Decrease in Accounts Receivable	25,487	-
(Increase) Decrease in Prepaid Expenses	-	(7,704)
Increase (Decrease) in Accounts Payable	(158,882)	(13,513)
TOTAL CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>\$ 825,757</u></u>	<u><u>\$ 268,720</u></u>
Schedule of Non-cash Capital and Related Financing Activities		
Amortization of Deferred Amounts on Refunding	\$ 29,290	\$ -
Contribution of Capital Assets to Governmental Activities	\$ 635,839	\$ -

The accompanying notes are an integral part of this statement.

City of La Puente
Statement of Net Position
Fiduciary Funds
June 30, 2022

	Successor Agency Private-Purpose Trust Fund
ASSETS	
Cash and Investments	\$ 619,925
Cash with Fiscal Agent	<u>133,607</u>
Total Assets	<u>753,532</u>
LIABILITIES	
Accounts Payable	7,500
Interest Payable	53,922
Advances from the City	15,673,739
Bonds Payable	<u>2,975,000</u>
Total Liabilities	<u>18,710,161</u>
NET POSITION	
Held in Trust for Successor Agency	<u><u>\$ (17,956,629)</u></u>

The accompanying notes are an integral part of this statement.

City of La Puente
Statement of Changes in Net Position
Fiduciary Funds
Year Ended June 30, 2022

	Successor Agency Private-Purpose Trust Fund
ADDITIONS	
Taxes	\$ 680,005
Interest Income	119
Total Additions	<u>680,124</u>
DEDUCTIONS	
Administration and Pass-throughs	2,976
Interest on Advance from City	15,000
Interest on Bonds	<u>533,861</u>
Total Deductions	<u>551,837</u>
Change in Net Position	128,287
Net Position - Beginning of Year	<u>(18,084,916)</u>
Net Position - End of Year	<u><u>\$ (17,956,629)</u></u>

The accompanying notes are an integral part of this statement.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2022

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, 2022

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, 2022

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 ARPA Fund is used to account for one-time federal funding source encouraging economic growth and community development post COVID-19.

The Miscellaneous Grant Fund is used to account for various grants restricted for specific projects and operations.

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 activities of the former La Puente Community Development Commission.

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.

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.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2022

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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.

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.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2022

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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.

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 assets 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 relating to the Net Pension Liability and also the Net OPEB Liability. 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 assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has one item, which arises only under the modified accrual basis of accounting, and others relating to the Net Pension

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2022

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Liability and Net OPEB Liability, 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.

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.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2022

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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.

O) Leases

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

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

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

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

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2022

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor: The City is a lessor for a noncancellable lease of certain property for communications facilities. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements. At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

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

The lease of the property for communications facilities is for eight years and the City will receive monthly payments of approximately \$3,500. The City recognized \$37,524 in lease revenue, including interest revenue during the current fiscal year related to this lease. As of June 30, 2022, the City's receivable for lease payments was \$199,342. Also, the City has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of June 30, 2022, the balance of the deferred inflow of resources was \$199,342.

P) 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 96 – Subscription-Based Information Technology Arrangements: The requirements of this Statement will improve financial reporting by establishing a definition for SBITAs and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. That definition and uniform guidance will result in greater consistency in practice. Establishing the capitalization criteria for implementation costs also will reduce diversity and improve comparability in financial reporting by governments. This Statement also will enhance the relevance and reliability of a government's financial statements by requiring a government to report a subscription asset and subscription liability for SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations and assets resulting from SBITAs. The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2023.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2022

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Q) Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City of La Puente's California Public Employees' Retirement System (CalPERS) plan (Plan) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS.

For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

R) Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis.

For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. Generally accepted accounting principles require that the reported results must pertain to liability and asset information within curtailed defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2021
Measurement Period	July 1, 2020 to June 30, 2021

2) CASH AND INVESTMENTS

Cash and investments at June 30, 2022 are summarized as follows:

Statement of Net Position:	
Cash and Investments	\$ 27,049,237
Cash and Investments with Fiscal Agent	3,018,080
Restricted Cash and Investments	405,668
Statement of Fiduciary Net Position:	
Cash and Investments	619,925
Cash and Investments with Fiscal Agent	133,607
Total Cash and Investments	<u>\$ 31,226,517</u>
Petty Cash	\$ 2,200
Deposits with Financial Institutions	2,497,846
Investments	28,726,471
Total Cash and Investments	<u>\$ 31,226,517</u>

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2022

2) CASH AND INVESTMENTS - Continued

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

The table below identifies the investment types that are authorized for the City by the City's investment policy. The table also identifies certain provisions of the California Government Code (or the City's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Allowable Investment	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%
Bank Deposits	N/A	\$1,000,000	None
Medium Term Notes	5 years	30%	5%
Negotiable Certificates of Deposit	5 years	30%	\$250,000
Certificates of Deposit	5 years	30%	\$250,000
Local Agency Obligations	5 years	30%	None
Money Market Funds	N/A	15%	5%
Local Agency Investment Fund (LAIF)	N/A	None	\$65,000,000

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to this 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	
US Treasury Obligations	\$ -	\$ -	\$ 2,517,560	\$ 2,517,560
Federal Farm Credit Bank	-	245,795	3,697,030	3,942,825
Federal Home Loan Bank	-	-	4,530,602	4,530,602
Federal Home Loan Mortgage Corp	-	-	1,191,138	1,191,138
Federal National Mortgage Assoc.	-	-	1,622,460	1,622,460
Local Agency Obligations	248,927	219,855	-	468,782
Negotiable Certificates of Deposit	250,073	487,326	7,122,818	7,860,217
LAIF	3,196,731	-	-	3,196,731
Medium Term Notes	-	-	244,468	244,468
Held by Fiscal Agent:				
Money Market Mutual Funds	3,151,688	-	-	3,151,688
Total	\$ 6,847,419	\$ 952,976	\$ 20,926,076	\$ 28,726,471

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2022

2) CASH AND INVESTMENTS - Continued

Disclosures Relating to Credit Risk

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

Investment Type	Total Investment	Minimum Legal Rating	Rating as of Year End		
			AAA/AA	A and A-1	Unrated
US Treasury Obligations	\$ 2,517,560		\$ 2,517,560	\$ -	\$ -
Federal Farm Credit Bank	3,942,825	N/A	3,942,825	-	-
Federal Home Loan Bank	4,530,602	N/A	4,530,602	-	-
Federal Home Loan Mortgage Corp	1,191,138	N/A	1,191,138	-	-
Federal National Mortgage Assoc.	1,622,460	N/A	1,622,460	-	-
Local Agency Obligations	468,782	A	468,782	-	-
Negotiable Certificates of Deposit	7,860,217	N/A	-	-	7,860,217
LAIF	3,196,731	N/A	-	-	3,196,731
Corporate Bonds	244,468	A	-	244,468	-
Held by Bond Trustee:					
Money Market Mutual Fund	3,151,688	N/A	3,151,688	-	-
Total	<u>\$ 28,726,471</u>		<u>\$ 17,425,055</u>	<u>\$ 244,468</u>	<u>\$ 11,056,948</u>

Concentration of Credit Risk

At June 30, 2022, 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.

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 fair 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, 2022, no deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2022

2) CASH AND INVESTMENTS - Continued

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, 2022, 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, 2022:

- US Treasury Obligations of \$2,517,560 are valued using a matrix pricing model (Level 2 inputs).
- Federal Agency securities of \$11,287,025 are valued using a matrix pricing model (Level 2 inputs).
- Local Agency Obligations of \$468,782 are valued using a matrix pricing model (Level 2 inputs).
- Negotiable Certificates of Deposit of \$7,860,217 are valued using a matrix pricing model (Level 2 inputs).
- Corporate Bonds of \$244,468 are valued using a matrix pricing model (Level 2 inputs).

Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the Entity's investment in this pool is reported in the accompanying financial statements at amounts based on the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Information regarding LAIF's and the City's exposure to risk (credit, market, or legal) is not currently available.

3) INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Amounts Due To and Due From Other Funds

As of June 30, 2022, the General Fund is reporting \$4,246,746 as due from the other governmental funds. These outstanding balances between funds result from temporary borrowings to cover operating deficits.

Long-term Advances

As of June 30, 2022, the City's General Fund had advanced to the former Community Development Commission (CDC) \$15,673,739 (net of repayments), including interest receivable of \$5,573,857, 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.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2022

3) INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS - Continued

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 \$10,099,882 accrues simple interest of 3% through fiscal year 2020-2021 in accordance with Senate Bill 107. On December 30, 2020, the Department of Finance approved the loan as part of the Last and Final ROPS at an interest rate of 4% throughout the remainder of the payment period. 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.

The entire principal portion of the receivable is included in non-spendable fund balance in the General Fund and the accrued interest receivable is included in deferred inflows as unavailable revenue.

Transfers In and Transfers Out

During the 2021-22 fiscal year, the following interfund transfers were made:

	Transfers In		Total
	Other Governmental Funds	Internal Service Fund	
Transfers Out			
General Fund	\$ 779,776	\$ 100,000	\$ 879,776
Other Governmental Funds	547,325	-	547,325
Total	\$ 1,327,101	\$ 100,000	\$ 1,427,101

The General Fund transferred \$779,776 to the Other Governmental Funds for the Housing Successor Fund Administration cost; debt service payments for the 2020A Certificates of Participation and other project costs. The Measure M and Measure R Funds transferred a total of \$547,325 to the Capital Projects Fund and the Measure M and Measure R Debt Service Funds to pay loan and bond payments. In addition, the General Fund transferred \$100,000 to the Internal Service Fund for equipment costs.

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 repayments are deferred until homes are sold or change title. The City accounts for this program in the Special Revenue CDBG and Cal-Home Grant Funds. Rehabilitation loans receivable of \$1,263,087 at June 30, 2022 have been reflected in the accompanying financial statements as loans receivable.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2022

5) CAPITAL ASSETS

The following is a summary of changes in capital assets for the 2021-22 fiscal year:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities:				
Capital Assets, Not Depreciated:				
Land	\$ 3,621,179	\$ -	\$ -	\$ 3,621,179
Construction in Progress	1,427,843	12,762,034	(5,673,702)	8,516,175
Total Capital Assets, Not Depreciated	5,049,022	12,762,034	(5,673,702)	12,137,354
Capital Assets Being Depreciated:				
Buildings and Improvements	25,408,570	5,541,409	(262,668)	30,687,311
Equipment and Furniture	2,870,940	425,314	(167,487)	3,128,767
Infrastructure	41,841,947	676,795	-	42,518,742
Right-to-use Leased Vehicle	-	131,994	-	131,994
Total Capital Assets, Depreciated	70,121,457	6,775,512	(430,155)	76,466,814
Less Accumulated Depreciation:				
Buildings and Improvements	(12,662,379)	(1,266,304)	254,187	(13,674,496)
Equipment and Furniture	(1,659,695)	(200,583)	99,041	(1,761,237)
Infrastructure	(20,994,190)	(671,664)	-	(21,665,854)
Right-to-use Leased Vehicle	-	(14,571)	-	(14,571)
Total Accumulated Depreciation	(35,316,264)	(2,153,122)	353,228	(37,116,158)
Net Capital Assets, Depreciated	34,805,193	4,622,390	(76,927)	39,350,656
Governmental Activities Capital Assets	<u>\$ 39,854,215</u>	<u>\$ 17,384,424</u>	<u>\$ (5,750,629)</u>	<u>\$ 51,488,010</u>
Business-type Activities:				
Capital Assets, Not Depreciated				
Construction in Progress	\$ 623,391	\$ 12,448	\$ (635,839)	\$ -
Total Capital Assets, Not Depreciated	623,391	12,448	(635,839)	-
Capital Assets Being Depreciated:				
Sewer Collection System	14,659,082	-	-	14,659,082
Total Capital Assets, Depreciated	14,659,082	-	-	14,659,082
Less Accumulated Depreciation:				
Sewer Collection System	(1,474,394)	(244,318)	-	(1,718,712)
Net Capital Assets, Depreciated	13,184,688	(244,318)	-	12,940,370
Business-type Activities Capital Assets	<u>\$ 13,808,079</u>	<u>\$ (231,870)</u>	<u>\$ (635,839)</u>	<u>\$ 12,940,370</u>

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

General Government	\$ 37,119
Public Works	726,653
Recreation/Senior Services	1,196,877
Community Development	22,363
Capital Assets held by internal service funds are charged to the various functions based on usage of the assets	170,110
Total Depreciation Expense - Governmental Activities	<u>\$ 2,153,122</u>

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2022

6) LONG-TERM LIABILITIES

The following is a summary of long-term liability transactions for the year ended June 30, 2022:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental Activities:					
Loan Payable from Direct Borrowing:					
City of Industry Loan Agreement	\$ 1,325,602	\$ -	\$ 48,913	\$ 1,276,689	\$ 49,074
Leases Payable	-	131,994	14,571	117,423	23,140
2019A Sales Tax Revenue Bonds	3,575,000	-	145,000	3,430,000	150,000
2019B Sales Tax Revenue Bonds	3,175,000	-	125,000	3,050,000	135,000
Premium on Bonds	407,721	-	22,651	385,070	-
2020A Certificates of Participation	8,517,708	-	373,673	8,144,035	352,102
2022A Certificates of Participation	-	3,758,856	-	3,758,856	45,000
Compensated Absences	402,769	172,594	121,050	454,313	-
Total	<u>\$ 17,403,800</u>	<u>\$ 4,063,444</u>	<u>\$ 850,858</u>	<u>\$ 20,616,386</u>	<u>\$ 754,316</u>
Business-type Activities:					
Bonds payable from Direct Borrowing:					
2016 Sewer Refunding Bonds	\$ 7,690,000	\$ -	\$ 355,000	\$ 7,335,000	\$ 365,000
Total	<u>\$ 7,690,000</u>	<u>\$ -</u>	<u>\$ 355,000</u>	<u>\$ 7,335,000</u>	<u>\$ 365,000</u>

Pension and OPEB liabilities are typically liquidated by the General Fund.

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 up to \$5,952,908 for these improvements, at a simple interest rate of .33%. As of June 30, 2019, the City had borrowed \$1,422,945 on this loan, net of \$378,818 in principal payments. The agreement provides for annual loan repayments of \$208,742, commencing November 1, 2017. However, during the 2018-19 fiscal year, the City decided not to draw down any additional funds on this loan. A new amortization schedule was developed and approved by the City of Industry in October 2019. The following represents the future debt service requirements:

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 49,074	\$ 4,213	\$ 53,287
2024	49,236	4,051	53,287
2025	49,399	3,888	53,287
2026	49,562	3,725	53,287
2027	49,725	3,562	53,287
2028-2032	251,098	15,337	266,435
2033-2037	255,268	11,167	266,435
2038-2042	259,507	6,928	266,435
2043-2047	263,820	2,615	266,435
Totals	<u>\$ 1,276,689</u>	<u>\$ 55,486</u>	<u>\$ 1,332,175</u>

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2022

6) LONG-TERM LIABILITIES – Continued

Leases Payable

The City has entered into five-year lease agreements for the use of various vehicles. An initial lease liability of \$131,994 was recorded during the current fiscal year. As of June 30, 2022, the value of the lease liability was \$117,423. The leases have interest rates ranging from 3.9% to 5.2%. The vehicles have estimated 5-year lives. The value of the right-to-use assets at the end of the current fiscal year was \$131,994. The following represents the future debt service requirements:

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 23,140	\$ 3,259	\$ 26,399
2024	23,844	2,555	26,399
2025	24,569	1,829	26,398
2026	25,316	1,082	26,398
2027	20,554	253	20,807
Totals	\$ 117,423	\$ 8,978	\$ 126,401

2019 Sales Tax Revenue Bonds Series A and B

In November of 2019, the La Puente Financing Authority (a component unit of the City of La Puente) issued \$3,910,000 2019 Series A Bonds (2019A) and \$3,470,000 2019 Series B Bonds (2019B). Proceeds of the 2019A Bonds will be used to finance certain transportation projects of the City of La Puente, purchase a reserve surety for the bonds, and pay issuance costs. Proceeds of the 2019B Bonds will be used to finance costs associated with certain transportation projects of the City, purchase a reserve surety for the bonds, and pay issuance costs.

The 2019A Bonds mature in amounts from \$140,000 to \$255,000 annually from 2020 to 2039, with interest payments ranging from 2.75% to 4.0% payable semi-annually on June 1 and December 1 of each year. The 2019B Bonds mature in amounts from \$125,000 to \$225,000 annually from 2020 to 2039, with interest payments ranging from 2.75% to 4.0% payable semi-annually on June 1 and December 1 of each year. The 2019A Bonds are secured by pledged Measure M revenues that are derived from a retail transactions and use tax (Measure M Sales Tax) imposed in the County of Los Angeles.

The City has pledged the Measure M revenues to the payment of the 2019A Bonds pursuant to a Pledge Agreement dated November 1, 2019 by and between the City and Authority. The 2019B Bonds are secured by the pledged Measure R revenues that are derived from a retail transactions and use tax imposed in the County of Los Angeles. The City has pledged the Measure R revenues to the payment of the 2019B Bond pursuant to a Pledge Agreement dated November 1, 2019 by and between the City and Authority.

Pledged Measure M revenues for the 2019A Bonds for subsequent fiscals through 2039 are estimated at \$5.0 million. This represents approximately 45% of the total Measure M revenues. The pledged Measure M revenues for the 2021-22 fiscal year were \$721,095. Pledged Measure R revenues for the 2019B Bonds for subsequent fiscal years through 2039 are estimated at \$4.4 million. This represents approximately 45% of total Measure R revenues. The pledged Measure R revenues for the 2021-22 fiscal year were \$637,226. Future debt service requirements on the 2019A and 2019B Bonds are as follows:

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2022

6) LONG-TERM LIABILITIES – Continued

2019A Measure M Bonds

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 150,000	\$ 112,838	\$ 262,838
2024	155,000	106,837	261,837
2025	160,000	100,638	260,638
2026	170,000	94,237	264,237
2027	175,000	87,438	262,438
2028-2032	975,000	332,887	1,307,887
2033-2037	1,140,000	170,988	1,310,988
2038-2039	505,000	20,900	525,900
Totals	<u>\$ 3,430,000</u>	<u>\$ 1,026,763</u>	<u>\$ 4,456,763</u>

2019B Measure R Bonds

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 135,000	\$ 100,400	\$ 235,400
2024	140,000	95,000	235,000
2025	145,000	89,400	234,400
2026	150,000	83,600	233,600
2027	155,000	77,600	232,600
2028-2032	870,000	295,100	1,165,100
2033-2037	1,010,000	151,350	1,161,350
2038-2039	445,000	18,425	463,425
Totals	<u>\$ 3,050,000</u>	<u>\$ 910,875</u>	<u>\$ 3,960,875</u>

2020 Certificates of Participation, Series A

On December 1, 2020, the City (Lessee) entered into a lease agreement (Lease) with the Public Property Financing Corporation of California (Lessor), whereby the Lessor has agreed to finance all or a portion of the Lessee's outstanding pension and/or OPEB liabilities, and the Lessee has agreed to lease certain property from the Lessor; and, the Lessee and the Lessor authorized the execution and delivery of \$8,517,708 in certificates of participation (Certificates), each evidencing and representing an undivided and proportionate interest of the Certificate holders in the lease payments to be made by the Lessee under the Lease.

The net proceeds obtained through the execution, sale and delivery of the Certificates were deposited with a Trustee under a Trust Agreement and used in part by the Lessor to finance all or a portion of the Lessee's outstanding pension and/or OPEB liabilities on behalf of the Lessee. The Lessee is required to make lease payments at least equal to the fair rental value of the leased property in amounts sufficient to pay the principal and interest components evidenced and represented by all outstanding Certificates.

Interest (3.05% per annum) is payable on April 1 and October 1 of each year, commencing April 1, 2021. The following represents the future debt service requirements for the Certificates:

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2022

6) LONG-TERM LIABILITIES – Continued

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 352,102	\$ 243,024	\$ 595,126
2024	374,850	231,937	606,787
2025	398,533	220,143	618,676
2026	423,182	207,612	630,794
2027	448,833	194,314	643,147
2028-2032	2,666,551	743,010	3,409,561
2033-2037	3,479,984	276,252	3,756,236
Totals	<u>\$ 8,144,035</u>	<u>\$ 2,116,292</u>	<u>\$ 10,260,327</u>

2022 Certificates of Participation, Series A

On January 1, 2022, the City (Lessee) entered into a lease agreement (Lease) with the Public Property Financing Corporation of California (Lessor), whereby the Lessor has agreed to finance certain energy efficiency and solar PV improvements for the City, and the Lessee has agreed to lease certain property from the Lessor; and, the Lessee and the Lessor authorized the execution and delivery of \$3,758,856 in certificates of participation (Certificates), each evidencing and representing an undivided and proportionate interest of the Certificate holders in the lease payments to be made by the Lessee under the Lease.

The net proceeds obtained through the execution, sale and delivery of the Certificates were deposited with a Trustee under a Trust Agreement. The Lessee is required to make lease payments at least equal to the fair rental value of the leased property in amounts sufficient to pay the principal and interest components evidenced and represented by all outstanding Certificates. Interest (2.31% per annum) is payable on October 1 and April 1 of each fiscal year, commencing October 1, 2022. The following represents the future debt service requirements for the Certificates:

Fiscal Year Ending June 30,	Principal	Interest	Total
2023	\$ 45,000	\$ 103,676	\$ 148,676
2024	140,000	84,173	224,173
2025	150,000	80,824	230,824
2026	160,000	77,243	237,243
2027	170,000	73,431	243,431
2028-2032	1,035,000	300,688	1,335,688
2033-2037	1,285,000	169,133	1,454,133
2038-2040	773,856	21,821	795,677
Totals	<u>\$ 3,758,856</u>	<u>\$ 910,989</u>	<u>\$ 4,669,845</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

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2022

6) LONG-TERM LIABILITIES – Continued

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.

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

Fiscal Year Ending June 30,	Principal	Interest	Total
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
2028-2032	2,240,000	630,243	2,870,243
2033-2037	2,590,000	277,032	2,867,032
2038	565,000	8,277	573,277
Totals	<u>\$ 7,335,000</u>	<u>\$ 1,851,394</u>	<u>\$ 9,186,394</u>

Pledged revenues for subsequent fiscal years through 2038 are estimated at \$11.0 million. This represents approximately 48% of the total revenues from the sewer system. The pledged net revenues for the 2021-22 fiscal year amounted to approximately \$1 million, while the debt service requirements on the related debt were approximately \$575,000.

The City is subject to a legal debt margin of approximately \$371 million. Currently, the only debt of the City that is applicable to the legal debt margin is the 2020A Pension Obligation Bonds and the 2022 Certificates of Participation, with a total of approximately \$15 million subject to the limit.

Fiduciary Fund Long-term Liabilities

The following represents the long-term debt activity of the Successor Agency for the 2021-22 fiscal year:

Tax Allocation Refunding Bonds:	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Series 2014A	\$ 3,100,000	\$ -	\$ 125,000	\$ 2,975,000	\$ 130,000
Total	<u>\$ 3,100,000</u>	<u>\$ -</u>	<u>\$ 125,000</u>	<u>\$ 2,975,000</u>	<u>\$ 130,000</u>

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2022

6) LONG-TERM LIABILITIES – Continued

2014A Tax Allocation Refunding Bonds

In August 2014, the Successor Agency \$3,760,000 Tax Allocation Revenue Refunding Bonds, Series 2014, which mature in amounts from \$100,000 to \$255,000 annually until 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 and are payable exclusively from Pledged Tax Revenues. The bonds are not a debt, liability or obligation of the City of La Puente (the “City”), the County of Los Angeles (the “County”), the State of California or any of its political subdivisions, other than the Commission. In no event shall the bonds be payable out of any funds or properties other than those of the Commission. Future debt service requirements on the 2014A Tax Allocation Refunding Bonds are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
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
2028-2032	890,000	399,548	1,289,548
2033-2037	1,120,000	181,613	1,301,613
2038	255,000	5,546	260,546
Totals	<u>\$ 2,975,000</u>	<u>\$ 1,159,167</u>	<u>\$ 4,134,167</u>

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 Authority is composed of 123 California public entities and is 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 at the beginning of the coverage period. A retrospective adjustment is then conducted annually thereafter, for coverage years 2012-13 and prior. Coverage years 2013-14 and forward are not subject to routine annual retrospective adjustment. The total funding requirement for primary self-insurance programs is based on an actuarial analysis. Costs are allocated to individual agencies based on payroll and claims history, relative to other members of the risk-sharing pool.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2022

7) RISK MANAGEMENT - Continued

Liability

Claims are pooled separately between police and general government 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 \$100,000 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 \$100,000 to \$500,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$500,000 to \$50 million, are distributed based on the outcome of cost allocation within the first and second loss layers.

The overall coverage limit for each member, including all layers of coverage, is \$50 million per occurrence. Subsidence losses have a sub-limit of \$50 million per occurrence. The coverage structure includes retained risk that is pooled among members, reinsurance, and excess insurance. More detailed information about the various layers of coverage is available on the following website: <https://cjpia.org/protection/coverage-programs>.

Worker's Compensation

Claims are pooled separately between public safety (police and fire) and general government 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 \$75,000 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 \$75,000 to \$200,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$200,000 to statutory limits are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2021-22 the Authority's pooled retention is \$1 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to \$1 million. Coverage from \$1 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 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 \$250,000 deductible. The Authority has an aggregate limit of \$20 million.

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. City of La Puente property currently has all-risk property insurance protection in the amount of \$28,520,050. There is a \$10,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$2,500 deductible.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2022

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.

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 facilitated 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 2021-22.

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 Description – 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, 2020 Annual Actuarial Valuation Report. Details of the benefits provided can be obtained in Appendix B of the June 30, 2020 actuarial valuation report. This report is a publicly available valuation report that can be obtained at CalPERS' website under Forms and Publications. The rate plan provisions and benefits in effect at June 30, 2022, are summarized as follows:

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2022

8) PENSION PLAN - Continued

	Miscellaneous	Misc. PEPPRA
	Prior to	On or after
	January 1, 2013	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 compensation	Last 12 Mos. of Service	Last 36 Mos. of Service
Required employee contribution rates	8%	7.50%
Required employer contribution rates	13.89% + \$138,870	8.09%

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 \$138,870 in fiscal year 2022. The City’s contributions to the Plan for the year ended June 30, 2022 were \$451,548.

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

As of June 30, 2022, the City reported a net pension liability/(asset) of (\$1,250,787) for its proportionate share of the net pension liability. The City’s net pension liability/(asset) 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, 2021, and the total pension liability for the Plan used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using standard update procedures.

The City’s proportion of the net pension liability was based on a projection of the City’s long-term share of contributions to the pension 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, 2022 and 2021 was as follows:

Proportion - June 30, 2021	0.07166%
Proportion - June 30, 2022	-0.02313%
Change - Increase (Decrease)	<u>-0.09479%</u>

For the year ended June 30, 2022, the City recognized a pension expense/(credit) of (\$3,583,110). At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2022

8) PENSION PLAN – Continued

	Deferred Outflows	Deferred Inflows
Pension contributions subsequent to measurement date	\$ 451,548	\$ -
Differences between actual and expected experience	-	140,262
Changes in assumptions	-	-
Differences between employer's contributions and proportionate share of contributions	3,933,381	48,670
Change in employer's proportions	40,694	3,482,112
Net differences between projected and actual earnings on plan investments	1,091,871	-
Total	<u>\$ 5,517,494</u>	<u>\$ 3,671,044</u>

The \$451,848 reported as deferred outflows related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows and deferred inflows related to pensions will be recognized as pension expense as follows:

Year Ending June 30,	
2023	\$ 351,550
2024	383,540
2025	358,075
2026	301,737
2027	-
Thereafter	-

Actuarial Assumptions – The total pension liabilities in the June 30, 2020 actuarial valuations were determined using the following actuarial assumptions:

Valuation date	June 30, 2020
Measurement date	June 30, 2021
Actuarial cost method	entry-age normal
Actuarial assumptions:	
Discount rate	7.15%
Inflation	2.50%
Projected salary increase	(1)
Investment rate of return	7.15%
Mortality	(2)

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

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

The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2022

8) PENSION PLAN - Continued

Long-term Expected Rate of Return - The long-term expected rate of return on pension plan investments was determined using a building-block method in which 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, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound 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 rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The expected real rates of return by asset class are as follows:

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (1)	Real Return Years 11+ (2)
Global Equity	50%	4.80%	5.98%
Global Fixed Income	28%	1.00%	2.62%
Inflation Assets	-	0.77%	1.81%
Private Equity	8%	6.30%	7.23%
Real Assets	13%	3.75%	4.93%
Liquidity	1%	-	-0.92%

(1) An expected inflation of 2.0% used for this period.

(2) An expected inflation of 2.92% used for this period.

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

Subsequent Events - On July 12, 2021, CalPERS reported a preliminary 21.3% net return on investments for fiscal year 2020-21. Based on the thresholds specified in CalPERS Funding Risk Mitigation policy, the excess return of 14.3% prescribes a reduction in investment volatility that corresponds to a reduction in the discount rate used for funding purposes of 0.20%, from 7.00% to 6.80%. Since CalPERS was in the final stages of the four-year Asset Liability Management (ALM) cycle, the board elected to defer any changes to the asset allocation until the ALM process concluded, and the board could make its final decision on the asset allocation in November 2021.

On November 17, 2021, the board adopted a new strategic asset allocation. The new asset allocation along with the new capital market assumptions, economic assumptions and administrative expense assumption support a discount rate of 6.90% (net of investment expense but without a reduction for administrative expense) for financial reporting purposes. This includes a reduction in the price inflation assumption from 2.50% to 2.30% as recommended in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2022

8) PENSION PLAN - Continued

This study also recommended modifications to retirement rates, termination rates, mortality rates and rates of salary increases that were adopted by the board. These new assumptions will be reflected in the GASB 68 accounting valuation reports for the June 30, 2022, measurement date.

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/(asset) 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/(asset) 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		6.15%
Net Pension Liability	\$	1,963,482
Current Discount Rate		7.15%
Net Pension Liability	\$	(1,250,787)
1% Increase		8.15%
Net Pension Liability	\$	(3,907,978)

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, 2022, the City reported no payables due to the pension plan, for outstanding contributions.

9) OTHER POSTEMPLOYMENT BENEFITS

Plan Description – The City has established the La Puente Retiree Healthcare Plan (LPRHCP), and participates in an agent multiple-employer defined benefit retiree healthcare plan. A separate financial report is not prepared for the LPRHCP.

Benefits Provided – Under the LPRHCP, retirees are eligible for benefits as follows:

	<u>Eligible Employees</u>
Benefit types provided	Medical, dental, vision
Duration of Benefits	Lifetime
Required Service	5 years*
Minimum Age	50
Dependent Coverage	Yes
City Contribution	50% of employer contribution at 10 years of service for medical plus 5% per additional year to 100% at 20 or more years of service
City Cap	\$2,000 per year in dental and vision expenses

*Those hired prior to 8/1/08 require only CalPERS retirement to receive 100% of employer contribution.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2022

9) OTHER POST EMPLOYMENT BENEFITS - Continued

Employees Covered by Benefit Terms – As of the June 30, 2021 actuarial valuation, the following current and former employees were covered by the benefit terms under the LPRHCP:

Retirees or spouses of retirees currently receiving benefits	25
Active employees	38
	<u>63</u>

Contributions – The LPRHCP plan and its contribution requirements are established by Memoranda of Understanding with the applicable employee bargaining units and may be amended by agreements between the City and the bargaining units. The annual contribution is based on the actuarially determined contribution. For the fiscal year ended June 30, 2022, the City's cash contributions for retiree health benefits was \$211,591. In a prior fiscal year, the City created a trust account with the California Public Employers' Retiree Benefit Trust (CERBT). The CERBT issues a publicly available report that can be found on the CalPERS website.

Net OPEB Liability - The City's net OPEB liability was measured as of June 30, 2021 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2021, based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2021
Actuarial Cost Method	Entry Age Actuarial Cost
Mortality	2014 CalPERS Active Mortality for Miscellaneous Employees
Age at Retirement	52
Health Care Trend Rate	4.00%
Inflation Rate	2.50%
Salary Changes	2.75%
Discount Rate	6.75%

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Rate of Return
All Equities	59%	7.545%
All Fixed Income	25%	4.250%
Real Estate Investment Trusts	8%	7.250%
All Commodities	3%	7.545%
Treasury Inflation Protected Securities (TIPS)	5%	3.000%
Total	<u>100.00%</u>	

Discount Rate – The discount rate used to measure the total OPEB liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2022

9) OTHER POST EMPLOYMENT BENEFITS - Continued

position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (TOL)	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at June 30, 2020	\$ 4,256,174	\$ 1,384,629	\$ 2,871,545
Changes in the year:			
Service cost	118,892	-	118,892
Interest on the total OPEB liability	291,855	-	291,855
Changes in Assumptions	193,212	-	193,212
Employer Contributions	-	2,971,909	(2,971,909)
Employee Contributions	-	-	-
Actual Investment Income	-	690,736	(690,736)
Administrative Expense	-	(1,063)	1,063
Benefit payments, including refunds	(292,520)	(271,909)	(20,611)
Experience (Gains)/Losses	(478,624)	-	(478,624)
Net changes	(167,185)	3,389,673	(3,556,858)
Balance at June 30, 2021	\$ 4,088,989	\$ 4,774,302	\$ (685,313)

Sensitivity of the Net OPEB Liability/(Asset) to changes in the Discount Rate - The following presents the net OPEB liability/(asset) of the City if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease (5.75%)	Discount Rate (6.75%)	1% Increase (7.75%)
Net OPEB liability (asset)	\$ (205,600)	\$ (685,313)	\$ (1,086,173)

Sensitivity of the Net OPEB Liability/(Asset) to changes in the Healthcare Cost Trend Rates - The following presents the net OPEB liability/(asset) of the City, as well as what the City's Net OPEB liability/(asset) would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate:

	1% Decrease (3%)	Trend - No Change (4%)	1% Increase (5%)
Net OPEB liability (asset)	\$ (1,091,435)	\$ (685,313)	\$ (187,613)

OPEB Plan Fiduciary Net Position

CERBT issues a publicly available financial report that may be obtained from the California Public Employers' Retirement System (CalPERS) website.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2022

9) OTHER POST EMPLOYMENT BENEFITS - Continued

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

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

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

Net difference between projected and actual
earnings on OPEB plan investments:

5 years

All other amounts:

Expected average remaining service lifetime
(EARSL) (6.0 years at June 30, 2019)

For the year ended June 30, 2022, the City recognized OPEB expense of \$84,832. The City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows	Deferred Inflows
OPEB Contributions Subsequent to the Measurement Date	\$ 211,591	\$ -
Changes of Assumptions	173,496	-
Investment Gain/Loss	-	(511,965)
Net differences between projected and actual earnings on plan investments	35,308	(399,479)
Total	<u>\$ 420,395</u>	<u>\$ (911,444)</u>

The \$211,591 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2021 measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ended June 30, 2023. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follows:

Year Ending June 30,	
2023	\$ (135,594)
2024	(138,487)
2025	(139,993)
2026	(137,913)
2027	(31,992)
Thereafter	(118,661)

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2022

10) FUND BALANCES

Details of the City's governmental fund balances at June 30, 2022, are presented below:

	General Fund	ARPA	Miscellaneous Grants	Other Governmental Funds	Total
Nonspendable:					
Prepaid Costs	\$ 63,024	\$ -	\$ -	\$ 10,703	\$ 73,727
Long-term Advances	10,099,882	-	-	-	10,099,882
Restricted for:					
Lighting and Landscape	-	-	-	783,357	783,357
Low Income Housing	-	-	-	1,817,453	1,817,453
PEG Access	-	-	-	69,522	69,522
Street Projects	-	-	-	5,352,154	5,352,154
Safe Clean Water	-	-	-	97,441	97,441
Energy Efficiency Project	-	-	-	1,272,615	1,272,615
Air Pollution Reduction Measures	-	-	-	84,034	84,034
Public Works (Transportation)	-	-	-	2,559,661	2,559,661
Unassigned	15,915,585	-	(4,340,071)	(85,684)	11,489,830
Total Fund Balance	<u>\$ 26,078,491</u>	<u>\$ -</u>	<u>\$ (4,340,071)</u>	<u>\$ 11,961,256</u>	<u>\$ 33,699,676</u>

The Miscellaneous Grants Fund and Other Governmental Funds have a deficit fund balance of \$4,340,071 and \$85,684, respectively, as of June 30, 2022. This deficit will be eliminated when unavailable revenues are realized in the next fiscal year.

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.

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, and quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries. To date, it is unknown how long these conditions will last and what the complete financial effect will be to businesses and other affected organizations, including local governmental entities.

The estimated amount of remaining construction contract obligations at year-end is \$1,589,225.

City of La Puente
Notes to Financial Statements
Year Ended June 30, 2022

12) SUBSEQUENT EVENT

In July 2022, the City received its second and final allocation of the American Rescue Plan Act (ARPA) funds in the amount of \$4.7 million, a federal economic stimulus intended to assist with the effects of the coronavirus outbreak. The City plans to expend these funds in compliance with guidelines provided by the federal government.



REQUIRED SUPPLEMENTARY INFORMATION

City of La Puente
Required Supplementary Information
For the Year Ended June 30, 2022

Schedule of Changes in the City's
Net OPEB Liability/(Asset) and Related Ratios
Last 10 Fiscal Years*

	Measurement Period				
	2021	2020	2019	2018	2017
Total OPEB Liability					
Service cost	\$ 118,892	\$ 115,710	\$ 102,612	\$ 99,866	\$ 97,193
Interest on total OPEB liability	291,855	284,285	282,007	275,764	269,417
Changes in Assumptions	193,212	-	(65,672)	-	-
Experience Gains/Losses	(499,235)	-	-	-	-
Benefit payments, including refunds	(271,909)	(294,371)	(291,539)	(284,077)	(273,151)
Net change in total OPEB liability	(167,185)	105,624	27,408	91,553	93,459
Total OPEB liability - beginning	4,256,174	4,150,550	4,123,142	4,031,589	3,938,130
Total OPEB liability - ending (a)	<u>\$ 4,088,989</u>	<u>\$ 4,256,174</u>	<u>\$ 4,150,550</u>	<u>\$ 4,123,142</u>	<u>\$ 4,031,589</u>
Plan Fiduciary Net Position					
Contributions - employer	\$ 2,971,909	\$ 656,412	\$ 640,755	\$ 568,154	\$ 273,151
Interest on TOL/Return on FNP	690,736	81,182	51,475	27,419	23,980
Investment Gains/Losses	-	(49,005)	(7,542)	(14,462)	-
Benefit payments	(271,909)	(270,512)	(265,155)	(284,077)	(273,151)
Administrative Expense	(1,063)	(478)	(129)	(505)	(201)
Other	-	-	-	1,183	-
Net change in plan fiduciary net position	3,389,673	417,599	419,404	297,712	23,779
Plan fiduciary net position - beginning	1,384,629	967,030	547,626	249,914	226,135
Plan fiduciary net position - ending (b)	<u>\$ 4,774,302</u>	<u>\$ 1,384,629</u>	<u>\$ 967,030</u>	<u>\$ 547,626</u>	<u>\$ 249,914</u>
Net OPEB liability/(asset) - ending (a) - (b)	<u>\$ (685,313)</u>	<u>\$ 2,871,545</u>	<u>\$ 3,183,520</u>	<u>\$ 3,575,516</u>	<u>\$ 3,781,675</u>
Plan fiduciary net position as a percentage of the total OPEB liability	116.76%	32.53%	23.30%	13.28%	6.20%
Covered-employee payroll	\$ 2,581,351	\$ 2,274,945	\$ 2,074,085	\$ 1,845,731	\$ 1,732,444
Net OPEB liability/(asset) as a percentage of covered-employee payroll	-26.55%	126.22%	153.49%	193.72%	218.29%

Notes to Schedule:

Benefit Changes: None

Changes in Assumptions: The interest assumption changed from 7.00% to 6.75%. Assumed rates of retirement, termination, and mortality have been updated to align with those currently being used by the statewide pension systems.

*Fiscal year 2018 was the first year of implementation; therefore, 10 years of information are not yet available.

City of La Puente
Required Supplementary Information
For the Year Ended June 30, 2022

Schedule of the City's Proportionate Share of the Net Pension Liability/(Asset)
Last 10 Years*

Measurement Date	Proportion of the Net Pension Liability/(Asset)	Proportionate Share of Net Pension Liability/ (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability/ (Asset) as a % of Payroll	Plan Fiduciary Net Position as a % of the Total Pension Liability
2021	-0.06587%	\$ (1,250,787)	\$ 2,581,351	-48.45%	105.14%
2020	0.18484%	7,796,766	2,274,945	342.72%	67.64%
2019	0.18316%	7,334,797	2,074,085	353.64%	68.72%
2018	0.18164%	6,845,330	1,845,731	370.87%	69.44%
2017	0.17543%	6,915,558	1,732,444	399.18%	68.59%
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	1,689,344	212.54%	83.03%

Notes to the Schedule of the City's Proportionate Share of the Net Pension Liability/(Asset)

Benefit Changes: None

Changes in Assumptions: In 2017, the accounting discount rate changed from 7.65% to 7.15%.

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

City of La Puente
Required Supplementary Information
For the Year Ended June 30, 2022

Schedule of Pension Plan Contributions
Last 10 Years*

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency/ (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
2022	\$ 451,548	\$ (451,548)	\$ -	\$ 3,271,240	13.80%
2021	777,000	(6,396,905)	(5,619,905)	2,581,351	30.10%
2020	683,377	(683,377)	-	2,274,945	30.04%
2019	536,963	(536,963)	-	2,074,085	25.89%
2018	458,034	(458,034)	-	1,845,731	24.82%
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: 6/30/13, 6/30/14, 6/30/15, 6/30/16, 6/30/17, 6/30/18, 6/30/19

Changes in Assumptions: None.

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

City of La Puente
Budgetary Comparison Schedule
Budget and Actual - General Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 14,810,600	\$ 14,810,600	\$ 16,175,002	\$ 1,364,402
Licenses and Permits	627,400	627,400	735,741	108,341
Intergovernmental	546,000	546,000	582,178	36,178
Charges for Services	660,800	660,800	737,836	77,036
Fines and Forfeitures	272,500	272,500	422,109	149,609
Investment Income	190,000	190,000	(1,906,893)	(2,096,893)
Other Revenue	136,100	136,100	14,546	(121,554)
Total Revenues	17,243,400	17,243,400	16,760,519	(482,881)
EXPENDITURES				
Current:				
General Government	3,009,200	3,009,200	2,811,864	197,336
Public Safety	9,913,000	9,973,000	9,235,417	737,583
Public Works	525,200	525,200	578,699	(53,499)
Recreation/Senior Services	1,772,900	1,772,900	1,587,332	185,568
Community Development	1,617,100	1,617,100	2,003,116	(386,016)
Capital Outlay	1,049,200	1,049,200	464,174	585,026
Total Expenditures	17,886,600	17,946,600	16,680,602	1,265,998
Excess (Deficiency) of Revenues over Expenditures	(643,200)	(703,200)	79,917	783,117
OTHER FINANCING SOURCES (USES)				
Transfers In	286,900	286,900	-	(286,900)
Transfers Out	(692,900)	(792,900)	(879,776)	(86,876)
Total Other Financing Sources (Uses)	(406,000)	(506,000)	(879,776)	(373,776)
Net Change in Fund Balances	(1,049,200)	(1,209,200)	(799,859)	409,341
Fund Balance, Beginning of Year	26,878,350	26,878,350	26,878,350	-
Fund Balance, End of Year	\$ 25,829,150	\$ 25,669,150	\$ 26,078,491	\$ 409,341

City of La Puente
Budgetary Comparison Schedule
Budget and Actual - ARPA
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ -	\$ 4,738,300	\$ 2,027,017	\$ (2,711,283)
Total Revenues	-	4,738,300	2,027,017	(2,711,283)
EXPENDITURES				
Current:				
Community Development	-	3,293,300	1,594,597	1,698,703
Capital Outlay	-	715,200	432,420	282,780
Total Expenditures	-	4,008,500	2,027,017	1,981,483
Excess (Deficiency) of Revenues over Expenditures	-	729,800	-	(729,800)
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	(119,900)	-	119,900
Total Other Financing Sources (Uses)	-	(119,900)	-	119,900
Net Change in Fund Balances	-	609,900	-	(609,900)
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	\$ -	\$ 609,900	\$ -	\$ (609,900)

City of La Puente
Budgetary Comparison Schedule
Budget and Actual - Miscellaneous Grant
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 273,000	\$ 273,000	\$ 185,716	\$ (87,284)
Total Revenues	273,000	273,000	185,716	(87,284)
EXPENDITURES				
Capital Outlay	85,000	2,219,692	4,432,734	(2,213,042)
Total Expenditures	85,000	2,219,692	4,432,734	(2,213,042)
Excess (Deficiency) of Revenues over Expenditures	188,000	(1,946,692)	(4,247,018)	(2,300,326)
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	188,000	(1,946,692)	(4,247,018)	(2,300,326)
Fund Balance, Beginning of Year	(93,053)	(93,053)	(93,053)	-
Fund Balance, End of Year	<u>\$ 94,947</u>	<u>\$ (2,039,745)</u>	<u>\$ (4,340,071)</u>	<u>\$ (2,300,326)</u>

City of La Puente
Notes to Required Supplementary Information
Year Ended June 30, 2022

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, except for the CARES Act Special Revenue Fund. 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.
- 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, 2022, 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

City of La Puente
Other Governmental Funds
June 30, 2022

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.

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

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

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.

JAG Grant Fund – To account for funds received from the United States Department of Justice for the purpose of reducing crime and improving public safety.

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.

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

CARES Act Fund - To account for the funds received from the State of California for Coronavirus Relief Funds (CRF) provided in the Federal CARES Act.

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.

Housing Fund - The Housing Fund is used to account for revenues received and expenditures made for affordable housing. The primary sources of revenue are from loan repayments generated from the use of the former Community Development Commission's Low and Moderate-Income Housing Funds.

Measure A – To account for the new annual parcel tax of 1.5 cents per square foot of development. Proceeds from the parcel tax will go to help protect and maintain the City's neighborhood parks.

City of La Puente
Other Governmental Funds
June 30, 2022

SPECIAL REVENUE FUNDS - Continued

Measure W - To account for revenues from the County-wide parcel tax that provides local, dedicated funding for rainwater and urban runoff management to increase the region's local water supply, improve water quality, and protect public health.

Lighting and Landscape Maintenance District Fund (LLMD) – The LLMD is used to account for special benefit assessments levied on property owners and used to pay for street lighting and landscape maintenance.

CAPITAL PROJECTS FUNDS

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

2019A Measure M Fund – To account for the bond proceeds from the 2019A restricted for certain projects related to City-wide street pavement improvement projects.

2019B Measure R Fund – To account for the bond proceeds from the 2019B restricted for certain projects related to City-wide street pavement improvement projects.

DEBT SERVICE FUNDS

Citywide Debt Service Fund – To account for the administration of principal and interest payments for the 2020A Certificates of Participation note.

2019A Measure M Fund – To account for the administration of principal and interest payments for the 2019A bonds.

2019B Measure R Fund – To account for the administration of principal and interest payments for the 2019B bonds.

City of La Puente
Combining Balance Sheet
Other Governmental Funds
June 30, 2022

	Special Revenue Funds				
	Gas Tax	Measure M	Prop C	PEG Access	State COPS
ASSETS					
Cash and Investments	\$ 1,421,481	\$ 820,346	\$ 2,645,228	\$ 59,413	\$ 49,500
Cash with Fiscal Agent	-	-	-	-	-
Accounts Receivable	-	-	-	10,109	-
Loans Receivable	-	-	-	-	-
Prepaid Items	-	-	-	-	-
Due From Other Funds	-	-	-	-	-
Due From Other Governments	202,916	-	-	-	-
Total Assets	<u>\$ 1,624,397</u>	<u>\$ 820,346</u>	<u>\$ 2,645,228</u>	<u>\$ 69,522</u>	<u>\$ 49,500</u>
LIABILITIES					
Accounts Payable and Accrued Liabilities	\$ 89,401	\$ 12,384	\$ -	\$ -	\$ 49,500
Due to Other Agencies	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Total Liabilities	<u>89,401</u>	<u>12,384</u>	<u>-</u>	<u>-</u>	<u>49,500</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenues - Grants	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	1,534,996	807,962	2,645,228	69,522	-
Unassigned	-	-	-	-	-
Total Fund Balances	<u>1,534,996</u>	<u>807,962</u>	<u>2,645,228</u>	<u>69,522</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,624,397</u>	<u>\$ 820,346</u>	<u>\$ 2,645,228</u>	<u>\$ 69,522</u>	<u>\$ 49,500</u>

Special Revenue Funds						
JAG Grant	Cal-HOME Grant	CDBG Grant	CARES Act	Air Quality Improvement	Measure R	Prop. A Transportation
\$ -	\$ 651,067	\$ -	\$ -	\$ 84,034	\$ 643,796	\$ 1,167,933
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	779,319	483,768	-	-	-	-
-	-	-	-	-	-	10,333
-	-	-	-	-	-	-
11,547	-	14,076	-	13,185	-	-
<u>\$ 11,547</u>	<u>\$ 1,430,386</u>	<u>\$ 497,844</u>	<u>\$ -</u>	<u>\$ 97,219</u>	<u>\$ 643,796</u>	<u>\$ 1,178,266</u>
\$ -	\$ -	\$ 8,625	\$ -	\$ -	\$ 6,803	\$ 53,227
-	-	483,768	-	-	-	-
-	-	-	-	-	-	-
11,547	-	5,451	-	-	-	-
11,547	-	497,844	-	-	6,803	53,227
11,547	-	-	-	13,185	-	-
11,547	-	-	-	13,185	-	-
-	-	-	-	-	-	10,333
-	1,430,386	-	-	84,034	636,993	1,114,706
(11,547)	-	-	-	-	-	-
(11,547)	1,430,386	-	-	84,034	636,993	1,125,039
<u>\$ 11,547</u>	<u>\$ 1,430,386</u>	<u>\$ 497,844</u>	<u>\$ -</u>	<u>\$ 97,219</u>	<u>\$ 643,796</u>	<u>\$ 1,178,266</u>

Continued

City of La Puente
Combining Balance Sheet
Other Governmental Funds - Continued
June 30, 2022

	Special Revenue Funds				Capital Projects
	Housing	Measure A	Measure W	LLMD	
ASSETS					
Cash and Investments	\$ 387,067	\$ -	\$ 117,541	\$ 798,102	\$ -
Cash with Fiscal Agent	-	-	-	-	1,611,899
Accounts Receivable	-	-	-	-	-
Loans Receivable	-	-	-	-	-
Prepaid Items	-	-	-	370	-
Due From Other Funds	-	-	-	-	-
Due From Other Governments	-	74,137	-	56,435	-
Total Assets	<u>\$ 387,067</u>	<u>\$ 74,137</u>	<u>\$ 117,541</u>	<u>\$ 854,907</u>	<u>\$ 1,611,899</u>
LIABILITIES					
Accounts Payable	\$ -	\$ -	\$ 20,100	\$ 71,180	\$ 339,284
Due to Other Agencies	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
Due to Other Funds	-	74,137	-	-	-
Total Liabilities	<u>-</u>	<u>74,137</u>	<u>20,100</u>	<u>71,180</u>	<u>339,284</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenues - Grants	-	74,137	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>74,137</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	370	-
Restricted	387,067	-	97,441	783,357	1,272,615
Unassigned	-	(74,137)	-	-	-
Total Fund Balances	<u>387,067</u>	<u>(74,137)</u>	<u>97,441</u>	<u>783,727</u>	<u>1,272,615</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 387,067</u>	<u>\$ 74,137</u>	<u>\$ 117,541</u>	<u>\$ 854,907</u>	<u>\$ 1,611,899</u>

Capital Projects		Debt Service			Total
2019A Measure M	2019B Measure R	Citywide Debt Service	2019A Measure M	2019B Measure R	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,845,508
929,208	476,973	-	-	-	3,018,080
-	-	-	-	-	10,109
-	-	-	-	-	1,263,087
-	-	-	-	-	10,703
-	-	-	-	-	-
-	-	-	-	-	372,296
<u>\$ 929,208</u>	<u>\$ 476,973</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,519,783</u>
\$ 111,589	\$ 109,114	\$ -	\$ -	\$ -	\$ 871,207
-	-	-	-	-	483,768
-	-	-	-	-	-
6,764	6,784	-	-	-	104,683
<u>118,353</u>	<u>115,898</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,459,658</u>
-	-	-	-	-	98,869
-	-	-	-	-	98,869
-	-	-	-	-	10,703
810,855	361,075	-	-	-	12,036,237
-	-	-	-	-	(85,684)
<u>810,855</u>	<u>361,075</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,961,256</u>
<u>\$ 929,208</u>	<u>\$ 476,973</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,519,783</u>

City of La Puente
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Other Governmental Funds
Year Ended June 30, 2022

	Special Revenue				
	Gas Tax	Measure M	Prop C	PEG Access	State COPS
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,735,722	721,095	849,772	-	161,285
Charges for Services	-	-	-	40,011	-
Investment Income	11,379	6,903	21,047	977	-
Other Revenue	14,639	-	-	-	-
Total Revenues	1,761,740	727,998	870,819	40,988	161,285
EXPENDITURES					
Current:					
General Government	-	-	-	91,820	-
Public Safety	-	-	-	-	161,285
Public Works	1,078,469	137,940	4,589	-	-
Recreation/Senior Services	-	-	-	-	-
Community Development	-	-	-	-	-
Capital Outlay	205,944	36,385	18,387	40,472	-
Debt Service:					
Bond Issuance Costs	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
Principal	-	-	-	-	-
Total Expenditures	1,284,413	174,325	22,976	132,292	161,285
Excess (Deficiency) of Revenues Over (Under) Expenditures	477,327	553,673	847,843	(91,304)	-
OTHER FINANCING SOURCES (USES)					
Transfers In	101,237	-	-	-	-
Transfers Out	-	(263,638)	-	-	-
Issuance of Debt	-	-	-	-	-
Total Other Financing Sources (Uses)	101,237	(263,638)	-	-	-
Net Change in Fund Balances	578,564	290,035	847,843	(91,304)	-
Fund Balances, Beginning of Year	956,432	517,927	1,797,385	160,826	-
Fund Balances, End of Year	<u>\$ 1,534,996</u>	<u>\$ 807,962</u>	<u>\$ 2,645,228</u>	<u>\$ 69,522</u>	<u>\$ -</u>

Special Revenue						
JAG Grant	Cal-HOME Grant	CDBG Grant	CARES Act	Air Quality Improvement	Measure R	Prop. A Transportation
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	393,573	-	38,322	637,226	1,024,464
-	-	-	-	-	-	36,665
-	6,001	-	-	626	5,717	9,612
-	-	-	-	-	-	-
-	6,001	393,573	-	38,948	642,943	1,070,741
-	-	-	10,565	-	-	-
11,547	-	-	-	-	-	-
-	-	-	-	-	148,979	-
-	-	-	-	-	-	-
-	3,870	393,573	12,895	-	-	762,243
-	-	-	-	14,528	17,640	9,101
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
11,547	3,870	393,573	23,460	14,528	166,619	771,344
(11,547)	2,131	-	(23,460)	24,420	476,324	299,397
-	-	-	-	-	-	-
-	-	-	-	-	(283,687)	-
-	-	-	-	-	-	-
-	-	-	-	-	(283,687)	-
(11,547)	2,131	-	(23,460)	24,420	192,637	299,397
-	1,428,255	-	23,460	59,614	444,356	825,642
\$ (11,547)	\$ 1,430,386	\$ -	\$ -	\$ 84,034	\$ 636,993	\$ 1,125,039

Continued

City of La Puente
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Other Governmental Funds - Continued
Year Ended June 30, 2022

	Special Revenue				Capital Projects
	Housing	Measure A	Measure W	LLMD	
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ 916,805	\$ -
Intergovernmental	-	399,137	343,172	-	-
Charges for Services	-	-	-	-	-
Investment Income	3,184	-	912	5,907	57
Other Revenue	-	-	-	4,905	-
Total Revenues	3,184	399,137	344,084	927,617	57
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	-	-	65,156	-	-
Recreation/Senior Services	-	-	-	-	-
Community Development	-	-	-	878,269	-
Capital Outlay	-	473,274	388,627	-	2,438,880
Debt Service:					
Bond Issuance Costs	-	-	-	-	47,418
Interest and Fiscal Charges	-	-	-	-	4,374
Principal	-	-	-	-	48,913
Total Expenditures	-	473,274	453,783	878,269	2,539,585
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,184	(74,137)	(109,699)	49,348	(2,539,528)
OTHER FINANCING SOURCES (USES)					
Transfers In	65,127	-	-	-	53,287
Transfers Out	-	-	-	-	-
Issuance of Debt	-	-	-	-	3,758,856
Total Other Financing Sources (Uses)	65,127	-	-	-	3,812,143
Net Change in Fund Balances	68,311	(74,137)	(109,699)	49,348	1,272,615
Fund Balances, Beginning of Year	318,756	-	207,140	734,379	-
Fund Balances, End of Year	\$ 387,067	\$ (74,137)	\$ 97,441	\$ 783,727	\$ 1,272,615

Capital Projects		Debt Service			Total
2019A Measure M	2019B Measure R	Citywide Debt Service	2019A Measure M	2019B Measure R	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 916,805
-	-	-	-	-	6,303,768
-	-	-	-	-	76,676
140	117	-	-	-	72,579
-	-	-	-	-	19,544
140	117	-	-	-	7,389,372
-	-	-	-	-	102,385
-	-	-	-	-	172,832
-	-	-	-	-	1,435,133
-	-	-	-	-	-
-	-	-	-	-	2,050,850
2,385,118	2,381,001	-	-	-	8,409,357
-	-	-	-	-	47,418
-	-	254,091	118,638	105,400	482,503
-	-	373,673	145,000	125,000	692,586
2,385,118	2,381,001	627,764	263,638	230,400	13,393,064
(2,384,978)	(2,380,884)	(627,764)	(263,638)	(230,400)	(6,003,692)
-	-	613,412	263,638	230,400	1,327,101
-	-	-	-	-	(547,325)
-	-	-	-	-	3,758,856
-	-	613,412	263,638	230,400	4,538,632
(2,384,978)	(2,380,884)	(14,352)	-	-	(1,465,060)
3,195,833	2,741,959	14,352	-	-	13,426,316
\$ 810,855	\$ 361,075	\$ -	\$ -	\$ -	\$ 11,961,256

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Gas Tax Fund
Year Ended June 30, 2022

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 1,810,000	\$ 1,735,722	\$ (74,278)
Investment Income	4,000	11,379	7,379
Other Income	46,000	14,639	(31,361)
Total Revenues	1,860,000	1,761,740	(98,260)
EXPENDITURES			
Current:			
Public Works	1,046,300	1,078,469	(32,169)
Capital Outlay	970,000	205,944	764,056
Total Expenditures	2,016,300	1,284,413	764,056
Excess (Deficiency) of Revenues Over (Under) Expenditures	(156,300)	477,327	633,627
OTHER FINANCING SOURCES (USES)			
Transfers In	-	101,237	101,237
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	101,237	101,237
Net Change in Fund Balances	(156,300)	578,564	734,864
Fund Balance, Beginning of Year	956,432	956,432	-
Fund Balance, End of Year	\$ 800,132	\$ 1,534,996	\$ 734,864

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Measure M Fund
Year Ended June 30, 2022

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 577,600	\$ 721,095	\$ 143,495
Investment Income	<u>3,000</u>	<u>6,903</u>	<u>3,903</u>
Total Revenues	<u>580,600</u>	<u>727,998</u>	<u>147,398</u>
EXPENDITURES			
Current:			
Public Works	208,600	137,940	70,660
Capital Outlay	<u>490,000</u>	<u>36,385</u>	<u>453,615</u>
Total Expenditures	<u>698,600</u>	<u>174,325</u>	<u>453,615</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(118,000)</u>	<u>553,673</u>	<u>671,673</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	<u>(263,600)</u>	<u>(263,638)</u>	<u>(38)</u>
Total Other Financing Sources (Uses)	<u>(263,600)</u>	<u>(263,638)</u>	<u>(38)</u>
Net Change in Fund Balances	(381,600)	290,035	671,635
Fund Balance, Beginning of Year	<u>517,927</u>	<u>517,927</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 136,327</u></u>	<u><u>\$ 807,962</u></u>	<u><u>\$ 671,635</u></u>

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Prop C Fund
Year Ended June 30, 2022

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 679,500	\$ 849,772	\$ 170,272
Investment Income	8,000	21,047	13,047
Total Revenues	<u>687,500</u>	<u>870,819</u>	<u>183,319</u>
EXPENDITURES			
Current:			
Public Works	68,700	4,589	64,111
Capital Outlay	170,000	18,387	151,613
Total Expenditures	<u>238,700</u>	<u>22,976</u>	<u>151,613</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>448,800</u>	<u>847,843</u>	<u>399,043</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	448,800	847,843	399,043
Fund Balance, Beginning of Year	<u>1,797,385</u>	<u>1,797,385</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 2,246,185</u></u>	<u><u>\$ 2,645,228</u></u>	<u><u>\$ 399,043</u></u>

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - PEG Access Fund
Year Ended June 30, 2022

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Charges for Services	\$ 35,000	\$ 40,011	\$ 5,011
Investment Income	600	977	377
Total Revenues	<u>35,600</u>	<u>40,988</u>	<u>5,388</u>
EXPENDITURES			
Current:			
General Government	92,500	91,820	680
Capital Outlay	<u>10,000</u>	<u>40,472</u>	<u>(30,472)</u>
Total Expenditures	<u>102,500</u>	<u>132,292</u>	<u>(29,792)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(66,900)</u>	<u>(91,304)</u>	<u>(24,404)</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	(66,900)	(91,304)	(24,404)
Fund Balance, Beginning of Year	<u>160,826</u>	<u>160,826</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 93,926</u></u>	<u><u>\$ 69,522</u></u>	<u><u>\$ (24,404)</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, 2022

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 140,000	\$ 161,285	\$ 21,285
Total Revenues	140,000	161,285	21,285
EXPENDITURES			
Current:			
Public Safety	137,600	161,285	(23,685)
Total Expenditures	137,600	161,285	(23,685)
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,400	-	(2,400)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	(2,400)	-	2,400
Total Other Financing Sources (Uses)	(2,400)	-	2,400
Net Change in Fund Balances	-	-	-
Fund Balance, Beginning of Year	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - JAG Grant Fund
Year Ended June 30, 2022

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 11,500	\$ -	\$ (11,500)
Total Revenues	<u>11,500</u>	<u>-</u>	<u>(11,500)</u>
EXPENDITURES			
Current:			
Public Safety	11,500	11,547	(47)
Total Expenditures	<u>11,500</u>	<u>11,547</u>	<u>(47)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>(11,547)</u>	<u>(11,547)</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	-	(11,547)	(11,547)
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ (11,547)</u>	<u>\$ (11,547)</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, 2022

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Investment Income	\$ 2,000	\$ 6,001	\$ 4,001
Total Revenues	<u>2,000</u>	<u>6,001</u>	<u>4,001</u>
EXPENDITURES			
Current:			
Community Development	<u>190,000</u>	<u>3,870</u>	<u>186,130</u>
Total Expenditures	<u>190,000</u>	<u>3,870</u>	<u>186,130</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(188,000)</u>	<u>2,131</u>	<u>190,131</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	<u>(9,500)</u>	<u>-</u>	<u>9,500</u>
Total Other Financing Sources (Uses)	<u>(9,500)</u>	<u>-</u>	<u>9,500</u>
Net Change in Fund Balances	(197,500)	2,131	199,631
Fund Balance, Beginning of Year	<u>1,428,255</u>	<u>1,428,255</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 1,230,755</u></u>	<u><u>\$ 1,430,386</u></u>	<u><u>\$ 199,631</u></u>

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - CDBG Grant Fund
Year Ended June 30, 2022

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 477,000	\$ 393,573	\$ (83,427)
Investment Income	600	-	(600)
Total Revenues	477,600	393,573	(84,027)
EXPENDITURES			
Current:			
Community Development	477,600	393,573	84,027
Total Expenditures	477,600	393,573	84,027
Excess (Deficiency) of Revenues Over (under) Expenditures	-	-	-
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	-	-	-
Fund Balance, Beginning of Year	-	-	-
Fund Balance, End of Year	\$	\$ -	\$ -

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Air Quality Improvement Fund
Year Ended June 30, 2022

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget Positive (Negative) <u></u>
REVENUES			
Intergovernmental	\$ 76,000	\$ 38,322	\$ (37,678)
Investment Income	<u>1,000</u>	<u>626</u>	<u>(374)</u>
Total Revenues	<u>77,000</u>	<u>38,948</u>	<u>(38,052)</u>
EXPENDITURES			
Current:			
Public Works	1,100	-	1,100
Capital Outlay	<u>120,000</u>	<u>14,528</u>	<u>105,472</u>
Total Expenditures	<u>121,100</u>	<u>14,528</u>	<u>106,572</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(44,100)</u>	<u>24,420</u>	<u>68,520</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	(44,100)	24,420	68,520
Fund Balance, Beginning of Year	<u>59,614</u>	<u>59,614</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 15,514</u></u>	<u><u>\$ 84,034</u></u>	<u><u>\$ 68,520</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, 2022

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget Positive (Negative) <u></u>
REVENUES			
Intergovernmental	\$ 509,700	\$ 637,226	\$ 127,526
Investment Income	<u>3,000</u>	<u>5,717</u>	<u>2,717</u>
Total Revenues	<u>512,700</u>	<u>642,943</u>	<u>130,243</u>
EXPENDITURES			
Current:			
Public Works	205,900	148,979	56,921
Capital Outlay	<u>265,000</u>	<u>17,640</u>	<u>247,360</u>
Total Expenditures	<u>470,900</u>	<u>166,619</u>	<u>304,281</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>41,800</u>	<u>476,324</u>	<u>434,524</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	<u>(283,900)</u>	<u>(283,687)</u>	<u>213</u>
Total Other Financing Sources (Uses)	<u>(283,900)</u>	<u>(283,687)</u>	<u>213</u>
Net Change in Fund Balances	(242,100)	192,637	434,737
Fund Balance, Beginning of Year	<u>444,356</u>	<u>444,356</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 202,256</u></u>	<u><u>\$ 636,993</u></u>	<u><u>\$ 434,737</u></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, 2022

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 819,300	\$ 1,024,464	\$ 205,164
Charges for Services	103,800	36,665	(67,135)
Investment Income	4,000	9,612	5,612
	<u>927,100</u>	<u>1,070,741</u>	<u>143,641</u>
EXPENDITURES			
Current:			
Community Development	896,800	762,243	134,557
Capital Outlay	250,000	9,101	240,899
	<u>1,146,800</u>	<u>771,344</u>	<u>375,456</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(219,700)</u>	<u>299,397</u>	<u>519,097</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	(219,700)	299,397	519,097
Fund Balance, Beginning of Year	<u>825,642</u>	<u>825,642</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 605,942</u></u>	<u><u>\$ 1,125,039</u></u>	<u><u>\$ 519,097</u></u>

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Housing Fund
Year Ended June 30, 2022

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Investment Income	\$ 1,000	\$ 3,184	\$ 2,184
Total Revenues	1,000	3,184	2,184
EXPENDITURES			
Current:			
Community Development	-	-	-
Capital Outlay	-	-	-
Total Expenditures	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,000	3,184	2,184
OTHER FINANCING SOURCES (USES)			
Transfers In	65,100	65,127	27
Total Other Financing Sources (Uses)	65,100	65,127	27
Net Change in Fund Balances	66,100	68,311	2,211
Fund Balance, Beginning of Year	318,756	318,756	-
Fund Balance, End of Year	\$ 384,856	\$ 387,067	\$ 2,211

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Measure A
Year Ended June 30, 2022

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 477,200	\$ 399,137	\$ (78,063)
Total Revenues	477,200	399,137	(78,063)
EXPENDITURES			
Current:			
Public Works	27,200	-	27,200
Capital Outlay	638,000	473,274	164,726
Total Expenditures	665,200	473,274	191,926
Excess (Deficiency) of Revenues Over (Under) Expenditures	(188,000)	(74,137)	113,863
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balances	(188,000)	(74,137)	113,863
Fund Balance, Beginning of Year	-	-	-
Fund Balance, End of Year	\$ (188,000)	\$ (74,137)	\$ 113,863

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Measure W
Year Ended June 30, 2022

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget Positive (Negative) <u></u>
REVENUES			
Intergovernmental	\$ 340,000	\$ 343,172	\$ 3,172
Investment Income	<u>500</u>	<u>912</u>	<u>412</u>
Total Revenues	<u>340,500</u>	<u>344,084</u>	<u>3,584</u>
EXPENDITURES			
Current:			
Public Works	95,000	65,156	29,844
Capital Outlay	<u>275,000</u>	<u>388,627</u>	<u>(113,627)</u>
Total Expenditures	<u>370,000</u>	<u>453,783</u>	<u>(83,783)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(29,500)</u>	<u>(109,699)</u>	<u>(80,199)</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	(29,500)	(109,699)	(80,199)
Fund Balance, Beginning of Year	<u>207,140</u>	<u>207,140</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 177,640</u></u>	<u><u>\$ 97,441</u></u>	<u><u>\$ (80,199)</u></u>

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Lighting and Landscape Maintenance District Fund
Year Ended June 30, 2022

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget Positive (Negative) <u></u>
REVENUES			
Taxes	\$ 873,400	\$ 916,805	\$ 43,405
Investment Income	5,000	5,907	907
Other Revenue	<u>-</u>	<u>4,905</u>	<u>4,905</u>
Total Revenues	<u>878,400</u>	<u>927,617</u>	<u>49,217</u>
EXPENDITURES			
Current:			
Community Development	928,200	878,269	49,931
Capital Outlay	<u>85,000</u>	<u>-</u>	<u>85,000</u>
Total Expenditures	<u>1,013,200</u>	<u>878,269</u>	<u>134,931</u>
Excess (Deficiency) of Revenues Over (under) Expenditures	<u>(134,800)</u>	<u>49,348</u>	<u>184,148</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	(134,800)	49,348	184,148
Fund Balance, Beginning of Year	<u>734,379</u>	<u>734,379</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 599,579</u></u>	<u><u>\$ 783,727</u></u>	<u><u>\$ 184,148</u></u>

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Capital Projects Fund
Year Ended June 30, 2022

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Investment Income	\$ -	\$ 57	\$ 57
Total Revenues	<u>-</u>	<u>57</u>	<u>57</u>
EXPENDITURES			
Capital Outlay	3,104,200	2,438,880	665,320
Debt Service:			
Bond Issuance Costs	-	47,418	(47,418)
Interest and Fiscal Charges	-	4,374	(4,374)
Principal	53,500	48,913	4,587
Total Expenditures	<u>3,157,700</u>	<u>2,539,585</u>	<u>618,115</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,157,700)</u>	<u>(2,539,528)</u>	<u>618,172</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	53,500	53,287	(213)
Issuance of Debt	3,758,900	3,758,856	(44)
Total Other Financing Sources (Uses)	<u>3,812,400</u>	<u>3,812,143</u>	<u>(257)</u>
Net Change in Fund Balances	654,700	1,272,615	617,915
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 654,700</u></u>	<u><u>\$ 1,272,615</u></u>	<u><u>\$ 617,915</u></u>

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - 2019A Measure M Capital Projects Fund
Year Ended June 30, 2022

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Investment Income	\$ -	\$ 140	\$ 140
Total Revenues	-	140	140
EXPENDITURES			
Capital Outlay	2,131,150	2,385,118	(253,968)
Total Expenditures	2,131,150	2,385,118	(253,968)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,131,150)	(2,384,978)	(253,828)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balances	(2,131,150)	(2,384,978)	(253,828)
Fund Balance, Beginning of Year	3,195,833	3,195,833	-
Fund Balance, End of Year	<u>\$ 1,064,683</u>	<u>\$ 810,855</u>	<u>\$ (253,828)</u>

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - 2019B Measure R Capital Projects Fund
Year Ended June 30, 2022

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Investment Income	\$ -	\$ 117	\$ 117
Total Revenues	-	117	117
EXPENDITURES			
Capital Outlay	2,131,150	2,381,001	(249,851)
Total Expenditures	2,131,150	2,381,001	(249,851)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,131,150)	(2,380,884)	(249,734)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balances	(2,131,150)	(2,380,884)	(249,734)
Fund Balance, Beginning of Year	2,741,959	2,741,959	-
Fund Balance, End of Year	\$ 610,809	\$ 361,075	\$ (249,734)

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - Citywide Debt Service Fund
Year Ended June 30, 2022

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Investment Income	\$ -	\$ -	\$ -
Total Revenues	-	-	-
EXPENDITURES			
Debt Service:			
Interest and Fiscal Charges	268,400	254,091	14,309
Principal	373,700	373,673	27
Total Expenditures	642,100	627,764	14,336
Excess (Deficiency) of Revenues Over (Under) Expenditures	(642,100)	(627,764)	14,336
OTHER FINANCING SOURCES (USES)			
Transfers In	627,800	613,412	(14,388)
Total Other Financing Sources (Uses)	627,800	613,412	(14,388)
Net Change in Fund Balances	(14,300)	(14,352)	(52)
Fund Balance, Beginning of Year	14,352	14,352	-
Fund Balance, End of Year	\$ 52	\$ -	\$ (52)

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - 2019A Measure M Debt Service Fund
Year Ended June 30, 2022

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Investment Income	\$ -	\$ -	\$ -
Total Revenues	-	-	-
EXPENDITURES			
Debt Service:			
Interest and Fiscal Charges	118,600	118,638	(38)
Principal	145,000	145,000	-
Total Expenditures	263,600	263,638	(38)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(263,600)	(263,638)	(38)
OTHER FINANCING SOURCES (USES)			
Transfers In	263,600	263,638	38
Total Other Financing Sources (Uses)	263,600	263,638	38
Net Change in Fund Balances	-	-	-
Fund Balance, Beginning of Year	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -

City of La Puente
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - 2019B Measure R Debt Service Fund
Year Ended June 30, 2022

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Investment Income	\$ -	\$ -	\$ -
Total Revenues	-	-	-
EXPENDITURES			
Debt Service:			
Interest and Fiscal Charges	105,400	105,400	-
Principal	125,000	125,000	-
Total Expenditures	230,400	230,400	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(230,400)	(230,400)	-
OTHER FINANCING SOURCES (USES)			
Transfers In	230,400	230,400	-
Total Other Financing Sources (Uses)	230,400	230,400	-
Net Change in Fund Balances	-	-	-
Fund Balance, Beginning of Year	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -



STATISTICAL SECTION

City of La Puente
Description of Statistical Section Contents
June 30, 2022

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

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	94
<u>Revenue Capacity</u> these schedules contain information to help the reader assess the City's most significant local revenue source, the property tax	105
<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	109
<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	113
<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	116

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

	Fiscal Year			
	2013	2014	2015	2016
Governmental Activities:				
Net investment in capital assets	\$ 26,030,656	\$ 27,186,259	\$ 27,804,320	\$ 27,632,187
Restricted for:				
Public Safety	133,966	38,823	30,021	23,020
Public Works	3,343,118	2,278,943	2,934,848	1,585,690
Community Development	510,581	723,622	1,041,358	1,310,428
Housing	-	-	-	-
Street Projects	-	-	-	-
Total Restricted	3,987,665	3,041,388	4,006,227	2,919,138
Unrestricted	6,431,855	5,316,550	15,107,425	17,428,553
Total governmental activities net position	<u>\$ 36,450,176</u>	<u>\$ 35,544,197</u>	<u>\$ 46,917,972</u>	<u>\$ 47,979,878</u>
 Business-type Activities				
Net investment in capital assets	\$ -	\$ 2,070,787	\$ 2,104,573	\$ 2,148,360
Restricted	4,714,234	3,250,778	3,654,183	4,010,624
Total business-type activities net position	<u>\$ 4,714,234</u>	<u>\$ 5,321,565</u>	<u>\$ 5,758,756</u>	<u>\$ 6,158,984</u>
 Primary Government				
Net investment in capital assets	\$ 26,030,656	\$ 29,257,046	\$ 29,908,893	\$ 29,780,547
Restricted	8,701,899	6,292,166	7,660,410	6,929,762
Unrestricted	6,431,855	5,316,550	15,107,425	17,428,553
Total Primary Government Net Position	<u>\$ 41,164,410</u>	<u>\$ 40,865,762</u>	<u>\$ 52,676,728</u>	<u>\$ 54,138,862</u>

Source: Statement of Net Position

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 26,447,434	\$ 33,484,552	\$ 33,313,131	\$ 34,704,073	\$ 38,528,613	\$ 42,488,052
19,638	19,924	-	-	-	-
1,606,651	1,025,664	1,692,971	2,019,337	1,797,385	2,569,994
2,061,170	4,479,500	465,431	588,724	444,356	960,587
-	-	1,594,037	1,666,795	1,747,011	1,817,453
-	-	3,029,306	5,066,769	1,524,428	3,945,973
3,687,459	5,525,088	6,781,745	9,341,625	5,513,180	9,294,007
16,917,773	16,458,039	18,697,664	20,263,419	23,624,236	26,693,694
<u>\$ 47,052,666</u>	<u>\$ 55,467,679</u>	<u>\$ 58,792,540</u>	<u>\$ 64,309,117</u>	<u>\$ 67,666,029</u>	<u>\$ 78,475,753</u>
\$ 1,505,872	\$ 2,219,774	\$ 2,372,895	\$ 5,380,080	\$ 6,616,010	\$ 6,074,011
5,115,463	4,935,754	5,540,306	3,218,292	1,919,592	2,318,783
<u>\$ 6,621,335</u>	<u>\$ 7,155,528</u>	<u>\$ 7,913,201</u>	<u>\$ 8,598,372</u>	<u>\$ 8,535,602</u>	<u>\$ 8,392,794</u>
\$ 27,953,306	\$ 35,704,326	\$ 35,686,026	\$ 40,084,153	\$ 45,144,623	\$ 48,562,063
8,802,922	10,460,842	12,322,051	12,559,917	7,432,772	11,612,790
16,917,773	16,458,039	18,697,664	20,263,419	23,624,236	26,693,694
<u>\$ 53,674,001</u>	<u>\$ 62,623,207</u>	<u>\$ 66,705,741</u>	<u>\$ 72,907,489</u>	<u>\$ 76,201,631</u>	<u>\$ 86,868,547</u>

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

	Fiscal Year			
	2013	2014	2015	2016
Expenses				
Governmental activities:				
General Government	\$ 2,540,210	\$ 3,480,756	\$ 2,422,592	\$ 2,040,261
Public Safety	4,913,590	5,000,488	5,563,600	5,845,736
Public Works	1,847,640	2,276,659	1,045,925	1,028,734
Recreation/Senior Services	1,670,038	1,772,731	1,910,777	2,049,066
Community Development	2,121,666	2,637,299	2,618,301	3,897,493
Interest on Long-Term Debt	465,004	330,960	229,495	244,320
Total governmental activities expenses	<u>13,558,148</u>	<u>15,498,893</u>	<u>13,790,690</u>	<u>15,105,610</u>
Business-type activities:				
Sewer Maintenance	698,400	760,016	927,904	963,029
Total business-type activities expenses	<u>698,400</u>	<u>760,016</u>	<u>927,904</u>	<u>963,029</u>
Total primary government expenses	<u>\$ 14,256,548</u>	<u>\$ 16,258,909</u>	<u>\$ 14,718,594</u>	<u>\$ 16,068,639</u>
Program Revenue				
Governmental activities:				
Charges for services:				
General Government	\$ 53,996	\$ 60,688	\$ 435,660	\$ 507,302
Public Safety	462,652	498,247	459,251	319,773
Public Works	219,396	197,430	-	-
Recreation/Senior Services	248,797	265,538	272,093	202,313
Community Development	750,432	743,979	674,198	1,060,915
Operating Grants and Contributions	2,344,928	2,142,823	1,734,036	1,818,607
Capital Grants and Contributions	1,860,992	1,919,871	2,333,169	2,413,878
Total governmental activities program revenues	<u>5,941,193</u>	<u>5,828,576</u>	<u>5,908,407</u>	<u>6,322,788</u>
Business-type activities:				
Charges for services:	<u>1,311,226</u>	<u>1,347,146</u>	<u>1,325,685</u>	<u>1,323,874</u>
Total business-type activities program revenues	<u>1,311,226</u>	<u>1,347,146</u>	<u>1,325,685</u>	<u>1,323,874</u>
Total primary government program revenues	<u>\$ 7,252,419</u>	<u>\$ 7,175,722</u>	<u>\$ 7,234,092</u>	<u>\$ 7,646,662</u>

Source: Statement of Activities

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 3,344,530	\$ 2,414,218	\$ 2,614,669	\$ 2,716,718	\$ 3,102,274	\$ 1,332,903
6,110,053	7,039,317	7,210,847	7,714,703	8,117,393	9,408,249
2,653,875	3,235,695	2,482,313	2,438,985	5,086,569	2,215,979
2,085,167	1,994,224	2,056,944	2,159,441	2,130,122	2,504,741
2,504,463	3,329,047	3,288,029	3,790,988	4,292,118	4,904,341
336,720	-	19,021	153,881	298,426	553,899
<u>17,034,808</u>	<u>18,012,501</u>	<u>17,671,823</u>	<u>18,974,716</u>	<u>23,026,902</u>	<u>20,920,112</u>
900,170	862,198	855,985	804,470	1,525,210	849,464
<u>900,170</u>	<u>862,198</u>	<u>855,985</u>	<u>804,470</u>	<u>1,525,210</u>	<u>849,464</u>
<u>\$ 17,934,978</u>	<u>\$ 18,874,699</u>	<u>\$ 18,527,808</u>	<u>\$ 19,779,186</u>	<u>\$ 24,552,112</u>	<u>\$ 21,769,576</u>
\$ 284,416	\$ 289,146	\$ 234,071	\$ 285,480	\$ 236,290	\$ 187,548
496,926	704,424	459,802	439,926	353,068	543,266
3,945	5,462	27,686	136,967	16,589	18,283
188,577	180,884	201,109	125,342	-	52,926
986,792	1,297,749	1,432,878	1,485,737	1,186,903	1,160,960
649,068	812,396	623,826	743,530	1,418,905	3,117,742
<u>2,755,890</u>	<u>4,189,959</u>	<u>4,190,243</u>	<u>5,360,957</u>	<u>6,127,848</u>	<u>10,241,303</u>
5,365,614	7,480,020	7,169,615	8,577,939	9,339,603	15,322,028
<u>1,302,664</u>	<u>1,325,479</u>	<u>1,519,628</u>	<u>1,394,987</u>	<u>1,413,471</u>	<u>1,323,815</u>
<u>1,302,664</u>	<u>1,325,479</u>	<u>1,519,628</u>	<u>1,394,987</u>	<u>1,413,471</u>	<u>1,323,815</u>
<u>\$ 6,668,278</u>	<u>\$ 8,805,499</u>	<u>\$ 8,689,243</u>	<u>\$ 9,972,926</u>	<u>\$ 10,753,074</u>	<u>\$ 16,645,843</u>

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

	Fiscal Year			
	2013	2014	2015	2016
Net (Expense)/Revenue				
Government activities	\$ (7,616,955)	\$ (9,670,317)	\$ (7,882,283)	\$ (8,782,822)
Business-type activities	612,826	587,130	397,781	360,845
Total primary government net expense	<u>\$ (7,004,129)</u>	<u>\$ (9,083,187)</u>	<u>\$ (7,484,502)</u>	<u>\$ (8,421,977)</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes:				
Property Taxes	\$ 4,591,293	\$ 4,793,494	\$ 4,996,279	\$ 5,336,924
Franchise Taxes	981,476	942,507	974,152	888,514
Sales Taxes	1,767,497	1,782,617	2,040,668	2,593,802
Property Transfer Tax	46,120	52,324	53,669	84,006
Transient Occupancy Taxes	172,369	192,100	207,306	227,690
Business License Taxes	91,961	92,207	91,025	98,671
In-Lieu Sales Tax	632,735	572,155	612,837	616,383
Other	(100,000)	-	-	-
Total taxes	<u>8,183,451</u>	<u>8,427,404</u>	<u>8,975,936</u>	<u>9,845,990</u>
Intergovernmental	60,404	124,139	-	-
Investment Income	31,786	114,002	423,177	569,168
Miscellaneous Revenues	43,067	98,793	284,213	493,306
Transfers	-	-	-	-
Total Governmental activities	<u>8,318,708</u>	<u>8,764,338</u>	<u>9,683,326</u>	<u>10,908,464</u>
Special Item - Distribution from Los Angeles County for Lighting Maintenance District	-	-	-	-
Business-type activities:				
Total business-type activities	<u>111,951</u>	<u>20,201</u>	<u>39,410</u>	<u>39,383</u>
Total primary government	<u>\$ 8,430,659</u>	<u>\$ 8,784,539</u>	<u>\$ 9,722,736</u>	<u>\$ 10,947,847</u>
Change in Net Position				
Governmental activities	\$ 701,753	\$ (905,979)	\$ 1,801,043	\$ 2,125,642
Business-type activities	724,777	607,331	437,191	400,228
Prior Period Adjustments	-	-	9,572,732	(1,063,736)
Total primary government	<u>\$ 1,426,530</u>	<u>\$ (298,648)</u>	<u>\$ 11,810,966</u>	<u>\$ 1,462,134</u>

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ (11,669,194)	\$ (10,532,481)	\$ (10,502,208)	\$ (10,396,777)	\$ (13,687,299)	\$ (5,598,084)
402,494	463,281	663,643	590,517	(111,739)	474,351
<u>\$ (11,266,700)</u>	<u>\$ (10,069,200)</u>	<u>\$ (9,838,565)</u>	<u>\$ (9,806,260)</u>	<u>\$ (13,799,038)</u>	<u>\$ (5,123,733)</u>
\$ 5,960,936	\$ 6,681,270	\$ 7,014,532	\$ 7,391,137	\$ 7,756,848	\$ 8,081,850
941,026	1,023,365	1,024,742	1,000,525	1,059,799	1,113,913
3,060,517	3,150,107	4,082,950	5,928,799	7,065,541	7,452,307
75,968	86,091	66,951	63,652	70,989	101,229
240,696	238,611	240,783	217,209	205,661	282,519
119,792	120,357	144,822	146,475	149,476	173,166
-	-	-	-	-	-
-	-	-	-	-	-
<u>10,398,935</u>	<u>11,299,801</u>	<u>12,574,780</u>	<u>14,747,797</u>	<u>16,308,314</u>	<u>17,204,984</u>
-	-	-	-	-	-
260,984	246,179	943,308	1,009,858	577,290	(1,472,969)
82,063	43,880	308,981	155,699	158,607	39,954
-	-	-	-	-	635,839
<u>10,741,982</u>	<u>11,589,860</u>	<u>13,827,069</u>	<u>15,913,354</u>	<u>17,044,211</u>	<u>16,407,808</u>
-	9,484,683	-	-	-	-
59,857	70,912	94,030	94,654	48,969	(617,159)
<u>\$ 10,801,839</u>	<u>\$ 21,145,455</u>	<u>\$ 13,921,099</u>	<u>\$ 16,008,008</u>	<u>\$ 17,093,180</u>	<u>\$ 15,790,649</u>
\$ (927,212)	\$ 10,542,062	\$ 3,324,861	\$ 5,516,577	\$ 3,356,912	\$ 10,809,724
462,351	534,193	757,673	685,171	(62,770)	(142,808)
-	(2,127,049)	-	-	-	-
<u>\$ (464,861)</u>	<u>\$ 8,949,206</u>	<u>\$ 4,082,534</u>	<u>\$ 6,201,748</u>	<u>\$ 3,294,142</u>	<u>\$ 10,666,916</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
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
2018	6,681,270	3,150,107	1,023,365	86,091	238,611	120,357	-	11,299,801
2019	7,014,532	4,082,950	1,024,742	66,951	240,783	144,822	-	12,574,780
2020	7,391,137	5,928,799	1,000,525	63,652	217,209	146,475	-	14,747,797
2021	7,756,848	7,065,541	1,059,799	70,989	205,661	149,476	-	16,308,314
2022	8,081,850	7,452,307	1,113,913	101,229	282,519	173,166	-	17,204,984

Source: Statement of Activities

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

	Fiscal Year			
	2013	2014	2015	2016
General Fund				
Nonspendable	\$ 790,213	\$ 1,103,523	\$ 12,741,849	\$ 11,813,032
Restricted	1,527,172	-	-	-
Unrestricted:				
Unassigned				
General Fund	<u>5,327,809</u>	<u>4,908,111</u>	<u>5,317,486</u>	<u>7,906,933</u>
Total Fund Balances	<u>\$ 7,645,194</u>	<u>\$ 6,011,634</u>	<u>\$ 18,059,335</u>	<u>\$ 19,719,965</u>
All other governmental funds				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	3,987,665	3,041,388	4,025,952	3,834,966
Unrestricted:				
Unassigned	<u>(837,528)</u>	<u>-</u>	<u>(132,247)</u>	<u>(399,754)</u>
	<u>\$ 3,150,137</u>	<u>\$ 3,041,388</u>	<u>\$ 3,893,705</u>	<u>\$ 3,435,212</u>

Note: The City implemented GASB
Statement No. 54, Fund Balance

Source: Balance Sheets - Governmental Funds

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 12,260,207	\$ 11,374,648	\$ 11,480,704	\$ 10,788,035	\$ 10,447,055	\$ 10,162,906
-	-	-	-	-	-
<u>7,191,875</u>	<u>7,997,394</u>	<u>9,772,265</u>	<u>14,055,671</u>	<u>16,431,295</u>	<u>15,915,585</u>
<u>\$ 19,452,082</u>	<u>\$ 19,372,042</u>	<u>\$ 21,252,969</u>	<u>\$ 24,843,706</u>	<u>\$ 26,878,350</u>	<u>\$ 26,078,491</u>
\$ -	\$ -	\$ -	\$ 10,058	\$ 9,737	\$ 10,703
3,845,909	7,008,355	8,323,281	16,200,511	13,416,579	12,036,237
<u>(2,107)</u>	<u>(65,750)</u>	<u>(4,976)</u>	<u>(678,077)</u>	<u>(93,053)</u>	<u>(4,425,755)</u>
<u>\$ 3,843,802</u>	<u>\$ 6,942,605</u>	<u>\$ 8,318,305</u>	<u>\$ 15,532,492</u>	<u>\$ 13,333,263</u>	<u>\$ 7,621,185</u>

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

	Fiscal Year			
	2012	2013	2015	2016
Revenues:				
Taxes	\$ 8,284,537	\$ 8,283,451	\$ 8,975,936	\$ 9,747,319
Licenses and permits	356,891	393,005	429,681	637,990
Intergovernmental	4,344,589	4,348,679	3,272,845	4,369,861
Charges for services	806,404	942,820	1,760,488	1,108,498
Fines and Forfeitures	491,027	399,365	276,871	390,778
Investment Income	1,109,729	43,903	106,379	215,115
Other revenue	320,617	43,150	280,225	493,306
Total revenues	<u>15,713,794</u>	<u>\$ 14,454,373</u>	<u>\$ 15,102,425</u>	<u>\$ 16,962,867</u>
Expenditures:				
General government	2,414,268	2,441,815	2,463,305	1,719,259
Public safety	4,773,178	4,873,055	5,563,600	5,845,736
Public Works	1,189,367	1,305,707	1,004,253	1,128,999
Recreation/Senior Services	882,589	878,004	1,372,592	1,488,370
Community Development	1,971,871	1,940,182	1,459,534	2,011,353
Redevelopment and Housing	179,235	-	-	-
Capital outlay	2,331,483	2,369,863	2,126,904	3,089,542
Debt service:				
Interest & Fiscal Charges	2,350,000	588,235	274,400	254,320
Principal	724,788	670,659	630,000	625,000
Cost of Issuance	-	-	-	-
Total expenditures	<u>16,816,779</u>	<u>15,067,520</u>	<u>14,894,588</u>	<u>16,162,579</u>
Excess of revenues over (under) expenditures	<u>(1,102,985)</u>	<u>(613,147)</u>	<u>207,837</u>	<u>800,288</u>
Other Financing Sources (Uses)				
Debt Issuance	-	9,945,000	-	-
Loan Proceeds	-	(9,411,765)	-	421,574
Premium on Bonds	-	-	-	-
Transfers In	1,242,934	196,390	666,920	2,862
Transfers Out	<u>(1,292,934)</u>	<u>(296,390)</u>	<u>(666,920)</u>	<u>(2,862)</u>
Total Other Financing Sources (Uses)	<u>(50,000)</u>	<u>433,235</u>	<u>-</u>	<u>421,574</u>
Special / Extraordinary Items				
Dissolution of RDA	1,180,772	-	-	-
Distirbution from LA County for LLMD	-	-	-	-
Total Special / Extraordinary Items	<u>1,180,772</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ 27,787</u>	<u>\$ (179,912)</u>	<u>\$ 207,837</u>	<u>\$ 1,221,862</u>
Debt service as a percentage of noncapital expenditures	20.74%	9.74%	7.09%	6.13%

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

Fiscal Year					
2017	2018	2019	2020	2021	2022
\$ 10,346,934	\$ 11,234,442	\$ 12,487,322	\$ 14,659,701	\$ 16,218,138	\$ 17,091,807
654,710	968,625	917,616	845,245	860,542	735,741
3,476,390	4,979,909	4,885,384	5,473,867	7,420,586	9,098,679
938,295	1,125,664	1,135,489	1,258,641	747,198	814,512
355,900	334,811	351,735	300,067	253,437	422,109
(40,600)	(42,381)	685,509	819,480	270,485	(1,834,314)
71,899	27,633	283,856	155,776	87,404	34,090
<u>\$ 15,803,528</u>	<u>\$ 18,628,703</u>	<u>\$ 20,746,911</u>	<u>\$ 23,512,777</u>	<u>\$ 25,857,790</u>	<u>\$ 26,362,624</u>
2,149,723	2,388,937	2,582,672	2,523,190	10,840,427	2,914,249
6,110,053	7,039,317	7,210,847	7,714,703	8,117,393	9,408,249
1,223,303	1,350,238	1,415,086	1,771,627	1,998,352	2,013,832
1,278,994	1,207,305	1,266,993	1,414,574	1,386,410	1,587,332
2,464,330	3,277,699	3,247,896	3,445,500	4,261,951	5,648,563
-	-	-	-	-	-
2,737,027	2,672,579	1,588,158	2,956,929	6,761,328	13,738,685
346,640	37,281	19,021	134,262	321,676	482,503
620,000	7,204,097	189,721	413,591	313,752	692,586
-	-	-	143,849	230,965	47,418
<u>16,930,070</u>	<u>25,177,453</u>	<u>17,520,394</u>	<u>20,518,225</u>	<u>34,232,254</u>	<u>36,533,417</u>
<u>(1,126,542)</u>	<u>(6,548,750)</u>	<u>3,226,517</u>	<u>2,994,552</u>	<u>(8,374,464)</u>	<u>(10,170,793)</u>
-	-	-	7,380,000	8,517,708	3,758,856
1,267,249	82,830	30,110	-	-	-
-	-	-	430,372	-	-
133,727	331,841	321,604	628,647	910,821	1,327,101
<u>(133,727)</u>	<u>(331,841)</u>	<u>(321,604)</u>	<u>(628,647)</u>	<u>(1,218,650)</u>	<u>(1,427,101)</u>
1,267,249	82,830	30,110	7,810,372	8,209,879	3,658,856
-	-	-	-	-	-
-	9,484,683	-	-	-	-
-	9,484,683	-	-	-	-
<u>\$ 140,707</u>	<u>\$ 3,018,763</u>	<u>\$ 3,256,627</u>	<u>\$ 10,804,924</u>	<u>\$ (164,585)</u>	<u>\$ (6,511,937)</u>
6.55%	30.98%	1.30%	2.83%	2.01%	3.66%

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	Total Direct Tax Rate
	Residential	Commercial	Industrial	Other		Assessed Value	
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)	1,793,214,984	0.06478%
2015	1,538,326,262	256,091,046	23,804,101	64,589,834	(9,079,536)	1,882,811,243	0.06486%
2016	1,620,353,447	270,292,517	24,210,705	65,304,980	(9,079,536)	1,980,161,649	0.06491%
2017	1,717,162,394	292,845,791	25,643,057	71,227,609	(8,365,536)	2,106,878,851	0.64980%
2018	1,793,686,423	310,885,940	28,732,254	70,975,250	(8,383,449)	2,204,279,867	0.10187%
2019	1,884,223,438	322,438,855	29,306,878	77,946,527	(8,383,449)	2,313,915,698	0.10106%
2020	1,988,742,347	337,655,218	30,642,798	72,027,974	(8,383,449)	2,429,068,337	0.10223%
2021	2,089,193,961	345,305,201	31,414,746	72,313,776	(8,383,449)	2,538,227,684	0.10249%
2022	2,186,241,371	364,379,633	31,740,184	72,045,417	(8,383,449)	2,654,406,605	0.10107%

Source: HdL, Coren & Cone; L.A. County Assessor 2021/22 Combined Tax Rolls

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

Agency	Fiscal Year									
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
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	0.12773	0.11632	0.11539	0.15770	0.16781	0.17443	0.16349	0.14196	0.14705	0.13911
Hacienda-La Puente Unified	0.06689	0.06653	0.06432	0.06394	0.06600	0.10531	0.10706	0.08252	0.08261	0.08511
Metropolitan Water District	0.00350	0.00350	0.00350	0.00350	0.00350	0.00035	0.00350	0.00350	0.00350	0.00350
Mt. San Antonio College	0.02896	0.02023	0.02129	0.02154	0.02400	0.02371	0.02435	0.04781	0.04459	0.04608
Rowland Heights Unified	0.10053	0.12297	0.14313	0.12426	0.10939	0.11841	0.11861	0.10760	0.10905	0.00000
Rowland Heights USD DS 2012 Series B	0.00000	0.00000	0.00000	0.00000	0.01505	0.00000	0.00000	0.00000	0.00000	0.00000
West Covina Unified	0.04965	0.03626	0.05412	0.04205	0.04914	0.09514	0.09795	0.08192	0.09980	0.07968
Total Direct & Overlapping² Tax Rates	1.37725	1.36581	1.40175	1.41299	1.43489	1.52050	1.51496	1.46531	1.48659	1.46475
City's Share of 1% Levy Per Prop 13³	0.06582	0.06582	0.06582	0.06582	0.06582	0.10072	0.10072	0.10072	0.10072	0.10072
Redevelopment Rate⁴	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Total Direct Rate⁵	0.11113	0.06478	0.06478	0.06491	0.06498	0.10187	0.10117	0.10223	0.10249	0.10107

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 2012/13 - 2021/22 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>	2012/13			2021/22		
	<u>Taxable AV</u>	<u>Rank</u>	<u>% of Total Taxable AV</u>	<u>Taxable AV</u>	<u>Rank</u>	<u>% of Total Taxable AV</u>
Hacienda Plaza JPS LLC	\$ 30,398,000	1	1.78%	\$ 41,774,310	1	1.60%
Camellia 19 LP	-	-	-	34,042,050	2	1.30%
Group X Rosemead Properties LP	21,704,272	2	1.27%	25,174,932	3	0.96%
La Puente 104 LLC	-	-	-	21,617,606	4	0.83%
Laurala Limited	9,200,532	9	0.54%	18,842,784	5	0.72%
Sunny Garden Apartments 2 LP	-	-	-	18,085,444	6	0.69%
Haeri Hacienda Plaza LLC	15,153,852	3	0.89%	17,584,561	7	0.67%
Walnut Apartments	10,832,925	6	0.64%	12,559,674	8	0.48%
13925 E Amar Rd LLC	-	-	-	12,441,794	9	0.48%
Wind Chime Properties LP	10,483,430	7	0.62%	12,164,986	10	0.46%
Sunkist Shopping Center Limited	12,840,973	4	0.75%	-	-	-
Villa Las Brisas LLC	11,539,386	5	0.68%	-	-	-
Time Warner NY Cable LLC	9,332,591	8	0.55%	-	-	-
EML LLC	7,314,835	10	0.43%	-	-	-

Top Ten Total	<u>\$ 138,800,796</u>	<u>8.15%</u>	<u>\$ 214,288,141</u>	<u>8.19%</u>
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City Total	\$ 1,703,151,393	\$ 2,616,442,265
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Source: HdL Coren & Cone

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

<u>Fiscal Year</u>	<u>Total Tax Levy ⁽¹⁾</u>	<u>Current Tax Collections</u>	<u>Percent of Current Taxes Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Percent of Total Tax Collections to Total Tax Levy</u>
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%
2018	1,353,426	1,236,795	91.4%	-	1,236,795	91.4%
2019	1,402,596	1,301,556	92.8%	-	1,301,556	92.8%
2020	1,497,216	1,380,946	92.2%	-	1,380,946	92.2%
2021	1,575,043	1,449,368	92.0%	-	1,449,368	92.0%
2022	1,617,754	1,444,378	89.3%	-	1,444,378	89.3%

⁽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	Percentage of Personal	Per
	Tax Allocation <u>Bond⁽¹⁾</u>	General Obligation <u>Bonds</u>	Sales Tax Revenue <u>Bonds</u>	Lease <u>Agreement</u>	<u>Loan</u>	Sewer <u>Bonds</u>	<u>Government</u>	<u>Income⁽²⁾</u>	<u>Capita⁽²⁾</u>
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
2018	-	-	-	-	1,582,556	8,695,000	10,277,556	3.85%	253
2019	-	-	-	-	1,422,945	8,370,000	9,792,945	7.12%	240
2020	-	-	7,445,372	-	1,374,354	8,035,000	16,854,726	4.46%	415
2021	-	8,517,708	7,157,721	-	1,325,602	7,690,000	24,691,031	3.22%	616
2022	-	11,902,891	6,865,070	-	1,276,689	7,335,000	27,379,650	3.05%	728

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, 2022

Jurisdiction	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to City of La Puente	Net Bonded Debt
Direct - City of La Puente			
2020 Series A Certificates of Participation	\$ 8,144,035	100.000	\$ 8,144,035
2022 Series A Certificates of Participation	\$ 3,758,856	100.000	\$ 3,758,856
City of Industry Loan Agreement	1,276,689	100.000	1,276,689
Total Direct Debt			13,179,580
Overlapping Debt:			
Water District:			
*330.10 METROPOLITAN WATER DISTRICT	9,835,780	0.153	15,798
Mt San Antonio College:			
MT. SAN ANTONIO CCD DS 2008 SERIES 13A	160,803,885	2.545	4,093,180
MT. SAN ANTONIO CCD DS 2008 SERIES 2013B	1,620,000	2.545	41,236
MT. SAN ANTONIO CCD DS 2013 REF SERIES A	12,320,000	2.545	313,599
MT. SAN ANTONIO CCD DS 2013 REF SERIES B	14,560,000	2.545	370,617
MT. SAN ANTONIO CCD DS 2008 REF SERIES 2015C	3,700,000	2.545	94,182
MT. SAN ANTONIO CCD DS 2015 REF BONDS	3,290,000	2.545	83,745
MT. SAN ANTONIO CCD DS 2018 SERIES 2019A	265,125,000	2.545	6,748,620
MT. SAN ANTONIO CCD DS 2020 SERIES 2020A	59,075,000	2.545	1,503,724
MT. SAN ANTONIO CCD DS 2008 SERIES 2020D	120,358,674	2.545	3,063,668
MT. SAN ANTONIO CCD DS 2008 SERIES 2021E	289,508,893	2.545	7,369,299
School District:			
BASSETT USD DS 2006 SER B	10,185,729	7.526	766,593
BASSETT USD DS 2014 REF SERIES A	7,325,000	7.526	551,291
BASSETT USD DS 2014 REF SERIES B	4,970,000	7.526	374,050
BASSETT USD DS 2014 SERIES A	8,375,000	7.526	630,315
BASSETT USD DS 2016 REF BONDS	5,345,000	7.526	402,273
BASSETT USD DS 2014 SERIES B	19,530,000	7.526	1,469,858
HACIENDA-LA PUENTE USD DS 2005 REFUNDING BONDS	12,725,000	13.732	1,747,450
HACIENDA-LA PUENTE USD DS 2007 REFUNDING	44,590,000	13.732	6,123,285
HACIENDA-LA PUENTE USD DS 2016 SERIES 2017A	57,895,000	13.732	7,950,384
ROWLAND HEIGHTS USD DS 2005 REF BONDS	4,569,606	1.586	72,455
ROWLAND HEIGHTS USD DS 2006 SERIES D QSCB	10,575,000	1.586	167,676
ROWLAND HEIGHTS USD DS 2006 SERIES E	19,830,000	1.586	314,423
ROWLAND HEIGHTS USD DS 2012 SERIES A	375,000	1.586	5,946
ROWLAND HEIGHTS USD DS 2013 REF BONDS	20,030,000	1.586	317,594
ROWLAND HEIGHTS USD DS 2012 SERIES B	65,999,972	1.586	1,046,491
ROWLAND HEIGHTS USD DS 2015 REF BONDS	38,625,000	1.586	612,435
ROWLAND HEIGHTS USD DS 2019 REF BONDS	10,565,000	1.586	167,518
ROWLAND HEIGHTS USD DS 2020 REF BONDS	45,110,000	1.586	715,261
WEST COVINA USD 2002 REFUNDING SERIES A	7,110,000	0.875	62,236
WEST COVINA USD DS 2012 REF BONDS	7,890,000	0.875	69,064
WEST COVINA USD DS 2016 SERIES A	99,125,000	0.875	867,671
WEST COVINA USD DS 2016 SERIES B			
Total Overlapping Debt			48,131,937
Total Direct and Overlapping Debt			\$ 61,311,517

2021/22 Assessed Valuation: \$2,439,220,278 after deducting \$215,186,327 incremental value.

Debt To Assessed Valuation Ratios:

Direct Debt	0.54%
Overlapping Debt	1.97%
Total Debt	2.51%

*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 Lien Date Tax Rolls.

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

	Fiscal Year				
	2013	2014	2015	2016	2017
Debt Limit	\$ 255,472,709	\$ 268,982,248	\$ 282,421,686	\$ 297,024,247	\$ 316,031,828
Total net debt applicable to limit	-	-	-	-	-
Legal debt margin	<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>
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 2021/22 Combined Tax Rolls

Fiscal Year				
2018	2019	2020	2021	2022
\$ 330,641,980	\$ 347,087,355	\$ 364,360,251	\$ 381,991,670	\$ 399,418,508
-	-	-	10,888,092	14,930,172
<u>\$ 330,641,980</u>	<u>\$ 347,087,355</u>	<u>\$ 364,360,251</u>	<u>\$ 371,103,578</u>	<u>\$ 384,488,336</u>
0%	0%	0%	3%	4%

Legal Debt Margin Calculation for Fiscal Year 2020

Assessed value	\$ 2,654,406,605
Add back: exempt real property	<u>8,383,449</u>
Total assessed value	2,662,790,054
Debt limit (15% of total assessed value)	399,418,508
Debt applicable to limit:	
General obligation bonds	14,930,172
Less: Amount set aside for repayment of general obligation debt	<u>-</u>
Total net debt applicable to limit	<u>14,930,172</u>
Legal debt margin	<u>\$ 384,488,336</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>
2013	40,222	629,796	15,658	20,783	10.9%	30.7
2014	40,478	630,526	15,577	20,032	9.0%	31.6
2015	40,496	623,314	15,392	19,642	7.3%	31.8
2016	40,521	625,683	15,440	19,367	5.9%	31.8
2017	40,455	664,145	16,416	18,883	4.6%	32.5
2018	40,686	682,356	16,771	18,438	4.2%	33.2
2019	40,795	697,710	17,102	18,097	4.8%	32.8
2020	40,568	751,512	18,524	21,100	4.5%	32.9
2021	40,087	796,046	19,857	17,826	13.0%	33.0
2022	37,587	834,841	22,210	16,559	9.3%	35.0

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

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

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

Employer	2013			2014		
	# of Emp.	Rank #	% of Total City Employment	# of Emp.	Rank #	% of Total City Employment
Northgate Supermarket	120	1	3.72%	120	1	3.68%
Alert Insulation	-	-	0.00%	-	-	0.00%
Bodega Latina Corp	80	2	2.48%	80	2	2.45%
Walmart Stores Inc.	-	-	0.00%	-	-	0.00%
Food 4 Less #369	75	3	2.33%	75	3	2.30%
Big Saver Foods #12	60	5	1.86%	60	4	1.84%
Ed Butts Ford	70	4	2.17%	59	5	1.81%
Ross Store	-	-	0.00%	51	6	1.56%
El Sushi Loco	-	-	0.00%	-	-	0.00%
Merritt's Hardware	43	6	1.33%	43	7	1.32%
In And Out Burger	-	-	0.00%	-	-	0.00%
99 Cents Only Stores	32	9	0.99%	32	10	0.98%
CVS Pharmacy #9629	35	8	1.09%	35	9	1.07%
Jack in the Box	32	9	0.99%	32	10	0.98%
Burger King	37	7	1.15%	37	8	1.13%
Walgreens #05702	32	9	0.99%	32	10	0.98%
Others	2,608	-	80.89%	2,608	-	79.90%
Total	3,224		100.00%	3,264		100.00%

Employer	2018			2019		
	# of Emp.	Rank #	% of Total City Employment	# of Emp.	Rank #	% of Total City Employment
Northgate Supermarket	120	1	3.01%	118	1	2.90%
Bodega Latina Corp	111	2	2.79%	111	2	2.72%
CAD Works, Inc.	-	-	0.00%	-	-	0.00%
Alert Insulation	88	3	2.21%	88	3	2.16%
Walmart Stores Inc.	80	4	2.01%	80	4	1.96%
Food 4 Less #369	75	5	1.88%	75	5	1.84%
Mc Donald's	-	-	0.00%	68	6	1.67%
Merritt's Hardware	41	10	1.03%	41	-	1.01%
Ross Store	44	8	1.10%	46	9	1.13%
In and Out Burger	40	-	1.00%	40	-	0.98%
Ed Butts Ford	59	7	1.48%	59	8	1.45%
Big Saver Foods #12	60	6	1.51%	60	7	1.47%
Carpet King	36	-	0.90%	36	-	0.88%
CVS Pharmacy #9629	35	-	0.88%	35	-	0.86%
Jack in the Box	34	-	0.85%	34	-	0.83%
Taco Bell	-	-	0.00%	-	-	0.00%
99cents Only Stores	32	-	0.80%	32	-	0.79%
R Ranch Market #11	-	-	0.00%	-	-	0.00%
El Sushi Loco	43	9	1.08%	43	10	1.06%
Burger King	18	-	0.45%	18	-	0.44%
Others	3,067	-	77.00%	3,091	-	75.85%
Total	3,983		100.00%	4,075		100.00%

Source: City Finance Department - Business License Division

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%
88	2	2.38%	88	2	2.39%	88	3	2.97%
80	3	2.16%	80	3	2.17%	101	2	3.41%
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%
-	-	0.00%	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%
32	-	0.86%	32	-	0.87%	32	-	1.08%
35	-	0.95%	35	10	0.95%	35	-	1.18%
32	-	0.86%	32	-	0.87%	32	-	1.08%
37	10	1.00%	18	-	0.49%	18	-	0.61%
-	-	0.00%	-	-	0.00%	-	-	0.00%
2,870	-	77.57%	2,826	-	76.77%	2,094	-	70.70%
3,700		100.00%	3,681		100.00%	2,962		100.00%

2020			2021			2022		
# of Emp.	Rank #	% of Total City Employment	# of Emp.	Rank #	% of Total City Employment	# of Emp.	Rank #	% of Total City Employment
112	1	3.01%	112	2	2.85%	112	1	2.00%
111	2	2.99%	126	1	3.21%	111	2	1.98%
-	-	0.00%	-	-	0.00%	100	3	1.79%
88	3	2.37%	88	3	2.24%	88	4	1.57%
80	4	2.15%	80	4	2.04%	80	5	1.43%
75	5	2.02%	75	5	1.91%	75	6	1.34%
68	6	1.83%	68	6	1.73%	68	7	1.22%
41	10	1.10%	41	10	1.04%	43	8	0.77%
46	9	1.24%	46	9	1.17%	40	9	0.71%
40	-	1.08%	40	-	1.02%	40	10	0.71%
63	7	1.70%	63	7	1.60%	-	-	0.00%
60	8	1.61%	60	8	1.53%	40	-	0.71%
36	-	0.97%	36	-	0.92%	-	-	0.00%
35	-	0.94%	35	-	0.89%	-	-	0.00%
34	-	0.91%	34	-	0.86%	-	-	0.00%
-	-	0.00%	32	-	0.81%	-	-	0.00%
30	-	0.81%	30	-	0.76%	32	-	0.57%
-	-	0.00%	30	-	0.76%	-	-	0.00%
26	-	0.70%	26	-	0.66%	33	-	0.59%
18	-	0.48%	18	-	0.46%	-	-	0.00%
2,753	-	74.09%	2,891	-	73.54%	4,733	-	84.59%
3,716		100.00%	3,931		100.00%	5,595		100.00%

City of La Puente, California
Full-time Equivalent City Government Employees by Program/Function
As of June 30, 2022

Program/Function	Fiscal Year			
	2013	2014	2015	2016
General Government				
City Council	5.00	5.00	5.00	5.00
City Clerk/Election Services	2.00	2.00	2.00	1.00
Human Resources/Risk Management	n/a	n/a	n/a	n/a
Administration	2.00	2.00	2.00	2.00
Financial Services	5.00	7.00	7.50	6.50
Public Safety				
Code Enforcement	-	-	-	Contract
Animal Services	-	-	-	-
Public Safety Services	Contract	Contract	Contract	Contract
Public Works Services				
General Services	n/a	n/a	n/a	n/a
Emergency Preparedness Services	Contract	Contract	Contract	Contract
Public Works Services	6.00	6.00	4.00	5.50
Measure R	n/a	n/a	n/a	n/a
Streets/Sidewalks (Prop C)	n/a	n/a	n/a	n/a
Waste Management Services	n/a	n/a	n/a	n/a
Park/Maintenance Services	n/a	n/a	n/a	n/a
Community Development				
Planning/Zoning Services	1.00	1.00	2.00	3.00
Housing/Community Services	1.00	1.00	1.00	1.00
Community Preservation Services	6.00	6.00	Contract	Contract
Community Outreach	n/a	n/a	n/a	n/a
Public Transit Services (Prop A)	n/a	n/a	n/a	n/a
Recreation/Senior Services				
Recreation Services	3.00	6.50	6.50	6.50
Youth Activity Learning Center	1.00	1.00	1.00	1.00
Nature Education Center	n/a	n/a	n/a	n/a
Senior Services	1.00	1.00	1.00	1.00
Sewer Maintenance Fund				
Sewer Maintenance	n/a	n/a	n/a	n/a
Equipment Replacement Fund				
IT/Equipment Charges	n/a	n/a	n/a	n/a
Community Development Commission				
Low Mod Income Housing/Capital Project Fund	n/a	n/a	n/a	n/a
	<u>33.00</u>	<u>38.50</u>	<u>32.00</u>	<u>32.50</u>

Source: City of La Puente

Fiscal Year					
2017	2018	2019	2020	2021	2022
5.00	5.00	5.00	5.00	5.00	5.00
1.00	1.00	1.00	1.50	1.50	2.00
n/a	0.50	0.50	0.50	0.50	0.50
2.00	2.50	2.50	3.50	3.00	3.00
6.50	5.00	5.50	5.00	5.50	5.50
6.50	7.00	10.50	12.00	15.50	14.00
-	-	6.50	3.50	5.50	2.50
Contract	Contract	Contract	Contract	Contract	Contract
n/a	n/a	n/a	n/a	n/a	n/a
Contract	Contract	Contract	Contract	Contract	Contract
5.50	6.00	10.50	11.50	17.00	14.00
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
3.00	3.00	3.00	4.00	4.00	4.00
1.00	1.00	1.00	1.00	1.00	1.00
Contract	Contract	Contract	Contract	Contract	Contract
n/a	n/a	n/a	n/a	n/a	11.50
n/a	n/a	n/a	n/a	n/a	n/a
6.50	8.00	10.50	10.50	9.50	10.50
1.00	1.00	5.00	5.50	5.50	6.50
n/a	n/a	n/a	n/a	n/a	n/a
1.00	1.00	2.00	2.00	1.50	2.50
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
39.00	41.00	63.50	65.50	75.00	82.50

City of La Puente, California
Operating Indicators by Function
As of June 30, 2022

Function/Program	Fiscal Year			
	2013	2014	2015	2016
Public Safety*				
Physical arrests	1,210	1,279	1,458	1,385
Parking Citations Issued	6,687	5,881	5,382	8,852
Building and Safety				
Construction Valuation	7,773,162	6,645,112	6,775,623	10,441,752
Building Permits Issued	396	364	317	467
Highways and Streets*				
Street resurfacing (Square Feet)	288,100	305,447	240,180	61,550
Sanitation*				
Refuse collected (tons/day)	51.75	61.53	60.12	64.90
Recyclables collected (tons/day)	4.28	4.59	4.53	4.77
Green waste collected (tons/day)	10.59	9.77	9.64	8.98
Community Services				
Special Event-Main Street Run (number of participants)	4,391	3,730	3,825	4,283
City Clerk				
Public Records Act Requests (number responded)	n/a	n/a	n/a	n/a

* 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					
2017	2018	2019	2020	2021	2022
1,952	1,686	1,427	1,488	2,648	817
6,809	8,409	8,065	6,183	6,737	12,188
11,581,386	15,264,131	16,443,171	17,475,132	28,045,379	27,305,597
386	516	452	330	1,165	1,576
187,600	374,150	-	170,000	211,200	1,432,700
58.02	57.47	69.00	61.03	63.32	64.85
4.96	4.85	14.00	3.00	5.09	3.49
9.81	7.95	8.00	9.05	9.15	7.05
3,750	n/a	n/a	n/a	n/a	n/a
n/a	n/a	94	108	120	160

City of La Puente, California
Capital Asset Statistics by Function
As of June 30, 2022

Function/Program	Fiscal Year 2021-2022
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)	71.5
Streetlights	1421
Traffic signals	43
Community Services	
Park acreage	24.2
Parks	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 contract 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