



# *City of La Puente, California*

**Annual Comprehensive Financial Report  
for the Fiscal Year Ended June 30, 2023**

***City of La Puente***

**California**



**Annual Comprehensive Financial Report**

**For the Fiscal Year Ended**

**June 30, 2023**

**Prepared by:**

**The Administrative Services Department**

**City of La Puente**  
**Annual Comprehensive Financial Report**  
Year Ended June 30, 2023

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## INTRODUCTORY SECTION



# *City of La Puente*

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

December 18, 2023

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, 2023 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, 2023, 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 Grace F. Napolitano Nature 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**

In the shifting landscape of COVID-19 recovery, several economic phenomena remain relevant. The first of these is inflation, as measured using the Consumer Price Index (CPI). Inflation represents the increase in cost for everyday goods and services. Although inflation has declined and appears to continue a downward trajectory, prices in June 2023 remained 2.5% higher than they were 12-months prior in the local area (source: Bureau of Labor Statistics). Inflationary conditions can place pressure on the City's budget by allowing the agency to obtain less resources for the same expenditure outlay. Additionally, local constituents facing increased prices for necessities including food, housing, and childcare may turn to the City for assistance, further straining budgetary resources.



An unexpected challenge that has arisen from macroeconomic circumstances is the decline in sales and transaction tax revenues throughout FY 2022/2023. Both Sales and Use Tax and Measure LP Tax (the City's 0.5 cent district add-on tax) fell short of their respective budgets for the fiscal year. Although this appears concerning at first glance, a further analysis would indicate that this is likely a return to pre-pandemic baseline activity levels in the retail sector. During FY 2020/2021 and FY 2021/2022, sales tax collections were temporarily boosted by an increase in online shopping driven by stay-at-home restrictions. In the case of internet-based purchases, a greater share of the tax revenue remains in the home jurisdiction, benefiting La Puente. The loss in sales tax revenue was made up for by healthy returns from Property Tax, highlighting the need for flexibility and diversity within the City's revenue portfolio. Staff will continue to closely monitor these conditions as time progresses.

Interest rates remained high throughout the fiscal year, favoring lenders over borrowers. This could create an unfavorable environment in the near term if the City were to have a need to issue debt. Through a combination of strategic budgeting and strong fund balances, the City is currently able to meet all its obligations, including capital planning needs, without the need for additional debt financing.

## **MAJOR INITIATIVES AND ACCOMPLISHMENTS**

The Capital Improvement Program (CIP) continued to be the focal point of the City's efforts throughout FY 2022/2023. The City Council has long maintained a steadfast commitment to improving the physical infrastructure of the local area, and this period was no exception. One of the largest projects to be carried forward into the fiscal year was the Energy Efficiency Project. Upgrades consisted of green retrofits to existing City facilities, including major roofing repairs, the addition of solar panels on buildings, the replacement of plumbing and lighting fixtures with energy efficient models, and the construction of a solar panel carport at the Community Center. Financed through the Series 2022A Certificates of Participation (COPs), over \$1.2 million was drawn down during FY 2022/2023.

The majority of work on the La Puente Park Master Plan was concluded during the fiscal year. Over \$3.3 million was outlaid for capital improvements as part of the specified grant with the California Dept. of Parks and Recreation, including the completion of restroom renovations, lighting, trees, grass and plants, playgrounds, athletic facilities, and security technology. A small portion of grant funding remains going into the next fiscal year and will be slated for winding down construction work. In addition to the specified grant sponsored by Senator Susan Rubio, almost \$500,000 in capital expenditures for the park were made from the General Fund and other sources.

In an effort to expand services to the public, the City acquired a parcel of land at the intersection of Valley Blvd. and Old Valley Blvd., in the southeast corner. This parcel, purchased from a private party in Spring of 2023, is planned for future use as a community park, animal shelter, and clinic. The acquisition cost was funded by a one-time transfer from the General Fund in the amount of approximately \$526,000. Design and development are expected to commence on this project in 2024.

During FY 2022/2023, the City established its Youth Workforce Development Program. Funded by a \$3.6 million grant award from the Office of the Governor as part of the

California Volunteers initiative, the goal of the program is to offer meaningful employment opportunities to young people between the ages of 18 and 30. Individuals within the La Puente program are assigned to part-time positions in various occupational fields, including public works, maintenance, parks and recreation, foodservice, and information technology. In addition, youth participants are offered social support services and access to additional training and certifications. Over fifty (50) local community members have been employed through the 1-year program to date. \$731,620 in grant funds were expended during fiscal year 2022/2023, and the expenditure is housed within the Miscellaneous Grants fund. This program is expected to continue into FY 2023/2024, with the remaining \$2.868 million planned for exhaustion in that period.

Looking ahead at the FY 2023/2024 Budget and Capital Improvement Program, a renewed emphasis is placed on roadway projects, specifically targeted at making City streets safer for residents, business owners, and visitors. Over \$5.6 million has been appropriated for a variety of resurfacing work, with funding sources such as Series 2019A and B bond funds, SB1/RMRA, Measure M, Measure R, and Prop C.

## **LONG-TERM FINANCIAL PLANNING**

The unassigned fund balance in the General Fund is \$20.8 million or 109% of General Fund expenditures and transfers out, and total General Fund balances equal \$30.7 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, 2022. 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

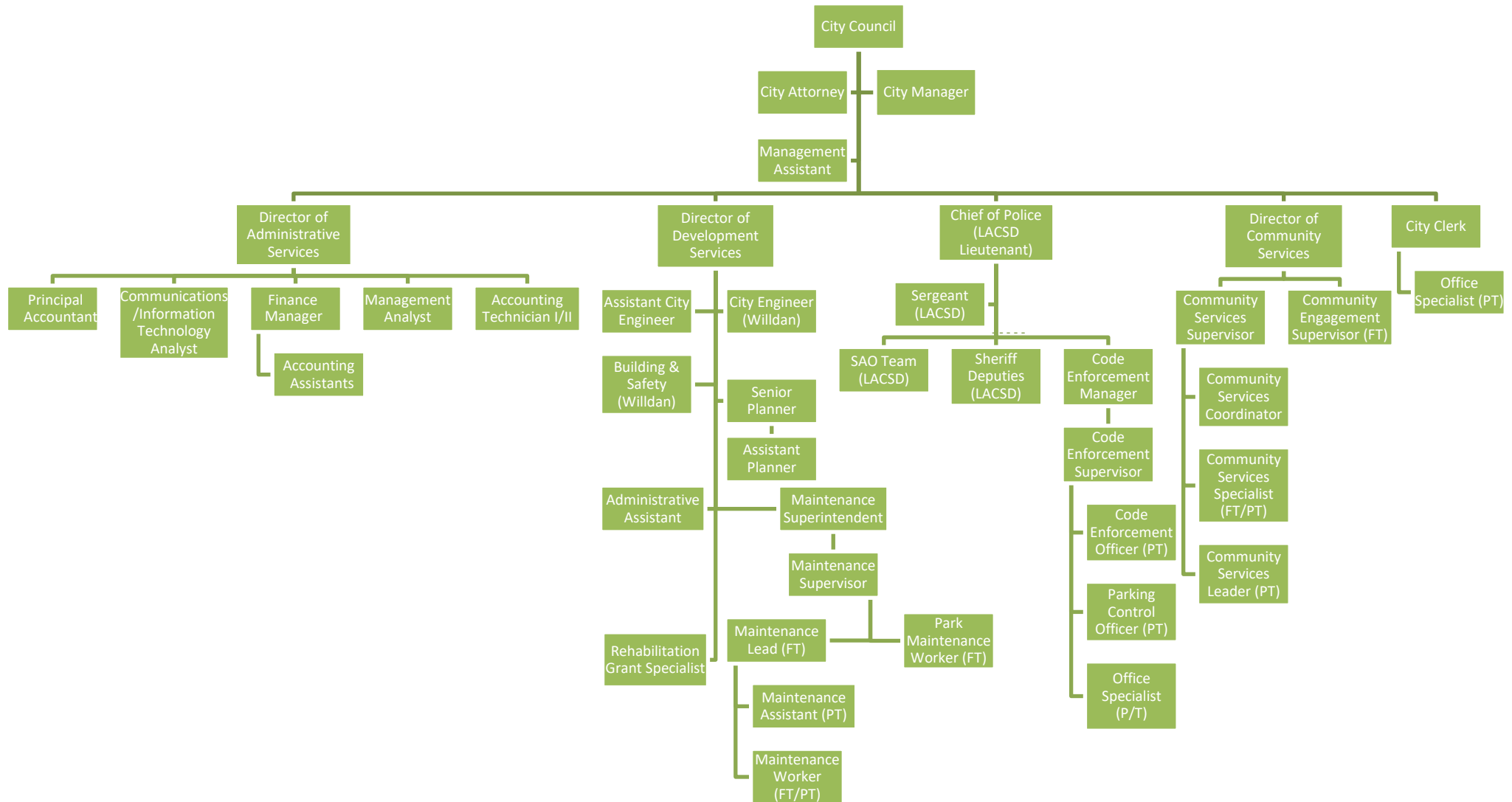
### ELECTED OFFICIALS - CITY COUNCIL

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

### CITY OFFICIALS

City Manager..... Bob Lindsey  
City Attorney ..... Olivarez Madruga Law Organization LLP  
City Clerk ..... Martha Torres, MPA  
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, 2022

*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, 2023, 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, 2023, 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.

#### ***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 18, 2023, 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 18, 2023

## **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, 2023. 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 \$94,563,028 (net position). Of this, \$29,962,886 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 \$7,694,481 from the previous fiscal year.
- Citywide revenues were \$39,455,010. Total revenues are composed of \$17,445,025 in general revenue dollars, \$3,853,568 in charges for services, \$8,256,074 in operating grants and contributions, and \$9,900,343 in capital grants and contributions.
- Citywide expenses were \$31,760,529 with public safety being the largest functional area at \$9,716,603 or approximately 31% of the total expenses.

### **Fund level**

- The total fund balance for all governmental funds was \$41,066,795 at the close of the fiscal year. Of that amount, \$9,888,130 is nonspendable and \$12,318,131 is restricted and not available for spending. The remaining \$18,860,534 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 increased by \$4,587,350 for the fiscal year ended June 30, 2023.
- Governmental fund balances increased by \$7,367,119 during fiscal year 2022-2023.

## **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 58 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

| <b>Net Position - Governmental Activities</b> |                      |                      |                     |                 |
|---|----------------------|----------------------|---------------------|-----------------|
|   | <u>2023</u>          | <u>2022</u>          | <u>Change</u>       | <u>% Change</u> |
| Current and Other Assets                      | \$ 54,930,727        | \$ 54,019,643        | \$ 911,084          | 1.69%           |
| Capital Assets                                | <u>56,192,213</u>    | <u>51,488,010</u>    | <u>4,704,203</u>    | <u>9.14%</u>    |
| Total Assets                                  | <u>111,122,940</u>   | <u>105,507,653</u>   | <u>5,615,287</u>    | <u>5.32%</u>    |
| Deferred Outflows of Resources                | <u>6,333,142</u>     | <u>5,937,889</u>     | <u>395,253</u>      | <u>6.66%</u>    |
| Other Liabilities                             | 6,181,685            | 8,325,889            | (2,144,204)         | -25.75%         |
| Long-term Liabilities                         | <u>22,056,070</u>    | <u>19,862,070</u>    | <u>2,194,000</u>    | <u>11.05%</u>   |
| Total Liabilities                             | <u>28,237,755</u>    | <u>28,187,959</u>    | <u>49,796</u>       | <u>0.18%</u>    |
| Deferred Inflows of Resources                 | <u>3,410,592</u>     | <u>4,781,830</u>     | <u>(1,371,238)</u>  | <u>-28.68%</u>  |
| Net Position:                                 |                      |                      |                     |                 |
| Net investment in capital assets              | 45,311,834           | 42,488,052           | 2,823,782           | 6.65%           |
| Restricted                                    | 10,533,015           | 9,294,007            | 1,239,008           | 13.33%          |
| Unrestricted                                  | <u>29,962,886</u>    | <u>26,693,694</u>    | <u>3,269,192</u>    | <u>12.25%</u>   |
| Total Net Position                            | <u>\$ 85,807,735</u> | <u>\$ 78,475,753</u> | <u>\$ 7,331,982</u> | <u>9.34%</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 \$85,807,735 at the close of the fiscal year, an increase of \$7,331,982 or 9.34% from the previous year. The primary reasons for the increase in net position are as follows:

- Current and Other Assets increased by \$911,084 or 1.69%. This is strongly associated with increases in General Revenues as follows:
  - Property Tax increased by \$505,633 from the previous fiscal year
  - Investment Income increased by \$1,423,633 although this was mostly due to the GASB market value adjustment.
- Capital Assets increased by \$4,704,203 or 9.14% primarily due to completion of significant portions of the La Puente Park Master Plan.
- Other Liabilities show a reduction of \$2,144,204 or 25.75% from FY 2021/2022 due in large part to a substantial decrease in Unearned Revenue related to the collection of grant and one-time special revenue funds.
- Deferred Inflows of Resources decreased by \$1,371,238 or 28.68% year-over-year, contributing to the increase in net position. This is primarily related to pensions and other post-employment benefits (OPEB).

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 \$45,311,834 (53% 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, \$10,533,015 or 12%, represents resources that are subject to external restrictions on how they may be used (shown as "restricted" in Table 1). The remaining balance of \$29,962,886, or 35%, is unrestricted. This amount includes \$9,697,366 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 \$20,265,520 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, 2023**

Table 2

|                                    | 2023                 | 2022                 | Change              | % Change |
|------------------------------------|----------------------|----------------------|---------------------|----------|
| <b>Revenues</b>                    |                      |                      |                     |          |
| Program Revenues:                  |                      |                      |                     |          |
| Charges for Services               | \$ 2,504,353         | \$ 1,962,983         | \$ 541,370          | 27.58%   |
| Operating Grants and Contributions | 8,256,074            | 3,117,742            | 5,138,332           | 164.81%  |
| Capital Grants and Contributions   | 9,900,343            | 10,241,303           | (340,960)           | -3.33%   |
| General Revenues:                  |                      |                      |                     |          |
| Taxes:                             |                      |                      |                     |          |
| Property Taxes                     | 8,587,483            | 8,081,850            | 505,633             | 6.26%    |
| Franchise Taxes                    | 1,230,870            | 1,113,913            | 116,957             | 10.50%   |
| Sales and Use Taxes                | 7,016,290            | 7,452,307            | (436,017)           | -5.85%   |
| Property Transfer Taxes            | 68,608               | 101,229              | (32,621)            | -32.22%  |
| Transient Occupancy Taxes          | 273,649              | 282,519              | (8,870)             | -3.14%   |
| Other Taxes                        | 168,172              | 173,166              | (4,994)             | -2.88%   |
| Investment Income                  | (49,336)             | (1,472,969)          | 1,423,633           | 96.65%   |
| Transfers                          | -                    | 635,839              | (635,839)           | 100.00%  |
| Other revenues                     | 125,968              | 39,954               | 86,014              | 215.28%  |
| Total revenues                     | <u>38,082,474</u>    | <u>31,729,836</u>    | <u>6,352,638</u>    | 20.02%   |
| <b>Expenses</b>                    |                      |                      |                     |          |
| General Government                 | 4,207,043            | 1,332,903            | 2,874,140           | 215.63%  |
| Public Safety                      | 9,716,603            | 9,408,249            | 308,354             | 3.28%    |
| Public Works                       | 3,950,448            | 2,215,979            | 1,734,469           | 78.27%   |
| Recreation/Senior Services         | 4,269,848            | 2,504,741            | 1,765,107           | 70.47%   |
| Community Development              | 8,077,736            | 4,904,341            | 3,173,395           | 64.71%   |
| Interest on Long-Term Debt         | 528,814              | 553,899              | (25,085)            | -4.53%   |
| Total expenses                     | <u>30,750,492</u>    | <u>20,920,112</u>    | <u>9,830,380</u>    | 46.99%   |
| Increase (decrease) in net assets  | 7,331,982            | 10,809,724           | (3,477,742)         | -32.17%  |
| Net position, beginning            | <u>78,475,753</u>    | <u>67,666,029</u>    | <u>10,809,724</u>   | 15.98%   |
| Net position, ending               | <u>\$ 85,807,735</u> | <u>\$ 78,475,753</u> | <u>\$ 7,331,982</u> | 9.34%    |

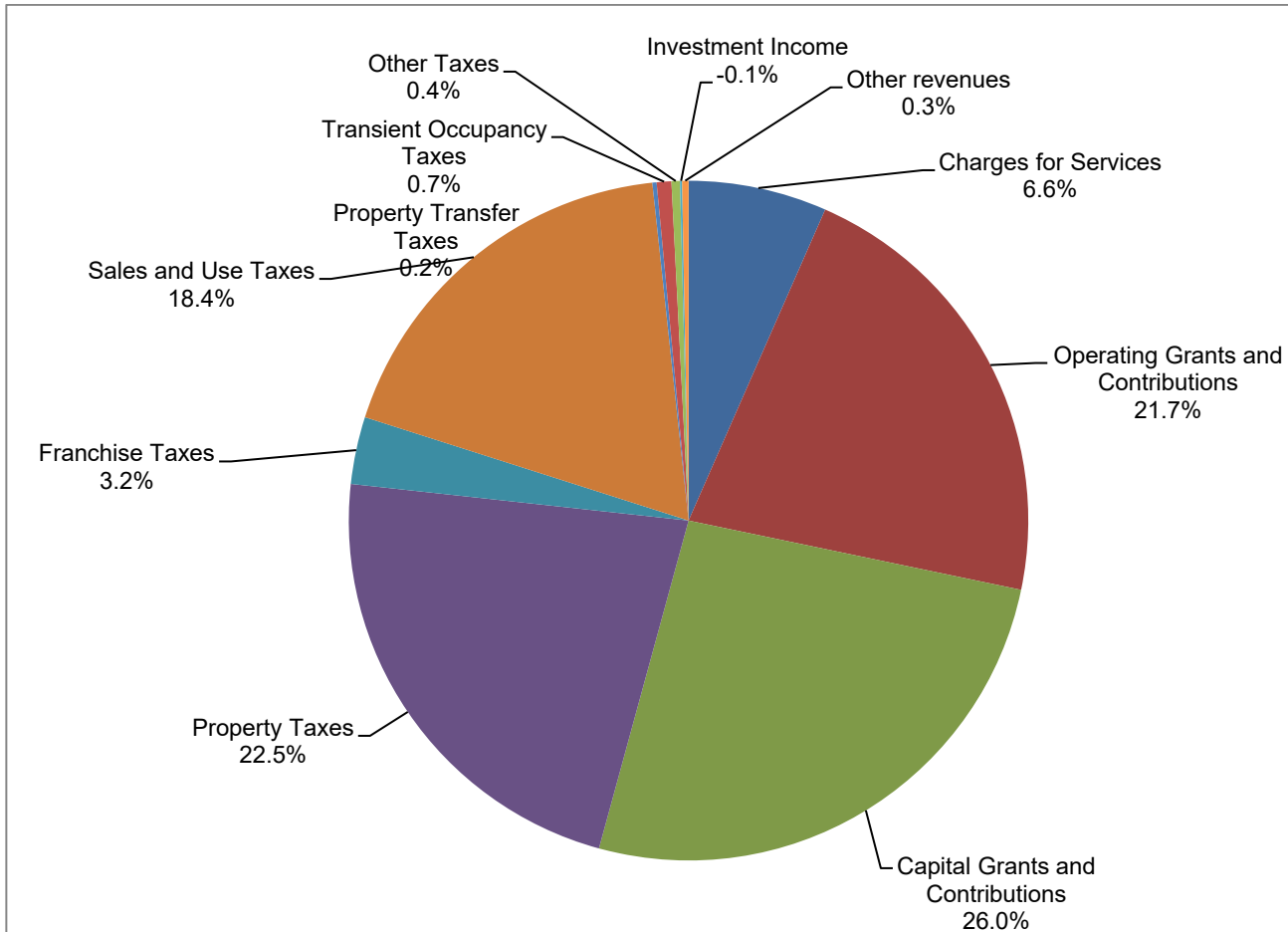
The City's net position increased by \$7,331,982 for governmental activities during the fiscal year because of revenues being greater than expenses. The total cost of all City governmental activities was \$30,750,492 for the fiscal year. Net gain of all governmental activities was \$7,331,982.

Total revenues increased by \$6,352,638 year-over-year primarily due to the increase in property taxes, franchise taxes, investment income, and operating grants and contributions.

### 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 45% 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 54% of the total resources and investment income and miscellaneous income amounted to 0.2% of the total governmental revenues for the year. This makeup has not changed significantly from the previous 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.

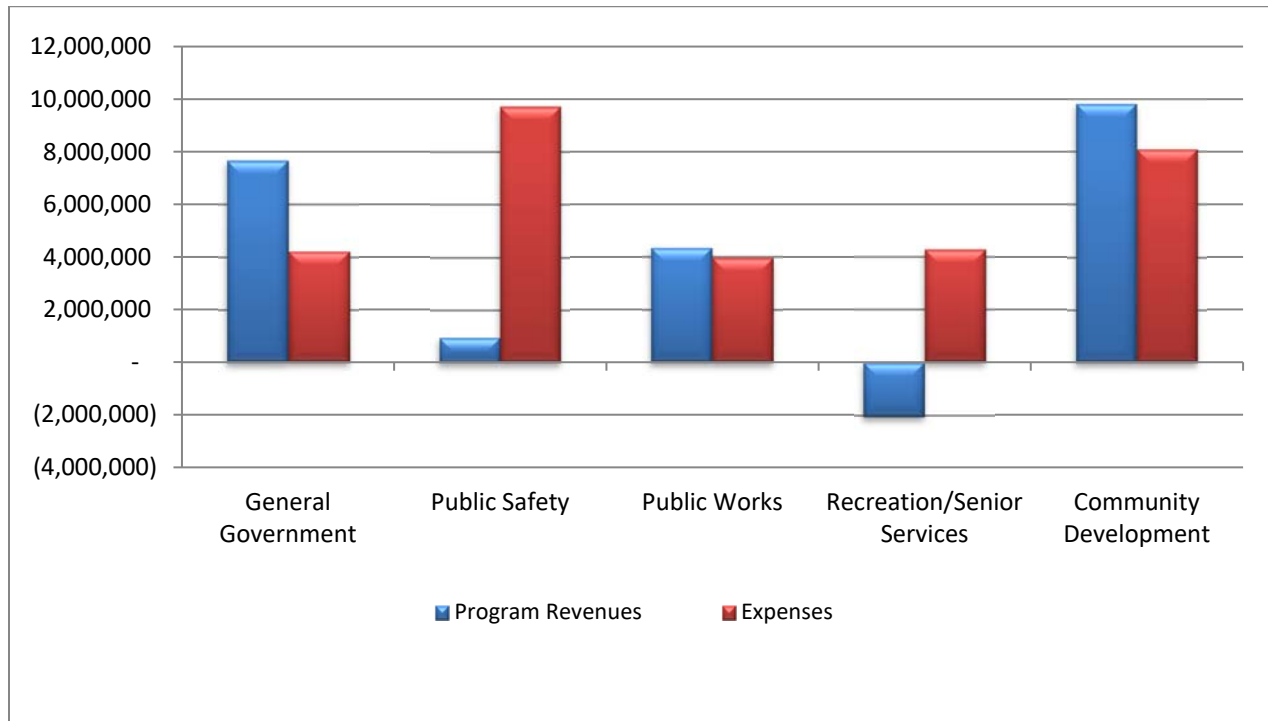
Governmental activities increased the City's net position by \$7,331,982. Key elements of this increase are as follows:

- Property Tax increased by \$505,633 – around 6.26% - driven by an increase in assessed values throughout the period.
- Operating Grants and Contributions increased by 164.81% or \$5,138,332, primarily due to revenues received from external government sources, including the federal American Rescue Plan Act (ARPA) and state grants related to youth workforce development.
- Charges for Services shows a 27.58% increase year-over-year, due to strong activity levels in the Community Development function.
- Investment income increased by \$1,423,633 due to the GASB fair market value adjustment. This figure contributes to the increase in net position, although the amount is unrealized within the City's portfolio.
- Capital Grants and Contributions, although demonstrating a decrease of (3.33)%, remains a strong program revenue with \$9,900,343 recognized in FY 2022/2023. This is largely due to state grant funding for the capital improvements at La Puente Park.

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.

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

|                                      | 2023         | 2022         |
|--------------------------------------|--------------|--------------|
| Current and Other Assets             | \$ 2,684,970 | \$ 2,352,773 |
| Capital Assets                       | 12,696,052   | 12,940,370   |
| Total Assets                         | 15,381,022   | 15,293,143   |
| Deferred Amounts on Refunding        | 439,351      | 468,641      |
| Total Deferred Outflows of Resources | 439,351      | 468,641      |
| Other Liabilities                    | 470,080      | 398,990      |
| Long-term Liabilities Outstanding    | 6,595,000    | 6,970,000    |
| Total Liabilities                    | 7,065,080    | 7,368,990    |
| Net Position:                        |              |              |
| Net investment in capital assets     | 6,165,403    | 6,074,011    |
| Unrestricted                         | 2,589,890    | 2,318,783    |
| Total net position                   | \$ 8,755,293 | \$ 8,392,794 |

Table 4  
Business-type Activities Change in Net Position

|                                  | 2023                       | 2022                       |
|----------------------------------|----------------------------|----------------------------|
| <b>Revenues</b>                  |                            |                            |
| Charges for services             | \$ 1,349,215               | \$ 1,323,815               |
| Investment & Other Income        | <u>23,321</u>              | <u>18,680</u>              |
| Total revenues                   | <u>1,372,536</u>           | <u>1,342,495</u>           |
| <b>Expenses</b>                  |                            |                            |
| Sewer assessment                 | 772,070                    | 600,924                    |
| Other expenses                   | <u>237,967</u>             | <u>884,379</u>             |
| Total expenses                   | <u>1,010,037</u>           | <u>1,485,303</u>           |
| Excess of revenues over expenses | <u>362,499</u>             | <u>(142,808)</u>           |
| Change in net position           | 362,499                    | (142,808)                  |
| Net position, beginning          | <u>8,392,794</u>           | <u>8,535,602</u>           |
| Net position, ending             | <u><u>\$ 8,755,293</u></u> | <u><u>\$ 8,392,794</u></u> |

The net position of the City's business-type activities increased by \$362,499. As shown in Table 3, "Current and Other Assets" reflects an increase of \$332,197. The increase is primarily due to a reduction in outlays, as capital projects from prior years reach completion, and more cash is held.

The City's business-type program revenues exceeded expenses by \$362,499 as shown in Table 4. This is due in large part to strong revenue streams in the form of Charges for Services, which reflect the two (2) annual fees that property owners within the City's jurisdiction pay to connect to the City's sanitary sewer. Expenses within the fund are also managed conservatively. 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, 2023, the City's Governmental Funds reported a combined fund balance of \$41,066,795 which increased by \$7,367,119 from the prior year fund balance.
- Fund Balance Classification
  - The City has \$9,888,130 in non-spendable fund balance as of June 30, 2023. 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 \$12,318,131 at June 30, 2023. Restricted fund balance includes resources that are subject to externally enforceable legal restrictions.
- The General Fund has unassigned fund balance of \$20,796,132. 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 \$30,665,841 fund balance, an increase of \$4,587,350 from the previous year.
- General Fund revenues exceeded budgeted revenues by \$502,839. The largest category supporting this surplus was Licenses and Permits, with a positive budget variance of \$348,339. This can be attributed to strong construction and commercial activity within city limits throughout the period. All General Fund revenue categories ended the year exceeding their budgeted figures, with the exception of Investment Income. This is not unusual, given the GASB requirement for mark-to-market reporting of unrealized gains and losses.
- General Fund expenditures were \$997,704 less than budgeted amounts. This favorable budget variance was driven by savings in Public Safety, due to staffing vacancies in the Special Assignment Officer (SAO) team. Public Works and Community Development were the only General Fund functions to incur costs in excess of their respective budgets.
- American Rescue Plan Act (ARPA) revenues were \$7,449,493 in contrast with budget of \$4,738,200 – a positive variance of \$2,711,293. This was due entirely to the fact that a large portion of the FY 2021/2022 tranche was recorded as unearned revenue in the prior period and carried forward to be recognized as revenue in FY 2022/2023. Ultimately, the majority of this fund was transferred to the General Fund to reimburse eligible expenditures. The small amount remaining was combined with the General Fund for the purposes of financial reporting, leaving a year end fund balance of \$0.
- The Miscellaneous Grants Fund had a negative ending fund balance of \$(1,906,446). This fund is comprised of several state grants. One of the grants, through the California Dept. of Parks and Recreation, is for capital improvements at La Puente Park. The other, from the Office of the Governor, funds youth workforce development efforts. 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, remedying 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, 2023 is \$68,888,265. Capital assets, net of accumulated depreciation, include land, construction in progress, buildings and improvements, equipment,



vehicles, furniture, fixtures, and computer software and hardware. Infrastructure assets are reported at cost, where historical records are available and at estimated cost where no historical records exist.

The net increase (additions minus deletions) in capital assets for the fiscal year was \$4,459,885 due to additions including the acquisition of land and the completion of road improvements and park projects. 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, 2023.

Table 5  
Capital Assets

|   | Beginning<br>Balance | Additions            | Deletions             | Ending<br>Balance    |
|---|----------------------|----------------------|-----------------------|----------------------|
| <b>Governmental Activities:</b>         |                      |                      |                       |                      |
| Capital Assets, Not Depreciated:        |                      |                      |                       |                      |
| Land                                    | \$ 3,621,179         | \$ 526,743           | \$ -                  | \$ 4,147,922         |
| Construction in Progress                | 8,516,175            | 6,635,072            | (8,788,157)           | 6,363,090            |
| Total Capital Assets, Not Depreciated   | 12,137,354           | 7,161,815            | (8,788,157)           | 10,511,012           |
| Capital Assets Being Depreciated:       |                      |                      |                       |                      |
| Buildings and Improvements              | 30,687,311           | 1,017,172            | -                     | 31,704,483           |
| Equipment and Furniture                 | 3,128,767            | 1,506,447            | (385,603)             | 4,249,611            |
| Infrastructure                          | 42,518,742           | 5,969,708            | -                     | 48,488,450           |
| Intangible Right-to-use Assets          | 131,994              | 455,983              | -                     | 587,977              |
| Total Capital Assets, Depreciated       | 76,466,814           | 8,949,310            | (385,603)             | 85,030,521           |
| Less Accumulated Depreciation:          |                      |                      |                       |                      |
| Buildings and Improvements              | (13,674,496)         | (1,482,636)          | -                     | (15,157,132)         |
| Equipment and Furniture                 | (1,761,237)          | (287,474)            | 342,715               | (1,705,996)          |
| Infrastructure                          | (21,665,854)         | (734,742)            | -                     | (22,400,596)         |
| Intangible Right-to-use Assets          | (14,571)             | (71,025)             | -                     | (85,596)             |
| Total Accumulated Depreciation          | (37,116,158)         | (2,575,877)          | 342,715               | (39,349,320)         |
| Net Capital Assets, Depreciated         | 39,350,656           | 6,373,433            | (42,888)              | 45,681,201           |
| Governmental Activities Capital Assets  | <u>\$ 51,488,010</u> | <u>\$ 13,535,248</u> | <u>\$ (8,831,045)</u> | <u>\$ 56,192,213</u> |
| <b>Business-type Activities:</b>        |                      |                      |                       |                      |
| 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                 | (1,718,712)          | (244,318)            | -                     | (1,963,030)          |
| Net Capital Assets, Depreciated         | 12,940,370           | (244,318)            | -                     | 12,696,052           |
| Business-type Activities Capital Assets | <u>\$ 12,940,370</u> | <u>\$ (244,318)</u>  | <u>\$ -</u>           | <u>\$ 12,696,052</u> |

## **Debt Administration**

In November 2007 the City issued the 2007 Sewer Revenue Bonds for \$10,260,000. The City refinanced the bonds in August 2016 (2016 Sewer Refunding Bonds) to take advantage of lower interest rates. The refunding of the 2007 Sewer Revenue Bonds 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 2022-2023 was \$18,183,000. Actual General Fund revenues were higher than the final budgeted revenues by \$502,839 for a total of \$18,685,839. Several factors played into this variance with budgeted projections. Taxes were \$137,908 higher than projected due to the property tax received being higher than anticipated. The positive results in this category offset tepid collections in sales and use taxes. Licenses and Permits, Intergovernmental, Charges for Services, Fines and Forfeitures, and Other Revenue also registered higher than budget. The only category to display a negative budgetary variance was Investment Income at \$(569,878). This was caused by the 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 entire investment portfolio under current market conditions.

Expenditure appropriations were adopted in the amount of \$18,610,200, of which \$640,000 was slated for capital expenditures and the remainder for the operating budget. Factoring out the transfers, General Fund expenditures were \$997,704 less than budgeted appropriations. Fund balance increased by \$4,587,350 over the course of the fiscal year, for an ending fund balance at June 30<sup>th</sup> of \$30,665,841.

## **NEXT YEAR'S BUDGET AND ECONOMIC FACTORS**

Looking into the next fiscal year, the City continues to emphasize priorities including public safety, health and wellness programs, and infrastructure improvements. The City of La Puente strives to facilitate a community in which residents and visitors can travel, recreate, and conduct business in a modern and aspirational environment. Capital projects related to the repair and resurfacing of public roadways will continue to be an area of focus. The FY 2023/2024 Budget and Capital Improvement Program provides an appropriation of over \$5.3 million for an ambitious street rehabilitation project. The intention of this project is to resurface the pavement on dozens of local streets that have fallen into disrepair, improving safety, comfort, and aesthetic considerations. This project is financed through a matrix of local return funds from the Metropolitan Transportation Authority, Series 2019 A and B bond proceeds, and Road Maintenance and Rehabilitation Act (SB1) funds.

As the La Puente Park Master Plan draws to a conclusion, a shift in focus has occurred towards maintaining the new facilities in optimal working condition for the use of residents. As such, \$187,600 has been budgeted across three funds for park maintenance and repair in the new fiscal year. Public Safety is another crucial component of maintaining the cleanliness and safety of the park. Additional resources have been budgeted for park safety to ensure that everyone that visits the park has an enjoyable experience.

The community wellness services identified by the City Council are also a major area of importance moving forward. Priorities include direct aid to local businesses, rehabilitation of substandard housing units for elderly and low-income residents, and services for unhoused and unemployed individuals.

Throughout the global economy, inflation and rising interest rates spell price increases 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 the implications for the expenditure budget. The City's strong fund balances and established revenue sources are expected to serve as an anchor for its financial position in light of future challenges.

## **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, 2023

|  | <b>Governmental<br/>Activities</b> | <b>Business-type<br/>Activities</b> | <b>Total</b>         |
|--|------------------------------------|-------------------------------------|----------------------|
| <b>ASSETS</b>                            |                                    |                                     |                      |
| Cash and Investments                     | \$ 30,359,747                      | \$ 2,660,209                        | \$ 33,019,956        |
| Cash and Investments with Fiscal Agent   | 1,131,124                          | -                                   | 1,131,124            |
| Accounts Receivable                      | 366,248                            | -                                   | 366,248              |
| Interest Receivable                      | 6,091,602                          | -                                   | 6,091,602            |
| Loans Receivable                         | 1,169,863                          | -                                   | 1,169,863            |
| Lease Receivable                         | 173,725                            | -                                   | 173,725              |
| Due From Other Governments               | 5,210,112                          | 24,761                              | 5,234,873            |
| Prepaid Items                            | 207,838                            | -                                   | 207,838              |
| Advance to Successor Agency, Net         | 9,697,366                          | -                                   | 9,697,366            |
| Restricted Cash                          | 523,102                            | -                                   | 523,102              |
| Capital Assets, Not Depreciated          | 10,511,012                         | -                                   | 10,511,012           |
| Capital Assets, Depreciated, Net         | 45,681,201                         | 12,696,052                          | 58,377,253           |
| Total Assets                             | <u>111,122,940</u>                 | <u>15,381,022</u>                   | <u>126,503,962</u>   |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>    |                                    |                                     |                      |
| Deferred Amounts on Refunding            | -                                  | 439,351                             | 439,351              |
| Deferred Outflows Related to Pensions    | 5,477,470                          | -                                   | 5,477,470            |
| Deferred Outflows Related to OPEB        | 855,672                            | -                                   | 855,672              |
| Total Deferred Outflows of Resources     | <u>6,333,142</u>                   | <u>439,351</u>                      | <u>6,772,493</u>     |
| <b>LIABILITIES</b>                       |                                    |                                     |                      |
| Accounts Payable and Accrued Liabilities | 4,133,347                          | 78,062                              | 4,211,409            |
| Interest Payable                         | 100,382                            | 17,018                              | 117,400              |
| Unearned Revenues                        | 54,940                             | -                                   | 54,940               |
| Due to Other Agencies                    | 407,194                            | -                                   | 407,194              |
| Deposits                                 | 523,102                            | -                                   | 523,102              |
| Long-Term Liabilities                    |                                    |                                     |                      |
| Due Within One Year                      | 962,720                            | 375,000                             | 1,337,720            |
| Due in More Than One Year                | 22,056,070                         | 6,595,000                           | 28,651,070           |
| Total Liabilities                        | <u>28,237,755</u>                  | <u>7,065,080</u>                    | <u>35,302,835</u>    |
| <b>DEFERRED INFLOWS OF RESOURCES</b>     |                                    |                                     |                      |
| Deferred Inflows Related to Pensions     | 2,770,381                          | -                                   | 2,770,381            |
| Deferred Inflows Related to OPEB         | 466,486                            | -                                   | 466,486              |
| Lease Related                            | 173,725                            | -                                   | 173,725              |
| Total Deferred Inflows of Resources      | <u>3,410,592</u>                   | <u>-</u>                            | <u>3,410,592</u>     |
| <b>NET POSITION</b>                      |                                    |                                     |                      |
| Net Investment in Capital Assets         | 45,311,834                         | 6,165,403                           | 51,477,237           |
| Restricted for:                          |                                    |                                     |                      |
| Street Projects                          | 5,757,889                          | -                                   | 5,757,889            |
| Public Works                             | 2,225,714                          | -                                   | 2,225,714            |
| Housing                                  | 1,904,728                          | -                                   | 1,904,728            |
| Community Development                    | 644,684                            | -                                   | 644,684              |
| Sewer Operations                         | -                                  | 2,589,890                           | 2,589,890            |
| Unrestricted                             | 29,962,886                         | -                                   | 29,962,886           |
| Total Net Position                       | <u>\$ 85,807,735</u>               | <u>\$ 8,755,293</u>                 | <u>\$ 94,563,028</u> |

The accompanying notes are an integral part of this statement.

**City of La Puente**  
**Statement of Activities**  
Year Ended June 30, 2023

| Functions/Programs               | Expenses      | Program Revenues           |  |  |
|----------------------------------|---------------|----------------------------|--|--|
|                                  |               | Charges<br>for<br>Services | Operating<br>Grants and<br>Contributions | Capital<br>Grants and<br>Contributions |
| <b>Governmental Activities:</b>  |               |                            |  |  |
| General Government               | \$ 4,207,043  | \$ 199,444                 | \$ 7,449,493                             | \$ -                                   |
| Public Safety                    | 9,716,603     | 639,619                    | 298,561                                  | 16,599                                 |
| Public Works                     | 3,950,448     | 58,951                     | -  | 4,270,470                              |
| Recreation/Senior Services       | 4,269,848     | 181,058                    | 161,754                                  | (2,419,293)                            |
| Community Development            | 8,077,736     | 1,425,281                  | 346,266                                  | 8,032,567                              |
| Interest Expense                 | 528,814       | -                          | -  | -                                      |
| Total Governmental Activities    | 30,750,492    | 2,504,353                  | 8,256,074                                | 9,900,343                              |
| <b>Business-type Activities:</b> |               |                            |  |  |
| Sewer Assessment                 | 1,010,037     | 1,349,215                  | -  | -                                      |
| Total Business-type Activities   | 1,010,037     | 1,349,215                  | -  | -                                      |
| Total Primary Government         | \$ 31,760,529 | \$ 3,853,568               | \$ 8,256,074                             | \$ 9,900,343                           |

General Revenues:

Taxes:

Property Taxes

Franchise Taxes

Sales Taxes

Property Transfer Tax

Transient Occupancy Tax

Business License Taxes

Investment Income

Other

Total General Revenues

Change in Net Position

Net Position - Beginning of Year

Net Position - End of Year

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position

| <u>Governmental<br/>Activities</u> | <u>Business-type<br/>Activities</u> | <u>Total</u>         |
|------------------------------------|-------------------------------------|----------------------|
| \$ 3,441,894                       | \$ -                                | \$ 3,441,894         |
| (8,761,824)                        | -                                   | (8,761,824)          |
| 378,973                            | -                                   | 378,973              |
| (6,346,329)                        | -                                   | (6,346,329)          |
| 1,726,378                          | -                                   | 1,726,378            |
| <u>(528,814)</u>                   | <u>-</u>                            | <u>(528,814)</u>     |
| <u>(10,089,722)</u>                | <u>-</u>                            | <u>(10,089,722)</u>  |
| <u>-</u>                           | <u>339,178</u>                      | <u>339,178</u>       |
| <u>-</u>                           | <u>339,178</u>                      | <u>339,178</u>       |
| <u>(10,089,722)</u>                | <u>339,178</u>                      | <u>(9,750,544)</u>   |
| 8,587,483                          | -                                   | 8,587,483            |
| 1,230,870                          | -                                   | 1,230,870            |
| 7,016,290                          | -                                   | 7,016,290            |
| 68,608                             | -                                   | 68,608               |
| 273,649                            | -                                   | 273,649              |
| 168,172                            | -                                   | 168,172              |
| (49,336)                           | 23,321                              | (26,015)             |
| <u>125,968</u>                     | <u>-</u>                            | <u>125,968</u>       |
| <u>17,421,704</u>                  | <u>23,321</u>                       | <u>17,445,025</u>    |
| 7,331,982                          | 362,499                             | 7,694,481            |
| <u>78,475,753</u>                  | <u>8,392,794</u>                    | <u>86,868,547</u>    |
| <u>\$ 85,807,735</u>               | <u>\$ 8,755,293</u>                 | <u>\$ 94,563,028</u> |

**City of La Puente**  
**Balance Sheet**  
**Governmental Funds**  
June 30, 2023

|  | General<br>Fund      | ARPA        | Miscellaneous<br>Grants | Other<br>Governmental<br>Funds | Total                |
|--|----------------------|-------------|-------------------------|--------------------------------|----------------------|
| <b>ASSETS</b>  |                      |             |                         |                                |                      |
| Cash and Investments   | \$ 18,832,424        | \$ -        | \$ -                    | \$ 10,872,344                  | \$ 29,704,768        |
| Cash with Fiscal Agent   | -                    | -           | -                       | 1,131,124                      | 1,131,124            |
| Accounts Receivable  | 307,635              | -           | 40,000                  | 18,613                         | 366,248              |
| Interest Receivable  | 6,091,602            | -           | -                       | -                              | 6,091,602            |
| Loans Receivable   | -                    | -           | -                       | 1,169,863                      | 1,169,863            |
| Lease Receivable   | 173,725              | -           | -                       | -                              | 173,725              |
| Due from Other Governments   | 1,523,116            | -           | 3,319,800               | 367,196                        | 5,210,112            |
| Due from Other Funds   | 2,725,623            | -           | -                       | -                              | 2,725,623            |
| Restricted Cash  | 523,102              | -           | -                       | -                              | 523,102              |
| Prepaid Items  | 172,343              | -           | -                       | 18,421                         | 190,764              |
| Advances to Successor Agency   | 9,697,366            | -           | -                       | -                              | 9,697,366            |
| Total Assets   | <u>\$ 40,046,936</u> | <u>\$ -</u> | <u>\$ 3,359,800</u>     | <u>\$ 13,577,561</u>           | <u>\$ 56,984,297</u> |
| <b>LIABILITIES</b>   |                      |             |                         |                                |                      |
| Accounts Payable and Accrued Liabilities                               | \$ 2,667,576         | -           | \$ 652,393              | \$ 775,636                     | \$ 4,095,605         |
| Due to Other Agencies  | -                    | -           | -                       | 407,194                        | 407,194              |
| Unearned Revenue   | 54,940               | -           | -                       | -                              | 54,940               |
| Deposits   | 523,102              | -           | -                       | -                              | 523,102              |
| Due to Other Funds   | -                    | -           | 2,666,438               | 59,185                         | 2,725,623            |
| Total Liabilities  | <u>3,245,618</u>     | <u>-</u>    | <u>3,318,831</u>        | <u>1,242,015</u>               | <u>7,806,464</u>     |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                   |                      |             |                         |                                |                      |
| Unavailable Revenues - Interest  | 5,961,752            | -           | -                       | -                              | 5,961,752            |
| Unavailable Revenues - Grants  | -                    | -           | 1,947,415               | 28,146                         | 1,975,561            |
| Lease Related  | 173,725              | -           | -                       | -                              | 173,725              |
| Total Deferred Inflows of Resources                                    | <u>6,135,477</u>     | <u>-</u>    | <u>1,947,415</u>        | <u>28,146</u>                  | <u>8,111,038</u>     |
| <b>FUND BALANCES</b>   |                      |             |                         |                                |                      |
| Nonspendable   | 9,869,709            | -           | -                       | 18,421                         | 9,888,130            |
| Restricted   | -                    | -           | -                       | 12,318,131                     | 12,318,131           |
| Unassigned   | 20,796,132           | -           | (1,906,446)             | (29,152)                       | 18,860,534           |
| Total Fund Balances  | <u>30,665,841</u>    | <u>-</u>    | <u>(1,906,446)</u>      | <u>12,307,400</u>              | <u>41,066,795</u>    |
| Total Liabilities, Deferred Inflows of<br>Resources, and Fund Balances | <u>\$ 40,046,936</u> | <u>\$ -</u> | <u>\$ 3,359,800</u>     | <u>\$ 13,577,561</u>           | <u>\$ 56,984,297</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, 2023

|                                      |               |
|--------------------------------------|---------------|
| Fund Balances for Governmental Funds | \$ 41,066,795 |
|--------------------------------------|---------------|

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           | 92,937,629   |
| Accumulated Depreciation | (38,329,133) |

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, 2023 are:

|                                     |             |
|-------------------------------------|-------------|
| City of Industry Loan Agreement     | (1,227,615) |
| 2019A Sales Tax Revenue Bonds       | (3,280,000) |
| 2019B Sales Tax Revenue Bonds       | (2,915,000) |
| Premium on Bonds                    | (362,419)   |
| 2020A Certificates of Participation | (7,791,933) |
| 2022A Certificates of Participation | (3,713,856) |
| Compensated Absences                | (347,782)   |

|  |             |
|--|-------------|
| Net Pension (Liability)/Asset related to the City's Pension plan is not reported in the governmental funds | (2,708,922) |
|--|-------------|

|  |           |
|--|-----------|
| Net OPEB (Liability)/Asset related to the City's other postemployment benefits is not reported in the governmental funds | (158,650) |
|--|-----------|

|   |           |
|---|-----------|
| Interest expenditures are recognized when due, and therefore, interest payable is not recorded in the governmental funds. | (100,382) |
|---|-----------|

|  |           |
|--|-----------|
| Long-term receivables are not available to pay for current period expenditures and, therefore, are report as unavailable revenue in the funds. | 7,937,313 |
|--|-----------|

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 | 5,477,470   |
| Deferred Inflows Related to Pensions  | (2,770,381) |
| Deferred Outflows Related to OPEB     | 855,672     |
| Deferred Inflows Related to OPEB      | (466,486)   |

|   |           |
|---|-----------|
| 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. | 1,705,415 |
|---|-----------|

|   |               |
|---|---------------|
| Net Position of Governmental Activities | \$ 85,807,735 |
|---|---------------|

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, 2023

|   | General<br>Fund   | ARPA               | Miscellaneous<br>Grants | Other<br>Governmental<br>Funds | Total             |
|---|-------------------|--------------------|-------------------------|--------------------------------|-------------------|
| <b>REVENUES</b>                                 |                   |                    |                         |                                |                   |
| Taxes   | \$ 16,243,908     | \$ -               | \$ -                    | \$ 996,193                     | \$ 17,240,101     |
| Licenses and Permits                            | 968,739           | -                  | -                       | -                              | 968,739           |
| Intergovernmental                               | 361,644           | 7,449,493          | 6,571,985               | 6,289,096                      | 20,672,218        |
| Charges for Services                            | 897,939           | -                  | -                       | 106,865                        | 1,004,804         |
| Fines and Forfeitures                           | 530,934           | -                  | -                       | -                              | 530,934           |
| Investment Income                               | (369,878)         | -                  | -                       | 93,555                         | (276,323)         |
| Other Revenue                                   | 52,553            | -                  | -                       | 56,420                         | 108,973           |
| <b>Total Revenues</b>                           | <b>18,685,839</b> | <b>7,449,493</b>   | <b>6,571,985</b>        | <b>7,542,129</b>               | <b>40,249,446</b> |
| <b>EXPENDITURES</b>                             |                   |                    |                         |                                |                   |
| Current:  |                   |                    |                         |                                |                   |
| General Government                              | 2,872,917         | -                  | -                       | 19,942                         | 2,892,859         |
| Public Safety                                   | 9,540,508         | -                  | -                       | 176,095                        | 9,716,603         |
| Public Works                                    | 592,506           | -                  | -                       | 1,564,325                      | 2,156,831         |
| Recreation/Senior Services                      | 1,903,282         | -                  | -                       | -                              | 1,903,282         |
| Community Development                           | 2,322,884         | 2,051,089          | 731,619                 | 2,360,958                      | 7,466,550         |
| Capital Outlay                                  | 380,399           | 242,271            | 3,406,741               | 3,132,404                      | 7,161,815         |
| Debt Service:                                   |                   |                    |                         |                                |                   |
| Interest and Fiscal Charges                     | -                 | -                  | -                       | 564,150                        | 564,150           |
| Principal                                       | -                 | -                  | -                       | 731,176                        | 731,176           |
| <b>Total Expenditures</b>                       | <b>17,612,496</b> | <b>2,293,360</b>   | <b>4,138,360</b>        | <b>8,549,050</b>               | <b>32,593,266</b> |
| Excess of Revenues Over (Under)<br>Expenditures | 1,073,343         | 5,156,133          | 2,433,625               | (1,006,921)                    | 7,656,180         |
| <b>OTHER FINANCING SOURCES (USES)</b>           |                   |                    |                         |                                |                   |
| Transfers In                                    | 4,867,072         | -                  | -                       | 1,919,972                      | 6,787,044         |
| Transfers Out                                   | (1,353,065)       | (5,156,133)        | -                       | (566,907)                      | (7,076,105)       |
| Issuance of Debt                                | -                 | -                  | -                       | -                              | -                 |
| <b>Total Other Financing Sources (Uses)</b>     | <b>3,514,007</b>  | <b>(5,156,133)</b> | <b>-</b>                | <b>1,353,065</b>               | <b>(289,061)</b>  |
| <b>Net Change in Fund Balances</b>              | <b>4,587,350</b>  | <b>-</b>           | <b>2,433,625</b>        | <b>346,144</b>                 | <b>7,367,119</b>  |
| Fund Balances, Beginning of Year                | 26,078,491        | -                  | (4,340,071)             | 11,961,256                     | 33,699,676        |
| Fund Balances, End of Year                      | \$ 30,665,841     | \$ -               | \$ (1,906,446)          | \$ 12,307,400                  | \$ 41,066,795     |

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, 2023

Net Change in Fund Balances - Total Governmental Funds \$ 7,367,119

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 | 6,601,193   |
| Depreciation Expense | (2,330,620) |
| Loss on Disposal     | (740)       |

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 | 731,176 |
| 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  | 106,531     |
| Net Pension Liability | (3,959,709) |
| Net OPEB Liability    | (843,963)   |

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 | (40,024) |
| Deferred Inflows Related to Pensions  | 900,663  |
| Deferred Outflows Related to OPEB     | 435,277  |
| Deferred Inflows Related to OPEB      | 444,958  |

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. (2,166,972)

Accrued interest on bonds is not recorded in the governmental funds. This is the net change in accrued interest for the period. 12,685

The change in net position of the internal service fund is reported with governmental activities. 51,757

|   |              |
|---|--------------|
| Change in Net Position of Governmental Activities | \$ 7,331,982 |
|---|--------------|

The accompanying notes are an integral part of this statement.

**City of La Puente**  
**Statement of Net Position**  
**Proprietary Funds**  
June 30, 2023

|  | Business-type<br>Activities-<br>Enterprise Fund<br>Sewer Assessment | Governmental<br>Activities -<br>Internal Service<br>Fund |
|--|---|--|
| <b>ASSETS</b>                            |   |  |
| Current Assets:                          |   |  |
| Cash and Investments                     | \$ 2,660,209  | \$ 654,979   |
| Due from Other Governments               | 24,761  | -  |
| Prepaid Expenses                         | -   | 17,074   |
|  | <hr/>   | <hr/>  |
| Total Current Assets                     | 2,684,970   | 672,053  |
|  | <hr/>   | <hr/>  |
| Noncurrent Assets:                       |   |  |
| Capital Assets, Being Depreciated:       |   |  |
| Sewer Collection Systems                 | 14,659,082  | -  |
| Vehicles                                 | -   | 1,575,100  |
| Furniture and Equipment                  | -   | 440,827  |
| Intangible Right-to-Use Assets           | -   | 587,977  |
| Less: Accumulated Depreciation           | (1,963,030)   | (1,020,187)  |
|  | <hr/>   | <hr/>  |
| Total Noncurrent Assets                  | 12,696,052  | 1,583,717  |
|  | <hr/>   | <hr/>  |
| Total Assets                             | 15,381,022  | 2,255,770  |
|  | <hr/>   | <hr/>  |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>    |   |  |
| Deferred Amounts on Refunding            | 439,351   | -  |
|  | <hr/>   | <hr/>  |
| <b>LIABILITIES</b>                       |   |  |
| Current Liabilities:                     |   |  |
| Accounts Payable and Accrued Liabilities | 78,062  | 37,742   |
| Interest Payable                         | 17,018  | -  |
| Leases Payable - Current                 | -   | 103,634  |
| Bonds Payable - Current                  | 375,000   | -  |
|  | <hr/>   | <hr/>  |
| Total Current Liabilities                | 470,080   | 141,376  |
|  | <hr/>   | <hr/>  |
| Noncurrent Liabilities:                  |   |  |
| Leases Payable                           | -   | 408,979  |
| Bonds Payable                            | 6,595,000   | -  |
|  | <hr/>   | <hr/>  |
| Total Noncurrent Liabilities             | 6,595,000   | 408,979  |
|  | <hr/>   | <hr/>  |
| Total Liabilities                        | 7,065,080   | 550,355  |
|  | <hr/>   | <hr/>  |
| <b>NET POSITION</b>                      |   |  |
| Net Investment In Capital Assets         | 6,165,403   | 1,071,104  |
| Unrestricted                             | 2,589,890   | 634,311  |
|  | <hr/>   | <hr/>  |
| Total Net Position                       | \$ 8,755,293  | \$ 1,705,415   |
|  | <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, 2023

|   | Business-type<br>Activities-<br>Enterprise Fund<br>Sewer Assessment | Governmental<br>Activities -<br>Internal Service<br>Fund |
|---|---|--|
| <b>OPERATING REVENUES</b>                   |   |  |
| Charges for Services                        | \$ 1,349,215  | \$ 515,100   |
| Total Operating Revenues                    | <u>1,349,215</u>  | <u>515,100</u>   |
| <b>OPERATING EXPENSES</b>                   |   |  |
| Other General Expenses                      | 527,752   | 500,106  |
| Depreciation                                | <u>244,318</u>  | <u>245,257</u>   |
| Total Operating Expenses                    | <u>772,070</u>  | <u>745,363</u>   |
| Operating Income (Loss)                     | <u>577,145</u>  | <u>(230,263)</u>   |
| <b>NONOPERATING REVENUES<br/>(EXPENSES)</b> |   |  |
| Loss on Disposal                            | -   | (3,840)  |
| Interest Income                             | 23,321  | 5,281  |
| Interest Expense                            | <u>(237,967)</u>  | <u>(8,482)</u>   |
| Total Nonoperating Revenues<br>(Expenses)   | <u>(214,646)</u>  | <u>(7,041)</u>   |
| <b>OTHER FINANCING SOURCES (USES)</b>       |   |  |
| Transfers In                                | <u>-</u>  | <u>289,061</u>   |
| Total Financing Sources (Uses)              | <u>-</u>  | <u>289,061</u>   |
| Change in Net Position                      | 362,499   | 51,757   |
| Net Position, Beginning of Year             | <u>8,392,794</u>  | <u>1,653,658</u>   |
| Net Position, End of Year                   | <u><u>\$ 8,755,293</u></u>  | <u><u>\$ 1,705,415</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, 2023

|   | Business-type<br>Activities-<br>Enterprise Fund<br>Sewer Assessment | Governmental<br>Activities -<br>Internal Service<br>Funds |
|---|---|---|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>   |   |   |
| Receipts from Customers and Users   | \$ 1,356,556  | \$ 518,504  |
| Payments to Suppliers and Contractors   | (465,770)   | (486,216)   |
| Net Cash Provided (Used) by Operating Activities  | 890,786   | 32,288  |
| <b>CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES</b>                                    |   |   |
| Cash Received From Other Funds  | -   | 289,061   |
| Net Cash Provided (Used) by Noncapital and Related Financing Activities                               | -   | 289,061   |
| <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>                                       |   |   |
| Payments for Purchase of Property and Equipment   | -   | (264,794)   |
| Proceeds from Sale of Capital Assets  | -   | 37,308  |
| Principal Paid on Long-term Debt  | (365,000)   | (60,591)  |
| Interest Paid   | (209,569)   | (8,482)   |
| Net Cash Provided (Used) by Capital and Related Financing Activities                                  | (574,569)   | (296,559)   |
| <b>ACTIVITIES</b>   |   |   |
| Interest Received   | 23,321  | 5,281   |
| Net Increase (Decrease) in Cash and Cash Equivalents  | 339,538   | 30,071  |
| Cash and Cash Equivalents - Beginning of Year   | 2,320,671   | 625,108   |
| Cash and Cash Equivalents - End of Year   | <u>\$ 2,660,209</u>   | <u>\$ 655,179</u>   |
| <b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b> |   |   |
| Operating Income (Loss)   | \$ 577,145  | \$ (230,263)  |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: |   |   |
| Depreciation  | 244,318   | 245,257   |
| Changes in Assets and Liabilities:  |   |   |
| (Increase) Decrease in Due from Other Governments   | 7,341   | 3,404   |
| (Increase) Decrease in Prepaid Expenses   | -   | (9,370)   |
| Increase (Decrease) in Accounts Payable   | 61,982  | 23,260  |
| <b>TOTAL CASH PROVIDED BY OPERATING ACTIVITIES</b>  | <u>\$ 890,786</u>   | <u>\$ 32,288</u>  |
| <b>Schedule of Non-cash Capital and Related Financing Activities</b>                                  |   |   |
| Amortization of Deferred Amounts on Refunding   | \$ 29,290   | \$ -  |
| Acquisition of Lease Assets   | -   | 455,781   |

The accompanying notes are an integral part of this statement.

**City of La Puente**  
**Statement of Net Position**  
**Fiduciary Funds**  
June 30, 2023

|                                    | Successor Agency<br>Private-Purpose<br>Trust Fund |
|------------------------------------|---|
| <b>ASSETS</b>                      |   |
| Cash and Investments               | \$ 607,865  |
| Cash with Fiscal Agent             | <u>137,771</u>                                    |
| Total Assets                       | <u>745,636</u>                                    |
| <b>LIABILITIES</b>                 |   |
| Accounts Payable                   | 7,500   |
| Interest Payable                   | 51,566  |
| Advances from the City             | 15,659,118  |
| Bonds Payable                      | <u>2,845,000</u>                                  |
| Total Liabilities                  | <u>18,563,184</u>                                 |
| <b>NET POSITION</b>                |   |
| Held in Trust for Successor Agency | <u><u>\$ (17,817,548)</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, 2023

|                                  | Successor Agency<br>Private-Purpose<br>Trust Fund |
|----------------------------------|---|
| <b>ADDITIONS</b>                 |   |
| Taxes                            | \$ 664,442  |
| Interest Income                  | 4,737   |
| Total Additions                  | <u>669,179</u>                                    |
| <b>DEDUCTIONS</b>                |   |
| Administration and Pass-throughs | 2,975   |
| Interest on Advance from City    | 15,000  |
| Interest on Bonds                | <u>512,123</u>                                    |
| Total Deductions                 | <u>530,098</u>                                    |
| Change in Net Position           | 139,081   |
| Net Position - Beginning of Year | <u>(17,956,629)</u>                               |
| Net Position - End of Year       | <u><u>\$ (17,817,548)</u></u>                     |

The accompanying notes are an integral part of this statement.



**City of La Puente**  
**Notes to Financial Statements**  
Year Ended June 30, 2023

**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, 2023

**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, 2023

**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, 2023

**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. 101, 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, the leave accumulates, and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

Accumulated sick leave lapses when employees leave the employ of the City and, upon separation from service, no monetary obligation exists.

**H) Claims and Judgments**

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

**City of La Puente**  
**Notes to Financial Statements**  
Year Ended June 30, 2023

**1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**I) Receivables and Payables**

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

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

**J) Use of Estimates**

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

**K) Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position and balance sheet for the governmental funds will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents consumption of net 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 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.

**City of La Puente**  
**Notes to Financial Statements**  
Year Ended June 30, 2023

**1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

Net Investment in Capital Assets

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

Restricted Net Position

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

Unrestricted Net Position

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

**M) Net Position Flow Assumption**

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the statement of net position, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the City's policy to consider restricted net position to have been depleted before unrestricted net position.

**N) Fund Balances**

Fund balances in governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance.

Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

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.

**City of La Puente**  
**Notes to Financial Statements**  
Year Ended June 30, 2023

**1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

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 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.

**City of La Puente**  
**Notes to Financial Statements**  
Year Ended June 30, 2023

**1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

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 \$37,965 in lease revenue, including interest revenue during the current fiscal year related to this lease. As of June 30, 2023, the City's receivable for lease payments was \$173,725. 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, 2023, the balance of the deferred inflow of resources was \$173,725.

**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.



**City of La Puente**  
**Notes to Financial Statements**  
Year Ended June 30, 2023

**1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

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, 2022                 |
| Measurement Period | July 1, 2021 to June 30, 2022 |

**2) CASH AND INVESTMENTS**

Cash and investments at June 30, 2023 are summarized as follows:

|  |                      |
|--|----------------------|
| Statement of Net Position:             |                      |
| Cash and Investments                   | \$ 33,019,956        |
| Cash and Investments with Fiscal Agent | 1,131,124            |
| Restricted Cash and Investments        | 523,102              |
| Statement of Fiduciary Net Position:   |                      |
| Cash and Investments                   | 607,865              |
| Cash and Investments with Fiscal Agent | 137,771              |
| Total Cash and Investments             | <u>\$ 35,419,818</u> |
|  |                      |
| Petty Cash                             | \$ 2,200             |
| Deposits with Financial Institutions   | 1,293,300            |
| Investments                            | 34,124,318           |
| Total Cash and Investments             | <u>\$ 35,419,818</u> |

**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                     |

**City of La Puente**  
**Notes to Financial Statements**  
Year Ended June 30, 2023

**2) CASH AND INVESTMENTS - Continued**

**Disclosures Relating to Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater 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<br>or Less           | 13 to 24<br>Months  | 25-60<br>Months      |                      |
| US Treasury Obligations            | \$ 991,540                     | \$ 228,272          | \$ 2,253,985         | \$ 3,473,797         |
| Federal Farm Credit Bank           | 241,890                        | 921,635             | 2,938,283            | 4,101,808            |
| Federal Home Loan Bank             | -                              | 809,712             | 6,235,845            | 7,045,557            |
| Federal Home Loan Mortgage Corp    | -                              | 469,743             | 1,438,610            | 1,908,353            |
| Federal National Mortgage Assoc.   | -                              | 229,055             | 1,809,901            | 2,038,956            |
| Local Agency Obligations           | -                              | 212,837             | -                    | 212,837              |
| Negotiable Certificates of Deposit | -                              | 1,398,573           | 8,598,164            | 9,996,737            |
| LAIF                               | 3,835,780                      | -                   | -                    | 3,835,780            |
| Medium Term Notes                  | -                              | 241,598             | -                    | 241,598              |
| Held by Fiscal Agent:              |                                |                     |                      |                      |
| Money Market Mutual Funds          | 1,268,895                      | -                   | -                    | 1,268,895            |
| <b>Total</b>                       | <b>\$ 6,338,105</b>            | <b>\$ 4,511,425</b> | <b>\$ 23,274,788</b> | <b>\$ 34,124,318</b> |

**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<br>Investment  | Minimum<br>Legal Rating | Rating as of Year End |                   |                      |
|------------------------------------|----------------------|-------------------------|-----------------------|-------------------|----------------------|
|                                    |                      |                         | AAA/AA                | A and A-1         | Unrated              |
| US Treasury Obligations            | \$ 3,473,797         |                         | \$ 3,473,797          | \$ -              | \$ -                 |
| Federal Farm Credit Bank           | 4,101,808            | N/A                     | 4,101,808             | -                 | -                    |
| Federal Home Loan Bank             | 7,045,557            | N/A                     | 7,045,557             | -                 | -                    |
| Federal Home Loan Mortgage Corp    | 1,908,353            | N/A                     | 1,908,353             | -                 | -                    |
| Federal National Mortgage Assoc.   | 2,038,956            | N/A                     | 2,038,956             | -                 | -                    |
| Local Agency Obligations           | 212,837              | A                       | 212,837               | -                 | -                    |
| Negotiable Certificates of Deposit | 9,996,737            | N/A                     | -                     | -                 | 9,996,737            |
| LAIF                               | 3,835,780            | N/A                     | -                     | -                 | 3,835,780            |
| Medium Term Notes                  | 241,598              | A                       | -                     | 241,598           | -                    |
| Held by Bond Trustee:              |                      |                         |                       |                   |                      |
| Money Market Mutual Fund           | 1,268,895            | N/A                     | 1,268,895             | -                 | -                    |
| <b>Total</b>                       | <b>\$ 34,124,318</b> |                         | <b>\$ 20,050,203</b>  | <b>\$ 241,598</b> | <b>\$ 13,832,517</b> |

**City of La Puente**  
**Notes to Financial Statements**  
Year Ended June 30, 2023

**2) CASH AND INVESTMENTS - Continued**

**Concentration of Credit Risk**

At June 30, 2023, 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, 2023, no deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts.

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

Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF). As of June 30, 2023, 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, 2023:

- US Treasury Obligations of \$3,473,797 are valued using a matrix pricing model (Level 2 inputs).
- Federal Agency securities of \$15,094,674 are valued using a matrix pricing model (Level 2 inputs).
- Local Agency Obligations of \$212,837 are valued using a matrix pricing model (Level 2 inputs).
- Negotiable Certificates of Deposit of \$9,996,737 are valued using a matrix pricing model (Level 2 inputs).
- Corporate Bonds of \$241,598 are valued using a matrix pricing model (Level 2 inputs).

**City of La Puente**  
**Notes to Financial Statements**  
Year Ended June 30, 2023

**2) CASH AND INVESTMENTS - Continued**

**Investment in State Investment Pool**

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the 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, 2023, the General Fund is reporting \$2,725,623 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, 2023, the City's General Fund had advanced to the former Community Development Commission (CDC) \$15,659,118 (net of repayments), including interest receivable of \$5,961,752, to assist in redevelopment activities. In June 2011, Assembly Bill 26 (1st extraordinary session) dissolved the former CDC, effective (after some litigation on the matter) February 1, 2012.

On April 26, 2013, the Department of Finance allowed the loan to be placed on the Recognized Obligation Payment Schedule (ROPS) as an enforceable obligation.

The principal balance of the receivable of \$9,697,366 accrues simple interest of 4% based on the Last and Final ROPS, approved by the Department of Finance, 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 2022-23 fiscal year, the following interfund transfers were made:

|                          | <b>Transfers In</b> |                                 |                              | <b>Total</b>        |
|--------------------------|---------------------|---------------------------------|------------------------------|---------------------|
|                          | <b>General Fund</b> | <b>Other Governmental Funds</b> | <b>Internal Service Fund</b> |                     |
| <b>Transfers Out</b>     |                     |                                 |                              |                     |
| General Fund             | \$ -                | \$ 1,353,065                    | \$ -                         | \$ 1,353,065        |
| ARPA                     | 4,867,072           | -                               | 289,061                      | 5,156,133           |
| Other Governmental Funds | -                   | 566,907                         | -                            | 566,907             |
| <b>Total</b>             | <b>\$4,867,072</b>  | <b>\$ 1,919,972</b>             | <b>\$ 289,061</b>            | <b>\$ 7,076,105</b> |

**City of La Puente**  
**Notes to Financial Statements**  
Year Ended June 30, 2023

**3) INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS - Continued**

The General Fund transferred \$1,353,065 to the Other Governmental Funds for the Housing Successor Fund Administration cost; debt service payments for the 2020A Certificates of Participation, 2022A Certificates of Participation, and other project costs. The Measure M and Measure R Funds transferred a total of \$566,907 to the Capital Projects Fund and the Measure M and Measure R Debt Service Funds to pay loan and bond payments. The ARPA Special Revenue Fund transferred \$4,867,072 to the General Fund for revenue loss as allowed by the grant and \$289,061 to the Internal Service Funds for project 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 \$1,169,863 at June 30, 2023 have been reflected in the accompanying financial statements as loans receivable.

**5) CAPITAL ASSETS**

The following is a summary of changes in capital assets for the 2022-23 fiscal year:

| <b>Governmental Activities:</b>        | <b>Beginning<br/>Balance</b> | <b>Additions</b> | <b>Deletions</b> | <b>Ending<br/>Balance</b> |
|--|------------------------------|------------------|------------------|---------------------------|
| Capital Assets, Not Depreciated:       |                              |                  |                  |                           |
| Land                                   | \$ 3,621,179                 | \$ 526,743       | \$ -             | \$ 4,147,922              |
| Construction in Progress               | 8,516,175                    | 6,635,072        | (8,788,157)      | 6,363,090                 |
| Total Capital Assets, Not Depreciated  | 12,137,354                   | 7,161,815        | (8,788,157)      | 10,511,012                |
| Capital Assets Being Depreciated:      |                              |                  |                  |                           |
| Buildings and Improvements             | 30,687,311                   | 1,017,172        | -                | 31,704,483                |
| Equipment and Furniture                | 3,128,767                    | 1,506,447        | (385,603)        | 4,249,611                 |
| Infrastructure                         | 42,518,742                   | 5,969,708        | -                | 48,488,450                |
| Intangible Right-to-use Assets         | 131,994                      | 455,983          | -                | 587,977                   |
| Total Capital Assets, Depreciated      | 76,466,814                   | 8,949,310        | (385,603)        | 85,030,521                |
| Less Accumulated Depreciation:         |                              |                  |                  |                           |
| Buildings and Improvements             | (13,674,496)                 | (1,482,636)      | -                | (15,157,132)              |
| Equipment and Furniture                | (1,761,237)                  | (287,474)        | 342,715          | (1,705,996)               |
| Infrastructure                         | (21,665,854)                 | (734,742)        | -                | (22,400,596)              |
| Intangible Right-to-use Assets         | (14,571)                     | (71,025)         | -                | (85,596)                  |
| Total Accumulated Depreciation         | (37,116,158)                 | (2,575,877)      | 342,715          | (39,349,320)              |
| Net Capital Assets, Depreciated        | 39,350,656                   | 6,373,433        | (42,888)         | 45,681,201                |
| Governmental Activities Capital Assets | \$ 51,488,010                | \$ 13,535,248    | \$ (8,831,045)   | \$ 56,192,213             |

**City of La Puente**  
**Notes to Financial Statements**  
Year Ended June 30, 2023

**5) CAPITAL ASSETS - Continued**

|   | Beginning<br>Balance | Additions           | Deletions   | Ending<br>Balance    |
|---|----------------------|---------------------|-------------|----------------------|
| <b>Business-type Activities:</b>        |                      |                     |             |                      |
| 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                 | (1,718,712)          | (244,318)           | -           | (1,963,030)          |
| Net Capital Assets, Depreciated         | 12,940,370           | (244,318)           | -           | 12,696,052           |
| Business-type Activities Capital Assets | <u>\$ 12,940,370</u> | <u>\$ (244,318)</u> | <u>\$ -</u> | <u>\$ 12,696,052</u> |

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

|  |                     |
|--|---------------------|
| General Government   | \$ 42,709           |
| Public Works   | 829,443             |
| Recreation/Senior Services   | 1,436,105           |
| Community Development  | 22,363              |
| Capital Assets held by internal service funds are charged<br>to the various functions based on usage of the assets | 245,257             |
| Total Depreciation Expense - Governmental Activities   | <u>\$ 2,575,877</u> |

**6) LONG-TERM LIABILITIES**

The following is a summary of long-term liability transactions for the year ended June 30, 2023:

|                                      | Beginning<br>Balance | Additions           | Deletions         | Ending<br>Balance    | Due Within<br>One Year |
|--------------------------------------|----------------------|---------------------|-------------------|----------------------|------------------------|
| <b>Governmental Activities:</b>      |                      |                     |                   |                      |                        |
| Loan Payable from Direct Borrowing:  |                      |                     |                   |                      |                        |
| City of Industry Loan Agreement      | \$ 1,276,689         | \$ -                | \$ 49,074         | \$ 1,227,615         | \$ 49,236              |
| Leases Payable                       | 117,423              | 455,781             | 60,591            | 512,613              | 103,634                |
| 2019A Sales Tax Revenue Bonds        | 3,430,000            | -                   | 150,000           | 3,280,000            | 155,000                |
| 2019B Sales Tax Revenue Bonds        | 3,050,000            | -                   | 135,000           | 2,915,000            | 140,000                |
| Premium on Bonds                     | 385,070              | -                   | 22,651            | 362,419              | -                      |
| 2020A Certificates of Participation  | 8,144,035            | -                   | 352,102           | 7,791,933            | 374,850                |
| 2022A Certificates of Participation  | 3,758,856            | -                   | 45,000            | 3,713,856            | 140,000                |
| Net Pension Liability/(Asset)        | (1,250,787)          | 3,959,709           | -                 | 2,708,922            | -                      |
| Net OPEB Liability/(Asset)           | (685,313)            | 843,963             | -                 | 158,650              | -                      |
| Compensated Absences                 | 454,313              | -                   | 106,531           | 347,782              | -                      |
| Total                                | <u>\$ 18,680,286</u> | <u>\$ 5,259,453</u> | <u>\$ 920,949</u> | <u>\$ 23,018,790</u> | <u>\$ 962,720</u>      |
| <b>Business-type Activities:</b>     |                      |                     |                   |                      |                        |
| Bonds payable from Direct Borrowing: |                      |                     |                   |                      |                        |
| 2016 Sewer Refunding Bonds           | \$ 7,335,000         | \$ -                | \$ 365,000        | \$ 6,970,000         | \$ 375,000             |
| Total                                | <u>\$ 7,335,000</u>  | <u>\$ -</u>         | <u>\$ 365,000</u> | <u>\$ 6,970,000</u>  | <u>\$ 375,000</u>      |

**City of La Puente**  
**Notes to Financial Statements**  
Year Ended June 30, 2023

**6) LONG-TERM LIABILITIES – Continued**

**City of Industry Loan Agreement**

In October of 2015, the City entered into an agreement to borrow funds from the City of Industry to finance construction of a sound wall and other improvements on Valley Boulevard. The City of Industry has agreed to lend the City of La Puente 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<br>June 30, | Principal           | Interest         | Total               |
|--------------------------------|---------------------|------------------|---------------------|
| 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                           | 49,889              | 3,398            | 53,287              |
| 2029-2033                      | 251,927             | 14,508           | 266,435             |
| 2034-2038                      | 256,110             | 10,325           | 266,435             |
| 2039-2043                      | 260,364             | 6,071            | 266,435             |
| 2044-2047                      | 211,403             | 1,745            | 213,148             |
| Totals                         | <u>\$ 1,227,615</u> | <u>\$ 51,273</u> | <u>\$ 1,278,888</u> |

**Leases Payable**

The City has entered into five-year lease agreements for the use of various vehicles. The initial lease liability of all leases was \$574,954. As of June 30, 2023, the value of the lease liability was \$512,613. 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 \$502,381. The following represents the future debt service requirements:

| <b>Leases Payable</b>          |                   |                  |                   |
|--------------------------------|-------------------|------------------|-------------------|
| Fiscal Year Ending<br>June 30, | Principal         | Interest         | Total             |
| 2024                           | \$ 103,634        | \$ 13,963        | \$ 117,597        |
| 2025                           | 106,786           | 10,809           | 117,595           |
| 2026                           | 110,033           | 7,562            | 117,595           |
| 2027                           | 112,679           | 4,147            | 116,826           |
| 2028                           | 79,481            | 1,080            | 80,561            |
| Totals                         | <u>\$ 512,613</u> | <u>\$ 37,561</u> | <u>\$ 550,174</u> |

**City of La Puente**  
**Notes to Financial Statements**  
Year Ended June 30, 2023

**6) LONG-TERM LIABILITIES – Continued**

**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 million. This represents approximately 45% of the total Measure M revenues. The pledged Measure M revenues for the 2022-23 fiscal year were \$741,291. 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 2022-23 fiscal year were \$655,306. Future debt service requirements on the 2019A and 2019B Bonds are as follows:

| <b>2019A Measure M Bonds</b> |                     |                   |                     |
|------------------------------|---------------------|-------------------|---------------------|
| Fiscal Year Ending           |                     |                   |                     |
| June 30,                     | Principal           | Interest          | Total               |
| 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                         | 180,000             | 80,437            | 260,437             |
| 2029-2033                    | 1,010,000           | 299,938           | 1,309,938           |
| 2034-2038                    | 1,175,000           | 137,387           | 1,312,387           |
| 2039                         | 255,000             | 7,013             | 262,013             |
| Totals                       | <u>\$ 3,280,000</u> | <u>\$ 913,925</u> | <u>\$ 4,193,925</u> |



**City of La Puente**  
**Notes to Financial Statements**  
Year Ended June 30, 2023

**6) LONG-TERM LIABILITIES – Continued**

**2019B Measure R Bonds**

| Fiscal Year Ending<br>June 30, | Principal           | Interest          | Total               |
|--------------------------------|---------------------|-------------------|---------------------|
| 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                           | 160,000             | 71,400            | 231,400             |
| 2029-2033                      | 900,000             | 265,700           | 1,165,700           |
| 2034-2038                      | 1,040,000           | 121,588           | 1,161,588           |
| 2039                           | 225,000             | 6,187             | 231,187             |
| Totals                         | <u>\$ 2,915,000</u> | <u>\$ 810,475</u> | <u>\$ 3,725,475</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:

| Fiscal Year Ending<br>June 30, | Principal           | Interest            | Total               |
|--------------------------------|---------------------|---------------------|---------------------|
| 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                           | 475,522             | 180,218             | 655,740             |
| 2029-2033                      | 2,816,881           | 659,387             | 3,476,268           |
| 2034-2037                      | 2,854,132           | 179,657             | 3,033,789           |
| Totals                         | <u>\$ 7,791,933</u> | <u>\$ 1,873,268</u> | <u>\$ 9,665,201</u> |

**City of La Puente**  
**Notes to Financial Statements**  
Year Ended June 30, 2023

**6) LONG-TERM LIABILITIES – Continued**

**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               |  |
| 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               | 180,000             | 69,389            | 249,389             |  |
| 2029-2033          | 1,100,000           | 276,029           | 1,376,029           |  |
| 2034-2038          | 1,365,000           | 138,525           | 1,503,525           |  |
| 2039-2040          | 448,856             | 7,699             | 456,555             |  |
| Totals             | <u>\$ 3,713,856</u> | <u>\$ 807,313</u> | <u>\$ 4,521,169</u> |  |

**2016 Sewer Revenue Refunding Bonds**

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

The 2016 bonds mature in amounts from \$315,000 to \$565,000 annually from 2017 to 2038, with interest payments of 2.93% payable semi-annually on June 1 and December 1 of each year. The bonds were issued to provide funds to construct improvements for the City's sewer system. The bonds are payable from and secured by the Authority's pledge under the indenture of that portion of "Revenues" necessary to pay debt service on the bonds and any parity bonds issued under the indenture. "Revenues" are derived of installment payments to be made by the City pursuant to an Installment Sale Agreement dated as of November 1, 2007, between the City and the Authority. Installment payments are payable from net revenues, defined generally as gross revenues received from the sewer system, less maintenance and operation costs.

**City of La Puente**  
**Notes to Financial Statements**  
Year Ended June 30, 2023

**6) LONG-TERM LIABILITIES – Continued**

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

| Fiscal Year Ending<br>June 30, | Principal           | Interest            | Total               |
|--------------------------------|---------------------|---------------------|---------------------|
| 2024                           | \$ 375,000          | \$ 198,727          | \$ 573,727          |
| 2025                           | 390,000             | 187,520             | 577,520             |
| 2026                           | 400,000             | 175,947             | 575,947             |
| 2027                           | 410,000             | 164,080             | 574,080             |
| 2028                           | 420,000             | 151,921             | 571,921             |
| 2029-2033                      | 2,305,000           | 563,659             | 2,868,659           |
| 2034-2038                      | 2,670,000           | 199,973             | 2,869,973           |
| Totals                         | <u>\$ 6,970,000</u> | <u>\$ 1,641,826</u> | <u>\$ 8,611,826</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 2022-23 fiscal year amounted to approximately \$820,000, while the debt service requirements on the related debt were approximately \$575,000.

The City is subject to a legal debt margin of approximately \$426 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 2022-23 fiscal year:

| Tax Allocation Refunding Bonds: | Beginning<br>Balance | Additions   | Deletions         | Ending<br>Balance   | Due Within<br>One Year |
|---------------------------------|----------------------|-------------|-------------------|---------------------|------------------------|
| Series 2014A                    | \$ 2,975,000         | \$ -        | \$ 130,000        | \$ 2,845,000        | \$ 135,000             |
| Total                           | <u>\$ 2,975,000</u>  | <u>\$ -</u> | <u>\$ 130,000</u> | <u>\$ 2,845,000</u> | <u>\$ 135,000</u>      |

**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:

**City of La Puente**  
**Notes to Financial Statements**  
Year Ended June 30, 2023

**6) LONG-TERM LIABILITIES – Continued**

| Fiscal Year Ending<br>June 30, | Principal           | Interest            | Total               |
|--------------------------------|---------------------|---------------------|---------------------|
| 2024                           | \$ 135,000          | \$ 120,821          | \$ 255,821          |
| 2025                           | 145,000             | 114,731             | 259,731             |
| 2026                           | 145,000             | 108,424             | 253,424             |
| 2027                           | 155,000             | 101,899             | 256,899             |
| 2028                           | 160,000             | 95,048              | 255,048             |
| 2029-2033                      | 935,000             | 359,854             | 1,294,854           |
| 2034-2038                      | 1,170,000           | 131,805             | 1,301,805           |
| Totals                         | <u>\$ 2,845,000</u> | <u>\$ 1,032,582</u> | <u>\$ 3,877,582</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 124 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.

**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.

**City of La Puente**  
**Notes to Financial Statements**  
Year Ended June 30, 2023

**7) RISK MANAGEMENT - Continued**

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 2022-23 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 \$28,763,655. There is a \$10,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$2,500 deductible.

*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.

**City of La Puente**  
**Notes to Financial Statements**  
Year Ended June 30, 2023

**7) RISK MANAGEMENT - Continued**

**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 2022-23.

**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, 2021 Annual Actuarial Valuation Report. Details of the benefits provided can be obtained in Appendix B of the June 30, 2021 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, 2023, are summarized as follows:

|   | Miscellaneous           | Misc. PEPR              |
|---|-------------------------|-------------------------|
|   | 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              | 13.93% + \$168,326      | 8.19% + \$757           |

**City of La Puente**  
**Notes to Financial Statements**  
Year Ended June 30, 2023

**8) PENSION PLAN - Continued**

**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 \$169,083 in fiscal year 2023. The City’s contributions to the Plan for the year ended June 30, 2023 were \$534,535.

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

As of June 30, 2023, the City reported a net pension liability/(asset) of \$2,708,922 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, 2022, 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, 2021 rolled forward to June 30, 2022 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, 2023 and 2022 was as follows:

|                              |                 |
|------------------------------|-----------------|
| Proportion - June 30, 2022   | -0.06587%       |
| Proportion - June 30, 2023   | 0.05789%        |
| Change - Increase (Decrease) | <u>0.12376%</u> |

For the year ended June 30, 2023, the City recognized a pension expense/(credit) of \$3,633,606. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|  | Deferred<br>Outflows | Deferred<br>Inflows |
|--|----------------------|---------------------|
| Pension contributions subsequent to measurement date                                     | \$ 534,535           | \$ -                |
| Differences between actual and expected experience                                       | 54,400               | 36,435              |
| Changes in assumptions   | 277,586              | -                   |
| Differences between employer’s contributions<br>and proportionate share of contributions | 2,476,573            | 541,505             |
| Change in employer’s proportions   | 1,638,173            | 2,192,441           |
| Net differences between projected and actual<br>earnings on plan investments             | 496,203              | -                   |
| Total  | <u>\$ 5,477,470</u>  | <u>\$ 2,770,381</u> |

**City of La Puente**  
**Notes to Financial Statements**  
Year Ended June 30, 2023

**8) PENSION PLAN – Continued**

The \$534,535 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, 2024. Other amounts reported as deferred outflows and deferred inflows related to pensions will be recognized as pension expense as follows:

| Year Ending<br>June 30, |            |
|-------------------------|------------|
| 2024                    | \$ 782,576 |
| 2025                    | 702,473    |
| 2026                    | 384,010    |
| 2027                    | 303,495    |
| 2028                    | -          |
| Thereafter              | -          |

**Actuarial Assumptions** – The total pension liabilities in the June 30, 2021 actuarial valuations were determined using the following actuarial assumptions:

|                           |                  |
|---------------------------|------------------|
| Valuation date            | June 30, 2021    |
| Measurement date          | June 30, 2022    |
| Actuarial cost method     | entry-age normal |
| Actuarial assumptions:    |                  |
| Discount rate             | 6.90%            |
| Inflation                 | 2.30%            |
| Projected salary increase | (1)              |
| Investment rate of return | 6.90%            |
| 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 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 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 November 2021 that can be found on the CalPERS website.

**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.



**City of La Puente**  
**Notes to Financial Statements**  
Year Ended June 30, 2023

**8) PENSION PLAN - Continued**

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 2.30% 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 6.90%. 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.

**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           | 5.90%        |
| Net Pension Liability | \$ 6,181,181 |
| Current Discount Rate | 6.90%        |
| Net Pension Liability | \$ 2,708,922 |
| 1% Increase           | 7.90%        |
| Net Pension Liability | \$ (147,886) |

**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, 2023, 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.

**City of La Puente**  
**Notes to Financial Statements**  
Year Ended June 30, 2023

**9) OTHER POST EMPLOYMENT BENEFITS - Continued**

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

|  | Eligible Employees   |
|--|--|
| 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. |  |

**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, 2023, the City's cash contributions for retiree health benefits was \$211,604. In a prior fiscal year, the City created a trust account with the California Public Employers' Retiree Benefit Trust (CERBT), an agent multiple-employer defined benefit plan. 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, 2022 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%   |

**City of La Puente**  
**Notes to Financial Statements**  
Year Ended June 30, 2023

**9) OTHER POST EMPLOYMENT BENEFITS - Continued**

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%                   |
| <b>Total</b>                                   | <b>100.00%</b>    |                          |

**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 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, 2021             | \$ 4,088,989               | \$ 4,774,302                | \$ (685,313)               |
| Changes in the year:                 |                            |                             |                            |
| Service cost                         | 168,834                    | -                           | 168,834                    |
| Interest on the total OPEB liability | 273,656                    | -                           | 273,656                    |
| Changes in Assumptions               | -                          | -                           | -                          |
| Employer Contributions               | -                          | 211,591                     | (211,591)                  |
| Employee Contributions               | -                          | -                           | -                          |
| Actual Investment Income             | -                          | 322,225                     | (322,225)                  |
| Administrative Expense               | -                          | (1,209)                     | 1,209                      |
| Benefit payments, including refunds  | (238,498)                  | (211,591)                   | (26,907)                   |
| Experience (Gains)/Losses            | -                          | (960,987)                   | 960,987                    |
| Net changes                          | 203,992                    | (639,971)                   | 843,963                    |
| Balance at June 30, 2022             | \$ 4,292,981               | \$ 4,134,331                | \$ 158,650                 |

**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:

**City of La Puente**  
**Notes to Financial Statements**  
Year Ended June 30, 2023

**9) OTHER POST EMPLOYMENT BENEFITS - Continued**

|                            | 1% Decrease<br>(5.75%) | Discount Rate<br>(6.75%) | 1% Increase<br>(7.75%) |
|----------------------------|------------------------|--------------------------|------------------------|
| Net OPEB liability (asset) | \$ 664,536             | \$ 158,650               | \$ (263,603)           |

**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<br>(3%) | Trend - No Change<br>(4%) | 1% Increase<br>(5%) |
|----------------------------|---------------------|---------------------------|---------------------|
| Net OPEB liability (asset) | \$ (304,426)        | \$ 158,650                | \$ 729,305          |

**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.

**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, 2023, the City recognized OPEB expense of \$175,332. The City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|  | Deferred<br>Outflows | Deferred<br>Inflows |
|--|----------------------|---------------------|
| OPEB Contributions Subsequent to the Measurement Date                        | \$ 211,604           | \$ -                |
| Changes of Assumptions   | 153,780              | -                   |
| Investment Gain/Loss   | 490,288              | -                   |
| Net differences between projected and actual<br>earnings on plan investments | -                    | (466,486)           |
| Total  | <u>\$ 855,672</u>    | <u>\$ (466,486)</u> |

**City of La Puente**  
**Notes to Financial Statements**  
Year Ended June 30, 2023

**9) OTHER POST EMPLOYMENT BENEFITS - Continued**

The \$211,604 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2022 measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ended June 30, 2024. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follows:

| Year Ending<br>June 30, |           |
|-------------------------|-----------|
| 2024                    | \$ 50,965 |
| 2025                    | 49,459    |
| 2026                    | 51,539    |
| 2027                    | 157,457   |
| 2028                    | (33,973)  |
| Thereafter              | (97,865)  |

**10) FUND BALANCES**

Details of the City's governmental fund balances at June 30, 2023, are presented below:

|                                  | General<br>Fund      | ARPA        | Miscellaneous<br>Grants | Other<br>Governmental<br>Funds | Total                |
|----------------------------------|----------------------|-------------|-------------------------|--------------------------------|----------------------|
| Nonspendable:                    |                      |             |                         |                                |                      |
| Prepaid Costs                    | \$ 172,343           | \$ -        | \$ -                    | \$ 18,421                      | \$ 190,764           |
| Long-term Advances               | 9,697,366            | -           | -                       | -                              | 9,697,366            |
| Restricted for:                  |                      |             |                         |                                |                      |
| Lighting and Landscape           | -                    | -           | -                       | 850,630                        | 850,630              |
| Low Income Housing               | -                    | -           | -                       | 1,904,728                      | 1,904,728            |
| PEG Access                       | -                    | -           | -                       | 87,044                         | 87,044               |
| Street Projects                  | -                    | -           | -                       | 6,674,056                      | 6,674,056            |
| Safe Clean Water                 | -                    | -           | -                       | 377,691                        | 377,691              |
| Energy Efficiency Project        | -                    | -           | -                       | 31,736                         | 31,736               |
| Air Pollution Reduction Measures | -                    | -           | -                       | 179,949                        | 179,949              |
| Public Works (Transportation)    | -                    | -           | -                       | 2,212,297                      | 2,212,297            |
| Unassigned                       | 20,791,132           | -           | (1,906,446)             | (29,152)                       | 18,855,534           |
| Total Fund Balance               | <u>\$ 30,660,841</u> | <u>\$ -</u> | <u>\$ (1,906,446)</u>   | <u>\$ 12,307,400</u>           | <u>\$ 41,061,795</u> |

The Miscellaneous Grants Fund and Other Governmental Funds have a deficit fund balance of \$1,906,446 and \$29,152, respectively, as of June 30, 2023. These deficits 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.

**City of La Puente**  
**Notes to Financial Statements**  
Year Ended June 30, 2023

**11) OTHER INFORMATION - Continued**

**Other Commitments and Contingencies**

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

The estimated amount of remaining construction contract obligations at year-end is \$7,005,856.



## REQUIRED SUPPLEMENTARY INFORMATION

**City of La Puente**  
**Required Supplementary Information**  
For the Year Ended June 30, 2023

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

|   | Measurement Period  |                     |                     |
|---|---------------------|---------------------|---------------------|
|   | 2022                | 2021                | 2020                |
| <b>Total OPEB Liability</b>   |                     |                     |                     |
| Service cost  | \$ 168,834          | \$ 118,892          | \$ 115,710          |
| Interest on total OPEB liability  | 273,656             | 291,855             | 284,285             |
| Changes in Assumptions  | -                   | 193,212             | -                   |
| Experience Gains/Losses   | -                   | (499,235)           | -                   |
| Benefit payments, including refunds                                     | (238,498)           | (271,909)           | (294,371)           |
| Net change in total OPEB liability                                      | 203,992             | (167,185)           | 105,624             |
| Total OPEB liability - beginning  | 4,088,989           | 4,256,174           | 4,150,550           |
| Total OPEB liability - ending (a)                                       | <u>\$ 4,292,981</u> | <u>\$ 4,088,989</u> | <u>\$ 4,256,174</u> |
| <b>Plan Fiduciary Net Position</b>                                      |                     |                     |                     |
| Contributions - employer  | \$ 211,591          | \$ 2,971,909        | \$ 656,412          |
| Interest on TOL/Return on FNP   | 322,225             | 690,736             | 81,182              |
| Investment Gains/Losses   | (960,987)           | -                   | (49,005)            |
| Benefit payments  | (211,591)           | (271,909)           | (270,512)           |
| Administrative Expense  | (1,209)             | (1,063)             | (478)               |
| Other   | -                   | -                   | -                   |
| Net change in plan fiduciary net position                               | (639,971)           | 3,389,673           | 417,599             |
| Plan fiduciary net position - beginning                                 | 4,774,302           | 1,384,629           | 967,030             |
| Plan fiduciary net position - ending (b)                                | <u>\$ 4,134,331</u> | <u>\$ 4,774,302</u> | <u>\$ 1,384,629</u> |
| Net OPEB liability/(asset) - ending (a) - (b)                           | <u>\$ 158,650</u>   | <u>\$ (685,313)</u> | <u>\$ 2,871,545</u> |
| Plan fiduciary net position as a percentage of the total OPEB liability | 96.30%              | 116.76%             | 32.53%              |
| Covered-employee payroll  | \$ 3,271,240        | \$ 2,581,351        | \$ 2,274,945        |
| Net OPEB liability/(asset) as a percentage of covered-employee payroll  | 4.85%               | -26.55%             | 126.22%             |

**Notes to Schedule:**

**Benefit Changes:** None

**Changes in Assumptions:** The interest assumption changes from 7.00% to 6.75 in 2021. 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 available.



| Measurement Period  |                     |                     |
|---------------------|---------------------|---------------------|
| 2019                | 2018                | 2017                |
| \$ 102,612          | \$ 99,866           | \$ 97,193           |
| 282,007             | 275,764             | 269,417             |
| (65,672)            | -                   | -                   |
| -                   | -                   | -                   |
| (291,539)           | (284,077)           | (273,151)           |
| 27,408              | 91,553              | 93,459              |
| 4,123,142           | 4,031,589           | 3,938,130           |
| <u>\$ 4,150,550</u> | <u>\$ 4,123,142</u> | <u>\$ 4,031,589</u> |
| <br>                |                     |                     |
| \$ 640,755          | \$ 568,154          | \$ 273,151          |
| 51,475              | 27,419              | 23,980              |
| (7,542)             | (14,462)            | -                   |
| (265,155)           | (284,077)           | (273,151)           |
| (129)               | (505)               | (201)               |
| -                   | 1,183               | -                   |
| 419,404             | 297,712             | 23,779              |
| 547,626             | 249,914             | 226,135             |
| <u>\$ 967,030</u>   | <u>\$ 547,626</u>   | <u>\$ 249,914</u>   |
| <br>                |                     |                     |
| <u>\$ 3,183,520</u> | <u>\$ 3,575,516</u> | <u>\$ 3,781,675</u> |
| <br>                |                     |                     |
| 23.30%              | 13.28%              | 6.20%               |
| \$ 2,074,085        | \$ 1,845,731        | \$ 1,732,444        |
| <br>                |                     |                     |
| 153.49%             | 193.72%             | 218.29%             |

**City of La Puente**  
**Required Supplementary Information**  
For the Year Ended June 30, 2023

**Schedule of Plan Contributions**  
**for the City's OPEB Plan**  
**Last 10 Years\***

| Fiscal Year | Contractually<br>Required<br>Contributions | Contributions in<br>Relation to the<br>Contractually<br>Required<br>Contributions | Contribution<br>Deficiency/<br>(Excess) | Covered<br>Employee<br>Payroll | Contributions<br>as a % of<br>Covered<br>Employee<br>Payroll |
|-------------|--|---|---|--------------------------------|--|
| 2023        | \$ 211,604                                 | \$ (211,604)  | \$ -                                    | \$ 3,864,935                   | 5.47%  |
| 2022        | 238,498                                    | (238,498)   | -                                       | 3,271,240                      | 7.29%  |
| 2021        | 271,909                                    | (271,909)   | -                                       | 2,581,351                      | 10.53%   |
| 2020        | 294,371                                    | (294,371)   | -                                       | 2,274,945                      | 12.94%   |
| 2019        | 291,539                                    | (291,539)   | -                                       | 2,074,085                      | 14.06%   |
| 2018        | 284,077                                    | (284,077)   | -                                       | 1,845,731                      | 15.39%   |
| 2017        | 273,151                                    | (273,151)   | -                                       | 1,732,444                      | 15.77%   |

**Notes to the Schedule of Plan Contributions**

Valuation Date: 6/30/18, 6/30/21

**Changes in Assumptions:** None.

\*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, 2023

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

| Measurement Date | Proportion of<br>the Net Pension<br>Liability/(Asset) | Proportionate<br>Share of Net<br>Pension Liability/<br>(Asset) | Covered<br>Payroll | Proportionate<br>Share of the Net<br>Pension Liability/<br>(Asset)<br>as a % of Payroll | Plan Fiduciary<br>Net Position as<br>a % of the Total<br>Pension Liability |
|------------------|---|--|--------------------|---|--|
| 2022             | 0.05789%  | \$ 2,708,922   | \$ 3,271,240       | 82.81%  | 89.36%   |
| 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%. In 2022, the accounting discount rate changed from 7.15% to 6.90%.

\*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, 2023

**Schedule of Pension Plan Contributions**  
**Last 10 Years\***

| Fiscal Year | Contractually<br>Required<br>Contributions | Contributions in<br>Relation to the<br>Actuarially<br>Determined<br>Contributions | Contribution<br>Deficiency/<br>(Excess) | Covered<br>Payroll | Contributions<br>as a % of<br>Covered<br>Payroll |
|-------------|--|---|---|--------------------|--|
| 2023        | \$ 534,535                                 | \$ (534,535)  | \$ -                                    | \$ 3,864,935       | 13.83%   |
| 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, 6/30/20, 6/30/21

**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, 2023

|  | Budgeted Amounts |               | Actual        | Variance with                          |
|--|------------------|---------------|---------------|--|
|  | Original         | Final         | Amounts       | Final Budget<br>Positive<br>(Negative) |
| <b>REVENUES</b>                                      |                  |               |               |  |
| Taxes  | \$ 16,106,000    | \$ 16,106,000 | \$ 16,243,908 | \$ 137,908                             |
| Licenses and Permits                                 | 620,400          | 620,400       | 968,739       | 348,339                                |
| Intergovernmental                                    | 300,000          | 300,000       | 361,644       | 61,644                                 |
| Charges for Services                                 | 638,000          | 638,000       | 897,939       | 259,939                                |
| Fines and Forfeitures                                | 307,500          | 307,500       | 530,934       | 223,434                                |
| Investment Income                                    | 200,000          | 200,000       | (369,878)     | (569,878)                              |
| Other Revenue  | 11,100           | 11,100        | 52,553        | 41,453                                 |
| Total Revenues                                       | 18,183,000       | 18,183,000    | 18,685,839    | 502,839                                |
| <b>EXPENDITURES</b>                                  |                  |               |               |  |
| Current:   |                  |               |               |  |
| General Government                                   | 3,279,900        | 3,279,900     | 2,872,917     | 406,983                                |
| Public Safety  | 10,278,100       | 10,278,100    | 9,540,508     | 737,592                                |
| Public Works   | 553,600          | 553,600       | 592,506       | (38,906)                               |
| Recreation/Senior Services                           | 1,943,400        | 1,943,400     | 1,903,282     | 40,118                                 |
| Community Development                                | 1,915,200        | 1,915,200     | 2,322,884     | (407,684)                              |
| Capital Outlay                                       | 640,000          | 640,000       | 380,399       | 259,601                                |
| Total Expenditures                                   | 18,610,200       | 18,610,200    | 17,612,496    | 997,704                                |
| Excess (Deficiency) of Revenues<br>over Expenditures | (427,200)        | (427,200)     | 1,073,343     | 1,500,543                              |
| <b>OTHER FINANCING SOURCES (USES)</b>                |                  |               |               |  |
| Transfers In   | 611,500          | 611,500       | 4,867,072     | 4,255,572                              |
| Transfers Out  | (824,300)        | (824,300)     | (1,353,065)   | (528,765)                              |
| Total Other Financing Sources (Uses)                 | (212,800)        | (212,800)     | 3,514,007     | 3,726,807                              |
| Net Change in Fund Balances                          | (640,000)        | (640,000)     | 4,587,350     | 5,227,350                              |
| Fund Balance, Beginning of Year                      | 26,078,491       | 26,078,491    | 26,078,491    | -                                      |
| Fund Balance, End of Year                            | \$ 25,438,491    | \$ 25,438,491 | \$ 30,665,841 | \$ 5,227,350                           |

**City of La Puente**  
**Budgetary Comparison Schedule**  
**Budget and Actual - ARPA**  
Year Ended June 30, 2023

|  | Budgeted Amounts |              | Actual       | Variance with                          |
|--|------------------|--------------|--------------|--|
|  | Original         | Final        | Amounts      | Final Budget<br>Positive<br>(Negative) |
| <b>REVENUES</b>                                      |                  |              |              |  |
| Intergovernmental                                    | \$ 4,738,200     | \$ 4,738,200 | \$ 7,449,493 | \$ 2,711,293                           |
| Total Revenues                                       | 4,738,200        | 4,738,200    | 7,449,493    | 2,711,293                              |
| <b>EXPENDITURES</b>                                  |                  |              |              |  |
| Current:   |                  |              |              |  |
| Community Development                                | 3,471,200        | 3,471,200    | 2,051,089    | 1,420,111                              |
| Capital Outlay                                       | 1,000,000        | 1,000,000    | 242,271      | 757,729                                |
| Total Expenditures                                   | 4,471,200        | 4,471,200    | 2,293,360    | 2,177,840                              |
| Excess (Deficiency) of Revenues<br>over Expenditures | 267,000          | 267,000      | 5,156,133    | 4,889,133                              |
| <b>OTHER FINANCING SOURCES (USES)</b>                |                  |              |              |  |
| Transfers Out  | (429,500)        | (429,500)    | (5,156,133)  | (4,726,633)                            |
| Total Other Financing Sources (Uses)                 | (429,500)        | (429,500)    | (5,156,133)  | (4,726,633)                            |
| Net Change in Fund Balances                          | (162,500)        | (162,500)    | -            | 162,500                                |
| Fund Balance, Beginning of Year                      | -                | -            | -            | -                                      |
| Fund Balance, End of Year                            | \$ (162,500)     | \$ (162,500) | \$ -         | \$ 162,500                             |

**City of La Puente**  
**Budgetary Comparison Schedule**  
**Budget and Actual - Miscellaneous Grant**  
Year Ended June 30, 2023

|  | Budgeted Amounts |                | Actual         | Variance with |
|--|------------------|----------------|----------------|---------------|
|  | Original         | Final          | Amounts        | Final Budget  |
|  |                  |                |                | Positive      |
|  |                  |                |                | (Negative)    |
| <b>REVENUES</b>                                      |                  |                |                |               |
| Intergovernmental                                    | \$ 5,066,600     | \$ 5,066,600   | \$ 6,571,985   | \$ 1,505,385  |
| Total Revenues                                       | 5,066,600        | 5,066,600      | 6,571,985      | 1,505,385     |
| <b>EXPENDITURES</b>                                  |                  |                |                |               |
| Current:   |                  |                |                |               |
| Capital Outlay                                       | -                | -              | 731,619        | (731,619)     |
| Capital Outlay                                       | 5,066,600        | 5,066,600      | 3,406,741      | 1,659,859     |
| Total Expenditures                                   | 5,066,600        | 5,066,600      | 4,138,360      | 928,240       |
| Excess (Deficiency) of Revenues<br>over Expenditures | -                | -              | 2,433,625      | 2,433,625     |
| <b>OTHER FINANCING SOURCES (USES)</b>                |                  |                |                |               |
| Transfers Out  | -                | -              | -              | -             |
| Total Other Financing Sources (Uses)                 | -                | -              | -              | -             |
| Net Change in Fund Balances                          | -                | -              | 2,433,625      | 2,433,625     |
| Fund Balance, Beginning of Year                      | (4,340,071)      | (4,340,071)    | (4,340,071)    | -             |
| Fund Balance, End of Year                            | \$ (4,340,071)   | \$ (4,340,071) | \$ (1,906,446) | \$ 2,433,625  |

**City of La Puente**  
**Notes to Required Supplementary Information**  
Year Ended June 30, 2023

**BUDGETS AND BUDGETARY ACCOUNTING**

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

- Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at fiscal year-end.
- The City Council approves total budgeted appropriations. The appropriated budget is prepared by fund, program and activity. Each program of the City represents a separate government function, namely: general government, public safety, transportation, culture and leisure, community development and redevelopment and housing. Accordingly, each program of the City has been identified as a separate line item in the accompanying combined statement of revenues, expenditures and changes in fund balances. The City Manager is authorized to make appropriation transfers from one activity to another leaving the total fund appropriation unchanged within the same fund. City Council approves all other amendments to appropriations throughout the year. Actual expenditures may not exceed budgeted appropriations at the fund level. Budget figures used in the financial statements are the final adjusted amounts.
- 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, 2023, 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, 2023

**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.

**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.

**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.

**City of La Puente**  
**Other Governmental Funds**  
June 30, 2023

**SPECIAL REVENUE FUNDS - Continued**

**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.

**HSIP Grant Fund** – To account for funds received from the United States Department of Transportation restricted for street related projects.

**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 and 2022A 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, 2023

|  | Special Revenue Funds |                   |                     |                  |               |
|--|-----------------------|-------------------|---------------------|------------------|---------------|
|  | Gas<br>Tax            | Measure M         | Prop C              | PEG<br>Access    | State<br>COPS |
| <b>ASSETS</b>  |                       |                   |                     |                  |               |
| Cash and Investments   | \$ 2,353,908          | \$ 987,860        | \$ 3,398,517        | \$ 78,431        | \$ -          |
| Cash with Fiscal Agent   | -                     | -                 | -                   | -                | -             |
| Accounts Receivable  | -                     | -                 | -                   | 8,613            | -             |
| Loans Receivable   | -                     | -                 | -                   | -                | -             |
| Prepaid Items  | 2,117                 | 915               | 629                 | -                | -             |
| Due From Other Governments   | 233,808               | -                 | -                   | -                | -             |
| Total Assets   | <u>\$ 2,589,833</u>   | <u>\$ 988,775</u> | <u>\$ 3,399,146</u> | <u>\$ 87,044</u> | <u>\$ -</u>   |
| <b>LIABILITIES</b>   |                       |                   |                     |                  |               |
| Accounts Payable and Accrued Liabilities                               | \$ 199,627            | \$ 45,380         | \$ -                | \$ -             | \$ -          |
| Due to Other Agencies  | -                     | -                 | -                   | -                | -             |
| Due to Other Funds   | -                     | -                 | -                   | -                | -             |
| Total Liabilities  | <u>199,627</u>        | <u>45,380</u>     | <u>-</u>            | <u>-</u>         | <u>-</u>      |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                   |                       |                   |                     |                  |               |
| Unavailable Revenues - Grants  | -                     | -                 | -                   | -                | -             |
| Total Deferred Inflows of Resources                                    | <u>-</u>              | <u>-</u>          | <u>-</u>            | <u>-</u>         | <u>-</u>      |
| <b>FUND BALANCES</b>   |                       |                   |                     |                  |               |
| Nonspendable   | 2,117                 | 915               | 629                 | -                | -             |
| Restricted   | 2,388,089             | 942,480           | 3,398,517           | 87,044           | -             |
| Unassigned   | -                     | -                 | -                   | -                | -             |
| Total Fund Balances  | <u>2,390,206</u>      | <u>943,395</u>    | <u>3,399,146</u>    | <u>87,044</u>    | <u>-</u>      |
| Total Liabilities, Deferred Inflows of<br>Resources, and Fund Balances | <u>\$ 2,589,833</u>   | <u>\$ 988,775</u> | <u>\$ 3,399,146</u> | <u>\$ 87,044</u> | <u>\$ -</u>   |

| Special Revenue Funds |                     |                   |                            |                   |                           |                   |
|-----------------------|---------------------|-------------------|----------------------------|-------------------|---------------------------|-------------------|
| JAG<br>Grant          | Cal-HOME<br>Grant   | CDBG<br>Grant     | Air Quality<br>Improvement | Measure R         | Prop. A<br>Transportation | Housing           |
| \$ -                  | \$ 670,465          | \$ 12,142         | \$ 167,413                 | \$ 545,467        | \$ 886,951                | \$ 471,594        |
| -                     | -                   | -                 | -                          | -                 | -                         | -                 |
| -                     | -                   | 10,000            | -                          | -                 | -                         | -                 |
| -                     | 762,669             | 407,194           | -                          | -                 | -                         | -                 |
| -                     | -                   | -                 | -                          | 915               | 11,587                    | -                 |
| -                     | -                   | 39,121            | 12,536                     | -                 | -                         | -                 |
| <u>\$ -</u>           | <u>\$ 1,433,134</u> | <u>\$ 468,457</u> | <u>\$ 179,949</u>          | <u>\$ 546,382</u> | <u>\$ 898,538</u>         | <u>\$ 471,594</u> |
| \$ -                  | \$ -                | \$ 61,263         | \$ -                       | \$ 24,782         | \$ 137,819                | \$ -              |
| -                     | -                   | 407,194           | -                          | -                 | -                         | -                 |
| -                     | -                   | -                 | -                          | -                 | -                         | -                 |
| -                     | -                   | 468,457           | -                          | 24,782            | 137,819                   | -                 |
| -                     | -                   | -                 | -                          | -                 | -                         | -                 |
| -                     | -                   | -                 | -                          | -                 | -                         | -                 |
| -                     | -                   | -                 | -                          | 915               | 11,587                    | -                 |
| -                     | 1,433,134           | -                 | 179,949                    | 520,685           | 749,132                   | 471,594           |
| -                     | -                   | -                 | -                          | -                 | -                         | -                 |
| -                     | 1,433,134           | -                 | 179,949                    | 521,600           | 760,719                   | 471,594           |
| <u>\$ -</u>           | <u>\$ 1,433,134</u> | <u>\$ 468,457</u> | <u>\$ 179,949</u>          | <u>\$ 546,382</u> | <u>\$ 898,538</u>         | <u>\$ 471,594</u> |

Continued

**City of La Puente**  
**Combining Balance Sheet**  
**Other Governmental Funds - Continued**  
June 30, 2023

|  | Special Revenue Funds |                   |                   |                 |                     |
|--|-----------------------|-------------------|-------------------|-----------------|---------------------|
|  | Measure<br>A          | Measure<br>W      | LLMD              | HSIP<br>Grant   | Capital<br>Projects |
| <b>ASSETS</b>  |                       |                   |                   |                 |                     |
| Cash and Investments   | \$ -                  | \$ 386,082        | \$ 913,514        | \$ -            | \$ -                |
| Cash with Fiscal Agent   | -                     | -                 | -                 | -               | 214,957             |
| Accounts Receivable  | -                     | -                 | -                 | -               | -                   |
| Loans Receivable   | -                     | -                 | -                 | -               | -                   |
| Prepaid Items  | 801                   | -                 | 1,457             | -               | -                   |
| Due From Other Governments   | 28,146                | -                 | 49,685            | 3,900           | -                   |
| Total Assets   | <u>\$ 28,947</u>      | <u>\$ 386,082</u> | <u>\$ 964,656</u> | <u>\$ 3,900</u> | <u>\$ 214,957</u>   |
| <b>LIABILITIES</b>   |                       |                   |                   |                 |                     |
| Accounts Payable   | \$ 2,379              | \$ 8,391          | \$ 112,569        | \$ 205          | \$ 183,221          |
| Due to Other Agencies  | -                     | -                 | -                 | -               | -                   |
| Due to Other Funds   | 26,568                | -                 | -                 | 3,900           | -                   |
| Total Liabilities  | <u>28,947</u>         | <u>8,391</u>      | <u>112,569</u>    | <u>4,105</u>    | <u>183,221</u>      |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                   |                       |                   |                   |                 |                     |
| Unavailable Revenues - Grants  | 28,146                | -                 | -                 | -               | -                   |
| Total Deferred Inflows of Resources                                    | <u>28,146</u>         | <u>-</u>          | <u>-</u>          | <u>-</u>        | <u>-</u>            |
| <b>FUND BALANCES</b>   |                       |                   |                   |                 |                     |
| Nonspendable   | 801                   | -                 | 1,457             | -               | -                   |
| Restricted   | -                     | 377,691           | 850,630           | -               | 31,736              |
| Unassigned   | (28,947)              | -                 | -                 | (205)           | -                   |
| Total Fund Balances  | <u>(28,146)</u>       | <u>377,691</u>    | <u>852,087</u>    | <u>(205)</u>    | <u>31,736</u>       |
| Total Liabilities, Deferred Inflows of<br>Resources, and Fund Balances | <u>\$ 28,947</u>      | <u>\$ 386,082</u> | <u>\$ 964,656</u> | <u>\$ 3,900</u> | <u>\$ 214,957</u>   |

| Capital Projects   |                    | Debt Service             |                    |                    | Total                |
|--------------------|--------------------|--------------------------|--------------------|--------------------|----------------------|
| 2019A<br>Measure M | 2019B<br>Measure R | Citywide<br>Debt Service | 2019A<br>Measure M | 2019B<br>Measure R |                      |
| \$ -               | \$ -               | \$ -                     | \$ -               | \$ -               | \$ 10,872,344        |
| 682,975            | 233,192            | -                        | -                  | -                  | 1,131,124            |
| -                  | -                  | -                        | -                  | -                  | 18,613               |
| -                  | -                  | -                        | -                  | -                  | 1,169,863            |
| -                  | -                  | -                        | -                  | -                  | 18,421               |
| -                  | -                  | -                        | -                  | -                  | 367,196              |
| <u>\$ 682,975</u>  | <u>\$ 233,192</u>  | <u>\$ -</u>              | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ 13,577,561</u> |
| \$ -               | \$ -               | \$ -                     | \$ -               | \$ -               | \$ 775,636           |
| -                  | -                  | -                        | -                  | -                  | 407,194              |
| 14,348             | 14,369             | -                        | -                  | -                  | 59,185               |
| 14,348             | 14,369             | -                        | -                  | -                  | 1,242,015            |
| -                  | -                  | -                        | -                  | -                  | 28,146               |
| -                  | -                  | -                        | -                  | -                  | 28,146               |
| -                  | -                  | -                        | -                  | -                  | 18,421               |
| 668,627            | 218,823            | -                        | -                  | -                  | 12,318,131           |
| -                  | -                  | -                        | -                  | -                  | (29,152)             |
| 668,627            | 218,823            | -                        | -                  | -                  | 12,307,400           |
| <u>\$ 682,975</u>  | <u>\$ 233,192</u>  | <u>\$ -</u>              | <u>\$ -</u>        | <u>\$ -</u>        | <u>\$ 13,577,561</u> |

**City of La Puente**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Other Governmental Funds**  
Year Ended June 30, 2023

|  | Special Revenue     |                   |                     |                  |                |
|--|---------------------|-------------------|---------------------|------------------|----------------|
|  | Gas<br>Tax          | Measure M         | Prop C              | PEG<br>Access    | State<br>COPS  |
| <b>REVENUES</b>  |                     |                   |                     |                  |                |
| Taxes  | \$ -                | \$ -              | \$ -                | \$ -             | \$ -           |
| Intergovernmental  | 1,995,980           | 741,291           | 873,993             | -                | 165,271        |
| Charges for Services   | -                   | -                 | -                   | 36,799           | -              |
| Investment Income  | 17,674              | 9,319             | 28,542              | 665              | -              |
| Other Revenue  | 1,883               | -                 | -                   | -                | -              |
| Total Revenues   | <u>2,015,537</u>    | <u>750,610</u>    | <u>902,535</u>      | <u>37,464</u>    | <u>165,271</u> |
| <b>EXPENDITURES</b>  |                     |                   |                     |                  |                |
| Current:   |                     |                   |                     |                  |                |
| General Government   | -                   | -                 | -                   | 19,942           | -              |
| Public Safety  | -                   | -                 | -                   | -                | 165,271        |
| Public Works   | 1,153,767           | 155,388           | 47,117              | -                | -              |
| Community Development  | -                   | -                 | -                   | -                | -              |
| Capital Outlay   | 6,560               | 196,951           | 118,900             | -                | -              |
| Interest and Fiscal Charges                                  | -                   | -                 | -                   | -                | -              |
| Principal  | -                   | -                 | -                   | -                | -              |
| Total Expenditures   | <u>1,160,327</u>    | <u>352,339</u>    | <u>166,017</u>      | <u>19,942</u>    | <u>165,271</u> |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | <u>855,210</u>      | <u>398,271</u>    | <u>736,518</u>      | <u>17,522</u>    | <u>-</u>       |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                     |                   |                     |                  |                |
| Transfers In   | -                   | -                 | 17,400              | -                | -              |
| Transfers Out  | -                   | (262,838)         | -                   | -                | -              |
| Total Other Financing Sources (Uses)                         | <u>-</u>            | <u>(262,838)</u>  | <u>17,400</u>       | <u>-</u>         | <u>-</u>       |
| Net Change in Fund Balances                                  | 855,210             | 135,433           | 753,918             | 17,522           | -              |
| Fund Balances, Beginning of Year                             | <u>1,534,996</u>    | <u>807,962</u>    | <u>2,645,228</u>    | <u>69,522</u>    | <u>-</u>       |
| Fund Balances, End of Year                                   | <u>\$ 2,390,206</u> | <u>\$ 943,395</u> | <u>\$ 3,399,146</u> | <u>\$ 87,044</u> | <u>\$ -</u>    |



| Special Revenue |                   |               |                            |            |                           |            |
|-----------------|-------------------|---------------|----------------------------|------------|---------------------------|------------|
| JAG<br>Grant    | Cal-HOME<br>Grant | CDBG<br>Grant | Air Quality<br>Improvement | Measure R  | Prop. A<br>Transportation | Housing    |
| \$ -            | \$ -              | \$ -          | \$ -                       | \$ -       | \$ -                      | \$ -       |
| 22,371          | -                 | 296,266       | 62,801                     | 655,306    | 1,053,674                 | -          |
| -               | -                 | -             | 31,958                     | -          | 38,108                    | -          |
| -               | 6,133             | 217           | 1,280                      | 6,708      | 9,194                     | 4,024      |
| -               | -                 | -             | -                          | -          | -                         | -          |
| 22,371          | 6,133             | 296,483       | 96,039                     | 662,014    | 1,100,976                 | 4,024      |
| -               | -                 | -             | -                          | -          | -                         | -          |
| 10,824          | -                 | -             | -                          | -          | -                         | -          |
| -               | -                 | -             | 124                        | 141,113    | -                         | -          |
| -               | 3,385             | 296,483       | -                          | -          | 1,043,832                 | -          |
| -               | -                 | -             | -                          | 347,607    | 421,464                   | -          |
| -               | -                 | -             | -                          | -          | -                         | -          |
| -               | -                 | -             | -                          | -          | -                         | -          |
| 10,824          | 3,385             | 296,483       | 124                        | 488,720    | 1,465,296                 | -          |
| 11,547          | 2,748             | -             | 95,915                     | 173,294    | (364,320)                 | 4,024      |
| -               | -                 | -             | -                          | -          | -                         | 80,503     |
| -               | -                 | -             | -                          | (288,687)  | -                         | -          |
| -               | -                 | -             | -                          | (288,687)  | -                         | 80,503     |
| 11,547          | 2,748             | -             | 95,915                     | (115,393)  | (364,320)                 | 84,527     |
| (11,547)        | 1,430,386         | -             | 84,034                     | 636,993    | 1,125,039                 | 387,067    |
| \$ -            | \$ 1,433,134      | \$ -          | \$ 179,949                 | \$ 521,600 | \$ 760,719                | \$ 471,594 |

Continued

**City of La Puente**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Other Governmental Funds - Continued**  
Year Ended June 30, 2023

|  | Special Revenue |              |            |               |                     |
|--|-----------------|--------------|------------|---------------|---------------------|
|  | Measure<br>A    | Measure<br>W | LLMD       | HSIP<br>Grant | Capital<br>Projects |
| <b>REVENUES</b>  |                 |              |            |               |                     |
| Taxes  | \$ -            | \$ -         | \$ 996,193 | \$ -          | \$ -                |
| Intergovernmental  | 74,137          | 344,106      | -          | 3,900         | -                   |
| Charges for Services   | -               | -            | -          | -             | -                   |
| Investment Income  | -               | 2,960        | 6,742      | -             | 37                  |
| Other Revenue  | -               | -            | 54,537     | -             | -                   |
| Total Revenues   | 74,137          | 347,066      | 1,057,472  | 3,900         | 37                  |
| <b>EXPENDITURES</b>  |                 |              |            |               |                     |
| Current:   |                 |              |            |               |                     |
| General Government   | -               | -            | -          | -             | -                   |
| Public Safety  | -               | -            | -          | -             | -                   |
| Public Works   | -               | 66,816       | -          | -             | -                   |
| Community Development  | 28,146          | -            | 989,112    | -             | -                   |
| Capital Outlay   | -               | -            | -          | 4,105         | 1,752,277           |
| Interest and Fiscal Charges                                  | -               | -            | -          | -             | 4,213               |
| Principal  | -               | -            | -          | -             | 49,074              |
| Total Expenditures   | 28,146          | 66,816       | 989,112    | 4,105         | 1,805,564           |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | 45,991          | 280,250      | 68,360     | (205)         | (1,805,527)         |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                 |              |            |               |                     |
| Transfers In   | -               | -            | -          | -             | 580,030             |
| Transfers Out  | -               | -            | -          | -             | (15,382)            |
| Total Other Financing Sources (Uses)                         | -               | -            | -          | -             | 564,648             |
| Net Change in Fund Balances                                  | 45,991          | 280,250      | 68,360     | (205)         | (1,240,879)         |
| Fund Balances, Beginning of Year                             | (74,137)        | 97,441       | 783,727    | -             | 1,272,615           |
| Fund Balances, End of Year                                   | \$ (28,146)     | \$ 377,691   | \$ 852,087 | \$ (205)      | \$ 31,736           |

| Capital Projects   |                    | Debt Service             |                    |                    | Total         |
|--------------------|--------------------|--------------------------|--------------------|--------------------|---------------|
| 2019A<br>Measure M | 2019B<br>Measure R | Citywide<br>Debt Service | 2019A<br>Measure M | 2019B<br>Measure R |               |
| \$ -               | \$ -               | \$ -                     | \$ -               | \$ -               | \$ 996,193    |
| -                  | -                  | -                        | -                  | -                  | 6,289,096     |
| -                  | -                  | -                        | -                  | -                  | 106,865       |
| 42                 | 18                 | -                        | -                  | -                  | 93,555        |
| -                  | -                  | -                        | -                  | -                  | 56,420        |
| 42                 | 18                 | -                        | -                  | -                  | 7,542,129     |
| -                  | -                  | -                        | -                  | -                  | 19,942        |
| -                  | -                  | -                        | -                  | -                  | 176,095       |
| -                  | -                  | -                        | -                  | -                  | 1,564,325     |
| -                  | -                  | -                        | -                  | -                  | 2,360,958     |
| 142,270            | 142,270            | -                        | -                  | -                  | 3,132,404     |
| -                  | -                  | 346,699                  | 112,838            | 100,400            | 564,150       |
| -                  | -                  | 397,102                  | 150,000            | 135,000            | 731,176       |
| 142,270            | 142,270            | 743,801                  | 262,838            | 235,400            | 8,549,050     |
| (142,228)          | (142,252)          | (743,801)                | (262,838)          | (235,400)          | (1,006,921)   |
| -                  | -                  | 743,801                  | 262,838            | 235,400            | 1,919,972     |
| -                  | -                  | -                        | -                  | -                  | (566,907)     |
| -                  | -                  | 743,801                  | 262,838            | 235,400            | 1,353,065     |
| (142,228)          | (142,252)          | -                        | -                  | -                  | 346,144       |
| 810,855            | 361,075            | -                        | -                  | -                  | 11,961,256    |
| \$ 668,627         | \$ 218,823         | \$ -                     | \$ -               | \$ -               | \$ 12,307,400 |

**City of La Puente**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Gas Tax Fund**  
Year Ended June 30, 2023

|  | Budgeted<br>Amounts<br>Final | Actual<br>Amounts | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|------------------------------|-------------------|---|
| <b>REVENUES</b>  |                              |                   |   |
| Intergovernmental  | \$ 2,075,200                 | \$ 1,995,980      | \$ (79,220)   |
| Investment Income  | 4,000                        | 17,674            | 13,674  |
| Other Income   | 500                          | 1,883             | 1,383   |
| Total Revenues   | 2,079,700                    | 2,015,537         | (64,163)  |
| <b>EXPENDITURES</b>  |                              |                   |   |
| Current:   |                              |                   |   |
| Public Works   | 1,183,800                    | 1,153,767         | 30,033  |
| Capital Outlay   | 1,254,000                    | 6,560             | 1,247,440   |
| Total Expenditures   | 2,437,800                    | 1,160,327         | 1,247,440   |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | (358,100)                    | 855,210           | 1,213,310   |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                              |                   |   |
| Transfers In   | -                            | -                 | -   |
| Transfers Out  | -                            | -                 | -   |
| Total Other Financing Sources (Uses)                         | -                            | -                 | -   |
| Net Change in Fund Balances                                  | (358,100)                    | 855,210           | 1,213,310   |
| Fund Balance, Beginning of Year                              | 1,534,996                    | 1,534,996         | -   |
| Fund Balance, End of Year                                    | \$ 1,176,896                 | \$ 2,390,206      | \$ 1,213,310  |

**City of La Puente**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Measure M Fund**  
Year Ended June 30, 2023

|  | Budgeted<br>Amounts<br><u>Final</u> | Actual<br>Amounts<br><u></u> | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|-------------------------------------|------------------------------|---|
| <b>REVENUES</b>  |                                     |                              |   |
| Intergovernmental  | \$ 689,500                          | \$ 741,291                   | \$ 51,791   |
| Investment Income  | <u>3,000</u>                        | <u>9,319</u>                 | <u>6,319</u>  |
| Total Revenues   | <u>692,500</u>                      | <u>750,610</u>               | <u>58,110</u>   |
| <b>EXPENDITURES</b>  |                                     |                              |   |
| Current:   |                                     |                              |   |
| Public Works   | 223,700                             | 155,388                      | 68,312  |
| Capital Outlay   | <u>872,300</u>                      | <u>196,951</u>               | <u>675,349</u>  |
| Total Expenditures   | <u>1,096,000</u>                    | <u>352,339</u>               | <u>675,349</u>  |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | <u>(403,500)</u>                    | <u>398,271</u>               | <u>801,771</u>  |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                                     |                              |   |
| Transfers In   | -                                   | -                            | -   |
| Transfers Out  | <u>(262,800)</u>                    | <u>(262,838)</u>             | <u>(38)</u>   |
| Total Other Financing Sources (Uses)                         | <u>(262,800)</u>                    | <u>(262,838)</u>             | <u>(38)</u>   |
| Net Change in Fund Balances                                  | (666,300)                           | 135,433                      | 801,733   |
| Fund Balance, Beginning of Year                              | <u>807,962</u>                      | <u>807,962</u>               | <u>-</u>  |
| Fund Balance, End of Year                                    | <u><u>\$ 141,662</u></u>            | <u><u>\$ 943,395</u></u>     | <u><u>\$ 801,733</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, 2023

|  | Budgeted<br>Amounts<br><u>Final</u> | Actual<br>Amounts<br><u></u> | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|-------------------------------------|------------------------------|---|
| <b>REVENUES</b>  |                                     |                              |   |
| Intergovernmental  | \$ 811,200                          | \$ 873,993                   | \$ 62,793   |
| Investment Income  | <u>8,000</u>                        | <u>28,542</u>                | <u>20,542</u>   |
| Total Revenues   | <u>819,200</u>                      | <u>902,535</u>               | <u>83,335</u>   |
| <b>EXPENDITURES</b>  |                                     |                              |   |
| Current:   |                                     |                              |   |
| Public Works   | 77,500                              | 47,117                       | 30,383  |
| Capital Outlay   | <u>1,000,000</u>                    | <u>118,900</u>               | <u>881,100</u>  |
| Total Expenditures   | <u>1,077,500</u>                    | <u>166,017</u>               | <u>881,100</u>  |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | <u>(258,300)</u>                    | <u>736,518</u>               | <u>994,818</u>  |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                                     |                              |   |
| Transfers In   | -                                   | 17,400                       | 17,400  |
| Transfers Out  | <u>-</u>                            | <u>-</u>                     | <u>-</u>  |
| Total Other Financing Sources (Uses)                         | <u>-</u>                            | <u>17,400</u>                | <u>17,400</u>   |
| Net Change in Fund Balances                                  | (258,300)                           | 753,918                      | 1,012,218   |
| Fund Balance, Beginning of Year                              | <u>2,645,228</u>                    | <u>2,645,228</u>             | <u>-</u>  |
| Fund Balance, End of Year                                    | <u><u>\$ 2,386,928</u></u>          | <u><u>\$ 3,399,146</u></u>   | <u><u>\$ 1,012,218</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, 2023

|  | Budgeted<br>Amounts<br>Final | Actual<br>Amounts       | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|------------------------------|-------------------------|---|
| <b>REVENUES</b>  |                              |                         |   |
| Charges for Services   | \$ 35,000                    | \$ 36,799               | \$ 1,799  |
| Investment Income  | 600                          | 665                     | 65  |
| Total Revenues   | <u>35,600</u>                | <u>37,464</u>           | <u>1,864</u>  |
| <b>EXPENDITURES</b>  |                              |                         |   |
| Current:   |                              |                         |   |
| General Government   | 28,000                       | 19,942                  | 8,058   |
| Capital Outlay   | -                            | -                       | -   |
| Total Expenditures   | <u>28,000</u>                | <u>19,942</u>           | <u>8,058</u>  |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | <u>7,600</u>                 | <u>17,522</u>           | <u>9,922</u>  |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                              |                         |   |
| Transfers Out  | -                            | -                       | -   |
| Total Other Financing Sources (Uses)                         | <u>-</u>                     | <u>-</u>                | <u>-</u>  |
| Net Change in Fund Balances                                  | 7,600                        | 17,522                  | 9,922   |
| Fund Balance, Beginning of Year                              | <u>69,522</u>                | <u>69,522</u>           | <u>-</u>  |
| Fund Balance, End of Year                                    | <u><u>\$ 77,122</u></u>      | <u><u>\$ 87,044</u></u> | <u><u>\$ 9,922</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, 2023

|  | Budgeted<br>Amounts<br>Final | Actual<br>Amounts | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|------------------------------|-------------------|---|
| <b>REVENUES</b>  |                              |                   |   |
| Intergovernmental  | \$ 160,000                   | \$ 165,271        | \$ 5,271  |
| Total Revenues   | 160,000                      | 165,271           | 5,271   |
| <b>EXPENDITURES</b>  |                              |                   |   |
| Current:   |                              |                   |   |
| Public Safety  | 160,000                      | 165,271           | (5,271)   |
| Total Expenditures   | 160,000                      | 165,271           | (5,271)   |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | -                            | -                 | -   |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                              |                   |   |
| Transfers In   | -                            | -                 | -   |
| Transfers Out  | -                            | -                 | -   |
| Total Other Financing Sources (Uses)                         | -                            | -                 | -   |
| 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, 2023

|  | Budgeted<br>Amounts<br>Final | Actual<br>Amounts  | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|------------------------------|--------------------|---|
| <b>REVENUES</b>  |                              |                    |   |
| Intergovernmental  | \$ 11,200                    | \$ 22,371          | \$ 11,171   |
| Total Revenues   | <u>11,200</u>                | <u>22,371</u>      | <u>11,171</u>   |
| <b>EXPENDITURES</b>  |                              |                    |   |
| Current:   |                              |                    |   |
| Public Safety  | <u>11,200</u>                | <u>10,824</u>      | <u>376</u>  |
| Total Expenditures   | <u>11,200</u>                | <u>10,824</u>      | <u>376</u>  |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | <u>-</u>                     | <u>11,547</u>      | <u>11,547</u>   |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                              |                    |   |
| 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>(11,547)</u>              | <u>(11,547)</u>    | <u>-</u>  |
| Fund Balance, End of Year                                    | <u><u>\$ (11,547)</u></u>    | <u><u>\$ -</u></u> | <u><u>\$ 11,547</u></u>                                 |

**City of La Puente**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Cal-HOME Grant Fund**  
Year Ended June 30, 2023

|  | Budgeted<br>Amounts<br>Final | Actual<br>Amounts          | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|------------------------------|----------------------------|---|
| <b>REVENUES</b>  |                              |                            |   |
| Investment Income  | \$ 2,000                     | \$ 6,133                   | \$ 4,133  |
| Total Revenues   | <u>2,000</u>                 | <u>6,133</u>               | <u>4,133</u>  |
| <b>EXPENDITURES</b>  |                              |                            |   |
| Current:   |                              |                            |   |
| Community Development  | <u>155,000</u>               | <u>3,385</u>               | <u>151,615</u>  |
| Total Expenditures   | <u>155,000</u>               | <u>3,385</u>               | <u>151,615</u>  |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | <u>(153,000)</u>             | <u>2,748</u>               | <u>155,748</u>  |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                              |                            |   |
| Transfers Out  | <u>(9,000)</u>               | <u>-</u>                   | <u>9,000</u>  |
| Total Other Financing Sources (Uses)                         | <u>(9,000)</u>               | <u>-</u>                   | <u>9,000</u>  |
| Net Change in Fund Balances                                  | (162,000)                    | 2,748                      | 164,748   |
| Fund Balance, Beginning of Year                              | <u>1,430,386</u>             | <u>1,430,386</u>           | <u>-</u>  |
| Fund Balance, End of Year                                    | <u><u>\$ 1,268,386</u></u>   | <u><u>\$ 1,433,134</u></u> | <u><u>\$ 164,748</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, 2023

|  | Budgeted<br>Amounts<br><u>Final</u> | Actual<br>Amounts<br><u></u> | Variance with<br>Final Budget<br>Positive<br>(Negative)<br><u></u> |
|--|-------------------------------------|------------------------------|--|
| <b>REVENUES</b>  |                                     |                              |  |
| Intergovernmental  | \$ 445,600                          | \$ 296,266                   | \$ (149,334)   |
| Investment Income  | <u>600</u>                          | <u>217</u>                   | <u>(383)</u>   |
| Total Revenues   | <u>446,200</u>                      | <u>296,483</u>               | <u>(149,717)</u>   |
| <b>EXPENDITURES</b>  |                                     |                              |  |
| Current:   |                                     |                              |  |
| Community Development  | <u>445,600</u>                      | <u>296,483</u>               | <u>149,117</u>   |
| Total Expenditures   | <u>445,600</u>                      | <u>296,483</u>               | <u>149,117</u>   |
| Excess (Deficiency) of Revenues<br>Over (under) Expenditures | <u>600</u>                          | <u>-</u>                     | <u>(600)</u>   |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                                     |                              |  |
| 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 Balance                                   | 600                                 | -                            | (600)  |
| Fund Balance, Beginning of Year                              | <u>-</u>                            | <u>-</u>                     | <u>-</u>   |
| Fund Balance, End of Year                                    | <u>\$ 600</u>                       | <u>\$ -</u>                  | <u>\$ (600)</u>  |

**City of La Puente**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Air Quality Improvement Fund**  
Year Ended June 30, 2023

|  | Budgeted<br>Amounts<br>Final | Actual<br>Amounts | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|------------------------------|-------------------|---|
| <b>REVENUES</b>  |                              |                   |   |
| Intergovernmental  | \$ 76,000                    | \$ 62,801         | \$ (13,199)   |
| Charges for Services   | -                            | 31,958            | 31,958  |
| Investment Income  | 1,000                        | 1,280             | 280   |
|  | <u>77,000</u>                | <u>96,039</u>     | <u>19,039</u>   |
| <b>EXPENDITURES</b>  |                              |                   |   |
| Current:   |                              |                   |   |
| Public Works   | 1,100                        | 124               | 976   |
| Capital Outlay   | 150,600                      | -                 | 150,600   |
|  | <u>151,700</u>               | <u>124</u>        | <u>151,576</u>  |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | <u>(74,700)</u>              | <u>95,915</u>     | <u>170,615</u>  |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                              |                   |   |
| Transfers In   | -                            | -                 | -   |
| Transfers Out  | -                            | -                 | -   |
|  | <u>-</u>                     | <u>-</u>          | <u>-</u>  |
| Net Change in Fund Balances                                  | (74,700)                     | 95,915            | 170,615   |
| Fund Balance, Beginning of Year                              | 84,034                       | 84,034            | -   |
| Fund Balance, End of Year                                    | <u>\$ 9,334</u>              | <u>\$ 179,949</u> | <u>\$ 170,615</u>                                       |

**City of La Puente**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Measure R Fund**  
Year Ended June 30, 2023

|  | Budgeted<br>Amounts<br><u>Final</u> | Actual<br>Amounts        | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|-------------------------------------|--------------------------|---|
| <b>REVENUES</b>  |                                     |                          |   |
| Intergovernmental  | \$ 608,400                          | \$ 655,306               | \$ 46,906   |
| Investment Income  | <u>3,000</u>                        | <u>6,708</u>             | <u>3,708</u>  |
| Total Revenues   | <u>611,400</u>                      | <u>662,014</u>           | <u>50,614</u>   |
| <b>EXPENDITURES</b>  |                                     |                          |   |
| Current:   |                                     |                          |   |
| Public Works   | 221,000                             | 141,113                  | 79,887  |
| Capital Outlay   | <u>798,700</u>                      | <u>347,607</u>           | <u>451,093</u>  |
| Total Expenditures   | <u>1,019,700</u>                    | <u>488,720</u>           | <u>530,980</u>  |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | <u>(408,300)</u>                    | <u>173,294</u>           | <u>581,594</u>  |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                                     |                          |   |
| Transfers In   | -                                   | -                        | -   |
| Transfers Out  | <u>(288,700)</u>                    | <u>(288,687)</u>         | <u>13</u>   |
| Total Other Financing Sources (Uses)                         | <u>(288,700)</u>                    | <u>(288,687)</u>         | <u>13</u>   |
| Net Change in Fund Balances                                  | (697,000)                           | (115,393)                | 581,607   |
| Fund Balance, Beginning of Year                              | <u>636,993</u>                      | <u>636,993</u>           | <u>-</u>  |
| Fund Balance, End of Year                                    | <u><u>\$ (60,007)</u></u>           | <u><u>\$ 521,600</u></u> | <u><u>\$ 581,607</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, 2023

|  | Budgeted<br>Amounts<br>Final | Actual<br>Amounts | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|------------------------------|-------------------|---|
| <b>REVENUES</b>  |                              |                   |   |
| Intergovernmental  | \$ 978,000                   | \$ 1,053,674      | \$ 75,674   |
| Charges for Services   | 51,500                       | 38,108            | (13,392)  |
| Investment Income  | 4,000                        | 9,194             | 5,194   |
| Total Revenues   | 1,033,500                    | 1,100,976         | 67,476  |
| <b>EXPENDITURES</b>  |                              |                   |   |
| Current:   |                              |                   |   |
| Community Development  | 1,017,500                    | 1,043,832         | (26,332)  |
| Capital Outlay   | 401,200                      | 421,464           | (20,264)  |
| Total Expenditures   | 1,418,700                    | 1,465,296         | (46,596)  |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | (385,200)                    | (364,320)         | 20,880  |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                              |                   |   |
| Transfers In   | -                            | -                 | -   |
| Total Other Financing Sources (Uses)                         | -                            | -                 | -   |
| Net Change in Fund Balances                                  | (385,200)                    | (364,320)         | 20,880  |
| Fund Balance, Beginning of Year                              | 1,125,039                    | 1,125,039         | -   |
| Fund Balance, End of Year                                    | \$ 739,839                   | \$ 760,719        | \$ 20,880   |

**City of La Puente**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Housing Fund**  
Year Ended June 30, 2023

|  | Budgeted<br>Amounts<br>Final | Actual<br>Amounts        | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|------------------------------|--------------------------|---|
| <b>REVENUES</b>  |                              |                          |   |
| Investment Income  | \$ 1,000                     | \$ 4,024                 | \$ 3,024  |
| Total Revenues   | <u>1,000</u>                 | <u>4,024</u>             | <u>3,024</u>  |
| <b>EXPENDITURES</b>  |                              |                          |   |
| Current:   |                              |                          |   |
| Community Development  | -                            | -                        | -   |
| Capital Outlay   | <u>-</u>                     | <u>-</u>                 | <u>-</u>  |
| Total Expenditures   | <u>-</u>                     | <u>-</u>                 | <u>-</u>  |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | <u>1,000</u>                 | <u>4,024</u>             | <u>3,024</u>  |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                              |                          |   |
| Transfers In   | <u>80,500</u>                | <u>80,503</u>            | <u>3</u>  |
| Total Other Financing Sources (Uses)                         | <u>80,500</u>                | <u>80,503</u>            | <u>3</u>  |
| Net Change in Fund Balances                                  | 81,500                       | 84,527                   | 3,027   |
| Fund Balance, Beginning of Year                              | <u>387,067</u>               | <u>387,067</u>           | <u>-</u>  |
| Fund Balance, End of Year                                    | <u><u>\$ 468,567</u></u>     | <u><u>\$ 471,594</u></u> | <u><u>\$ 3,027</u></u>                                  |

**City of La Puente**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Measure A**  
Year Ended June 30, 2023

|  | Budgeted<br>Amounts<br>Final | Actual<br>Amounts         | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|------------------------------|---------------------------|---|
| <b>REVENUES</b>  |                              |                           |   |
| Intergovernmental  | \$ 27,200                    | \$ 74,137                 | \$ 46,937   |
| Total Revenues   | <u>27,200</u>                | <u>74,137</u>             | <u>46,937</u>   |
| <b>EXPENDITURES</b>  |                              |                           |   |
| Current:   |                              |                           |   |
| Community Development  | 27,200                       | 28,146                    | (946)   |
| Capital Outlay   | <u>-</u>                     | <u>-</u>                  | <u>-</u>  |
| Total Expenditures   | <u>27,200</u>                | <u>28,146</u>             | <u>(946)</u>  |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | <u>-</u>                     | <u>45,991</u>             | <u>45,991</u>   |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                              |                           |   |
| Transfers In   | <u>-</u>                     | <u>-</u>                  | <u>-</u>  |
| Total Other Financing Sources (Uses)                         | <u>-</u>                     | <u>-</u>                  | <u>-</u>  |
| Net Change in Fund Balances                                  | -                            | 45,991                    | 45,991  |
| Fund Balance, Beginning of Year                              | <u>(74,137)</u>              | <u>(74,137)</u>           | <u>-</u>  |
| Fund Balance, End of Year                                    | <u><u>\$ (74,137)</u></u>    | <u><u>\$ (28,146)</u></u> | <u><u>\$ 45,991</u></u>                                 |



**City of La Puente**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Measure W**  
Year Ended June 30, 2023

|  | Budgeted<br>Amounts<br>Final | Actual<br>Amounts        | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|------------------------------|--------------------------|---|
| <b>REVENUES</b>  |                              |                          |   |
| Intergovernmental  | \$ 340,000                   | \$ 344,106               | \$ 4,106  |
| Investment Income  | 500                          | 2,960                    | 2,460   |
| Total Revenues   | <u>340,500</u>               | <u>347,066</u>           | <u>6,566</u>  |
| <b>EXPENDITURES</b>  |                              |                          |   |
| Current:   |                              |                          |   |
| Public Works   | 95,000                       | 66,816                   | 28,184  |
| Capital Outlay   | <u>-</u>                     | <u>-</u>                 | <u>-</u>  |
| Total Expenditures   | <u>95,000</u>                | <u>66,816</u>            | <u>28,184</u>   |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | <u>245,500</u>               | <u>280,250</u>           | <u>34,750</u>   |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                              |                          |   |
| Transfers In   | <u>-</u>                     | <u>-</u>                 | <u>-</u>  |
| Total Other Financing Sources (Uses)                         | <u>-</u>                     | <u>-</u>                 | <u>-</u>  |
| Net Change in Fund Balances                                  | 245,500                      | 280,250                  | 34,750  |
| Fund Balance, Beginning of Year                              | <u>97,441</u>                | <u>97,441</u>            | <u>-</u>  |
| Fund Balance, End of Year                                    | <u><u>\$ 342,941</u></u>     | <u><u>\$ 377,691</u></u> | <u><u>\$ 34,750</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, 2023

|  | Budgeted<br>Amounts<br><u>Final</u> | Actual<br>Amounts<br><u></u> | Variance with<br>Final Budget<br>Positive<br>(Negative)<br><u></u> |
|--|-------------------------------------|------------------------------|--|
| <b>REVENUES</b>  |                                     |                              |  |
| Taxes  | \$ 915,300                          | \$ 996,193                   | \$ 80,893  |
| Investment Income  | 5,000                               | 6,742                        | 1,742  |
| Other Revenue  | <u>-</u>                            | <u>54,537</u>                | <u>54,537</u>  |
| Total Revenues   | <u>920,300</u>                      | <u>1,057,472</u>             | <u>137,172</u>   |
| <b>EXPENDITURES</b>  |                                     |                              |  |
| Current:   |                                     |                              |  |
| Community Development  | 942,700                             | 989,112                      | (46,412)   |
| Capital Outlay   | <u>-</u>                            | <u>-</u>                     | <u>-</u>   |
| Total Expenditures   | <u>942,700</u>                      | <u>989,112</u>               | <u>(46,412)</u>  |
| Excess (Deficiency) of Revenues<br>Over (under) Expenditures | <u>(22,400)</u>                     | <u>68,360</u>                | <u>90,760</u>  |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                                     |                              |  |
| Transfers In   | <u>-</u>                            | <u>-</u>                     | <u>-</u>   |
| Total Other Financing Sources (Uses)                         | <u>-</u>                            | <u>-</u>                     | <u>-</u>   |
| Net Change in Fund Balances                                  | (22,400)                            | 68,360                       | 90,760   |
| Fund Balance, Beginning of Year                              | <u>783,727</u>                      | <u>783,727</u>               | <u>-</u>   |
| Fund Balance, End of Year                                    | <u><u>\$ 761,327</u></u>            | <u><u>\$ 852,087</u></u>     | <u><u>\$ 90,760</u></u>  |

**City of La Puente**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - HSIP Grant**  
Year Ended June 30, 2023

|  | Budgeted<br>Amounts<br>Final | Actual<br>Amounts | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|------------------------------|-------------------|---|
| <b>REVENUES</b>  |                              |                   |   |
| Intergovernmental  | \$ 786,000                   | \$ 3,900          | \$ (782,100)  |
| Investment Income  | -                            | -                 | -   |
| Total Revenues   | 786,000                      | 3,900             | (782,100)   |
| <b>EXPENDITURES</b>  |                              |                   |   |
| Current:   |                              |                   |   |
| Public Works   | -                            | -                 | -   |
| Capital Outlay   | 786,000                      | 4,105             | 781,895   |
| Total Expenditures   | 786,000                      | 4,105             | 781,895   |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | -                            | (205)             | (205)   |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                              |                   |   |
| Transfers In   | -                            | -                 | -   |
| Total Other Financing Sources (Uses)                         | -                            | -                 | -   |
| Net Change in Fund Balances                                  | -                            | (205)             | (205)   |
| Fund Balance, Beginning of Year                              | -                            | -                 | -   |
| Fund Balance, End of Year                                    | \$ -                         | \$ (205)          | \$ (205)  |

**City of La Puente**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Capital Projects Fund**  
Year Ended June 30, 2023

|  | Budgeted<br>Amounts<br>Final | Actual<br>Amounts       | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|------------------------------|-------------------------|---|
| <b>REVENUES</b>  |                              |                         |   |
| Investment Income  | \$ -                         | \$ 37                   | \$ 37   |
| Total Revenues   | <u>-</u>                     | <u>37</u>               | <u>37</u>   |
| <b>EXPENDITURES</b>  |                              |                         |   |
| Capital Outlay   | 607,100                      | 1,752,277               | (1,145,177)   |
| Debt Service:  |                              |                         |   |
| Bond Issuance Costs  | -                            | -                       | -   |
| Interest and Fiscal Charges                                  | -                            | 4,213                   | (4,213)   |
| Principal  | 53,500                       | 49,074                  | 4,426   |
| Total Expenditures   | <u>660,600</u>               | <u>1,805,564</u>        | <u>(1,144,964)</u>                                      |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | <u>(660,600)</u>             | <u>(1,805,527)</u>      | <u>(1,144,927)</u>                                      |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                              |                         |   |
| Transfers In   | 53,300                       | 580,030                 | 526,730   |
| Transfers Out  | -                            | (15,382)                | (15,382)  |
| Issuance of Debt   | <u>-</u>                     | <u>-</u>                | <u>-</u>  |
| Total Other Financing Sources (Uses)                         | <u>53,300</u>                | <u>564,648</u>          | <u>511,348</u>  |
| Net Change in Fund Balances                                  | (607,300)                    | (1,240,879)             | (633,579)   |
| Fund Balance, Beginning of Year                              | <u>1,272,615</u>             | <u>1,272,615</u>        | <u>-</u>  |
| Fund Balance, End of Year                                    | <u><u>\$ 665,315</u></u>     | <u><u>\$ 31,736</u></u> | <u><u>\$ (633,579)</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, 2023

|  | Budgeted<br>Amounts<br>Final | Actual<br>Amounts | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|------------------------------|-------------------|---|
| <b>REVENUES</b>  |                              |                   |   |
| Investment Income  | \$ -                         | \$ 42             | \$ 42   |
| Total Revenues   | -                            | 42                | 42  |
| <b>EXPENDITURES</b>  |                              |                   |   |
| Capital Outlay   | 1,065,300                    | 142,270           | 923,030   |
| Total Expenditures   | 1,065,300                    | 142,270           | 923,030   |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | (1,065,300)                  | (142,228)         | 923,072   |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                              |                   |   |
| Transfers In   | -                            | -                 | -   |
| Total Other Financing Sources (Uses)                         | -                            | -                 | -   |
| Net Change in Fund Balances                                  | (1,065,300)                  | (142,228)         | 923,072   |
| Fund Balance, Beginning of Year                              | 810,855                      | 810,855           | -   |
| Fund Balance, End of Year                                    | \$ (254,445)                 | \$ 668,627        | \$ 923,072  |

**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, 2023

|  | Budgeted<br>Amounts<br>Final | Actual<br>Amounts | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|------------------------------|-------------------|---|
| <b>REVENUES</b>  |                              |                   |   |
| Investment Income  | \$ -                         | \$ 18             | \$ 18   |
| Total Revenues   | -                            | 18                | 18  |
| <b>EXPENDITURES</b>  |                              |                   |   |
| Capital Outlay   | 613,200                      | 142,270           | 470,930   |
| Total Expenditures   | 613,200                      | 142,270           | 470,930   |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | (613,200)                    | (142,252)         | 470,948   |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                              |                   |   |
| Transfers In   | -                            | -                 | -   |
| Total Other Financing Sources (Uses)                         | -                            | -                 | -   |
| Net Change in Fund Balances                                  | (613,200)                    | (142,252)         | 470,948   |
| Fund Balance, Beginning of Year                              | 361,075                      | 361,075           | -   |
| Fund Balance, End of Year                                    | \$ (252,125)                 | \$ 218,823        | \$ 470,948  |

**City of La Puente**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Citywide Debt Service Fund**  
Year Ended June 30, 2023

|  | Budgeted<br>Amounts<br>Final | Actual<br>Amounts | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|------------------------------|-------------------|---|
| <b>REVENUES</b>  |                              |                   |   |
| Investment Income  | \$ -                         | \$ -              | \$ -  |
| Total Revenues   | -                            | -                 | -   |
| <b>EXPENDITURES</b>  |                              |                   |   |
| Debt Service:  |                              |                   |   |
| Interest and Fiscal Charges                                  | 346,700                      | 346,699           | 1   |
| Principal  | 397,100                      | 397,102           | (2)   |
| Total Expenditures   | 743,800                      | 743,801           | (1)   |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | (743,800)                    | (743,801)         | (1)   |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                              |                   |   |
| Transfers In   | 743,800                      | 743,801           | 1   |
| Total Other Financing Sources (Uses)                         | 743,800                      | 743,801           | 1   |
| 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 - 2019A Measure M Debt Service Fund**  
Year Ended June 30, 2023

|  | Budgeted<br>Amounts<br>Final | Actual<br>Amounts | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|------------------------------|-------------------|---|
| <b>REVENUES</b>  |                              |                   |   |
| Investment Income  | \$ -                         | \$ -              | \$ -  |
| Total Revenues   | -                            | -                 | -   |
| <b>EXPENDITURES</b>  |                              |                   |   |
| Debt Service:  |                              |                   |   |
| Interest and Fiscal Charges                                  | 112,800                      | 112,838           | (38)  |
| Principal  | 150,000                      | 150,000           | -   |
| Total Expenditures   | 262,800                      | 262,838           | (38)  |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | (262,800)                    | (262,838)         | (38)  |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                              |                   |   |
| Transfers In   | 262,800                      | 262,838           | 38  |
| Total Other Financing Sources (Uses)                         | 262,800                      | 262,838           | 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, 2023

|  | Budgeted<br>Amounts<br>Final | Actual<br>Amounts | Variance with<br>Final Budget<br>Positive<br>(Negative) |
|--|------------------------------|-------------------|---|
| <b>REVENUES</b>  |                              |                   |   |
| Investment Income  | \$ -                         | \$ -              | \$ -  |
| Total Revenues   | -                            | -                 | -   |
| <b>EXPENDITURES</b>  |                              |                   |   |
| Debt Service:  |                              |                   |   |
| Interest and Fiscal Charges                                  | 100,400                      | 100,400           | -   |
| Principal  | 135,000                      | 135,000           | -   |
| Total Expenditures   | 235,400                      | 235,400           | -   |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | (235,400)                    | (235,400)         | -   |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                              |                   |   |
| Transfers In   | 235,400                      | 235,400           | -   |
| Total Other Financing Sources (Uses)                         | 235,400                      | 235,400           | -   |
| 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, 2023**

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   | 101          |
| <u>Revenue Capacity</u> these schedules contain information to help the reader assess the City's most significant local revenue source, the property tax   | 112          |
| <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                            | 116          |
| <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                                    | 120          |
| <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 | 123          |

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

|   | Fiscal Year          |                      |                      |                      |
|---|----------------------|----------------------|----------------------|----------------------|
|   | 2014                 | 2015                 | 2016                 | 2017                 |
| <b>Governmental Activities:</b>             |                      |                      |                      |                      |
| Net investment in capital assets            | \$ 27,186,259        | \$ 27,804,320        | \$ 27,632,187        | \$ 26,447,434        |
| Restricted for:                             |                      |                      |                      |                      |
| Public Safety                               | 38,823               | 30,021               | 23,020               | 19,638               |
| Public Works                                | 2,278,943            | 2,934,848            | 1,585,690            | 1,606,651            |
| Community Development                       | 723,622              | 1,041,358            | 1,310,428            | 2,061,170            |
| Housing                                     | -                    | -                    | -                    | -                    |
| Street Projects                             | -                    | -                    | -                    | -                    |
| Total Restricted                            | 3,041,388            | 4,006,227            | 2,919,138            | 3,687,459            |
| Unrestricted                                | 5,316,550            | 15,107,425           | 17,428,553           | 16,917,773           |
| Total governmental activities net position  | <u>\$ 35,544,197</u> | <u>\$ 46,917,972</u> | <u>\$ 47,979,878</u> | <u>\$ 47,052,666</u> |
| <br><b>Business-type Activities</b>         |                      |                      |                      |                      |
| Net investment in capital assets            | \$ 2,070,787         | \$ 2,104,573         | \$ 2,148,360         | \$ 1,505,872         |
| Restricted                                  | 3,250,778            | 3,654,183            | 4,010,624            | 5,115,463            |
| Total business-type activities net position | <u>\$ 5,321,565</u>  | <u>\$ 5,758,756</u>  | <u>\$ 6,158,984</u>  | <u>\$ 6,621,335</u>  |
| <br><b>Primary Government</b>               |                      |                      |                      |                      |
| Net investment in capital assets            | \$ 29,257,046        | \$ 29,908,893        | \$ 29,780,547        | \$ 27,953,306        |
| Restricted                                  | 6,292,166            | 7,660,410            | 6,929,762            | 8,802,922            |
| Unrestricted                                | 5,316,550            | 15,107,425           | 17,428,553           | 16,917,773           |
| Total Primary Government Net Position       | <u>\$ 40,865,762</u> | <u>\$ 52,676,728</u> | <u>\$ 54,138,862</u> | <u>\$ 53,674,001</u> |

Source: Statement of Net Position

| Fiscal Year          |                      |                      |                      |                      |                      |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| 2018                 | 2019                 | 2020                 | 2021                 | 2022                 | 2023                 |
| \$ 33,484,552        | \$ 33,313,131        | \$ 34,704,073        | \$ 38,528,613        | \$ 42,488,052        | \$ 45,311,834        |
| 19,924               | -                    | -                    | -                    | -                    | -                    |
| 1,025,664            | 1,692,971            | 2,019,337            | 1,797,385            | 2,569,994            | 2,225,714            |
| 4,479,500            | 465,431              | 588,724              | 444,356              | 960,587              | 644,684              |
| -                    | 1,594,037            | 1,666,795            | 1,747,011            | 1,817,453            | 1,904,728            |
| -                    | 3,029,306            | 5,066,769            | 1,524,428            | 3,945,973            | 5,757,889            |
| 5,525,088            | 6,781,745            | 9,341,625            | 5,513,180            | 9,294,007            | 10,533,015           |
| 16,458,039           | 18,697,664           | 20,263,419           | 23,624,236           | 26,693,694           | 29,962,886           |
| <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> | <u>\$ 85,807,735</u> |
| \$ 2,219,774         | \$ 2,372,895         | \$ 5,380,080         | \$ 6,616,010         | \$ 6,074,011         | \$ 6,165,403         |
| 4,935,754            | 5,540,306            | 3,218,292            | 1,919,592            | 2,318,783            | 2,589,890            |
| <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>  | <u>\$ 8,755,293</u>  |
| \$ 35,704,326        | \$ 35,686,026        | \$ 40,084,153        | \$ 45,144,623        | \$ 48,562,063        | \$ 51,477,237        |
| 10,460,842           | 12,322,051           | 12,559,917           | 7,432,772            | 11,612,790           | 13,122,905           |
| 16,458,039           | 18,697,664           | 20,263,419           | 23,624,236           | 26,693,694           | 29,962,886           |
| <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> | <u>\$ 94,563,028</u> |

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

|   | Fiscal Year          |                      |                      |                      |
|---|----------------------|----------------------|----------------------|----------------------|
|   | 2014                 | 2015                 | 2016                 | 2017                 |
| <b>Expenses</b>                                 |                      |                      |                      |                      |
| Governmental activities:                        |                      |                      |                      |                      |
| General Government                              | \$ 3,480,756         | \$ 2,422,592         | \$ 2,040,261         | \$ 3,344,530         |
| Public Safety                                   | 5,000,488            | 5,563,600            | 5,845,736            | 6,110,053            |
| Public Works                                    | 2,276,659            | 1,045,925            | 1,028,734            | 2,653,875            |
| Recreation/Senior Services                      | 1,772,731            | 1,910,777            | 2,049,066            | 2,085,167            |
| Community Development                           | 2,637,299            | 2,618,301            | 3,897,493            | 2,504,463            |
| Interest on Long-Term Debt                      | 330,960              | 229,495              | 244,320              | 336,720              |
| Total governmental activities expenses          | <u>15,498,893</u>    | <u>13,790,690</u>    | <u>15,105,610</u>    | <u>17,034,808</u>    |
| Business-type activities:                       |                      |                      |                      |                      |
| Sewer Maintenance                               | 760,016              | 927,904              | 963,029              | 900,170              |
| Total business-type activities expenses         | <u>760,016</u>       | <u>927,904</u>       | <u>963,029</u>       | <u>900,170</u>       |
| Total primary government expenses               | <u>\$ 16,258,909</u> | <u>\$ 14,718,594</u> | <u>\$ 16,068,639</u> | <u>\$ 17,934,978</u> |
| <b>Program Revenue</b>                          |                      |                      |                      |                      |
| Governmental activities:                        |                      |                      |                      |                      |
| Charges for services:                           |                      |                      |                      |                      |
| General Government                              | \$ 60,688            | \$ 435,660           | \$ 507,302           | \$ 284,416           |
| Public Safety                                   | 498,247              | 459,251              | 319,773              | 496,926              |
| Public Works                                    | 197,430              | -                    | -                    | 3,945                |
| Recreation/Senior Services                      | 265,538              | 272,093              | 202,313              | 188,577              |
| Community Development                           | 743,979              | 674,198              | 1,060,915            | 986,792              |
| Operating Grants and Contributions              | 2,142,823            | 1,734,036            | 1,818,607            | 649,068              |
| Capital Grants and Contributions                | 1,919,871            | 2,333,169            | 2,413,878            | 2,755,890            |
| Total governmental activities program revenues  | <u>5,828,576</u>     | <u>5,908,407</u>     | <u>6,322,788</u>     | <u>5,365,614</u>     |
| Business-type activities:                       |                      |                      |                      |                      |
| Charges for services:                           | <u>1,347,146</u>     | <u>1,325,685</u>     | <u>1,323,874</u>     | <u>1,302,664</u>     |
| Total business-type activities program revenues | <u>1,347,146</u>     | <u>1,325,685</u>     | <u>1,323,874</u>     | <u>1,302,664</u>     |
| Total primary government program revenues       | <u>\$ 7,175,722</u>  | <u>\$ 7,234,092</u>  | <u>\$ 7,646,662</u>  | <u>\$ 6,668,278</u>  |

| Fiscal Year          |                      |                      |                      |                      |                      |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| 2018                 | 2019                 | 2020                 | 2021                 | 2022                 | 2023                 |
| \$ 2,414,218         | \$ 2,614,669         | \$ 2,716,718         | \$ 3,102,274         | \$ 1,332,903         | \$ 4,207,043         |
| 7,039,317            | 7,210,847            | 7,714,703            | 8,117,393            | 9,408,249            | 9,716,603            |
| 3,235,695            | 2,482,313            | 2,438,985            | 5,086,569            | 2,215,979            | 3,950,448            |
| 1,994,224            | 2,056,944            | 2,159,441            | 2,130,122            | 2,504,741            | 4,269,848            |
| 3,329,047            | 3,288,029            | 3,790,988            | 4,292,118            | 4,904,341            | 8,077,736            |
| -                    | 19,021               | 153,881              | 298,426              | 553,899              | 528,814              |
| <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>    | <u>30,750,492</u>    |
| 862,198              | 855,985              | 804,470              | 1,525,210            | 849,464              | 1,010,037            |
| <u>862,198</u>       | <u>855,985</u>       | <u>804,470</u>       | <u>1,525,210</u>     | <u>849,464</u>       | <u>1,010,037</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> | <u>\$ 31,760,529</u> |
|                      |                      |                      |                      |                      |                      |
| \$ 289,146           | \$ 234,071           | \$ 285,480           | \$ 236,290           | \$ 187,548           | \$ 199,444           |
| 704,424              | 459,802              | 439,926              | 353,068              | 543,266              | 639,619              |
| 5,462                | 27,686               | 136,967              | 16,589               | 18,283               | 58,951               |
| 180,884              | 201,109              | 125,342              | -                    | 52,926               | 181,058              |
| 1,297,749            | 1,432,878            | 1,485,737            | 1,186,903            | 1,160,960            | 1,425,281            |
| 812,396              | 623,826              | 743,530              | 1,418,905            | 3,117,742            | 8,256,074            |
| 4,189,959            | 4,190,243            | 5,360,957            | 6,127,848            | 10,241,303           | 9,900,343            |
| <u>7,480,020</u>     | <u>7,169,615</u>     | <u>8,577,939</u>     | <u>9,339,603</u>     | <u>15,322,028</u>    | <u>20,660,770</u>    |
| 1,325,479            | 1,519,628            | 1,394,987            | 1,413,471            | 1,323,815            | 1,349,215            |
| <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>1,349,215</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> | <u>\$ 22,009,985</u> |

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

|   | Fiscal Year           |                       |                        |                        |
|---|-----------------------|-----------------------|------------------------|------------------------|
|   | 2014                  | 2015                  | 2016                   | 2017                   |
| <b>Net (Expense)/Revenue</b>  |                       |                       |                        |                        |
| Government activities   | \$ (7,882,283)        | \$ (8,782,822)        | \$ (11,669,194)        | \$ (10,532,481)        |
| Business-type activities  | 397,781               | 360,845               | 402,494                | 463,281                |
| Total primary government net expense  | <u>\$ (7,484,502)</u> | <u>\$ (8,421,977)</u> | <u>\$ (11,266,700)</u> | <u>\$ (10,069,200)</u> |
| <b>General Revenues and Other Changes in Net Position</b>                             |                       |                       |                        |                        |
| Governmental activities:  |                       |                       |                        |                        |
| Taxes:  |                       |                       |                        |                        |
| Property Taxes  | \$ 4,793,494          | \$ 4,996,279          | \$ 5,336,924           | \$ 5,960,936           |
| Franchise Taxes   | 942,507               | 974,152               | 888,514                | 941,026                |
| Sales Taxes   | 1,782,617             | 2,040,668             | 2,593,802              | 3,060,517              |
| Property Transfer Tax   | 52,324                | 53,669                | 84,006                 | 75,968                 |
| Transient Occupancy Taxes   | 192,100               | 207,306               | 227,690                | 240,696                |
| Business License Taxes  | 92,207                | 91,025                | 98,671                 | 119,792                |
| In-Lieu Sales Tax   | 572,155               | 612,837               | 616,383                | -                      |
| Total taxes   | <u>8,427,404</u>      | <u>8,975,936</u>      | <u>9,845,990</u>       | <u>10,398,935</u>      |
| Intergovernmental   | 124,139               | -                     | -                      | -                      |
| Investment Income   | 114,002               | 423,177               | 569,168                | 260,984                |
| Miscellaneous Revenues  | 98,793                | 284,213               | 493,306                | 82,063                 |
| Transfers   | -                     | -                     | -                      | -                      |
| Total Governmental activities   | <u>8,764,338</u>      | <u>9,683,326</u>      | <u>10,908,464</u>      | <u>10,741,982</u>      |
| Special Item - Distribution from Los Angeles County for Lighting Maintenance District | -                     | -                     | -                      | -                      |
| Business-type activities:   |                       |                       |                        |                        |
| Total business-type activities  | <u>20,201</u>         | <u>39,410</u>         | <u>39,383</u>          | <u>59,857</u>          |
| Total primary government  | <u>\$ 8,784,539</u>   | <u>\$ 9,722,736</u>   | <u>\$ 10,947,847</u>   | <u>\$ 10,801,839</u>   |
| <b>Change in Net Position</b>   |                       |                       |                        |                        |
| Governmental activities   | \$ 882,055            | \$ 900,504            | \$ (760,730)           | \$ 209,501             |
| Business-type activities  | 417,982               | 400,255               | 441,877                | 523,138                |
| Prior Period Adjustments  | -                     | 9,572,732             | (1,063,736)            | -                      |
| Total primary government  | <u>\$ 1,300,037</u>   | <u>\$ 10,873,491</u>  | <u>\$ (1,382,589)</u>  | <u>\$ 732,639</u>      |

Source: Statement of Activities



| Fiscal Year           |                       |                       |                        |                       |                       |
|-----------------------|-----------------------|-----------------------|------------------------|-----------------------|-----------------------|
| 2018                  | 2019                  | 2020                  | 2021                   | 2022                  | 2023                  |
| \$ (10,502,208)       | \$ (10,502,208)       | \$ (10,396,777)       | \$ (13,687,299)        | \$ (5,598,084)        | \$ (10,089,722)       |
| 663,643               | 663,643               | 590,517               | (111,739)              | 474,351               | 339,178               |
| <u>\$ (9,838,565)</u> | <u>\$ (9,838,565)</u> | <u>\$ (9,806,260)</u> | <u>\$ (13,799,038)</u> | <u>\$ (5,123,733)</u> | <u>\$ (9,750,544)</u> |
|                       |                       |                       |                        |                       |                       |
| \$ 6,681,270          | \$ 7,014,532          | \$ 7,391,137          | \$ 7,756,848           | \$ 8,081,850          | \$ 8,587,483          |
| 1,023,365             | 1,024,742             | 1,000,525             | 1,059,799              | 1,113,913             | 1,230,870             |
| 3,150,107             | 4,082,950             | 5,928,799             | 7,065,541              | 7,452,307             | 7,016,290             |
| 86,091                | 66,951                | 63,652                | 70,989                 | 101,229               | 68,608                |
| 238,611               | 240,783               | 217,209               | 205,661                | 282,519               | 273,649               |
| 120,357               | 144,822               | 146,475               | 149,476                | 173,166               | 168,172               |
| -                     | -                     | -                     | -                      | -                     | -                     |
| <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>     | <u>17,345,072</u>     |
|                       |                       |                       |                        |                       |                       |
| -                     | -                     | -                     | -                      | -                     | -                     |
| 246,179               | 943,308               | 1,009,858             | 577,290                | (1,472,969)           | (49,336)              |
| 43,880                | 308,981               | 155,699               | 158,607                | 39,954                | 125,968               |
| -                     | -                     | -                     | -                      | 635,839               | -                     |
| <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>     | <u>17,421,704</u>     |
|                       |                       |                       |                        |                       |                       |
| 9,484,683             | -                     | -                     | -                      | -                     | -                     |
|                       |                       |                       |                        |                       |                       |
| 70,912                | 94,030                | 94,654                | 48,969                 | (617,159)             | 23,321                |
| <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>  | <u>\$ 17,445,025</u>  |
|                       |                       |                       |                        |                       |                       |
| \$ 10,572,335         | \$ 3,324,861          | \$ 5,516,577          | \$ 3,356,912           | \$ 10,809,724         | \$ 7,331,982          |
| 734,555               | 757,673               | 685,171               | (62,770)               | (142,808)             | 362,499               |
| (2,127,049)           | -                     | -                     | -                      | -                     | -                     |
| <u>\$ 9,179,841</u>   | <u>\$ 4,082,534</u>   | <u>\$ 6,201,748</u>   | <u>\$ 3,294,142</u>    | <u>\$ 10,666,916</u>  | <u>\$ 7,694,481</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      |
|-------------|--------------|-----------|---------------|-----------------------|---------------------------|------------------------|-------------------|------------|
| 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 |
| 2023        | 8,587,483    | 7,016,290 | 1,230,870     | 68,608                | 273,649                   | 168,172                | -                 | 17,345,072 |

Source: Statement of Activities

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

|                                     | Fiscal Year         |                      |                      |                      |
|-------------------------------------|---------------------|----------------------|----------------------|----------------------|
|                                     | 2014                | 2015                 | 2016                 | 2017                 |
| <b>General Fund</b>                 |                     |                      |                      |                      |
| Reserved                            | \$ -                | \$ -                 | \$ -                 | \$ -                 |
| Unreserved                          | -                   | -                    | -                    | -                    |
| Total General Fund                  | <u>\$ -</u>         | <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ -</u>          |
| <b>All other governmental funds</b> |                     |                      |                      |                      |
| Reserved                            | \$ -                | \$ -                 | \$ -                 | \$ -                 |
| Unreserved, reported in:            |                     |                      |                      |                      |
| Special Revenue Funds               | -                   | -                    | -                    | -                    |
| Debt Service Fund                   | -                   | -                    | -                    | -                    |
| Capital Projects Funds              | -                   | -                    | -                    | -                    |
| Total all other governmental funds  | <u>\$ -</u>         | <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ -</u>          |
| <b>General Fund</b>                 |                     |                      |                      |                      |
| Nonspendable                        | \$ 1,103,523        | \$ 12,741,849        | \$ 11,813,032        | \$ 12,260,207        |
| Restricted                          | -                   | -                    | -                    | -                    |
| Unrestricted:                       |                     |                      |                      |                      |
| Unassigned                          |                     |                      |                      |                      |
| General Fund                        | <u>4,908,111</u>    | <u>5,317,486</u>     | <u>7,906,933</u>     | <u>7,191,875</u>     |
| Total Fund Balances                 | <u>\$ 6,011,634</u> | <u>\$ 18,059,335</u> | <u>\$ 19,719,965</u> | <u>\$ 19,452,082</u> |
| <b>All other governmental funds</b> |                     |                      |                      |                      |
| Nonspendable                        | \$ -                | \$ -                 | \$ -                 | \$ -                 |
| Restricted                          | 3,041,388           | 4,025,952            | 3,834,966            | 3,845,909            |
| Unrestricted:                       |                     |                      |                      |                      |
| Unassigned                          | <u>-</u>            | <u>(132,247)</u>     | <u>(399,754)</u>     | <u>(2,107)</u>       |
|                                     | <u>\$ 3,041,388</u> | <u>\$ 3,893,705</u>  | <u>\$ 3,435,212</u>  | <u>\$ 3,843,802</u>  |

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

Source: Balance Sheets - Governmental Funds

| Fiscal Year          |                      |                      |                      |                      |                      |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| 2018                 | 2019                 | 2020                 | 2021                 | 2022                 | 2023                 |
| \$ -                 | \$ -                 | \$ -                 | \$ -                 | \$ -                 | \$ -                 |
| -                    | -                    | -                    | -                    | -                    | -                    |
| <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ -</u>          |
| \$ -                 | \$ -                 | \$ -                 | \$ -                 | \$ -                 | \$ -                 |
| -                    | -                    | -                    | -                    | -                    | -                    |
| -                    | -                    | -                    | -                    | -                    | -                    |
| -                    | -                    | -                    | -                    | -                    | -                    |
| <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ -</u>          | <u>\$ -</u>          |
| \$ 11,374,648        | \$ 11,480,704        | \$ 10,788,035        | \$ 10,447,055        | \$ 10,162,906        | \$ 9,869,709         |
| -                    | -                    | -                    | -                    | -                    | -                    |
| 7,997,394            | 9,772,265            | 14,055,671           | 16,431,295           | 15,915,585           | 20,796,132           |
| <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> | <u>\$ 30,665,841</u> |
| \$ -                 | \$ -                 | \$ 10,058            | \$ 9,737             | \$ 10,703            | \$ 18,421            |
| 7,008,355            | 8,323,281            | 16,200,511           | 13,416,579           | 12,036,237           | 12,318,131           |
| (65,750)             | (4,976)              | (678,077)            | (93,053)             | (4,425,755)          | (1,935,598)          |
| <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>  | <u>\$ 10,400,954</u> |

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

|   | Fiscal Year         |                       |                      |                      |
|---|---------------------|-----------------------|----------------------|----------------------|
|   | 2013                | 2014                  | 2016                 | 2017                 |
| <b>Revenues:</b>  |                     |                       |                      |                      |
| Taxes   | \$ 8,283,451        | \$ 8,427,404          | \$ 9,747,319         | \$ 10,346,934        |
| Licenses and Permits                                    | 393,005             | 489,130               | 637,990              | 654,710              |
| Intergovernmental                                       | 4,348,679           | 4,577,580             | 4,369,861            | 3,476,390            |
| Charges for Services                                    | 942,820             | 933,451               | 1,108,498            | 938,295              |
| Fines and Forfeitures                                   | 399,365             | 339,929               | 390,778              | 355,900              |
| Investment Income                                       | 43,903              | 225,279               | 215,115              | (40,600)             |
| Other revenue   | 43,150              | 95,209                | 493,306              | 71,899               |
| Total revenues  | <u>14,454,373</u>   | <u>\$ 15,087,982</u>  | <u>\$ 16,962,867</u> | <u>\$ 15,803,528</u> |
| <b>Expenditures:</b>                                    |                     |                       |                      |                      |
| General Government                                      | 2,441,815           | 3,406,585             | 1,719,259            | 2,149,723            |
| Public Safety   | 4,873,055           | 5,000,763             | 5,845,736            | 6,110,053            |
| Public Works  | 1,305,707           | 1,625,091             | 1,128,999            | 1,223,303            |
| Recreation/Senior Services                              | 878,004             | 958,390               | 1,488,370            | 1,278,994            |
| Community Development                                   | 1,940,182           | 2,488,043             | 2,011,353            | 2,464,330            |
| Capital Outlay  | 2,369,863           | 2,138,224             | 3,089,542            | 2,737,027            |
| Debt Service:   |                     |                       |                      |                      |
| Interest & Fiscal Charges                               | 588,235             | 158,195               | 254,320              | 346,640              |
| Principal   | 670,659             | 1,055,000             | 625,000              | 620,000              |
| Cost of Issuance  | -                   | -                     | -                    | -                    |
| Total expenditures                                      | <u>15,067,520</u>   | <u>16,830,291</u>     | <u>16,162,579</u>    | <u>16,930,070</u>    |
| Excess of revenues                                      |                     |                       |                      |                      |
| over (under) expenditures                               | <u>(613,147)</u>    | <u>(1,742,309)</u>    | <u>800,288</u>       | <u>(1,126,542)</u>   |
| Other Financing Sources (Uses)                          |                     |                       |                      |                      |
| Debt Issuance   | 9,945,000           | -                     | -                    | -                    |
| Loan Proceeds   | (9,411,765)         | -                     | 421,574              | 1,267,249            |
| Premium on Bonds  | -                   | -                     | -                    | -                    |
| Transfers In  | 196,390             | 697,503               | 2,862                | 133,727              |
| Transfers Out   | <u>(296,390)</u>    | <u>(697,503)</u>      | <u>(2,862)</u>       | <u>(133,727)</u>     |
| Total Other Financing                                   |                     |                       |                      |                      |
| Sources (Uses)  | 433,235             | -                     | 421,574              | 1,267,249            |
| Special / Extraordinary Items                           |                     |                       |                      |                      |
| Distribution from LA County for LLMD                    | -                   | -                     | -                    | -                    |
| Total Special / Extraordinary Items                     | <u>-</u>            | <u>-</u>              | <u>-</u>             | <u>-</u>             |
| <b>Net change in fund balances</b>                      | <u>\$ (179,912)</u> | <u>\$ (1,742,309)</u> | <u>\$ 1,221,862</u>  | <u>\$ 140,707</u>    |
| Debt service as a percentage of noncapital expenditures | 9.74%               | 8.31%                 | 6.13%                | 6.55%                |

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

| Fiscal Year          |                      |                      |                      |                       |                      |
|----------------------|----------------------|----------------------|----------------------|-----------------------|----------------------|
| 2018                 | 2019                 | 2020                 | 2021                 | 2022                  | 2023                 |
| \$ 11,234,442        | \$ 12,487,322        | \$ 14,659,701        | \$ 16,218,138        | \$ 17,091,807         | \$ 17,240,101        |
| 968,625              | 917,616              | 845,245              | 860,542              | 735,741               | 968,739              |
| 4,979,909            | 4,885,384            | 5,473,867            | 7,420,586            | 9,098,679             | 20,672,218           |
| 1,125,664            | 1,135,489            | 1,258,641            | 747,198              | 814,512               | 1,004,804            |
| 334,811              | 351,735              | 300,067              | 253,437              | 422,109               | 530,934              |
| (42,381)             | 685,509              | 819,480              | 270,485              | (1,834,314)           | (276,323)            |
| 27,633               | 283,856              | 155,776              | 87,404               | 34,090                | 108,973              |
| <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>  | <u>\$ 40,249,446</u> |
| 2,388,937            | 2,582,672            | 2,523,190            | 10,840,427           | 2,914,249             | 2,892,859            |
| 7,039,317            | 7,210,847            | 7,714,703            | 8,117,393            | 9,408,249             | 9,716,603            |
| 1,350,238            | 1,415,086            | 1,771,627            | 1,998,352            | 2,013,832             | 2,156,831            |
| 1,207,305            | 1,266,993            | 1,414,574            | 1,386,410            | 1,587,332             | 1,903,282            |
| 3,277,699            | 3,247,896            | 3,445,500            | 4,261,951            | 5,648,563             | 7,466,550            |
| 2,672,579            | 1,588,158            | 2,956,929            | 6,761,328            | 13,738,685            | 7,161,815            |
| 37,281               | 19,021               | 134,262              | 321,676              | 482,503               | 564,150              |
| 7,204,097            | 189,721              | 413,591              | 313,752              | 692,586               | 731,176              |
| -                    | -                    | 143,849              | 230,965              | 47,418                | -                    |
| <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>32,593,266</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>   | <u>7,656,180</u>     |
| -                    | -                    | 7,380,000            | 8,517,708            | 3,758,856             | -                    |
| 82,830               | 30,110               | -                    | -                    | -                     | -                    |
| -                    | -                    | 430,372              | -                    | -                     | -                    |
| 331,841              | 321,604              | 628,647              | 910,821              | 1,327,101             | 6,787,044            |
| <u>(331,841)</u>     | <u>(321,604)</u>     | <u>(628,647)</u>     | <u>(1,218,650)</u>   | <u>(1,427,101)</u>    | <u>(7,076,105)</u>   |
| 82,830               | 30,110               | 7,810,372            | 8,209,879            | 3,658,856             | (289,061)            |
| 9,484,683            | -                    | -                    | -                    | -                     | -                    |
| <u>9,484,683</u>     | <u>-</u>             | <u>-</u>             | <u>-</u>             | <u>-</u>              | <u>-</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> | <u>\$ 7,367,119</u>  |
| 30.98%               | 1.30%                | 2.83%                | 2.01%                | 3.66%                 | 6.55%                |

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

| Fiscal<br>Year | Assessed Values |             |            |            | Less:<br>Tax Exempt | Total Taxable     | Total Direct<br>Tax Rate |
|----------------|-----------------|-------------|------------|------------|---------------------|-------------------|--------------------------|
|                | Residential     | Commercial  | Industrial | Other      |                     | Assessed<br>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%                 |
| 2023           | 2,318,429,535   | 381,334,391 | 36,637,958 | 69,876,365 | (8,383,449)         | 2,806,278,249     | 0.10105%                 |

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    |                |                |                |                |                |                |                |                |                |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
|   | 2013/14        | 2014/15        | 2015/16        | 2016/17        | 2017/18        | 2018/19        | 2019/20        | 2020/21        | 2021/22        | 2022/23        |
| <b>Basic Levy<sup>1</sup></b>                               | 1.00000        | 1.00000        | 1.00000        | 1.00000        | 1.00000        | 1.00000        | 1.00000        | 1.00000        | 1.00000        | 1.00000        |
| Bassett Unified School Dist                                 | 0.11632        | 0.11539        | 0.15770        | 0.16781        | 0.17443        | 0.16349        | 0.14196        | 0.14705        | 0.13911        | 0.13876        |
| Hacienda-La Puente Unified                                  | 0.06653        | 0.06432        | 0.06394        | 0.06600        | 0.10531        | 0.10706        | 0.08252        | 0.08261        | 0.08511        | 0.08491        |
| Metropolitan Water District                                 | 0.00350        | 0.00350        | 0.00350        | 0.00350        | 0.00035        | 0.00350        | 0.00350        | 0.00350        | 0.00350        | 0.00350        |
| Mt. San Antonio College                                     | 0.02023        | 0.02129        | 0.02154        | 0.02400        | 0.02371        | 0.02435        | 0.04781        | 0.04459        | 0.04608        | 0.04267        |
| Rowland Heights Unified                                     | 0.12297        | 0.14313        | 0.12426        | 0.10939        | 0.11841        | 0.11861        | 0.10760        | 0.10905        | 0.00000        | 0.00000        |
| Rowland USD DS 2012 Series B                                | 0.00000        | 0.00000        | 0.00000        | 0.01505        | 0.00000        | 0.00000        | 0.00000        | 0.00000        | 0.11128        | 0.10909        |
| West Covina Unified   | 0.03626        | 0.05412        | 0.04205        | 0.04914        | 0.09514        | 0.09795        | 0.08192        | 0.09980        | 0.07968        | 0.09317        |
| <b>Total Direct &amp; Overlapping<sup>2</sup> Tax Rates</b> | <b>1.36581</b> | <b>1.40175</b> | <b>1.41299</b> | <b>1.43489</b> | <b>1.52050</b> | <b>1.51496</b> | <b>1.46531</b> | <b>1.48659</b> | <b>1.46475</b> | <b>1.47210</b> |
| <br><b>City's Share of 1% Levy Per Prop 13<sup>3</sup></b>  | <br>0.06582    | <br>0.06582    | <br>0.06582    | <br>0.06582    | <br>0.10072    | <br>0.10072    | <br>0.10072    | <br>0.10072    | <br>0.10072    | <br>0.10072    |
| <b>Redevelopment Rate<sup>4</sup></b>                       | n/a            | n/a            | n/a            | n/a            | n/a            | n/a            | n/a            | n/a            | n/a            | n/a            |
| <b>Total Direct Rate<sup>5</sup></b>                        | 0.06478        | 0.06478        | 0.06491        | 0.06498        | 0.10187        | 0.10117        | 0.10223        | 0.10249        | 0.10107        | 0.10105        |

Notes:

<sup>1</sup>In 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.

<sup>2</sup>Overlapping 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.

<sup>3</sup>City'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.

<sup>4</sup>Redevelopment 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.

<sup>5</sup>Total 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 2013/14 - 2022/23 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>                     | 2013/14               |             |                                       | 2022/23               |             |                                       |
|-------------------------------------|-----------------------|-------------|---------------------------------------|-----------------------|-------------|---------------------------------------|
|                                     | Taxable<br><u>AV</u>  | <u>Rank</u> | % of<br>Total<br>Taxable<br><u>AV</u> | Taxable<br><u>AV</u>  | <u>Rank</u> | % of<br>Total<br>Taxable<br><u>AV</u> |
| Hacienda Plaza JPS LLC              | \$ 30,398,000         | 1           | 1.70%                                 | \$ 42,609,789         | 1           | 1.52%                                 |
| Camellia 19 LP                      | -                     | -           | -                                     | 34,722,886            | 2           | 1.24%                                 |
| Group X Rosemead Properties LP      | 22,133,709            | 2           | 1.24%                                 | 25,678,287            | 3           | 0.92%                                 |
| La Puente 104 LLC                   | -                     | -           | -                                     | 22,049,937            | 4           | 0.79%                                 |
| Laurala Limited                     | 11,251,808            | 7           | 0.63%                                 | 19,219,490            | 5           | 0.68%                                 |
| Haeri Hacienda Plaza LLC            | 15,456,927            | 3           | 0.87%                                 | 17,936,251            | 6           | 0.64%                                 |
| Unruh LLC                           | -                     | -           | -                                     | 16,538,644            | 7           | 0.59%                                 |
| 13925 E Amar Rd LLC                 | -                     | -           | -                                     | 14,392,308            | 8           | 0.51%                                 |
| Walnut Apartments                   | 11,048,226            | 8           | 0.62%                                 | 12,809,511            | 9           | 0.46%                                 |
| Wind Chime Properties LP            | 10,693,097            | 9           | 0.60%                                 | 12,408,284            | 10          | 0.44%                                 |
| Sunkist Shopping Center Limited     | 13,097,742            | 4           | 0.73%                                 | -                     | -           | -                                     |
| Jasmine Real Estate Investments LLC | 11,922,600            | 5           | 0.67%                                 | -                     | -           | -                                     |
| Villa Las Brisas LLC                | 11,743,986            | 6           | 0.66%                                 | -                     | -           | -                                     |
| Time Warner NY Cable LLC            | 8,392,492             | 10          | 0.47%                                 | -                     | -           | -                                     |
| Top Ten Total                       | <u>\$ 146,138,587</u> |             | <u>8.19%</u>                          | <u>\$ 218,365,387</u> |             | <u>7.79%</u>                          |
| City Total                          |                       |             |                                       |                       |             |                                       |

Source: HdL Coren & Cone

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

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| <u>Fiscal<br/>Year</u> | <u>Total Tax<br/>Levy <sup>(1)</sup></u> | <u>Current Tax<br/>Collections</u> | <u>Percent of<br/>Current Taxes<br/>Collected</u> | <u>Delinquent Tax<br/>Collections</u> | <u>Total Tax<br/>Collections</u> | <u>Percent of<br/>Total Tax<br/>Collections to<br/>Total Tax Levy</u> |
|------------------------|--|------------------------------------|---|---------------------------------------|----------------------------------|---|
| 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%   |
| 2023                   | 1,707,391                                | 1,570,564                          | 92.0%   | -                                     | 1,570,564                        | 92.0%   |

<sup>(1)</sup> 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<br>Year | Governmental Activities                        |                                       |                                      |                           |             | Business-Type<br>Activities | Total<br>Primary  | Percentage<br>of Personal   | Per                         |
|----------------|--|---------------------------------------|--------------------------------------|---------------------------|-------------|-----------------------------|-------------------|-----------------------------|-----------------------------|
|                | Tax<br>Allocation<br><u>Bond<sup>(1)</sup></u> | General<br>Obligation<br><u>Bonds</u> | Sales Tax<br>Revenue<br><u>Bonds</u> | Lease<br><u>Agreement</u> | <u>Loan</u> | Sewer<br><u>Bonds</u>       | <u>Government</u> | <u>Income<sup>(2)</sup></u> | <u>Capita<sup>(2)</sup></u> |
| 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                         |
| 2023           | -  | 11,505,789                            | 6,557,419                            | -                         | 1,227,615   | 6,970,000                   | 26,260,823        | 3.31%                       | 703                         |

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

<sup>1</sup> Debt is related to dissolved Community Development Commission

<sup>2</sup> 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, 2023**

| <u>Jurisdiction</u>                                      | <u>Net General<br/>Obligation Bonded<br/>Debt Outstanding</u> | <u>Percentage<br/>Applicable to<br/>City of La Puente</u> | <u>Net<br/>Bonded<br/>Debt</u> |
|--|---|---|--------------------------------|
| Direct Debt - City of La Puente:                         |   |   |                                |
| 2020 SERIES A CERTIFICATES OF PARTICIPATION              | \$ 7,791,933  | 100%  | \$ 7,791,933                   |
| 2022 SERIES A CERTIFICATES OF PARTICIPATION              | 3,713,856   | 100%  | 3,713,856                      |
| CITY OF INDUSTRY LOAN AGREEMENT                          | 1,227,615   | 100%  | 1,227,615                      |
| <b>Total Direct Debt</b>                                 |   |   | <b><u>12,733,404</u></b>       |
| Overlapping Tax & Assessment Debt:                       |   |   |                                |
| METROPOLITAN WATER DISTRICT                              | \$ 19,215,000   | 0.077%  | \$ 14,796                      |
| MT. SAN ANTONIO CCD                                      | 882,482,780   | 2.532   | 22,344,464                     |
| BASSETT USD  | 53,570,729  | 6.887   | 3,689,416                      |
| HACIENDA-LA PUENTE USD                                   | 107,050,000   | 13.818  | 14,792,169                     |
| ROWLAND USD  | 205,566,575   | 1.596   | 3,274,676                      |
| WEST COVINA USD  | 110,430,000   | 0.884   | 976,201                        |
| <b>Total Overlapping Tax &amp; Assessment Debt</b>       |   |   | <b><u>45,091,722</u></b>       |
| Overlapping General Fund Debt:                           |   |   |                                |
| LA COUNTY GENERAL FUND OBLIGATIONS                       | 2,601,551,282   | 0.0148%   | \$ 3,850,296                   |
| LA COUNTY SUPERINTENDENT OF SCHOOLS COPs                 | 3,403,487   | 0.148   | 5,037                          |
| MT. SAN ANTONIO CCD COPs                                 | 254,500,000   | 2.532   | 6,443,940                      |
| HACIENDA-LA PUENTE USD COPs                              | 62,168,780  | 13.818  | 8,590,482                      |
| WEST COVINA USD GENERAL FUND OBLIGATIONS                 | 13,963,000  | 0.886   | 123,712                        |
| LA COUNTY SANITATION DISTRICT NO. 15 AUTHORITY           | 795,080   | 2.715   | 21,586                         |
| LA COUNTY SANITATION DISTRICT NO. 21 AUTHORITY           | 468,639   | 0.737   | 3,454                          |
|  |   |   | <u>19,038,507</u>              |
| <br>Overlapping Tax & Assessment Debt (Successor Agency) | <br>2,845,000   | <br>100%  | <br><u>2,845,000</u>           |
| <b>Total Overlapping Debt</b>                            |   |   | <b><u>66,975,229</u></b>       |
| <b>Combined Total Direct and Overlapping Debt</b>        |   |   | <b><u>\$ 79,708,633</u></b>    |

2022/23 Assessed Valuation: \$2,806,278,249 after deducting \$246,108,183 incremental value.

Debt To Assessed Valuation Ratios:

|                  |       |
|------------------|-------|
| Direct Debt      | 0.45% |
| Overlapping Debt | 1.61% |
| Total Debt       | 2.84% |

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

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

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

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

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

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

|  | Fiscal Year           |                       |                       |                       |                       |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
|  | 2014                  | 2015                  | 2016                  | 2017                  | 2018                  |
| Debt Limit   | \$ 268,982,248        | \$ 282,421,686        | \$ 297,024,247        | \$ 316,031,828        | \$ 330,641,980        |
| Total net debt<br>applicable to limit                                      | -                     | -                     | -                     | -                     | -                     |
| Legal debt margin  | <u>\$ 268,982,248</u> | <u>\$ 282,421,686</u> | <u>\$ 297,024,247</u> | <u>\$ 316,031,828</u> | <u>\$ 330,641,980</u> |
| Total net debt applicable<br>to the limit as a percentage<br>of debt limit | 0%                    | 0%                    | 0%                    | 0%                    | 0%                    |

Source: HdL Coren & Cone; L.A. County Assessor 2022/23 Combined Tax Rolls

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| Fiscal Year           |                       |                       |                       |                       |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 2019                  | 2020                  | 2021                  | 2022                  | 2023                  |
| \$ 347,087,355        | \$ 364,360,251        | \$ 381,991,670        | \$ 399,418,508        | \$ 440,184,447        |
| -                     | -                     | 10,888,092            | 14,930,172            | 14,186,370            |
| <u>\$ 347,087,355</u> | <u>\$ 364,360,251</u> | <u>\$ 371,103,578</u> | <u>\$ 384,488,336</u> | <u>\$ 425,998,077</u> |
| 0%                    | 0%                    | 3%                    | 4%                    | 3%                    |

#### Legal Debt Margin Calculation for Fiscal Year 2023

|  |                              |
|--|------------------------------|
| Assessed value   | \$ 2,926,179,532             |
| Add back: exempt real property                                     | <u>8,383,449</u>             |
| Total assessed value   | 2,934,562,981                |
| Debt limit (15% of total assessed value)                           | 440,184,447                  |
| Debt applicable to limit:  |                              |
| General obligation bonds   | 14,186,370                   |
| Less: Amount set aside for repayment of<br>general obligation debt | <u>-</u>                     |
| Total net debt applicable to limit                                 | <u>14,186,370</u>            |
| Legal debt margin  | <u><u>\$ 425,998,077</u></u> |

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

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| <u>Calendar<br/>Year</u> | <u>Population</u> | <u>Personal<br/>Income<br/>(thousands of<br/>dollars)</u> | <u>Per<br/>Capita<br/>Personal<br/>Income</u> | <u>School<br/>Enrollment<sup>(1)</sup></u> | <u>Unemployment<br/>Rate</u> | <u>Median Age</u> |
|--------------------------|-------------------|---|---|--|------------------------------|-------------------|
| 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              |
| 2023                     | 37,356            | 868,415   | 23,247  | 16,206                                     | 4.7%                         | 35.4              |

Notes: <sup>(1)</sup> 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              | 2014         |        |                                  | 2015         |        |                                  |
|-----------------------|--------------|--------|----------------------------------|--------------|--------|----------------------------------|
|                       | # of<br>Emp. | Rank # | % of Total<br>City<br>Employment | # of<br>Emp. | Rank # | % of Total<br>City<br>Employment |
| Northgate Supermarket | 120          | 1      | 3.68%                            | 120          | 1      | 3.24%                            |
| Alert Insulation      | -            | -      | 0.00%                            | 88           | 2      | 2.38%                            |
| Walmart Stores Inc.   | -            | -      | 0.00%                            | 80           | 3      | 2.16%                            |
| Food 4 Less #369      | 75           | 3      | 2.30%                            | 75           | 4      | 2.03%                            |
| In And Out Burger     | -            | -      | 0.00%                            | 40           | 9      | 1.08%                            |
| Merritt's Hardware    | 43           | 7      | 1.32%                            | 43           | 8      | 1.16%                            |
| Ross Store            | 51           | 6      | 1.56%                            | 49           | 7      | 1.32%                            |
| Ed Butts Ford         | 59           | 5      | 1.81%                            | 59           | 6      | 1.59%                            |
| El Sushi Loco         | -            | -      | 0.00%                            | -            | -      | 0.00%                            |
| 99 Cents Only Stores  | 32           | 10     | 0.98%                            | 32           | -      | 0.86%                            |
| CVS Pharmacy #9629    | 35           | 9      | 1.07%                            | 35           | -      | 0.95%                            |
| Jack in the Box       | 32           | 10     | 0.98%                            | 32           | -      | 0.86%                            |
| Walgreens #05702      | 32           | 10     | 0.98%                            | -            | -      | 0.00%                            |
| Big Lots              | -            | -      | 0.00%                            | -            | -      | 0.00%                            |
| Bodega Latina Corp    | 80           | 2      | 2.45%                            | 80           | 3      | 2.16%                            |
| Big Saver Foods #12   | 60           | 4      | 1.84%                            | 60           | 5      | 1.62%                            |
| Burger King           | 37           | 8      | 1.13%                            | 37           | 10     | 1.00%                            |
| AJ Wright #218        | -            | -      | 0.00%                            | -            | -      | 0.00%                            |
| Others                | 2,608        | -      | 79.90%                           | 2,870        | -      | 77.57%                           |
| <b>Total</b>          | <b>3,264</b> |        | <b>100.00%</b>                   | <b>3,700</b> |        | <b>100.00%</b>                   |

| Employer              | 2019         |        |                                  | 2020         |        |                                  |
|-----------------------|--------------|--------|----------------------------------|--------------|--------|----------------------------------|
|                       | # of<br>Emp. | Rank # | % of Total<br>City<br>Employment | # of<br>Emp. | Rank # | % of Total<br>City<br>Employment |
| Northgate Supermarket | 118          | 1      | 2.90%                            | 112          | 1      | 3.01%                            |
| Bodega Latina Corp    | 111          | 2      | 2.72%                            | 111          | 2      | 2.99%                            |
| CAD Works, Inc.       | -            | -      | 0.00%                            | -            | -      | 0.00%                            |
| Alert Insulation      | 88           | 3      | 2.16%                            | 88           | 3      | 2.37%                            |
| Walmart Stores Inc.   | 80           | 4      | 1.96%                            | 80           | 4      | 2.15%                            |
| Food 4 Less #369      | 75           | 5      | 1.84%                            | 75           | 5      | 2.02%                            |
| Mc Donald's           | 68           | 6      | 1.67%                            | 68           | 6      | 1.83%                            |
| Merritt's Hardware    | 41           | -      | 1.01%                            | 41           | 10     | 1.10%                            |
| Ross Store            | 46           | 9      | 1.13%                            | 46           | 9      | 1.24%                            |
| Big Saver Foods #12   | 60           | 7      | 1.47%                            | 60           | 8      | 1.61%                            |
| Carpet King           | 36           | -      | 0.88%                            | 36           | -      | 0.97%                            |
| El Sushi Loco         | 43           | 10     | 1.06%                            | 26           | -      | 0.70%                            |
| In and Out Burger     | 40           | -      | 0.98%                            | 40           | -      | 1.08%                            |
| Ed Butts Ford         | 59           | 8      | 1.45%                            | 63           | 7      | 1.70%                            |
| CVS Pharmacy #9629    | 35           | -      | 0.86%                            | 35           | -      | 0.94%                            |
| Jack in the Box       | 34           | -      | 0.83%                            | 34           | -      | 0.91%                            |
| Taco Bell             | -            | -      | 0.00%                            | -            | -      | 0.00%                            |
| 99cents Only Stores   | 32           | -      | 0.79%                            | 30           | -      | 0.81%                            |
| R Ranch Market #11    | -            | -      | 0.00%                            | -            | -      | 0.00%                            |
| Burger King           | 18           | -      | 0.44%                            | 18           | -      | 0.48%                            |
| Others                | 3,091        | -      | 75.85%                           | 2,753        | -      | 74.09%                           |
| <b>Total</b>          | <b>4,075</b> |        | <b>100.00%</b>                   | <b>3,716</b> |        | <b>100.00%</b>                   |

Source: City Finance Department - Business License Division



| 2016         |        |                                  | 2017         |        |                                  | 2018         |        |                                  |
|--------------|--------|----------------------------------|--------------|--------|----------------------------------|--------------|--------|----------------------------------|
| # of<br>Emp. | Rank # | % of Total<br>City<br>Employment | # of<br>Emp. | Rank # | % of Total<br>City<br>Employment | # of<br>Emp. | Rank # | % of Total<br>City<br>Employment |
| 120          | 1      | 3.26%                            | 120          | 1      | 4.05%                            | 120          | 1      | 3.01%                            |
| 88           | 2      | 2.39%                            | 88           | 3      | 2.97%                            | 88           | 3      | 2.79%                            |
| 80           | 3      | 2.17%                            | 80           | 4      | 2.70%                            | 80           | 4      | 2.21%                            |
| 75           | 4      | 2.04%                            | 75           | 5      | 2.53%                            | 75           | 5      | 2.01%                            |
| 40           | 9      | 1.09%                            | 40           | -      | 1.35%                            | 40           | -      | 1.51%                            |
| 43           | 8      | 1.17%                            | 41           | 10     | 1.38%                            | 41           | 10     | 1.48%                            |
| 50           | 7      | 1.36%                            | 44           | 8      | 1.49%                            | 44           | 8      | 1.10%                            |
| 59           | 6      | 1.60%                            | 59           | 7      | 1.99%                            | 59           | 7      | 1.03%                            |
| 43           | 8      | 1.17%                            | 43           | 9      | 1.45%                            | 43           | 9      | 1.00%                            |
| 32           | -      | 0.87%                            | 32           | -      | 1.08%                            | 36           | -      | 0.90%                            |
| 35           | 10     | 0.95%                            | 35           | -      | 1.18%                            | 35           | -      | 0.88%                            |
| 32           | -      | 0.87%                            | 32           | -      | 1.08%                            | 34           | -      | 0.85%                            |
| -            | -      | 0.00%                            | -            | -      | 0.00%                            | 32           | -      | 0.80%                            |
| -            | -      | 0.00%                            | -            | -      | 0.00%                            | 18           | -      | 0.45%                            |
| 80           | 3      | 2.17%                            | 101          | 2      | 3.41%                            | 111          | 2      | 0.00%                            |
| 60           | 5      | 1.63%                            | 60           | 6      | 2.03%                            | 60           | 6      | 0.00%                            |
| 18           | -      | 0.49%                            | 18           | -      | 0.61%                            | -            | -      | 0.00%                            |
| -            | -      | 0.00%                            | -            | -      | 0.00%                            | -            | -      | 0.00%                            |
| 2,826        | -      | 76.77%                           | 2,094        | -      | 70.70%                           | 3,067        | -      | 77.00%                           |
| 3,681        |        | 100.00%                          | 2,962        |        | 100.00%                          | 3,983        |        | 100.00%                          |

| 2021         |        |                                  | 2022         |        |                                  | 2023         |        |                                  |
|--------------|--------|----------------------------------|--------------|--------|----------------------------------|--------------|--------|----------------------------------|
| # of<br>Emp. | Rank # | % of Total<br>City<br>Employment | # of<br>Emp. | Rank # | % of Total<br>City<br>Employment | # of<br>Emp. | Rank # | % of Total<br>City<br>Employment |
| 112          | 2      | 2.85%                            | 112          | 1      | 2.00%                            | 112          | 1      | 2.23%                            |
| 126          | 1      | 3.21%                            | 111          | 2      | 1.98%                            | 111          | 2      | 2.21%                            |
| -            | -      | 0.00%                            | 100          | 3      | 1.79%                            | 100          | 3      | 2.00%                            |
| 88           | 3      | 2.24%                            | 88           | 4      | 1.57%                            | 88           | 4      | 1.76%                            |
| 80           | 4      | 2.04%                            | 80           | 5      | 1.43%                            | 80           | 5      | 1.60%                            |
| 75           | 5      | 1.91%                            | 75           | 6      | 1.34%                            | 75           | 6      | 1.50%                            |
| 68           | 6      | 1.73%                            | 68           | 7      | 1.22%                            | 75           | 6      | 1.50%                            |
| 41           | 10     | 1.04%                            | 43           | 8      | 0.77%                            | 43           | 7      | 0.86%                            |
| 46           | 9      | 1.17%                            | 40           | 9      | 0.71%                            | 40           | 8      | 0.80%                            |
| 60           | 8      | 1.53%                            | 40           | -      | 0.71%                            | 40           | 8      | 0.80%                            |
| 36           | -      | 0.92%                            | 0            | -      | 0.00%                            | 36           | 9      | 0.72%                            |
| 26           | -      | 0.66%                            | 33           | -      | 0.59%                            | 26           | 10     | 0.52%                            |
| 40           | -      | 1.02%                            | 40           | 10     | 0.71%                            | -            | -      | 0.00%                            |
| 63           | 7      | 1.60%                            | 0            | -      | 0.00%                            | -            | -      | 0.00%                            |
| 35           | -      | 0.89%                            | 0            | -      | 0.00%                            | -            | -      | 0.00%                            |
| 34           | -      | 0.86%                            | 0            | -      | 0.00%                            | -            | -      | 0.00%                            |
| 32           | -      | 0.81%                            | 0            | -      | 0.00%                            | -            | -      | 0.00%                            |
| 30           | -      | 0.76%                            | 32           | -      | 0.57%                            | -            | -      | 0.00%                            |
| 30           | -      | 0.76%                            | 0            | -      | 0.00%                            | -            | -      | 0.00%                            |
| 18           | -      | 0.46%                            | 0            | -      | 0.00%                            | -            | -      | 0.00%                            |
| 2,891        |        | 0.00%                            | 4,733        | -      | 84.59%                           | 4,186        | -      | 83.52%                           |
| 3,931        |        | 26.46%                           | 5,595        |        | 100.00%                          | 5,012        |        | 100.00%                          |

**City of La Puente, California**  
**Full-time Equivalent City Government Employees by Program/Function**  
**As of June 30, 2023**

| Program/Function                            | Fiscal Year  |              |              |              |              |
|---|--------------|--------------|--------------|--------------|--------------|
|   | 2013         | 2014         | 2015         | 2016         | 2017         |
| General Government                          |              |              |              |              |              |
| City Council                                | 5.00         | 5.00         | 5.00         | 5.00         | 5.00         |
| City Clerk/Election Services                | 2.00         | 2.00         | 2.00         | 1.00         | 1.00         |
| Human Resources/Risk Management             | n/a          | n/a          | n/a          | n/a          | n/a          |
| Administration                              | 2.00         | 2.00         | 2.00         | 2.00         | 2.00         |
| Financial Services                          | 5.00         | 7.00         | 7.50         | 6.50         | 6.50         |
| Public Safety                               |              |              |              |              |              |
| Code Enforcement                            | -            | -            | -            | Contract     | 6.50         |
| Animal Services                             | -            | -            | -            | -            | -            |
| Public Safety Services                      | Contract     | Contract     | Contract     | Contract     | Contract     |
| Public Works Services                       |              |              |              |              |              |
| General Services                            | n/a          | n/a          | n/a          | n/a          | n/a          |
| Emergency Preparedness Services             | Contract     | Contract     | Contract     | Contract     | Contract     |
| Public Works Services                       | 6.00         | 6.00         | 4.00         | 5.50         | 5.50         |
| Measure R                                   | n/a          | n/a          | n/a          | n/a          | n/a          |
| Streets/Sidewalks (Prop C)                  | n/a          | n/a          | n/a          | n/a          | n/a          |
| Waste Management Services                   | n/a          | n/a          | n/a          | n/a          | n/a          |
| Park/Maintenance Services                   | n/a          | n/a          | n/a          | n/a          | n/a          |
| Community Development                       |              |              |              |              |              |
| Planning/Zoning Services                    | 1.00         | 1.00         | 2.00         | 3.00         | 3.00         |
| Housing/Community Services                  | 1.00         | 1.00         | 1.00         | 1.00         | 1.00         |
| Community Preservation Services             | 6.00         | 6.00         | Contract     | Contract     | Contract     |
| Community Outreach                          | n/a          | n/a          | n/a          | n/a          | n/a          |
| Public Transit Services (Prop A)            | n/a          | n/a          | n/a          | n/a          | n/a          |
| Recreation/Senior Services                  |              |              |              |              |              |
| Recreation Services                         | 3.00         | 6.50         | 6.50         | 6.50         | 6.50         |
| Youth Activity Learning Center              | 1.00         | 1.00         | 1.00         | 1.00         | 1.00         |
| Nature Education Center                     | n/a          | n/a          | n/a          | n/a          | n/a          |
| Senior Services                             | 1.00         | 1.00         | 1.00         | 1.00         | 1.00         |
| Sewer Maintenance Fund                      |              |              |              |              |              |
| Sewer Maintenance                           | n/a          | n/a          | n/a          | n/a          | n/a          |
| Equipment Replacement Fund                  |              |              |              |              |              |
| IT/Equipment Charges                        | n/a          | 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          | n/a          |
|   | <u>33.00</u> | <u>38.50</u> | <u>32.00</u> | <u>32.50</u> | <u>39.00</u> |

Source: City of La Puente

| Fiscal Year |          |          |          |          |          |
|-------------|----------|----------|----------|----------|----------|
| 2018        | 2019     | 2020     | 2021     | 2022     | 2023     |
| 5.00        | 5.00     | 5.00     | 5.00     | 5.00     | 5.00     |
| 1.00        | 1.50     | 1.50     | 1.50     | 2.00     | 2.00     |
| 0.50        | 0.50     | 0.50     | 0.50     | 0.50     | 0.50     |
| 2.50        | 3.00     | 3.50     | 3.00     | 3.00     | 2.50     |
| 5.00        | 5.50     | 5.00     | 5.50     | 5.50     | 5.50     |
| 7.00        | 10.50    | 12.00    | 15.50    | 14.00    | 21.50    |
| -           | 6.50     | 3.50     | 5.50     | 2.50     | 2.00     |
| Contract    | Contract | Contract | Contract | Contract | Contract |
| n/a         | n/a      | n/a      | n/a      | n/a      | n/a      |
| Contract    | Contract | Contract | Contract | Contract | Contract |
| 6.00        | 10.50    | 11.50    | 17.00    | 14.00    | 18.50    |
| 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      |
| 3.00        | 3.00     | 4.00     | 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      | 11.50    | 15.00    |
| n/a         | n/a      | n/a      | n/a      | n/a      | n/a      |
| 8.00        | 10.50    | 10.50    | 9.50     | 10.50    | 10.50    |
| 1.00        | 5.00     | 5.50     | 5.50     | 6.50     | 6.50     |
| n/a         | n/a      | n/a      | n/a      | n/a      | n/a      |
| 1.00        | 2.00     | 2.00     | 1.50     | 2.50     | 1.50     |
| 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      |
| 41.00       | 63.50    | 65.50    | 75.00    | 82.50    | 96.00    |

**City of La Puente, California**  
**Operating Indicators by Function**  
**As of June 30, 2023**

| Function/Program  | Fiscal Year |           |            |            |
|---|-------------|-----------|------------|------------|
|   | 2014        | 2015      | 2016       | 2017       |
| Public Safety*  |             |           |            |            |
| Physical arrests  | 1,279       | 1,458     | 1,385      | 1,952      |
| Parking Citations Issued                                  | 5,881       | 5,382     | 8,852      | 6,809      |
| Building and Safety                                       |             |           |            |            |
| Construction Valuation                                    | 6,645,112   | 6,775,623 | 10,441,752 | 11,581,386 |
| Building Permits Issued                                   | 364         | 317       | 467        | 386        |
| Highways and Streets*                                     |             |           |            |            |
| Street resurfacing (Square Feet)                          | 305,447     | 240,180   | 61,550     | 187,600    |
| Sanitation*   |             |           |            |            |
| Refuse collected (tons/day)                               | 61.53       | 60.12     | 64.90      | 58.02      |
| Recyclables collected (tons/day)                          | 4.59        | 4.53      | 4.77       | 4.96       |
| Green waste collected (tons/day)                          | 9.77        | 9.64      | 8.98       | 9.81       |
| Community Services  |             |           |            |            |
| Special Event-Main Street Run<br>(number of participants) | 3,730       | 3,825     | 4,283      | 3,750      |
| City Clerk  |             |           |            |            |
| Public Records Act Requests<br>(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 |            |            |            |            |            |
|-------------|------------|------------|------------|------------|------------|
| 2018.00     | 2019       | 2020       | 2021       | 2022       | 2023       |
| 1,686       | 1,427      | 1,488      | 2,648      | 817        | 874        |
| 8,409       | 8,065      | 6,183      | 6,737      | 12,188     | 13,317     |
| 15,264,131  | 16,443,171 | 17,475,132 | 28,045,379 | 27,305,597 | 13,186,840 |
| 516         | 452        | 330        | 1,165      | 1,576      | 635        |
| 374,150     | -          | 170,000    | 211,200    | 1,432,700  | -          |
| 57.47       | 69.00      | 61.03      | 63.32      | 64.85      | 64.57      |
| 4.85        | 14.00      | 3.00       | 5.09       | 3.49       | 3.99       |
| 7.95        | 8.00       | 9.05       | 9.15       | 7.05       | 8.46       |
| n/a         | n/a        | n/a        | n/a        | n/a        | n/a        |
| n/a         | 94         | 108        | 120        | 160        | 253        |

**City of La Puente, California**  
**Capital Asset Statistics by Function**  
**As of June 30, 2023**

| Function/Program                                 | Fiscal Year<br>2022-2023 |
|--|--------------------------|
| 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<br>(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