



CITY OF EL MONTE, CALIFORNIA  
**Comprehensive  
Annual Financial Report**  
For the year ended June 30, 2015



**Comprehensive Annual Financial Report  
City of El Monte, California  
Year ended June 30, 2015  
With Report of Independent Auditors**

***Prepared by: Finance Department***

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# **CITY OF EL MONTE**

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## **CITY MANAGER'S OFFICE**

Jesus M. Gomez  
*City Manager*

Alexander Hamilton  
*Assistant City Manager*

December 23, 2015

Honorable Mayor and  
Members of the City Council  
City of El Monte  
11333 Valley Boulevard  
El Monte, CA 91731

It is with pleasure that we submit to you a Comprehensive Annual Financial Report (CAFR) of the City of El Monte for the year ended June 30, 2015. This report is prepared in accordance with Generally Accepted Accounting Principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB). Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation rests with the City. These financial statements have been designed and presented in a manner that enhances your understanding of the City's financial position and activities.

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management. Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City of El Monte's financial statements have been audited by the independent certified public accounting firm of Vasquez & Company. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of El Monte for the fiscal year ended June 30, 2015 are free of material misstatements. The audit involved examining, on a test basis, the evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and estimates made by management; and evaluating the overall presentation of financial statements. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of El Monte's financial statements for the fiscal year ended June 30, 2015 are fairly presented in conformity with GAAP.

This report was prepared using Governmental Accounting Standards Board Statement No. 34 (GASB 34). The intent of GASB 34 is to present government accounting and financial reporting in a manner closer to the private sector. GASB requires that management provide a narrative and summary of significant financial results, which is presented in the form of the Management's Discussion and Analysis (MD&A) section. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

The CAFR is comprised of three major sections: The introductory section, the financial statements, and the statistical section. The introductory section includes the letter of transmittal and the organizational chart of the City and its elected officials. The financial statements contain the MD&A, the government-wide financial statements (Statement of Net Assets and Statement of Activities) and the fund financial statements (the Balance Sheets, the Statements of Revenues, Expenditures/Expenses and Changes in Fund Balances/Net Assets). Additional details are described in the attached Notes to the Financial Statements. This section also includes the Independent Auditors' Report. Finally, the Statistical Section provides financial trend information based on the information presented in this and prior years' annual reports as well as demographic information about the City.

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City of El Monte's finances and to show the City's accountability for the money it receives. It is our opinion that the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position results of operations of the City as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain understanding of the City's financial affairs have been included.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement in Financial Reporting to the City of El Monte for its Comprehensive Annual Financial Report for the year ended June 30, 2014. This was the second year in a row that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report could not have been accomplished without the dedicated efforts of the entire staff of the Finance Department of the City of El Monte. I thank the City's independent auditors, Vasquez & Company, for their technical assistance. I wish to express my appreciation to the numerous City employees who assisted in gathering information for the preparation of this report. Finally, I thank the Mayor, Council members, Assistant City Manager and Department Directors for their support and leadership in managing the financial matters of the City.

Respectfully submitted,



JESUS M. GOMEZ  
City Manager

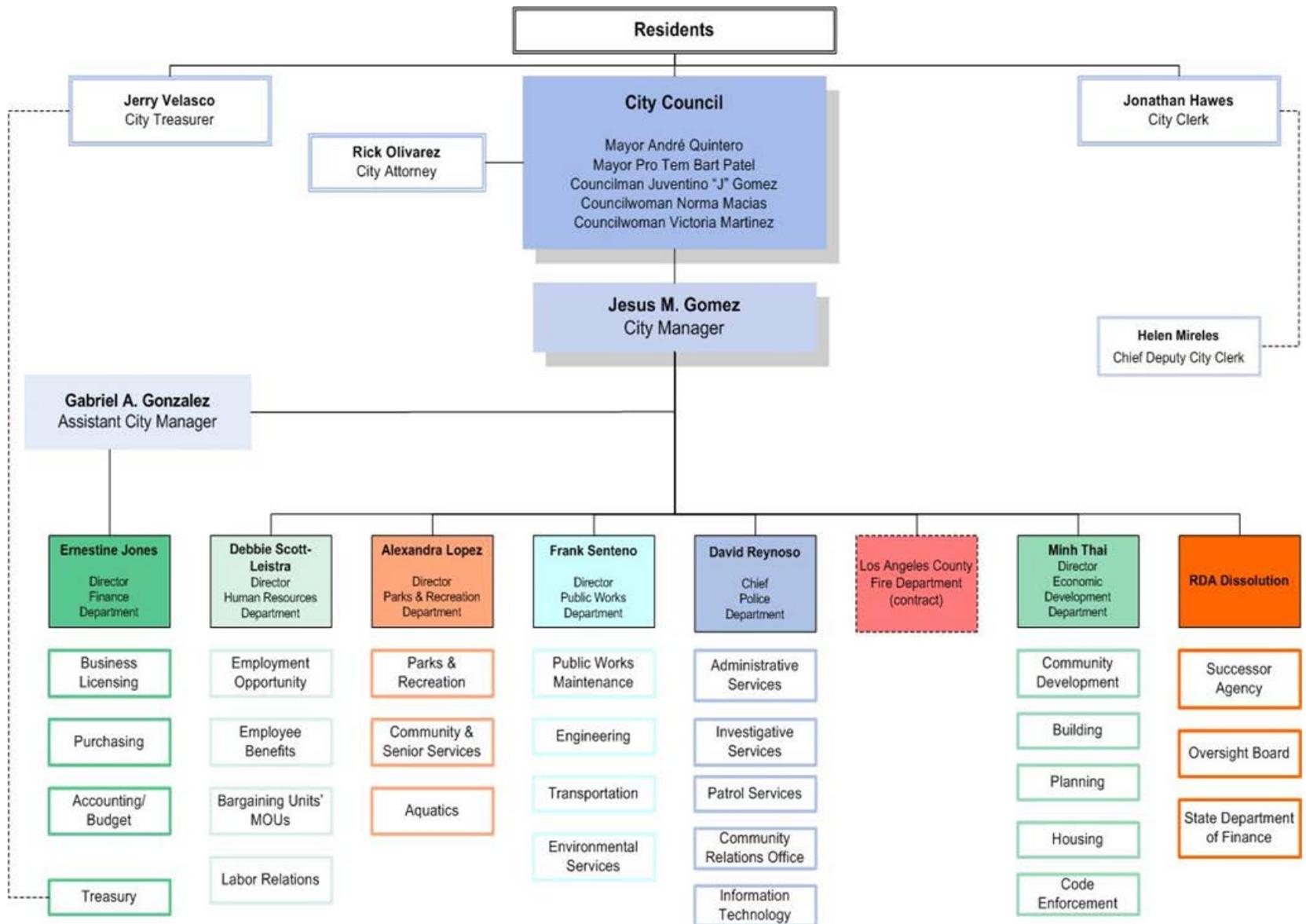
# CITY OF EL MONTE

## ELECTED OFFICIALS

MAYOR ..... ANDRE QUINTERO  
MAYOR PRO-TEM ..... B. BART PATEL  
COUNCILMAN ..... JUVENTINO “J” GOMEZ  
COUNCILWOMAN ..... NORMA MACIAS  
COUNCILMAN ..... VICTORIA MARTINEZ  
CITY TREASURER ..... JERRY VELASCO  
CITY CLERK ..... JONATHAN HAWES

## ADMINISTRATIVE STAFF

CITY MANAGER ..... JESUS M. GOMEZ  
ASSISTANT CITY MANAGER ..... VACANT  
ASSISTANT CITY MANAGER..... GABRIEL GONZALEZ  
COMMUNITY SERVICES DIRECTOR ..... ALEXANDRA LOPEZ  
ECONOMIC DEVELOPMENT DIRECTOR ..... MINH THAI  
FINANCE DIRECTOR ..... ERNESTINE JONES  
HUMAN RESOURCES DIRECTOR ..... DEBORAH SCOTT- LEISTRA  
INTERIM DIRECTOR OF PUBLIC WORKS ..... FRANK SENTENO  
POLICE CHIEF ..... DAVID REYNOSO  
CITY ATTORNEY..... RICARDO OLIVAREZ





Government Finance Officers Association

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

Presented to

**City of El Monte  
California**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2014**

Executive Director/CEO

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## **FINANCIAL SECTION**

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## REPORT OF INDEPENDENT AUDITORS

**The Honorable Mayor and the Members of the City Council  
City of El Monte, California**

### ***Report on the Financial Statements***

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 El Monte, California (the City), as of and for the year ended June 30, 2015, and the related notes to financial statements which collectively comprise the City's basic financial statements, as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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



## ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of El Monte, California, as of June 30, 2015, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 14 and Required Supplementary Information on pages 88 through 100, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of El Monte's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, budgetary comparison schedules on pages 102 through 150, and internal service funds financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules on pages 102 through 150, and internal service funds financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

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



### *Implementation of New Accounting Standards*

As discussed in Note 1, City has implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*, effective for the fiscal year ended June 30, 2015. As a result of this required implementation, the City's beginning net position was restated to retroactively report the net pension liability as of the beginning of the fiscal year. Our opinion is not modified with respect to this matter.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2015, on our consideration of the City of El Monte'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 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 of El Monte's internal control over financial reporting and compliance.

*Vasquez + Company LLP*

**Los Angeles, California  
December 23, 2015**

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This management's discussion and analysis of the City of El Monte (the "City") is designed to provide you with a narrative explanation of our financial position and results of operations over the fiscal year ended June 30, 2015. We recommend that you read this in conjunction with additional financial information that we have furnished in the financial statements that follow, our letter of transmittal and the City's annual budget in order to develop a more comprehensive perspective of the City's overall financial position.

We have organized our management's discussion and analysis in the following sections:

- Financial Highlights – a brief discussion of our current business
- Using this Annual Report – a discussion on GASB 34 and the information contained in the annual report
- Reporting the City as a Whole – a discussion on how financial information is presented in the government-wide financial statements and fund financial statements
- Results of Operations – a discussion of our current and prior period results of operations
- The City as a Whole – a discussion of our capital assets, long-term debt and governmental funds
- The City as Trustee – a discussion on our fiduciary activities
- Economic Factors and Next Year's Budgets – a discussion of our general fund budget and highlights
- Unqualified Audit Opinion – a discussion of our independent auditor's audit opinion on our financial statements

## **FINANCIAL HIGHLIGHTS**

- The combined assets and deferred outflows of the City exceeded its liabilities and deferred inflows for fiscal year 2014-15 by \$352.5 million. The City's total net position increased by \$11.3 million over fiscal year 2013-14 as restated.
- During the year, the City had revenues that were \$10.6 million greater than the \$81 million in expenses recorded by the City in its governmental activities.
- In fiscal year 2014-2015, the City's business-type activities (water and sewer) revenues exceeded expenses by \$0.7 million. A total of \$6.0 million in expenses was recorded for the Water and the Sewer Funds.
- During the fiscal year ended June 30, 2015, the City implemented the following new Statements of the Governmental Accounting Standards Board (GASB): GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statements No. 27 and 50* and GASB Statement No. 71, *Pension Transition for Contributions made subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. These statements required the City to report unfunded pension liability in the City's financial statements starting in fiscal year 2014-2015.

## **USING THIS ANNUAL REPORT**

The City reports its financial statements using the Governmental Accounting Standards Board Statement No. 34 (GASB 34). The intent of GASB 34 is to move government accounting and reporting closer to that of the private sector and to present such information in a format which readers can more easily assess the financial health of the City and whether its financial position is improving or deteriorating over time.

This annual report is comprised of three major sections: the introductory section, the financial section and the statistical section. The introductory section includes the letter of transmittal, the organizational chart of the City and the list of City's elected officials and management. The financial section contains the Government-wide Financial Statements, the Fund Financial Statements and the Management's Discussion and Analysis (MD&A). Additional details are described in the Notes to the Financial Statements. Finally, the statistical section provides financial trend information based on the information presented in this fiscal year and prior years' annual reports as well as demographic information about the City.

This annual financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives.

## **REPORTING THE CITY AS A WHOLE**

This discussion is intended to provide the reader with a summary perspective of the financial operations of the City as a whole.

**Government-wide Financial Statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

*Statement of Net Position (Balance Sheet)* presents information on all of the City's assets, liabilities and deferred inflows and outflows. Deferred inflows are defined as the acquisition of net assets applicable to a future reporting period while deferred outflows are defined as the consumption of net assets applicable to a future reporting period. The difference between net assets plus deferred outflows less liabilities and deferred inflows is 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 is improving or deteriorating.

*Statement of Activities (Income Statement)* provides a snapshot of the City's annual operating revenues and expenses and the impact of net operating income (deficit) on the Net Position of the City. Revenues include property taxes, sales tax, transient occupancy tax, user fees, interest income, franchise fees, state and federal grants, contributions from other agencies and other revenues that finance the City's activities. The Statement of Activities covers all of the current year's revenues and expenses taken into account regardless of when cash is received or paid. Net position is the difference between assets plus deferred outflows and liabilities plus deferred outflows, which is one way to measure the City's financial health or financial position.

We separate the City's activities into two main activities: Governmental Activities and Business-type Activities

*Governmental Activities* – The majority of the City's primary functions are reported in this category, including: general government (city manager, city clerk, finance, etc.), public safety, parks, recreation and cultural, public works and economic development. The financial activities of the special revenue funds and grant programs are also incorporated into this category.

*Business-type Activities* – These represent the City's two enterprise funds: the Water Fund and the Sewer Fund. The City charges a fee to customers to cover all or most of the cost of certain services it provides.

Following these Government-wide Financial Statements, we provide the Fund Financial Statements that summarize the financial activity of the City's major funds categories.

**Fund Financial Statements.** A fund is a separate account or grouping of related accounts, which is used to maintain control and oversight over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements established by State law, bond covenants or grant/funding guidelines.

All of the City's funds can be divided into three categories: governmental funds, proprietary funds and fiduciary funds, which are grouped into the following major funds:

**Governmental Funds**

- General Fund
- Retirement Fund
- Housing and Community Development Fund
- Housing Assets Fund
- Nonmajor Governmental Funds

**Proprietary Funds**

- Water Fund
- Sewer Fund
- Self-Insurance Fund

**Fiduciary Funds**

- SEIU Retiree Medical Insurance Fund
- Successor Agency to the Dissolved El Monte Redevelopment Agency

**Governmental Funds.** The majority of the City's basic services are reported in Governmental Funds. Therefore, they are essentially the same functions reported as governmental activities in the government-wide financial statements. Governmental fund financial statements provide a more detailed view of the City's general government operations and the basic services it provides. They have a near-term focus: they report how money flows in and out of each fund and the balance of spendable resources left at the end of each fiscal year.

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 financial 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**.

**Proprietary Funds.** Proprietary Funds are funds that charge customers for the services that they provide. These include the City's business-type activities: Water Authority and the Sewer Fund, plus the City's Internal Service Fund (i.e., Self-Insurance Funds for General Liability and Worker's Compensation Costs). Proprietary Funds are reported on accrual basis of accounting.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. The City maintains separate funds to report the activities of the Successor Agency to the Dissolved Redevelopment Agency, and to pay a subsidy for retiree medical insurance cost for members of the SEIU. These assets do not belong to the City. The accounting used for fiduciary funds is much like that used for proprietary funds.

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

## RESULTS OF OPERATIONS

*Statement of Net Position (Balance Sheet)* - As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. When compared to the prior year as restated, the City's combined balance sheet (net position) for this fiscal year increased by \$11.3 million from \$341.2 million to \$352.5 million (Table 1 below presents the net position at \$481.1 million before the \$140 million decrease due to the recording of restatement related to GASB No. 68 pension liability). This \$11.4 million increase is primarily reflected in a reduction of the pension liability under GASB No. 68 and Cash and other assets which increased due to reduced public safety costs compared to the previous year.

The largest portion of the City's net position at June 30, 2015 (\$416 million or 76.5 % of the total assets) reflects its investment in capital assets (e.g., land, infrastructure, buildings, machinery and equipment). The City uses these capital assets to provide services to citizens. These assets are not available for future spending.

**City of El Monte  
Management's Discussion and Analysis  
Year ended June 30, 2015**

	Net Position					
	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
<b>ASSETS</b>						
Cash and other assets	\$ 135,421	\$ 129,167	\$ 12,712	\$ 11,451	\$ 148,132	\$ 140,618
Capital assets net of accumulated depreciation	444,381	442,309	36,473	37,772	480,854	480,081
Total assets	579,802	571,476	49,184	49,223	628,986	620,699
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Unamortized loss on defeasance of debt	12	30	649	682	661	712
Pension contributions	10,817	-	462	-	11,280	-
Total deferred outflows of resources	10,830	30	1,112	682	11,941	712
<b>LIABILITIES</b>						
Current and other liabilities	145,183	26,541	994	979	146,177	27,520
Long-term liabilities	79,255	77,467	41,267	34,599	120,523	112,066
Total liabilities	224,439	104,008	42,261	35,578	266,700	139,586
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Net difference between projected and actual earnings on pension plan investments	20,755	-	950	-	21,705	-
Total deferred inflows of resources	20,755	-	950	-	21,705	-
<b>NET POSITION</b>						
Net investment in capital assets	413,507	410,145	2,745	3,575	416,252	413,720
Restricted	63,168	62,080	-	-	63,168	62,080
Unrestricted	(131,238)	(4,727)	4,339	10,752	(126,898)	6,025
Total net position	\$ 345,438	\$ 467,498	\$ 7,085	\$ 14,327	\$ 352,522	\$ 481,825

*Statement of Activities (Statement of Revenues, Expenses/Expenditures and Changes in Net Assets/Fund Balances)* - Given the current economic climate, a review of operating income can provide a telling picture of the City's overall financial health. Overall, the City generated \$11.4 million more in revenues than expenses for the fiscal year 2015 as compared to the \$1.4 million in 2014, as illustrated in Table 2 below.

The net position balance at the beginning of fiscal year 2015 was restated to retroactively report the net pension liability as of the beginning of the fiscal year as a result of implementing GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The net pension liability reported at the beginning of the fiscal year was \$140.6 million. For purposes of presenting the summarized statement of activities in this section of the report, the 2014 financial statements were not restated due to lack of information.

**City of El Monte  
Management's Discussion and Analysis  
Year ended June 30, 2015**

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Program revenues						
Charges for services	\$ 8,301	\$ 6,103	\$ 6,654	\$ 6,579	\$ 14,955	\$ 12,682
Operating grants and contributions	12,033	12,338	185	62	12,218	12,400
Capital grants and contributions	3,712	3,788	-	-	3,712	3,788
General revenues						
Taxes						
Property taxes	26,099	24,510	-	-	26,099	24,510
Sales taxes	23,527	22,812	-	-	23,527	22,812
Franchise taxes	3,138	3,284	-	-	3,138	3,284
Other taxes	10,255	10,245	-	-	10,255	10,245
Motor vehicle in-lieu taxes	52	54	-	-	52	54
Use of money and property	1,103	1,145	43	48	1,147	1,193
Other revenue	3,086	1,582	-	-	3,086	1,582
Net change in fair value of investments	181	509	-	-	181	509
Total	<u>91,488</u>	<u>86,370</u>	<u>6,883</u>	<u>6,689</u>	<u>98,370</u>	<u>93,059</u>
Expenses						
Governmental activities						
General government	23,641	22,732	-	-	23,641	22,732
Public safety	33,364	35,303	-	-	33,364	35,303
Community services	2,968	2,928	-	-	2,968	2,928
Public works	15,953	16,274	-	-	15,953	16,274
Economic development	2,609	5,679	-	-	2,609	5,679
Interest on long-term debt	2,456	2,618	-	-	2,456	2,618
Bond issue costs	-	166	-	-	-	166
Water and sewer	-	-	6,045	6,004	6,045	6,004
Total	<u>80,991</u>	<u>85,701</u>	<u>6,045</u>	<u>6,004</u>	<u>87,035</u>	<u>91,704</u>
Change in net position before transfers	10,497	669	838	685	11,335	1,355
Transfers in/(out)	<u>100</u>	<u>296</u>	<u>(100)</u>	<u>(296)</u>	<u>-</u>	<u>-</u>
Change in net position	10,597	965	738	389	11,335	1,355
Net position, beginning as restated for 2015	<u>334,841</u>	<u>466,532</u>	<u>6,347</u>	<u>13,938</u>	<u>341,187</u>	<u>480,470</u>
Net position, ending	<u>\$ 345,438</u>	<u>\$ 467,497</u>	<u>\$ 7,085</u>	<u>\$ 14,327</u>	<u>\$ 352,522</u>	<u>\$ 481,825</u>

A separate review of the change in net assets in the governmental and business-type activities showed the following: the business-type activities generated a net operating surplus of \$738 thousand while the governmental activities had a combined \$10.6 million operating surplus, which resulted from a \$2.2 million increase in property and sales taxes, a \$2 million increase in both charges for services and other revenue and a \$4.7 million decrease in total expenditures compared to the prior year due to position vacancies and the timing of some economic development projects.

Over time, increases or decreases in the City's net position are an indication of whether its financial health is improving or deteriorating. One still needs to consider other non-financial factors, such as changes in the economy or external factors that will cause a decrease in consumer spending. From the picture presented in these two summary tables, it appears that the City's financial position is stable and improving.

**THE CITY AS A WHOLE**

**Capital Assets**

The majority of the City's assets comprised of land and rights of way, totaling \$ 342 million of the total \$ 481 million in Net Capital Assets. At the end of fiscal year 2015, the City had the other \$ 139 million invested in a broad range of capital assets. These amounts approximate the carrying values of the Capital Assets in the previous year.

**CAPITAL ASSETS  
JUNE 30, 2015  
(Net of Depreciation, In Thousands)**

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land	\$ 74,443	\$ 74,443	\$ 311	\$ 311	\$ 74,754	\$ 74,754
Rights-of-way	266,802	266,802	-	-	266,802	266,802
Construction in progress	11,835	17,128	-	-	11,835	17,128
Improvement other than buildings	6,250	6,590	-	-	6,250	6,590
Structures and improvements	27,478	18,919	544	558	28,022	19,477
Land and improvements	-	-	659	710	659	710
Furniture and equipment	3,085	3,429	759	864	3,844	4,293
Infrastructure	54,488	54,998	34,201	35,329	88,689	90,327
<b>Totals</b>	<u>\$ 444,381</u>	<u>\$ 442,309</u>	<u>\$ 36,473</u>	<u>\$ 37,772</u>	<u>\$ 480,854</u>	<u>\$ 480,081</u>

Additional information on the City's Capital Assets can be found in the Note 6 of the Notes to Financial Statements.

**Long-term Debt**

At year-end, the City's combined long-term debt decreased by \$ 21.9 million to \$ 221.5 million. The net decrease in the City's long-term debt resulted from the following as summarized in the Table 4 below:

- \$22.6 million net decrease in the net pension liability, as restated
- \$2.7 million net increase in OPEB liability.
- \$2.8 million in principal payments on bonded indebtedness.
- \$0.8 million net increase in claims and judgements and compensated absences

**City of El Monte**  
**Management's Discussion and Analysis**  
**Year ended June 30, 2015**

**LONG-TERM DEBT**  
**JUNE 30, 2015**  
**(In Thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
	(Restated)		(Restated)		(Restated)	
Lease revenue bonds	\$ 28,090	\$ 28,430	\$ -	\$ -	\$ 28,090	\$ 28,430
Certificates of Participation	2,975	3,920	-	-	2,975	3,920
Notes payable	6,252	6,843	-	-	6,252	6,843
Revenue bonds	-	-	15,655	16,120	15,655	16,120
Capital lease payable	280	312	17,977	18,391	18,257	18,703
OPEB liability	25,879	23,152	-	-	25,879	23,152
Net pension liability	119,038	140,645	7,283	8,315	126,321	148,960
Compensated absences	5,495	4,991	257	402	5,751	5,393
Claims and judgments	10,743	10,288	-	-	10,743	10,288
Unamortized bond premium and discount	(459)	(469)	95	100	(364)	(369)
<b>Totals</b>	<b>\$ 198,294</b>	<b>\$ 218,112</b>	<b>\$ 41,267</b>	<b>\$ 43,328</b>	<b>\$ 239,561</b>	<b>\$ 261,440</b>

Four bond issues comprise the City's long-term debt: the 2011 Lease Revenue Bond, Series 2011 (EB5 Bonds), the 2010 Lease Revenue Bonds (Recovery Zone Economic Development Bonds (Series A) and Build America Bonds (Series B)), the 2006 Water Revenue Refunding Bonds and the 2013 Certificates of Participation. The City was able to meet all its legal debt covenants and pay its current debt obligations in a timely manner.

*Other Postemployment Benefits (OPEB)* - The City currently pays the annual pay-as-you-go costs (actual costs of bills) as opposed to the recommended Annual Required Contribution ("ARC") of \$4.5 million. GASB 45 requires the City to accrue the net difference between the ARC and the actual amount paid for pay-as-you-go costs (\$1.6 million) plus any additional amount set-aside to fund future OPEB payments. A net amount of \$2.7 million was added to the City's Net OPEB liability, which has now increased to \$25.9 million as of June 30, 2015.

This increasing figure effectively illustrates that the City did not make progress toward paying its unfunded actuarial liability for its OPEB costs. Like many cities, OPEB is a significant and a growing liability, which is a challenge that the City must address in the future.

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

**Governmental Funds**

Although the City has a number of programs and funding sources, a significant amount of attention is focused on the City's General Fund. The City's General Fund pays for the majority of the City's salaries and primary services, such as administration, public works, public safety, and parks and recreation.

These basic costs and services are supplemented by various special revenue funds, which are typically State and Federal grant programs. These include: CDBG and HOME, which pay for community development and affordable housing programs; various transportation-specific funding sources, such as Proposition A and C, Measure M as well as a number of other specific programs (e.g., Senior Lunch, Emergency Shelter Assistance Program and Click it or Ticket Program).

The Fund Financial Statements, which provide greater detail about these funds/programs, follow the Government-wide Financial Statements in the annual report. The following section summarizes the financial activity reported in the Governmental Funds.

The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information may be useful in assessing the City's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$99.5 million. The City's governmental funds report a balance of \$1.7 million in its *unassigned fund balance*. The remainder of the fund balance is restricted to indicate that it is not available for new spending because it has already been allocated for special projects, capital projects or debt service or classified as non-spendable as it represents assets that are long-term in nature and thus, do not represent available spendable resources.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the General Fund's total fund balance was \$41.6 million.

*Assigned Fund Balance* - During FY 2014-15 the City Council adopted a formal reserve policy establishing a series of General Fund reserves including a General Fund restricted reserve (cash flow reserve) representing between 10% and 20% of the general fund budget and a reserve to set aside a portion of Measure GG Sales Tax receipts annually. Other reserves established consist of reserves for economic uncertainty, catastrophic emergency, capital projects and to set aside amounts for the City's liabilities for compensated absences and other post employment benefits. These assignments of fund balance total \$18.7 million of the total \$41.6 million of General Fund balance.

*Unassigned Fund Balance, Cash on Hand and Working Capital* –The General Fund's unassigned fund balance is \$1.7 million, which represents 3.0% of total General Fund expenditures of \$55.2 million. The General Fund working capital balance of \$26.6 million consists of \$20.3 million in cash and investments plus \$12.3 million in net accounts receivable and other current assets, less \$6.0 million in current liabilities and deposits on hand. One additional measure of General Fund's liquidity is the ending balance of cash and investments. This amount totaled \$ 20.3 million at the end of the fiscal year as compared to \$12.9 million at the end of the prior fiscal year (June 30, 2014). However, this amount only represents 133 days of cash on hand.

In addition to the General Fund, Governmental Activities include a number of special revenue funds (e.g. CDBG, HOME, Measure R, etc.) that have multi-year projects/funding sources. As such, these funds may spend prior year roll-over amounts to complete a project, which requires the use of "reserves" and an apparent operating deficit when simply taking current year revenues and expenses into account.

## **THE CITY AS TRUSTEE**

*Reporting the City's Fiduciary Responsibilities* - The City is the trustee, or *fiduciary*, for certain funds held on behalf of those entities outside of the government. The City's fiduciary activities are reported in a separate Statement of Fiduciary Net Assets. We exclude these activities from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

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

General Fund Revenues are projected to increase by approximately \$2.7 million due to an estimated increase in Sales taxes and Property Tax – In Lieu over Fiscal year 2015 estimates. Fiscal year 2016 budgeted expenditures was also increased to approximately \$62.6 million from \$59.3 million in fiscal year 2015 largely due to an increase in contracted fire department services, MS4 compliance, Information Technology infrastructure improvements, funding for employee contracts and health care changes.

Other Funds estimated revenues and appropriations are expected to be approximately equal to FY2014-15

### **General Fund Budgetary Highlights**

**Revenues** - The City received \$1.5 million more in taxes as well as \$1 million more for charges for services and \$ 2 million more for miscellaneous revenues than budgeted due to conservative budget estimates. This is offset somewhat by a \$ 0.9 million decrease in licenses and permits. Overall, General Fund revenues totaled \$ 58.6 million in fiscal year 2014-15, which is higher than the budgeted amount of \$ 54.6 million.

**Expenses** – The City reported a total of \$ 55.3 million in General Fund expenditures for the fiscal year, which was \$ 3.6 million less than the budgeted amount of \$ 58.9 million. While Public works expenditures were \$ 1.3 million less than budgeted expenditures, all governmental functions were less than appropriations.

**Economic Development Initiatives** - The City, through its Economic Development Department, continues to implement the vision and the economic development initiatives of the Vision El Monte General Plan. The City actively engages the development and business communities and provides guidance to facilitate the approval process and the construction of over \$850 million of private and public development investments within the City. In November of 2015, the Santa Fe Trail Plaza opened for business. The Center is a life-style retail shopping center that features over 110,000 square feet of nationally and regionally branded stores and restaurants providing grocery, soft goods, retail, and casual dining options for El Monte residents and visitors. This project is the first newly constructed project of its kind and size in El Monte in more than 25 years. Other development projects currently under construction within the City include a 500,000 square-foot industrial flex space development, a 133 room Hilton Garden Inn Hotel, a 96,000 square-foot office complex serving as the corporate headquarters for a local news media company, and several mixed use development projects located within target development areas like Downtown El Monte and the Garvey Mixed Use Corridor. This diversity of development projects within the City is a sounding board for the Vision El Monte General Plan and serves as the catalyst for other new developments to bring in new business opportunities, high quality jobs, retail opportunities, and to broaden and realign the City's economic base.

**UNQUALIFIED AUDIT OPINION**

The financial statements were audited by the independent public accounting firm of Vasquez & Company LLP, Certified Public Accountants, whose *unmodified opinion* is included within this annual report.

**CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

City of El Monte  
Finance Department  
11333 Valley Blvd.,  
El Monte, CA 91731

Telephone number: (626) 580-2023

## **BASIC FINANCIAL STATEMENTS**

**City of El Monte**  
**Statement of Net Position**  
**June 30, 2015**

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and investments	\$ 80,047,457	\$ 11,748,688	\$ 91,796,145
Receivables			
Accounts	2,586,981	689,387	3,276,368
Taxes	3,073,501	-	3,073,501
Notes and loans, net	13,852,868	-	13,852,868
Accrued interest - other	76,265	45,496	121,761
Internal balances	178,627	(178,627)	-
Prepaid costs	1,137,148	3,158	1,140,306
Due from other governments	3,551,662	-	3,551,662
Advances to Successor Agency	1,376,787	-	1,376,787
Land held for resale	1,759,645	-	1,759,645
Capital lease receivable (payable)	17,977,364	(17,977,364)	-
Restricted assets:			
Cash and investments with fiscal agents	9,802,452	403,445	10,205,897
Capital assets, not being depreciated	353,079,686	310,748	353,390,434
Capital assets, net of accumulated depreciation	91,301,437	36,162,184	127,463,621
Total assets	<u>579,801,880</u>	<u>31,207,115</u>	<u>611,008,995</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Unamortized loss on defeasance of debt	12,134	649,270	661,404
Pension contributions	10,817,464	462,290	11,279,754
Total deferred outflows of resources	<u>10,829,598</u>	<u>1,111,560</u>	<u>11,941,158</u>
<b>LIABILITIES</b>			
Accounts payable	5,035,670	434,574	5,470,244
Accrued liabilities	1,096,166	-	1,096,166
Accrued interest	829,372	244,028	1,073,400
Unearned revenues	866	-	866
Deposits payable	4,899,671	315,296	5,214,967
Due to other governments	14,283,086	-	14,283,086
Noncurrent liabilities:			
Due within one year	3,180,941	549,146	3,730,087
Due in more than one year	76,074,506	15,457,818	91,532,324
Net pension liability	119,038,237	7,282,931	126,321,168
Total liabilities	<u>224,438,515</u>	<u>24,283,793</u>	<u>248,722,308</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Net difference between projected and actual earnings on pension plan investments	20,755,218	950,198	21,705,416
Total deferred inflows of resources	<u>20,755,218</u>	<u>950,198</u>	<u>21,705,416</u>
<b>NET POSITION</b>			
Net investment in capital assets	413,506,843	2,745,186	416,252,029
Restricted for:			
Public works projects	19,126,710	-	19,126,710
Public safety	4,827,513	-	4,827,513
Parks, recreation and cultural	2,225,938	-	2,225,938
Community development	17,665,329	-	17,665,329
Debt service	1,692,472	-	1,692,472
Retirement	17,630,461	-	17,630,461
Unrestricted (deficit)	(131,237,522)	4,339,498	(126,898,024)
Total net position	<u>\$ 345,437,745</u>	<u>\$ 7,084,684</u>	<u>\$ 352,522,429</u>

*See notes to financial statements.*

**City of El Monte  
Statement of Activities  
Year ended June 30, 2015**

	Program Revenues				Net (Expenses) Revenues and Changes in Net Position		
	Expenses	Charges	Operating	Capital	Governmental	Business-type	Total
		for	Contributions	Contributions			
	Services	and Grants	and Grants	Activities	Activities		
Primary Government:							
Governmental activities:							
General government	\$ 23,640,914	\$ 349,516	\$ 3,009,128	\$ -	\$ (20,282,270)	\$ -	\$ (20,282,270)
Public safety	33,364,275	1,528,004	2,031,323	-	(29,804,948)	-	(29,804,948)
Parks, recreation and cultural	2,968,162	1,213,806	373,223	192,174	(1,188,959)	-	(1,188,959)
Public works	15,952,980	3,389,613	2,977,054	3,519,871	(6,066,442)	-	(6,066,442)
Economic development	2,608,571	1,819,589	3,642,113	-	2,853,131	-	2,853,131
Interest on long-term debt	2,455,645	-	-	-	(2,455,645)	-	(2,455,645)
Total governmental activities	<u>80,990,547</u>	<u>8,300,528</u>	<u>12,032,841</u>	<u>3,712,045</u>	<u>(56,945,133)</u>	<u>-</u>	<u>(56,945,133)</u>
Business-type activities:							
Water and Sewer Funds	6,044,861	6,654,294	185,197	-	-	794,630	794,630
Total business-type activities	<u>6,044,861</u>	<u>6,654,294</u>	<u>185,197</u>	<u>-</u>	<u>-</u>	<u>794,630</u>	<u>794,630</u>
Total primary government	<u>\$ 87,035,408</u>	<u>\$ 14,954,822</u>	<u>\$ 12,218,038</u>	<u>\$ 3,712,045</u>	<u>(56,945,133)</u>	<u>794,630</u>	<u>(56,150,503)</u>
General revenues							
Taxes:							
Property taxes levied for general purposes					26,099,320	-	26,099,320
Transient occupancy taxes					379,991	-	379,991
Sales taxes					23,527,026	-	23,527,026
Franchise taxes					3,138,337	-	3,138,337
Business license taxes					2,110,351	-	2,110,351
Utility users taxes					7,177,685	-	7,177,685
Other taxes					587,024	-	587,024
Motor vehicle in lieu - unrestricted					51,826	-	51,826
Use of money and property					1,103,442	43,243	1,146,685
Other revenue					3,085,984	142	3,086,126
Net change in fair value of investments					181,143	-	181,143
Transfers in/out					100,000	(100,000)	-
Total general revenues					<u>67,542,129</u>	<u>(56,615)</u>	<u>67,485,514</u>
Net change in net position					<u>10,596,996</u>	<u>738,015</u>	<u>11,335,011</u>
Net position - beginning as previously reported					467,497,119	14,327,408	481,824,527
Restatement of net position					<u>(132,656,370)</u>	<u>(7,980,739)</u>	<u>(140,637,109)</u>
Net position - beginning of year, as restated					<u>334,840,749</u>	<u>6,346,669</u>	<u>341,187,418</u>
Net position - end of year					<u>\$ 345,437,745</u>	<u>\$ 7,084,684</u>	<u>\$ 352,522,429</u>

*See notes to financial statements.*

**City of El Monte  
Governmental Funds  
Balance Sheet  
June 30, 2015**

	Special Revenue Funds					Total
	General	Retirement	Housing and Community Development	Housing Assets	Nonmajor Governmental Funds	
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>						
Assets:						
Cash and investments	\$ 20,279,807	\$ 18,794,640	\$ 3,867,928	\$ 482,605	\$ 28,021,920	\$ 71,446,900
Receivables:						
Accounts	1,908,209	19,168	-	-	650,219	2,577,596
Taxes	2,930,137	142,712	-	-	652	3,073,501
Notes and loans, net	162,876	-	11,833,175	1,145,696	711,121	13,852,868
Accrued interest	76,265	-	-	-	-	76,265
Prepaid items	1,107,481	-	-	-	29,667	1,137,148
Due from other governments	-	-	225,017	-	3,326,645	3,551,662
Due from other funds	3,394,177	-	-	-	-	3,394,177
Advances to other funds	300,000	-	-	-	-	300,000
Advances to Successor Agency	1,376,787	-	-	-	-	1,376,787
Land held for resale	-	-	420,000	1,339,645	-	1,759,645
Capital lease receivable	17,977,364	-	-	-	-	17,977,364
Restricted assets:						
Cash and investments with fiscal agents	370,531	-	-	405,266	9,026,655	9,802,452
Total assets	<u>49,883,634</u>	<u>18,956,520</u>	<u>16,346,120</u>	<u>\$ 3,373,212</u>	<u>41,766,879</u>	<u>130,326,365</u>
Deferred outflows of resources						
	-	-	-	-	-	-
<b>Total assets and deferred outflows of resources</b>	<b><u>\$ 49,883,634</u></b>	<b><u>\$ 18,956,520</u></b>	<b><u>\$ 16,346,120</u></b>	<b><u>\$ 3,373,212</u></b>	<b><u>\$ 41,766,879</u></b>	<b><u>\$ 130,326,365</u></b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
Liabilities:						
Accounts payable	\$ 1,911,058	\$ 1,326,059	678,159	13,850	\$ 1,040,252	\$ 4,969,378
Accrued liabilities	1,096,166	-	-	-	-	1,096,166
Advances from grantors	-	-	-	-	866	866
Deposits payable	3,039,455	-	65,452	18,525	1,776,239	4,899,671
Due to other governments	2,051,165	-	11,443,285	-	788,636	14,283,086
Due to other funds	-	-	-	-	3,394,177	3,394,177
Total liabilities	<u>8,097,844</u>	<u>1,326,059</u>	<u>12,186,896</u>	<u>32,375</u>	<u>7,000,170</u>	<u>28,643,344</u>
Deferred inflows of resources:						
Unavailable revenue	168,677	-	-	-	2,061,778	2,230,455
Total deferred inflows of resources	<u>168,677</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,061,778</u>	<u>2,230,455</u>
Fund Balances:						
Nonspendable						
Loans receivable	158,876	-	675,000	1,145,696	-	1,979,572
Prepaid items	1,107,481	-	-	-	29,667	1,137,148
Advances to other funds	300,000	-	-	-	-	300,000
Advances to Successor Agency	1,376,787	-	-	-	-	1,376,787
Land held for resale	-	-	420,000	1,339,645	-	1,759,645
Capital lease receivable	17,977,364	-	-	-	-	17,977,364
Restricted						
Special revenue funds	-	17,630,461	3,064,224	855,496	34,049,389	55,599,570
Debt service funds	370,531	-	-	-	1,321,941	1,692,472
Assigned	18,673,000	-	-	-	-	18,673,000
Unassigned	1,653,074	-	-	-	(2,696,066)	(1,042,992)
Total fund balances	<u>41,617,113</u>	<u>17,630,461</u>	<u>4,159,224</u>	<u>3,340,837</u>	<u>32,704,931</u>	<u>99,452,566</u>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b><u>\$ 49,883,634</u></b>	<b><u>\$ 18,956,520</u></b>	<b><u>\$ 16,346,120</u></b>	<b><u>\$ 3,373,212</u></b>	<b><u>\$ 41,766,879</u></b>	<b><u>\$ 130,326,365</u></b>

See notes to financial statements.

**City of El Monte**  
**Reconciliation of the Balance Sheet of Governmental Funds**  
**to the Statement of Net Position**  
**June 30, 2015**

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Fund balance of governmental funds	\$	99,452,566
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets of governmental activities are not financial resources and are not reported in the governmental funds.		
Capital assets	\$	543,448,064
Accumulated depreciation		<u>(99,066,941)</u>
		444,381,123
Deferred outflows of resources which represent loss on bond defeasance is deferred and amortized over the life of the debt. This loss is reported as an expenditure of current financial resources in the governmental funds.		
		12,134
Deferred outflows of resources related to subsequent pension contribution are recognized as expenditure in the governmental funds.		
		10,817,464
Long-term liabilities are not due and payable in the current period and are not reported in the governmental funds.		
Long-term liabilities		(63,017,705)
Compensated absences		<u>(5,494,742)</u>
		(68,512,447)
Deferred inflows of resources related to pension are not reported in the governmental funds.		
		(20,755,218)
Net pension liability is not due and payable in the current period and therefore, are not reported in the governmental funds.		
		(119,038,237)
Accrued interest payable for the interest due on bonds bonds that has not been reported in the governmental funds.		
		(829,372)
Revenues reported as unavailable revenue in the governmental funds are recognized as intergovernmental revenues in the Statement of Activities.		
		2,230,455
Internal service funds are used by management to charge the costs of certain activities, such as self-insurance, to individual funds. The assets and liabilities of the internal service funds must be added to the Statement of Net Position.		
		<u>(2,320,723)</u>
Net position of governmental activities	\$	<u><u>345,437,745</u></u>

*See notes to financial statements.*

**City of El Monte  
Governmental Funds**

**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Year ended June 30, 2015**

	Special Revenue Funds					Total
	General Fund	Retirement Fund	Housing and Community Development	Housing Assets	Nonmajor Governmental Funds	
<b>Revenues</b>						
Taxes	\$ 49,603,060	\$ 8,962,485	\$ -	\$ -	\$ 9,109,031	\$ 67,674,576
Licenses and permits	1,482,638	-	-	-	-	1,482,638
Intergovernmental	99,402	-	1,296,519	-	6,972,092	8,368,013
Charges for services	3,177,500	-	-	-	1,612,910	4,790,410
Use of money and property	213,211	74,070	30,385	47,628	678,748	1,044,042
Fines and forfeitures	1,362,878	-	-	-	-	1,362,878
Contributions	2,705	-	-	-	402,958	405,663
Miscellaneous	2,459,247	520,419	1,924,033	50,001	702,792	5,656,492
Net change in fair value of investments	181,143	-	-	-	-	181,143
<b>Total revenues</b>	<u>58,581,784</u>	<u>9,556,974</u>	<u>3,250,937</u>	<u>97,629</u>	<u>19,478,531</u>	<u>90,965,855</u>
<b>Expenditures</b>						
Current:						
General government	8,752,033	11,148,934	285,110	-	244,079	20,430,156
Public safety	33,813,344	-	-	-	483,575	34,296,919
Parks, recreation and cultural	2,273,488	-	134,695	-	548,485	2,956,668
Public works	8,988,873	-	-	-	3,670,257	12,659,130
Economic development	-	-	1,172,668	9,309	1,512,145	2,694,122
Capital outlay	331,356	-	54,573	1,565,682	4,833,688	6,785,299
Debt service:						
Principal retirement	945,000	-	591,000	-	340,000	1,876,000
Interest and fiscal charges	139,935	-	323,308	-	2,125,622	2,588,865
<b>Total expenditures</b>	<u>55,244,029</u>	<u>11,148,934</u>	<u>2,561,354</u>	<u>1,574,991</u>	<u>13,757,851</u>	<u>84,287,159</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>3,337,755</u>	<u>(1,591,960)</u>	<u>689,583</u>	<u>(1,477,362)</u>	<u>5,720,680</u>	<u>6,678,696</u>
<b>Other financing sources (uses)</b>						
Transfers in	3,575,000	-	-	-	364,319	3,939,319
Transfers out	(342,026)	-	-	-	(3,687,693)	(4,029,719)
<b>Net other financing sources (uses)</b>	<u>3,232,974</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,323,374)</u>	<u>(90,400)</u>
<b>Net change in fund balances</b>	6,570,729	(1,591,960)	689,583	(1,477,362)	2,397,306	6,588,296
<b>Fund balance, beginning of year</b>	<u>35,046,384</u>	<u>19,222,421</u>	<u>3,469,641</u>	<u>4,818,199</u>	<u>30,307,625</u>	<u>92,864,270</u>
<b>Fund balance, end of year</b>	<u>\$ 41,617,113</u>	<u>\$ 17,630,461</u>	<u>\$ 4,159,224</u>	<u>\$ 3,340,837</u>	<u>\$ 32,704,931</u>	<u>\$ 99,452,566</u>

See notes to financial statements.

**City of El Monte  
Governmental Funds**

**Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds to the Statement of Activities**

**Year ended June 30, 2015**

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Change in fund balance - governmental funds		\$ 6,588,296
<p>Amounts reported for governmental activities in the Statement of Activities differed from the amounts reported in the Statement of Revenues, Expenditures, and Changes in Fund Balances because:</p>		
<p>Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense or are allocated to the appropriate functional expense when the cost is below the capitalization threshold. This activity is reconciled as follows:</p>		
Capital outlay, net of disposals		7,108,472
Depreciation expense		(5,036,203)
<p>Long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Costs associated with the issuance of long-term debt are reported as expenditures in the governmental funds, but deferred and amortized throughout the period during which the related debt is outstanding in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in Statement of Net Position .</p>		
Principal repayment of bonds	\$ 1,285,000	
Principal repayment of capital lease obligation	31,774	
Principal repayment of notes payable	591,000	
Amortization of deferred bond premium	13,034	
Amortization of deferred bond discount	(22,837)	
Amortization of deferred loss on bond defeasance	<u>(17,692)</u>	1,880,279
<p>Governmental funds report only contributions in relation to the Annual Required Contribution (ARC) for OPEB as expenditures; however, in the Statement of Activities, the total ARC is an expense. This is the change in OPEB liability for the current period.</p>		
		(2,726,996)
<p>Pension contribution made after the measurement date was charged to expenditure in the governmental funds but deferred in the government-wide financial statements.</p>		
		10,817,464
<p>Pension expense reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported in the governmental funds.</p>		
		(7,137,085)
<p>Accrued interest for long-term liabilities is not reported in the governmental fund financial until due. This is the net change in accrued interest for the current period.</p>		
		160,715
<p>Compensated absences liability reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This is the change in compensated absences for the current period.</p>		
		(503,934)
<p>Certain revenues are reported as unavailable revenue in the governmental funds and recognized as intergovernmental revenues in the Statement of Activities.</p>		
		521,686
<p>Internal service funds are used by management to charge the costs of certain activities, such as self-insurance, to individual funds. The net revenues (expenses) of the internal service funds is reported with governmental activities.</p>		
		(1,075,698)
Change in net position of governmental activities		<u>\$ 10,596,996</u>

*See notes to financial statements.*

**City of El Monte  
Statement of Net Position  
Proprietary Funds  
June 30, 2015**

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water Fund	Sewer Fund	Total	Internal Service Funds
<b>ASSETS</b>				
Current assets				
Cash and cash equivalents	\$ 1,277,322	\$ 10,471,366	\$ 11,748,688	\$ 8,600,557
Receivables:				
Accounts	639,868	49,519	689,387	9,385.00
Other	45,496	-	45,496	-
Prepaid accounts	3,158	-	3,158	-
Restricted:				
Cash with fiscal agents	403,445	-	403,445	-
Total current assets	<u>2,369,289</u>	<u>10,520,885</u>	<u>12,890,174</u>	<u>8,609,942</u>
Noncurrent assets				
Capital assets	43,743,592	19,913,957	63,657,549	-
Accumulated depreciation	<u>(17,866,245)</u>	<u>(9,318,372)</u>	<u>(27,184,617)</u>	<u>-</u>
Net capital assets	<u>25,877,347</u>	<u>10,595,585</u>	<u>36,472,932</u>	<u>-</u>
Total noncurrent assets	<u>25,877,347</u>	<u>10,595,585</u>	<u>36,472,932</u>	<u>-</u>
Total assets	<u>28,246,636</u>	<u>21,116,470</u>	<u>49,363,106</u>	<u>8,609,942</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Unamortized loss on defeasance of debt	649,270	-	649,270	-
Pension contributions	<u>225,486</u>	<u>236,804</u>	<u>462,290</u>	<u>-</u>
Total deferred outflows of resources	<u>874,756</u>	<u>236,804</u>	<u>1,111,560</u>	<u>-</u>
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	200,788	233,786	434,574	66,292
Accrued interest	244,028	-	244,028	-
Deposits payable	315,296	-	315,296	-
Accrued compensated absences, current portion	42,083	22,063	64,146	-
Accrued claims and judgments	-	-	-	1,855,000
Bonds, notes, and capital leases	<u>485,000</u>	<u>-</u>	<u>485,000</u>	<u>-</u>
Total current liabilities	<u>1,287,195</u>	<u>255,849</u>	<u>1,543,044</u>	<u>1,921,292</u>
Noncurrent liabilities				
Advances from other funds	-	-	-	300,000
Accrued compensated absences	126,246	66,190	192,436	-
Accrued claims and judgments	-	-	-	8,888,000
Capital lease payable	17,977,364	-	17,977,364	-
Net pension liability	3,488,725	3,794,206	7,282,931	-
Bonds and notes	<u>15,265,382</u>	<u>-</u>	<u>15,265,382</u>	<u>-</u>
Total liabilities	<u>38,144,912</u>	<u>4,116,245</u>	<u>42,261,157</u>	<u>11,109,292</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Net difference between projected and actual earnings on pension plan investments	<u>465,421</u>	<u>484,777</u>	<u>950,198</u>	<u>-</u>
Total deferred inflows of resources	<u>465,421</u>	<u>484,777</u>	<u>950,198</u>	<u>-</u>
<b>NET POSITION</b>				
Net investment in capital assets	(7,850,399)	10,595,585	2,745,186	-
Unrestricted	<u>(1,638,542)</u>	<u>6,156,667</u>	<u>4,518,125</u>	<u>(2,499,350)</u>
Total net position	<u>\$ (9,488,941)</u>	<u>\$ 16,752,252</u>	<u>\$ 7,263,311</u>	<u>\$ (2,499,350)</u>

**Reconciliation of net position to statement of net position:**

Net position per statement of net position for proprietary funds	\$ 7,263,311
Prior year's accumulated adjustment to reflect the consolidation of internal service funds activities related to enterprise funds	(90,255)
Current year's accumulated adjustment to reflect the consolidation of internal service funds activities related to enterprise funds	<u>(88,372)</u>
<b>Net position per statement of net position</b>	<u>\$ 7,084,684</u>

*See notes to financial statements.*

**City of El Monte**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Funds**  
**Year ended June 30, 2015**

	Business-type Activities - Enterprise Funds			Activities Internal Service Funds
	Water Fund	Sewer Fund	Total	Self Insurance
<b>Operating revenues</b>				
Sales and service charges	\$ 3,353,355	\$ 3,389,311	\$ 6,742,666	\$ -
Interdepartmental charges	-	-	-	2,309,350
<b>Total operating revenues</b>	<u>3,353,355</u>	<u>3,389,311</u>	<u>6,742,666</u>	<u>2,309,350</u>
<b>Operating expenses</b>				
Personnel services	631,206	753,181	1,384,387	-
Contractual services	459,931	342,670	802,601	-
Maintenance and supplies	187,520	280,841	468,361	-
Administrative and general	603,371	214,338	817,709	-
Facility lease	199,368	299,050	498,418	-
Claims expenses	-	-	-	3,663,820
Depreciation expense	866,936	440,867	1,307,803	-
<b>Total operating expenses</b>	<u>2,948,332</u>	<u>2,330,947</u>	<u>5,279,279</u>	<u>3,663,820</u>
<b>Operating income (loss)</b>	405,023	1,058,364	1,463,387	(1,354,470)
<b>Nonoperating revenues (expenses)</b>				
Intergovernmental	184,910	287	185,197	-
Interest revenue	3,573	39,670	43,243	-
Interest expense	(765,582)	-	(765,582)	-
Miscellaneous	-	142	142	-
<b>Net nonoperating revenues (expenses)</b>	<u>(577,099)</u>	<u>40,099</u>	<u>(537,000)</u>	<u>-</u>
<b>Operating income (loss) before other financing sources</b>	(172,076)	1,098,463	926,387	(1,354,470)
<b>Transfers</b>				
Transfers in	-	-	-	190,400
Transfers out	-	(100,000)	(100,000)	-
	<u>\$ -</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>190,400</u>
<b>Net changes in net position</b>	(172,076)	998,463	826,387	(1,164,070)
<b>Net position - beginning as previously reported</b>	(5,486,085)	19,903,748	14,417,663	(1,335,280)
<b>Adjustments to net position</b>	<u>(3,830,780)</u>	<u>(4,149,959)</u>	<u>(7,980,739)</u>	<u>-</u>
<b>Net position, beginning of year</b>	<u>(9,316,865)</u>	<u>15,753,789</u>	<u>6,436,924</u>	<u>(1,335,280)</u>
<b>Net position, end of year</b>	<u>\$ (9,488,941)</u>	<u>\$ 16,752,252</u>	<u>\$ 7,263,311</u>	<u>\$ (2,499,350)</u>
<b>Reconciliation of Statement of Changes in Net Position to the Statement of Activities:</b>				
Change in Net Position per Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds			\$ 826,387	
Adjustment to reflect the consolidation of current fiscal year internal service fund activities related to enterprise funds			(88,372)	
Change in Net Position Business-type Activities Statement of Activities			<u>\$ 738,015</u>	

See notes to financial statements.

**City of El Monte**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**Year ended June 30, 2015**

	Business-type Activities - Enterprise Funds			Governmental Activities Internal Service Funds
	Water	Sewer	Total	Self
	Fund	Fund		Insurance
<b>Cash flows from operating activities</b>				
Cash received from customers and users	\$ 3,619,911	\$ 3,390,070	\$ 7,009,981	\$ -
Cash received for interfund charges	-	-	-	2,299,965
Cash paid to suppliers for goods and services	(1,219,201)	(893,130)	(2,112,331)	(3,146,778)
Cash paid to employees for services	(1,128,631)	(1,065,084)	(2,193,715)	-
<b>Net cash provided by operating activities</b>	<u>1,272,079</u>	<u>1,431,856</u>	<u>2,703,935</u>	<u>(846,813)</u>
<b>Cash flows from non-capital and related financing activities</b>				
Intergovernmental	184,910	287	185,197	190,400
Net transfers from (to) other funds	-	(100,000)	(100,000)	-
<b>Net cash provided by (used in) non-capital and related financing activities</b>	<u>184,910</u>	<u>(99,713)</u>	<u>85,197</u>	<u>190,400</u>
<b>Cash flows from capital and related financing activities</b>				
Acquisition and construction of capital assets	(4,136)	(4,136)	(8,272)	-
Principal paid on capital debt	(465,000)	-	(465,000)	-
Interest paid on capital debt	(743,466)	-	(743,466)	-
<b>Net cash provided by (used in) capital and related financing activities</b>	<u>(1,212,602)</u>	<u>(3,994)</u>	<u>(1,216,596)</u>	<u>-</u>
<b>Cash flows from investing activities</b>				
Interest received	3,573	39,670	43,243	-
<b>Change in cash and cash equivalents</b>	247,960	1,367,819	1,615,779	(656,413)
<b>Beginning cash and cash equivalents</b>	<u>1,432,807</u>	<u>9,103,547</u>	<u>10,536,354</u>	<u>9,256,970</u>
<b>Ending cash and cash equivalents</b>	<u>\$ 1,680,767</u>	<u>\$ 10,471,366</u>	<u>\$ 12,152,133</u>	<u>\$ 8,600,557</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>				
Operating income (loss)	\$ 405,023	\$ 1,058,364	\$ 1,463,387	\$ (1,354,470)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	866,936	440,867	1,307,803	-
(Increase) decrease in:				
Accounts receivable	266,556	759	267,315	(9,385)
Deferred outflows of resources	(259,431)	(276,458)	(535,889)	-
Increase (decrease):				
Accounts payable	53,175	169,896	223,071	62,042
Deposits payable	(202,310)	-	(202,310)	-
Deferred inflows of resources	499,366	524,431	1,023,797	-
Compensated absences payable	(15,181)	(130,250)	(145,431)	-
Accrued claims and judgments	-	-	-	455,000
Net pension liability	(342,055)	(355,753)	(697,808)	-
<b>Net cash provided by operating activities</b>	<u>\$ 1,272,079</u>	<u>\$ 1,431,856</u>	<u>\$ 2,703,935</u>	<u>\$ (846,813)</u>
Non-cash investing, capital and financing Activities:				
Amortization of premium and loss on defeasance of long-term liabilities	<u>\$ 27,928</u>	<u>\$ -</u>	<u>\$ 27,928</u>	<u>\$ -</u>

See notes to financial statements.

**City of El Monte**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2015**

	Successor Agency to the Dissolved Redevelopment Agency Private-purpose Trust Fund		Pension Trust Fund Service Employees International Union (SEIU) Retiree Insurance
<b>ASSETS</b>			
Cash and investments	\$ 4,474,541	\$	445,527
Cash with fiscal agents	4,437,990		-
Cash held in escrow accounts	1,441,105		-
Receivables:			
Accounts	-		2,453
Notes and loans	467,359		-
Others			430
Land held for resale	6,178,496		-
Total assets	16,999,491		448,410
<b>LIABILITIES</b>			
Accounts payable	42,828		-
Interest payable	92,977		-
Deposits payable	109,305		-
Due to other governments	548,284		-
Due to City of El Monte	1,376,787		-
Long-term liabilities			
Due within one year	880,000		-
Due in more than one year	24,096,571		-
Advances from City of El Monte	43,023,233		-
Total liabilities	70,169,985		-
<b>NET POSITION</b>			
Held in trust for pension	-		448,410
Net position (deficit)	(53,170,494)		-
Total net position (deficit)	\$ (53,170,494)	\$	448,410

*See notes to financial statements.*

**City of El Monte**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**Year ended June 30, 2015**

	Successor Agency to the Dissolved Redevelopment Agency Private-purpose Trust Fund	Pension Trust Fund Service Employees International Union (SEIU) Retiree Insurance
<b><u>Revenues and additions:</u></b>		
Taxes	\$ 4,560,055	\$ -
Use of money and property	36,572	-
Rental income	42,197	-
Gain on sale of property	264,476	-
Proceeds from lease termination	1,380,000	-
Contributions:		
Employers	-	197,500
Employees	-	58,478
Retirees	-	40,140
Investment earnings:		
Interest and change in fair value of investments	-	1,960
Total additions	6,283,300	298,078
 <b><u>Expenses and deductions</u></b>		
Community development	2,114,825	-
Debt service		
Interest and fiscal charges	1,971,838	-
Benefits	-	189,769
Total deductions	4,086,663	189,769
<b>Change in net position</b>	2,196,637	108,309
<b>Net position (deficit) held in trust - beginning of the year</b>	(55,367,131)	340,101
<b>Net position (deficit) held in trust - end of the year</b>	\$ (53,170,494)	\$ 448,410

*See notes to financial statements.*

**NOTE 1      REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES**

**Description of Reporting Entity**

The City of El Monte (the City) was incorporated on November 18, 1912, as a general law city and operates under a Council/City Manager form of government. It is governed by an elected five-member council.

As required by generally accepted accounting principles, these financial statements present the City of El Monte (the primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationship with the City. These entities are legally separate from each other. However, the City of El Monte elected officials have a continuing full or partial accountability for fiscal matters of the other entities. 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 exclusions would cause the City's financial statements to be misleading or incomplete.

An organization is fiscally dependent on the primary government if it is unable to adopt its budget, levy taxes or set rates or charges, or issue bonded debt without approval by the primary government. In a blended presentation, component units' balances and transactions are reported in a manner similar to the balances and transactions of the City. Component units are presented on a blended basis when the component unit's body is substantially the same as the City's or the component unit provides services almost entirely to the City. The following component units of the City have been included in the financial reporting entity as blended component units because the City Council serves as the governing board for most and management has operational responsibility for these component units and the component units provide services entirely within the City of El Monte:

*El Monte Public Financing Authority (Authority)*

The Authority is a joint powers authority whose members are the City and the Agency. The Authority is duly organized and existing under a Joint Exercise of Powers agreement dated April 27, 1993, by and between the City and the former Redevelopment Agency, under the provisions of Chapter 5 of Division 7 of Title 1 of the California Government Code. Its purpose is to assist the City and the Agency in providing financing for capital projects and improvements. The officers of the City and the Agency serve as the officers of the Authority. The Authority has no taxing power and has no source of revenue other than the revenues for paying the debt service on the bonds. Separate financial statements are not prepared for the Authority.

**NOTE 1      REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

*El Monte Community Development Corporation (Corporation)*

The El Monte Community Development Corporation was formed on April 2, 2002, pursuant to the Non-Profit Public Benefit Corporation law of the State of California. Its purpose is to spend 15% of the City's annual HOME Partnership Investment allocation to increase and improve the community's supply of affordable housing for persons of low and moderate income. The City Council members act as the Agency's directors. There are no separate financial statements prepared for the Corporation.

*El Monte Water Authority (Water Authority)*

The El Monte Water Authority was formed July 13, 1999, by the City of El Monte and the former El Monte Community Redevelopment Agency under Article 1 (commencing with Section 6500) of the Joint Powers Law. Its purpose is to provide an entity to assist in providing financing, for purposes which are authorized by law, and which could lease, own, operate and maintain the water system of the City of El Monte. The City Council members act as the members of the Governing Board of the Water Authority. The financial activity of the Authority is reported in the City's financial statements as a business-type activity. There are no separate financial statements prepared for the Water Authority.

*El Monte Economic Development Corporation*

The El Monte Economic Development Corporation (Corporation) was formed on March 18, 2011 for the purpose of lessening governmental burdens by providing assistance to the City of El Monte and the Successor Agency to the former El Monte Community Redevelopment Agency (the Agency) in development efforts to promote economic development, including the provision of financial assistance to private business and public works projects in the City for the creation of new jobs to be held by persons of low and moderate income, to promote the expansion and preservation in the City of Affordable housing reserved for persons and families of low and moderate income, and to eliminate blighting influences within the City. The City Council members act as the Board of Directors of the Corporation and management has operational responsibility over this component unit. The Corporation provides services entirely within the City. There are no separate financial statements prepared for the Corporation.

*El Monte Housing Authority*

The El Monte Housing Authority was formed on July 28, 1997 for the purpose of assisting the City in the implementation of the policies and goals of the City of El Monte General Plan by providing affordable rental housing within the City. The City Council acts as the governing board of the Authority. The City Council members act as the members of the Governing Board and management has operational responsibility over the Authority. The Authority provides services entirely within the City. There are no separate financial statements prepared for the Housing Authority.

**NOTE 1      REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**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 on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. 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.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those 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 not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**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 and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**NOTE 1      REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

Governmental fund financial statements are accounted for using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, with the exception of state gas tax which is 120 days. Revenues considered susceptible to accrual in those funds wherein revenue is recognized on a modified accrual basis is as follows: property and sales taxes, revenue from the use of money and property, interfund transfers, unbilled service receivables and intergovernmental revenue are all considered measurable and are recognized as revenue on a modified accrual basis; licenses, permits, fines and forfeitures and similar items are, for the most part, not susceptible to accrual and, consequently, are not recorded until received. Agency funds are purely custodial (assets equal liabilities) and thus, do not involve measurement of results of operations. Fiduciary funds are accounted for on a full accrual basis.

Property tax revenue is recognized in the fiscal year for which the taxes have been levied providing they become available. Available means then due or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter (not to exceed 60 days) to be used to pay liabilities of the current period. The County of Los Angeles collects property taxes for the City. Tax liens attach annually as of 12:01 A.M. on the first day in January proceeding the fiscal year for which the taxes are levied. Taxes are levied on both real and personal property as it exists on that date. The tax levy covers the fiscal period July 1 to June 30. All secured personal property taxes and one-half of the taxes on real property are due November 1; the second installment is due February 1. All taxes are delinquent, if unpaid, on December 10 and April 10, respectively. Unsecured personal property taxes become due on the first of March each year and are delinquent, if unpaid, on August 31.

Grants, entitlements or shared revenues recorded in governmental funds are recognized as revenue in the accounting period when they become susceptible to accrual, i.e. both measurable and available (modified accrual basis). Grants received before the revenue recognition criteria have been met are reported as unearned revenue, a liability account. Such resources not received are reported as a receivable if the revenue recognition criteria have been met.

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.

All proprietary and fiduciary funds are accounted for using the flow of economic resources measurement focus and the accrual basis of accounting. Their revenues are recognized when they are earned and become measurable; expenses are recognized when they are incurred. Unbilled service receivables are recorded as accounts receivable and as revenue when earned.

**NOTE 1      REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

The City reports the following major governmental funds:

- The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The Retirement Special Revenue Fund accounts for all revenues and expenditures associated with the retirement tax levy to fund the employee's pension fund.
- The Housing and Community Development Special Revenue Fund accounts for all monies received from the Community Development Block Grant provided by the Federal Housing and Community Development Act.
- Housing Asset Fund accounts for housing assets approved by the State Department of Finance to remain with the City after the dissolution of the former Redevelopment Agency.

The City reports the following major proprietary funds:

- The Water Fund is used to account for the operations of the City's water utility. All activities necessary to provide this service are accounted for in the Water Fund, including administration, operations, maintenance, capital improvement, billing, collection and depreciation.
- The Sewer Fund accounts for the City's sewer operation.

Additionally, the City reports the following fund types:

- Special Revenue Funds account for proceeds of specific revenue sources that are legally restricted or otherwise designated for specific purposes.
- The Capital Project Fund accounts for the accumulation of resources to fund capital projects within the City, other than those for proprietary funds.
- The Debt Service Fund accounts for the accumulation of resources for the payment of long-term debt principal and interest relating to the debt of the City.
- The Self-insurance Internal Service Fund accounts for the transactions of the general liability and worker's compensation insurance programs. It is financed through contributions paid by each operating program based on factors similar to those used by insurance companies (i.e. payroll, and number of employees).

**NOTE 1      REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

- The City's fiduciary fund financial statements report the following private purpose trust funds:
  - The Successor Agency to the Dissolved Redevelopment Agency Private-purpose Trust fund is a fiduciary fund type used by the City to report trust arrangements under which principal and income benefit other governments. This fund reports the assets, liabilities and activities of the Successor Agency to the Dissolved El Monte Community Redevelopment Agency. Unlike the limited reporting typically utilized for Agency Funds, Private-purpose Trust Funds report a Statement of Fiduciary Net position and a Statement of Changes in Fiduciary Net position.
  - The Pension Trust Fund accounts for premiums paid for retirees and their families.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's proprietary funds function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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. The principal operating revenues of the Enterprise Funds are charges to customers for sales and services. Operating expenses for Enterprise 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.

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

**Use of Estimates**

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires City 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 revenue and expenditures during the reporting period. Actual results could differ from those estimates.

**NOTE 1      REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

**Fund Balance Reporting**

Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions*, establishes the following fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds:

Nonspendable 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. The City's nonspendable fund balance represents prepaid expenses and long-term advances to other funds.

Restricted fund balance includes resources that are subject to externally enforceable legal restrictions. It includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. The City's restricted fund balances represent resources restricted for programs funded by grants and other restricted sources, capital projects, debt service and the low/moderate income housing program, and more.

Committed fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. As of June 30, 2015, the City has no committed fund balance.

Assigned fund balance 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. As of June 30, 2015, the City has assigned \$18.7 million of its fund balance for various contingency, capital, Measure GG and cash reserves.

Unassigned fund balance is the residual classification for the City's fund balance and includes all spendable amounts not contained in the other classifications. This category also provides the resources necessary to meet unexpected expenditures and revenue shortfalls.

The City Council, as the City's highest level of decision-making authority, may commit fund balance for specific purposes pursuant to constraints imposed by formal actions taken. 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 taken to establish the commitment.

The City Council delegates the authority to assign fund balance to the City Manager for purposes of reporting in the annual financial statements.

**NOTE 1      REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

The City considers the restricted fund balances to have been spent when expenditure is incurred for purposes for which both unrestricted and restricted fund balance is available. The City considers unrestricted fund balances to have been spent when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the policy of the City to reduce the committed amounts first, followed by assigned amounts, and then unassigned amounts.

**Assets, Liabilities and Net Position or Equity**

Cash and Investments

For purposes of the statement of cash flows, the City considers cash and cash equivalents as short-term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. The City follows the practice of pooling cash and investments of all funds. Since cash and investments are pooled, the City utilizes the assumption that cash and investments in the Enterprise Fund are cash and cash equivalents.

The cash management pool has the general characteristics of a demand deposit account in that the governmental enterprise may deposit additional cash at any time and also effectively may withdraw cash at any time without prior notice or penalty.

Investments for the City are reported at fair value. The current year changes in fair value are recognized in the statement of revenue, expenditures and changes in fund balance. Investment in the State Treasurer's Investment Pool operates in accordance with appropriate State laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Receivables and Payables

Activities 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). Balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance nonspendable account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectible accounts.

**NOTE 1      REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

Functional Classifications

Expenditures of the Governmental Funds are classified by function. Functional classifications are defined as follows:

- General Government includes legislative activities which have a primary objective of providing legal and policy guidelines for the City. Also included in this classification are those activities which provide management or support services across more than one functional area.
- Public Safety includes those activities which involve the protection of people and property.
- Parks, Recreation and Cultural, includes those activities which involve the parks and recreation system.
- Public Works includes those activities which involve the maintenance and improvement of City streets, roads and park department development and maintenance.
- Economic development includes those activities which involve community development, planning, building regulation, environmental services, and code enforcement services.
- Debt Service includes those activities that account for the payment of long-term debt principal, interest and fiscal charges.
- Capital Outlay includes those activities that account for the acquisition of capital assets and the construction and improvements to city infrastructure.

Long-term Receivables

Noncurrent portions of long-term receivables due to governmental funds are reported on their balance sheets, in spite of their spending measurement focus. Special reporting treatments are used to indicate that they should not be considered "available spendable resources," because they do not represent net current assets. Noncurrent portions of long-term loans receivable funded by grants are offset by due to grantors.

Inventories, Prepaid Costs and Land Held for Resale

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventory is equally offset by nonspendable fund balance in the fund level statements, which indicates that it does not constitute "available spendable resources."

**NOTE 1      REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The fund balances in the governmental fund types have been classified as nonspendable for amounts equal to the prepaid items in the fund-level statements, since these amounts are not available for appropriation.

Land held for resale is recorded at the lower of cost or fair value. Fund balances in the governmental fund type have been classified as nonspendable for amounts equal to the carrying amount of land and buildings held for resale because such assets are not available to finance the City's current operations.

Restricted Assets

Certain proceeds of debt issues, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. In addition, funds have been restricted for future capital improvements by City resolution.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, rights-of-way, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if not purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

In accordance with GASB Statement No. 34, the City has reported general infrastructure assets acquired in the current year and prior years. Bond proceeds utilized in the acquisition of these assets have reduced the investment in capital assets portion of net position.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized cost of the assets constructed.

**NOTE 1      REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

The provision for depreciation of capital assets of the primary government, as well as the component units, is calculated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	10 - 42
Improvements	10 - 42
Public domain - infrastructure	25 - 40
Furniture and equipment	3 - 15
Pumping plant	7 - 50
Transmission and distribution plant	10 - 50

Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement Nos. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and 65, *Items Previously Reported as Assets and Liabilities*, the City recognizes deferred outflows and inflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. A deferred inflow of resources is defined as an acquisition of net position by the government that is applicable to a future reporting period. Refer to Note 15 for the list of deferred outflows and deferred inflows of resources the City has recognized as of June 30, 2015.

Compensated Absences

Vacation pay is payable to employees at the time a vacation is taken or upon termination of employment. Normally, an employee cannot accrue more than one and one-half times his regular annual entitlement. Sick leave is payable when an employee is unable to work because of illness. Upon termination, an employee will forfeit any unused sick leave. Upon retirement, one-half to a maximum of 800 hours is paid to the employee and the remaining one-half is credited to service retirement. Typically, the City liquidates its compensated absences with general fund resources.

Long-term Obligations

In the government-wide financial statements and proprietary fund types fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective Interest method. Bonds payable are reported net of applicable bond premium or discount. In accordance with GASB Statement No. 65, bond issuance costs are reported as expenditures during the year they were incurred and paid.

**NOTE 1      REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES  
(CONTINUED)**

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**Implementation of New Accounting Pronouncements**

During the fiscal year ended June 30, 2015, the City adopted the following new Statements of the Governmental Accounting Standards Board (GASB):

- GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statements No. 27 and 50*. This statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures of pensions that are provided by local governmental employers through pension plans that are administered through trusts that meet certain conditions. For defined benefit pensions, this statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service.
- GASB Statement No. 71, *Pension Transition for Contributions made subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. This statement amends paragraph 137 of Statement 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability.

***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's California Public Employees' Retirement System (CalPERS) plan and Public Agency Retirement Services (PARS) Retirement Enhancement plan (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS and PARS. 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.

**NOTE 2      STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**General Budget Policies**

The City Council approves each year's budget submitted by the City Manager prior to the beginning of the new fiscal year. Public comments are received prior to its adoption by the Council. Supplemental appropriations, where required during the period, are also approved by the Council and City Manager. Intradepartmental I budget changes are approved by the City Manager. In most cases, expenditures may not exceed appropriations at the department level, which is the legal level of control. During the year, several supplementary appropriations were necessary. At fiscal year-end, all unencumbered appropriations lapse.

Budget Basis of Accounting

Budgets for governmental funds are adopted on a basis which differs from generally accepted accounting principles (GAAP). The Budget Comparison Statements and Budgetary Comparison Schedules present comparisons of the legally adopted budget with actual data on the budgetary basis. The difference between the budgetary basis and GAAP are presented on the same financial statements. Individual amendments were not material in relation to the original appropriations.

Annual budgets are required to be adopted for the General Fund, Special Revenue Funds, Debt Service Funds and Certain Capital Projects Funds. Although budgets are legally adopted for the City's Proprietary Funds, there is no legal requirement for the fiscal year results to be reported to City Council. Therefore, no budgetary reporting for the Proprietary Funds has been presented in the accompanying financial statements.

For fiscal year 2014-2015, the following funds had no legally adopted budget:

Special Revenue Funds:

Affordable Housing

Park Bond Act

Mountain View Community Facilities District

This is not in conformance with the City's budgetary policy.

**NOTE 2      STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)**

At June 30, 2015, the following funds had deficit fund balances or net position:

Special Revenue Funds:

Transportation Development Act Fund	\$ (8,429)
Federal Stimulus	(27,611)
CalHome Grant	(42,325)
Emergency Shelter Grant	(29,291)
Park Facility Impact Fee	(41,350)
Storm Drain	(151,804)
Miscellaneous Grants	(1,914,233)

Capital Projects Fund	(481,023)
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Management expects that the fund deficits will be covered from future revenues and transfers from the General Fund.

**Excess of Expenditures Over Appropriations**

Expenditures exceeded appropriation for the following functions of the General Fund:

	Expenditures	Appropriations	Excess
General government			
City attorney	\$ 1,811,925	\$ 1,300,000	\$ (511,925)

**NOTE 3      CASH AND INVESTMENTS**

As of June 30, 2015, cash and investments were reported in the accompanying financial statements as follows:

	Cash and Investments	Cash and Investments with Fiscal Agent	Total
Governmental activities	\$ 80,047,457	\$ 9,802,452	\$ 89,849,909
Business-type activities	11,748,688	403,445	12,152,133
Fiduciary funds	4,920,068	5,879,095	10,799,163
Total Cash and Investments	\$ 96,716,213	\$ 16,084,992	\$ 112,801,205

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

Cash and investments at June 30, 2015, consisted of the following:

Cash on hand	\$	18,700
Deposits with financial institutions		8,787,252
Deposits with escrow		1,441,105
Investments		<u>102,554,148</u>
Total Cash and Investments	\$	<u><u>112,801,205</u></u>

The City of El Monte maintains a cash and investment pool that is available for use by all funds. Each fund type's position in the pool is reported on the combined balance sheet as cash and investments. The City has adopted an investment policy, which authorizes it to invest in various types of investment securities.

**Deposits**

At June 30, 2015, the carrying amount of the City's deposits was \$8,787,252 and the bank balance was \$10,252,550. The \$1,465,298 difference represents outstanding checks, deposits in transit and other reconciling items.

The California Government Code requires California financial institutions to secure a City's deposits by pledging government securities with a value of 110% of a City's deposits. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of a City's total deposits. The City Treasurer may waive the collateral requirement for deposits which are fully insured up to \$250,000 by the FDIC. The collateral for deposits in federal and state chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department of Banking. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a financial institution with an "Agent of Depository" has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California Agents of Depository are considered to be held for, and in the name of, the local governmental agency.

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

Under the provision of the City's investment policy, and in accordance with Section 53600 of the California Government Code, the following investments are authorized:

- United States Treasuries
- United States Government Agencies Securities
- Banker's Acceptances (BA's)
- Commercial Paper (CP)
- Medium Term Notes (MTN's)
- Local Agency Investment Fund (LAIF)
- Certificates of Deposit (CD's)

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Investments Authorized by Debt Agreements**

The above investments do not address investment of debt proceeds held by a bond trustee. Investments of debt proceeds held by a bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy.

**Investments 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. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The State Treasurer's Office audits the fund annually. The fair value of the portion in the investment pool is the same as the value of the pool shares.

**Custodial Credit Risk**

The 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 deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. As of June 30, 2015, none of the City's deposits or investments were exposed to custodial credit risk.

**Concentration of Credit Risk**

The City's investment policy imposes restrictions for certain types of investments with any one issuer to 15% of the total investment pool with the following exceptions: Treasury Securities (100%), LAIF (100%), Bankers Acceptances (40%), Commercial Paper (15%), Medium Term Notes (30%) and Certificates of Deposit (100%). With respect to concentration risk as of June 30, 2015, the City is in compliance with the investment policy's restrictions.

In accordance with GASB 40 requirements, the City reports its exposure to concentration risk whenever it has invested more than 5% of its total investments in any one issuer. As of June 30, 2015, the City has investments with the following issuers which exceed 5% of the total investment value:

Federal Home Loan Bank	\$ 8,997,750	14%
Federal Farm Credit Banks Consolidated	14,962,630	23%
Federal Home Loan Mortgage Corporation	8,983,590	14%

Investments guaranteed by the U.S. government and investments in mutual funds and external investment pools are excluded from this requirement.

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Interest Rate Risk**

The City's investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The City's investment policy states that, with the exception of the investment of bond proceeds and LAIF, investments may not exceed five years in maturity. Any investment which exceeds five years in maturity shall require authorization by City council prior to purchase. The City has elected to use the segmented time distribution method of disclosure for this interest rate risk.

As of June 30, 2015, the City had the following investments and original maturities:

Investment Type	Total	Investment Maturity (in Years)		
		Less than 1 year	1 to 3 Years	3 to 5 Years
Local Agency Investment Fund	\$ 50,000,000	\$ 50,000,000	\$ -	\$ -
General Electric Capital Corporation	995,390	-	-	995,390
Federal Agency Securities:				
Federal National Mortgage Association	3,970,890	-	-	3,970,890
Federal Home Loan Bank	8,983,590	-	-	8,983,590
Federal Farm Credit Banks Consolidated	14,962,630	-	-	14,962,630
Federal Home Loan Mortgage Corporation	8,997,750	-	3,993,400	5,004,350
FNMA Strip	11	-	-	11
Held by Fiscal Agents:				
Held by fiscal Agents	14,643,887	14,643,887	-	-
	<u>\$ 102,554,148</u>	<u>\$ 64,643,887</u>	<u>\$ 3,993,400</u>	<u>\$ 33,916,861</u>

**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, the City's investment policy, or debt agreements, and the actual rating as of year-end for each investment type.

Investment Type	Amount	Minimum Legal Rating	Not Rated	Rating AA+
Local Agency Investment Fund	\$ 50,000,000	N/A	\$ 50,000,000	-
General Electric Corp	995,390	A	-	995,390
Federal Agency Securities:				
Federal National Mortgage Association	3,970,890	A	-	3,970,890
Federal Home Loan Bank	8,983,590	A	-	8,983,590
Federal Farm Credit Banks Consolidated	14,962,630	A	-	14,962,630
Federal Home Loan Mtg Corp	8,997,750	A	-	8,997,750
FNMA Strip	11	A	11	-
Held by Fiscal Agents:				
Held by fiscal Agents	14,643,887	N/A	14,643,887	-
Total	<u>\$ 102,554,148</u>		<u>\$ 64,643,898</u>	<u>\$ 37,910,250</u>

**NOTE 4      LONG-TERM RECEIVABLES**

As of June 30, 2015, the following loans receivable were outstanding:

		Amount
Pacific Place Expansion Project	\$	4,009,037
Singing Wood Senior Housing		2,140,650
First Time Homebuyer Loans		756,000
San Gabriel Valley Habitat for Humanity, Inc.		300,000
San Gabriel Conservation Corps		127,513
Rio Hondo Community Development Corporation		556,475
Various Housing Deferred Loans and Other Assistance		7,713,183
Mercy Housing, California		
Authority HOME Funds Loan	\$	400,000
Site Acquisition Loan		300,000
Special Development Loan		350,000
Tyler Court Associates, L.P.		
Property Acquisition Loan		610,000
Project Loan		800,000
Project Capital Fee Loan		221,251
El Monte Housing Partner LP		
Site Acquisition Loan		4,500,000
HOME Project Loan		2,500,000
Project Capital Fee Loan		1,410,673
Predevelopment Loan		1,500,000
TDF Senior Housing		
Special Construction Loan		391,561
Project Gap Loan		895,497
Long-term Project Note		1,079,697
		Subtotal
		30,561,537
Allowance for doubtful accounts		(16,708,669)
Total	\$	13,852,868

Allowance for doubtful accounts was provided for certain borrowers for which full collection is uncertain.

**Pacific Place Expansion Project**

On September 14, 2005, the City of El Monte provided a loan to JT LLC for the Pacific Place Expansion Project. Principal payments are due annually beginning July 15, 2007, and range from \$130,000 to \$340,000 over the term of the loan which ends March 14, 2023. Interest payments on this note are due in quarterly installments on the first day of every calendar year quarter at a rate equal to the rate payable by the City to HUD. No payment was received during the fiscal year 2014-2015.

**NOTE 4      LONG-TERM RECEIVABLES (CONTINUED)**

**Singing Wood Senior Housing**

On July 15, 2002, the City provided a loan to Singing Wood Senior Housing, a California Limited Partnership, in the amount of \$650,000. Interest is to accrue on the loan at the rate of 3% per annum until the loan is paid in full. Annual payments are to commence on or before April 15 of the first full year after the first residential unit is rented and continue on April 15 each year thereafter until all principal and interest accrued thereon has been repaid. The annual payment shall be derived from 50% of annual residual receipts derived from the operation of the project. All outstanding indebtedness, including interest, must be repaid in full at the end of the 30-year term of the loan.

In addition, the former El Monte Community Redevelopment Agency provided a loan to Singing Wood Senior Housing, a California Limited Partnership, in the amount of \$440,143. Interest is to accrue on the loan at the rate of 3% per annum until the loan is paid in full. Annual payments are to commence on or before April 15 of the first full year after the first residential unit is rented and continue on April 15 each year thereafter until all principal and interest accrued thereon has been repaid. The annual payment shall be generated from 50% of annual residual receipts generated from the operation of the project. All outstanding indebtedness, including interest, must be repaid in full at the end of the 30-year term of the loan.

The City provided an additional loan from HOME program funds amounting to \$500,000 to assist Singing Wood Senior Housing to acquire certain real property and construct affordable senior citizen rental housing. The loan bears an interest rate of 1%. An additional \$175,000 loan, which bears an interest of 3% was provided. Annual payments are to commence on or before April 15 of the first full year after the first residential unit is rented and after the repayment in full by Singing Wood Senior Housing of its loans from the former Community Redevelopment Agency of the City of El Monte amounting to \$440,143 and the CDBG loan amounting to \$650,000, and continue on April 15 each year thereafter until all principal and interest accrued thereon has been repaid. The annual payment shall be derived from 50% of annual residual receipts derived from the operation of the project. All outstanding indebtedness, including interest, must be repaid in full at the end of the 55-year term of the loan.

**San Gabriel Valley Habitat for Humanity, Inc.**

On December 5, 2000, the San Gabriel Valley Habitat for Humanity executed a promissory note amounting to \$300,000 in accordance with an affordable housing agreement related to 2504 Burkett Road property. The note is secured by a deed of trust.

**NOTE 4            LONG-TERM RECEIVABLES (CONTINUED)**

**San Gabriel Valley Conservation Corps**

On April 30, 2014, the City entered into a loan agreement with San Gabriel Valley Conservation Corps (SGVCC) in the amount of \$350,000 to provide interim cash flow to SGVCC to pay for costs and expenditures eligible for reimbursement under the Grant so as to facilitate the timely completion of the Lambert Park Watershed Improvements. Interest on the all loan proceeds shall accrue at a rate of 10% per annum simple interest commencing from the date of the first disbursement. In the event all outstanding loan proceeds have been repaid to the City by or before June 30, 2015, the City shall waive all accrued interest on the Loan. If the principal amount of all loan proceeds disbursed by the City to SGVCC has not been paid in full by June 30, 2015, then interest will accrue on such outstanding loan proceeds at the rate indicated above, commencing from the date of first disbursement. All outstanding loan proceeds shall be repaid to the City in full, plus any applicable interest by August 31, 2014. As of June 30, 2015, the outstanding balance on the loan was \$127,513 and was paid in full in August 2015.

**Rio Hondo Community Development Corporation**

On June 20, 2014, the City entered into a non-profit participation agreement with the Rio Hondo Community Development Corporation (RHDC) to develop certain property into an affordable rental housing. On November 13, 2014 the City advanced to RHDC \$556,475 of HOME funds for the purchase of such property as a deferred loan to mature within 20 years, commencing with the second anniversary of the recording of the deed of trust. The loan may be forgiven or extended in the sole discretion of the City for another term.

**First-time Homebuyer Program and Various Deferred Loans**

Housing loans receivable consist of low interest and no interest home assistance loans which are due and payable in full when the borrower's legal interest in the property, which is security for the loan, is sold, transferred or conveyed.

This also includes a commercial rehabilitation loan to a former City Councilman before he sat on the council amounting to \$55,000. The loan was funded by the Community Development Block grant fund received from the U.S. Department of Housing and Urban Development. The outstanding balance on the loan as of June 30, 2015 amounted to approximately \$72,000 of principal and accumulated interest.

**NOTE 4      LONG-TERM RECEIVABLES (CONTINUED)**

**Mercy Housing California**

The El Monte Housing Authority entered into a disposition and development agreement with Mercy Housing California on November 1, 2011, related to the construction of Mercy Housing Veterans Affordable Rental Housing Community Initiative Project. As part of the Authority's financial assistance, the Authority provided a loan in the amount of \$400,000 as an Authority HOME Funds loan on December 1, 2012. The proceeds of the loan were used to pay portion of the site purchase of \$700,000. The Authority provided a second loan amounting to \$300,000 as a Site Acquisition Loan to be used to pay the remaining portion of the purchase price. The Authority provided a third loan amounting to \$350,000 as a Special Development Loan to be used to pay for the development project capital fees. Mercy Housing executed a non-interest bearing promissory note for each loan for a term of 55 years. The promissory notes are payable from 50% of the residual receipts of the housing project.

**Tyler Court Associates L.P.**

The El Monte Housing Authority entered into a disposition and development agreement with Tyler Court Associates, L.P. on March 20, 2012, related to the sale of 3348 Tyler Avenue in El Monte California 91731 and subsequent construction of 20 units of senior affordable rental units, known as Tyler Court Apartments. The Authority sold the site to Tyler Court Associates, L.P. for \$610,000 in the form of a loan from the Authority. To enable the construction of the project, the Authority provided a HOME Project Loan amounting to \$800,000 and a Project Capital Fee Loan amounting to \$250,000. These loans were evidenced by three promissory notes bearing interest of 2% simple interest which shall accrue and be payable to the Authority on the outstanding principal balance of the note. Installment payments of principal and interest shall be payable from 50% of residual receipts of the project on or before 90 days after the end of the project accounting year. The note will mature and the remaining principal balance and all accrued and unpaid interest shall be due and payable after 55 years.

**El Monte Housing Partners LP**

The City entered into an affordable rental project acquisition and financing agreement with El Monte Housing Partners LP on September 25, 2013 for purposes of the Gateway Phase 1A Housing, a HOME Investment Partnership Program (HOME) – funded activity that would result in the development of a 132 unit workforce family housing building and amenities (the "Jamboree Project") To enable the construction of the project, the City provided a HOME Project Loan amounting to \$2,500,000, Site Acquisition Loan amounting to \$4,500,000 and a Project Capital Fee Loan amounting to \$1,410,673. These loans were evidenced by three promissory notes bearing a rate of 2% simple interest which shall accrue and be payable to the City on the outstanding principal balance of the note. Installment payments of principal and interest shall be payable from 50% of residual receipts of the project on or before 90 days after the end of the project accounting year. The note will mature and the remaining principal balance and all accrued and unpaid interest shall be due and payable after 55 years.

**NOTE 4            LONG-TERM RECEIVABLES (CONTINUED)**

**TDF Senior Housing**

The "Original Project Gap Loan" was approved on January 1, 2003. The Long-term Project Note" and the "Special Construction Loan" were originated in March 2004. The note bears interest at 3% for a term of 45 years. On February 5, 2015, the City and TDF Senior Housing entered into an agreement affirming principal and interest owed by TDF on its loans.

**Capital lease receivable**

A lease receivable is recorded in the City's General Fund. The lease is the remainder due to the City from the sale of the water rights to the Water Authority. The Water Authority is obligated to pay this lease from surplus revenues over the 50-year life of the lease ending September 1, 2049. Payments vary with the level of surplus revenues. There were no surplus revenues for the year ended June 30, 2015. The balance of the lease at June 30, 2015 is \$17,977,364. The lease receivable and capitalized lease obligation have been eliminated similar to internal balances in the statement of net position.

**NOTE 5            LAND HELD FOR RESALE**

The carrying amount of land is reported at cost which approximates fair value. As of June 30, 2015, the details of the City's investment in land held for resale are as follows:

Housing and Community Development Fund	\$	420,000
Housing Asset Fund		<u>1,339,645</u>
	\$	<u><u>1,759,645</u></u>

**NOTE 6      CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2015:

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Adjustment</b>	<b>Decreases</b>	<b>Ending Balance</b>
<b><u>Governmental Activities:</u></b>					
Capital assets not being depreciated:					
Land	\$ 74,442,896	\$ -	\$ -	\$ -	\$ 74,442,896
Rights-of-way	266,801,532	-	-	-	266,801,532
Construction-in-progress	17,128,246	5,466,773	-	(10,759,761)	11,835,258
Total capital assets not being depreciated	358,372,674	5,466,773	-	(10,759,761)	353,079,686
Capital assets being depreciated:					
Land improvements	12,902,275	-	-	-	12,902,275
Structures and improvements	33,851,701	8,309,249	-	-	42,160,950
Furniture and equipment	19,346,686	1,068,273	-	(317,893)	20,097,066
Infrastructure	113,084,477	2,123,610	-	-	115,208,087
Total capital assets being depreciated	179,185,139	11,501,132	-	(317,893)	190,368,378
Less accumulated depreciation:					
Land improvements	6,312,667	339,184	-	-	6,651,851
Structures and improvements	14,932,686	662,459	(912,000)	-	14,683,145
Furniture and equipment	15,917,590	1,400,582	-	(306,221)	17,011,951
Infrastructure	58,086,016	2,633,978	-	-	60,719,994
Total accumulated depreciation	95,248,959	5,036,203	(912,000)	(306,221)	99,066,941
Capital assets being depreciated, net	83,936,180	6,464,929	912,000	(11,672)	91,301,437
Governmental activities capital assets, net	\$ 442,308,854	\$ 11,931,702	\$ 912,000	(10,771,433)	444,381,123

Depreciation expense was charged to functions/programs of the primary government as follows:

<b>Governmental Activities:</b>	
General government	\$ 1,385,895
Public safety	414,722
Parks, recreation and leisure	55,627
Public works	3,179,960
Total	\$ 5,036,203

In accordance with and as allowed by GASB Statement No. 34, the City capitalizes and reports general infrastructure assets acquired in the current year and prior years. Infrastructure assets recorded in prior years as part of implementing GASB Statement No. 34 included rights-of-way which amounted to \$266,801,532.

**NOTE 6      CAPITAL ASSETS (CONTINUED)**

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
<b>Business-type Activities:</b>				
Capital assets not being depreciated:				
Land	\$ 310,748	\$ -	\$ -	\$ 310,748
Capital assets being depreciated:				
Water rights	34,152,450	-	-	34,152,450
Structures and improvements	734,410	-	-	734,410
Land improvements	3,150,074	-	-	3,150,074
Furniture and equipment	3,635,994	8,272	-	3,644,266
Infrastructure	21,665,601	-	-	21,665,601
Total capital assets being depreciated	63,338,529	8,272	-	63,346,801
Less accumulated depreciation:				
Water rights	10,245,735	683,049	-	10,928,784
Structures and improvements	176,560	13,976	-	190,536
Land improvements	2,440,426	50,932	-	2,491,358
Furniture and equipment	2,771,887	113,337	-	2,885,224
Infrastructure	10,242,206	446,509	-	10,688,715
Total accumulated depreciation	25,876,814	1,307,803	-	27,184,617
Capital assets being depreciated, net	37,461,715	1,299,531	-	36,162,184
Business-type activities capital assets, net	\$ 37,772,463	\$ 1,299,531	\$ -	\$ 36,472,932

Depreciation expense was charged to functions/programs of the primary government as follows:

Business-type Activities:	<u>Amount</u>
Water Fund	\$ 866,936
Sewer Fund	440,867
Total	\$ 1,307,803

**NOTE 7 INTERFUND RECEIVABLE, PAYABLE AND TRANSFERS**

The composition of interfund balances as of June 30, 2015, is as follows:

**Due To/From Other Funds**

	Due To Other Funds
Due From Other Funds	Nonmajor Governmental Funds
General Fund	\$ <u><u>3,394,177</u></u>

The amounts owed by the Nonmajor Governmental Funds to the General Fund were due to temporary deficit cash balances in those funds, which the City expects to eliminate with future revenues.

**Interfund Transfers**

Tranfers Out:	Tranfers In				Total
	General Fund	Nonmajor Governmental Funds	Total Governmental Funds	Internal Service Funds	
Governmental Funds:					
General Fund	\$ -	\$ 251,626	\$ 251,626	\$ 90,400	\$ 342,026
Nonmajor governmental funds	3,575,000	112,693	3,687,693	-	3,687,693
Business-type funds					
Sewer Fund	-	-	-	100,000	100,000
	\$ <u>3,575,000</u>	\$ <u>364,319</u>	\$ <u>3,939,319</u>	<u>190,400</u>	\$ <u>4,129,719</u>

For record-keeping purposes, the City accounts for its Gas Tax monies in a separate fund. Each year the City transfers these monies into the General Fund to fund allowable projects. In fiscal year 2014-2015, the City transferred \$3.6 million from its special revenue funds (nonmajor governmental funds) into its General Fund.

**NOTE 8      ADVANCES TO THE FORMER COMMUNITY REDEVELOPMENT AGENCY**

During the previous fiscal years, the City of El Monte made loans to the former Redevelopment Agency. These loans provided for interest at rates up to 12% per annum depending upon when the loan was initiated.

In June 2011, AB X1 26 dissolved the former Redevelopment Agency, effective (after some litigation on the matter) February 1, 2012. As part of the dissolution process set forth in that bill and a later bill clarifying and modifying the terms of the dissolution (Assembly Bill 1484, adopted in June 2012), the existing loan from the City to the Agency was considered by the Department of Finance to be unenforceable. The successor agency to the former redevelopment agency has sought reconsideration by the Department of Finance as to the enforceability of the loan. With the issuance of Findings of Completion to the Successor Agency in April 2013, the Department of Finance allowed the inclusion of the loan agreements between the former Redevelopment Agency and the City on the Recognized Obligation Payment Schedule (ROPS), as an enforceable obligation, provided the Oversight Board makes a finding that the loan was for legitimate redevelopment purposes per HSC Section 34191.4(b) (1). In compliance with the provisions of Section 34191.4(2) of AB1484, interest receivable was recalculated using interest rates earned by funds deposited into the Local Agency Investment Fund (LAIF) resulting to a reduction in interest receivable by \$51 million. During fiscal year 2015, the Successor Agency recorded interest on the loans amounting to \$776,364. The City did not record the accrual of interest for fiscal year 2014-15. Because of the uncertainty as to when the former Redevelopment Agency will have excess property tax distribution to pay for the loan, the full amount of the loan of \$43 million (including \$12.6 million of adjusted accrued interest) has been reserved as potentially uncollectible as of June 30, 2015. (See Note 18).

**NOTE 9      LONG-TERM DEBT**

**Governmental Activities**

The following is a schedule of changes in long-term debt for the fiscal year ended June 30, 2015:

	Balance at July 1, 2014 (Restated)	Additions	Retirements	Balance at June 30, 2015	Amount due within one Year
2010 Lease revenue bonds	\$ 18,430,000	\$ -	\$ 340,000	\$ 18,090,000	\$ 360,000
2011 Lease revenue bonds	10,000,000	-	-	10,000,000	-
Certificates of Participation					-
Series 2013-A	3,125,000	-	150,000	2,975,000	805,000
Series 2013-B	795,000	-	795,000	-	-
Notes and loans payable	6,843,000	-	591,000	6,252,000	626,000
Capital leases payable	312,197	-	31,774	280,423	16,256
Accrued compensated absences	4,990,808	1,092,310	588,376	5,494,742	1,373,685
Net pension liability	140,644,614	37,089,764	58,696,141	119,038,237	-
OPEB liability (Note 13)	23,152,295	4,426,424	1,699,428	25,879,291	-
Claims and judgments	10,288,000	2,936,829	2,481,829	10,743,000	-
	<u>\$ 218,580,914</u>	<u>\$ 45,545,327</u>	<u>\$ 65,373,548</u>	<u>198,752,693</u>	<u>\$ 3,180,941</u>
Unamortized bond discount				(504,626)	
Unamortized bond premium				45,617	
				<u>\$ 198,293,684</u>	

**Agency Cooperation Agreement and the Taxable Lease Revenue Bond Payable**

The El Monte Public Financing Authority has issued taxable lease revenue bonds on behalf of the City of El Monte, part of the proceeds of which were loaned to the former Redevelopment Agency to finance certain redevelopment activities. The Taxable Recovery Zone Economic Development Lease Revenue Bonds, Series 2010A and the Taxable Lease Revenue Bonds, Series 2010B were issued on December 13, 2010 to provide funds to the Agency to (1) finance the acquisition and development of the City of El Monte Maintenance Yard Facility; (2) fund reserve account; (3) pay for cost of issuance.

These bonds are special obligations of the Authority payable from and secured by revenues consisting primarily of amounts payable by the City under the Lease Agreement.

The 2010 Lease Revenue Bonds are backed by a City General Fund pledge, which shall be payable from any source of available funds to the City. However, the bonds were structured with 2 primary sources of revenue (lease payments) and Federal Direct payments:

**NOTE 9      LONG-TERM DEBT (CONTINUED)**

1. Agency Cooperation Agreement – The former Redevelopment Agency pays for a portion of the costs to acquire and construct the project in the form of annual lease payments, summarized below:
  - \$245,000 from the Northwest project area
  - \$485,000 from the Valley/Durfee project area
  
2. City Enterprise Sublease Agreement – The City Water Enterprise and City Sewer Enterprise will lease a portion of the property from the City, and shall make sublease payments to the City Debt Service Fund to be applied by the City for the payment of the lease payments as follows:
  - \$200,000 Water Enterprise Fund
  - \$300,000 Sewer Enterprise Fund

The Agency Cooperation Agreement provides that the Agency may incur bonded indebtedness superior to any Agency obligation under the Agency Cooperation Agreement.

*\$14,790,000 – Taxable Recovery Zone Economic Development Lease Revenue Bonds, Series 2010A*

The following schedule illustrates the debt service requirements to maturity for the bonds as of June 30, 2015:

Year Ending June 30,	2010 Lease Revenue Bonds Series A	
	Principal	Interest
2016	\$ -	\$ 1,318,262
2017	-	1,318,262
2018	-	1,318,262
2019	-	1,318,262
2020	-	1,318,262
2021-2025	1,205,000	6,523,936
2026-2030	3,195,000	5,531,252
2031-2035	4,045,000	3,980,212
2036-2040	5,155,000	1,971,450
2041	1,190,000	107,100
Total	<u>\$ 14,790,000</u>	<u>\$ 24,705,260</u>

Note: Net interest is gross interest minus the 45% subsidy from the U.S. Treasury Department pursuant to the “Build America Bonds” program which was created by the Recovery Act of 2009.

**NOTE 9      LONG-TERM DEBT (CONTINUED)**

Based on the annual payments expected from the former Redevelopment Agency, City management expects \$23,065,000 of the above debt to be repaid using the Agency's tax increment revenues.

\$4,465,000 – Taxable Lease Revenue Bonds, Series 2010B

The following schedule illustrates the debt service requirements to maturity for the bonds as of June 30, 2015:

Year Ending June 30,	2010 Lease Revenue Bonds Series B	
	Principal	Interest
2016	\$ 360,000	\$ 252,450
2017	375,000	224,910
2018	395,000	196,222
2019	415,000	166,006
2020	435,000	134,258
2021-2023	1,320,000	196,604
Total	\$ 3,300,000	\$ 1,170,450

Note: Net interest is gross interest minus the 35% subsidy from the U.S. Treasury Department pursuant to the "Build America Bonds" program which was created by the Recovery Act of 2009.

Based on the annual payments expected from the Agency, City management expects \$2,611,000 to be repaid using the Agency's tax increment revenues.

**Revenue Bonds Series 2011**

In March 2011, the El Monte Public Financing Authority (the "Authority") issued \$10,000,000 Revenue Bond Series 2011 (CMB Infrastructure Investment Group V, LP) (the "Bond") to finance (1) the Ramona Boulevard Tunnel to the MTA Bus Station, (2) City sewer and water projects, (3) the El Monte Gateway Relocation Project (Fire Station, Pioneer Public Park and ball fields, (4) additional cost for the construction of the City's new Maintenance Yard and (5) certain other projects for which either Agency or City funds are pledged for repayment (collectively, the Improvements").

The proceeds of the Bonds were supposed to be loaned to the Agency pursuant to a Loan Agreement (the "Loan Agreement") between the Authority and the former Redevelopment Agency for the purpose of assisting the Agency with its obligations to assist the City with the financing of the Improvements. With the dissolution of the former Redevelopment Agency, the proceeds of the Bonds were deposited directly to the City's trust account.

**NOTE 9      LONG-TERM DEBT (CONTINUED)**

As of June 30, 2015 the outstanding balance of the bonds of \$10 million are reported in the City's financial statements. The remaining proceeds of the bonds were transferred to the El Monte Economic Development Corporation in August 2013 as further describes in Note 7.

Payment of principal is due and payable on March 1, 2017 (the "Maturity Date"). The Authority may, without penalty, prepay solely as to the entire outstanding principal balance of this Bond anytime on or after March 1, 2014, or prior to such date upon the consent of the Bondholder. Interest is payable on the first day of the beginning of each quarter commencing on July 1, 2011. The Bonds bear interest at the rate of 5.25% per annum.

The following schedule illustrates the debt service requirements to maturity for the bonds as of June 30, 2015:

Year Ending June 30,	<u>2011 Lease Revenue Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2016	\$ -	\$ 525,000
2017	<u>10,000,000</u>	<u>525,000</u>
Total	<u>\$ 10,000,000</u>	<u>\$ 1,050,000</u>

Based on annual payments from the agency, city management expects approximately \$1,050,000 to be repaid using Agency tax increment revenues.

**2013 Certificates of Participation**

On January 14, 2003, the City of El Monte issued \$7,310,000 Variable Rate Demand Certificates of Participation Series 2003A and \$3,315,000 Taxable Variable Rate Demand Certificates of Participation Series 2003B. Interest on the Series 2003A and 2003B is 2.92% and 4.91%, respectively, and is payable January 1 and July 1 of each year commencing January 1, 2004.

In July 2013, the debt was refinanced through the issuance of \$3,125,000 2013 Certificates of Participation, Series A and \$1,615,000 Certificates of Participation, Series 2013 B Taxable. Interest on the Series 2013A and 2013B is 3% and 2%, respectively, and is payable January 1 of each year commencing January 1, 2014. The related loss on bond defeasance amounted to \$61,744. As of June 30, 2015, the unamortized loss on defeasance of debt was \$12,134.

**NOTE 9      LONG-TERM DEBT (CONTINUED)**

Series 2013B was fully paid in 2015. The total debt service payment requirements with respect to the Series 2013A are as follows:

Year Ending June 30,	Certificates of Participation Series 2013-A	
	Principal	Interest
2016	\$ 805,000	\$ 116,062
2017	835,000	83,863
2018	865,000	50,462
2019	470,000	15,863
Total	\$ 2,975,000	\$ 266,250

**Notes and Loans Payable**

HUD Section 108 Loan 1999-A

On April 18, 1999, the City issued \$2,200,000 of U.S. Government Guaranteed Notes, Series 1999-A, guaranteed by the Secretary of Housing and Urban Development. The City has pledged as security for repayment of the notes the following:

- a. Future entitlements that the City may become eligible for under Section 106 of Title I of the Housing and Community Development Act of 1974; and
- b. Program income

The notes mature from 1999 to 2018 and bear varying interest rates. The principal balance outstanding as of June 30, 2015, was \$675,000.

The total debt service payment requirements with respect to the loan are as follows:

Ending June 30,	HUD Section 108 Loan 1999-A	
	Principal	Interest
2016	\$ 155,000	\$ 27,044
2017	165,000	19,992
2018	175,000	12,306
2019	180,000	4,158
Total	\$ 675,000	\$ 63,500

**NOTE 9      LONG-TERM DEBT (CONTINUED)**

HUD Section 108 Loan 2011-A

On August 9, 2001, the City issued \$2,500,000 of U.S. Government Guaranteed Notes, Series 2001-A, guaranteed by the Secretary of Housing and Urban Development.

In November 2011, the notes were refinanced through the issuance of \$1,561,000 Guaranteed Notes, Series 2011-A. The U.S. Government Guaranteed Notes, Series 2001-A outstanding balance of \$ 1,561,000 were considered defeased. The principal balance outstanding of the Series 2011-A note as of June 30, 2015, was \$1,137,000.

The total debt service payment requirements with respect to the Series 2011-A note are as follows:

Ending June 30,	HUD Section 108 Loan 2011-A	
	Principal	Interest
2016	\$ 161,000	\$ 18,742
2017	172,000	16,944
2018	182,000	14,493
2019	194,000	11,375
2020	207,000	7,536
2021	221,000	2,707
Total	\$ 1,137,000	\$ 71,797

HUD Section 108 Loan 2015-A

On June 16, 2004, the City issued \$2,200,000 of U.S. Government Guaranteed Notes, Series 2004-A, guaranteed by the Secretary of Housing and Urban Development.

In May 2015, the notes were refinanced through the issuance of \$1,420,000 Guaranteed Notes, Series 2015-A. The U.S. Government Guaranteed Notes, series 2004-A were considered defeased. The principal balance outstanding of the Series 2015-A note as of June 30, 2015, was \$1,420,000.

**NOTE 9      LONG-TERM DEBT (CONTINUED)**

The total debt service payment requirements with respect to the loan are as follows:

Ending June 30,	HUD Section 108 Loan 2015-A	
	Principal	Interest
2016	\$ 105,000	\$ 18,419
2017	110,000	26,755
2018	115,000	25,763
2019	125,000	24,397
2020	130,000	22,344
2021-2025	835,000	60,891
Total	\$ 1,420,000	\$ 178,569

On August 25, 2004, the City issued \$4,000,000 of U.S. Government Guaranteed Notes, Series 2004-A, guaranteed by the Secretary of Housing and Urban Development. The notes mature from 2007 to 2024 with interest payments due quarterly bearing a variable interest rate equal to 0.2% of the applicable LIBOR Rate, and shall be adjusted monthly. The principal balance outstanding as of June 30, 2015, was \$2,720,000. The total debt service payment requirements with respect to the loan are as follows:

Ending June 30,	Section 108 Loan - Pacific Place	
	Principal	Interest
2016	\$ 205,000	\$ 128,697
2017	220,000	119,331
2018	230,000	109,159
2019	245,000	98,255
2020	260,000	86,265
2021-2025	1,560,000	210,743
Total	\$ 2,720,000	\$ 752,450

**NOTE 9      LONG-TERM DEBT (CONTINUED)**

Alameda Corridor East Construction Authority (ACE) Promissory Note

On December 21, 2012, the City, through the El Monte Housing Authority, issued a non-interest bearing Note as evidence of the indebtedness of the Housing Authority to ACE incurred in connection with the purchase by the Housing Authority of certain land from ACE. The purchase price of the property was \$700,000 and the first installment payment of \$400,000 was paid on December 17, 2012. The remaining \$300,000 was secured in the form of a promissory note. The payment of principal under this Note shall be made as follows:

Ending June 30,	Principal
2017	\$ 150,000
2022	150,000
Total	<u>\$ 300,000</u>

**Capital Lease Payable**

Helicopter Lease

On February 6, 2007, the City entered into a 15-year equipment lease/purchase agreement with Government Capital Corporation for \$505,000 for the purchase of a helicopter for the Police Department. Principal matures in annual increments ranging from \$22,658 to \$47,139 with interest payable annually at 5.797%.

The following is a schedule, by year, of future minimum lease payments:

June 30,	Principal
2016	\$ 49,872
2017	49,872
2018	49,872
2019	49,872
2020	49,872
2021-2022	99,743
Total payments	349,103
Less amount representing interest	<u>(68,680)</u>
	<u>\$ 280,423</u>

**Claims and Judgments**

As of June 30, 2015, the City is party to certain lawsuits. After reviewing these lawsuits with legal counsel, management has estimated the potential claims against the City, not covered by insurance, resulting from such litigation. These claims and judgments are generally liquidated by the Internal Service Fund. At June 30, 2015, the total estimated liability for claims was \$10,743,000.

**NOTE 9 LONG-TERM DEBT (CONTINUED)**

**Business-type Activities**

The following is a schedule of changes in long-term debt for the fiscal year ended June 30, 2015:

	Balance at July 1, 2014 (Restated)	Additions	Retirements	Balance at June 30, 2015	Amount due within one Year
2006 Refunding revenue bonds	\$ 16,120,000	\$ -	\$ 465,000	\$ 15,655,000	\$ 485,000
Accrued compensated absences	402,013	91,937	237,368	256,582	64,146
Net pension liability	8,315,058	1,930,405	2,962,532	7,282,931	-
Capital lease payable	<u>17,977,364</u>	<u>-</u>	<u>-</u>	<u>17,977,364</u>	<u>-</u>
	<u>\$ 42,814,435</u>	<u>\$ 2,022,342</u>	<u>\$ 3,664,900</u>	41,171,877	<u>\$ 549,146</u>
Unamortized bond premium				<u>95,381</u>	
				<u>\$ 41,267,258</u>	

**2006 Refunding Revenue Bonds**

In June 2006, the El Monte Water Authority issued \$18,805,000 Refunding Revenue Bonds, Series 2006 which are collateralized by net water revenues of the Authority. Interest on the Bonds is payable semi-annually each March 1 and September 1, commencing on March 1, 2007, at rates which range from 3.35% to 5.00%. Principal payments begin September 1, 2007, and continue on September 1 of each year through September 1, 2036, and range from \$195,000 to \$1,130,000. The proceeds from these Bonds were utilized to refund and defease \$12,850,000 in 1999 Revenue Bonds and \$5,380,000 in 2001 Revenue Bond Anticipation Notes, to pay the costs of issuance and to establish a reserve fund.

**NOTE 9      LONG-TERM DEBT (CONTINUED)**

The total debt service payment requirements with respect to the above bonds are as follows:

Year Ending June 30,	2006 Refunding Revenue Bonds	
	Principal	Interest
2016	\$ 485,000	\$ 722,383
2017	505,000	702,583
2018	525,000	681,983
2019	545,000	660,310
2020	565,000	637,273
2021-2025	3,230,000	2,785,536
2026-2030	4,040,000	1,956,138
2031-2035	5,135,000	823,125
2036	625,000	31,625
Total	\$ 15,655,000	\$ 9,000,956

**Capital lease payable**

A lease payable is recorded in the City's Water Fund. The lease is the remainder due to the City from the sale of the water rights to the Water Authority. The Water Authority is obligated to pay this lease from surplus revenues over the 50-year life of the lease ending September 1, 2049. Payments vary with the level of surplus revenues. The balance of the lease at June 30, 2015 is \$17,977,364.

**Defeased bonds**

In prior years, the Water Authority defeased the 1999 revenue bonds and revenue anticipation notes by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the financial statements.

**NOTE 10      NON-COMMITTAL DEBT**

**Certificates of Participation, Series 1999**

On January 15, 1999, the City issued Certificates of Participation, Series 1999 (Department of Public Social Services Facility) in the amount of \$39,345,000. Proceeds of the sale of the certificates were used to finance the acquisition of real property and to construct a Department of Public Social Services building to be occupied by the County of Los Angeles. The balance outstanding on these bonds at June 30, 2015, is \$26,140,000. The City is not liable for the repayment of this debt. For this reason, neither the debt nor the related debt service payments are recorded in the City's financial statements.

**NOTE 11      DEFINED BENEFIT PENSION PLANS**

**Public Employees Retirement System (PERS) and Public Agency Retirement System (PARS)**

**General Information about the Pension Plans**

***Plan Description***

All qualified permanent and probationary employees are eligible to participate in the City's separate Safety (police) and Miscellaneous (all other) Plans, an agent multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. 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 plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Effective July 2000, the City of El Monte entered into a multi-employer agreement with a Public Agency Retirement System (PARS) program, an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating public entities within the State of California. The City participates in CalPERS 2% at 55 retirement plan for miscellaneous employees. PARS provides an addition to CalPERS benefit for a maximum of 3% retirement.

***Benefits Provided***

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

Upon retirement at age 55, PARS plan provides the eligible employees with 1% times their years of service times their highest annual salary. To receive benefits, the miscellaneous employees must be at least 55 years of age, have at least five years full-time employment with the City of El Monte and have terminated his or her employment with the City of El Monte and concurrently retire from PERS. The benefit is equal to a percentage of highest pay multiplied by years of service with the percentage varying by retirement age based on a 3.0% at 55 target offset by CalPERS 2% at 55 formula. The plan does not include a withdrawal benefit, death benefit or disability benefit other than a refund of employee contribution with interest credited at 3% per year. Benefits are increased by 2% annual cost of living adjustments after retirement.

**NOTE 11      DEFINED BENEFIT PENSION PLANS (CONTINUED)**

The Plans' provisions and benefits in effect at June 30, 2015, are summarized as follows:

	<b>CalPERS</b>				<b>PARS</b>
	<b>Miscellaneous</b>		<b>Safety</b>		
	Prior to January 1, 2013	On or after January 1, 2013	Prior to January 1, 2013	On or after January 1, 2013	Prior to July 1, 2008
Hire date					
Benefit formula	2.7% @ 55	2% @ 62	3% @ 55	2.7% @ 57	1% @ 55
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life	monthly for life	monthly for life
Retirement age	50 - 55	52 - 67	50	50-57	55
Monthly benefits , as a % of eligible compensation	2.0% to 2.7%	1.0% to 2.5%	3%	2.0% to 2.7%	1%
Required employee contribution rates	8%	7%	9%	13.50%	5%
Required employer contribution rates	28.99%	28.99%	50.836%	50.836%	34.30%

***Employees Covered***

At June 30, 2015, the following employees were covered by the benefit terms of the Plan:

	<b>CalPERS</b>		<b>PARS</b>
	<b>Miscellaneous</b>	<b>Safety</b>	
Inactive employees or beneficiaries currently receiving benefits	318	260	109
Inactive employees entitled but not yet receiving benefits	197	60	22
Active employees	142	113	109
Total	<u>657</u>	<u>433</u>	<u>240</u>

***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 Plan are determined annually on an actuarial basis as of June 30. 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.

**NOTE 11      DEFINED BENEFIT PENSION PLANS (CONTINUED)**

**Net Pension Liability**

The City's net pension liability for the Plans is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the CalPERS Plans is measured as of June 30, 2014, using an annual actuarial valuation as of June 30, 2013 rolled forward to June 30, 2014 using standard update procedures. The net pension liability of PARS Plan is measured as of June 30, 2014 rolled forward to June 30, 2015 using standard updated procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

***Actuarial Assumptions***

The total pension liability was determined using the following actuarial assumptions:

	CalPERS		PARS
	Miscellaneous	Safety	
Valuation Date	June 30, 2013	June 30, 2013	July 1, 2014
Measurement Date	June 30, 2014	June 30, 2014	June 30, 2015
Actuarial Cost Method	Entry-Age Normal Cost Method		Entry-Age Normal Cost Method
Actuarial Assumptions:			
Discount Rate	7.50%	7.50%	6.50%
Inflation	2.75%	2.75%	2.75%
Payroll Growth	3.00%	3.00%	3.00%
Projected Salary Increase	3.3% - 14.2% (1)	3.3% - 14.2% (1)	3.5% - 12.2% (1)
Investment Rate of Return	7.5% (2)	7.5% (2)	6.5% (2)
Mortality	(3)	(3)	(3)

(1) Varies by entry age and service

(2) Net of pension plan investment expenses, including inflation

(3) Derived using CalPERS' Membership Data for all funds

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2013 valuation were based on the results of a January 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can found on the CalPERS website.

**NOTE 11      DEFINED BENEFIT PENSION PLANS (CONTINUED)**

***Discount Rate***

The discount rate used to measure the total pension liability was 7.50% for each CalPERS Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.50 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.50 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

According to Paragraph 30 of Statement No. 68, the long-term discount rate should be determined without reduction for pension plan administrative expenses. The 7.50% investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65%. Using this lower discount rate has resulted in a slightly higher Total Pension Liability and Net Pension Liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

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.

For PARS Plan, the discount rate used to measure total pension liability was 6.5%. The long-term expected rate of return on pension plan investments was determined by adding expected inflation to expected long-term returns and reflecting expected volatility and correlation. The capital market assumptions are per Milliman's investment consulting practice as of January 1, 2015.

**NOTE 11      DEFINED BENEFIT PENSION PLANS (CONTINUED)**

***Discount Rate (Continued)***

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

CalPERS

Asset Class	New Strategic Allocation	Real Return Years 1 - 10(a)	Real Return Years 11+(b)
Global Equity	47.00%	5.25%	5.71%
Global Fixed Income	19.00%	0.99%	2.43%
Inflation Sensitive	6.00%	0.45%	3.36%
Private Equity	12.00%	6.83%	6.95%
Real Estate	11.00%	4.50%	5.13%
Infras tructure and Forestland	3.00%	4.50%	5.09%
Liquidity	<u>2.00%</u>	-0.55%	-1.05%
<b>Total</b>	<u><u>100%</u></u>		

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

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

PARS

Asset Class	Index	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return	Long-Term Expected Geometric Real Rate of Return
Cash	BofA Merrill Lynch 90-Day T-Bills	3.54%	0.53%	0.53%
Core Fixed Income	Barclay Aggregate	48.83%	2.08%	1.96%
Broad US Equities	Russel 3000	34.74%	5.63%	4.24%
Developed Foreign Equities	MSCI EAFE	10.07%	6.25%	4.53%
Emerging Mrket Equities	MSCI Emerging Markets	2.84%	8.50%	5.04%
Assumed Inflation - Mean			2.60%	2.59%
Asumed Inflation - Standard Deviation			1.85%	1.85%
Portfolio Real Mean Return			3.86%	3.55%
Portfolio Nominal Mean Return			6.47%	6.14%
Portfolio Standard Deviation				8.45%
Long-term Expected Rate of Return				6.50%

**NOTE 11      DEFINED BENEFIT PENSION PLANS (CONTINUED)**

***Changes in the Net Pension Liability***

The following table shows the changes in net pension liability over the measurement period:

CalPERS	<u>Miscellaneous</u>	<u>Safety</u>
	<u>Increase (Decrease)</u>	
	<u>Net Pension Liability</u>	<u>Net Pension</u>
	<u>(Asset)</u>	<u>Liability</u>
		<u>(Asset)</u>
Balance at 6/30/2013	\$ 44,194,549	\$ 84,734,029
Changes Recognized for the		
Service Cost	1,413,675	4,209,379
Interest on the Total Pension Liability	10,356,614	20,146,739
Contributions from the Employer	(2,469,291)	(5,853,271)
Contributions from the Employee	(849,234)	(1,231,838)
Net Investment Income	<u>(16,546,367)</u>	<u>(32,363,060)</u>
Net Changes during 2013-2014	<u>(8,094,603)</u>	<u>(15,092,051)</u>
Balance at 6/30/2014	<u>\$ 36,099,946</u>	<u>\$ 69,641,978</u>
PARS		<u>Increase</u>
		<u>(Decrease)</u>
		<u>Net Pension</u>
		<u>Liability</u>
		<u>(Asset)</u>
Balance at 6/30/2014		\$ 20,031,094
Changes Recognized for the		
Service Cost		482,698
Interest on the Total Pension Liability		2,405,253
Contributions from the Employer		(1,655,324)
Contributions from the Employee		(345,022)
Net Investment Income		(345,266)
Administrative expenses		<u>5,811</u>
Net Changes during 2014-2015		<u>548,150</u>
Balance at 6/30/2015		<u>\$ 20,579,244</u>

**NOTE 11      DEFINED BENEFIT PENSION PLANS (CONTINUED)**

***Sensitivity of the Net Pension Liability to Changes in the Discount Rate***

The following presents the net pension liability of the City, calculated using the discount rate as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	<u>CalPERS</u>		<u>PARS</u>
	<u>Miscellaneous</u>	<u>Safety</u>	
1% Decrease	6.50%	6.50%	5.50%
Net Pension Liability	\$ 55,380,686	\$ 107,635,264	\$ 22,665,484
Current Discount Rate	7.50%	7.50%	6.50%
Net Pension Liability	\$ 36,099,946	\$ 69,641,978	\$ 20,579,244
1% Increase	8.50%	8.50%	7.50%
Net Pension Liability	\$ 20,220,460	\$ 38,451,807	\$ 16,366,015

***Pension Plan Fiduciary Net Position***

Detailed information about the plan's fiduciary net position is available in the separately issued CalPERS and PARS financial reports.

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

For the year ended June 30, 2015, the City recognized pension expense of \$1,936,514 and \$5,537,124 for CalPERS Miscellaneous Plan and Safety Plan respectively. The City recognized pension expense of \$1,571,160 for PARS Plan for the year ended June 30, 2015. At June 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>CalPERS</u>				<u>PARS</u>	
	<u>Miscellaneous</u>		<u>Safety</u>		<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>		
Pension contributions subsequent to measurement date	\$ 3,414,502	\$ -	\$ 7,865,252	\$ -	\$ -	\$ -
Differences between actual and expected experience	-	-	-	-	-	-
Changes in assumptions	-	-	-	-	-	-
Net differences between projected and actual earnings on plan investments	-	(7,561,826)	-	(14,775,904)	632,314	-
Total	<u>\$ 3,414,502</u>	<u>\$ (7,561,826)</u>	<u>\$ 7,865,252</u>	<u>\$ (14,775,904)</u>	<u>\$ 632,314</u>	<u>\$ -</u>

**NOTE 11      DEFINED BENEFIT PENSION PLANS (CONTINUED)**

***Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)***

\$11,279,754 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	Amount		
	CaIPERS		PARS
	Miscellaneous	Safety	
2016	\$ (1,890,456)	\$ (3,693,976)	\$ 158,078
2017	(1,890,456)	(3,693,976)	158,078
2018	(1,890,456)	(3,693,976)	158,078
2019	(1,890,456)	(3,693,976)	158,080
Thereafter	-	-	-

***Payable to the Pension Plan***

At June 30, 2015, the City reported a payable of \$1,326,059 for the outstanding amount of contributions to the pension plans required for the year ended June 30, 2015.

***Allocation to Proprietary Funds***

The City allocated net pension liability and related costs to the Water Fund and Sewer Fund based upon the enterprise and internal service funds' proportionate share of the total pension contribution during the fiscal year ended June 30, 2015.

**NOTE 12      INSURANCE**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City is self-insured for the first \$250,000 on each general liability claim and the first \$500,000 of each worker's compensation claim against the City. The insurance coverage in excess of the self-insured amount is provided by The Independent Cities Risk Management Authority (ICRMA) up to a limit of \$20,000,000 for general liability. For worker's compensation, the City is self-insured for the first \$500,000 on each worker's compensation claim through the California State Association of Counties Excess Insurance Authority (CSAC-EIA).

**NOTE 12      INSURANCE (CONTINUED)**

Effective July 1, 2006, the City became a member of CSAC-EIA, a public entity risk pool currently operating as a common risk management and insurance program for 145 California cities, counties, school districts, municipal services organizations, and joint power authorities. The District pays an annual premium to the pool for its excess worker's compensation insurance coverage. The agreement for information of the CSAC-EIA provides that the pool will be self-sustaining through member premiums.

CSAC-EIA publishes its own financial report for the year ended June 30, 2015, which can be obtained from the California State Association of Counties Excess Insurance Authority, Moraga, California.

Worker's compensation claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported.

Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. These losses include an estimate of claims that have been incurred, but not reported. The City has accrued for its anticipated liability with respect to claims filed and claims incurred but not reported to the City as of year-end. The accruals are in the amounts of \$8.6 million and \$1.7 million for the worker's compensation claims and general liability claims, respectively, for a total of \$10.3 million.

A reconciliation of changes in aggregate liabilities for claims for the current fiscal year and the prior fiscal year is as follows:

Fiscal Year	Liability at Beginning	Claims Incurred (Including IBNRs)	Claim Payments	Liability at End
2013	\$ 10,105,000	\$ 1,703,092	\$ (1,437,092)	\$ 10,371,000
2014	10,371,000	1,147,809	(1,230,809)	10,288,000
2015	10,288,000	2,936,829	(2,481,829)	10,743,000

In 1986, the City became a member of the ICRMA, a public entity risk pool currently operating as a common risk management and insurance program for 22 California cities. The City pays an annual premium to the pool for its excess general liability insurance coverage. The agreement for formation of the ICRMA provides that the pool will be self-sustaining through member premiums. The City continues to carry commercial companies for all other risks of loss, including property insurance, auto physical damage insurance and special events insurance. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

The ICRMA has published its own financial report for the year ended June 30, 2015, which can be obtained from Independent Cities Risk Management Authority, Sherman Oaks, California.

**NOTE 13      POSTEMPLOYMENT HEALTH BENEFITS**

**Plan Description**

The City participates in the CalPERS medical program in which the City provides other postemployment benefits (OPEB) through a single-employer defined benefit healthcare plan. The plan provides health care benefits to retired public safety and management employees in accordance with City MOUs. To be eligible, the employee must be at least 50 years of age and have five years of service. The amount provided by the City includes annual contributions ranging from \$96 to \$1,396 toward the group benefit plan for the employee and is financed on a pay-as-you-go basis.

**Funding Policy**

The contribution requirements of plan members and the City are established and may be amended by the City, City Council, and/or employee associations. The required contribution is based on projected pay-as-you-go financing requirements with additional amounts to prefund benefits as determined annually by the City pursuant to actuarial valuations.

**Annual OPEB Costs and Net OPEB Obligation**

The City's annual postemployment benefits cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liability over a period not to exceed thirty years.

The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan and changes in the City's net OPEB obligation:

	Fiscal year ended June 30	
	2015	2014
Annual required contribution	\$ 4,538,277	\$ 5,061,009
Interest on net OPEB obligation	1,041,853	833,477
Adjustments to annual required contribution	(1,153,706)	(891,110)
Annual pension cost	4,426,424	5,003,376
Annual contribution made	(1,699,428)	(1,746,485)
Increase in net OPEB obligation	2,726,996	3,256,891
OPEB obligation, beginning of year	23,152,295	19,895,404
OPEB obligation, end of year	\$ 25,879,291	\$ 23,152,295

**NOTE 13      POSTEMPLOYMENT HEALTH BENEFITS (CONTINUED)**

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2014-15 and the two preceding years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2013	\$ 5,818,122	27.51%	\$ 19,895,404
6/30/2014	5,003,376	34.91%	23,152,295
6/30/2015	4,426,424	38.39%	25,879,291

**Funded Status and Funding Progress**

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the City are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The funded status of the plan as of June 30, 2014 based on the plan's most recent actuarial valuation date of July 1, 2014, was:

Actuarial Accrued Liability (AAL)	\$ 61,195,888
Actuarial Value of Assets	-
Unfunded Actuarial Accrued Liability	<u>\$ 61,195,888</u>
Funded Ratio	0%
Covered Payroll	\$ 21,549,000
Unfunded Actuarial Accrued Liability as Percentage of Payroll	284.0%

**Actuarial Methods and Assumptions**

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

**NOTE 13      POSTEMPLOYMENT HEALTH BENEFITS (CONTINUED)**

In the July 1, 2014, actuarial valuation, the Entry Age Normal Cost Method was used. The actuarial assumptions included a 4.5% investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, an annual healthcare cost trend rate of 3% per year for dental and vision programs and 5% for long-term care premiums. Both rates included a payroll increase rate of 3.25%. The actuarial value of assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The UAAL is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at June 30, 2015, was twenty-three years. As of the actuarial valuation date, the City had 257 retirees receiving benefits.

The Schedule of Funding Progress for postemployment health benefits plan below presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial liability for benefits overtime.

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll (c)/(b-a)
6/30/2010	\$ -	\$ 64,759	\$ 64,759	0.0%	\$ 24,750	261.7%
6/30/2012	-	65,525	65,525	0.0%	23,541	278.3%
6/30/2014	-	61,196	61,196	0.0%	21,549	284.0%

**NOTE 14      COMMITMENTS AND CONTINGENCIES**

The City of El Monte has been named as defendant in numerous lawsuits and claims arising in the course of operations. In the aggregate, these claims seek monetary damages in significant amounts. To the extent the outcome of such litigation has been determined to result in probable financial loss to the City; such loss has been accrued in the accompanying government-wide financial statements.

On March 16, 2013, the City received a letter of warning from the U.S. Department of Housing and Urban Development (HUD) regarding its administration of CDBG, HOME and ESG Consolidated Plan Programs. The letter reflected findings for disallowed and unsupported costs totaling \$2.2 million.

**NOTE 14      COMMITMENTS AND CONTINGENCIES (CONTINUED)**

On August 7, 2015, the City received the Fiscal Year 2015 On-Site Monitoring report from the U.S. Department of Housing and Urban Development (HUD) regarding its administration of CDBG and HOME programs. The letter reflected findings for disallowable and unsupported costs amounting to \$2,875,658 consisting of uncleared and outstanding 2012 findings and additional FY 2015 findings. The City intends to remit \$285,110 to HUD in satisfaction of 2 findings. This has been accrued and recorded in the June 30, 2015 financial statements. Management asserts that it can provide to HUD the necessary documents supporting the alleged unallowable remaining program expenditures of \$2.6 million. The City has assigned a portion of fund balance equal to the City's estimate of the potential loss that may arise.

On October 23 2014, the City received the final audit report from the State Controller's Office (SCO) pertaining to its audit of the Special Gas Tax Street Improvement Fund, Traffic Congestions Relief Fund Allocations and Proposition 1B allocations. The report reflected a determination by the SCO that the City did not meet the maintenance-of-effort required by Streets and Highways Code section 2182.1(b) for two fiscal years. As a result, the City was required to return \$2,051,605 to the SCO. As of December 23, 2015, the City has not received any instructions from the SCO regarding the return of the funds. Hence, the City accrued the \$2,051,605 in the June 30, 2015 financial statements.

For other pending or threatened litigation, it is the opinion of outside counsel and the City Attorney that potential liability of the City for such claims will not have a material effect on the City's financial statements.

**NOTE 15      DEFERRED OUTFLOWS OF RESOURCES**

Pursuant to GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position" and GASB Statement No. 65, "Items Previously Reported as Assets and Liabilities," the City recognized deferred outflows of resources in the City's financial statements.

The deferred outflow of resources pertains to the unamortized loss on defeasance of debt. Previous financial reporting standards require this amount to be presented as part of the City's long-term debt. This deferred outflow of resources is recognized as a component of interest expense in a systematic and rational manner over the remaining life of the old debt or the life of the new debt, whichever is shorter.

	Balance at June 30, 2015		
	Governmental Activities	Business-type Activities	Total
Deferred outflow of resources:			
Remaining difference between the reacquisition amount and the net carrying amount of the refunded debt	\$ 12,134	\$ 649,270	\$ 661,404
	\$ 12,134	\$ 649,270	\$ 661,404

**NOTE 15 DEFERRED OUTFLOWS OF RESOURCES (CONTINUED)**

The deferred inflow of resources in the governmental funds balance sheet pertains to unavailable revenues which represent receivables that were not received within the availability period.

	Balance at <u>June 30, 2015</u>
Governmental Activities	
Deferred inflow of resources:	
Unavailable revenue - receivables that were not received within the availability period and were not recognized as revenues	\$ <u>10,332,274</u>

Refer to Note 11 for deferred outflows and inflows of resources related to pensions.

**NOTE 16 RESTATEMENTS**

The beginning balance of net position of governmental and business-type activities in the government-wide Statement of Activities has been restated to retroactively report the net pension liability as of the beginning of the fiscal year as a result of implementing GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The City made adjustments for these items as a cumulative effect of change in accounting principle in the current fiscal year. This resulted in a decrease in the beginning balance of net position by \$30,972,992.

	Governmental Activities	Business-type Activities
Net position, beginning of year, as previously reported	\$ 467,497,119	14,327,408
Prior period adjustments:		
Adjustment to record retroactive effect of implementing GASB Statement No. 68	(132,656,370)	(7,980,739)
Net position beginning of year, as restated	\$ 334,840,749	6,346,669

**NOTE 17 SUBSEQUENT EVENTS**

The City has evaluated events subsequent to June 30, 2015 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through December 23, 2015, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that no subsequent events occurred that require recognition or additional disclosure in the financial statements.

**NOTE 18      SUCCESSOR AGENCY DISCLOSURES**

The accompanying financial statements also include the Private-purpose Trust Fund for the Successor Agency to the City’s former Redevelopment Agency (Successor Agency). The City, as the Successor Agency, serves in a fiduciary capacity, as custodian for the assets and to wind down the affairs of the former Redevelopment Agency. Its assets are held in trust for the benefit of the taxing entities within the former Redevelopment Agency’s boundaries and as such, are not available for the use of the City.

Disclosures related to the certain assets and long-term liabilities of the Successor Agency are as follows:

**Notes and Loans Receivable**

Details of loans receivable as of June 30, 2015 were as follows:

RHCDC Working Capital (Center)	\$	<u>467,359</u>
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**Rio Hondo Community Development Corporation (RHCDC) Working Capital**

On August 26, 2003, the former El Monte Community Redevelopment Agency provided a loan to RHCDC for the purchase of rental properties. The original loan amount was \$1,091,000 at an interest rate of 5.65% per annum. The outstanding balance as of June 30, 2015 was \$467,359. The promissory note expires on August 26, 2023.

**Land Held for Resale**

The former Redevelopment Agency acquired several parcels of land or initiated condemnation proceedings to acquire land for redevelopment purposes. The carrying amount of land is reported at cost which approximates fair value.

**Long-term Liabilities**

The long-term liabilities of the Successor Agency at June 30, 2015 were as follows:

	Balance at		Balance at	Amount due	
	<u>July 1, 2014</u>	<u>Additions</u>	<u>Retirements</u>	<u>June 30, 2015</u>	
				<u>within one</u>	
				<u>Year</u>	
Tax allocation bonds	\$ 24,920,000	\$ -	850,000	24,070,000	880,000
Loans from other governments					
County of Los Angeles	867,230	39,341	-	906,571	-
Advances from City of El Monte	<u>42,246,869</u>	<u>776,364</u>	-	<u>43,023,233</u>	-
	<u>\$ 68,034,099</u>	<u>\$ 815,705</u>	<u>\$ 850,000</u>	<u>\$ 67,999,804</u>	<u>\$ 880,000</u>

**NOTE 18      SUCCESSOR AGENCY DISCLOSURES (CONTINUED)**

**Tax Allocation Bonds Payable**

The El Monte Public Financing Authority has issued the following tax allocation bonds, the proceeds of which were loaned to the former Redevelopment Agency to finance certain redevelopment activities of the former Redevelopment Agency and, in some cases, to refinance prior debt. The bonds are special obligations of the Authority payable from and secured by revenues consisting primarily of amounts payable by the former Redevelopment Agency under the loan agreements.

The former Redevelopment Agency has pledged a portion of the future property tax increment revenue, including Low and Moderate Income Housing set-aside, that it receives to repay tax allocation bonds that were issued to provide financing for various capital projects, accomplish Low and Moderate Income Housing projects and to defease previously issued bonds. The bonds are payable solely from the property tax increment generated by the former Redevelopment Agency. The former Redevelopment Agency has committed to appropriate each year, from these resources, amounts sufficient to cover the principal and interest requirements on the debt. Total principal and interest remaining on the debt is \$37,266,391 payable through 2038.

Senior Tax Allocation Revenue Bonds, Series 2007

The Bonds are dated July 3, 2007, and were issued to provide funds to the Agency to be applied (i) to refund the \$9,655,000 Tax Allocation Revenue Bonds, Series 1998 (Multiple Redevelopment Project Area Loans), \$3,810,000 Housing Set-Aside Revenue Bonds, Series 1998 (El Monte Community Redevelopment Agency Loan) and a portion of the \$10,010,000 Subordinate Tax Allocation Revenue Bonds, Series 2005 (Multiple Redevelopment Project Area Loans) (collectively, the "Prior Bonds"); (ii) to finance redevelopment activity in the Downtown Project Area and the El Monte Center Project Area, including El Monte Center Amendment No. 1 (collectively, the "Project Areas"), and to fund a reserve fund and costs of issuance of the Bonds.

The following schedule illustrates the debt service requirements to maturity for the bonds as of June 30, 2015:

Year Ending June 30,	Senior Tax Allocation Revenue Bond, Series 2007	
	Principal	Interest
2016	\$ 790,000	\$ 981,044
2017	825,000	949,444
2018	865,000	908,194
2019	895,000	871,431
2020	935,000	833,394
2021-2025	5,350,000	3,508,156
2026-2030	5,820,000	2,174,844
2031-2035	3,480,000	1,106,431
2036-2038	2,510,000	242,013
Total	\$ 21,470,000	\$ 11,574,951

**NOTE 18      SUCCESSOR AGENCY DISCLOSURES (CONTINUED)**

Subordinate Tax Allocation Revenue Bonds, Series 2007

The Bonds are dated July 3, 2007, and were issued to provide funds to the Agency to be applied (i) to refund a portion of the Authority's Subordinate Tax Allocation Revenue Bonds, Series 2005 (Multiple Redevelopment Project Area Loans) (the "2005 Bonds"); (ii) to finance redevelopment activity in the Project Areas; and (iii) to fund a reserve account and costs of issuance of the Bonds.

The following schedule illustrates the debt service requirements to maturity for the bonds as of June 30, 2015:

Year Ending June 30,	Subordinate Tax Allocation Revenue Bond, Series 2007	
	Principal	Interest
2016	\$ 90,000	\$ 134,681
2017	95,000	130,451
2018	95,000	125,939
2019	105,000	121,379
2020	115,000	116,260
2021-2025	630,000	492,940
2026-2030	710,000	307,400
2031-2035	435,000	157,410
2036-2039	325,000	34,980
Total	\$ 2,600,000	\$ 1,621,440

County of Los Angeles Reimbursement Agreement

During 2003-04, the County of Los Angeles implemented the repayment provisions of Agreement 45043 between the County and the Agency - El Monte Center Redevelopment Project. This Agreement related to tax increment adjustments and overpayments between 1988 and 1995 in the amount of \$324,818.

This obligation to the County, together with accrued interest thereon, is to be paid in full from tax increment revenues by a date no later than July 1, 2027. The terms of this repayment are presently being negotiated between the Agency and the County. At June 30, 2015, the principal balance outstanding together with accrued interest through that date was \$207,040.

**NOTE 18      SUCCESSOR AGENCY DISCLOSURES (CONTINUED)**

During 2007-08, the County of Los Angeles entered into an agreement with the Agency - Northwest El Monte Project Area. The agreement related to tax increment adjustments and overpayments during 2007-08 to assist in funding the Gibson Park improvements in the amount of \$254,530. The terms of this repayment are presently being negotiated between the Agency and the County. At June 30, 2015, the principal balance outstanding was \$699,531.

The schedules of debt service requirements for the County of Los Angeles Reimbursement Agreements were not included because the debt service payments are not on a fixed schedule.

**Non-committal debt**

Multi-Family Housing Revenue Refunding Bonds

On March 17, 2004, the former Redevelopment Agency issued \$6,500,000 Multifamily Housing Revenue Refunding Bonds, Series 2004 (Ginnie Mae Collateralized Mortgage Loan – Pacific Towers Apartment Project). The proceeds of the bonds were used to refund in whole the outstanding principal of the former Redevelopment Agency's \$6,500,000 Agency Multifamily Housing Revenue Bonds (Pacific Towers apartment Project) Series 2003A (the "Prior Bonds"). The proceeds of the Prior Bonds were invested in an investment agreement and were used to provide costs of the Pacific Towers Apartments (the "Project") located in the Downtown El Monte Redevelopment Project in the City and issuance expenses in connection with the bonds.

The bonds and interest thereon are a limited obligation of the former Redevelopment Agency and do not constitute an indebtedness of either the City or the Successor Agency to the former Redevelopment Agency. In the opinion of City and the Successor Agency officials, these bonds are not payable from any revenues or assets of the City or the Successor Agency and none of the full faith and credit of the City, the Successor Agency, the Districts, the State or any political subdivision thereof is obligated to the payment of the principal or interest on the bonds. Accordingly, no liability has been recorded as long-term debt.

**NOTE 18      SUCCESSOR AGENCY DISCLOSURES (CONTINUED)**

**Advances from the City of El Monte**

During the previous fiscal years, the City of El Monte made loans to the former Redevelopment Agency. With the dissolution of all redevelopment agencies in California effective February 1, 2012, the existing loan from the City to the Agency was considered by the Department of Finance to be unenforceable. The successor agency to the former redevelopment agency has sought reconsideration by the Department of Finance as to the enforceability of the loan. In addition, the loan may be reinstated (but is not required to be) under Assembly Bill 1484 following the completion of a due diligence process and issuance of Finding of Completion by the Department of Finance. In compliance with the provisions of Section 34191.4(2) of AB1484, interest on the loans was recalculated using interest rates earned by funds deposited into the Local Agency Investment Fund (LAIF) resulting to a reduction in accrued interest by \$51 million. During fiscal year 2015, the Successor Agency recorded interest on the loans amounting to \$776,364. Details of the balance of the loan of \$43 million at June 30, 2015 (including \$12.6 million of adjusted accrued interest) are as follows:

Loan No.	SOI Loan Letter	Date	Description	Principal Amount*	Coupon	Unpaid Interest as of 06/30/2015	Outstanding Balance as of 06/30/15
<b>El Monte Center</b>							
3	1-C	9/1/1988	Loans From the City of El Monte (R-383, 222)	\$ 1,313,497		\$ 1,263,372	\$ 2,576,869
4	1-D	4/1/1998	Loan from City to K-mart Deferred Fees	133,560	LAIF + 2.00%	60,661	194,221
5	1-E	1/6/2000	Loan from the city of El Monte Longo Expansion	2,800,000	6.5%	984,295	3,784,295
6	1-H	1/6/2000	Loan from City (CDBG) - Longo Expansion	1,200,000	6.5%	444,775	1,644,775
7	1-I	5/10/1993	Loan from the city of El Monte - ERAF	50,561	6.0%	36,357	86,918
8	2-A	2003/2004	Loan from the city of El Monte - Nelson Honda Jobs Grant	1,444,234	4%	153,554	1,597,788
9	2-C	Feb. 4, 2004	City Cooperation Agreement Longo New Jobs Grant Agreement	2,500,000	5%	369,591	2,869,591
10	2-E	Feb. 3, 2004	Longo Construction Loan	3,000,000	LAIF + 2.00%	623,327	3,623,327
			<b>Loan Totals</b>	<b>\$ 12,441,852</b>		<b>\$ 3,935,932</b>	<b>\$ 16,377,784</b>
<b>Center Amended</b>							
3	1-C	1998/1989	Loans From the City of El Monte (R-356, 385)	702,000	10%	687,120	1,389,120
4	1-I	3/25/1997	CDBG Loan From Bank	694,602	LAIF + 2.00%	358,508	1,053,110
			<b>Loan Totals</b>	<b>\$ 1,396,602</b>		<b>\$ 1,045,628</b>	<b>\$ 2,442,230</b>

**City of El Monte**  
**Notes to Financial Statements**  
**Year ended June 30, 2015**

**NOTE 18      SUCCESSOR AGENCY DISCLOSURES (CONTINUED)**

**Advances from the City of El Monte**

Loan No.	SOI Loan Letter	Date	Description	Principal Amount*	Coupon	Recalculated Unpaid Interest as of 06/30/2015	Outstanding Balance as of 06/30/15
Downtown El Monte							
3	1-A	4/6/2005	Loans from the City of El Monte - King Court (Home Fund)	\$ 513,000	10%	\$ 88,347	\$ 601,347
4	1-D	1986-1990	Loans From the City of El Monte (R-360, 364)	1,350,590	10%	1,442,855	2,793,445
5	1-E	11/12/1991	Loan from the city of El Monte (R-428) Nelson Honda	222,950	LAIF + 2.00%	175,649	398,599
6	1-F	12/1/1991	Loan from the city of El Monte (R-436) Orchard	15,000	8%	11,769	26,769
7	1-G	6/1/1995	Loan from the city of El Monte (R-598) Food Barn	75,000	7.5%	45,683	120,683
8	1-J	1986-1990	Loans from the city of El Monte CDBG (R-251)	326,000	10%	396,749	722,749
9	2-A	1990-1992	Loans from the city of El Monte CDBG (R-410, 345, 331)	803,000	LAIF + 2.00% & 9.5%	874,174	1,677,174
10	2-B	9/27/1994	Loan from the city of El Monte CDBG (R-562) Orchard	42,880	7.0%	27,628	70,508
11	2-F	1991-1992	Loan from the City of El Monte R-432 - Edwards Theater	725,000	9%	585,734	1,310,734
12	2-F	1991-1992	Loans from the city of El Monte UDAG (R417)	20,000	9%	-	20,000
13	2-G	5/3/1993	Loan from the city of El Monte - ERAF	59,549	6%	40,601	100,150
14	2-K	2003/2004	Gabae Loan and Section 108 Loan - Peck/Ramona Triangle	3,191,941		492,408	3,684,349
15	3-A	6/1/07	DDA- Agreement- Festial -Capri Santa Fe Trail Associates	5,390,000	4.5% & LAIF + 2.0%	436,996	5,826,996
<b>Loan Totals</b>				<b>\$ 12,734,910</b>		<b>\$ 4,618,593</b>	<b>\$ 17,353,503</b>

**NOTE 18      SUCCESSOR AGENCY DISCLOSURES (CONTINUED)**

**Advances from the City of El Monte**

Loan No.	SOI Loan Letter	Date	Description	Principal Amount*	Coupon	Unpaid Interest as of 06/30/2015	Outstanding Balance as of 06/30/15
<b>Northwest el Monte</b>							
1	1-A	1986-1990	Loans From the City of El Monte (R-221, 296, 323, 337, 391)	\$ 1,723,954	12%	\$ 1,931,364	\$ 3,655,318
2	1-B	1991/1992	Loans From the City of El Monte (R-411, 465)	500,000	12% & 7%	386,178	886,178
3	1-C	1992/1993	Loan From the City of El Monte (R-484)	350,000	7%	251,362	601,362
4	1-D	1994/1995	Loan From the City of El Monte (R-463)	90,000	8%	67,248	157,248
5	1-F	1994-1995	Loan from the city of El Monte - Water Fund (R-570)	150,000	7%	96,599	246,599
6	1-I	2005-2006	Loan from the city of El Monte - ERAF	213,231	2.5%	38,160	251,391
			<b>Loan Totals</b>	<b>\$ 3,027,185</b>		<b>\$ 2,770,911</b>	<b>\$ 5,798,096</b>
<b>Valley Durfee</b>							
1	1-C	4/16/2006	Loan from the City of El Monte - ERAF	213,231	5%	31,553	244,784
2	1-D	9/19/2006	Loan from the city of El Monte For Improvement Costs	217,406	LAIF + 2.00%	28,044	245,450
			<b>Loan Totals</b>	<b>\$ 430,637</b>		<b>\$ 59,597</b>	<b>\$ 490,234</b>
<b>Grand total</b>				<b>\$ 30,438,773</b>		<b>\$ 12,584,460</b>	<b>\$ 43,023,233</b>

During fiscal year 2014-2015, the City of El Monte provided loans to the Successor Agency of the former Redevelopment Agency amounting to \$1,376,787. Approximately \$1,326,572 of these advances were repaid in July 2015, with the remaining \$50,215 scheduled to be repaid in January 2016. The total advances of the Successor Agency of the former Redevelopment Agency from the City of El Monte as of June 30, 2015 is \$44,400,020.

**NOTE 18      SUCCESSOR AGENCY DISCLOSURES (CONTINUED)**

**Details of Outstanding Loans (Continued)**

**El Monte Center**

Loan (1-C)

This loan is composed of three loans to Star Cash Wash. The first two loans were issued on October 2, 1990, with an original principal value of \$670,061 and \$343,436. The third loan was issued in 1986 with a principal value of \$300,000. The loans carry an interest rate of 10%, with a final maturity on June 30, 2029.

Loan (1-D)

This loan was issued in 1998 to finance development fees for K-Mart. The original principal value of loan was \$133,560 with a variable rate of interest equal to LAIF plus 200 bps, to be repaid by 2029.

Loan (1-E & 1-H)

The two loans were issued on January 6, 2000 to fund the Longo Expansion totaling \$4.0 million: City/Agency loan for \$2.8 million and \$1.2 million loan financed by CDBG. Both loans carry an interest rate of 6.5%, with a final maturity in 2029.

Loan (1-I)

The City has combined two loans to finance past SERAF payments to the State of California for fiscal years 1992-93 and 1994-95 for the Center Project Area. The original principal value on the loans was \$42,207 and \$8,354, respectively. The loans carry an interest rate of 6.0% and 7.5%, due in 2029.

Loan (2-A/D/G)

The three loans (2-A / 2-D / 2-G) were issued over a 10-year period to facilitate the Nelson Honda Jobs Grant program. The loans had seven installment payments made totaling \$1,444,234 in principal value. The loans carry an interest rate of 4% with a final maturity in 2029.

Loan (2-C / 2-F)

The City loaned the Agency an aggregate of \$2.5 million in order to provide a New Jobs Grant Loan to Longo, commencing in 2004. The Agency made three (3) installment payments to Longo totaling \$2.5 million over 3 years. The loans are to be repaid over a 20 year period (2024), with a 5% interest rate.

Loan (2-E)

An additional construction loan was issued to Longo. The original principal value of the loan was \$3,000,000, with adjustable interest rate equal to LAIF plus 200 bps, to be repaid by 2024.

**NOTE 18      SUCCESSOR AGENCY DISCLOSURES (CONTINUED)**

**Details of Outstanding Loans (Continued)**

**Center Amended**

Loan (1-C)

The City provided two loans in order to purchase two properties (11923 Landsdale and Djanogly Property) needed to expand and improve Fire Station No. 3. The loans were issued in 1988 with an original principal value of \$102,000 and in 1989 for \$600,000. Both loans carry an interest rate of 10% to be repaid by 2029.

Loan (1-I)

The loan to the Community Reinvestment Fund (CRF) was issued on March 25, 1997 which replaced the original loan (1-F) made to Gunderson Nissan totaling \$694,602. The loan will be repaid by 2029 at an interest rate equal to LAIF plus 200 bps.

**Downtown El Monte**

Loan (1-A)

In 2005, the City provided a loan to the Agency in the amount of \$513,000 for the purchase of a real property at King Court. The loan carries an interest rate of 10%, to be repaid by 2042.

Loan (1-D)

The loan is composed of two loans for the purchase of real property in the Downtown Project Area in 1988. The first loan original principal value was \$100,000 and the second loan was \$1,250,590. Both loans carry an interest rate of 10% and are due in 2042.

Loan (1-E)

In 1991, the City issued a Loan to the Agency to purchase land for Nelson Honda in the amount of \$222,950. The outstanding loan balance is to be repaid by 2042 and carry an interest rate of LAIF plus 200 bps.

Loan (1-F)

In 1991, the City issued a loan to the Agency to purchase land for additional Orchard street extension in the amount of \$15,000. The loan has a maturity date of 2042 with an interest rate of 8%.

Loan (1-G)

The City issued a Loan to the Agency in 1995, in the Downtown Project area for Food Barn. The loan amount of \$75,000 carry an interest rate of 7.5% to be repaid by 2042.

Loan (1-J)

In 1986, the City issued a Loan to the Agency for the purpose to purchase land for CDBG with a principal loan value of \$326,000 with an interest rate of 10% to be repaid by 2042.

**NOTE 18      SUCCESSOR AGENCY DISCLOSURES (CONTINUED)**

**Details of Outstanding Loans (Continued)**

Loan (2-A)

The loan is composed of three loans for different purposes. The first loan was issued in 1987 to provide the Southern California Gas Company to operate in the Downtown Project Area. The outstanding loan amount is \$228,000 with an interest rate of LAIF plus 200 bps, to be repaid by 2042. The second loan was issued for the Silverman Family Trust in 1988 for \$425,000 with an interest rate of LAIF plus 200 bps. The third loan was issued for the Ramona Hernandez property in 1991 for \$150,000 and carries an interest rate of 9.5% with a final maturity in 2011.

Loan (2-B)

In 1994, the City issued a loan to the Agency to purchase additional property for the Orchard Street Extension. The original principal loan value was \$42,880 and carries an interest rate of 7% to be repaid by 2042.

Loan (2-F)

The loan is composed of two loans. The first loan was issued in 1991 for Peck/Triangle enhancement in the Downtown Project area. The loan original principal value was \$20,000 and carries an interest rate of 9% to be repaid by 2011. The second loan was issued in 1991 for the Edwards Theater project. The loan original principal value was \$725,000 with an interest rate of 9% to be repaid by 2011.

Loan (2-G)

The City combined two loans used to finance past SERAF payments to the State of California for fiscal years 1992-93 and 1994-95 for the Downtown Project Area. The original principal values on the loans were \$43,823 and \$15,726, respectively. The loans carry an interest rate of 6% and 7.5%, due in 2042.

Loan (2-K)

The loan is composed of HUD Section 108 (Peck/Ramona) which have two components: (1) Cash grant, (2) Land assembly, issued in 2004. The first loan has an original principal value of \$2,200,000 with an adjustable interest rate to be repaid by 2024. The second loan was \$200,000 and carries an interest rate of 5% to be repaid by 2024.

Loan (3-A)

The loan is composed of two loans issued in 2007. The first loan original principal value was \$4,400,000 and carries an interest rate of 9% and 4.5% with a maturity date of 2032. The second loan amount was \$990,000 has a variable interest rate equal to LAIF plus 200 bps to be repaid by 2032.

**NOTE 18      SUCCESSOR AGENCY DISCLOSURES (CONTINUED)**

**Details of Outstanding Loans (Continued)**

**Northwest**

Loan (1-A)

The loan is composed of five loans to purchase real property on West Valley Boulevard for Longo Toyota. The loans were issued between 1986 and 1990 and mature in 2044, with a stated interest rate of 12%.

Loan (1-B)

The loan is composed of several amendments to 1-A loans, for the Longo Toyota Project. The first loan was issued in 1991. The original principal value of loan was \$150,000 with an interest rate of 12% to be repaid by 2044. The second loan was issued in 1992. The original principal value of the loan was \$350,000 with an interest rate of 7% to be repaid by 2044.

Loan (1-C)

In 1993, the City issued a Loan to the Agency to purchase property of the former site of Longo Toyota for the Titan Unlimited partnership. The original principal value of loan was \$350,000 with an interest rate of 7% to be repaid by 2044.

Loan (1-D)

In 1992, the City issued a Loan to the Agency for third party environmental consultant fees in the Northwest Project area. The original principal value of loan was \$90,000 with an interest rate of 8% to be repaid by 2044.

Loan (1-F)

In 1994, the City issued a Loan to the Agency for costs associated with groundwater investigation. The original principal value of loan was \$150,000 with an interest rate of 7% to be repaid by 2044.

Loan (1-I)

The City has SERAF payment to the State of California for fiscal year 2005-06 for the Northwest Project Area. The original principal value on the loan was \$213,321. The loan has a final maturity date of 2044 and carries an interest rate of LAIF plus 200 bps.

**Valley / Durfee**

Loan (1-C)

The City has SERAF payment to the State of California for fiscal year 2004-05 for the Valley/Durfee Project Area. The original principal value on the loan was \$213,231. The loan has a final maturity date of 2048 and carries an interest rate of LAIF plus 200 bps.

**NOTE 18      SUCCESSOR AGENCY DISCLOSURES (CONTINUED)**

**Details of Outstanding Loans (Continued)**

Loan (1-D)

In 2006 the City issued a loan to the Agency for sewer improvements. The original principal value was \$217,406 with an interest rate of LAIF plus 200 bps to be repaid by 2048.

**Management's Evaluation of Outstanding Loans**

Management believes, in consultation with legal counsel, that the above obligations of the Dissolved RDA to the City are valid enforceable obligations payable by the Successor Agency under the requirements of the Dissolution Act and AB 1484.

With the issuance of Findings of Completion to the Successor Agency in April 2013, the Department of Finance allowed the inclusion of the loan agreements between the former Redevelopment Agency and the City on the Recognized Obligation Payment Schedule (ROPS), as an enforceable obligation, provided the Oversight Board makes a finding that the loan was for legitimate redevelopment purposes per HSC Section 34191.4(b)(1). As of December 23, 2015, the Oversight Board has not yet made a finding that the loans were for legitimate redevelopment purposes.

**REQUIRED SUPPLEMENTARY INFORMATION**

**City of El Monte**  
**Budgetary Comparison by Department**  
**General Fund**  
**Year ended June 30, 2015**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>Revenues</b>				
Taxes	\$ 46,986,700	\$ 48,086,700	\$ 49,603,060	\$ 1,516,360
Licenses and permits	1,660,000	2,503,750	1,482,638	(1,021,112)
Intergovernmental	98,000	98,000	99,402	1,402
Charges for services	2,032,800	2,032,800	3,177,500	1,144,700
Use of money and property	155,000	155,000	213,211	58,211
Fines and forfeitures	1,213,000	1,213,000	1,362,878	149,878
Contributions	6,500	6,500	2,705	(3,795)
Miscellaneous	434,000	520,250	2,459,247	1,938,997
Net change in fair value of investments	-	-	181,143	181,143
<b>Total revenues</b>	<u>52,586,000</u>	<u>54,616,000</u>	<u>58,581,784</u>	<u>3,965,784</u>
<b>Expenditures</b>				
<b>General Government</b>				
City council	314,600	215,600	176,766	38,834
Administrative office				
City manager	1,046,400	1,116,400	757,340	359,060
City clerk	389,900	389,900	387,275	2,625
Commissions and community promotion	3,400	3,400	-	3,400
Public information office	166,700	189,071	171,885	17,186
Total administrative office	<u>1,606,400</u>	<u>1,698,771</u>	<u>1,316,500</u>	<u>382,271</u>
Human Resources	616,400	616,400	487,648	128,752
Finance				
Accounting and administration	700,700	656,500	637,251	19,249
City treasurer	136,900	216,900	228,966	(12,066)
Purchasing	53,100	53,100	55,911	(2,811)
License collection	235,500	157,250	155,324	1,926
Insurance and surety	1,054,300	1,054,300	1,054,475	(175)
Information technology	309,600	309,600	193,383	116,217
Total finance	<u>2,490,100</u>	<u>2,447,650</u>	<u>2,325,310</u>	<u>122,340</u>
City attorney	1,300,000	1,300,000	1,811,925	(511,925)
General city expense	3,265,100	3,186,463	2,633,884	552,579
Total general government	<u>9,592,600</u>	<u>9,464,884</u>	<u>8,752,033</u>	<u>712,851</u>
<b>Public safety</b>				
Police	21,770,800	21,789,434	21,166,174	623,260
Fire department	11,900,000	11,900,000	11,607,807	292,193
Police helicopter	798,100	865,716	881,070	(15,354)
Civil defense	12,000	12,000	10,300	1,700
Traffic safety program	10,500	10,500	22,163	(11,663)
Parking enforcement	129,900	129,900	125,830	4,070
Total public safety	<u>34,621,300</u>	<u>34,707,550</u>	<u>33,813,344</u>	<u>894,206</u>
<b>Parks, recreation and cultural</b>				
Administration	404,000	416,000	351,583	64,417
Parks	733,400	763,325	771,848	(8,523)
Sports/playgrounds	-	-	66	(66)
Adult sports	82,300	82,300	70,993	11,307
Senior services	331,400	388,348	243,005	145,343
Aquatic center project	614,100	614,100	615,904	(1,804)
Communications and marketing	12,000	12,000	12,023	(23)
Contracted classes	36,500	36,500	41,237	(4,737)
El Monte Museum	48,300	48,300	33,093	15,207
Special facilities	135,000	160,000	133,736	26,264
Total parks, recreation and cultural	<u>2,397,000</u>	<u>2,520,873</u>	<u>2,273,488</u>	<u>247,385</u>

**City of El Monte**  
**Budgetary Comparison by Department**  
**General Fund (Continued)**  
**Year ended June 30, 2015**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Public works				
Economic development				
Community development	\$ 425,000	\$ 436,500	\$ 376,719	\$ 59,781
City planning	883,300	883,300	563,643	319,657
Building regulation	905,000	1,580,000	1,408,790	171,210
Environmental services	236,900	236,900	210,604	26,296
Code enforcement	378,200	378,200	532,293	(154,093)
Home Foreclosure Program	-	-	61,139	(61,139)
Total economic development	<u>2,828,400</u>	<u>3,514,900</u>	<u>3,153,188</u>	<u>361,712</u>
Engineering and public works				
Engineering	168,100	278,100	188,728	89,372
Public works administration	968,300	968,300	772,578	195,722
Building and grounds maintenance	959,100	1,380,093	974,611	405,482
Parks and building maintenance	1,427,000	1,427,000	1,464,670	(37,670)
Street maintenance	256,600	268,350	235,801	32,549
Street signs and striping	124,900	124,900	130,371	(5,471)
Street sweeping	53,900	53,900	61,532	(7,632)
Median maintenance	309,200	309,200	270,923	38,277
Traffic signal maintenance	247,000	247,000	262,644	(15,644)
Street lights	788,000	811,500	728,097	83,403
Street trees and parkways	526,100	526,100	415,997	110,103
Equipment maintenance	227,800	227,800	223,053	4,747
Valley Mall	59,500	66,500	52,798	13,702
Transportation	8,700	8,700	47,729	(39,029)
Urban Forest Management	36,300	36,300	6,153	30,147
Total engineering and public works	<u>6,160,500</u>	<u>6,733,743</u>	<u>5,835,685</u>	<u>898,058</u>
Total public works	<u>8,988,900</u>	<u>10,248,643</u>	<u>8,988,873</u>	<u>1,259,770</u>
Capital outlay	481,700	831,950	331,356	500,594
Debt service:				
Principal retirement	945,000	945,000	945,000	-
Interest and fiscal charges	142,100	142,100	139,935	2,165
<b>Total expenditures</b>	<u>57,168,600</u>	<u>58,861,000</u>	<u>55,244,029</u>	<u>3,616,971</u>
Excess(deficiency) of revenues over expenditures	(4,582,600)	(4,245,000)	3,337,755	7,582,755
<b>Other financing sources (uses)</b>				
Transfers in	3,025,000	3,025,000	3,575,000	550,000
Transfers out	(348,400)	(375,371)	(342,026)	33,345
<b>Net other financing sources (uses)</b>	<u>2,676,600</u>	<u>2,649,629</u>	<u>3,232,974</u>	<u>583,345</u>
<b>Change in fund balance</b>	(1,906,000)	(1,595,371)	6,570,729	8,166,100
<b>Fund balance, beginning of year</b>	<u>35,046,384</u>	<u>35,046,384</u>	<u>35,046,384</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 33,140,384</u>	<u>\$ 33,451,013</u>	<u>\$ 41,617,113</u>	<u>\$ 8,166,100</u>

**City of El Monte  
Budgetary Comparison  
Retirement Fund  
Year ended June 30, 2015**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 8,220,000	\$ 8,500,000	\$ 8,962,485	\$ 462,485
Use of money and property	80,000	-	74,070	74,070
Miscellaneous	200,000	-	520,419	520,419
<b>Total revenues</b>	<u>8,500,000</u>	<u>8,500,000</u>	<u>9,556,974</u>	<u>1,056,974</u>
<b>Expenditures</b>				
General government	11,500,000	11,500,000	11,148,934	351,066
<b>Total expenditures</b>	<u>11,500,000</u>	<u>11,500,000</u>	<u>11,148,934</u>	<u>351,066</u>
Change in fund balance	(3,000,000)	(3,000,000)	(1,591,960)	1,408,040
<b>Fund balances, beginning of year</b>	<u>19,222,421</u>	<u>19,222,421</u>	<u>19,222,421</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 16,222,421</u>	<u>\$ 16,222,421</u>	<u>\$ 17,630,461</u>	<u>\$ 1,408,040</u>

**City of El Monte  
Budgetary Comparison  
Housing and Community Development Fund  
Year ended June 30, 2015**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 4,074,300	\$ 5,403,700	\$ 1,296,519	\$ (4,107,181)
Use of money and property	-	-	30,385	30,385
Program income	-	191,400	1,924,033	1,732,633
<b>Total revenues</b>	<u>4,074,300</u>	<u>5,595,100</u>	<u>3,250,937</u>	<u>(2,344,163)</u>
<b>Expenditures</b>				
Current:				
General government	-	-	285,110	(285,110)
Public safety	150,900	-	-	-
Parks, recreation and cultural	163,800	151,000	134,695	16,305
Public works	-	-	-	-
Economic development	1,684,400	1,848,100	1,172,668	675,432
Capital outlay	2,728,100	2,728,100	54,573	2,673,527
Debt service:				
Principal retirement	591,000	591,000	591,000	-
Interest and fiscal charges	275,400	276,900	323,308	(46,408)
<b>Total expenditures</b>	<u>5,593,600</u>	<u>5,595,100</u>	<u>2,561,354</u>	<u>3,033,746</u>
Excess(deficiency) of revenues over expenditures	<u>(1,519,300)</u>	<u>-</u>	<u>689,583</u>	<u>689,583</u>
<b>Other financing sources</b>				
Transfers in	-	33,400	-	33,400
Transfers out	-	(33,400)	-	(33,400)
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>(1,519,300)</u>	<u>-</u>	<u>689,583</u>	<u>689,583</u>
<b>Fund balances, beginning of year</b>	<u>3,469,641</u>	<u>3,469,641</u>	<u>3,469,641</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 1,950,341</u>	<u>\$ 3,469,641</u>	<u>\$ 4,159,224</u>	<u>\$ 689,583</u>

**City of El Monte  
Budgetary Comparison  
Housing Assets Fund  
Year ended June 30, 2015**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Use of money and property	\$ -	\$ 11,250	\$ 47,628	\$ 36,378
Miscellaneous	-	40,000	50,001	10,001
<b>Total revenues</b>	<u>-</u>	<u>51,250</u>	<u>97,629</u>	<u>46,379</u>
<b>Expenditures</b>				
Current:				
Economic development	-	-	9,309	(9,309)
Capital outlay	-	1,904,761	1,565,682	339,079
<b>Total expenditures</b>	<u>-</u>	<u>1,904,761</u>	<u>1,574,991</u>	<u>329,770</u>
<b>Net change in fund balances</b>	-	(1,853,511)	(1,477,362)	376,149
<b>Fund balances, beginning of year</b>	<u>4,818,199</u>	<u>4,818,199</u>	<u>4,818,199</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 4,818,199</u>	<u>\$ 2,964,688</u>	<u>\$ 3,340,837</u>	<u>\$ 376,149</u>

**City of El Monte  
California Public Retirement System  
Schedule of Changes in the Net Pension Liability and Related Ratios  
Miscellaneous Plan  
Last Ten Years**

	2013-2014
<b>Total Pension Liability</b>	
Service Cost	\$ 1,413,675
Interest on total pension liability	10,356,614
Differences between expected and actual experience	-
Changes in assumptions	-
Changes in benefits	-
Benefit payments, including refunds of employee contributions	<u>(7,622,269)</u>
<b>Net change in total pension liability</b>	4,148,020
<b>Total pension liability - beginning</b>	<u>141,192,499</u>
<b>Total pension liability - ending (a)</b>	<u><u>\$ 145,340,519</u></u>
<b>Plan Fiduciary Net Position</b>	
Contributions - employer	\$ 2,469,291
Contributions - employee	849,234
Net investment income	16,546,367
Benefit payments	<u>(7,622,269)</u>
<b>Net change in plan fiduciary net position</b>	12,242,623
<b>Plan fiduciary net position - beginning</b>	<u>96,997,950</u>
<b>Plan fiduciary net position - ending (b)</b>	<u><u>\$ 109,240,573</u></u>
<b>Net pension liability - ending (a)-(b)</b>	<u><u>\$ 36,099,946</u></u>
Plan fiduciary net position as a percentage of the total pension liability	<u><u>75.16%</u></u>
Covered - employee payroll	<u><u>\$9,288,883</u></u>
Net pension liability as percentage of covered-employee payroll	<u><u>388.64%</u></u>

**Notes to Schedule:**

**Benefit changes** - The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2013. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

**Changes in assumption** - There were no changes in assumptions as of the measurement date, June 30, 2014.

\* Fiscal year 2015 was the first year of implementation, therefore only one year is shown.

**City of El Monte  
California Public Retirement System  
Schedule of Plan Contributions  
Miscellaneous Plan  
Last Ten Years**

	<b>Measurement Period</b>
Actually determined contributions	\$ 2013-2014 2,469,291
Contributions in relation to the actuarially determined contributions	(2,469,291)
Contribution deficiency / (excess)	\$ -
Covered-Employee Payroll	\$ 9,288,883
Contributions as a percentage of Covered-Employee Payroll	26.58%
Notes to Schedule:	
Valuation date	6/30/2013

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2013-14 were from the June 30, 2011 public agency valuations.

Actuarial Cost Method	Entry age normal
Amortization method / Period	Level percent of payroll
Asset valuation method	15 year Smoothed Market
Inflation	2.75%
Salary increases	Varies by Entry age and Service
Payroll Growth	3.00%
Investment rate of return	7.50%, net of pension plan investment expense and administrative expenses including inflation.
Retirement age	The probabilities of retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.
Mortality	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and Post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

\* Fiscal year 2015 was the first year of implementation, therefore only one year is shown.

**City of El Monte**  
**California Public Retirement System**  
**Schedule of Changes in the Net Pension Liability and Related Ratios**  
**Safety Plan**  
**Last Ten Years**

	2013-2014
<b>Total Pension Liability</b>	
Service Cost	\$ 4,209,379
Interest on total pension liability	20,146,739
Differences between expected and actual experience	-
Changes in assumptions	-
Changes in benefits	-
Benefit payments, including refunds of employee contributions	<u>(13,982,615)</u>
<b>Net change in total pension liability</b>	10,373,503
<b>Total pension liability - beginning</b>	<u>273,509,812</u>
<b>Total pension liability - ending (a)</b>	<u><u>\$ 283,883,315</u></u>
<b>Plan Fiduciary Net Position</b>	
Contributions - employer	\$ 5,853,271
Contributions - employee	1,231,838
Net investment income	32,363,060
Benefit payments	<u>(13,982,615)</u>
<b>Net change in plan fiduciary net position</b>	25,465,554
<b>Plan fiduciary net position - beginning</b>	<u>188,775,783</u>
<b>Plan fiduciary net position - ending (b)</b>	<u><u>\$ 214,241,337</u></u>
<b>Net pension liability - ending (a)-(b)</b>	<u><u>\$ 69,641,978</u></u>
Plan fiduciary net position as a percentage of the total pension liability	<u><u>75.47%</u></u>
Covered - employee payroll	<u><u>\$12,907,061</u></u>
Net pension liability as percentage of covered-employee payroll	<u><u>539.56%</u></u>

**Notes to Schedule:**

**Benefit changes** - The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2013. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

**Changes in assumption** - There were no changes in assumptions as of the measurement date, June 30, 2014.

\* Fiscal year 2015 was the first year of implementation, therefore only one year is shown.

**City of El Monte**  
**California Public Retirement System**  
**Schedule of Plan Contributions**  
**Safety Plan**  
**Last Ten Years**

	<b>Measurement Period</b>
	2013-2014
Actually determined contributions	\$ 5,853,271
Contributions in relation to the actuarially determined contributions	(5,853,271)
Contribution deficiency / (excess)	\$ -
Covered-Employee Payroll	\$ 12,907,061
Contributions as a percentage of Covered-Employee Payroll	45.35%

Notes to Schedule:

Valuation date 6/30/2013

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2013-14 were from the June 30, 2011 public agency valuations.

Actuarial Cost Method	Entry age normal
Amortization method / Period	Level percent of payroll
Asset valuation method	15 year Smoothed Market
Inflation	2.75%
Salary increases	Varies by Entry age and Service
Payroll Growth	3.00%
Investment rate of return	7.50%, net of pension plan investment expense and administrative expenses including inflation.
Retirement age	The probabilities of retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.
Mortality	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and Post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

\* Fiscal year 2015 was the first year of implementation, therefore only one year is shown.

**City of El Monte**  
**Public Agency Retirement System (PARS) Retirement Enhancement Plan**  
**Schedule of Changes in the Net Pension Liability and Related Ratios**  
**Last Ten Years**

	<b>Measurement Period</b>
	2014-2015
<b>Total Pension Liability</b>	
Service Cost	\$ 482,698
Interest on total pension liability	2,405,253
Differences between expected and actual experience	-
Changes in assumptions	-
Changes in benefits	-
Benefit payments, including refunds of employee contributions	(1,889,598)
<b>Net change in total pension liability</b>	998,353
<b>Total pension liability - beginning</b>	37,451,113
<b>Total pension liability - ending (a)</b>	\$ 38,449,466
 <b>Plan Fiduciary Net Position</b>	
Contributions - employer	\$ 1,655,324
Contributions - employee	345,022
Net investment income	345,266
Administrative expenses	(5,811)
Benefit payments	(1,889,598)
<b>Net change in plan fiduciary net position</b>	450,203
<b>Plan fiduciary net position - beginning</b>	17,420,019
<b>Plan fiduciary net position - ending (b)</b>	\$ 17,870,222
 <b>Net pension liability - ending (a)-(b)</b>	\$ 20,579,244
 Plan fiduciary net position as a percentage of the total pension liability	46.48%
 Covered - employee payroll	\$6,900,440
 Net pension liability as percentage of covered-employee payroll	298.23%

**Notes to Schedule:**

**Benefit changes** - There have been no significant changes between the valuation date and the measurement date of June 30, 2015.

**Changes in assumption** - There have been no significant changes between the valuation date and the measurement date of June 30, 2015.

\* Fiscal year 2015 was the first year of implementation, therefore only one year is shown.

**Public Agency Retirement System (PARS) Retirement Enhancement Plan  
Schedule of Plan Contribution  
Retirement Enhancement Plan  
Last Ten Years**

	<b>Measurement Period</b>
	2014-2015
Actually determined contributions	\$ 2,047,953
Contributions in relation to the actuarially determined contributions	<u>(1,655,324)</u>
Contribution deficiency / (excess)	<u>392,629</u>
Covered-Employee Payroll	\$ <u>6,900,440</u>
Contributions as a percentage of Covered-Employee Payroll	<u>23.99%</u>

Notes to Schedule:

Valuation date 7/1/2014

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2014-15 were from the July 1, 2014 public agency valuations.

Actuarial Cost Method	Entry age normal
Amortization method / Period	Level dollar, closed, 16 years at 7/1/2014
Asset valuation method	None
Inflation	2.75%
Salary increases	Graded rates based on years of service, 3.50% after 30 years of service
Payroll Growth	3.00%
Investment rate of return	6.50%, net of pension plan investment expense and administrative expenses including inflation.
Retirement age	Retirement rates at 30% per year. At age 70, 100% of all participants are assumed to retire.
Mortality	Experience Study for the period from 1997 to 2007. Pre-Retirement: Consistent with the Non-Industrial rates used to value the Miscellaneous CalPERS Pension Plans Post Retirement: CalPERS 1997-2011 Healthy Retiree Table (sex-distinct) with an assumed base year of 2008 and full generationa projection using Scale AA.

\* Fiscal year 2015 was the first year of implementation, therefore only one year is shown.

**City of El Monte**  
**Postemployment Health Benefits**  
**Schedule of Funding Progress**  
**June 30, 2015**

**Postemployment Health Benefits**

Schedule of Funding Progress  
(Amounts in Thousands)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll (c)/(b-a)
6/30/2008	\$ -	\$ 52,584	\$ 52,584	0.0%	\$ 28,500	184.5%
6/30/2010	-	64,759	64,759	0.0%	24,750	261.7%
6/30/2012	-	65,525	65,525	0.0%	23,541	278.3%
6/30/2014	-	61,196	61,196	0.0%	21,549	284.0%

## **BUDGETARY CONTROL AND ACCOUNTING**

The City and its component units' fiscal year begins on July 1 of each year and ends June 30 the following year. The following procedures establish the budgetary data reflected in the financial statements:

- On or before the fifteenth of June of each year, the City Manager submits to the City Council a proposed budget for the next ensuing fiscal year based on a detailed financial plan prepared by the heads of the various offices, agencies and departments of the City and its component units. Upon receipt of the proposed budget, the Council may make modifications with the affirmative vote of at least a majority of its members.
- Before adoption of the budget, the Council holds a public hearing wherein the public is given an opportunity to be heard, after which the Council may make any revisions deemed advisable. On or before July 1 annually, the City Council adopts the budget as amended through a budget resolution passed by the affirmative vote of at least a majority of its members. Upon final adoption, the budget is in effect for the ensuing fiscal year and becomes the authority for the various offices, agencies, and departments to expend subject to controls established by the City's Policy. At any meeting after the adoption of the budget, the City Council may amend or supplement the budget by affirmative vote of the majority of the Council members so as to authorize the transfer of unused balances appropriated for one purpose to another purpose, or to appropriate available revenue not included in the budget.
- The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the department level, subject to the authority granted to the City Manager to transfer appropriations from account to account as necessary to assure adequate and proper standards of service and to achieve the intent of the City Council in providing municipal services for the fiscal year.

The City's budget is a detailed operating plan, which identifies estimated costs and results in relation to estimated revenues. The budget includes (1) the programs, projects, services, and activities to be provided during the fiscal year, (2) the estimated resources (inflows) and amounts available for appropriation and (3) the estimated charges to appropriations. The budget represents a process through which policy decisions are made, implemented, and controlled.

Annual budgets are legally adopted for the General Fund, Special Revenue Funds, Debt Service Funds and Certain Capital Projects Funds. Although budgets are legally adopted for the City's Proprietary Funds, there is no legal requirement for the fiscal year results to be reported to City Council. Therefore, no budgetary reporting for the Proprietary Funds has been presented in the accompanying financial statements.

**EXPENDITURES AND TRANSFERS OUT IN EXCESS OF APPROPRIATIONS**

Expenditures for the year ended June 30, 2015 exceeded the appropriations by the following amounts in the following funds:

Nonmajor Special Revenue Funds:		
Special Gas Tax Fund	\$	8,219
Transportation Development Act Fund		3,145
Public Facilities		14,140
Cable Television Corporation		19,079
Special Programs II		156

Transfers out for the year ended June 30, 2015 exceeded the appropriations by the following amounts in the following funds:

Nonmajor Special Revenue Funds:		
Special Gas Tax Fund	\$	550,000

**SUPPLEMENTARY INFORMATION**

	Special Revenue Funds		
	Proposition A	Proposition C	Special Gas Tax
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
Assets:			
Cash and investments	\$ 2,584,905	6,714,084	\$ 3,202,836
Cash and investments with fiscal agent	-	-	-
Receivables:			
Accounts	17,604	31,338	-
Taxes	-	-	-
Notes and loans	-	-	-
Prepaid expenses	1,200	-	-
Due from other governments	-	-	-
Total assets	<u>2,603,709</u>	<u>6,745,422</u>	<u>3,202,836</u>
Deferred outflows of resources	-	-	-
<b>Total assets and deferred outflows of resources</b>	<b>\$ <u>2,603,709</u></b>	<b><u>6,745,422</u></b>	<b>\$ <u>3,202,836</u></b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 248,003	81,003	\$ 60
Advances from grantors	-	-	-
Deposits payable	-	-	-
Due to other governments	-	-	-
Due to other funds	-	-	-
Total liabilities	<u>248,003</u>	<u>81,003</u>	<u>60</u>
Deferred inflows of resources			
Unavailable revenue	-	-	-
Deferred inflows of resources	-	-	-
Fund Balances (Deficit)			
Nonspendable			
Loans receivable	-	-	-
Prepaid items	1,200	-	-
Restricted			
Special revenue funds	2,354,506	6,664,419	3,202,776
Debt service funds	-	-	-
Unassigned	-	-	-
Total fund balances (deficit)	<u>2,355,706</u>	<u>6,664,419</u>	<u>3,202,776</u>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ <u>2,603,709</u></b>	<b><u>6,745,422</u></b>	<b>\$ <u>3,202,836</u></b>

**City of El Monte  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2015**

Special Revenue Funds					
Transportation Development Act Fund	Measure R	MTA Call for Projects	AB 939	Air Quality Improvement Fund	Affordable Housing
\$ -	\$ 4,895,610	\$ -	\$ 624,397	\$ 43,989	\$ 122,644
-	-	-	-	-	-
-	-	-	325,000	-	-
-	-	-	652	-	-
-	-	-	-	-	-
-	-	-	-	-	-
66,348	-	-	-	37,461	-
<u>66,348</u>	<u>4,895,610</u>	<u>-</u>	<u>950,049</u>	<u>81,450</u>	<u>122,644</u>
-	-	-	-	-	-
<u>\$ 66,348</u>	<u>\$ 4,895,610</u>	<u>\$ -</u>	<u>\$ 950,049</u>	<u>\$ 81,450</u>	<u>\$ 122,644</u>
\$ 1,004	\$ -	\$ -	\$ 54,459	\$ 5,421	\$ -
-	-	-	-	-	-
-	156	-	-	-	-
-	-	-	-	-	-
65,344	-	-	-	-	-
<u>66,348</u>	<u>156</u>	<u>-</u>	<u>54,459</u>	<u>5,421</u>	<u>-</u>
8,429	-	-	97,658	-	-
<u>8,429</u>	<u>-</u>	<u>-</u>	<u>97,658</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	4,895,454	-	797,932	76,029	122,644
-	-	-	-	-	-
(8,429)	-	-	-	-	-
<u>(8,429)</u>	<u>4,895,454</u>	<u>-</u>	<u>797,932</u>	<u>76,029</u>	<u>122,644</u>
<u>\$ 66,348</u>	<u>\$ 4,895,610</u>	<u>\$ -</u>	<u>\$ 950,049</u>	<u>\$ 81,450</u>	<u>\$ 122,644</u>

	Special Revenue Funds		
	Tree Mitigation & Planting Fund	Federal Stimulus	CalHome Grant
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
Assets:			
Cash and investments	\$ -	\$ -	\$ -
Cash and investments with fiscal agent	-	-	-
Receivables:			
Accounts	228,868	-	-
Taxes	-	-	-
Notes and loans	-	-	711,121
Prepaid expenses	-	-	-
Due from other governments	-	-	42,325
Total assets	<u>228,868</u>	<u>-</u>	<u>753,446</u>
Deferred outflows of resources	-	-	-
<b>Total assets and deferred outflows of resources</b>	<u>\$ 228,868</u>	<u>\$ -</u>	<u>\$ 753,446</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 3,466	\$ -	\$ 4,015
Advances from grantors	-	-	-
Deposits payable	-	-	-
Due to other governments	-	-	711,121
Due to other funds	219,898	27,611	38,311
Total liabilities	<u>223,364</u>	<u>27,611</u>	<u>753,447</u>
Deferred inflows of resources			
Unavailable revenue	-	-	42,324
Deferred inflows of resources	<u>-</u>	<u>-</u>	<u>42,324</u>
Fund Balances (Deficit)			
Nonspendable			
Loans receivable	-	-	-
Prepaid items	-	-	-
Restricted			
Special revenue funds	5,504	-	-
Debt service funds	-	-	-
Unassigned	-	(27,611)	(42,325)
Total fund balances (deficit)	<u>5,504</u>	<u>(27,611)</u>	<u>(42,325)</u>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<u>\$ 228,868</u>	<u>\$ -</u>	<u>\$ 753,446</u>

**City of El Monte  
Combining Balance Sheet  
Nonmajor Governmental Funds (Continued)  
June 30, 2015**

Special Revenue Funds						
Urban Development Grant (UDAG)	Emergency Shelter Grant	Supplemental Law Enforcement Safety Fund (SLES)	Police/ Narcotics Forfeiture	Older Americans Act	Senior Citizen Program	Children's Lunch Program
\$ 159,349	\$ -	\$ 770,646	\$ 4,307,083	\$ -	\$ 43,585	\$ -
-	-	-	-	-	-	-
-	-	-	-	26	-	-
-	-	-	-	-	-	-
-	-	-	2,500	-	-	-
-	68,614	-	-	1,530	11,632	44,832
<u>159,349</u>	<u>68,614</u>	<u>770,646</u>	<u>4,309,583</u>	<u>1,556</u>	<u>55,217</u>	<u>44,832</u>
-	-	-	-	-	-	-
<u>\$ 159,349</u>	<u>\$ 68,614</u>	<u>\$ 770,646</u>	<u>\$ 4,309,583</u>	<u>\$ 1,556</u>	<u>\$ 55,217</u>	<u>\$ 44,832</u>
\$ -	\$ 31,119	\$ -	\$ 366,358	\$ -	\$ 6,770	\$ 29,484
-	-	-	-	-	-	-
-	-	-	2,375	-	-	-
77,515	-	-	-	-	-	-
-	66,786	-	-	189	-	15,348
<u>77,515</u>	<u>97,905</u>	<u>-</u>	<u>368,733</u>	<u>189</u>	<u>6,770</u>	<u>44,832</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	2,500	-	-	-
81,834	-	770,646	3,938,350	1,367	48,447	-
-	-	-	-	-	-	-
-	(29,291)	-	-	-	-	-
<u>81,834</u>	<u>(29,291)</u>	<u>770,646</u>	<u>3,940,850</u>	<u>1,367</u>	<u>48,447</u>	<u>-</u>
<u>\$ 159,349</u>	<u>\$ 68,614</u>	<u>\$ 770,646</u>	<u>\$ 4,309,583</u>	<u>\$ 1,556</u>	<u>\$ 55,217</u>	<u>\$ 44,832</u>

	Special Revenue Funds			
	Quimby	Park Bond Act	Art in Public Places	Park Facility Impact Fee
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>				
Assets:				
Cash and investments	\$ 547,925	\$ 192,174	\$ 652,960	\$ -
Cash and investments with fiscal agent	-	-	-	-
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Notes and loans	-	-	-	-
Prepaid expenses	-	-	-	-
Due from other governments	-	-	-	-
Total assets	<u>547,925</u>	<u>192,174</u>	<u>652,960</u>	<u>-</u>
Deferred outflows of resources	-	-	-	-
<b>Total assets and deferred outflows of resources</b>	<u>\$ 547,925</u>	<u>\$ 192,174</u>	<u>\$ 652,960</u>	<u>\$ -</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Advances from grantors	-	-	-	-
Deposits payable	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	41,350
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,350</u>
Deferred inflows of resources	-	-	-	-
Unavailable revenue	-	-	-	-
Deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficit)				
Nonspendable				
Loans receivable	-	-	-	-
Prepaid items	-	-	-	-
Restricted				
Special revenue funds	547,925	192,174	652,960	-
Debt service funds	-	-	-	-
Unassigned	-	-	-	(41,350)
Total fund balances (deficit)	<u>547,925</u>	<u>192,174</u>	<u>652,960</u>	<u>(41,350)</u>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<u>\$ 547,925</u>	<u>\$ 192,174</u>	<u>\$ 652,960</u>	<u>\$ -</u>

**City of El Monte  
Combining Balance Sheet  
Nonmajor Governmental Funds (Continued)  
June 30, 2014**

Special Revenue Funds						
Public Facilities	Storm Drain	Parking and Business Improvement	Cable Television Corporation	Mountain View CFD 13-1	El Monte Economic Development	El Monte Housing Authority
\$ 1,092,781	\$ -	\$ 363,706	\$ 114,380	\$ 6,765	\$ -	\$ -
-	-	-	-	-	7,774,207	-
-	-	-	34,735	-	64	-
-	-	-	-	-	-	-
-	-	23,800	2,025	-	-	-
-	-	-	-	-	-	-
<u>1,092,781</u>	<u>-</u>	<u>387,506</u>	<u>151,140</u>	<u>6,765</u>	<u>7,774,271</u>	<u>-</u>
-	-	-	-	-	-	-
<u>\$ 1,092,781</u>	<u>\$ -</u>	<u>\$ 387,506</u>	<u>\$ 151,140</u>	<u>\$ 6,765</u>	<u>\$ 7,774,271</u>	<u>\$ -</u>
\$ -	\$ 14,440	\$ -	\$ 390	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	137,364	-	-	-	27,424	-
-	<u>151,804</u>	<u>-</u>	<u>390</u>	<u>-</u>	<u>27,424</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	23,800	2,025	-	-	-
1,092,781	-	363,706	148,725	6,765	7,746,847	-
-	-	-	-	-	-	-
-	(151,804)	-	-	-	-	-
<u>1,092,781</u>	<u>(151,804)</u>	<u>387,506</u>	<u>150,750</u>	<u>6,765</u>	<u>7,746,847</u>	<u>-</u>
<u>\$ 1,092,781</u>	<u>\$ -</u>	<u>\$ 387,506</u>	<u>\$ 151,140</u>	<u>\$ 6,765</u>	<u>\$ 7,774,271</u>	<u>\$ -</u>

	Special Revenue Funds		
	Special Programs	Special Programs II	Miscellaneous Grants
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
Assets:			
Cash and investments	\$ 282,969	\$ 91,632	\$ -
Cash and investments with fiscal agent	-	-	-
Receivables:			
Accounts	12,584	-	-
Taxes	-	-	-
Notes and loans	-	-	-
Prepaid expenses	142	-	-
Due from other governments	-	-	3,053,903
Total assets	<u>295,695</u>	<u>91,632</u>	<u>3,053,903</u>
Deferred outflows of resources	-	-	-
<b>Total assets and deferred outflows of resources</b>	<b>\$ <u>295,695</u></b>	<b>\$ <u>91,632</u></b>	<b>\$ <u>3,053,903</u></b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 2,973	\$ 2,251	\$ 180,556
Advances from grantors	-	-	866
Deposits payable	22,789	21,574	131,965
Due to other governments	-	-	-
Due to other funds	-	-	2,741,382
Total liabilities	<u>25,762</u>	<u>23,825</u>	<u>3,054,769</u>
Deferred inflows of resources			
Unavailable revenue	-	-	1,913,367
Deferred inflows of resources	<u>-</u>	<u>-</u>	<u>1,913,367</u>
Fund Balances (Deficit)			
Nonspendable			
Loans receivable	-	-	-
Prepaid items	142	-	-
Restricted			
Special revenue funds	269,791	67,807	-
Debt service funds	-	-	-
Unassigned	-	-	(1,914,233)
Total fund balances (deficit)	<u>269,933</u>	<u>67,807</u>	<u>(1,914,233)</u>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ <u>295,695</u></b>	<b>\$ <u>91,632</u></b>	<b>\$ <u>3,053,903</u></b>

City of El Monte  
Combining Balance Sheet  
Nonmajor Governmental Funds (Continued)  
June 30, 2015

Capital Projects Fund	Debt Service Funds		Totals
	2010 Lease Revenue Bonds	2011 Lease Revenue Bond	
\$ 1,124,837	\$ -	\$ 82,663	\$ 28,021,920
-	1,252,448	-	9,026,655
-	-	-	-
-	-	-	650,219
-	-	-	652
-	-	-	711,121
-	-	-	29,667
-	-	-	3,326,645
<u>1,124,837</u>	<u>1,252,448</u>	<u>82,663</u>	<u>41,766,879</u>
-	-	-	-
<u>\$ 1,124,837</u>	<u>\$ 1,252,448</u>	<u>\$ 82,663</u>	<u>\$ 41,766,879</u>
\$ 8,480	\$ -	\$ -	\$ 1,040,252
-	-	-	866
1,597,380	-	-	1,776,239
-	-	-	788,636
-	13,170	-	3,394,177
<u>1,605,860</u>	<u>13,170</u>	<u>-</u>	<u>7,000,170</u>
-	-	-	-
-	-	-	2,061,778
-	-	-	2,061,778
-	-	-	-
-	-	-	29,667
-	-	-	-
-	-	-	34,049,389
-	1,239,278	82,663	1,321,941
(481,023)	-	-	(2,696,066)
<u>(481,023)</u>	<u>1,239,278</u>	<u>82,663</u>	<u>32,704,931</u>
<u>\$ 1,124,837</u>	<u>\$ 1,252,448</u>	<u>\$ 82,663</u>	<u>\$ 41,766,879</u>

	Special Revenue Funds		
	Proposition A	Proposition C	Special Gas Tax
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Revenues</b>			
Taxes	\$ 2,023,833	1,686,326	\$ 3,519,871
Intergovernmental	166,203	39,949	-
Charges for services	-	-	-
Use of money and property	10,400	26,210	15,300
Contributions	-	-	-
Miscellaneous	23,014	22,000	-
<b>Total revenues</b>	<u>2,223,450</u>	<u>1,774,485</u>	<u>3,535,171</u>
<b>Expenditures</b>			
Current:			
General government	-	-	-
Public safety	-	-	-
Parks, recreation and cultural	-	-	-
Public works	2,169,027	867,902	27,864
Economic development	-	-	-
Capital outlay	51,069	94,407	11,555
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
<b>Total expenditures</b>	<u>2,220,096</u>	<u>962,309</u>	<u>39,419</u>
Excess (deficiency) of revenues over expenditures	<u>3,354</u>	<u>812,176</u>	<u>3,495,752</u>
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
Transfers out	-	-	(3,575,000)
<b>Net other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>(3,575,000)</u>
<b>Change in fund balances</b>	3,354	812,176	(79,248)
<b>Fund balances, beginning of year</b>	<u>2,352,352</u>	<u>5,852,243</u>	<u>3,282,024</u>
<b>Fund balances, end of year</b>	<u>\$ 2,355,706</u>	<u>6,664,419</u>	<u>\$ 3,202,776</u>

**City of El Monte**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**Year ended June 30, 2015**

Special Revenue Funds					
Transportation Development Act Fund	Measure R	MTA Call for Projects	AB 939	Air Quality Improvement Fund	Affordable Housing
\$ -	\$ 1,259,323	\$ -	\$ 569,657	\$ -	\$ -
57,919	-	-	-	142,762	-
-	-	-	427,431	-	122,644
-	17,810	-	-	270	-
-	-	-	-	-	-
-	21,903	-	-	-	-
<u>57,919</u>	<u>1,299,036</u>	<u>-</u>	<u>997,088</u>	<u>143,032</u>	<u>122,644</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
214	-	-	-	206,958	-
-	-	-	1,200,136	-	-
74,131	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>74,345</u>	<u>-</u>	<u>-</u>	<u>1,200,136</u>	<u>206,958</u>	<u>-</u>
(16,426)	1,299,036	-	(203,048)	(63,926)	122,644
-	-	-	-	12,300	-
-	-	-	-	-	-
-	-	-	-	12,300	-
(16,426)	1,299,036	-	(203,048)	(51,626)	122,644
7,997	3,596,418	-	1,000,980	127,655	-
<u>\$ (8,429)</u>	<u>\$ 4,895,454</u>	<u>\$ -</u>	<u>\$ 797,932</u>	<u>\$ 76,029</u>	<u>\$ 122,644</u>

	Special Revenue Funds		
	Tree Mitigation & Planting Fund	Federal Stimulus	CalHome Grant
<b>Revenues</b>			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	228,703	-	120,000
Charges for services	-	-	-
Use of money and property	-	-	-
Contributions	-	-	-
Miscellaneous	6,119	-	-
<b>Total revenues</b>	<u>234,822</u>	<u>-</u>	<u>120,000</u>
<b>Expenditures</b>			
Current:			
General government	-	-	-
Public safety	-	-	-
Parks, recreation and cultural	14,409	-	-
Public works	-	-	-
Economic development	-	-	54,974
Capital outlay	88,202	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
<b>Total expenditures</b>	<u>102,611</u>	<u>-</u>	<u>54,974</u>
Excess (deficiency) of revenues over expenditures	<u>132,211</u>	<u>-</u>	<u>65,026</u>
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
<b>Net other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Change in fund balances</b>	132,211	-	65,026
<b>Fund balances, beginning of year</b>	(126,707)	(27,611)	(107,351)
<b>Fund balances, end of year</b>	<u>\$ 5,504</u>	<u>\$ (27,611)</u>	<u>\$ (42,325)</u>

**City of El Monte**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds (Continued)**  
**Year ended June 30, 2015**

Special Revenue Funds						
Urban Development Grant (UDAG)	Emergency Shelter Grant	Supplemental Law Enforcement Safety Fund (SLES)	Police/ Narcotics Forfeiture	Older Americans Act	Senior Citizen Program	Children's Lunch Program
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	68,614	219,526	817,182	52,020	124,505	127,702
-	-	-	-	-	-	-
660	-	2,740	17,300	-	-	-
-	-	-	-	-	-	-
-	-	-	7,894	-	23,108	-
<u>660</u>	<u>68,614</u>	<u>222,266</u>	<u>842,376</u>	<u>52,020</u>	<u>147,613</u>	<u>127,702</u>
-	-	-	-	-	-	-
-	-	30,750	222,397	-	-	-
-	-	-	-	77,363	164,242	127,702
-	-	-	-	-	-	-
-	71,086	-	-	-	-	-
-	-	-	1,090,821	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>71,086</u>	<u>30,750</u>	<u>1,313,218</u>	<u>77,363</u>	<u>164,242</u>	<u>127,702</u>
<u>660</u>	<u>(2,472)</u>	<u>191,516</u>	<u>(470,842)</u>	<u>(25,343)</u>	<u>(16,629)</u>	<u>-</u>
-	-	-	-	25,343	16,629	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,343</u>	<u>16,629</u>	<u>-</u>
<u>660</u>	<u>(2,472)</u>	<u>191,516</u>	<u>(470,842)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>81,174</u>	<u>(26,819)</u>	<u>579,130</u>	<u>4,411,692</u>	<u>1,367</u>	<u>48,447</u>	<u>-</u>
<u>\$ 81,834</u>	<u>\$ (29,291)</u>	<u>\$ 770,646</u>	<u>\$ 3,940,850</u>	<u>\$ 1,367</u>	<u>\$ 48,447</u>	<u>\$ -</u>

	Special Revenue Funds			
	Quimby	Park Bond Act	Art in Public Places	Park Facility Impact Fee
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	365,680	192,174	-	-
Charges for services	-	-	-	-
Use of money and property	-	-	-	-
Contributions	-	-	322,742	-
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>365,680</u>	<u>192,174</u>	<u>322,742</u>	<u>-</u>
<b>Expenditures</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Parks, recreation and cultural	-	-	-	-
Public works	-	-	-	-
Economic development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	365,680	192,174	322,742	-
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Net other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Change in fund balances</b>	365,680	192,174	322,742	-
<b>Fund balances, beginning of year</b>	182,245	-	330,218	(41,350)
<b>Fund balances, end of year</b>	<u>\$ 547,925</u>	<u>\$ 192,174</u>	<u>\$ 652,960</u>	<u>\$ (41,350)</u>

**City of El Monte**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds (Continued)**  
**Year ended June 30, 2015**

Special Revenue Funds						
Public Facilities	Storm Drain	Parking and Business Improvement	Cable Television Corporation	Mountain View CFD 13-1	El Monte Economic Dev't Corp	El Monte Housing Authority
\$ -	\$ -	\$ -	\$ -	\$ 6,765	\$ -	\$ -
-	-	-	-	-	-	-
668,942	102,541	162,711	128,541	-	-	-
3,140	-	-	-	-	786	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>672,082</u>	<u>102,541</u>	<u>162,711</u>	<u>128,541</u>	<u>6,765</u>	<u>786</u>	<u>-</u>
-	-	95,200	148,879	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
15,140	205,783	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>15,140</u>	<u>205,783</u>	<u>95,200</u>	<u>148,879</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>656,942</u>	<u>(103,242)</u>	<u>67,511</u>	<u>(20,338)</u>	<u>6,765</u>	<u>786</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	(112,693)	-
-	-	-	-	-	(112,693)	-
656,942	(103,242)	67,511	(20,338)	6,765	(111,907)	-
435,839	(48,562)	319,995	171,088	-	7,858,754	-
<u>\$ 1,092,781</u>	<u>\$ (151,804)</u>	<u>\$ 387,506</u>	<u>\$ 150,750</u>	<u>\$ 6,765</u>	<u>\$ 7,746,847</u>	<u>\$ -</u>

	Special Revenue Funds		
	Special Programs	Special Programs II	Miscellaneous Grants
<b>Revenues</b>			
Taxes	\$ 43,256	\$ -	-
Intergovernmental	-	-	2,830,858
Charges for services	100	-	-
Use of money and property	64,707	-	-
Contributions	80,176	40	-
Miscellaneous	73,754	-	-
<b>Total revenues</b>	<u>261,993</u>	<u>40</u>	<u>2,830,858</u>
<b>Expenditures</b>			
Current:			
General government	-	-	-
Public safety	11,011	-	219,417
Parks, recreation and cultural	159,613	5,156	-
Public works	-	-	177,369
Economic development	-	-	185,949
Capital outlay	-	-	2,798,571
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
<b>Total expenditures</b>	<u>170,624</u>	<u>5,156</u>	<u>3,381,306</u>
Excess (deficiency) of revenues over expenditures	<u>91,369</u>	<u>(5,116)</u>	<u>(550,448)</u>
<b>Other financing sources (uses)</b>			
Transfers in	105,649	-	91,705
Transfers out	-	-	-
<b>Net other financing sources (uses)</b>	<u>105,649</u>	<u>-</u>	<u>91,705</u>
<b>Change in fund balances</b>	197,018	(5,116)	(458,743)
<b>Fund balances, beginning of year</b>	72,915	72,923	(1,455,490)
<b>Fund balances, end of year</b>	<u>\$ 269,933</u>	<u>\$ 67,807</u>	<u>(1,914,233)</u>

**City of El Monte**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds (Continued)**  
**Year ended June 30, 2015**

Capital Projects Fund	Debt Service Funds		Totals
	2010 Lease Revenue Bonds	2011 Lease Revenue Bond	
\$ -	\$ -	\$ -	\$ 9,109,031
-	1,418,295	-	6,972,092
-	-	-	1,612,910
-	519,425	-	678,748
-	-	-	402,958
-	-	525,000	702,792
-	1,937,720	525,000	19,478,531
-	-	-	244,079
-	-	-	483,575
-	-	-	548,485
-	-	-	3,670,257
-	-	-	1,512,145
624,932	-	-	4,833,688
-	-	-	-
-	340,000	-	340,000
-	1,600,622	525,000	2,125,622
624,932	1,940,622	525,000	13,757,851
(624,932)	(2,902)	-	5,720,680
112,693	-	-	364,319
-	-	-	(3,687,693)
112,693	-	-	(3,323,374)
(512,239)	(2,902)	-	2,397,306
31,216	1,242,180	82,663	30,307,625
\$ (481,023)	\$ 1,239,278	\$ 82,663	\$ 32,704,931

**City of El Monte**  
**Budgetary Comparison Schedule**  
**Proposition A**  
**Year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>				
Taxes	\$ 2,003,800	\$ 1,940,000	\$ 2,023,833	\$ 83,833
Intergovernmental	698,700	698,700	166,203	(532,497)
Charges for services	1,300	1,300	-	(1,300)
Use of money and property	13,400	13,400	10,400	(3,000)
Miscellaneous	59,500	59,500	23,014	(36,486)
<b>Total revenues</b>	<u>2,776,700</u>	<u>2,712,900</u>	<u>2,223,450</u>	<u>(489,450)</u>
<b>Expenditures</b>				
Public works	2,789,800	2,437,000	2,169,027	267,973
Capital outlay	1,045,900	1,045,900	51,069	994,831
<b>Total expenditures</b>	<u>3,835,700</u>	<u>3,482,900</u>	<u>2,220,096</u>	<u>1,262,804</u>
<b>Change in fund balance</b>	(1,059,000)	(770,000)	3,354	773,354
<b>Fund balances, beginning of year</b>	<u>2,352,352</u>	<u>2,352,352</u>	<u>2,352,352</u>	-
<b>Fund balances, end of year</b>	<u>\$ 1,293,352</u>	<u>\$ 1,582,352</u>	<u>\$ 2,355,706</u>	<u>\$ 773,354</u>

**City of El Monte**  
**Budgetary Comparison Schedule**  
**Proposition C**  
**Year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>				
Taxes	\$ 1,662,100	\$ 1,608,000	\$ 1,686,326	\$ 78,326
Intergovernmental	42,200	42,200	39,949	(2,251)
Use of money and property	29,100	29,100	26,210	(2,890)
Miscellaneous revenue	1,462,600	1,462,600	22,000	(1,440,600)
<b>Total revenues</b>	<u>3,196,000</u>	<u>3,141,900</u>	<u>1,774,485</u>	<u>(1,367,415)</u>
<b>Expenditures</b>				
Current:				
Public works	967,100	1,212,542	867,902	344,640
Capital outlay	4,792,400	5,066,400	94,407	4,971,993
<b>Total expenditures</b>	<u>5,759,500</u>	<u>6,278,942</u>	<u>962,309</u>	<u>5,316,633</u>
<b>Change in fund balance</b>	(2,563,500)	(3,137,042)	812,176	3,949,218
<b>Fund balances, beginning of year</b>	<u>5,852,243</u>	<u>5,852,243</u>	<u>5,852,243</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 3,288,743</u>	<u>\$ 2,715,201</u>	<u>\$ 6,664,419</u>	<u>\$ 3,949,218</u>

**City of El Monte**  
**Budgetary Comparison Schedule**  
**Special Gas Tax**  
**Year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>				
Taxes	\$ 3,025,000	\$ 3,025,000	\$ 3,519,871	\$ 494,871
Use of money and property	-	-	15,300	15,300
<b>Total revenues</b>	<u>3,025,000</u>	<u>3,025,000</u>	<u>3,535,171</u>	<u>510,171</u>
<b>Expenditures</b>				
Current:				
Public works	-	31,200	27,864	3,336
Capital outlay	-	-	11,555	(11,555)
<b>Total expenditures</b>	<u>-</u>	<u>31,200</u>	<u>39,419</u>	<u>(8,219)</u>
Excess (deficiency) of revenues over expenditures	<u>3,025,000</u>	<u>2,993,800</u>	<u>3,495,752</u>	<u>501,952</u>
<b>Other financing sources (uses)</b>				
Transfers out	<u>(3,025,000)</u>	<u>(3,025,000)</u>	<u>(3,575,000)</u>	<u>(550,000)</u>
<b>Change in fund balance</b>	-	(31,200)	(79,248)	(48,048)
<b>Fund balances, beginning of year</b>	<u>3,282,024</u>	<u>3,282,024</u>	<u>3,282,024</u>	-
<b>Fund balances, end of year</b>	<u>\$ 3,282,024</u>	<u>\$ 3,250,824</u>	<u>\$ 3,202,776</u>	<u>\$ (48,048)</u>

**City of El Monte  
Budgetary Comparison Schedule  
Transportation Development Act Fund  
Year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ -	\$ -	\$ 57,919	\$ 57,919
Use of money and property	-	300	-	(300)
<b>Total revenues</b>	<u>-</u>	<u>300</u>	<u>57,919</u>	<u>57,619</u>
<b>Expenditures</b>				
Current:				
Public works	-	-	214	(214)
Capital outlay	66,900	71,200	74,131	(2,931)
<b>Total expenditures</b>	<u>66,900</u>	<u>71,200</u>	<u>74,345</u>	<u>(3,145)</u>
<b>Change in fund balance</b>	(66,900)	(70,900)	(16,426)	54,474
<b>Fund balances, beginning of year</b>	7,997	7,997	7,997	-
<b>Fund balances, end of year</b>	<u>\$ (58,903)</u>	<u>\$ (62,903)</u>	<u>\$ (8,429)</u>	<u>\$ 54,474</u>

**City of El Monte**  
**Budgetary Comparison Schedule**  
**Measure R**  
**Year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>				
Taxes	\$ 1,216,200	\$ 1,216,200	\$ 1,259,323	\$ 43,123
Use of money and property	-	-	17,810	17,810
Miscellaneous	-	-	21,903	21,903
<b>Total revenues</b>	<u>1,216,200</u>	<u>1,216,200</u>	<u>1,299,036</u>	<u>82,836</u>
 <b>Change in fund balance</b>	 1,216,200	 1,216,200	 1,299,036	 82,836
 <b>Fund balances, beginning of year</b>	 <u>3,596,418</u>	 <u>3,596,418</u>	 <u>3,596,418</u>	 -
<b>Fund balances, end of year</b>	<u>\$ 4,812,618</u>	<u>\$ 4,812,618</u>	<u>\$ 4,895,454</u>	<u>\$ 82,836</u>

**City of El Monte  
Budgetary Comparison Schedule  
MTA Call for Projects  
Year ended June 30, 2015**

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	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ -	\$ 9,127,700	\$ -	\$ (9,127,700)
<b>Total revenues</b>	-	9,127,700	-	(9,127,700)
<b>Expenditures</b>				
Capital outlay	9,127,700	9,127,700	-	9,127,700
<b>Total expenditures</b>	9,127,700	9,127,700	-	9,127,700
<b>Change in fund balance</b>	(9,127,700)	-	-	-
<b>Fund balances, beginning of year</b>	-	-	-	-
<b>Fund balances, end of year</b>	\$ (9,127,700)	\$ -	\$ -	\$ -

**City of El Monte**  
**Budgetary Comparison Schedule**  
**AB 939**  
**Year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>				
Taxes	\$ 599,000	\$ 589,000	\$ 569,657	\$ (19,343)
Charges for services	431,000	464,560	427,431	(37,129)
<b>Total revenues</b>	<u>1,030,000</u>	<u>1,053,560</u>	<u>997,088</u>	<u>(56,472)</u>
<b>Expenditures</b>				
Current:				
Economic development	1,230,200	1,245,200	1,200,136	45,064
Capital outlay	12,300	12,300	-	12,300
<b>Total expenditures</b>	<u>1,242,500</u>	<u>1,257,500</u>	<u>1,200,136</u>	<u>57,364</u>
<b>Change in fund balance</b>	(212,500)	(203,940)	(203,048)	892
<b>Fund balances, beginning of year</b>	1,000,980	1,000,980	1,000,980	-
<b>Fund balances, end of year</b>	<u>\$ 788,480</u>	<u>\$ 797,040</u>	<u>\$ 797,932</u>	<u>\$ 892</u>

**City of El Monte  
Budgetary Comparison Schedule  
Air Quality Improvement Fund  
Year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 139,200	\$ 139,200	\$ 142,762	\$ 3,562
Use of money and property	3,800	3,800	270	(3,530)
<b>Total revenues</b>	<u>143,000</u>	<u>143,000</u>	<u>143,032</u>	<u>32</u>
<b>Expenditures</b>				
Current:				
Public works	227,000	227,000	206,958	20,042
<b>Total expenditures</b>	<u>227,000</u>	<u>227,000</u>	<u>206,958</u>	<u>20,042</u>
<b>Change in fund balance</b>	(84,000)	(84,000)	(51,626)	32,374
<b>Fund balances, beginning of year</b>	127,655	127,655	127,655	-
<b>Fund balances, end of year</b>	<u>\$ 43,655</u>	<u>\$ 43,655</u>	<u>\$ 76,029</u>	<u>\$ 32,374</u>

**City of El Monte  
Budgetary Comparison Schedule  
Affordable Housing  
Year ended June 30, 2015**

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	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>				
Use of money and property	\$ -	\$ 123,000	\$ 122,644	\$ (356)
<b>Total revenues</b>	-	123,000	122,644	(356)
 <b>Change in fund balance</b>	 -	 123,000	 122,644	 (356)
 <b>Fund balances, beginning of year</b>	 -	 -	 -	 -
<b>Fund balances, end of year</b>	\$ -	\$ 123,000	\$ 122,644	\$ (356)

**City of El Monte**  
**Budgetary Comparison Schedule**  
**Tree Mitigation & Planting Fund**  
**Year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ -	\$ 160,000	\$ 228,703	\$ 68,703
Miscellaneous	\$ -	\$ -	\$ 6,119	\$ 6,119
<b>Total revenues</b>	<u>-</u>	<u>160,000</u>	<u>234,822</u>	<u>74,822</u>
<b>Expenditures</b>				
Current:				
Parks, recreation and cultural	-	-	14,409	(14,409)
Capital outlay	-	160,000	88,202	71,798
<b>Total expenditures</b>	<u>-</u>	<u>160,000</u>	<u>102,611</u>	<u>57,389</u>
<b>Change in fund balance</b>	-	-	132,211	132,211
<b>Fund balances, beginning of year</b>	<u>(126,707)</u>	<u>(126,707)</u>	<u>(126,707)</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ (126,707)</u>	<u>\$ (126,707)</u>	<u>\$ 5,504</u>	<u>\$ 132,211</u>

**City of El Monte**  
**Budgetary Comparison Schedule**  
**CalHome Grant**  
**Year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ -	\$ -	\$ 120,000	\$ 120,000
Miscellaneous	642,300	642,300	-	(642,300)
<b>Total revenues</b>	<u>642,300</u>	<u>642,300</u>	<u>120,000</u>	<u>(522,300)</u>
<b>Expenditures</b>				
Current:				
Economic development	593,000	593,000	54,974	538,026
<b>Total expenditures</b>	<u>593,000</u>	<u>593,000</u>	<u>54,974</u>	<u>538,026</u>
<b>Change in fund balance</b>	49,300	49,300	65,026	15,726
<b>Fund balances, beginning of year</b>	(107,351)	(107,351)	(107,351)	-
<b>Fund balances, end of year</b>	<u>\$ (58,051)</u>	<u>\$ (58,051)</u>	<u>\$ (42,325)</u>	<u>\$ 15,726</u>

**City of El Monte  
 Budgetary Comparison Schedule  
 Urban Development Grant (UDAG)  
 Year ended June 30, 2015**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>Revenues</b>				
Use of money and property	\$ -	\$ -	\$ 660	\$ 660
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>660</u>	<u>660</u>
 <b>Change in fund balance</b>	 <u>-</u>	 <u>-</u>	 <u>660</u>	 <u>660</u>
 <b>Fund balances, beginning of year</b>	 <u>81,174</u>	 <u>81,174</u>	 <u>81,174</u>	 <u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 81,174</u>	<u>\$ 81,174</u>	<u>\$ 81,834</u>	<u>\$ 660</u>

**City of El Monte  
 Budgetary Comparison Schedule  
 Emergency Shelter Grant  
 Year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 190,900	\$ 365,700	\$ 68,614	\$ (297,086)
<b>Total revenues</b>	<u>190,900</u>	<u>365,700</u>	<u>68,614</u>	<u>(297,086)</u>
<b>Expenditures</b>				
Current:				
Economic development	365,700	365,700	71,086	294,614
<b>Total expenditures</b>	<u>365,700</u>	<u>365,700</u>	<u>71,086</u>	<u>294,614</u>
<b>Change in fund balance</b>	(174,800)	-	(2,472)	(2,472)
<b>Fund balances, beginning of year</b>	(26,819)	(26,819)	(26,819)	-
<b>Fund balances, end of year</b>	<u>\$ (201,619)</u>	<u>\$ (26,819)</u>	<u>\$ (29,291)</u>	<u>\$ (2,472)</u>

**City of El Monte**  
**Budgetary Comparison Schedule**  
**Supplemental Law Enforcement Safety Fund (SLES)**  
**Year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ -	\$ 200,000	\$ 219,526	\$ 19,526
Use of money and property	-	-	2,740	2,740
<b>Total revenues</b>	<u>-</u>	<u>200,000</u>	<u>222,266</u>	<u>22,266</u>
<b>Expenditures</b>				
Current:				
Public Safety	-	37,000	30,750	6,250
<b>Total expenditures</b>	<u>-</u>	<u>37,000</u>	<u>30,750</u>	<u>6,250</u>
<b>Change in fund balance</b>	-	163,000	191,516	28,516
<b>Fund balances, beginning of year</b>	579,130	579,130	579,130	-
<b>Fund balances, end of year</b>	\$ <u>579,130</u>	\$ <u>742,130</u>	\$ <u>770,646</u>	\$ <u>28,516</u>

**City of El Monte**  
**Budgetary Comparison Schedule**  
**Police/Narcotics Forfeiture**  
**Year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ -	\$ 301,000	\$ 817,182	\$ 516,182
Use of money and property	10,000	10,000	17,300	7,300
Use of money and property	-	-	7,894	7,894
<b>Total revenues</b>	<u>10,000</u>	<u>311,000</u>	<u>842,376</u>	<u>531,376</u>
<b>Expenditures</b>				
Current:				
Public Safety	10,000	134,200	222,397	(88,197)
Capital outlay	-	1,844,945	1,090,821	754,124
<b>Total expenditures</b>	<u>10,000</u>	<u>1,979,145</u>	<u>1,313,218</u>	<u>665,927</u>
<b>Change in fund balance</b>	-	(1,668,145)	(470,842)	1,197,303
<b>Fund balances, beginning of year</b>	<u>4,411,692</u>	<u>4,411,692</u>	<u>4,411,692</u>	-
<b>Fund balances, end of year</b>	<u>\$ 4,411,692</u>	<u>\$ 2,743,547</u>	<u>\$ 3,940,850</u>	<u>\$ 1,197,303</u>

**City of El Monte  
Budgetary Comparison Schedule  
Older Americans Act  
Year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 52,100	\$ 52,100	\$ 52,020	\$ (80)
<b>Total revenues</b>	<u>52,100</u>	<u>52,100</u>	<u>52,020</u>	<u>(80)</u>
<b>Expenditures</b>				
Current:				
Parks, recreation and cultural	52,100	77,442	77,363	79
<b>Total expenditures</b>	<u>52,100</u>	<u>77,442</u>	<u>77,363</u>	<u>79</u>
Excess (deficiency) of revenues over expenditures	-	(25,342)	(25,343)	(1)
<b>Other financing sources (uses)</b>				
Transfers in	-	25,342	25,343	1
<b>Net other financing sources (uses)</b>	<u>-</u>	<u>25,342</u>	<u>25,343</u>	<u>1</u>
<b>Change in fund balance</b>	-	-	-	-
<b>Fund balances, beginning of year</b>	1,367	1,367	1,367	-
<b>Fund balances, end of year</b>	<u>\$ 1,367</u>	<u>\$ 1,367</u>	<u>\$ 1,367</u>	<u>\$ -</u>

**City of El Monte  
Budgetary Comparison Schedule  
Senior Citizen Program  
Year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 96,300	\$ 107,600	\$ 124,505	\$ 16,905
Miscellaneous	-	21,500	23,108	1,608
<b>Total revenues</b>	<u>96,300</u>	<u>129,100</u>	<u>147,613</u>	<u>18,513</u>
<b>Expenditures</b>				
Current:				
Parks, recreation and cultural	96,300	176,129	164,242	11,887
<b>Total expenditures</b>	<u>96,300</u>	<u>176,129</u>	<u>164,242</u>	<u>11,887</u>
Excess (deficiency) of revenues over expenditures	-	(47,029)	(16,629)	30,400
<b>Other financing sources (uses)</b>				
Transfers in	-	16,629	16,629	-
<b>Change in fund balance</b>	-	(30,400)	-	30,400
<b>Fund balances, beginning of year</b>	<u>48,447</u>	<u>48,447</u>	<u>48,447</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 48,447</u>	<u>\$ 18,047</u>	<u>\$ 48,447</u>	<u>\$ 30,400</u>

**City of El Monte  
 Budgetary Comparison Schedule  
 Children's Lunch Program  
 Year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 172,000	\$ 172,000	\$ 127,702	\$ (44,298)
<b>Total revenues</b>	<u>172,000</u>	<u>172,000</u>	<u>127,702</u>	<u>(44,298)</u>
<b>Expenditures</b>				
Parks, recreation and cultural	172,000	173,000	127,702	45,298
<b>Total expenditures</b>	<u>172,000</u>	<u>173,000</u>	<u>127,702</u>	<u>45,298</u>
<b>Change in fund balance</b>	-	(1,000)	-	1,000
<b>Fund balances, beginning of year</b>	-	-	-	-
<b>Fund balances, end of year</b>	<u>\$ -</u>	<u>\$ (1,000)</u>	<u>\$ -</u>	<u>\$ 1,000</u>

**City of El Monte**  
**Budgetary Comparison Schedule**  
**Quimby**  
**Year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ -	\$ 270,000	\$ 365,680	\$ 95,680
<b>Total revenues</b>	<u>-</u>	<u>270,000</u>	<u>365,680</u>	<u>95,680</u>
<b>Expenditures</b>				
Capital outlay	63,200	-	-	-
<b>Total expenditures</b>	<u>63,200</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Change in fund balance</b>	(63,200)	270,000	365,680	95,680
<b>Fund balances, beginning of year</b>	182,245	182,245	182,245	-
<b>Fund balances, end of year</b>	<u>\$ 119,045</u>	<u>\$ 452,245</u>	<u>\$ 547,925</u>	<u>\$ 95,680</u>

**City of El Monte  
 Budgetary Comparison Schedule  
 Park Bond Act  
 Year ended June 30, 2015**

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	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ -	\$ -	\$ 192,174	\$ 192,174
<b>Total revenues</b>	-	-	192,174	192,174
 <b>Change in fund balance</b>	 -	 -	 192,174	 192,174
 <b>Fund balances, beginning of year</b>	 -	 -	 -	 -
<b>Fund balances, end of year</b>	\$ -	\$ -	\$ 192,174	\$ 192,174

**City of El Monte  
 Budgetary Comparison Schedule  
 Art in Public Places  
 Year ended June 30, 2015**

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	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>				
Contributions	\$ 10,000	\$ 75,000	\$ 322,742	\$ 247,742
<b>Total revenues</b>	10,000	75,000	322,742	247,742
 <b>Change in fund balance</b>	 10,000	 75,000	 322,742	 247,742
 <b>Fund balances, beginning of year</b>	 330,218	 330,218	 330,218	 -
<b>Fund balances, end of year</b>	\$ 340,218	\$ 405,218	\$ 652,960	\$ 247,742

**City of El Monte**  
**Budgetary Comparison Schedule**  
**Public Facilities**  
**Year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>				
Charges for services	\$ -	\$ 328,000	\$ 668,942	\$ 340,942
Use of money and property	-	-	3,140	3,140
<b>Total revenues</b>	<u>-</u>	<u>328,000</u>	<u>672,082</u>	<u>344,082</u>
<b>Expenditures</b>				
Current:				
Public works	-	1,000	15,140	(14,140)
<b>Total expenditures</b>	<u>-</u>	<u>1,000</u>	<u>15,140</u>	<u>(14,140)</u>
Excess (deficiency) of revenues over expenditures	-	327,000	656,942	329,942
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
<b>Change in fund balance</b>	-	327,000	656,942	329,942
<b>Fund balances, beginning of year</b>	<u>435,839</u>	<u>435,839</u>	<u>435,839</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 435,839</u>	<u>\$ 762,839</u>	<u>\$ 1,092,781</u>	<u>\$ 329,942</u>

**City of El Monte**  
**Budgetary Comparison Schedule**  
**Storm Drain**  
**Year ended June 30, 2015**

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	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>				
Charges for services	\$ 140,000	\$ 140,000	\$ 102,541	\$ (37,459)
<b>Total revenues</b>	140,000	140,000	102,541	(37,459)
<b>Expenditures</b>				
Current:				
Public works	246,000	246,000	205,783	40,217
<b>Total expenditures</b>	246,000	246,000	205,783	40,217
<b>Change in fund balance</b>	(106,000)	(106,000)	(103,242)	2,758
<b>Fund balances, beginning of year</b>	(48,562)	(48,562)	(48,562)	-
<b>Fund balances, end of year</b>	\$ (154,562)	\$ (154,562)	\$ (151,804)	\$ 2,758

**City of El Monte  
Budgetary Comparison Schedule  
Parking and Business Improvement  
Year ended June 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>Revenues</b>				
Charges for services	\$ 153,000	\$ 153,000	\$ 162,711	\$ 9,711
<b>Total revenues</b>	<u>153,000</u>	<u>153,000</u>	<u>162,711</u>	<u>9,711</u>
<b>Expenditures</b>				
Current:				
General government	<u>95,200</u>	<u>95,200</u>	<u>95,200</u>	<u>-</u>
<b>Total expenditures</b>	<u>95,200</u>	<u>95,200</u>	<u>95,200</u>	<u>-</u>
<b>Change in fund balance</b>	57,800	57,800	67,511	9,711
<b>Fund balances, beginning of year</b>	<u>319,995</u>	<u>319,995</u>	<u>319,995</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 377,795</u>	<u>\$ 377,795</u>	<u>\$ 387,506</u>	<u>\$ 9,711</u>

**City of El Monte  
Budgetary Comparison Schedule  
Cable Television Corporation  
Year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>				
Charges for services	\$ 120,000	\$ 129,800	\$ 128,541	\$ (1,259)
<b>Total revenues</b>	<u>120,000</u>	<u>129,800</u>	<u>128,541</u>	<u>(1,259)</u>
<b>Expenditures</b>				
Current:				
General government	129,800	129,800	148,879	(19,079)
<b>Total expenditures</b>	<u>129,800</u>	<u>129,800</u>	<u>148,879</u>	<u>(19,079)</u>
<b>Change in fund balance</b>	(9,800)	-	(20,338)	(20,338)
<b>Fund balances, beginning of year</b>	171,088	171,088	171,088	-
<b>Fund balances, end of year</b>	<u>\$ 161,288</u>	<u>\$ 171,088</u>	<u>\$ 150,750</u>	<u>\$ (20,338)</u>

**City of El Monte**  
**Budgetary Comparison Schedule**  
**Mountain View CFD 13-1**  
**Year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ 6,765	\$ 6,765
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>6,765</u>	<u>6,765</u>
 <b>Change in fund balance</b>	 -	 -	 6,765	 6,765
 <b>Fund balances, beginning of year</b>	 -	 -	 -	 -
<b>Fund balances, end of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,765</u>	<u>\$ 6,765</u>

**City of El Monte**  
**Budgetary Comparison Schedule**  
**El Monte Economic Development Corporation**  
**Year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>				
Use of money and property	\$ -	\$ 1,000	\$ 786	\$ (214)
<b>Total revenues</b>	<u>-</u>	<u>1,000</u>	<u>786</u>	<u>(214)</u>
Excess (deficiency) of revenues over expenditures	-	1,000	786	(214)
<b>Other financing sources (uses)</b>				
Transfers out	-	(7,714,950)	(112,693)	7,602,257
<b>Net other financing sources (uses)</b>	<u>-</u>	<u>(7,714,950)</u>	<u>(112,693)</u>	<u>7,602,257</u>
<b>Change in fund balance</b>	<u>-</u>	<u>(7,713,950)</u>	<u>(111,907)</u>	<u>7,602,043</u>
<b>Fund balances, beginning of year</b>	<u>7,858,754</u>	<u>7,858,754</u>	<u>7,858,754</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 7,858,754</u>	<u>\$ 144,804</u>	<u>\$ 7,746,847</u>	<u>\$ 7,602,043</u>

**City of El Monte**  
**Budgetary Comparison Schedule**  
**Special Programs**  
**Year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ 43,256	\$ 43,256
Charges for services	-	-	100	100
Use of money and property	27,500	27,500	64,707	37,207
Contributions	102,600	119,600	80,176	(39,424)
	-	73,750	73,754	4
<b>Total revenues</b>	<u>130,100</u>	<u>220,850</u>	<u>261,993</u>	<u>41,143</u>
<b>Expenditures</b>				
Current:				
Public safety	-	-	11,011	(11,011)
Parks, recreation and cultural	130,100	220,850	159,613	61,237
Capital outlay	10,000	10,000	-	-
<b>Total expenditures</b>	<u>140,100</u>	<u>230,850</u>	<u>170,624</u>	<u>50,226</u>
Excess (deficiency) of revenues over expenditures	(10,000)	(10,000)	91,369	91,369
<b>Other financing sources</b>				
Transfers in	-	-	105,649	105,649
<b>Change in fund balance</b>	(10,000)	(10,000)	197,018	197,018
<b>Fund balances, beginning of year</b>	72,915	72,915	72,915	-
<b>Fund balances, end of year</b>	<u>\$ 62,915</u>	<u>\$ 62,915</u>	<u>\$ 269,933</u>	<u>\$ 197,018</u>

**City of El Monte**  
**Budgetary Comparison Schedule**  
**Special Programs II**  
**Year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>				
Contributions	\$ 6,500	\$ 6,500	\$ 40	\$ (6,460)
<b>Total revenues</b>	<u>6,500</u>	<u>6,500</u>	<u>40</u>	<u>(6,460)</u>
<b>Expenditures</b>				
Current:				
Parks, recreation and cultural	5,000	5,000	5,156	(156)
<b>Total expenditures</b>	<u>5,000</u>	<u>5,000</u>	<u>5,156</u>	<u>(156)</u>
Excess (deficiency) of revenues over expenditures	1,500	1,500	(5,116)	(6,616)
<b>Other financing sources</b>				
Transfers in	-	40,000	-	(40,000)
<b>Change in fund balance</b>	1,500	41,500	(5,116)	(46,616)
<b>Fund balances, beginning of year</b>	72,923	72,923	72,923	-
<b>Fund balances, end of year</b>	<u>\$ 74,423</u>	<u>\$ 114,423</u>	<u>\$ 67,807</u>	<u>\$ (46,616)</u>

**City of El Monte  
Budgetary Comparison Schedule  
Miscellaneous Grants  
Year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 102,400	\$ 339,502	\$ 2,830,858	\$ 2,491,356
Miscellaneous	-	22,132,500	-	(22,132,500)
<b>Total revenues</b>	102,400	22,472,002	2,830,858	(19,641,144)
<b>Expenditures</b>				
Current:				
Public safety	-	233,102	219,417	13,685
Public works	224,300	224,300	177,369	46,931
Economic development	-	-	185,949	(185,949)
Capital outlay	21,905,700	22,307,298	2,798,571	19,508,727
<b>Total expenditures</b>	22,130,000	22,764,700	3,381,306	19,383,394
Excess (deficiency) of revenues over expenditures	(22,027,600)	(292,698)	(550,448)	(257,750)
<b>Other financing sources (uses)</b>				
Transfers in	-	85,000	91,705	6,705
<b>Net change in fund balance</b>	(22,027,600)	(207,698)	(458,743)	(251,045)
<b>Fund balances, beginning of year</b>	(1,455,490)	(1,455,490)	(1,455,490)	-
<b>Fund balances, end of year</b>	\$ (23,483,090)	\$ (1,663,188)	\$ (1,914,233)	\$ (251,045)

**City of El Monte**  
**Budgetary Comparison Schedule**  
**Capital Project Fund**  
**Year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Expenditures</b>				
Capital outlay	\$ 11,700,600	\$ 8,880,650	\$ 624,932	\$ 8,255,718
<b>Total expenditures</b>	<u>11,700,600</u>	<u>8,880,650</u>	<u>624,932</u>	<u>8,255,718</u>
Excess (deficiency) of revenues over expenditures	(11,700,600)	(8,880,650)	(624,932)	8,255,718
<b>Other financing sources (uses)</b>				
Transfers in	-	9,002,450	112,693	(8,889,757)
<b>Net other financing sources (uses)</b>	<u>-</u>	<u>9,002,450</u>	<u>112,693</u>	<u>(8,889,757)</u>
<b>Change in fund balance</b>	(11,700,600)	121,800	(512,239)	(634,039)
<b>Fund balances, beginning of year</b>	31,216	31,216	31,216	-
<b>Fund balances, end of year</b>	<u>\$ (11,669,384)</u>	<u>\$ 153,016</u>	<u>\$ (481,023)</u>	<u>\$ (634,039)</u>

**City of El Monte  
Budgetary Comparison Schedule  
2010 Lease Revenue Bond Debt Service  
Year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ -	\$ 1,425,000	\$ 1,418,295	\$ (6,705)
Use of money and property	-	520,000	519,425	(575)
<b>Total revenues</b>	<u>-</u>	<u>1,945,000</u>	<u>1,937,720</u>	<u>(7,280)</u>
<b>Expenditures</b>				
Debt service:				
Principal retirement	-	340,000	340,000	-
Interest and fiscal charges	-	1,605,000	1,600,622	4,378
<b>Total expenditures</b>	<u>-</u>	<u>1,945,000</u>	<u>1,940,622</u>	<u>4,378</u>
<b>Change in fund balance</b>	-	-	(2,902)	(2,902)
<b>Fund balances, beginning of year</b>	<u>1,242,180</u>	<u>1,242,180</u>	<u>1,242,180</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 1,242,180</u>	<u>\$ 1,242,180</u>	<u>\$ 1,239,278</u>	<u>\$ (2,902)</u>

**City of El Monte**  
**Budgetary Comparison Schedule**  
**2011 Lease Revenue Bond Debt Service Fund**  
**Year ended June 30, 2015**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Miscellaneous	-	525,000	525,000	-
<b>Total revenues</b>	<u>-</u>	<u>525,000</u>	<u>525,000</u>	<u>-</u>
<b>Expenditures</b>				
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	525,000	525,000	-
<b>Total expenditures</b>	<u>-</u>	<u>525,000</u>	<u>525,000</u>	<u>-</u>
<b>Change in fund balance</b>	-	-	-	-
<b>Fund balances, beginning of year</b>	<u>82,663</u>	<u>82,663</u>	<u>82,663</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 82,663</u>	<u>\$ 82,663</u>	<u>\$ 82,663</u>	<u>-</u>

**City of El Monte**  
**Combining Statement of Net Position**  
**All Internal Service Funds**  
**Year ended June 30, 2015**

	Internal Service Funds			
	Self Insurance	Vehicle Replacement	Equipment Replacement	Total
<b>ASSETS</b>				
Current assets				
Cash and investments	\$ 7,369,757	\$ 640,400	\$ 590,400	\$ 8,600,557
Receivables:				
Accounts	9,385	-	-	9,385
Total assets	<u>7,379,142</u>	<u>640,400</u>	<u>590,400</u>	<u>8,609,942</u>
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	66,292	-	-	66,292
Accrued claims and judgments	1,855,000	-	-	1,855,000
Total current liabilities	1,921,292	-	-	1,921,292
Noncurrent liabilities				
Advances from other funds	300,000			300,000
Accrued claims and judgments	8,888,000	-	-	8,888,000
Total liabilities	<u>11,109,292</u>	<u>-</u>	<u>-</u>	<u>11,109,292</u>
<b>NET POSITION</b>				
Unrestricted net position (deficit)	(3,730,150)	640,400	590,400	(2,499,350)
Total net position	<u>\$ (3,730,150)</u>	<u>\$ 640,400</u>	<u>\$ 590,400</u>	<u>\$ (2,499,350)</u>

**City of El Monte**  
**Combining Statement of Revenues, Expenses and Changes in Net Position**  
**All Internal Service Funds**  
**June 30, 2015**

	Internal Service Funds			
	Self Insurance	Vehicle Replacement	Equipment Replacement	Total
<b>Operating revenues</b>				
Interdepartmental charges	\$ 2,309,350	\$ -	\$ -	\$ 2,309,350
<b>Total operating revenues</b>	<u>2,309,350</u>	<u>-</u>	<u>-</u>	<u>2,309,350</u>
<b>Operating expenses</b>				
Claims expenses	3,663,820	-	-	3,663,820
<b>Total operating expenses</b>	<u>3,663,820</u>	<u>-</u>	<u>-</u>	<u>3,663,820</u>
Operating income (loss)	(1,354,470)	-	-	(1,354,470)
<b>Other financing sources</b>				
Transfers in	-	95,200	95,200	190,400
<b>Changes in net position</b>	(1,354,470)	95,200	95,200	(1,164,070)
<b>Net position (deficit) - beginning</b>	<u>(2,375,680)</u>	<u>545,200</u>	<u>495,200</u>	<u>(1,335,280)</u>
<b>Net position (deficit) - ending</b>	<u>\$ (3,730,150)</u>	<u>\$ 640,400</u>	<u>\$ 590,400</u>	<u>\$ (2,499,350)</u>

**City of El Monte**  
**Combining Statement of Cash Flows**  
**All Internal Service Funds**  
**Year ended June 30, 2015**

	Internal Service Funds			
	Self Insurance	Vehicle Replacement	Equipment Replacement	Total
<b>Cash flows from operating activities</b>				
Cash received for interfund service provided	\$ 2,299,965	\$ -	\$ -	\$ 2,299,965
Cash paid to suppliers for goods and services	(3,146,778)	-	-	(3,146,778)
<b>Net cash provided by (used in) operating activities</b>	<u>(846,813)</u>	<u>-</u>	<u>-</u>	<u>(846,813)</u>
<b>Cash flows from non-capital financing activities</b>				
Transfers from other funds	-	95,200	95,200	190,400
<b>Net cash provided by (used in) non-capital and related financing activities</b>	<u>-</u>	<u>95,200</u>	<u>95,200</u>	<u>190,400</u>
<b>Change in cash and cash equivalents</b>	(846,813)	95,200	95,200	(656,413)
<b>Beginning cash and cash equivalents</b>	8,216,570	545,200	495,200	9,256,970
<b>Ending cash and cash equivalents</b>	<u>\$ 7,369,757</u>	<u>\$ 640,400</u>	<u>\$ 590,400</u>	<u>\$ 8,600,557</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>				
Operating income (loss)	\$ (1,354,470)	\$ -	\$ -	\$ (1,354,470)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
(Increase) decrease in:				
Accounts receivable	(9,385)	-	-	(9,385)
Increase (decrease):				
Accounts payable	62,042	-	-	62,042
Accrued claims and judgments	455,000	-	-	455,000
<b>Net cash provided by (used in) operating activities</b>	<u>\$ (846,813)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (846,813)</u>

This part of the City's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health. In contrast to the financial section, the statistical section information is not subject to independent audit.

### Contents

#### **Financial Trends**

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Table 1	Net position by Component
Table 2	Changes in Net position
Table 3	Fund Balances of Governmental Funds
Table 4	Fund Balances of Governmental Funds GASB#54
Table 5	Changes in Fund Balances of Governmental Funds
Table 6	Governmental Activities Tax Revenues by Source

#### **Revenue Capacity**

These schedules contain information to help reader assess the City's most significant local revenue source, the property tax.

Table 7	Assessed Value and Estimated Value of Taxable Property
Table 8	Direct and Overlapping Property Tax Rates
Table 9	Principal Property Taxpayers
Table 10	Property Tax Levies and Collections

#### **Debt Capacity**

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.

Table 11	Ratios of Outstanding Debt by Type
Table 12	Direct and Overlapping Government Activities Debt
Table 13	Legal Debt Margin Information
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#### **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Table 15	Demographic and Economic Statistics
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**Operating Information**

These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and activities it performs.

Table 17	Full-Time Equivalent City Employees by Function
Table 18	Operating Indicators by Function/Program
Table 19	Capital Assets by Function

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Report for the relevant year. The City implemented GASB Statement 34 in 2003. Schedules presenting government-wide information include information beginning in 2003.

**City of El Monte**  
**Table 1 - Net Position by Component**  
**Last Ten Fiscal Years**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Governmental activities</b>										
Invested in capital assets, net of related debt	\$ 7,692,808	\$ 400,525,216	\$ 387,726,129	\$ 393,169,859	\$ 382,391,198	\$ 382,386,047	\$ 406,191,154	\$ 408,942,772	\$ 410,145,295	\$ 413,506,843
Restricted	38,205,659	45,706,053	45,093,002	45,444,013	68,553,946	66,201,676	71,058,861	67,082,252	62,080,199	63,168,424
Unrestricted	10,602,832	5,863,237	17,981,867	6,706,495	(3,841,062)	2,156,436	(6,986,991)	(5,969,100)	(4,728,375)	(131,237,522)
<b>Total governmental activities net assets</b>	<b>56,501,299</b>	<b>452,094,506</b>	<b>450,800,998</b>	<b>445,320,367</b>	<b>447,104,082</b>	<b>450,744,159</b>	<b>470,263,024</b>	<b>470,055,924</b>	<b>467,497,119</b>	<b>345,437,745</b>
<b>Business-type activities</b>										
Invested in capital assets, net of related debt	3,906,527	3,699,586	3,681,347	3,884,727	17,144,056	15,773,348	14,644,182	14,198,071	3,575,181	2,745,186
Restricted	408,520	515,422	402,693	403,419	411,743	403,419	623,422	403,422	-	-
Unrestricted	(15,607,982)	(15,489,929)	(15,067,058)	(15,364,273)	(2,461,586)	(1,392,384)	(783,223)	(663,601)	10,752,227	4,339,498
<b>Total business-type activities net assets</b>	<b>(11,292,935)</b>	<b>(11,274,921)</b>	<b>(10,983,018)</b>	<b>(11,076,127)</b>	<b>15,094,213</b>	<b>14,784,383</b>	<b>14,484,381</b>	<b>13,937,892</b>	<b>14,327,408</b>	<b>7,084,684</b>
<b>Primary government</b>										
Invested in capital assets, net of related debt	11,599,335	404,224,802	391,407,476	397,054,586	399,535,254	398,159,395	420,835,336	423,140,843	413,720,476	416,252,029
Restricted	38,614,179	46,221,475	45,495,695	45,847,432	68,965,689	66,605,095	71,682,283	67,485,674	62,080,199	63,168,424
Unrestricted	(5,005,150)	(9,626,692)	2,914,809	(8,657,778)	(6,302,648)	764,052	(7,770,214)	(6,632,701)	6,023,852	(126,898,024)
<b>Total primary government net assets</b>	<b>45,208,364</b>	<b>440,819,585</b>	<b>439,817,980</b>	<b>434,244,240</b>	<b>462,198,295</b>	<b>465,528,542</b>	<b>484,747,405</b>	<b>483,993,816</b>	<b>481,824,527</b>	<b>352,522,429</b>

The City of El Monte implemented GASB 34 for the fiscal year ended June 30, 2003. Information prior to the implementation of GASB 34 is not available.

The City of El Monte implemented GASB 34 Infrastructure Valuation Services for the fiscal year ended June 30, 2007.

Source: Finance Department, City of El Monte

**City of El Monte**  
**Table 2 – Changes in Net Position**  
**Last Ten Fiscal Years**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Expenses</b>										
<b>Governmental activities:</b>										
General government	\$ 34,196,489	\$ 34,683,409	\$ 38,252,969	\$ 36,766,602	\$ 37,182,894	\$ 29,578,242	\$ 31,035,167	\$ 20,788,814	\$ 22,732,447	\$ 23,640,914
Public safety	36,815,930	37,829,869	39,990,879	34,909,950	29,821,998	32,851,129	31,373,685	33,813,668	35,302,886	33,364,275
Parks, recreation, and cultural	5,561,304	5,138,300	5,710,017	4,581,714	4,148,973	4,745,831	3,292,920	3,163,505	2,928,453	2,968,162
Public works	8,041,318	7,622,037	9,662,975	10,587,267	11,013,617	10,677,438	12,273,857	15,096,927	16,274,135	15,952,980
Economic development	-	-	-	-	-	-	3,703,687	3,795,416	4,231,041	5,679,490
Interest on long-term debt and issue costs	4,734,489	5,912,027	5,642,085	5,904,551	6,560,377	1,826,698	4,375,648	2,492,205	2,783,650	2,455,645
<b>Total governmental activities expenses</b>	<b>89,349,530</b>	<b>91,185,642</b>	<b>99,258,925</b>	<b>92,750,084</b>	<b>88,727,858</b>	<b>83,383,025</b>	<b>86,146,693</b>	<b>79,586,160</b>	<b>85,701,061</b>	<b>80,990,547</b>
<b>Business-type activities:</b>										
Water authority and sewer fund	3,626,693	3,298,506	3,162,041	3,199,691	5,982,157	6,813,653	6,200,127	6,448,416	6,003,145	6,044,861
<b>Total business-type activities expenses</b>	<b>3,626,693</b>	<b>3,298,506</b>	<b>3,162,041</b>	<b>3,199,691</b>	<b>5,982,157</b>	<b>6,813,653</b>	<b>6,200,127</b>	<b>6,448,416</b>	<b>6,003,145</b>	<b>6,044,861</b>
<b>Total primary government expenses</b>	<b>\$ 92,976,223</b>	<b>\$ 94,484,148</b>	<b>\$ 102,420,966</b>	<b>\$ 95,949,775</b>	<b>\$ 94,710,015</b>	<b>\$ 90,196,678</b>	<b>\$ 92,346,820</b>	<b>\$ 86,034,576</b>	<b>\$ 91,704,206</b>	<b>\$ 87,035,408</b>
<b>Program Revenues</b>										
<b>Governmental activities:</b>										
Charges for services:										
General government	\$ 2,257,789	\$ 2,333,233	\$ 4,068,360	\$ 1,983,176	\$ 2,114,853	\$ 3,139,208	\$ 2,660,459	\$ 417,889	\$ 377,054	\$ 349,516
Public safety	1,815,573	2,298,313	2,226,196	2,548,125	2,323,037	2,429,210	2,136,780	1,758,649	1,516,786	1,528,004
Parks, recreation, and cultural	605,567	534,834	587,291	485,483	3,228,325	828,110	899,689	1,337,638	505,314	1,213,806
Public works	2,219,288	2,152,880	2,051,314	4,940,139	2,382,772	861,338	994,082	1,254,749	1,505,903	3,389,613
Economic development	-	-	-	-	-	3,368,408	3,668,748	1,743,141	2,198,057	1,819,589
Operating grants and contributions	11,631,433	14,265,917	8,393,235	7,147,776	7,757,105	6,909,382	9,245,274	12,500,550	12,337,537	12,032,841
Capital grants and contributions	732,022	166,456	5,917,284	3,010,609	3,426,688	7,471,458	7,219,958	2,961,085	3,788,170	3,712,045
<b>Total governmental activities program revenues</b>	<b>19,261,672</b>	<b>21,751,633</b>	<b>23,243,680</b>	<b>21,294,505</b>	<b>21,232,780</b>	<b>25,007,114</b>	<b>26,824,990</b>	<b>21,523,701</b>	<b>22,228,821</b>	<b>24,045,414</b>
<b>Business-type activities:</b>										
Charges for services:										
Water authority and sewer fund	\$ 2,986,262	\$ 2,957,009	\$ 3,165,031	\$ 2,985,694	\$ 6,318,772	\$ 6,761,971	\$ 6,573,474	\$ 6,301,092	\$ 6,579,007	\$ 6,654,294
<b>Operating Contributions and Grants:</b>										
Water authority and sewer fund	-	-	-	117,527	135,512	87,977	24,995	41,601	62,487	185,197
<b>Total business-type activities program revenues</b>	<b>2,986,262</b>	<b>2,957,009</b>	<b>3,165,031</b>	<b>3,103,221</b>	<b>6,454,284</b>	<b>6,849,948</b>	<b>6,598,469</b>	<b>6,342,693</b>	<b>6,641,494</b>	<b>6,839,491</b>
<b>Total primary government program revenues</b>	<b>\$ 22,247,934</b>	<b>\$ 24,708,642</b>	<b>\$ 26,408,711</b>	<b>\$ 24,397,726</b>	<b>\$ 27,687,064</b>	<b>\$ 31,857,062</b>	<b>\$ 33,423,459</b>	<b>\$ 27,866,394</b>	<b>\$ 28,870,315</b>	<b>\$ 30,884,905</b>
Net (expense) revenue										
Governmental activities	(70,087,858)	(69,434,009)	(76,015,245)	(71,455,579)	(67,495,078)	(58,375,911)	(59,321,703)	(58,062,459)	(63,472,240)	(56,945,133)
Business-type activities	(640,431)	(341,497)	2,990	(96,470)	472,127	36,295	398,342	(155,723)	638,349	794,630
<b>Total primary government net expense</b>	<b>\$ (70,728,289)</b>	<b>\$ (69,775,506)</b>	<b>\$ (76,012,255)</b>	<b>\$ (71,552,049)</b>	<b>\$ (67,022,951)</b>	<b>\$ (58,339,616)</b>	<b>\$ (58,923,361)</b>	<b>\$ (58,218,182)</b>	<b>\$ (62,833,891)</b>	<b>\$ (56,150,503)</b>
<b>General Revenues and Other Changes in Net Assets</b>										
<b>Governmental activities:</b>										
<b>Taxes</b>										
Property taxes, levied for general purposes	\$ 17,830,887	\$ 27,375,152	\$ 29,357,486	\$ 30,781,923	\$ 31,914,717	\$ 32,108,113	\$ 29,761,876	\$ 23,681,773	\$ 24,509,692	\$ 26,099,320
Transient occupancy taxes	320,297	326,312	315,076	306,710	273,128	266,460	277,629	298,784	318,023	379,991
Sales taxes	22,025,619	21,915,042	22,397,169	12,819,325	13,482,687	18,365,147	19,908,564	21,908,564	22,812,015	23,527,026
Franchise taxes	3,021,236	2,118,032	2,627,027	2,799,335	3,841,747	2,658,124	3,127,463	2,427,661	3,284,097	3,138,337
Business licenses taxes	-	-	-	60,319	135,156	143,629	132,044	2,024,962	2,183,836	2,110,351
Utility user taxes	8,526,616	8,744,118	8,820,706	8,477,622	7,850,115	7,436,906	7,129,350	7,087,818	7,134,428	7,177,685
Other taxes	971,969	717,016	2,496,140	2,145,353	2,080,476	496,829	403,452	508,683	608,814	587,024
<b>Intergovernmental, unrestricted:</b>										
Motor vehicle in-lieu	8,939,792	786,789	538,617	362,920	373,048	406,053	328,956	64,828	53,652	51,826
Use of money and property	4,496,615	5,359,739	5,987,192	5,010,702	4,915,268	1,366,333	1,822,085	1,302,410	1,146,044	1,103,442
Other	1,884,139	3,208,128	1,999,663	324,017	92,990	269,038	341,432	597,391	1,581,528	3,085,984
Special item	-	-	-	-	-	(864,036)	-	(929,376)	509,360	181,143
Transfers	430,631	-	-	-	-	200,000	283,612	200,000	296,273	100,000
<b>Total governmental activities</b>	<b>68,447,801</b>	<b>70,550,328</b>	<b>74,539,076</b>	<b>63,088,226</b>	<b>64,959,332</b>	<b>62,852,596</b>	<b>63,516,463</b>	<b>59,173,431</b>	<b>64,437,762</b>	<b>67,542,129</b>
<b>Business-type activities:</b>										
Property taxes, levied for general purposes	210,637	-	-	-	-	-	-	-	-	-
Investment earnings	(106,105)	107,997	111,021	57,847	60,528	53,387	25,894	42,639	47,440	43,243
Other	2,700	9,103	177,892	2,853	8,733	85,616	20,281	197,930	-	142
Transfers	(430,631)	-	-	-	-	(200,000)	(283,612)	(200,000)	(296,273)	(100,000)
<b>Total business-type activities</b>	<b>(323,399)</b>	<b>117,100</b>	<b>288,913</b>	<b>60,700</b>	<b>69,261</b>	<b>(60,997)</b>	<b>(237,437)</b>	<b>40,569</b>	<b>(248,833)</b>	<b>(56,615)</b>
<b>Total primary program</b>	<b>\$ 68,124,402</b>	<b>\$ 70,667,428</b>	<b>\$ 74,827,989</b>	<b>\$ 63,148,926</b>	<b>\$ 65,028,593</b>	<b>\$ 62,791,599</b>	<b>\$ 63,279,026</b>	<b>\$ 59,214,000</b>	<b>\$ 64,188,929</b>	<b>\$ 67,485,514</b>
<b>Change in Net Assets</b>										
Governmental activities	(1,640,057)	1,116,319	(1,476,169)	(8,367,353)	(2,535,746)	4,476,685	4,194,760	1,110,972	965,522	10,596,996
Business-type activities	(963,830)	(224,397)	291,903	(35,770)	541,388	(24,702)	160,905	(115,154)	389,516	738,015
<b>Total primary government program</b>	<b>\$ (2,603,887)</b>	<b>\$ 891,922</b>	<b>\$ (1,184,266)</b>	<b>\$ (8,403,123)</b>	<b>\$ (1,994,358)</b>	<b>\$ 4,451,983</b>	<b>\$ 4,355,665</b>	<b>\$ 995,818</b>	<b>\$ 1,355,038</b>	<b>\$ 11,335,011</b>

The City of El Monte implemented GASB 34 for the fiscal year ended June 30, 2003. Information prior to the implementation of GASB 34 is not available.

\* The 2011 and 2010 amounts represent a change in recognition of interest income and interest expense on loans between the General Fund and the Redevelopment Agency.

Source: Finance Department, City of El Monte

**City of El Monte**  
**Table 3 & 4 – Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>General Fund</b>										
Reserved	\$ 51,379,590	51,379,590	\$ 50,842,563	\$ 56,247,468	\$ 102,055,636					
Unreserved	11,931,805	11,931,805	5,273,348	1,100,064	4,160,710					
<b>Total general fund</b>	<b>\$ 63,311,395</b>	<b>63,311,395</b>	<b>\$ 56,115,911</b>	<b>\$ 57,347,532</b>	<b>\$ 106,216,346</b>	-	-	-	-	-
<b>All other governmental funds</b>										
Reserved	\$ 29,115,933	29,115,933	\$ 27,687,724	\$ 26,364,717	\$ 26,280,794					
<b>Unreserved, reported in:</b>										
Special revenue funds	22,820,501	22,820,501	23,211,013	26,288,132	27,665,852					
Debt service funds	4,047,455	4,047,455	2,936,723	3,307,179	8,757,158					
Capital projects funds	(64,094,608)	(64,094,608)	(55,119,435)	(61,031,642)	(95,571,019)					
<b>Total all other governmental fund</b>	<b>\$ (8,110,719)</b>	<b>(8,110,719)</b>	<b>\$ (1,283,975)</b>	<b>\$ (5,071,614)</b>	<b>\$ (32,867,215)</b>	-	-	-	-	-
<b>GASB 54 Fund Balance Classification:</b>										
<b>General Fund</b>										
Nonspendable	\$ 18,873,079	\$ 18,886,423	\$ 19,044,938	\$ 22,163,961	\$ 20,920,508					
Restricted	-	-	-	501,994	370,531					
Assigned	-	-	-	9,100,000	18,673,000					
Unassigned	8,440,216	8,644,339	11,469,215	3,280,429	1,653,074					
<b>Total general fund</b>	<b>27,313,295</b>	<b>27,530,762</b>	<b>30,514,153</b>	<b>35,046,384</b>	<b>41,617,113</b>					
<b>All other governmental funds</b>										
Nonspendable	36,948,151	8,621,007	7,066,904	3,942,456	3,610,008					
Restricted										
Special revenue funds	15,088,458	44,868,988	47,269,807	54,353,261	55,599,570					
Capital projects funds	9,527,746	12,688,988	9,783,516	31,216	-					
Debt service funds	6,502,042	1,250,933	1,248,318	1,324,843	1,321,941					
Committed	78,804,828	-	-	-	-					
Unassigned	(92,056,922)	(915,551)	(1,054,062)	(1,833,890)	(2,696,066)					
<b>Total all other governmental funds</b>	<b>54,814,303</b>	<b>66,514,365</b>	<b>64,314,483</b>	<b>57,817,886</b>	<b>57,835,453</b>					
<b>Total Governmental Funds</b>	<b>\$ 82,127,598</b>	<b>\$ 94,045,127</b>	<b>\$ 94,828,636</b>	<b>\$ 92,864,270</b>	<b>\$ 99,452,566</b>					

The City of El Monte implemented GASB 34 for the fiscal year ended June 30, 2003. Information prior to the implementation of GASB is not available.

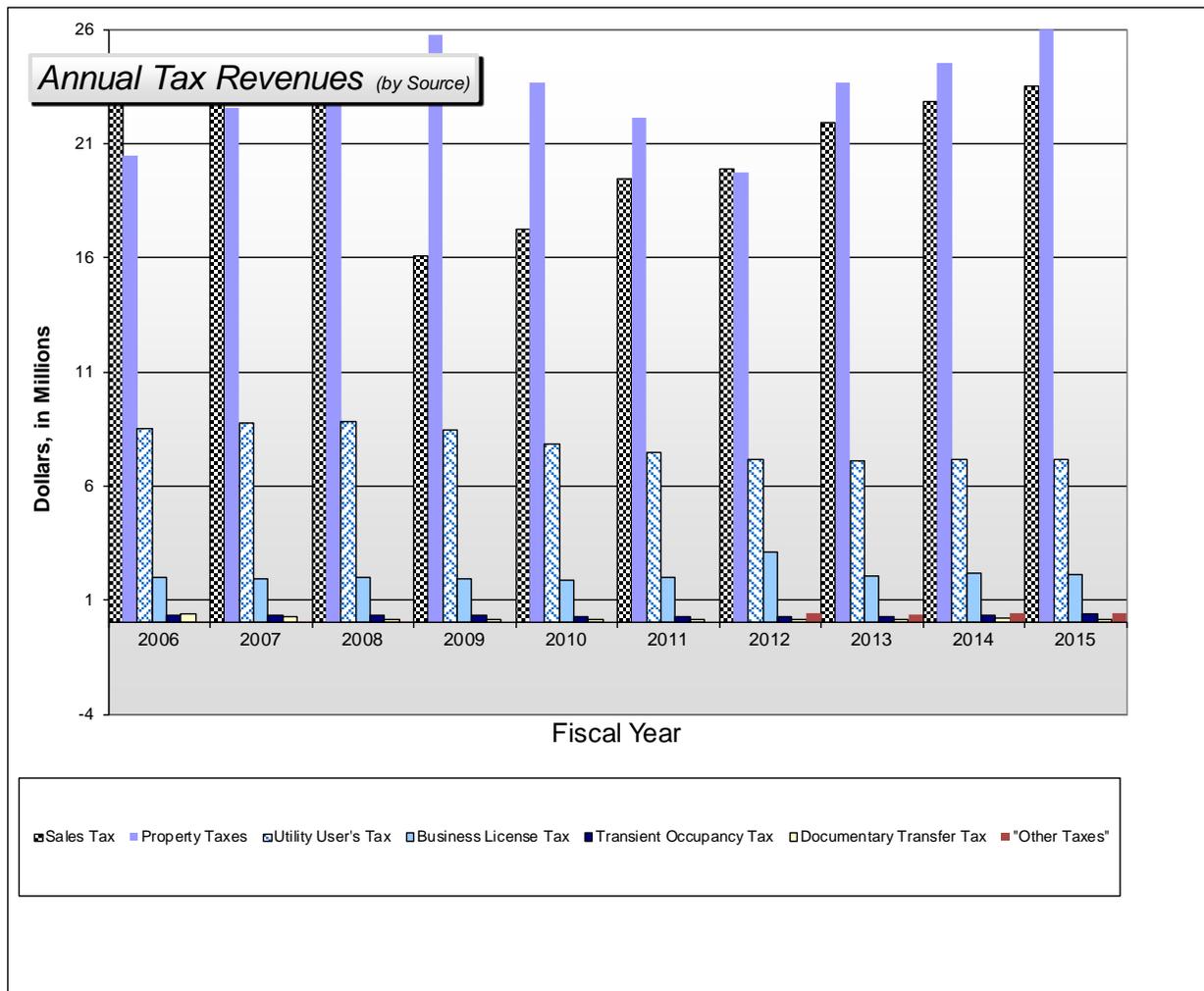
Source: Finance Department, City of El Monte

**City of El Monte**  
**Table 5 - Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Revenues</b>										
Taxes	\$ 53,622,590	\$ 63,543,334	\$ 65,000,743	\$ 60,272,665	\$ 63,467,593	\$ 64,650,097	\$ 65,332,159	\$ 62,277,534	\$ 65,841,564	\$ 67,674,576
Licenses and permits	3,118,319	3,077,238	3,135,488	6,853,145	2,517,044	2,643,806	2,518,997	762,214	986,933	1,482,638
Intergovernmental	23,812,134	12,783,195	14,855,965	7,059,621	10,164,303	15,543,494	13,218,295	10,862,667	10,322,262	8,368,013
Charges for services	2,352,106	3,027,193	2,937,085	2,366,960	2,980,376	2,747,434	2,760,338	3,019,053	3,866,329	4,790,410
Use of money and property	4,517,647	5,311,219	5,306,137	4,636,653	4,915,268	1,608,928	1,776,326	1,048,530	1,124,564	1,044,042
Fines and forfeitures	1,309,596	1,192,177	1,218,477	1,513,547	1,298,040	1,561,288	1,719,778	1,825,943	1,441,434	1,362,878
Contributions	-	273,891	456,021	494,993	203,687	193,006	199,637	181,140	89,920	405,663
Developer participation	-	-	1,482,986	-	-	-	-	-	-	-
Miscellaneous	920,738	1,331,028	987,590	547,653	4,488,670	2,549,143	2,531,484	2,454,371	2,218,961	5,656,492
Net Change in Fair Value of Investments	-	-	-	-	-	-	-	(929,376)	509,360	181,143
<b>Total revenues</b>	<b>89,653,130</b>	<b>90,539,275</b>	<b>95,380,492</b>	<b>83,745,237</b>	<b>90,034,981</b>	<b>91,497,196</b>	<b>90,057,014</b>	<b>81,502,076</b>	<b>86,401,327</b>	<b>90,965,855</b>
<b>Expenditures</b>										
Current:										
General government	32,545,739	30,300,361	36,713,532	30,959,376	35,030,299	27,553,572	29,329,966	19,542,961	20,934,236	20,430,156
Public safety	35,833,305	36,612,697	39,293,878	34,716,300	28,728,032	31,049,574	29,393,872	31,562,378	33,276,479	34,296,919
Parks, recreation and cultural	5,402,783	5,085,450	5,510,146	4,541,136	4,003,571	4,522,463	3,076,821	2,957,309	2,734,176	2,956,668
Public works	8,002,578	4,209,203	6,535,553	7,818,511	5,445,472	7,622,183	7,941,927	10,317,511	11,215,809	12,659,130
Economic development	-	-	-	-	-	3,703,687	3,431,716	3,984,763	5,430,664	2,694,122
Capital outlay	2,774,513	9,995,244	5,256,934	3,891,957	5,992,383	21,923,576	12,762,314	7,862,196	7,288,106	6,785,299
Debt Service:										
Principal retirement	1,435,491	2,339,751	9,732,787	1,630,725	2,221,482	1,942,000	1,853,000	1,602,000	1,701,000	1,876,000
Interest and fiscal charges	4,716,140	5,760,158	5,577,604	5,649,471	6,029,713	1,806,114	3,469,859	2,531,116	2,631,674	2,588,865
Bond issuance cost	12,226	-	1,515,390	-	-	908,543	-	-	166,147	-
Payment to refunded bond escrow agent	-	-	2,152,727	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>90,722,775</b>	<b>94,302,864</b>	<b>112,288,551</b>	<b>89,207,476</b>	<b>87,450,952</b>	<b>101,031,712</b>	<b>91,259,475</b>	<b>80,360,234</b>	<b>85,378,291</b>	<b>84,287,159</b>
<b>Revenues over (under) expenditures</b>	<b>(1,069,645)</b>	<b>(3,763,589)</b>	<b>(16,908,059)</b>	<b>(5,462,239)</b>	<b>2,584,029</b>	<b>(9,534,516)</b>	<b>(1,202,461)</b>	<b>1,141,842</b>	<b>1,023,036</b>	<b>6,678,696</b>
<b>Other Financing Sources (Uses)</b>										
Transfers in	10,445,162	4,154,344	7,294,579	6,074,214	10,250,309	19,367,784	9,367,779	7,459,364	15,368,873	3,939,319
Transfers out	(10,014,531)	(4,154,344)	(10,294,579)	(6,074,214)	(10,250,309)	(19,417,784)	(9,384,167)	(7,559,364)	(15,263,000)	(4,029,719)
Refunding bonds issued	-	-	30,090,000	-	-	-	-	-	4,803,723	-
Notes and loans issued	630,007	675,000	5,182,241	-	450,082	-	-	-	-	-
Proceeds from sale of land held for resale	-	-	1,572,500	-	-	-	-	300,000	-	-
Other debts issued	-	553,691	(19,374,581)	-	-	19,255,000	10,000,000	-	(4,372,671)	-
Proceeds from sale of capital assets	-	-	-	19,499	-	-	-	-	-	-
Miscellaneous	-	-	-	-	(70,593)	(894,193)	-	-	-	-
<b>Net other financing sources (uses)</b>	<b>1,060,638</b>	<b>1,228,691</b>	<b>14,470,160</b>	<b>19,499</b>	<b>379,489</b>	<b>18,310,807</b>	<b>9,983,612</b>	<b>200,000</b>	<b>536,925</b>	<b>(90,400)</b>
<b>Change in fund balances</b>	<b>\$ (9,007)</b>	<b>(2,534,898)</b>	<b>(2,437,899)</b>	<b>(5,442,740)</b>	<b>2,963,518</b>	<b>8,776,291</b>	<b>8,781,151</b>	<b>1,341,842</b>	<b>1,559,961</b>	<b>6,588,296</b>
Debt service as a percentage of noncapital expenditures	6.95%	9.39%	14.17%	8.46%	9.77%	4.71%	6.67%	5.54%	5.51%	5.72%

**City of El Monte**  
**Table 6 - Tax Revenues by Source - Governmental Activities**  
**Last Ten Fiscal Years**

Fiscal Year	Property Taxes	Documentary Transfer Tax	Business License Tax	Utility User's Tax	Transient Occupancy Tax	Sales Tax	Other Taxes	Total
2006	\$ 20,454,881	\$ 365,200	\$ 1,975,656	\$ 8,526,617	\$ 320,297	\$ 22,856,342	\$ 20,687	\$ 49,682,245
2007	22,582,996	266,729	1,935,003	8,744,118	326,312	23,732,619	30,193	54,519,680
2008	24,601,338	174,847	1,999,419	8,820,706	315,076	22,790,292	23,966	57,617,970
2009	25,764,716	158,080	1,928,093	8,477,622	306,710	16,043,743	-	58,725,644
2010	23,675,790	153,548	1,851,680	7,850,115	273,128	17,217,238	-	52,678,964
2011	22,096,855	151,201	2,017,847	7,436,906	266,460	19,424,297	-	51,021,499
2012	19,726,496	132,044	3,127,463	7,129,350	277,629	19,908,564	403,452	51,393,566
2013	23,681,773	159,157	2,024,962	7,087,818	298,784	21,908,497	349,526	55,510,517
2014	24,509,692	202,876	2,183,836	7,134,428	318,023	22,812,015	405,938	57,566,808
2015	26,099,320	179,949	2,110,351	7,177,685	379,991	23,527,026	407,075	59,881,397



Source: Finance Department, City of El Monte Audited Annual Financial Reports

**City of El Monte**  
**Table 7 - Assessed Value and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**  
**(rate per \$1,000 of assessed value)**

Fiscal Year	Real Property		Other Property	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Residential	Commercial						
2006	\$ 3,026,168,369	\$ 689,874,221	\$ 932,736,944	\$ 38,423,340	\$ 4,610,356,194	0.33015%	\$ 4,610,356,194	100.00%
2007	3,420,937,638	779,987,905	1,022,742,963	42,927,022	5,180,741,484	0.34297%	5,180,741,484	100.00%
2008	3,754,978,088	841,808,323	1,065,634,917	42,862,053	5,619,559,275	0.34048%	5,619,559,275	100.00%
2009	3,955,072,498	894,157,102	1,086,518,219	41,041,565	5,894,706,254	0.35048%	5,894,706,254	100.00%
2010	3,836,445,196	967,476,562	1,179,202,504	46,540,442	5,936,583,820	0.36092%	5,936,583,820	100.00%
2011	3,801,709,215	940,004,168	1,120,153,954	49,631,071	5,812,236,266	0.35572%	5,812,236,266	100.00%
2012	3,862,423,779	947,932,740	1,048,968,931	49,041,796	5,810,283,654	0.34806%	5,810,283,654	100.00%
2013	3,924,119,452	965,154,088	1,041,804,256	58,039,660	5,873,038,136	0.34797%	5,873,038,136	100.00%
2014	4,089,110,471	980,098,697	1,044,567,594	56,126,462	6,057,650,300	0.24770%	6,057,650,300	100.00%
2015	4,327,685,408	1,018,947,908	1,217,554,355	55,404,795	6,345,825,284	0.24785%	6,345,825,284	100.00%

Source: HdL, Coren & Cone

**City of El Monte**  
**Table 8 - Direct and Overlapping Property Tax Rates**  
**Last Ten Fiscal Years**

Fiscal Year	City Direct Rates			Overlapping Rates						Total Direct & Overlapping Rates
	General City	Debt Service	Total Direct	LA County General	Flood Control District	Community College	School Districts	Water Districts	Total Overlapping	
2006	1.000	0.150	<b>1.150</b>	0.000795	0.000049	0.018021	0.134819	0.005200	<b>0.158884</b>	<b>1.308884</b>
2007	1.000	0.150	<b>1.150</b>	0.000663	0.000052	0.014688	0.122488	0.004700	<b>0.142591</b>	<b>1.292591</b>
2008	1.000	0.150	<b>1.150</b>	0.000000	0.000000	0.013700	0.108880	0.004500	<b>0.127080</b>	<b>1.277080</b>
2009	1.000	0.150	<b>1.150</b>	0.000000	0.000000	0.023200	0.124900	0.004300	<b>0.152400</b>	<b>1.302400</b>
2010	1.000	0.150	<b>1.150</b>	0.000000	0.000000	0.027140	0.215610	0.004300	<b>0.247050</b>	<b>1.397050</b>
2011	1.000	0.150	<b>1.150</b>	0.000000	0.000000	0.034390	0.208640	0.003700	<b>0.246730</b>	<b>1.396730</b>
2012	1.000	0.150	<b>1.150</b>	0.000000	0.000000	0.053740	0.374210	0.003700	<b>0.431650</b>	<b>1.581650</b>
2013	1.000	0.150	<b>1.150</b>	0.000000	0.000000	0.048670	0.375010	0.003500	<b>0.427180</b>	<b>1.577180</b>
2014	1.000	0.150	<b>1.150</b>	0.000000	0.000000	0.047910	0.435920	0.003500	<b>0.487330</b>	<b>1.637330</b>
2015	1.000	0.150	<b>1.150</b>	0.000000	0.000000	0.038530	0.301260	0.003500	<b>0.343290</b>	<b>1.493290</b>

NOTE: (1) The passage of Proposition 13 on June 6, 1978 established a maximum countywide levy (the basic rate) of 1% of market value or \$1.00 per \$100. Prior to fiscal year 1982, assessed valuation was stated at 25% of market value or \$4.00 per \$100 of assessed value. The City's portion of the basic rate is approximately 0.098%. This rate added to the debt service rate of 0.15% results in the city's total direct tax rate of approximately 0.2477% as reported on Table 7. All reported overlapping rates are debt service rates without the portion of the basic rate associated with those entities.

Source: HdL, Coren & Cone

**City of El Monte**  
**Table 9 - Principal Property Taxpayers**  
**Current year and Ten Years Ago**

<b>Taxpayer</b>	<b>2015</b>			<b>2006</b>		
	<b>Taxable Assessed Value (USD)</b>	<b>Rank</b>	<b>Percentage of Total Taxable Assessed Value</b>	<b>Taxable Assessed Value (USD)</b>	<b>Rank</b>	<b>Percentage of Total Taxable Assessed Value</b>
Safeway Inc.	\$ 80,613,254	1	22%	\$ 37,732,969	3	18%
Wells Fargo Bank	40,659,540	2	11%	20,476,991	6	13%
Penske Realty Inc.	39,016,444	3	10%	28,675,552	4	10%
KM El Monte Investors LLC	36,522,274	4	10%	23,270,217	5	7%
Multi Investment Associates	35,825,909	5	9%	18,679,770	9	0%
KW Telstar LLC	34,536,101	6	8%			
M C Gill Corporation	31,171,412	7	7%			
Cathay Bank	26,236,742	8	7%			
Pace Center LLC	24,678,411	9	6%	19,190,732	8	
Walmart Real Estate Business Trust	22,464,404	10				
Vons Companies Inc.				50,026,903	1	16%
Saint Gobain Containers				43,796,668	2	7%
Gregg Industries				19,324,451	7	7%
Group III SGV Properties Limited				18,357,462	10	7%
<b>Totals</b>	<b>\$ 371,724,491</b>		<b>100%</b>	<b>\$ 279,531,715</b>		<b>96%</b>

Source: HdL Coren & Cone, Los Angeles County Assessor 2012/13 Combined Tax Rolls

**City of El Monte**  
**Table 10 - Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

Year Ending June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2006	\$ 4,393,605	4,281,285	97.4%	\$ 94,764	4,376,049	99.6%
2007	4,933,742	4,748,972	96.3%	160,291	4,909,263	99.5%
2008	5,425,596	5,156,381	95.0%	237,675	5,394,056	99.4%
2009	5,745,854	5,478,542	95.3%	217,362	5,695,904	99.1%
2010	5,739,762	5,544,085	96.6%	78,066	5,622,151	98.0%
2011	5,634,364	5,500,041	97.6%	62,193	5,562,234	98.7%
2012	5,703,916	5,585,883	97.9%	76,733	5,662,616	99.3%
2013	5,797,183	5,693,897	98.2%	63,949	5,757,846	99.3%
2014	6,003,620	5,915,751	98.5%	81,628	5,997,379	99.9%
2015	6,227,224	6,168,751	99.1%	67,921	6,236,672	100.2%

Source: Los Angeles County Auditor-Controller

**City of El Monte**  
**Table 11 - Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year	Governmental Activities					Business-type Activities		Total Primary Government	% of Personal Income <sup>(1)</sup>	Per-Capita <sup>(1)</sup>
	Revenue Bonds	Certificates of Participation	Tax Allocation Bonds (2)	Notes and Loans Payable	Capital Leases	Revenue Bonds	Capital Leases			
2005	\$ 3,350,000	\$ 9,620,000	\$ 18,395,000	\$ -	\$ -	\$ 18,415,000	\$ -	\$ 49,780,000	1.156%	398
2006	3,275,000	9,080,000	18,210,000	-	-	18,805,000	-	49,370,000	1.097%	394
2007	3,195,000	8,510,000	17,745,000	-	1,079,032	18,805,000	-	49,334,032	1.043%	391
2008	-	7,915,000	29,340,000	-	567,812	18,610,000	-	56,432,812	1.194%	448
2009	-	7,285,000	28,670,000	9,658,620	446,782	18,225,000	-	64,285,402	1.391%	521
2010	-	5,930,000	27,975,000	8,977,527	422,810	17,430,000	-	60,735,337	1.303%	552
2011	19,255,000	5,930,000	27,250,000	9,427,527	397,449	17,430,000	-	79,689,976	1.709%	724
2012	29,065,000	5,205,000	-	7,621,000	370,617	17,010,000	-	59,271,617	3.639%	520
2013	28,755,000	4,435,000	-	7,399,000	342,230	16,570,000	-	57,501,230	3.530%	505
2014	28,430,000	3,920,000	-	6,843,000	312,197	16,120,000	-	55,625,197	3.304%	483
2015	28,090,000	3,125,000	-	6,252,000	280,423	15,655,000	-	53,402,423	3.168%	464

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

- (1) See the Schedule of Demographic and Economic Statistics for personal income and population data.
- (2) Dissolution of RDA

Source: Finance Department, City of El Monte Audited Financial Statements

**City of El Monte**  
**Table 12 - Direct and Overlapping Government Activities Debt**  
**As of June 30, 2015**

	Gross Bonded Debt Balance	Percent Applicable to City <sup>(1)</sup>	Net Bonded Debt <sup>(2)</sup>
<b>Direct Debt:</b>			
2013 COPS	\$ 2,975,000	100.000	\$ 2,975,000
<b>Total Direct Debt</b>			<b>\$ 2,975,000</b>
<b>Overlapping Debt:</b>			
Metropolitan Water District	\$ 53,296,395	0.580	\$ 309,383
El Monte City SD DS 2005 REF Bonds	13,490,846	62.987	8,497,471
El Monte School District 2004 Series B	8,095,000	62.987	5,098,793
El Monte City SD DS 2004 Series D (2009)	9,113,484	62.987	5,740,304
El Monte School District DS 2008 SERIES A	16,480,000	62.987	10,380,247
El Monte School District DS 2008 SERIES A-1BABS	18,540,000	62.987	11,677,778
El Monte School District DS 2008 B	16,430,000	62.987	10,348,754
El Monte School District DS 2012 Refund Bonds	5,998,159	62.987	3,778,057
Rosemead School District DS 2000 Series C	165,000	14.988	24,730
Rosemead School District DS 2007 Series D	12,770,000	14.988	1,913,914
Rosemead School District DS 2008 Series A	8,405,000	14.988	1,259,706
Rosemead School District DS 2011 REF BOND	5,340,000	14.988	800,337
Rosemead School District DS 2012 REF BOND	8,326,503	14.988	1,247,941
Rosemead School District DS 2008 Series T 1	624,000	14.988	935,225
El Monte Union High School District 2002 Series A	1,105,000	52.721	582,567
El Monte Union High School District 2006 Refund Bonds	32,182,565	52.721	16,966,955
El Monte Union High School District 2002 Series C	26,815,000	52.721	14,137,124
El Monte Union High School District DS 2008 Series A	51,810,339	52.721	27,314,905
El Monte Union High School District DS 2008 Series B	30,278,694	52.721	15,963,216
Pasadena CCD DS 2006 Series B	26,985,000	1.959	497,413
Pasadena CCD DS 2002, 2006 SERIES D	25,645,000	1.959	473,409
Pasadena CCD 2002, 2009 SERIES E (BABS)	25,295,000	1.959	495,649
Pasadena CCD DS2014 Refunding Series A	16,790,000	1.959	328,800
Rio Hondo CCD DS 2005 Refunding Bonds	40,012,338	15.608	6,244,930
Rio Hondo CCD DS 2004 Series 2008	<u>120,977,824</u>	15.608	<u>18,881,629</u>
<b>Total - Overlapping Debt</b>	<b>\$ 574,971,147</b>		<b>163,899,237</b>
<b>Grand Total Direct and Overlapping Debt</b>			<b>\$ 166,874,237</b>

**2014/15 Assessed Valuation:** **\$ 5,628,512,498** after deducting \$701,091,893 Incremental Value

**Debt to Assessed Valuation Ratios:**

Direct debt	0.05%
Overlapping Debt	2.91%
Total Debt	2.96%

<sup>(1)</sup> Listed values represent the actual rate, rounded to the nearest 3 decimal places

<sup>(2)</sup> Listed values are based on the actual rate, not the rounded rate as listed in the table

Source: HdL Coren & Cone, L.A. County Assessor and Auditor Controller's Office

**City of El Monte**  
**Table 13 - Legal Debt Margin Information**  
**Last Ten Fiscal Years**

Assessed value	\$ 6,150,769,347
Debt limit (15% of assessed value)	922,615,402
Debt applicable to limit:	
General obligation bonds	-
Total net debt applicable to limit	<u>922,615,402</u>
Legal debt margin	<u>\$ 922,615,402</u>

<u>Fiscal Year</u>	<u>Debt Limit</u>	<u>Total Net Debt Applicable to Limit</u>	<u>Legal Debt Limit</u>	<u>Legal Debt Limit as a percentage of Debt Limit</u>
2005	\$ 628,244,940	\$ -	\$ 628,244,940	100.00%
2006	691,553,429	-	691,553,429	100.00%
2007	777,111,223	-	777,111,223	100.00%
2008	842,933,891	-	842,933,891	100.00%
2009	884,205,938	-	884,205,938	100.00%
2010	890,487,573	-	890,487,573	100.00%
2011	871,835,440	-	871,835,440	100.00%
2012	871,542,548	-	871,542,548	100.00%
2013	880,955,720	-	880,955,720	100.00%
2014	908,647,545	-	908,647,545	100.00%
2015	922,615,402	-	922,615,402	100.00%

Source: City of El Monte Finance Department

**City of El Monte**  
**Table 14 - Pledged Revenue Coverage**  
**Last Ten Fiscal Years**

**Water Revenue Bonds**

<b>Debt Service</b>								
<b>Fiscal Year</b>	<b>Gross Revenues</b>	<b>Rate Stabilization Fund</b>	<b>Less: Net Operating Expenses</b>	<b>Net Available Revenues</b>	<b>Principal</b>	<b>Interest</b>	<b>Coverage</b>	
2006	\$ 2,988,962	\$ 400,000	\$ 1,554,138	\$ 1,834,824	\$ 195,000	\$ 929,695	1.63	
2007	2,966,112	400,000	1,982,031	1,384,081	205,000	703,030	1.52	
2008	3,165,031	400,000	2,039,591	1,525,440	215,000	693,600	1.68	
2009	2,985,694	400,000	2,077,333	1,308,361	385,000	831,095	1.08	
2010	2,922,555	400,000	1,731,545	1,591,010	390,000	817,822	1.32	
2011	3,256,851	400,000	1,929,974	1,726,877	405,000	804,008	1.43	
2012	3,266,501	403,422	1,879,627	1,790,296	420,000	789,465	1.48	
2013	3,423,700	403,422	1,924,815	1,902,307	445,000	774,100	1.56	
2014	3,199,184	403,422	2,007,543	1,595,063	450,000	784,320	1.29	
2015	3,353,355	403,445	2,081,396	1,675,404	465,000	740,801	1.39	

**Tax Allocation Bonds**

<b>Debt Service</b>				
<b>Fiscal Year</b>	<b>Tax Increment</b>	<b>Principal</b>	<b>Interest</b>	<b>Coverage</b>
2006	\$ 3,663,454	\$ 260,000	\$ 1,268,772	2.89
2007	4,770,182	545,000	1,159,388	2.80
2008	3,349,188	750,000	1,235,832	1.69
2009	6,709,829	670,000	1,326,361	3.36
2010	6,603,164	695,000	1,299,421	3.31
2011	6,803,496	725,000	1,271,411	3.41
2012	-	-	-	-
2013	-	-	-	-
2014	-	-	-	-
2015	-	-	-	-

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

Expenditures do not include interest, depreciation, or amortization expense or amortization expenses.

Source: Finance Department, City of El Monte

Tax Allocation Bonds Payable Debt Service Information per CAFR Notes 2 and 8.

**City of El Monte**  
**Table 15 - Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

<b>Calendar Year</b>	<b>Population<sup>(1)</sup></b>	<b>Personal Income (thousands of dollars)<sup>(2)</sup></b>	<b>Per-Capita Personal Income<sup>(2)</sup></b>	<b>School Enrollment<sup>(3)</sup></b>	<b>Unemployment Rate<sup>(4)</sup></b>
2005	124,943	\$ 1,420,256	\$ 11,367	21,540	6.70%
2006	124,880	1,485,561	11,896	21,317	6.00%
2007	125,077	1,531,851	12,247	20,813	6.40%
2008	125,136	1,542,736	12,328	20,246	9.30%
2009	125,842	1,519,400	12,074	20,320	14.30%
2010	126,464	1,709,414	13,517	19,966	15.50%
2011	113,912	1,628,942	14,300	19,164	15.10%
2012	114,436	1,645,361	14,378	18,893	11.50%
2013	115,064	1,683,501	14,631	n/a	9.50%
2014	115,118	1,685,788	14,644	n/a	10.20%

- Sources:**
- <sup>(1)</sup> Population estimate provided by California Department of Finance, Demographic Research Unit
  - <sup>(2)</sup> Consumer Price Index of Urban Wage Earners, Bureau of Economic Analysis
  - <sup>(3)</sup> El Monte School Districts (Elementary) and El Monte High School District Budgets
  - <sup>(4)</sup> State Employment Development Department Data (percent of labor force, based on annual average)

**Note:** Data are based on information provided by HdL Coren & Cone on calendar year basis. For example, fiscal year 2015 data is from calendar year 2014.

**City of El Monte**  
**Table 16 - Principal Employers**  
**Current Year and Seven Years Ago**

Employer	2015			2009		
	Employees	Percentage of Total City Employment	Rank	Employees	Percentage of Total City Employment	Rank
El Monte City Elementary District	1090	2.096%	1			
El Monte Union High School District	891	1.713%	2	1742	2.132%	2
Mountain View Elementary	870	1.673%	3	1007	1.232%	3
Longo Toyota - Lexus	849	1.633%	4	600	0.734%	5
McGill Corporation	440	0.846%	5	250	0.306%	9
San Gabriel Transit	397	0.763%	6			
City of El Monte	299	0.575%	7	526	0.644%	6
Driftwood Dairy	250	0.481%	8	250	0.306%	7
El Monte Adult School	206	0.396%	9			
Total	<u>5,292</u>	<u>10.177%</u>		<u>7,161</u>	<u>8.764%</u>	
Total Employment	<u>52,000</u>	100%		<u>81,707</u>		

Source: Finance Department, City of El Monte  
State of California Economic Development Department - Labor Force Information  
El Monte Chamber of Commerce

**City of El Monte**  
**Table 17 - Full-time Equivalent City Employees by Function / Program**  
**Last Ten Fiscal Years**

<b>Function</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>General government</b>	45	47	48	44	39	42	42	44	41	41
<b>Public Safety</b>										
<b>Police</b>										
Officers	161	161	156	145	126	129	129	125	126	116
Civilians	65	65	75	69	53	50	50	46	45	43
<b>Community development</b>	31	31	28	29	15	16	16	15	17	22
<b>Public works</b>	43	43	36	35	26	53	53	52	51	56
<b>Parks, recreation, cultural</b>	50	50	47	48	41	12	12	14	14	14
<b>Utilities</b>										
Water	10	10	10	9	9	9	9	9	7	7
<b>Total full-time equivalent positions</b>	<b>405</b>	<b>407</b>	<b>400</b>	<b>379</b>	<b>309</b>	<b>311</b>	<b>311</b>	<b>305</b>	<b>301</b>	<b>299</b>

\* Fire Safety is contracted out to Los Angeles County beginning fiscal year 1998/99.

Source: Finance Department, City of El Monte

**City of El Monte**  
**Table 18 - Operating Indicators by Function / Program**  
**Last Seven Fiscal Years**

Function	2009	2010	2011	2012	2013	2014	2015
<b>Police Department</b>							
Physical arrests	3,741	3,128	3,126	3,103	3,272	3,370	3,398
Parking violations	26,716	18,686	20,893	18,885	17,719	12,230	17,126
Moving violations	13,914	11,384	12,454	4,682	4,476	4,122	4,129
<b>Water Department</b>							
Total number of customers	22,828	22,722	22,722	22,700	22,968	23,760	22,968
Average daily consumption	23,400	20,900	20,900	20,900	20,900	20,840	18,507

Source: Finance and Police Departments, City of El Monte

**City of El Monte**  
**Table 19 - Capital Assets by Function**  
**Last Four Fiscal Years**

<b>Function</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Public safety</b>				
<b>Police</b>				
Number of Police Stations	1	1	1	1
Number of Police Motor Vehicles	95+	95+	97	93
<b>Fire</b>				
Number of Fire Stations	4	4	4	4
<b>Highways and streets</b>				
Streets (miles)	151.4	151.4	151.4	151.4
Streetlights	4,500	4,784	4,784	4,784
Traffic signals	76	81	82	84
<b>Culture and recreation</b>				
Parks acreage	51	51	51	39.8
Parks	10	10	10	9
Ball diamonds	6	6	6	4
Basketball courts	5	5	5	5
Craft/Activity buildings	4	4	4	4
Gymnasium	1	1	1	1
Swimming pools	7	7	7	6
Community centers	6	6	6	6
<b>Water</b>				
Water mains (miles)	38.7	38.7	38.7	38.7
Maximum daily treatment capacity (millions of gallons)	6.5	6.5	6.5	5.6

**Source:** Various departments, City of El Monte