

**Comprehensive Annual Financial Report  
City of Huntington Park, California  
*Year ended June 30, 2013*  
*with Report of Independent Auditors***

***Prepared by: Finance Department***



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# CITY OF HUNTINGTON PARK

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## FINANCE DEPARTMENT

March 24, 2014

To the Members of the City Council and Citizens of the City of Huntington Park:

It is the policy of the City of Huntington Park to annually publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Huntington Park ("the City") for the fiscal year ended June 30, 2013.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Vasquez & Company LLP, a firm of certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2013, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended June 30, 2012, were fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited City's internal controls and regulations involving the administration of federal awards. These reports are available in the City's separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

### Profile of the Government

The City was incorporated on September 1, 1906 under the general laws of the State of California. The City currently occupies a land area of 3.03 square miles and serves a population of 58,314. The City is empowered to levy property tax on both real and personal properties located within its boundaries. The City is also empowered by state statute to extend its corporate limits by annexation where deemed appropriate by the City Council.

The City operates under a Council-Manager form of government. Policy-making and legislative authority are vested in the City Council consisting of the Mayor and four other council members. The City Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring both the City Manager and City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the City, and for appointing all other department heads. The council is elected on a non-partisan basis. Council members serve four-year staggered terms. Council members are elected in March on odd-numbered years. The Mayor and Vice-Mayor are chosen by the Council to serve a one year term.

The City provides a full range of services, including police protection; the construction and maintenance of streets and other infrastructure; and recreational activities and cultural events. The City is financially accountable for a redevelopment agency and financing authority, both of which are reported separately within the City's financial statements. Additional information regarding all three of these legally separate entities can be found in the notes to the financial statements.

The annual budget serves as the foundation for the City's financial planning and control. All agencies of the City are required to submit requests for appropriation to the City Manager; these requests are the starting point for developing a proposed budget. The City manager then presents this proposed budget to the Council for review. The Council is required to hold public hearings on the proposed budget and to adopt a final budget by resolution.

The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g., police). The City Council and Manager charge department directors with the responsibility of controlling department budgets. Budgetary control is exercised through an on-line computerized system, which interfaces with the City's general ledger. The system maintains an on-going record of budget balances throughout the year based on actual expenditures and unfilled purchase orders.

City Council has the legal authority to amend the budget at any time during the fiscal year but policy amendments to the budget are limited to the mid-year budget review and following the end of the fiscal year. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund and major special revenue funds, this comparison is presented as part of the required supplementary information in the accompanying financial statements. For governmental funds that have appropriated annual budgets, other than the general fund and major special revenue funds, this comparison is presented in the supplementary section of the accompanying financial statements.

It is the City's policy to maintain an un-obligated reserve of an amount equal to half of its most recent annual general fund revenues and the same for working capital balances in the water and sewer fund. This objective was not met because revenues were not enough to cover expenditures and no surplus was available.

### Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates.

**Demographics.** The City is characterized by a high density, working class population, with over 60,000 people in 3 square miles. The City serves as a major regional shopping and entertainment destination, known for its historic shopping venue: Pacific Blvd. The southeast region has a predominantly Hispanic population, according to the US Census the City of Huntington Park is comprised of 97% Latinos. Huntington Park draws upon a steady influx of new and recent immigrant population (primarily from Mexico and Central America), which accounts for the high renter-occupied population of 75%, but also provides a continual vitality to the area. This strong renter market served to stabilize property values during the recent housing downturn.

**Local Economy.** The City has a healthy mix of both commercial/industrial and retail businesses. Although the City has a high unemployment rate, the City has a good jobs/housing balance – many residents work in the City as well as the neighboring City of Vernon and Downtown Los Angeles. The City's central business district has been experiencing vacancies due to retail leakage to competing retail destinations in surrounding areas. Consequently, the City is placing concerted efforts toward the revitalization of its historic shopping destination – Pacific Blvd.

**Revenue Trends.** The City began fiscal year 2011-2012 with \$24.3 million in budgeted revenues. It ended that year with \$21.5 million in revenues. The loss of Redevelopment accounted for \$1.0 million of the \$2.8 million shortfall in projected revenues. In addition, lower-than-expected sales tax and Utility Users Tax (UUT) each contributed \$500,000 to the reduction in revenues, and the loss of Motor Vehicle License Fund revenues lowered totals by an additional \$200,000. The City's revenue base made positive recovery this past fiscal year (2012-2013), increasing from \$21.5 million to \$22.5 million: primarily due to an \$800,000 increase in sales tax revenues, \$360,000 increase in Utility Users' Tax, and an offsetting \$150,000 reduction in parking ticket revenues.

**Key Revenue Sources.** Sales Tax, Property Tax, and Utility Users' Tax (UUT) are the City's three largest revenue sources, accounting for approximately 75% of General Fund revenue base. Sales Tax revenues grew by 14% or \$675,484 from Fiscal Year 11-12 to Fiscal Year 12-13. Property Tax levels remained relatively flat over this one-year period, growing by only 2% or \$115,213. Utility Users' Tax, on the other hand, increased by 14% or \$687,595 the from prior year, due to a combination of increased consumption and an increase in utility pricing of gas, electric, water utilities and phone/cell/internet.

**Expenditure Trends.** The City budgeted \$26.5 million in expenses for FY 11-12, and ended with \$24.5 million in actual expenses. As a result of conservative spending and budget practices, the City ended up with \$1.9 million fewer expenses than budgeted. Consequently, the City ended the fiscal year with a \$3.0 million shortfall, compared to the \$4.2 million budgeted deficit.

For Fiscal Year 2012-2013, Finance merged salary and benefit costs in the budget. Previously, CalPERS costs were tracked in a separate account. As a result of this change, the General Fund

expenses increased to \$26.7 million. Actual expenditures were only \$25.3 million, a significant portion of this cost reduction was due to employees paying the “employee” share of CalPERS costs (\$700,000). FY 13-14 actual figures ended with a structural deficit of \$2.8 million: \$22.5 million in Revenues and \$25.3 million expenses.

**Primary Expenditures.** Salaries and benefits comprised nearly 65% of the City’s General Fund budget, which is comprised of approximately 172 full-time employees. As noted above, the actual expenses have been lower than budgeted figures. Over the last several years, the City has had a stable workforce (hiring freeze). The City has continued staff reduction through retirement and attrition (and not refilling vacant positions) in order to minimize layoffs.

Rising cost concerns center around costs over which the City does not have direct control. These costs include medical inflation / OPEB (i.e., rising medical insurance premiums), retirement costs (CalPERS & PARS), and potential litigation claims and the uncertainty of workers’ compensation costs.

The cost of medical insurance premiums continues to increase at an alarming rate: medical inflation has out-paced the Consumer Price Index (CPI) inflation by a ratio of 2.2 to 1 over the past 10 years. For example, the Kaiser Family Rate in Los Angeles County increased by 7.9% over the past year (FY 11-12: \$1,211 vs. FY 12-13 \$1,306), as compared to 1.4% for the CPI. Medical insurance premiums rose by 7.9% again in FY 13-14 to \$1,408 per month. Retiree medical costs are similarly impacted by medical inflation, rising more than \$150,000 over the past fiscal year. Although the City belongs to a joint risk insurance pool, the Independent Cities Risk Management Authority (ICRMA), the unpredictability of general liability and workers compensation claims is of great concern for the City.

**City Facilities and Infrastructure Maintenance.** In the past, the City used a combination of various grant funds and reserves in the Capital Improvement Program fund to fund capital projects. However, the City has not made any significant capital investment over the past three years due to our structural deficit. The City has a combined \$45 million annual budget, of which nearly 45% is comprised of a variety of federal and state grant awards and local return funds. Given our structural deficit, these grant programs provide the only viable source of funding for capital infrastructure investment. The City has been closely evaluating these grant programs, in order to ensure that we are best leveraging our resources to fund city projects and meet policy objectives. However, in a majority of cases, grant monies are only available to fund the construction of new projects. In the future, the challenge will be to find additional revenue sources to adequately fund the on-going maintenance and repair of the City’s equipment, infrastructure, and facilities.

**Future Outlook.** Due to the downturn in the economy, the City continues to face a budget deficit. This past fiscal year the City had a budgeted \$4.3 million General Fund deficit. The City has been conservative in its spending patterns, but the shortfall in revenues has forced the City to use contingency funds. The City’s future financial stability will depend upon engaging employees, the Council, and the community in addressing the fiscal challenges ahead of us and garnering the support to implement necessary changes in programs and services.

**Budget Actions.** Management has taken a pro-active approach toward addressing its budgetary issue over the past two years. Fiscal Year 2012-2013 commenced with a \$4.2 General Fund Budget structural deficit. During mid-year, each department head was tasked with reducing its supplies and services by 15%. These Phase I reductions reduced the budget shortfall by \$1,050,000, thus leaving a \$3,200,000 structural imbalance for FY 13-14. Additional budgetary

adjustments and revised revenue projections have lowered the budget shortfall to \$2.8 million for FY 14-15. The City has also identified an additional \$1.0 million in Phase II recommended budget cuts, which involves mainly impacts to contracted services. However, additional budgetary savings will require either bargaining unit concessions or workforce reductions.

**LA County Revenue Distribution Dispute** – It is important to note that the City of Huntington Park and County of Los Angeles/State of California Department of Finance (DOF) are currently in dispute regarding the distribution of Pension Tax Revenues. The County of Los Angeles/Department of Finance have usurped nearly half of the revenues generated by this pension tax (\$2.5 million), claiming that such monies belong in the Redevelopment Property Tax Trust Fund distribution (RPTTF). These monies are being redistributed to various taxing agencies. The City contends that it should receive 100% of its Pension Tax Revenues as originally intended by its voters.

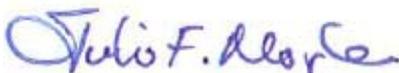
A portion of the pension tax monies is used to pay debt service and the City's outstanding Pension Obligations Bonds (POBs) and the balance is applied toward employer (CalPERS) pension costs. The \$2.5 million revenue shortfall caused by Department of Finance redistribution of Pension Tax Revenues, directly corresponds to the City's structural budget deficit of \$2.8 million. If this dispute is resolved in favor of the City, thus preserving the original voter-intent, the City's structural deficit will be effectively eliminated. The City has joined together with various other California cities with voter-approved pension taxes to seek both legal and legislative remedies to this matter.

**Reserves.** Although the City has faced deficit spending over the past few years, its strong level of reserves have provided staff and City Council time to take measured actions. The General Fund ended the fiscal year with \$11.4 million in unrestricted reserves, which takes into account the transfer of \$5,714,706 to eliminate negative fund balances in a number of its special funds: Pension Fund, Water Fund, Landscape & Lighting Fund, Waste Fund and the Parking Fund. The City will run a nearly \$3.0 million deficit in the FY 13-14 budget year, but expects to end the fiscal year with more than \$8.0 million in unrestricted reserves, which is sufficient to provide internal working capital.

#### Acknowledgements

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department, working in conjunction with the City's independent auditors. We would like to express our appreciation to all members of the department and independent auditors who assisted and contributed to the preparation of this report. Credit also must be given to City Council for its unfailing support for maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,



Julio Morales  
Director of Finance

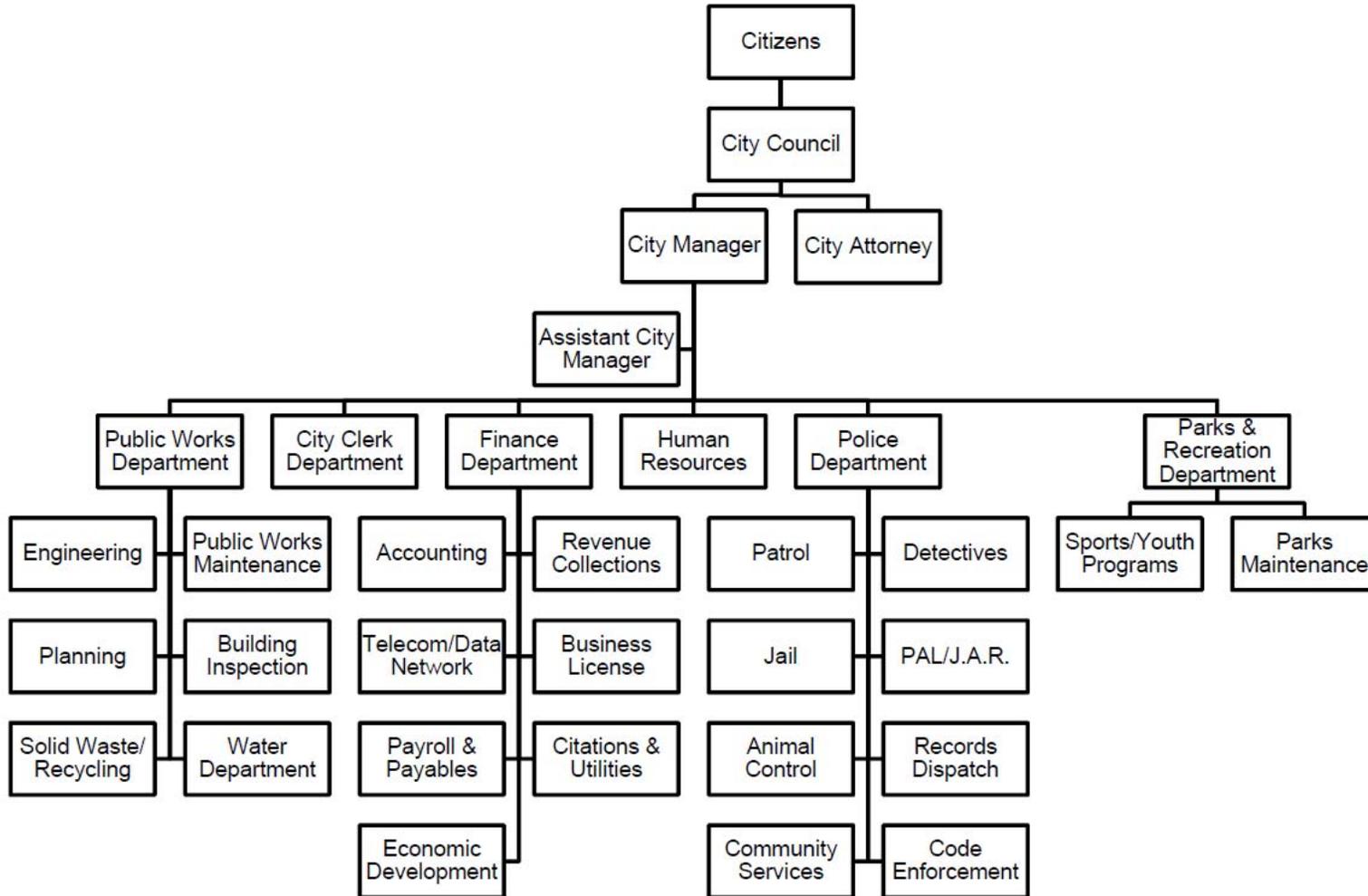
# City of Huntington Park

## Elected Officials and Administrative Officials

Council Member	Valentin Palos Amezquita
Council Member	Karina Macias
Council Member	Mario Gomez
Council Member	Ofelia Hernandez
Council Member	Rosa Perez
City Manager	Rene Bobadilla
City Clerk	Rosanna M. Ramirez
Public Works Director/Engineering	James Enriquez
Interim City Attorney	Rutan & Tucker, LLP
Director of Finance/City Treasurer	Julio Morales
Director of Parks and Recreation	Josette Espinosa
Chief of Police	Jorge A. Cisneros

# CITY OF HUNTINGTON PARK

## Organizational Chart



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## REPORT OF INDEPENDENT AUDITORS

**The Honorable Mayor and the Members of the City Council  
City of Huntington Park, 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 Huntington Park, California (the City), as of and for the year ended June 30, 2013, 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, as of June 30, 2013, 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 5 through 14 and budgetary comparison information and funded status of pension and other postemployment benefit plans on pages 66 through 74 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'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 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 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 disclosed in the Note 1 to the financial statements, the City implemented Governmental Accounting Standards Board (GASB) Statement Nos. 61 and 63 and implemented GASB Statement No. 65 in advance during the fiscal year 2013. Among these new GASB Statements, GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, has significant impact over the City's financial statements. Our opinion is not modified with respect to that matter.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 24, 2014, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Vargus + Company LLP*

**Los Angeles, California  
March 24, 2014**

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The following discussion and analysis of the financial performance of the City of Huntington Park (the City) provides an overview of the City's financial activities for the fiscal year ended June 30, 2013. Please read it in conjunction with the financial statements identified in the accompanying table of contents.

### **FINANCIAL HIGHLIGHTS**

- The City's total assets and deferred outflows of resources as of June 30, 2013 were \$134.0 million and total liabilities and deferred inflows of resources were \$58.2 million. The assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$75.8 million (net position).
- Total revenues from all sources were \$49.6 million and total expenditures were \$47.3 million compared with prior year totals of \$54.2 million and \$57.3 million respectively. Of the total revenues, program revenues were approximately \$19.5 million and general revenues were \$30.1 million.
- As of June 30, 2013, the City's total net position was \$75.8 million which was an increase from the prior year of approximately \$2.1 million. The increase was primarily due to the reduction in capital development expenditures due to the dissolution of the Redevelopment Commission in fiscal year 2012.

#### Fund based:

- The City's General Fund revenues and other financing sources increased by \$3.0 million from \$24.8 million in fiscal 2012 to \$27.8 million in 2013 primarily due to proceeds received from the sale of real estate properties during the fiscal year 2013.
- The City's actual General Fund expenditures were \$26.9 million, which were \$3.6 million less than the Adopted Budget amount of \$30.6 million for fiscal year 2013.
- The General Fund's fund balance was \$11.6 million, as of June 30, 2013, a decrease of \$4.4 million from the prior fiscal year. The decrease was primarily due to transfers to the Employees' Retirement Fund and Street Lighting Landscape Assessment Fund to eliminate negative fund balances (deficits) in the respective funds.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

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

This discussion and analysis is intended as an introduction to the City's basic financial statements. The introductory section includes the letter of transmittal, a management discussion and analysis (MD&A), and organizational chart of the City and its elected officials. The basic financial statements are comprised of three components: 1) Government-wide Financial Statements, 2) Fund Financial Statements, and 3) Notes to the Basic Financial Statements. 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.

The City reports its financial statements using Government 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 condition is improving or deteriorating over time.

**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.

The *statement of net position* presents information on all of the City's assets and deferred outflows and liabilities and deferred inflows of resources, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information on how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

The government-wide financial statements include the City and its component units. The City's component units are the Parking Authority of the City of Huntington Park and the Huntington Park Public Finance Authority. Although legally separate, these entities function for all practical purposes as departments of the City and therefore have been blended as part of the primary government.

**Fund financial statements:** A *fund* is a grouping of related accounts that is used to maintain control 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. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

All of the City's funds can be divided into three categories: governmental funds, proprietary funds (enterprise and internal service funds), and fiduciary funds:

**Governmental Funds**

- General Fund
- Employee Retirement Fund
- HUD / HOME Program
- HUD Section 108 Loan Fund
- Other Governmental Funds

**Proprietary Funds**

Enterprise Funds

- Water Authority
- Sewer and Storm Water Fund

Internal Service Funds

- Fleet Maintenance Fund
- Vehicle and Equipment Replacement Fund
- Workers Compensation Fund

- Employee Benefit Fund

**Fiduciary Funds**

- Successor Agency Private Purpose Trust Fund

**Governmental Funds.** The majority of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using the *modified accrual* method of accounting, which measures cash and all other *current* financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The relationship or differences between *governmental activities* (reported in the Statement of Net Position and the Statement of Activities) and governmental *funds* are described in reconciliation accompanying the fund financial statements.

**Proprietary Funds.** When the City charges customers for the services it provides – whether to outside customers or to other units of the City – these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City's enterprise funds (a component of proprietary funds) are the same as the business-type activities reported in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

**Internal Service Funds.** Internal service funds (the other component of proprietary funds) are used to report activities that provide supplies and services for the City's other programs and activities.

**Fiduciary Funds.** The City is the trustee, or fiduciary, for certain amounts held on behalf of developers, property owners, and others. The City's fiduciary activities are reported in separate Statements of Fiduciary Net Position. These activities have been excluded 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. The Successor Agency to the dissolved Redevelopment Commission is reported as a Fiduciary Fund in the accompanying financial statements.

**Notes to the financial statements:** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the fund financial statements.

**Other information:** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. The *required supplementary information* provides a schedule of funding progress for the City's defined benefit retirement program and budget to actual comparisons for revenue and expenditures of the City's General fund and all major special revenue funds. The *required supplementary information* can be found immediately following the notes to the financial statements.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The government-wide statements report information about the City as a whole. The statement of net positions includes all of the City's assets and liabilities. All current year revenues and expenses are reported in the statement of activities regardless of when cash is received or paid.

Condensed Statement of Net Position  
(In millions)

	Governmental Activities		Business type activities		Totals	
	2013	2012	2013	2012	2013	2012
Current and other assets	\$ 64.2	\$ 61.2	\$ 2.5	\$ 0.8	\$ 66.7	\$ 62.0
Capital assets	50.1	52.0	17.1	17.6	67.3	69.6
Total assets	114.3	113.2	19.6	18.4	134.0	131.6
Deferred outflows of resources	-	-	-	-	-	-
Long-term debt outstanding	53.1	52.2	0.0	0.1	53.1	52.3
Other liabilities	4.0	4.7	1.0	0.9	5.1	5.6
Total liabilities	57.1	56.9	1.0	1.0	58.2	57.9
Deferred inflows of resources	-	-	-	-	-	-
Net position:						
Net investment in capital	40.2	40.9	17.1	17.6	57.3	58.5
Restricted	14.5	12.0	-	-	14.5	12.0
Unrestricted	2.5	3.3	1.4	(0.2)	4.0	3.1
Total net position	\$ 57.2	\$ 56.2	\$ 18.5	\$ 17.4	\$ 75.8	\$ 73.6

Note: Due to rounding, the dollar details may not add up to corresponding totals.

The City's government-wide total net position was \$75.8 million, with assets and deferred outflows of resources of \$ 134.0 million and liabilities and deferred inflows of resources of \$58.2 million. The net investment in capital assets was \$57.3 million. Investment in capital assets (e.g., land, construction in progress, buildings and improvements, infrastructure, vehicles and property and equipment) for this financial reporting purpose is reduced by any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Furthermore, since the capital assets themselves cannot be used to liquidate any related debt, it should be noted that the resources needed to repay the debt must be provided from other available resources, primarily the unrestricted net position and future revenues.

The City's restricted net position of \$14.5 million represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$4.0 million represents the City's unrestricted net position. Unrestricted net position is supposed to be used to meet ongoing obligations to citizens and creditors.

**City of Huntington Park  
Management's Discussion and Analysis**

A summary of the government-wide *statement of activities* follows:

Note: Due to rounding, the dollar details may not add up to corresponding totals.

**Condensed Statements of Changes in Net Position**  
(In \$ millions)

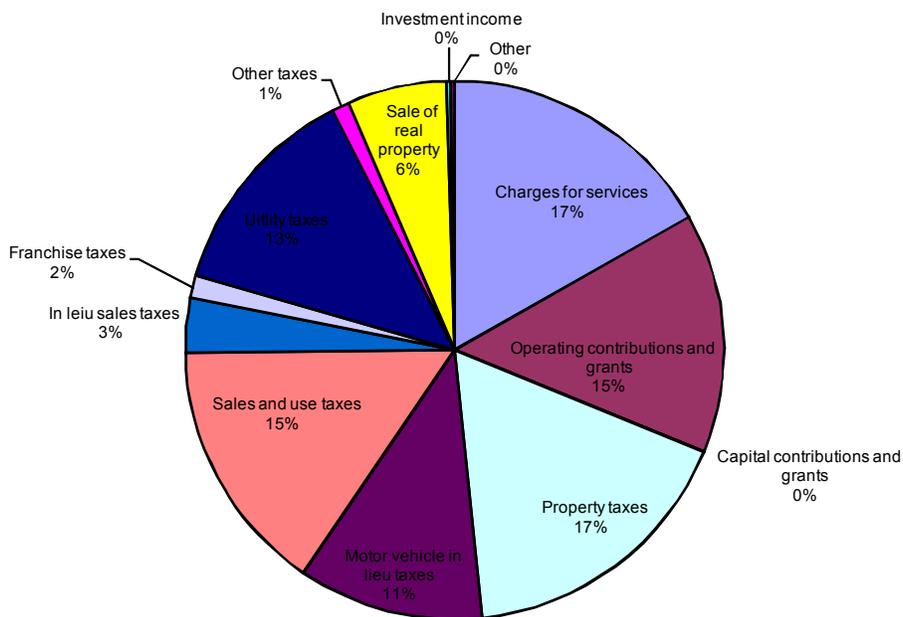
	Governmental Activities		Business type activities		Totals	
	2013	2012	2013	2012	2013	2012
Revenues						
Program revenues:						
Charges for services	\$ 7.5	\$ 7.6	\$ 5.7	\$ 4.5	\$ 13.2	\$ 12.1
Operating contributions and grants	6.3	8.5	-	0.4	6.3	8.9
Sub-total program revenues	13.8	16.1	5.7	4.9	19.5	21.0
General revenues:						
Property taxes	7.5	13.2	-	-	7.5	13.2
Motor vehicle in lieu taxes	4.8	4.8	-	-	4.8	4.8
Sales and use taxes	6.7	6.5	-	-	6.7	6.5
In lieu sales taxes	1.4	1.4	-	-	1.4	1.4
Franchise taxes	0.6	0.6	-	-	0.6	0.6
Utility taxes	5.7	5.5	-	-	5.7	5.5
Other taxes	0.4	0.4	-	-	0.4	0.4
Sale of real property	2.6	-	-	-	2.6	-
Transfers	(0.3)	-	0.3	-	-	-
Investment income	0.1	0.2	0.0	-	0.1	0.2
Other	0.1	0.6	0.0	-	0.2	0.6
Sub-total general revenues	29.7	33.4	0.3	-	30.1	33.2
Total revenues	43.4	49.4	6.0	4.9	49.6	54.2
Expenses						
General government	3.2	7.8	-	-	3.2	7.8
Public safety	19.4	17.5	-	-	19.4	17.5
Public works	9.6	9.5	-	-	9.6	9.5
Community services	3.0	3.0	-	-	3.0	3.0
Community development	5.6	9.4	-	-	5.6	9.4
Interest on long-term debt	1.6	4.2	-	-	1.6	4.2
Water	-	-	4.5	5.6	4.5	5.6
Sewer	-	-	0.3	0.2	0.3	0.2
Solid waste	-	-	0.1	0.1	0.1	0.1
Total expenses	42.4	51.4	4.9	6.0	47.3	57.3
Increase/(Decrease) in net position, before extraordinary items	1.0	(2.0)	1.1	(1.1)	2.1	(3.1)
Extraordinary item: RDA dissolution transactions	-	169.8	-	-	-	169.8
Increase/(Decrease) in net position, after extraordinary items	1.0	167.8	1.1	(1.1)	1.9	166.7
Beginning net position, as restated	56.2	(111.6)	17.4	18.5	73.6	(93.1)
Ending net position	\$ 57.2	\$ 56.2	\$ 18.5	\$ 17.4	\$ 75.8	\$ 73.6

**Governmental Activities.** Governmental activities increased the City's net position by \$1.0 million. The factors attributable to this increase are as follows:

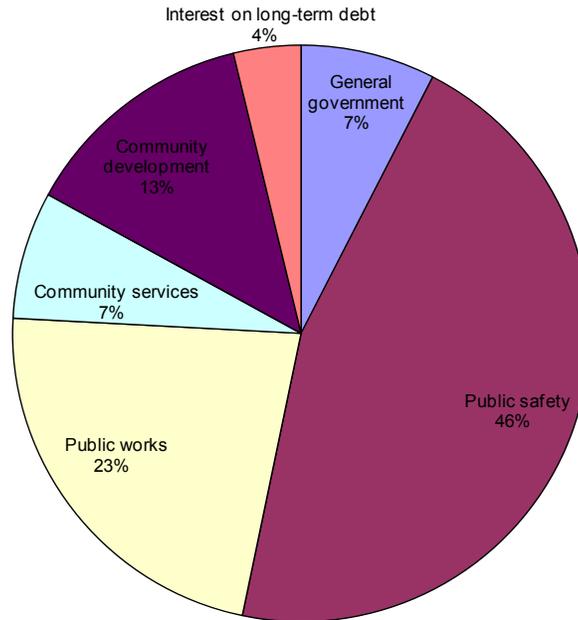
- The City's sales and use taxes increased from \$6.5 million in fiscal 2012 to \$6.7 million in fiscal 2013, a total increase of \$0.2 million. These taxes vary based on sales generated by businesses operated within the City and the analysis performed by the City's consultant has shown that there has been an increase in spending.
- The City's property taxes decreased from \$13.2 million in fiscal 2012 to \$7.5 million in fiscal 2013, a total decrease of \$5.7 million. The decrease is attributed to the dissolution of the Redevelopment Commission in fiscal year 2012. Similarly, community development expenditures decreased from \$9.4 million in 2012 to \$5.6 million in 2013, a decrease of \$3.8 million due to the Commission's dissolution.
- The City received \$2.6 million in proceeds from the sale of real estate during fiscal year 2013.
- Utility User's tax increased from \$5.5 million in fiscal 2012 to \$5.7 million for fiscal year 2013, a total increase of \$0.2 million due to slight increase in the demand for utilities.

The City's total governmental activity expenses decreased from \$51.4 million in fiscal year 2012 to \$42.4 million in fiscal year 2013, a total decrease of \$ 9.0 million. The reduction was primarily due to the reduction in community development expenditures due to the dissolution of the former Redevelopment Commission in fiscal year 2012.

Revenues by Source – Governmental Activities



Expenses by Function – Governmental Activities



**Business-type Activities.** Business-type activities increased during the year with an overall increase in net position of \$1.1 million in fiscal year 2013 compared to decrease of \$1.1 million in fiscal year 2012. Key elements of this year's increase in relation to prior year are as follow:

- Decrease in overall water operation expenses by \$1.1 million from \$6.0 million in 2012 to \$4.9 million in 2013.
- Water operation revenues increased in fiscal 2013 by \$1.1 million from 2012 due to rate increase in 2013.

**Financial Analysis of the City's Funds**

The City uses fund accounting to provide proper financial management of the City's resources and to demonstrate compliance with finance-related legal requirements.

**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 is useful in assessing the City's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of June 30, 2013, the City's governmental funds reported combined ending fund balances of \$27.4 million, an increase of \$2.5 million in comparison with the prior year. Of that amount, \$10.6 million constitutes *unassigned fund balance* which is available for spending at the City's discretion. Fund balance totaling \$9 thousand is *nonspendable* because these are resources that are not of a spending form or are not currently available for spending. The remaining Restricted fund balance totaling approximately \$16.8 million has been restricted for: 1) capital projects (\$1.0 million); and 2) for special revenue funds (\$15.8 million).

The General fund is the chief operating fund of the City. As of the end of the fiscal year, the total fund balance was \$11.6 million, a decrease of \$4.4 million in comparison with the prior year. The unrestricted, unassigned fund balance totaled \$11.6 million. The overall decrease in fund balance was due to large transfers made to other funds to eliminate deficit fund balances.

The other non-major governmental funds include several special revenue funds used exclusively to account for revenues that are restricted as to use by law, and two capital projects funds used to account for financial resources to be used for the acquisition or construction of major capital facilities.

***Proprietary Fund.*** The City's proprietary fund financial statements provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the Water fund at the end of the year amounted to \$819,181, a \$1.1 million increase from previous year. Other factors concerning the finances of the Water fund have already been addressed in the discussion of the City's business-type activities.

### **General Fund Budgetary Highlights**

In any fiscal year, the City Council and the City Manager (with limited authority) may revise the budget from time to time to accommodate certain changes to the community's needs and requirements for programs and activities and to take necessary measures to address significant changes to the fiscal condition of the City resulting from emergencies and other unforeseen events.

*Revenues and Transfers In* – The final budgeted revenues and transfers were \$26.5 million (the original budget matched the final budget).

*Appropriations and Transfers Out* – The final appropriations and transfers were \$30.6 million, (the original budget matched the final budget).

### **Budget to Actual Variance**

The actual total revenues and transfers in the amount of \$27.8 million were higher than the final budgeted amounts by \$1.3 million. No adjustments to the final budgeted amounts were made during the year to revise estimated amounts to approximate the updated expected actual results based on data and information received from the State and other agencies.

The actual total expenditures and transfers out the amount of \$32.2 million were higher than the final appropriations of \$30.6 million. The variance was primarily due to transfers made out of the General Fund to eliminate fund deficit in other funds.

**Capital Asset and Debt Administration**

**Capital Assets**

The City's capital assets for its governmental and business-type activities as of June 30, 2013, totaled \$67.3 million, net of depreciation. These assets include land, construction in progress, buildings and improvements, vehicles, property and equipment and various infrastructures.

Capital Assets (Net of depreciation and in thousands)						
	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land	\$ 5,701	\$ 5,701	\$ 4,139	\$ 4,139	\$ 9,840	\$ 9,840
Buildings and improvements	11,131	11,236	925	931	12,056	12,167
Vehicles	633	825	-	-	633	825
Property and equipment	1,067	933	33	39	1,100	972
Infrastructure	31,580	32,950	12,045	12,471	43,625	45,421
Construction in progress	-	388	-	-	-	388
<b>Total \$</b>	<b><u>50,112</u></b>	<b><u>\$ 52,033</u></b>	<b><u>\$ 17,143</u></b>	<b><u>\$ 17,580</u></b>	<b><u>\$ 67,254</u></b>	<b><u>\$ 69,613</u></b>

Note: Due to rounding, the dollar details may not add up to corresponding totals.

The major additions to capital assets, which are still in progress, during the year ended June 30, 2013, include various street projects and water, sewer and storm drain improvements.

Additional information on the City's capital assets can be found in the notes (Note 6) to the basic financial statements.

**Long-term Debt – Governmental Activities**

At the end of the current fiscal year, the City had \$53.1 million in outstanding long-term debt for Governmental Activities, an increase of \$0.8 million from the preceding fiscal year. For additional information on long-term debt, please refer to Note 10 to the basic financial statements.

Long-Term Debt (In thousands)				
	2013	2012	Variance Increase/ (Decrease)	% Change
Pensions obligation bonds	\$ 20,400	\$ 21,100	\$ (700)	-3.32%
Street light improvement bonds	8,540	8,885	(344)	0.00%
Compensated absences	3,616	3,489	127	3.65%
Notes/Loans/Agreements	9,908	10,611	(703)	-6.63%
Claims and judgements	5,166	4,878	288	0.00%
Lease/Revenue bonds	1,373	1,757	(384)	-21.85%
OPEB liability	4,077	1,520	2,557	168.16%
	<b><u>\$ 53,080</u></b>	<b><u>\$ 52,240</u></b>	<b><u>\$ 840</u></b>	<b><u>140%</u></b>

Note: Due to rounding, the dollar details may not add up to corresponding totals.

Long-term debt of the business-type activities consisted entirely of the liability for compensated absences which amounted to \$47,826 thousand at June 30, 2013, reflecting a net reduction in fiscal year 2013 of \$7,078 thousand.

Under the California Government Code Section 43605, the City's legal bonded debt limit for this fiscal year was \$88.5 million based on the assessed value of all real and personal property of the City. The City had no new bonded indebtedness during the fiscal year.

### **Economic Outlook – Fiscal 2013-2014**

#### Economic Factors and Outlook for Next Fiscal Year

The City's finances and the ability to pay for essential services are heavily dependent on local economy and legislative actions of the Federal and State governments, as a substantial portion of the City's revenues are intergovernmental grants and pass-through revenues. In the latest "California Fiscal Outlook", published by the State of California Legislative Analyst Office (LAO) in November 2013, projected 2013-14 operating surplus is estimated at \$2.2 billion and 2014-15 operating surplus at \$3.2 billion. The report anticipates that, absent any changes to current laws and policies, the State would end fiscal year 2014-15 with a \$5.6 billion reserve. The State's budgetary condition is stronger than at any point in the past decade. However the continued caution is needed, as the State's continued fiscal recovery is dependent on a number of assumptions that may not come to pass. For example, the forecast assumes continuing economic growth and slow, but steady, growth in stock prices; omits COLA's and inflation adjustments; assumes only repayment of liabilities set in current law; other liabilities, particularly those related to huge retirement liabilities remain unpaid under the LAO's forecast.

The City will continue to monitor Federal and State's budget development as their budgets affect a substantial portion of the City's intergovernmental funding sources.

The City adopted 2013-14 operating budget, which is both balanced and fiscally responsible. This spending plan maintains essential services to the community and continues to provide funding to stimulate local economy through various development and beautification projects throughout the City.

The key assumptions in the General Fund forecast for the fiscal year 2013 -14 are:

- Projected available resources of \$30.2 million or 2% increase from prior year budgeted recurring revenues. With the slowly recovering economy, the revenues will be monitored closely and budget adjustments will be made if necessary.
- Ongoing estimated operating expenditures of \$29.2 million, an increase of 4%, are within budgeted resources.
- Operating budget includes an approximate \$4 million structural deficit. The spending plan maintains essential services to the community and continues to provide funding to stimulate the local economy through development projects throughout the City.

### **Request for Information**

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, City of Huntington Park, 6550 Miles Avenue #116, Huntington Park, CA 90255.

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**City of Huntington Park**  
**Statement of Net Position**  
**June 30, 2013**

<b>ASSETS</b>	Governmental Activities	Business- type Activities	Total
Cash and investments	\$ 33,481,760	\$ 1,443,145	\$ 34,924,905
Receivables			
Taxes	2,482,420	-	2,482,420
Accounts	3,884,325	982,550	4,866,875
Notes	8,052,216	-	8,052,216
Prepaid expenses	8,932	-	8,932
Capital assets:			
Non-depreciable	5,700,657	4,139,404	9,840,061
Depreciable, net of depreciation	44,411,778	13,003,760	57,415,538
Pension asset, net of amortization	16,384,283	-	16,384,283
<b>Total assets</b>	<u>114,406,371</u>	<u>19,568,859</u>	<u>133,975,230</u>
 <b>DEFERRED OUTFLOWS OF RESOURCES</b>	 <u>-</u>	 <u>-</u>	 <u>-</u>
 <b>LIABILITIES</b>			
Accounts payable and accrued liabilities	2,995,775	516,594	3,512,369
Interest payable	787,912	-	787,912
Deposits	179,538	426,496	606,034
Due to other governments	12,417	-	12,417
Unearned revenue	112,177	4,426	116,603
Noncurrent liabilities			
Due within one year	3,180,123	-	3,180,123
Due in more than one year	49,899,752	47,826	49,947,578
<b>Total liabilities</b>	<u>57,167,694</u>	<u>995,342</u>	<u>58,163,036</u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>	 <u>-</u>	 <u>-</u>	 <u>-</u>
 <b>NET POSITION</b>			
Net investment in capital asset	40,199,209	17,143,164	57,342,373
Restricted for:			
Public safety	2,214,935	-	2,214,935
Public works	3,997,005	-	3,997,005
Community development	7,931,072	-	7,931,072
Retired employees	311,466	-	311,466
Unrestricted	2,584,990	1,430,353	4,015,343
<b>Total net position</b>	<u>\$ 57,238,677</u>	<u>\$ 18,573,517</u>	<u>\$ 75,812,194</u>

*See notes to financial statements.*

**City of Huntington Park  
Statement of Activities  
Year ended June 30, 2013**

	Program Revenues						Total
	Expenses	Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	Net Governmental Activities	Net Business-type Activities	
<b>Governmental Activities</b>							
General Government	\$ 3,261,534	\$ 3,726,111	\$ 486,893	\$ -	\$ 951,470	\$ -	\$ 951,470
Public Safety	19,375,996	1,777,525	463,160	-	(17,135,311)	-	(17,135,311)
Public Works	9,466,770	216,216	1,593,671	-	(7,656,883)	-	(7,656,883)
Community Services	3,033,319	691,800	178,420	-	(2,163,099)	-	(2,163,099)
Community Development	5,608,525	1,136,729	3,554,160	-	(917,636)	-	(917,636)
Interest on long-term debt	1,644,013	-	-	-	(1,644,013)	-	(1,644,013)
<b>Total Governmental Activities</b>	<b>42,390,157</b>	<b>7,548,381</b>	<b>6,276,304</b>	<b>-</b>	<b>(28,565,472)</b>	<b>-</b>	<b>(28,565,472)</b>
<b>Business-type Activities;</b>							
Water	4,363,525	5,153,893	-	-	-	790,368	790,368
Sewer	392,716	328,996	-	-	-	(63,720)	(63,720)
Solid Waste	138,546	164,113	-	-	-	25,567	25,567
<b>Total Business-type Activities</b>	<b>4,894,787</b>	<b>5,647,002</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>752,215</b>	<b>752,215</b>
<b>Total \$</b>	<b>47,284,944</b>	<b>13,195,383</b>	<b>6,276,304</b>	<b>-</b>	<b>(28,565,472)</b>	<b>752,215</b>	<b>(27,813,257)</b>
<b>General revenues</b>							
<b>Taxes:</b>							
Property					7,493,285	-	7,493,285
Motor vehicle in-lieu					4,827,816	-	4,827,816
Sales and use					6,659,850	-	6,659,850
In-lieu sales					1,432,117	-	1,432,117
Franchise					600,333	-	600,333
Utility					5,678,620	-	5,678,620
Other taxes					434,769	-	434,769
Proceeds from sale of real estate					2,601,479	-	2,601,479
Investment income					123,089	4,120	127,209
Transfers					(332,697)	332,697	-
Miscellaneous					52,010	62,788	114,798
<b>Total general revenues and transfers</b>					<b>29,570,671</b>	<b>399,605</b>	<b>29,970,276</b>
<b>Change in net position</b>					<b>1,005,199</b>	<b>1,151,820</b>	<b>2,157,019</b>
<b>Net position - beginning as restated</b>					<b>56,233,478</b>	<b>17,421,697</b>	<b>73,655,175</b>
<b>Net position - ending</b>					<b>\$ 57,238,677</b>	<b>\$ 18,573,517</b>	<b>\$ 75,812,194</b>

*See notes to financial statements.*

**FUND FINANCIAL STATEMENTS**

**City of Huntington Park  
Governmental Funds  
Balance Sheet  
June 30, 2013**

	Special Revenue Funds					Total
	General	Employees' Retirement	HUD Home Program	HUD Section 108 Loan	Other Governmental Funds	
<b>ASSETS AND DEFERED OUTFLOWS OF RESOURCES</b>						
Cash and investments	\$ 10,150,398	\$ 2,268,994	\$ -	\$ 5,934,840	\$ 9,054,979	\$ 27,409,211
Receivables:						
Taxes	1,005,572	359,434	-	-	1,117,414	2,482,420
Accounts and interest	3,662,779	-	137,732	1,985	79,819	3,882,315
Loans	-	-	7,884,261	-	167,955	8,052,216
Prepaid expenses	650	-	-	-	8,282	8,932
Due from other funds	1,285,246	-	-	-	-	1,285,246
<b>Total assets</b>	<b>\$ 16,104,645</b>	<b>\$ 2,628,428</b>	<b>\$ 8,021,993</b>	<b>\$ 5,936,825</b>	<b>\$ 10,428,449</b>	<b>\$ 43,120,340</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
	-	-	-	-	-	-
<b>Total assets and deferred outflows of resources</b>	<b>\$ 16,104,645</b>	<b>\$ 2,628,428</b>	<b>\$ 8,021,993</b>	<b>\$ 5,936,825</b>	<b>\$ 10,428,449</b>	<b>\$ 43,120,340</b>
<b>LIABILITIES, DEFERRED INFLOWS OF AND FUND BALANCES</b>						
Accounts payable	\$ 1,213,078	\$ -	\$ 2,986	\$ -	\$ 1,055,609	\$ 2,271,673
Accrued payroll	557,662	-	3,714	-	30,380	591,756
Accrued employee benefits payable - short term	-	-	2,295	-	20,658	22,953
Deposits	152,591	1,947	-	-	25,000	179,538
Due to other funds	-	-	406,143	-	763,979	1,170,122
Due to other governments	12,417	-	-	-	-	12,417
Unearned revenue	-	-	-	-	112,177	112,177
<b>Total liabilities</b>	<b>1,935,748</b>	<b>1,947</b>	<b>415,138</b>	<b>-</b>	<b>2,007,803</b>	<b>4,360,636</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unavailable revenue	2,555,605	-	8,006,881	-	736,220	11,298,706
<b>FUND BALANCES</b>						
Nonspendable	650	-	-	-	8,282	8,932
Restricted for:						
Capital projects	-	-	-	-	1,060,160	1,060,160
Special revenue funds	-	2,626,481	-	5,936,825	7,185,033	15,748,339
Unassigned	11,612,642	-	(400,026)	-	(569,049)	10,643,567
<b>Total fund balances (deficit)</b>	<b>11,613,292</b>	<b>2,626,481</b>	<b>(400,026)</b>	<b>5,936,825</b>	<b>7,684,426</b>	<b>27,460,998</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 16,104,645</b>	<b>\$ 2,628,428</b>	<b>\$ 8,021,993</b>	<b>\$ 5,936,825</b>	<b>\$ 10,428,449</b>	<b>\$ 43,120,340</b>
<b>Fund No.</b>	(111, 112, 115, 150, 151 & 214)	216	242	243		

See notes to financial statements.

**City of Huntington Park  
Governmental Funds  
Reconciliation of the Balance Sheet of Governmental Funds  
to the Statement of Net Position  
June 30, 2013**

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Fund balance of governmental funds		\$ 27,460,998
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets of governmental activities are not current financial resources and are not reported in the governmental funds.		50,011,572
Net pension asset of governmental activities is not a current financial resource and therefore, is not reported in the governmental funds.		16,384,283
Unavailable revenues are not available to pay for current period expenditures and therefore are deferred in the funds but recognized as revenue in the Statement of Activities.		11,298,706
Interest expenditures are recognized when due and accrued interest payable is not recorded in the governmental funds.		(787,912)
Long-term liabilities are not due and payable in the current period and are not reported in the governmental funds.		
OPEB liability	(4,076,997)	
Compensated absences	(3,616,405)	
Claims and judgments	(4,269,588)	
General obligation bonds	<u>(30,313,226)</u>	(52,183,875)
Internal service funds are used by management to charge the costs of certain activities, including equipment and building replacement and employee benefits, to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities statement of net position.		<u>5,054,905</u>
Net position of governmental activities		<u>\$ 57,238,677</u>

*See notes to financial statements.*

**City of Huntington Park  
Governmental Funds**

**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Year ended June 30, 2013**

	Special Revenue Funds					Total
	General Fund	Employees' Retirement	HUD Home Program	HUD Section 108 Loan	Other Governmental Funds	
<b>Revenues</b>						
Taxes	\$ 17,521,736	\$ 4,576,431	\$ -	\$ -	\$ 4,338,456	\$ 26,436,623
Licenses and permits	2,487,955	-	-	-	-	2,487,955
Fines and forfeitures	1,471,207	-	-	-	101,220	1,572,427
Use of money and property	41,270	9,327	-	19,963	34,048	104,608
Intergovernmental	143,777	-	1,575,546	-	4,024,313	5,743,636
Charges for services	2,603,765	-	-	-	1,394,613	3,998,378
Other revenues	2,938,574	-	-	-	207,249	3,145,823
Interfund charges	317,130	-	-	-	1,179,519	1,496,649
<b>Total revenues</b>	<u>27,525,414</u>	<u>4,585,758</u>	<u>1,575,546</u>	<u>19,963</u>	<u>11,279,418</u>	<u>44,986,099</u>
<b>Expenditures</b>						
Current:						
General government	3,259,425	95,835	-	-	1,325,562	4,680,822
Public safety	16,877,902	-	-	-	213,490	17,091,392
Public works	4,143,675	-	-	-	3,159,112	7,302,787
Community services	1,316,907	-	-	-	1,505,509	2,822,416
Community development	1,062,650	-	292,920	-	2,585,323	3,940,893
Capital outlay	3,576	-	1,350,237	-	1,137,704	2,491,517
Debt service:						
Principal retirement	320,000	700,000	-	398,000	727,594	2,145,594
Interest and fiscal charges	-	1,163,442	-	-	505,394	1,668,836
<b>Total expenditures</b>	<u>26,984,135</u>	<u>1,959,277</u>	<u>1,643,157</u>	<u>398,000</u>	<u>11,159,688</u>	<u>42,144,257</u>
Excess (deficiency) of revenues over expenditures	<u>541,279</u>	<u>2,626,481</u>	<u>(67,611)</u>	<u>(378,037)</u>	<u>119,730</u>	<u>2,841,842</u>
<b>Other financing sources (uses)</b>						
Transfers in	284,664	3,098,312	-	-	1,804,465	5,187,441
Transfers out	(5,235,474)	-	-	-	(284,664)	(5,520,138)
<b>Net other financing sources (uses)</b>	<u>(4,950,810)</u>	<u>3,098,312</u>	<u>-</u>	<u>-</u>	<u>1,519,801</u>	<u>(332,697)</u>
Change in fund balances	<u>(4,409,531)</u>	<u>5,724,793</u>	<u>(67,611)</u>	<u>(378,037)</u>	<u>1,639,531</u>	<u>2,509,145</u>
<b>Fund balance, beginning of year</b>	16,022,823	(3,098,312)	(332,415)	6,314,862	6,044,895	24,951,853
<b>Fund balance, end of year</b>	<u>\$ 11,613,292</u>	<u>\$ 2,626,481</u>	<u>\$ (400,026)</u>	<u>\$ 5,936,825</u>	<u>\$ 7,684,426</u>	<u>\$ 27,460,998</u>
<b>Fund No.</b>	(111, 112, 115, 150, 151 & 214)	216	242	243		

See notes to financial statements.

**City of Huntington Park  
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, 2013**

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Net change in fund balances - governmental funds	\$	2,509,145
<p>Amounts reported for governmental activities in the statement of activities differs 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>		
Cost of assets capitalized		939,761
Depreciation expense		(2,799,862)
<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>		
		(2,556,658)
<p>Governmental funds report the shortfall between pension payments and annual required contributions as current pension expenditure. However, in the statement of activities, this shortfall is capitalized and amortized over the benefit period. This amount is the amortization of the shortfall of the annual required contribution.</p>		
		(931,594)
<p>Unavailable revenues consisting of long-term accounts and loans receivables, are not available to pay for current period expenditures and therefore are deferred in the funds but recognized as revenue in the statement of activities.</p>		
		1,939,317
<p>The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction has any effect on the statement of activities:</p>		
Principal payments of long-term debt		1,428,425
Note payments		703,401
Claims and judgments		(206,681)
<p>Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.</p>		
		(127,557)
<p>Expenses for interest on long-term debt that do not require the use of current financial resources are not reported as expenditures in governmental funds. This is the increase in accrued interest payable</p>		
		38,594
<p>Internal service funds are used by management to charge the costs of certain activities, including equipment and building replacement and employee benefits, to individual funds. The net revenues/(expenses) of the internal service funds (excluding transfers and interest income) are reported with governmental activities.</p>		
		68,908
Change in net position of governmental activities	\$	<u>1,005,199</u>

*See notes to financial statements.*

**City of Huntington Park**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2013**

<b>ASSETS</b>	Business-type Activities - Enterprise Funds			Governmental
	Water Fund	Other Enterprise Funds	Total	Activities Internal Service Funds
Current assets				
Cash and investments	\$ 704,307	\$ 738,838	\$ 1,443,145	\$ 6,072,549
Accounts receivable	921,039	61,510	982,549	2,010
Total current assets	1,625,346	800,348	2,425,694	6,074,559
Noncurrent assets				
Capital assets	24,007,315	8,998,545	33,005,860	2,313,328
Less accumulated depreciation	(12,596,935)	(3,265,760)	(15,862,695)	(2,212,464)
Net capital assets	11,410,380	5,732,785	17,143,165	100,864
Total noncurrent assets	11,410,380	5,732,785	17,143,165	100,864
<b>Total assets</b>	13,035,726	6,533,133	19,568,859	6,175,423
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	-	-	-	-
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	351,050	155,334	506,384	86,043
Accrued payroll	2,483	1,939	4,422	20,736
Accrued leave payable	4,886	902	5,788	2,615
Deposits payable	414,799	11,697	426,496	-
Due to other funds	-	-	-	115,124
Unearned revenue	-	4,426	4,426	-
Total current liabilities	773,218	174,298	947,516	224,518
Noncurrent liabilities				
Claims payable	-	-	-	896,000
Compensated absences payable	32,947	14,879	47,826	-
<b>Total liabilities</b>	806,165	189,177	995,342	1,120,518
<b>DEFERRED INFLOWS OF RESOURCES</b>	-	-	-	-
<b>NET POSITION</b>				
Net investment in capital asset	11,410,380	5,732,785	17,143,165	100,864
Unrestricted	819,181	611,171	1,430,352	4,954,041
<b>Total net position</b>	\$ 12,229,561	\$ 6,343,956	\$ 18,573,517	\$ 5,054,905

*See notes to financial statements.*

**City of Huntington Park**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Funds**  
**Year ended June 30, 2013**

	<u>Business-type Activities - Enterprise Funds</u>			Governmental
	<u>Water Fund</u>	<u>Other Enterprise Funds</u>	<u>Total</u>	Activities Internal Service Funds
<b>Operating revenues</b>				
Charges for services	\$ 5,153,893	\$ 493,109	\$ 5,647,002	\$ 5,055,737
Other	<u>62,763</u>	<u>25</u>	<u>62,788</u>	<u>-</u>
<b>Total operating revenues</b>	<u>5,216,656</u>	<u>493,134</u>	<u>5,709,790</u>	<u>5,055,737</u>
<b>Operating expenses</b>				
Personnel services	336,196	144,625	480,821	513,131
Contractual services	1,356,782	-	1,356,782	-
General	11,551	2,340	13,891	-
Purchased water, materials and supplies	2,231,877	342,682	2,574,559	857,076
Insurance	19,394	9,462	28,856	3,573,756
Depreciation	<u>407,725</u>	<u>32,153</u>	<u>439,878</u>	<u>61,469</u>
<b>Total operating expenses</b>	<u>4,363,525</u>	<u>531,262</u>	<u>4,894,787</u>	<u>5,005,432</u>
<b>Operating income (loss)</b>	853,131	(38,128)	815,003	50,305
<b>Nonoperating revenues (expenses)</b>				
Interest earnings on investments	<u>1,726</u>	<u>2,394</u>	<u>4,120</u>	<u>18,603</u>
Income (loss) before transfers	854,857	(35,734)	819,123	68,908
Transfers in	<u>292,576</u>	<u>40,121</u>	<u>332,697</u>	<u>-</u>
<b>Change in net position</b>	1,147,433	4,387	1,151,820	68,908
<b>Total net position - beginning</b>	<u>11,082,128</u>	<u>6,339,569</u>	<u>17,421,697</u>	<u>4,985,997</u>
<b>Total net position - ending</b>	<u>\$ 12,229,561</u>	<u>\$ 6,343,956</u>	<u>\$ 18,573,517</u>	<u>\$ 5,054,905</u>

*See notes to financial statements.*

**City of Huntington Park  
Statement of Cash Flows  
Proprietary Funds  
Year ended June 30, 2013**

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water Fund	Other Enterprise Funds	Total	Internal Service Funds
<b>Cash flows from operating activities</b>				
Receipts from tenants, customers and users	\$ 4,959,392	\$ 486,275	\$ 5,445,667	\$ 5,057,996
Payments to suppliers	(4,196,429)	(247,181)	(4,443,610)	(4,338,976)
Payments to employees	(349,557)	(138,883)	(488,440)	(520,168)
<b>Net cash provided by (used in) operating activities</b>	<u>413,406</u>	<u>100,211</u>	<u>513,617</u>	<u>198,852</u>
<b>Cash flows from capital and related financing activities</b>				
Purchases and construction of capital assets	(3,401)	-	(3,401)	-
<b>Net cash provided by (used in) capital and related financing activities</b>	<u>(3,401)</u>	<u>-</u>	<u>(3,401)</u>	<u>-</u>
<b>Cash flows from non-capital financing activities</b>				
Received from other funds	292,576	40,121	332,697	-
<b>Net cash provided by non-capital financing activities</b>	<u>292,576</u>	<u>40,121</u>	<u>332,697</u>	<u>-</u>
<b>Cash flows from investing activities</b>				
Interest received	1,726	2,394	4,120	18,603
<b>Change in cash and cash equivalents</b>	704,307	142,726	847,033	217,455
<b>Beginning cash and cash equivalents</b>	-	596,111	596,111	5,855,094
<b>Ending cash and cash equivalents</b>	<u>\$ 704,307</u>	<u>\$ 738,837</u>	<u>\$ 1,443,144</u>	<u>\$ 6,072,549</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>				
Operating income (loss)	\$ 853,131	\$ (38,128)	\$ 815,003	\$ 50,305
Adjustments to reconcile operating loss to net cash used in operating activities:				
Depreciation	407,725	32,153	439,878	61,469
(Increase) decrease in:				
Accounts receivable	(257,264)	(6,859)	(264,123)	2,259
Increase (decrease):				
Accounts payable	(147,128)	135,495	(11,633)	71,046
Accrued payroll	(607)	506	(101)	8,907
Accrued leave payable	(19)	(421)	(440)	6,628
Due to other funds	(445,231)	(33,952)	(479,183)	(1,762)
Deposits payable	15,534	5,760	21,294	-
Compensated absences payable	(12,735)	5,657	(7,078)	-
<b>Net cash provided by (used in) operating activities</b>	<u>\$ 413,406</u>	<u>\$ 100,211</u>	<u>\$ 513,617</u>	<u>\$ 198,852</u>

There were no noncash capital financing and investing activities during the year ended June 30, 2013.

*See notes to financial statements.*

**City of Huntington Park**  
**Statement of Fiduciary Net Position**  
**Year ended June 30, 2013**

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		Successor Agency to the Dissolved Redevelopment Commission <u>Private Purpose Trust Fund</u>
<b>ASSETS</b>		
Cash and investments	\$	5,371,174
Cash and investments with fiscal agent		6,568,749
Receivables:		
Accounts and interest		49,750
Land held for resale		7,001,949
<b>Total assets</b>		<u>18,991,622</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Unamortized loss on defeasance of debt		<u>1,520,748</u>
<b>LIABILITIES</b>		
Accounts payable		2,629,410
Accrued interest payable		618,489
Deposits		61,222
Due to other governments		3,227,564
Long-term liabilities:		
Due within one year		4,311,748
Due in more than one year		197,841,795
<b>Total liabilities</b>		<u>208,690,228</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
		<u>-</u>
<b>FIDUCIARY NET POSITION</b>		
Unrestricted Net Position	\$	<u><u>(188,177,858)</u></u>

*See notes to financial statements.*

**City of Huntington Park**  
**Statement Changes in Fiduciary Net Position**  
**Year ended June 30, 2013**

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		Successor Agency to the Dissolved Redevelopment Commission Private Purpose Trust Fund
<b>Revenues:</b>		
Taxes	\$	5,131,493
Other revenues		164,183
	<b>Total revenues</b>	<u>5,295,676</u>
 <b>Expenses:</b>		
Current:		
Community development		485,733
Debt service:		
Interest and fiscal charges		7,498,497
	<b>Total expenditures</b>	<u>7,984,230</u>
	Excess (deficiency) of revenues over expenditures	<u>(2,688,554)</u>
 <b>Net position held in trust - beginning, as restated</b>		<u>(185,489,304)</u>
 <b>Net position held in trust - ending</b>	<b>\$</b>	<u><u>(188,177,858)</u></u>

*See notes to financial statements.*

**NOTES TO FINANCIAL STATEMENTS**

**NOTE 1      GENERAL**

The City of Huntington Park is a community located approximately six and a half miles southeast of downtown Los Angeles, California. The City geographically encompasses approximately three square miles and has an approximate population of 64,617 residents. The City was incorporated as a general law city in 1906.

The City operates under the Council-Manager form of government, with five elected Council members served by a full-time City Manager and staff. The City provides the following services:

*Public Safety* - the City employs police officers and support staff to provide round-the-clock police services from a central station.

*Public Works (Field Services)* - The City contracts the construction and maintenance of its streets, curbs, gutters, and related public property.

*Community Services (Parks and Recreation)* - The City provides a variety of programs relating to public parks; street tree maintenance, graffiti removal and weed abatement on public right-of-way.

*Community Development* - The City provides review and plan check services to the public and others. City departments investigate traffic related issues and other various intergovernmental project coordination.

**NOTE 2      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Huntington Park's accounting policies conform to accounting principles generally accepted in the United States of America as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for governmental accounting and financial reporting principles.

**Reporting Entity**

In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made applying the provisions of GASB Statement No. 14 (as amended by GASB Statement No. 39 and No. 61). As required by generally accepted accounting principles (GAAP), these financial statements present the primary government and its component units, entities for which the government is considered to be financially accountable. The City is considered to be financially accountable for an organization if the City appoints a voting majority of that organization's governing body and the City is either able to impose its will on that organization, or there is a potential for that organization to provide specific financial benefits to or impose specific financial burdens on the City. The City is also considered to be financially accountable if an organization is fiscally dependent upon the City (i.e., it is unable to adopt its budget, levy taxes, set rates or charges, or issue bonded debt without approval from the City). In certain cases, other organizations are included as component units if the nature and significance of their relationship with the City are such that their exclusion would cause the City's financial statements to be misleading or incomplete.

**NOTE 2      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Included within the City of Huntington Park (City) reporting entity are the Parking Authority of the City of Huntington Park (Parking Authority) and the Huntington Park Public Financing Authority (Finance Authority). The City Council of the City of Huntington Park acts as the governing board for each of these entities. In addition, executive management activities are conducted by the City staff.

Component unit financial statements are not issued for the Finance Authority or Parking Authority.

City of Huntington Park

The City was incorporated on September 1, 1906, under the general laws of the State of California and enjoys all the rights and privileges applicable to a General Law City. It is governed by an elected member council and operates under a city manager form of government.

Parking Authority of the City of Huntington Park

The Parking Authority was established on June 6, 1988, by the City, for the purpose of coordinating and financing public parking facilities. The City Council is the Board of Directors for the Parking Authority.

Huntington Park Public Financing Authority

The Financing Authority was organized on July 5, 1988 by the City, the Parking Authority and the Commission. The Financing Authority's primary purpose is to provide for the financing of public capital improvements to the City, Commission or Parking Authority. City Council members serve as the Directors of the Financing Authority and have full accountability of fiscal matters.

**Implementation of New Accounting Pronouncements**

During the fiscal year ended June 30, 2013, the City adopted the following Governmental Accounting Standards Board (GASB) statements which impacted the City's financial statements:

- *GASB Statement No. 61, The Financial Reporting Entity: Omnibus – an amendment of GASB statement nos. 34 and 14.* This statement modifies certain requirements for inclusion of component units in the financial reporting entity. The City determined that the City and the component units blended with the City's financial statements comply with the new requirements noted in the amendments.
- *GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.* This Statement amends the net asset reporting requirements in GASB Statement No. 34 by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets.

**NOTE 2      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

- *GASB Statement No. 65, Items Previously Reported as Assets and Liabilities.* The statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. Adoption of this statement resulted in restatement of the City's beginning net position balance because of the write-off of deferred bond issuance cost which was recognized as an asset in the prior years.

**Basis of Accounting and Measurement Focus**

*Government-wide Financial Statements*

The City's Government-wide Financial Statements include a Statement of Net Position and a Statement of Activities (changes in net position). These statements present summaries of Governmental and Business-type Activities for the City.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets and liabilities, including capital assets and infrastructure, as well as long-term debt, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized in the period in which the liability is incurred. The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. The types of program revenues for the City are reported in three categories: 1) charges for services, 2) operating contributions and grants, and 3) capital contributions and grants. Charges for services include revenues from customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function. Contributions and grants include revenues restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenue are reported as general revenues.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables, and receivables. Internal balances and interfund charges in the Government-wide Financial Statements have been eliminated, except those between governmental and business-type activities.

**Fund Financial Statements**

To ensure the proper identification of individual revenue sources and expenditures made from those revenues, the City's accounts are organized on the basis of individual funds, each of which is considered a separate accounting entity. Each fund's operations are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. The City's resources are accounted for in these individual .

**NOTE 2      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

funds based on the purposes for which they are to be spent and the means by which spending activities are controlled.

*Governmental Funds*

Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and aggregated nonmajor funds. An accompanying schedule is presented to reconcile and explain the differences in fund balances as presented in these statements to the net position presented in the Government-wide Financial Statements. The City has presented all major funds that met the qualifications of GASB Statement No. 34.

All governmental funds are accounted for on a current financial resources measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and deferred outflows and current liabilities and deferred inflows are generally included on the balance sheets. The reported fund balance is the net current assets, which is considered only to be a measure of available spendable resources. Governmental fund operating statements present a summary of sources and uses of available spendable resources during a period by presenting increases and decreases in current assets. Under modified accrual basis of accounting, revenues are recognized in the accounting period in which they both become measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60-days after year-end) are recognized when due. Those revenues susceptible to accrual are property taxes, sales taxes, transient occupancy taxes, utility user taxes, property transfer taxes, interest revenues, and charges for services. Fines, licenses, use of property and permit revenues are not susceptible to accrual because they generally are not measurable until received in cash.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for principal and interest on general long-term obligations which are recognized when due. Because of their current financial resources focus, expenditure recognition for governmental fund types excludes amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund expenditures or fund liabilities.

**NOTE 2      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The City reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund.

The *Employees' Retirement Fund* is used to account for the receipt of property taxes allocated for retirement expenditures.

The *HUD Home Program Fund* is used to account for housing and community development projects. Financing is provided by federal grants received from Department of Housing and Community Development Home Grant Program.

The *HUD Section 108 Fund* is used to account for housing assistance programs under HUD Section 108 programs administered by the Department of Housing and Urban Development.

Proprietary Funds

Proprietary Fund Financial Statements include a Statement of Net Position, a Statement of Revenues, Expenses, and Changes in Net Position, and a Statement of Cash Flows. All proprietary fund types are accounted for using the accrual basis of accounting, similar to the Government-wide Financial Statements. Revenues are recognized when earned, and expenses are recognized when incurred. Proprietary funds are accounted for on the economic resources measurement focus, which means that all assets and all liabilities associated with their activity are included in the Statement of Net Position.

The City reports the following major enterprise fund:

The *Water Enterprise Fund* is used to account for the operations of the water utility system.

The City's internal service funds are presented in the Proprietary Funds Financial Statements. Because the principal users of the internal services are the City's governmental activities, the financial statements of the internal service funds are consolidated into the governmental activities column when presented in the Government-wide Financial Statements. To the extent possible, the cost of these services is reported in the appropriate functional activity.

**NOTE 2      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other City departments or agencies on a cost-reimbursement basis. The City uses internal service funds to account for fleet maintenance and vehicle and equipment replacement activities.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's proprietary funds are charges to customers for services. Operating expenses include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

In accordance with GASB Statement No. 62, Codification of Financial Reporting Guidance contained in Pre-November 30, 1989 FASB and AICPA pronouncements, private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB). For proprietary fund type activities, the City applies all applicable GASB pronouncements as well as any applicable pronouncements of the Financial Accounting Standards Board (FASB), the Accounting Principles Board (APB), or any Accounting Research Bulletins (ARB) issued on or before November 30, 1989, unless they contradict or conflict with GASB pronouncements.

Fiduciary Funds

Successor Agency Private Purpose Trust Fund - This 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 Redevelopment Commission. Unlike the limited reporting typically utilized for Agency Fund, the Private Purpose Trust Fund reports a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position.

**NOTE 2      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Budgetary Accounting**

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Budget/actual comparisons in this report use the GAAP basis. The budgetary comparison schedules present both the original adopted budget and the final budget with all amendments.

**Cash and Cash Equivalents**

For the purpose 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. Because the proprietary funds participate in City's investment pool, funds are available as needed. Accordingly all amounts are reported as cash and cash equivalents.

**Property Taxes**

Under California law, property taxes are assessed and collected by the counties up to 1 percent of assessed value, plus other increases approved by the voters. The property taxes go into a pool, and are then allocated to the cities based on complex formulas. Accordingly, the City accrues only those taxes, which are received from the County within sixty days after year-end.

Lien Date	January 1
Levy Date	July 1
Due Dates	November 1 and February 1
Collection Dates	December 10 and April 10

**Investments**

The City follows GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools. GASB Statement No. 31 establishes fair value standards for investments in participating interest earning investment contracts, external investment pools, equity securities, option contracts, stock warrants and stock rights that have readily determinable fair values. The fair value of instruments is determined annually and is based on current market prices.

**NOTE 2      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The City maintains investment accounting records on amortized cost and compares those records to "fair value" on an annual basis. The funds' investment custodian provides market values on each investment instrument on a monthly basis. The investments held by the City are widely traded in the financial markets and trading values are readily available from numerous published sources. The City has elected to report its money market investments (those investments with maturities of less than one year) at amortized cost adjusted to fair value on an annual basis. As of June 30, 2013, the carrying value of its investments is considered "fair value".

**Investment with Fiscal Agent**

The City has monies held by trustees or fiscal agents pledged for the security and repayment of various bonded indebtedness.

**Interest Rate Swap Liability**

The City adopted GASB Statement No. 53, Accounting and Financial Reporting for Derivative Instruments. Under this accounting standard, the City is required to measure derivative instruments such as the interest rate swap agreement at fair value in the statement of net position.

**Claims and Judgments**

Claims and judgments are recognized when it is probable that a liability has been incurred and the amount of loss can be reasonably estimated. Only the short-term liability is reflected as a current liability in all applicable governmental fund types. For presentation in the Statement of Net Position, claims and judgments are included as noncurrent liabilities separated between the amounts due within one year and amounts due in more than one year. The short-term liability, which will be liquidated with expendable available financial resources, is the amount of settlement and needed reserves, but unpaid, related to claims and judgments entered.

**Compensated Absences**

The short-term portion of compensated absences is determined to be the amount due to employees for future absences, which is attributable to services already rendered, and which is expected to be paid during the next fiscal year. For employees chargeable to enterprise operations, both short-term and long-term portions of compensated absences are reflected in the Proprietary Funds. Compensated absences are funded by each fund based on the respective share of the liability. The liability for Governmental Activities is primarily liquidated from the general fund while the liability for Business-type Activities is liquidated from the enterprise funds.

**Capital Assets**

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. For infrastructure, the City capitalized those projects exceeding \$25,000 and having a useful life greater than one year. Contributed assets are reported at fair value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

**NOTE 2      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Provision for depreciation on all assets is computed using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings	40
Vehicles	5-10
Furniture, fixtures, and equipment	5-40
Pavement System	40
Sidewalk, curb, and gutters	40
Traffic signals	20
Street lights	20
Improvements	20-30
Sewer and storm drains	60

**Due From Other Governments**

The amounts recorded as due from other governments include sales taxes, property taxes, and grant revenues collected or provided by Federal, State, County and City Governments which are unremitted to the City as of June 30, 2013.

**Interfund Transactions**

With Council and/or management approval, resources may be transferred from one City fund to another. Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Use of Restricted Resources**

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

**Deferred Outflows and Inflows of Resources**

Pursuant to GASB Statement Nos. 63 and 65, 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 16 and Note 1 for the list of deferred inflows and deferred outflows of resources the City has recognized as of June 30, 2013.

**NOTE 2      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fund Balances**

Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Government Fund-type Definitions* defines fund balance as the difference between the assets and liabilities reported in the City's governmental funds. There are generally limitations on the purpose for which all or a portion of the resources of a governmental fund may be used. The force behind these limitations can vary significantly, depending upon their source. Consequently, the fund balance reported in the annual financial statements is categorized into five components whereby each component identifies the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the fund can be spent. The five components of fund balance are as follows:

- Nonspendable: Resources that are 1) not in spendable form, such as inventories, prepaids, long-term receivables, or non-financial assets held for resale, or 2) required to be maintained intact such as an endowment.
- Restricted: Resources that are subject to externally enforceable legal and contractual restrictions; these restrictions would be either 1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or 2) imposed by law through constitutional provisions or enabling legislation. All special revenue funds are considered restricted.
- Committed: Resources that are constrained to specific purposes by a formal action of the City Council such as an ordinance or resolution. The constraint remains binding unless removed in the same formal manner by the City Council. Council action to commit fund balance must occur within the fiscal reporting period while the amount committed may be determined subsequently.
- Assigned: Resources that are constrained by the City's intent to be used for specific purposes, but that are neither restricted nor committed.
- Unassigned: Within the General Fund, the residual resources, either positive or negative, in excess of what can be properly classified in one of the other four fund balance categories. Within all other governmental funds, the negative residual resources in excess of what can be properly classified as nonspendable, restricted, committed, or assigned.

**Net Position Restricted by Enabling Legislation**

The government-wide statement of net position reports \$14.5 million of restricted net position, of which \$311 thousand is restricted by enabling legislation, which was derived from voter approved special tax levies to pay for retirement costs.

**NOTE 3      STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

The following funds have a deficit Fund Balance at June 30, 2013:

	Deficit
<i>Major Funds:</i>	
HUD Home Program	\$ <u><u>(400,026)</u></u>
 <i>NonMajor Funds:</i>	
Special Revenue	
Parks and Recreation	\$ <u><u>(51,132)</u></u>
Community development	\$ <u><u>237</u></u>
Local Origination Program	\$ <u><u>(7,748)</u></u>
Community Development	\$ <u><u>(117,190)</u></u>
Supplemental Law Enforcement	\$ <u><u>(74,920)</u></u>
Illegal Disposal Abatement	\$ <u><u>(14,680)</u></u>
Public Financing Authority	\$ <u><u>(1,850)</u></u>
Parking System	\$ <u><u>(246,251)</u></u>
LBPHCP Lead Base	\$ <u><u>(55,278)</u></u>

Management asserts that the deficits will be eliminated by revenues made available in subsequent periods. If revenues are not sufficient in subsequent periods, the impact on the General Fund could be material.

**NOTE 4      CASH AND INVESTMENTS**

Cash and investments as of June 30, 2013 are classified in the accompanying financial statements as follows:

	Government-wide Statement of Net Position	Fiduciary Fund Statement of Net Position	Total
Cash and investments	\$ 34,924,905	\$ 5,371,174	\$ 40,296,079
Restricted cash and investments			
Cash and investments with fiscal agents	-	6,568,749	6,568,749
	\$ 34,924,905	\$ 11,939,923	\$ 46,864,828

**NOTE 4 CASH AND INVESTMENTS (CONTINUED)**

Cash and investments as of June 30, 2013 consist of the following:

Cash on hand	\$	13,510
Deposits with financial institutions		13,752,502
Investments		<u>33,098,816</u>
	\$	<u><u>46,864,828</u></u>

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

The table below identifies the investment types that are authorized for the City by the California Government Code or the City's investment policy, where more restrictive. The table also identifies certain provisions of the California Government Code or the City's investment policy, where more restrictive, that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the City, rather than the general provisions of the City's investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base value	None
Medium-Term Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None

**Investments Authorized by Debt Agreements**

Investments of debt proceeds held by fiscal agent are governed by provisions of the debt covenants rather than the general provisions of the California Government Code. These provisions allow for the acquisition of investments allowed by the government code but also include defeasance obligations, investment agreements and pre-refunded municipal obligations. These provisions do not specify maximum maturities or concentration of risk limitations.

**NOTE 4 CASH AND INVESTMENTS (CONTINUED)**

**Disclosures Related to Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter-term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity over time as necessary to provide the cash flow and liquidity needed for operations. Funds held by fiscal agent are invested pursuant to the terms of debt covenants and cash flow is managed as necessary to meet debt service obligations.

Information about the sensitivity of fair values of the City's investments (including investments held by fiscal agent) to market interest rates fluctuations is provided by the following table that reflects the distribution of the City's investments by maturity:

Investment Type	Amount	Remaining maturity in Months		
		12 Months Or Less	13 to 24 Months	25-60 Months
LAIF	\$ 31,110,078	\$ 31,110,078	\$ -	\$ -
Certificates of deposits	1,001,264	1,001,264	-	-
Federal Home Loan Bank Note (FHLB)	987,474	-	-	987,474
	<u>\$ 33,098,816</u>	<u>\$ 32,111,342</u>	<u>\$ -</u>	<u>\$ 987,474</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 (where applicable) by the California Government Code, debt agreements and the City's investment policy and the actual rating as of year end for each investment type:

Investment Type	Amount	Minimum Legal Rating	Not Rated	Rating AAA
LAIF	\$ 31,110,078	N/A	\$ 31,110,078	-
Certificates of deposits	1,001,264	N/A	1,001,264	-
Federal Home Loan Bank Note (FHLB)	987,474	A	-	987,474
	<u>\$ 33,098,816</u>		<u>\$ 32,111,342</u>	<u>\$ 987,474</u>

**NOTE 4 CASH AND INVESTMENTS (CONTINUED)**

**Concentration of Credit Risk**

The City's investment policy contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. As June 30, 2013, there were no investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of the City's total investments.

**Custodial Credit Risk**

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, the City will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the public agencies' deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

Effective January 1, 2013, all noninterest bearing transaction accounts are insured Federal Deposit Insurance Corporation (FDIC) up to the standard maximum deposit insurance amount of \$250,000. As of June 30, 2013, the City's deposits (bank balances) were fully insured by FDIC.

**Investment in State Investment Pool (LAIF)**

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. LAIF is not registered with the Securities and Exchange Commission. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

As of June 30, 2013, the City's investments in the State Treasurer's investment pool (LAIF) were \$31.1 million. The management of LAIF has indicated to the City that as of June 30, 2013, the estimated fair value of the pool, including accrued interest, was approximately \$59 billion. LAIF's (and the City's) exposure to risk (credit, market or legal) is not currently available.

**NOTE 4      CASH AND INVESTMENTS (CONTINUED)**

**Fair Value of Investments**

Accounting pronouncement GASB Statement No. 31 generally applies to investments in external investment pools, investments purchased with maturities greater than one year, mutual funds, and certain investment agreements. Generally, governmental entities need to report the fair value changes for these investments at year-end and record these gains or losses on their income statement.

Investments are reported at fair value. Changes in fair value that occur during a fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings, changes in fair value of investments, and any gains or losses realized upon the liquidation, maturity, or sale of investments.

The City pools cash and investments of all funds, except for assets held by fiscal agents. Each fund's share in this pool is displayed in the accompanying financial statements as cash and investments. Investment income earned by the pooled investments is allocated to the various funds based on each fund's average cash and investment balance.

**NOTE 5      NOTES RECEIVABLE**

At June 30, 2013, the City had \$8,052,216 in various notes receivable. These amounts represent loans under the Community Development Block Grant, HUD Section 108 Loan Grant, and HUD Home Federal Programs ranging from \$1,000 to \$50,000 each for residential rehabilitation. The remaining project loans are identified below:

**Rasa Note**

In October 2001, the City entered into an agreement with RASA limited partnership (Borrower) whereby the borrower received \$700,000 for development costs of certain housing projects associated with the HOME Federal Program. Pursuant to this agreement, the borrower shall remit payments in annual estimates commencing on January 1, 2004. Interest accrues at the rate of six percent per annum commencing January 1, 2003 until April 1, 2034. Repayment of the loan is secured by a deed of trust and net operating income generated by the Housing Project. The note to the City is subordinate to existing senior debt obligation of the borrower and not an available resource to the City. The principal balance outstanding at June 30, 2013 was \$692,000.

On October 18, 2001, the City entered into an agreement with Rasa Limited Partnership whereby in return for land disposition, it received a \$100,000 note. The \$100,000 note is subordinate to existing obligations of the developer to the County of Los Angeles. The note bears simple interest at the rate of 8.0 percent per annum from January 31, 2003 until December 31, 2047. Interest is payable annually. Principal is due and payable on or before December 31, 2047. The principal outstanding as of June 30, 2013, was \$100,000.

**NOTE 5            NOTES RECEIVABLE (CONTINUED)**

**Oldtimers Housing Development Corporation IV, Note**

In prior years the City through the former Community Development Commission of the City of Huntington Park (the Commission) implemented the HOME Community Housing Development Program, including authority to enter into agreements with community housing development organizations. With this authority, the Commission entered into various affordable housing agreements with Oldtimers Housing Development Corporation IV ("CHDO") to help the developer acquire, produce, rehabilitate, operate and manage affordable housing units within the City of Huntington Park. Under the terms of the agreements, the Commission provided funds equal to the principal amounts of the Note which bears interest at the rate of three percent per annum, compounded annually.

The Note amount shall be paid by the CHDO's annual payment to the City of an amount equal to fifty percent (50%) of the residual receipts of the property. Below is the summary of the terms of the loans and the outstanding balances as of June 30, 2013.

Loan	Date of Loan Agreement	Principal Amount	Interest Rate	Payment Period	Outstanding Balance, June 30, 2013
1	July 12, 2006	\$ 620,848	3%	April 1, 2015- April 1, 2061	\$ 592,389
2	August 6, 2007	223,700	3%	April 1, 2011- April 1, 2062	223,700
3	June 2, 2008	468,000	3%	April 1, 2011- April 1, 2062	468,000
5	January 22, 2008	1,316,200	3%	July 1, 2015- July 1, 2063	1,316,200
6	January 22, 2008	2,040,715	3%	July 1, 2015- July 1, 2063	1,944,934

**City of Huntington Park**  
**Notes to Financial Statements**  
**Year ended June 30, 2013**

**NOTE 6 CAPITAL ASSETS**

The City's capital assets activity for the year ended June 30, 2013 is as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
<b>Governmental Activities</b>					
Capital assets not being depreciated or amortized:					
Land	\$ 5,700,656	\$ -	\$ -	\$ -	\$ 5,700,656
Intangible asset- easement	-	1	-	-	1
Construction in progress	388,419	-	-	(388,419)	-
Total capital assets not being depreciated	<u>6,089,075</u>	<u>1</u>	<u>-</u>	<u>(388,419)</u>	<u>5,700,657</u>
Capital assets being depreciated:					
Buildings and improvements	17,453,288	299,107	-	-	17,752,395
Vehicles	5,366,058	53,566	(225,982)	-	5,193,642
Property and equipment	4,540,710	376,281	(28,679)	-	4,888,312
Infrastructure					
Pavement systems	30,815,948	388,419	-	-	31,204,367
Sidewalk, curb, & gutter system	20,249,327	136,720	-	-	20,386,047
Traffic signals	5,687,861	-	-	-	5,687,861
Street lights	14,862,229	-	-	-	14,862,229
Total capital assets, being depreciated	<u>98,975,421</u>	<u>1,254,093</u>	<u>(254,661)</u>	<u>-</u>	<u>99,974,853</u>
Less accumulated depreciation for:					
Buildings and Improvements	(6,217,287)	(403,789)	-	-	(6,621,076)
Vehicles	(4,541,408)	(223,144)	204,526	-	(4,560,026)
Property and equipment	(3,607,887)	(329,644)	115,922	-	(3,821,609)
Infrastructure					
Pavement system	(14,920,167)	(733,400)	-	-	(15,653,567)
Sidewalk, curb and gutter system	(11,516,506)	(416,359)	-	-	(11,932,865)
Traffic signals	(4,251,396)	(164,677)	-	-	(4,416,073)
Street lights	(7,976,721)	(590,318)	9,180	-	(8,557,859)
Total accumulated depreciation	<u>(53,031,372)</u>	<u>(2,861,331)</u>	<u>329,628</u>	<u>-</u>	<u>(55,563,075)</u>
Total capital assets, being depreciated, net	<u>45,944,049</u>	<u>(1,607,238)</u>	<u>74,967</u>	<u>-</u>	<u>44,411,778</u>
Governmental activities capital assets, net	<u>\$ 52,033,124</u>	<u>\$ (1,607,237)</u>	<u>\$ 74,967</u>	<u>\$ (388,419)</u>	<u>\$ 50,112,435</u>

Depreciation expense was charged to the following primary government's functions/programs:

General government	\$ 80,156
Public safety	571,643
Public works	2,087,283
Community services	108,637
Community development	13,612
	<u>\$ 2,861,331</u>

**NOTE 6      CAPITAL ASSETS (CONTINUED)**

See Note 10 regarding the Lease Revenue Bonds and Measure L (Street Improvement) Bonds issued relating to the above capital assets.

Intangible Asset – Easement

In 1995, the City assisted in the financing and development of a 184 unit affordable senior housing apartment complex and parking structure known as Rugby Senior Apartments. The project was financed through the issuance of tax-exempt bonds, HUD loan, and low income housing tax credits. The City sold the land parcel to the developer and contributed funding toward the construction of a 210 space parking structure and 10,810 square foot commercial space. The building was built and owned by the Developer (City Housing – Rugby Associate), while the City retained ownership of the parking structure.

The Development and Disposition Agreement (DDA), the regulatory agreement for the transaction, included a pre-determined purchase price for the parking structure. The agreed purchase price amount in 2013 under the Parking Garage Lease agreement dated April 7, 1997 with City Housing - Rugby Associates was \$4,881,852. The City entered into a purchase and sale agreement with City Housing - Rugby Associates for the sale of an existing Parking structure in April 2013. The net selling price after applicable seller credits was \$4,501,479. In order to facilitate the rehabilitation and refinancing of the project, the City agreed to defer a portion of the proceeds of the sale. The City received \$2,601,479 in sale proceeds at closing and extended a \$1,900,000 loan to Huntington Park 607, LP. The loan deferred principal and interest payments (@ 3.0% simple interest) to the earlier of maturity (55 years) or the sale/refinance of the project.

The City received a perpetual and exclusive easement to use the parking structure (130 parking spaces on the first level of the parking structure) valued at \$1 to the City. This easement has been recorded as an intangible asset in the accompanying financial statements.

**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	\$ 4,139,404	\$ -	\$ -	\$ 4,139,404
Total capital assets not being depreciated	4,139,404	-	-	4,139,404
Capital assets being depreciated:				
Buildings and improvements	963,988	-	-	963,988
Vehicles	55,377	-	-	55,377
Property and equipment	279,295	3,402	-	282,697
Infrastructure				
Water improvements	22,666,386	-	-	22,666,386
Sewer & storm drain	4,898,008	-	-	4,898,008
Total capital assets being depreciated	28,863,054	3,402	-	28,866,456
Less accumulated depreciation for:				
Buildings and improvements	(34,050)	(4,795)	-	(38,845)
Vehicles	(55,377)	-	-	(55,377)
Property and equipment	(240,014)	(9,433)	-	(249,447)
Infrastructure				
Water improvements	(11,881,853)	(393,496)	-	(12,275,349)
Sewer & storm drain	(3,211,523)	(32,154)	-	(3,243,677)
Total accumulated depreciation	(15,422,817)	(439,878)	-	(15,862,695)
Capital assets, being depreciated, net	13,440,237	(436,476)	-	13,003,761
Business-type activities capital assets, net	\$ 17,579,641	\$ (436,476)	\$ -	\$ 17,143,165

Depreciation expense was charged to the following activities:

Water improvements	\$ 407,724
Sewer maintenance	32,154
	\$ 439,878

**NOTE 7      PENSION PLAN**

**Plan Description**

The City of Huntington Park contributes to the California Public Employees Retirement System (PERS), an agent multiple-employer public employee defined benefits pension plan (miscellaneous plan) and a cost sharing plan (safety plan). PERS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by State statute and City ordinance. Copies of PERS' annual financial report may be obtained from its executive office: 400 P Street, Sacramento, CA 95814.

**Funding Policy**

The contribution requirements of active plan members (safety and miscellaneous classifications) and the City are established and may be amended by the PERS board. Safety and Miscellaneous Plan members are required to contribute 9.0 percent and 7.0 percent of their annual covered salary, respectively. The City funds the employee's contribution at 50 percent during the first year of employment. The City funds 100 percent of the employees required contribution after the first year of employment. For fiscal year 2012-13, the City was required to contribute at an actuarially determined rate; the rate was 26.416 percent and 7.426 percent of annual covered payroll for safety and miscellaneous members, respectively.

**PERS Plan Amendments**

During fiscal year 2002-03, PERS required mandatory pooling of plans with less than 100 active members. As a result, the accrued actuarial liability and actuarial value of assets for the City's safety plan have been pooled with other government agencies. As of the date of pooling, differences between the City's normal cost and the pool's normal cost will be amortized over a five year period, at which time, the City's normal cost will approximate the pool's normal cost.

**Annual Pension Cost**

The following table shows the components of the City's annual pension cost for the fiscal year ended June 30, 2013, the actual amounts contributed to the plans, and changes in the City's net pension asset:

	<u>Safety</u>		<u>Miscellaneous</u>		<u>Total</u>
Annual Required Contribution	\$ 1,796,451	\$	484,754	\$	2,281,205
Interest on Pension Asset	(1,341,980)		-		(1,341,980)
Adjustments to Annual Required Contribution	<u>2,273,575</u>		<u>-</u>		<u>2,273,575</u>
Annual Pension Cost	2,728,045		484,754		3,212,799
Annual Contribution Made	<u>1,796,451</u>		<u>484,754</u>		<u>2,281,205</u>
Decrease in Pension Asset	(931,594)		-		(931,594)
Pension Asset, Beginning of Year	<u>17,315,877</u>		<u>-</u>		<u>17,315,877</u>
Pension Asset, End of Year	<u>\$ 16,384,283</u>	\$	<u>-</u>	\$	<u>16,384,283</u>

The net pension asset is reported in the government-wide financial statements.

**NOTE 7      PENSION PLAN (CONTINUED)**

**Annual Pension Cost (Continued)**

The required contribution was determined by actuarial valuation using the entry age normal actuarial cost method. The current actuarial assumptions for the miscellaneous plan included (a) 7.75 percent investment rate of return (net of administrative expenses), (b) projected annual salary increases that vary by duration of service from 3.25 percent to 14.45 percent (c) 3.25 percent per year cost-of-living adjustments. Both (a) and (b) included an inflation component of 3.00 percent. The actuarial value of PERS assets was determined using techniques that smooth the effect of short-term volatility in the market value of investments over a three year period (smoothed market value). Effective July 1, 2003, the City's miscellaneous plan received a "fresh start" resulting in the PERS unfunded actuarial accrued liability being amortized as a level percentage of projected payroll on a closed basis over a new amortization period of 15 years.

Three-year trend information for PERS (In \$ thousands):

<b>Safety Plan</b>			
Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
6/30/2011	\$ 2,481	59%	\$ (18,300)
6/30/2012	2,728	64%	(17,316)
6/30/2013	2,728	71%	(16,384)

<b>Miscellaneous Plan</b>			
Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
6/30/2011	\$ 432	100%	\$ -
6/30/2012	458	100%	-
6/30/2013	485	100%	-

See Note 10 regarding Pension Obligation Bond issued relating to the above Pension Asset. The Schedule of Funding Progress for both the Safety and Miscellaneous Plans are part of the Required Supplementary Information.

**NOTE 8      DEFINED CONTRIBUTION PLAN**

Effective July 1, 2001, the City established the City of Huntington Park Alternative Retirement System, a Public Agency Retirement System (PARS). Under PARS, the City participates in the defined contribution plan to benefit employees not currently eligible for PERS. Pursuant to the PARS agreement, the PARS trust is administered by Phase II Systems with Union Bank of California acting as trustee. In accordance with the PARS trust agreement, the City does not manage the plan's assets or

**NOTE 8      DEFINED CONTRIBUTION PLAN (CONTINUED)**

perform distributions to employees out of the plan. Phase II Systems and Union Bank of California perform these functions.

The PARS trust, authorized under the Internal Revenue Code Section 401(a) and Government Code Sections 53215-53224 and 2000, maintains the following general provisions:

- Eligible employees shall participate while not accruing a benefit under social security or PERS,
- Eligible employees contribute 7.5 percent of compensation on a pre-tax basis,
- The City is not required to contribute on behalf of the employee,
- Contributions and distributions of the plan are not obligations of the City, and
- Amendments to the plan are subject to the discretion of the City.

For the fiscal year ended June 30, 2013, employees participating in PARS contributed \$35,705.

**NOTE 9      OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN**

In addition to the retirement plan described in Note 9, the City of Huntington Park Retiree Healthcare Plan (CHPRHP) contributes to the California Employers' Retiree Benefit Trust Fund to fund the City's health and other post-employment benefit costs for its retirees and their spouses. CHPRHP provides a monthly contribution towards medical insurance premiums which costs up to a fixed dollar cap that varies based on coverage election and employment status. This fund is administered by the California Public Employees Retirement System (CalPERS). CalPERS issues a publicly available financial report through their website at [www.calpers.ca.gov](http://www.calpers.ca.gov).

**Eligibility**

Employees of the City are eligible for retiree health benefits if they retire directly from the City under CalPERS, at least age 50 at the date of retirement and with 5 years of CalPERS service eligibility. Retiree benefit continues to surviving spouse if retiree elects CalPERS survivor annuity.

The City provides a medical contribution of up to 100% of the Kaiser LA region non-Medicare-eligible premium for single, 2-party, and family coverage for non-Medicare and Medicare-eligible retirees. The City contribution cap for current and future Medicare-eligible retirees is the Kaiser LA Region Medicare-eligible premium.

**NOTE 9 OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)**

Membership in the plan consisted of the following at June 30, 2011, the date of the latest actuarial valuation:

Eligible active employees:		
Miscellaneous	114	
Safety	66	
	Subtotal	180
Eligible retirees		
Miscellaneous	74	
Safety	88	
	Subtotal	162
	Total	342

**Funding Policy**

The obligation of the City to contribute to the plan is established and may be amended by the City Council. Employees are not required to contribute to the plan. The City has established a policy of contributing to the irrevocable trust 100% of 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 the normal cost of each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The ARC for fiscal year 2012-2013 was \$3,893,000, 27.6% of estimated covered payroll.

**Annual OPEB Cost**

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 liability:

	Amount
Annual required contribution	\$ 3,893,000
Interest on net OPEB liability	77,000
Amortization of net OPEB obligation	(78,000)
Annual OPEB cost	3,892,000
Contributions made:	
Benefit payments	1,335,342
Increase in net OPEB obligation	2,556,658
Net OPEB liability - beginning of year	1,520,339
Net OPEB liability - end of year	\$ 4,076,997

The net OPEB liability is reported in the government-wide financial statements.

**NOTE 9 OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)**

The required contribution was determined as part of the January 1, 2011 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 4.5% discount rate for portion of ARC funded with the irrevocable trust and 4.25% for portion of ARC not funded; (b) aggregate payroll increases of 3.25% per year; and (c) contribution of 14% of payroll for 2009-2010 increasing by 1% of payroll each year until the contribution equals 100% of the ARC. The actuarial value of the plan assets is equal to the fair value. The City's unfunded actuarial liability is being amortized as a level percentage of projected payroll over a fixed 30-year closed period.

Three-Year Trend Information:

(in thousands)

Fiscal Year	Annual OPEB Cost (AOC) (Employer Contribution)	Annual Contribution	Percentage of AOC Contributed	Net OPEB Obligation (Asset)
6/30/2011	\$ 2,161	\$ 2,741	127%	\$ (654)
6/30/2012	3,671	1,497	41%	1,520
6/30/2013	3,892	1,335	34%	4,077

The Schedule of Funding Progress is attached as part of the Required Supplementary Information.

**NOTE 10 LONG-TERM LIABILITIES**

Changes in the City's long-term debt for the fiscal year ended June 30, 2013 were as follows:

	Balance at Beginning of Year	Additions	Reductions	Balance at End of Year	Due Within One Year
<b>Governmental Activities:</b>					
HUD Section 108 Loans	\$ 6,865,000	\$ -	\$ (673,000)	\$ 6,192,000	\$ 698,000
Developer Notes	3,746,060	-	(30,401)	3,715,659	-
Lease Revenue Bonds	1,757,072	-	(383,959)	1,373,113	401,018
2005 Pension Obligation Refunding Bonds	21,100,000	-	(700,000)	20,400,000	800,000
Measure L - Street Light Improvement Bonds	8,884,579	-	(344,466)	8,540,113	385,105
OPEB Liability	1,520,339	3,892,000	(1,335,342)	4,076,997	-
Compensated absences	3,488,848	127,557	-	3,616,405	-
Claims and judgements (Note 13)	4,877,907	490,683	(203,002)	5,165,588	896,000
Governmental activities					
Long-term liabilities	\$ 52,239,805	\$ 4,510,240	\$ (3,670,170)	\$ 53,079,875	\$ 3,180,123
<b>Business-type Activities:</b>					
Compensated absences	\$ 54,904	\$ -	\$ (7,078)	\$ 47,826	\$ -

**NOTE 10      LONG-TERM LIABILITIES (CONTINUED)**

A summary of individual debt issues, accounts outstanding and debt service requirements to maturity follow:

**HUD Section 108 Loan - \$6,192,000**

On June 5, 1996, the City obtained a HUD Section 108 loan (Note No. B-94-MC-06-0566) Series 1996-A in the amount of \$2,970,000. Payments are due semi-annually on August 1 and February 1 with final maturity on August 1, 2014. The note bears interest at rates which approximate 6.98 percent to 7.63 percent. The balance outstanding at June 30, 2013 amounted to \$620,000.

Annual debt service requirements to maturity for the notes are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 300,000	\$ 35,771	\$ 335,771
2015	320,000	12,208	332,208
<b>Total</b>	<b>\$ 620,000</b>	<b>\$ 47,979</b>	<b>\$ 667,979</b>

On September 22, 2006, the City obtained a HUD Section 108 loan (Note No. B-03-MC-06-0566) in the amount of \$7,164,000. Payments are due annually on August 1 starting in 2008 with a final maturity date on August 1, 2026. The note bears interest at variable rates, which approximated 4.47 percent. The balance outstanding at June 30, 2012 amounted to \$5,572,000.

Annual debt service requirements to maturity for the note are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 398,000	\$ 259,576	\$ 657,576
2015	398,000	243,377	641,377
2016	398,000	226,522	624,522
2017	398,000	208,990	606,990
2018	398,000	191,000	589,000
2019-2023	1,990,000	669,337	2,659,337
2024-2027	1,592,000	168,792	1,760,792
<b>Total</b>	<b>\$ 5,572,000</b>	<b>\$ 1,967,594</b>	<b>\$ 7,539,594</b>

**NOTE 10      LONG-TERM LIABILITIES (CONTINUED)**

**Developer Notes - \$3,715,659**

In April 2001, the City entered into an agreement with Adir International Export, Ltd. ("La Curacao") to construct and operate La Curacao department store. As consideration for operating the store, the City agreed to provide La Curacao payments derived from sales tax revenues generated by the store. The payments range from 15 to 60 percent based on the level of sales taxes generated by the store. The consideration to be paid by the City is limited to \$1,800,000 and is subordinate to existing developer notes on the Pacific Shopping Center. The sales tax payments are due semi-annually on March 1 and September 1 commencing on September 1, 2003. As of June 30, 2013, the outstanding balance was \$1,432,002.

In February 2000, the City entered into an agreement with Home Depot U.S.A., Inc. for the development and operation of a Home Depot retail store. As consideration for operating the store, the City agreed to provide Home Depot installment payments on March 1 and September 1 each year, derived from an amount equal to 35 percent of the sales tax revenues generated by the store commencing upon opening. Under the terms of the agreement, the City's obligation accrues simple interest at the rate of 8 percent per annum on the principal balance outstanding. However, the interest is forgiven to the extent that the calculated interest payment exceeds the City's 35 percent sales tax installment. As of June 30, 2013, the outstanding balance was \$2,283,657.

**Lease Revenue Bonds Series 2006 - \$1,373,113**

Huntington Park Public Financing Authority, Lease Revenue Bonds Series 2006, (\$3,650,000) - These bonds were dated September 1, 2006 and were issued for the purpose of financing certain public capital projects, including 1) the construction of the community building, 2) remodeling the City Hall, 3) street improvements, 4) renovation of and improvements for Salt Lake Park and the Salt Lake Park recreation building, 5) median landscaping and improvements on Randolph Street, 6) improvements to the City's maintenance yard and 7) various beautification improvements throughout the City. The Authority and the City have entered into a Lease agreement whereby the 2006 Bonds will be secured by certain base rental payable by the City. The bonds bear interest at 4.59 percent per annum, with principal maturities ranging from \$334,000 to \$439,000 per annum payable on a quarterly basis December 5, March 5, June 5 and September 5 of each year beginning December 5, 2006.

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 401,018	\$ 56,189	\$ 457,207
2015	419,744	37,463	457,207
2016	439,344	17,863	457,207
2017	113,007	1,297	114,304
<b>Total</b>	<b>\$ 1,373,113</b>	<b>\$ 112,812</b>	<b>\$ 1,485,925</b>

**NOTE 10      LONG-TERM LIABILITIES (CONTINUED)**

**Pension Obligation Refunding Bonds (POB's) - \$20,400,000**

City of Huntington Park, Taxable Pension Obligation Refunding Bonds, 2005 Series A (\$23,050,000) - The bonds were dated June 8, 2005, and were issued to make contributions to CalPERS to; a) fund pension benefits for the City's employees who are members of CalPERS and b) reduce the unfunded actuarial liability with respect to such pension benefits. The bonds mature August 1, 2025. The POB's are an absolute and unconditional obligation of the City and payable from any funds available.

On April 5, 2007, the interest rate on the Bonds was converted to a fixed rate equivalent to 5.196% to 5.75%.

Simultaneously with the delivery of the bonds, the City acquired a financial guaranty insurance policy which provides for payment of the principal of and interest on the POB's when due to the extent that the Trustee has not received payment.

See Note 7 regarding Pension Asset relating to these POB's.

The bonds are subject to mandatory redemption requirements commencing each year on or after August 1, 2006 in amounts ranging from \$50,000 to \$2,450,000. Annual debt service requirements to maturity are as follows:

Year ending June 30	Principal	Interest	Total
2014	\$ 800,000	\$ 1,124,472	\$ 1,924,472
2015	900,000	1,080,306	1,980,306
2016	1,050,000	1,029,645	2,079,645
2017	1,150,000	972,489	2,122,489
2018	1,300,000	908,838	2,208,838
2019-2023	8,400,000	3,244,070	11,644,070
2024-2026	6,800,000	607,364	7,407,364
<b>Total</b>	<b>\$ 20,400,000</b>	<b>\$ 8,967,184</b>	<b>\$ 29,367,184</b>

**Measure L - Street Improvement Bonds - \$8,540,113**

In March 2006, the Huntington Park Public Financing Authority entered into an Installment Sale Agreement (ISA) with the City of Huntington Park and an assignment agreement with All Points Public Funding, LLC (the assignee) to finance certain street light projects. Under the terms of the ISA, the City will purchase the street light project from the Authority and pay to the Authority principal in the amount of \$10,000,000, due semi-annually in advance, at the interest rate of 4.9%. Interest becomes due and payable commencing with February 1, 2007 with final maturity on August 1, 2025.

**NOTE 10      LONG-TERM LIABILITIES (CONTINUED)**

Under the terms of the assignment agreement, the Authority received \$10,000,000 from the assignee for the transfer of all rights to the principal and interest payments under the ISA. Repayment of the ISA is secured by street light assessment parcel taxes approved by the voters on November 2, 2004.

The installment sale agreement is subject to optional prepayment, with premiums, commencing August 1, 2026. Annual debt service requirements to maturity are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 385,105	\$ 413,948	\$ 799,053
2015	428,468	394,557	823,025
2016	474,709	373,007	847,716
2017	523,993	349,155	873,148
2018	576,493	322,848	899,341
2019-2024	3,795,912	1,122,058	4,917,970
2025-2026	2,355,433	167,440	2,522,873
<b>Total</b>	<b>\$ 8,540,113</b>	<b>\$ 3,143,013</b>	<b>\$ 11,683,126</b>

**NOTE 11      INTERFUND BALANCES**

The individual fund interfund receivable and payable balances at June 30, 2013 are as follows:

<u>Due To</u>	<u>Due From</u>			
	<u>HUD Home</u>	<u>Governmental</u>		<u>Total Governmental Funds</u>
		<u>Other Governmental Funds</u>	<u>Activities Internal Service Funds</u>	
General Fund	\$ 406,143	\$ 763,979	\$ 115,124	\$ 1,285,246

Amounts due to the General Fund represent short-term borrowings by the HUD Home, Other Governmental Funds and Internal Service funds to compensate for negative cash balances. These balances are expected to be repaid within the next fiscal year.

**NOTE 12      TRANSFERS**

Funds	Transfer in	Transfer out
Major Governmental Funds:		
General	\$        284,664	\$    5,235,474
Employees' Retirement	3,098,312	-
Nonmajor Governmental Funds:		
Street Lighting Landscape Assessment	1,804,465	-
Parking System	-	260,768
Parks and Recreation	-	23,896
Major Enterprise Fund:		
Water	292,576	-
Nonmajor Enterprise Fund:		
Solid Waste Management	40,121	-
Total	\$    5,520,138	\$    5,520,138

During the year ended June 30, 2013, the Parking System Fund and Parks and Recreation Fund transferred \$260,768 and \$23,896 respectively, to the General Fund for reimbursement of costs.

The General Fund transferred \$3,098,312, \$1,804,465, \$292,576 and \$40,121 to the Employees' Retirement Fund, Street Lighting Landscape Assessment Fund, Water Fund and Solid Waste Management Fund. The transfers to the Employees' Retirement Fund and Street Lighting Landscape Assessment Fund were to eliminate respective negative fund balances (deficits). The transfers to Water Fund and Solid Waste Management Fund were to reimburse the funds for eligible expenditures.

**NOTE 13 RISK MANAGEMENT**

The City is self-insured for the first \$250,000 on each general liability claim and for the first \$500,000 on each workers' compensation claim. 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 \$30,000,000 for general liability and \$100,000,000 for workers' compensation claims.

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. At June 30, 2013, the amount of these liabilities was \$5,165,588. The amount represents an estimate of \$2,955,750 for reported claims through June 30, 2013 and \$2,209,838 of estimates incurred but not reported claims. Changes in the reported liability resulted from the following:

Fiscal Year	Liability at Beginning of Year	Current Year Claims and Changes in Estimates	Claim Payments	Liability at End of Year
2011	\$ 4,984,262	\$ 101,082	\$ (221,309)	\$ 4,864,035
2012	4,864,035	88,825	(74,953)	4,877,907
2013	4,877,907	490,683	(203,002)	5,165,588

The City is a member of the ICRMA, a public entity risk pool currently operating as a common risk management and insurance program for 28 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 ICRMA has published its own financial report for the year ended June 30, 2013, which can be obtained from Independent Cities Risk Management Authority, Sherman Oaks, California.

**NOTE 14 RISKS AND UNCERTAINTIES**

**Local Agency Investment Fund**

The City invests in various investment securities, including the Local Agency Investment Fund (LAIF) which are exposed to various risks such as interest rate, market, and credit risks (See Note 4). Moreover, the City is subject to market risk associated with its swap agreements with Union Bank of California, N.A. Due to the level of risks associated with certain investment securities and swap agreements, it is at least reasonably possible that changes in the values of investment securities and swap agreements will occur in the near term and that such change could materially affect the values of investments after June 30, 2013. The actual amount of exposure as of March 31, 2014 is not determinable.

**NOTE 15      LITIGATIONS**

The City of Huntington Park 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 financial statements.

**NOTE 16      DEFERRED INFLOWS 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 inflows of resources in the City’s financial statements. The deferred inflow of resources pertains to unavailable revenues which represent receivables that were not received within the availability period.

	Governmental Activities Balance at June 30, 2013 <hr style="width: 100%;"/>
Deferred inflows of resources:	
Unavailable Revenue - Receivables that were not received within the availability period and were not recognized as revenues	\$ <u>11,298,706</u>

**NOTE 17      CHANGE IN ACCOUNTING PRINCIPLE**

Pursuant to GASB Statement Number 65, *“Items Previously Reported as Assets and Liabilities,”* the City no longer amortizes the cost of debt issuance. These amounts should be expensed in the year they are incurred. The City made adjustments for these items as a cumulative effect of change in accounting principle in the current fiscal year. This resulted in the beginning Net Position for governmental activities being reduced by \$468,804.

**NOTE 18      COMMITMENTS AND CONTINGENCIES**

The City recognizes as revenue, grant moneys received as reimbursement for costs incurred in certain Federal and State programs it administers. Although, the City’s grant programs are being audited through June 30, 2013, in accordance with the provisions of the Single Audit Act of 1996, these programs are still subject to financial and compliance audits and resolution of identified questioned costs. The amount, if any, of expenditures which may be disclosed by the granting agencies cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

In July 2006, the City entered into an exclusive negotiating agreement with a developer for a retail project. Under the terms of the agreement, the City intends to facilitate pre-acquisition activities and/or property acquisition. Proceeds from the Section 108 loan, more fully described in note 10, was used to fund the project and/or subsequent development and disposition agreement (DDA).

**NOTE 19      SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT COMMISSION**

The accompanying financial statements also include the Private-purpose Trust Fund for the Successor Agency to the City's former Redevelopment Commission (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 Commission. 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:

**Land Held For Resale**

In March 2005, the Former Redevelopment Commission (Commission) acquired 4.89 acres of land with improvements on South Alameda Street (the Alameda Property). The land was acquired by the City for the purchase price of \$6,321,641. Of the \$6,321,641, the City provided consideration in the amount of \$5,431,641 and the seller contributed \$890,000 as a donation. In August 2008, the City bought 22,619 square feet of land located in APN 6009-033-800, Huntington Park, CA for \$680,308. The value of the land at June 30, 2013 was \$7,001,949.

**Disclosure of Successor Agency Debts**

	Balance at Beginning of Year	Additions	Reductions	Balance at End of Year	Due Within One Year
<b>Governmental Activities:</b>					
Commission Pass Through Agreements	139,470,918	12,000,709	-	151,471,627	-
Commission Revenue Bonds	39,405,000	-	(3,475,000)	35,930,000	3,615,000
Premium on 2004 issuance	666,709	-	(66,671)	600,038	-
Deferred loss on 2004 Refunding Bonds	(1,707,255)	-	1,707,255	-	-
All Points Loan \$6,575,000 Santa Fe	5,551,127	-	(261,070)	5,290,057	301,121
Neighborhood Preservation Promissory Note	5,476,227	-	(274,506)	5,201,721	274,506
Santa Fe Promissory Note	2,620,226	-	(115,983)	2,504,243	121,121
Interest rate swap liability	1,643,669	-	(487,812)	1,155,857	-
	<u>193,126,621</u>	<u>12,000,709</u>	<u>(2,973,787)</u>	<u>202,153,543</u>	<u>4,311,748</u>
Long-term liabilities	\$ <u>193,126,621</u>	\$ <u>12,000,709</u>	\$ <u>(2,973,787)</u>	\$ <u>202,153,543</u>	\$ <u>4,311,748</u>

**Pass through Agreements with the County of Los Angeles - \$151,471,627**

On January 30, 1990, the Commission entered into an agreement with the County of Los Angeles whereby the County agreed to annually loan to the Commission a portion of the County's share of Tax Increment Revenues. The County Deferral Loans bear interest at a rate of 7 percent per year, compounded annually. The Commission shall commence repayment of the principal and interest amounts of the County Deferral beginning in the fiscal year immediately following the year in which the total of the Commission's share of Tax Increment, debt service override, unitary

**NOTE 19      SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT COMMISSION (CONTINUED)**

revenue, and State property tax subvention revenue is sufficient to meet annual Agency bonded debt service requirements. The County deferral to the Commission shall terminate that year. As of June 30, 2013, these deferrals amounted to \$151,471,627.

**Huntington Park Public Financing Authority Refunding Revenue Bonds, Issue of 2004 Series A (\$35,930,000)**

These bonds were dated May 25, 2004 and were issued to refund \$16,300,000 of the Huntington Park Financing Authority, Merged Redevelopment Project, Local Agency Parity Revenue Bonds, Issue of 1994 Series A, \$16,305,000 of the Huntington Park Financing Authority, Merged Redevelopment Project, Local Agency Taxable Parity Revenue Bonds, Issue of 1994 Series B, and \$23,990,000 of the Huntington Park Financing Authority, Merged Redevelopment Project, Local Agency Taxable Parity Revenue Bonds, Issue of 1994 Series C. The bonds bear varying rates of interest ranging from 3 percent to 5 percent payable September 1 and March 1 commencing September 1, 2004.

**Commission Revenue Bonds - \$35,930,000**

Annual debt service to maturity is as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 3,615,000	\$ 1,719,322	\$ 5,334,322
2015	3,765,000	1,550,638	5,315,638
2016	3,950,000	1,357,762	5,307,762
2017	4,150,000	1,155,262	5,305,262
2018	4,355,000	937,194	5,292,194
2019-2023	16,095,000	1,892,600	17,987,600
<b>Total</b>	<b>\$ 35,930,000</b>	<b>\$ 8,612,778</b>	<b>\$ 44,542,778</b>

**All Points Loan - \$5,290,057**

On October 10, 2007, the Commission entered into an amended and restated lease agreement with the Huntington Park Public Financing Authority (All Points). The amended lease was financed by All Points Public Funding, LLC. Accordingly all lease payments under the lease agreement have been assigned by the Authority to All Points. The proceeds from All Points of \$6,575,000 were used to fund the prepayment of lease payments under the 1997 Lease Agreement and to redeem the 1997 Lease Revenue Bonds in full. The loan bears interest of 4.68% per annum payable June 1 and December 1 of each year beginning December 1, 2007, with principal maturities ranging from \$249,000 to \$528,000. The reduction in interest rate from 6.20% to 4.68% resulted in a lower debt service by about \$1.1 million.

**NOTE 19      SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT COMMISSION (CONTINUED)**

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 301,121	\$ 239,299	\$ 540,420
2015	315,552	224,868	540,420
2016	330,673	209,747	540,420
2017	346,520	193,900	540,420
2018	363,125	177,295	540,420
2019-2023	2,093,937	608,163	2,702,100
2024-2026	1,539,129	108,411	1,647,540
<b>Total</b>	<b>\$ 5,290,057</b>	<b>\$ 1,761,683</b>	<b>\$ 7,051,740</b>

**Neighborhood Preservation Promissory Note - \$5,201,721**

On February 1, 2007, the Commission issued a promissory note (the Note) in the amount of \$6,700,000 to finance the cost of development projects in the Neighborhood Preservation Project Area. The Note is secured by the net tax increment revenues, exclusive of amounts required to be deposited in the low/mod fund and pursuant to pass-through agreements, from the project area and all monies held or deposited with the counterparty. The Note accrues interest at the rate of 64.72% of 1-month LIBOR, plus 3/10 of one percent (.3%), commencing on March 1, 2007 and payable monthly in arrears. Principal is payable annually commencing on February 1, 2007 with a balloon payment at maturity on February 1, 2017 (the Stated Maturity Date). On or before the Stated Maturity Date, if no default has occurred, the counterparty has agreed to renew or refinance the loan on similar terms and conditions at the request of the Commission. Should the Commission renew the Note, principal payments beyond the Stated Maturity Date will be extended with final maturity on February 1, 2027 (the Absolute Maturity Date).

Annual debt service to the stated maturity date using variable rate of 3.48% as of June 30, 2013 is as follows:

<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 285,350	\$ 182,982	\$ 468,332
2015	296,621	172,540	469,161
2016	308,337	161,686	470,023
2017	320,517	150,403	470,920
2018	333,176	138,675	471,851
2019-2023	1,874,002	500,575	2,374,577
2024-2026	1,783,718	136,887	1,920,605
<b>Total</b>	<b>\$ 5,201,721</b>	<b>\$ 1,443,748</b>	<b>\$ 6,645,469</b>

**NOTE 19      SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT  
COMMISSION (CONTINUED)**

**Neighborhood Preservation Interest Rate Swap**

*Objective of the Interest Rate Swap.* As a means to lower financing costs, and to reduce the risks to the Commission of Huntington Park associated with the fluctuations in market interest rates, the Commission entered into an interest rate swap in connection with the \$6.7 million note with Union Bank of California, N.A. The intention of the swap was to effectively change the variable interest rate on the Notes to a synthetic fixed-rate of 3.9%.

*Terms.* The Note and the related swap agreement mature on February 1, 2027, and the swap's notional amount of \$6,700,000 matches the \$6,700,000 variable-rate Note. The swap was effective at the same time the Note was issued on February 1, 2007. The notional value of the swap and the principal amount of the associated debt declined starting in fiscal year 2006-2007. Under the swap agreement, the Commission pays Union Bank of California, N.A. a fixed rate of 3.6% and receives from Union Bank of California, N.A. a variable payment equal to 64.72% of 1-month LIBOR on the outstanding Notes.

In the Event of Default (as defined in the Loan Agreement) up through the Maturity Date, inclusive, and for so long as any Event of Default is continuing, interest shall accrue on the unpaid principal at a rate per annum equal to 64.72% times 1-month LIBOR, plus 5% per annum, based on a 360-day year for actual days elapsed

*Fair Value.* The swap had a negative fair value of \$777,269 as of June 30, 2013. Because the interest rates on the Note adjust to changing interest rates, the Note does not have a corresponding fair value increase. The fair value was the quoted market price from Union Bank of California at June 30, 2013.

*Credit Risk.* The swap counterparty was A-3/Negative by Moody's and A-1/Stable by Standard & Poor's as of June 30, 2013.

*Basis Risk.* The synthetic rate on the Notes of 3.9% is expected to be realized, absent an event of default, because the variable rate of the Notes and the variable rate payments to the counter party are calculated using the same 1 month LIBOR.

*Termination Risk.* The Commission has the right to terminate the Swap Agreement, and Union Bank of California may terminate the Swap Agreement in its sole and absolute discretion, if the Commission is in default, at which time the Commission shall pay the Bank all termination fees, breakage fees and other swap agreement charges payable pursuant to the terms of the Swap Agreement.

*Swap Payments and Associated Debt.* Using rates as of June 30, 2013, debt service requirements of the variable-rate debt and net swap payments, assuming current interest rate remains the same for their term, were as follows. As rates vary, variable-rate note interest payments and net swap payments will vary.

**NOTE 19      SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT COMMISSION (CONTINUED)**

Year ending June 30	Variable-Rate Bonds		Net Swap	Total
	Principal	Interest	Payments	
2014	\$ 285,350	\$ 182,982	\$ (7,854)	\$ 460,478
2015	296,621	172,540	(7,406)	461,755
2016	308,337	161,686	(6,940)	463,083
2017	320,517	150,403	(6,456)	464,464
2018	333,176	138,675	(5,952)	465,899
2019-2023	1,874,002	500,575	(21,486)	2,353,091
2024-2026	1,783,718	136,887	(5,875)	1,914,730
<b>Total</b>	<b>\$ 5,201,721</b>	<b>\$ 1,443,748</b>	<b>\$ (61,969)</b>	<b>\$ 6,583,500</b>

**Santa Fe Promissory Note - \$2,504,243**

On February 1, 2007, the Commission issued a promissory note (the Note) in the amount of \$3,037,000 to redeem the then outstanding amount of 1997 Tax Allocation Revenue and Refunding Bonds on October 1, 2007. The Note is secured by the net tax increment revenues, exclusive of amounts required to be deposited in the low/mod fund and pursuant to pass-through agreements, from the project area and all monies held or deposited with the counterparty. The Note accrues interest from February 1, 2007 through October 1, 2007 (the Fixed Interest Rate Period) at the rate of 6.285%, commencing March 1, 2007 and payable monthly in arrears. From October 1, 2007 until maturity, the Note accrues interest at 64.72% of 1-month LIBOR, plus 9/10 of one percent (.9%), commencing on November 1, 2007 and payable monthly in arrears. Principal is payable annually commencing on October 1, 2007 with a balloon payment at maturity on February 3, 2017.

Annual debt service to the stated maturity date, based on the rate of 4.5% as of June 30, 2013 is as follows:

Year ending June 30	Principal	Interest	Total
2014	\$ 121,121	\$ 75,250	\$ 196,371
2015	126,486	71,274	197,760
2016	132,090	67,121	199,211
2017	137,941	62,785	200,726
2018	144,052	58,256	202,308
2019-2023	821,829	216,014	1,037,843
2024-2028	1,020,724	68,622	1,089,346
<b>Total</b>	<b>\$ 2,504,243</b>	<b>\$ 619,322</b>	<b>\$ 3,123,565</b>

**NOTE 19      SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT COMMISSION (CONTINUED)**

**Santa Fe Interest Rate Swap**

*Objective of the Interest Rate Swap.* As a means to lower financing costs, and to reduce the risks to the Commission of Huntington Park associated with the fluctuation in market interest rates, the Commission entered into an interest rate swap in connection with the \$3.037 million note with Union Bank of California, N.A. The intention of the swap was to effectively change the variable interest rate on the Notes to a synthetic fixed-rate of 4.5%.

*Terms.* The Note and the related swap agreement mature on October 1, 2027, and the swap's notional amount of \$3,037,000 matches the \$3,037,000 variable-rate Note. The swap became effective on October 1, 2007 after the Note had been issued. The notional value of the swap and the principal amount of the associated debt declined starting in fiscal year 2006-2007. Under the swap agreement, the Commission pays Union Bank of California, N.A. a fixed rate of 3.6% and receives from Union Bank of California, N.A. a variable payment equal to 64.72% of 1-month LIBOR on the outstanding Notes.

In the Event of Default (as defined in the Loan Agreement) up through the Maturity Date, inclusive, and for so long as any Event of Default is continuing, interest shall accrue on the unpaid principal at a rate per annum equal to 64.72% times 1-month LIBOR, plus 5% per annum, based on a 360-day year for actual days elapsed.

*Fair Value.* The swap had a negative fair value of \$378,588 as of June 30, 2013. Because the interest rates on the Note adjust to changing interest rates, the Note does not have a corresponding fair value increase. The fair value was the quoted market price from Union Bank of California at June 30, 2013.

*Credit Risk.* The swap counterparty was A-3/Negative by Moody's and A-1/Stable by Standard & Poor's as of June 30, 2013..

*Basis Risk.* The synthetic rate on the Notes of 4.5% is expected to be realized, absent an event of default, as the variable rate of the Notes and the variable rate payments to the counter party are calculated on 1 month LIBOR.

*Termination Risk.* The Commission has the right to terminate the Swap Agreement, and Union Bank of California may terminate the Swap Agreement in its sole and absolute discretion, upon default of the Commission, at which time the Commission shall pay the Bank all termination fees, breakage fees and other swap agreement charges payable pursuant to the terms of the Swap Agreement.

*Swap Payments and Associated Debt.* Using rates as of June 30, 2013, debt service requirements of the variable-rate debt and net swap payments, assuming current interest rate remains the same for their term were as follows. As rates vary, variable-rate note interest payments and net swap payments will vary.

**NOTE 19      SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT COMMISSION (CONTINUED)**

Year ending June 30	Principal	Interest	Net Swap Payments	Total
2014	\$ 121,121	\$ 75,250	\$ (3,714)	\$ 192,657
2015	126,486	71,274	(3,520)	194,240
2016	132,090	67,121	(3,317)	195,894
2017	137,941	62,785	(3,105)	197,621
2018	144,052	58,256	(2,884)	199,424
2019-2023	821,829	216,014	(10,747)	1,027,096
2024-2028	1,020,724	68,622	(3,554)	1,085,792
	<u>\$ 2,504,243</u>	<u>\$ 619,322</u>	<u>\$ (30,841)</u>	<u>\$ 3,092,724</u>

**Advance Refunding and Conduit Debt**

**Advance Refunding**

The Commission has previously advance refunded several outstanding bond issues described below:

Huntington Park Redevelopment Agency  
Merged Redevelopment Project Junior Lien Tax  
Allocation and Sales and Use Tax Revenue Bonds,  
Issue of 1990, of which \$35,515,000 remain  
Outstanding as of June 30, 2013. \$ 35,515,000

The proceeds from the Commission's refunding have been placed in irrevocable escrow accounts overseen by independent bank fiscal agents. Such proceeds are generally invested in U.S. Treasury Securities, which, together with interest earned thereon, are intended to provide amounts sufficient for future payments of interest, principal, and redemption premium on the refunded bonds. These refunded bonds have not been included as Commission outstanding long-term debt since establishing the irrevocable trust thereon satisfied the Commission's obligation.

As of June 30, 2013, the total amount of defeased debt outstanding but removed from the Commission's Statement of Net Assets aggregated \$35,515,000.

**Mortgage Revenue Bond Programs (Conduit Debt)**

The following issues of Residential Mortgage Revenue Bonds, Loans-to-Lenders Revenue Bonds and Industrial Development Revenue Bonds are not reflected in the Statement of Net Position because these bonds are special obligations payable solely from and secured by specific revenue sources described in the bond resolutions and official statements of the respective issues. Neither the faith and credit nor the taxing power of the City, the Community Development Commission, the State of California or any political subdivision thereof, is pledged for the payment of these bonds.

**NOTE 19      SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT COMMISSION (CONTINUED)**

The principal amounts outstanding at June 30, 2013, are as follows:

\$7,200,000 Huntington Park Redevelopment Agency Variable Rate Demand Multifamily Housing Revenue Bonds (Casa Rita Apartments) 1994 Series A	\$            4,600,000
\$4,050,000 Huntington Park Redevelopment Agency Multifamily Housing Revenue Bonds (Concord Apartments) 1999 Series A	\$            3,540,000
	\$            8,140,000

**Prior Period Adjustment**

The net position balance of the Successor Agency has been restated as follows:

Net Position beginning of year, as previously reported	\$    (184,030,404)
Adjustments:	
Adjustment to write off the balance of bond issuance cost to comply with GASB Statement No. 65	(1,458,900)
	\$    (185,489,304)

**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 Successor Agency recognized deferred outflows of resources in the 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 Successor Agency'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.

	Successor Agency to the Dissolved Redevelopment Commission Private Purpose Purpose Trust Fund at June 30, 2013
Deferred outflow of resources:	
Unamortized loss on defeasance of debt	\$            1,520,748
	\$            1,520,748

**NOTE 20      SUBSEQUENT EVENTS**

The City has evaluated events subsequent to June 30, 2013 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through March 24, 2014, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that no other subsequent events occurred that require recognition or additional disclosure in the financial statements.

**REQUIRED SUPPLEMENTARY INFORMATION**

**City of Huntington Park**  
**Schedule of Funding Progress**  
**Safety and Miscellaneous Plans of the California Public Employees' Retirement System**  
**June 30, 2013**

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The following tables show the City's Schedule of Funding Progress on its Pension Plans for employees.

(In thousands)

**Safety Plan**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
6/30/2009	\$ 8,027,159	\$ 9,721,675	\$ 1,694,517	82.6%	\$ 973,814	174.0%
6/30/2010	8,470,235	10,165,475	1,695,240	83.3%	955,981	177.3%
6/30/2011	9,135,654	10,951,745	1,816,091	83.4%	949,833	191.2%

**Miscellaneous Plan**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
6/30/2009	\$ 45,456	\$ 45,346	\$ (110)	100.2%	\$ 7,810	-1.4%
6/30/2010	47,438	48,583	1,145	97.6%	8,138	14.1%
6/30/2011	49,517	52,462	2,945	94.4%	6,845	43.0%

**City of Huntington Park  
 Schedule of Funding Progress  
 Other Post Employment Benefit Plan  
 June 30, 2013**

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(in thousands)

<u>Fiscal Year</u>	<u>Entry Age Normal Accrued Liability</u>	<u>Actuarial Value of Assets (AVA)</u>	<u>Unfunded Actuarial Accrued Liability</u>	<u>Funded Status based on AVA</u>	<u>Annual Covered Payroll</u>	<u>UAAL as % of Payroll</u>
6/30/2008	\$ 29,685	\$ 2,422	\$ 27,263	8%	\$ 12,777	213%
6/30/2009	23,357	2,712	20,645	12%	13,192	156%
6/30/2011*	45,080	5,559	39,521	12%	13,675	289%

\* latest available actuarial report

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**General Fund**  
**Year ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 17,390,337	\$ 17,390,337	\$ 17,521,736	\$ 131,399
Licenses and permits	1,899,500	1,899,500	2,487,955	588,455
Fines and forfeitures	1,615,000	1,615,000	1,471,207	(143,793)
Use of money and property	255,000	255,000	41,270	(213,730)
Intergovernmental	154,013	154,013	143,777	(10,236)
Charges for services	2,003,500	2,003,500	2,603,765	600,265
Other revenues	171,600	171,600	2,938,574	2,766,974
Interfund charges	551,000	551,000	317,130	(233,870)
<b>Total revenues</b>	<b>24,039,950</b>	<b>24,039,950</b>	<b>27,525,414</b>	<b>3,485,464</b>
<b>Expenditures</b>				
Current:				
General government:				
City council	253,438	253,438	226,926	26,512
Planning commission	24,070	24,070	10,649	13,421
Health and education commission	1,985	1,985	1,895	90
Historical preservation commission	5,785	5,785	434	5,351
Parks and recreation commission	3,750	3,750	2,587	1,163
Civil service commission	1,050	1,050	203	847
City manager	191,328	191,328	426,419	(235,091)
City attorney	544,000	544,000	530,348	13,652
Human resources	317,099	317,099	262,195	54,904
Special events	53,817	53,817	59,430	(5,613)
City clerk	480,900	480,900	452,204	28,696
Emergency preparedness	6,000	6,000	5,003	997
Finance	804,219	804,219	891,125	(86,906)
Data processing	86,493	86,493	85,446	1,047
Revenue collection	259,915	259,915	299,003	(39,088)
Non-departmental	6,000	6,000	5,558	442
Total general government	3,039,849	3,039,849	3,259,425	(219,576)
Public safety:				
Administration	1,866,980	1,866,980	1,712,650	154,330
Operations	8,825,621	8,825,621	8,349,809	475,812
Investigations	4,483,429	4,483,429	4,355,024	128,405
Support services	2,233,294	2,233,294	2,186,571	46,723
Animal control	296,621	296,621	273,848	22,773
Total public safety	17,705,945	17,705,945	16,877,902	828,043
Public works:				
Recreation buildings	258,432	258,432	298,003	(39,571)
Police buildings	250,299	250,299	199,741	50,558
Street operations	1,432,694	1,432,694	925,242	507,452
Mechanical admin	312,117	312,117	330,895	(18,778)
General government buildings	146,072	146,072	131,082	14,990
Waste collection and disposal	1,450,000	1,450,000	1,676,970	(226,970)
Community beautification	599,512	599,512	581,742	17,770
Total public works	4,449,126	4,449,126	4,143,675	305,451

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**General Fund (Continued)**  
**Year ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Community services:				
Administration	662,063	662,063	584,289	77,774
Cultural arts	437,266	437,266	391,991	45,275
Youth sports programs	179,317	179,317	198,041	(18,724)
Adult sports programs	34,070	34,070	31,608	2,462
Lunch programs	50,000	50,000	43,767	6,233
Fee classes	60,000	60,000	67,211	(7,211)
Total community services	<u>1,422,716</u>	<u>1,422,716</u>	<u>1,316,907</u>	<u>105,809</u>
Community development:				
Engineering	167,876	167,876	131,406	36,470
Planning and building	2,705,000	2,705,000	934,820	1,770,180
Economic development	673,280	673,280	-	673,280
Total community development	<u>3,546,156</u>	<u>3,546,156</u>	<u>1,066,226</u>	<u>2,479,930</u>
Debt service:				
Principal retirement	433,652	433,652	320,000	113,652
<b>Total expenditures</b>	<u>30,597,444</u>	<u>30,597,444</u>	<u>26,984,135</u>	<u>3,613,309</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(6,557,494)</u>	<u>(6,557,494)</u>	<u>541,279</u>	<u>7,098,773</u>
<b>Other financing sources (uses)</b>				
Transfers in	2,505,543	2,505,543	284,664	(2,220,879)
Transfers out	-	-	(5,235,474)	(5,235,474)
<b>Net other financing sources (uses)</b>	<u>2,505,543</u>	<u>2,505,543</u>	<u>(4,950,810)</u>	<u>(7,456,353)</u>
Change in fund balance	(4,051,951)	(4,051,951)	(4,409,531)	(357,580)
<b>Fund balances, beginning of year</b>	<u>16,022,823</u>	<u>16,022,823</u>	<u>16,022,823</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 11,970,872</u>	<u>\$ 11,970,872</u>	<u>\$ 11,613,292</u>	<u>\$ (357,580)</u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Employees' Retirement - Special Revenue Fund**  
**Year ended June 30, 2013**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 2,565,000	\$ 2,565,000	\$ 4,576,431	\$ 2,011,431
Intergovernmental	-	-	9,327	9,327
<b>Total revenues</b>	<u>2,565,000</u>	<u>2,565,000</u>	<u>4,585,758</u>	<u>2,020,758</u>
<b>Expenditures</b>				
Current:				
General government	2,500	2,500	95,835	(93,335)
Debt service:				
Principal retirement	700,000	700,000	700,000	-
Interest and fiscal charges	1,163,442	1,163,442	1,163,442	-
<b>Total expenditures</b>	<u>1,865,942</u>	<u>1,865,942</u>	<u>1,959,277</u>	<u>(93,335)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	699,058	699,058	2,626,481	1,927,423
<b>Other financing sources (uses)</b>				
Transfers in	-	-	3,098,312	3,098,312
<b>Change in fund balance</b>	699,058	699,058	5,724,793	5,025,735
<b>Fund balances, beginning of year</b>	<u>(3,098,312)</u>	<u>(3,098,312)</u>	<u>(3,098,312)</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ (2,399,254)</u>	<u>\$ (2,399,254)</u>	<u>\$ 2,626,481</u>	<u>\$ 5,025,735</u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**HUD Home Program - Special Revenue Fund**  
**Year ended June 30, 2013**

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	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ 472,320	\$ 472,320	\$ 1,575,546	\$ 1,103,226
<b>Total revenue</b>	<u>472,320</u>	<u>472,320</u>	<u>1,575,546</u>	<u>1,103,226</u>
<b>Expenditures</b>				
Current:				
Community services	336,892	336,892	292,920	43,972
Capital outlay	<u>2,900,012</u>	<u>2,900,012</u>	<u>1,350,237</u>	<u>1,549,775</u>
<b>Total expenditures</b>	<u>3,236,904</u>	<u>3,236,904</u>	<u>1,643,157</u>	<u>1,593,747</u>
<b>Change in fund balance</b>	(2,764,584)	(2,764,584)	(67,611)	2,696,973
<b>Fund balances, beginning of year</b>	<u>(332,415)</u>	<u>(332,415)</u>	<u>(332,415)</u>	-
<b>Fund balances, end of year</b>	<u><u>\$ (3,096,999)</u></u>	<u><u>\$ (3,096,999)</u></u>	<u><u>\$ (400,026)</u></u>	<u><u>\$ 2,696,973</u></u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**HUD Section 108 Loan - Special Revenue Fund**  
**Year ended June 30, 2013**

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	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Use of money and property	\$ 15,000	\$ 15,000	\$ 19,963	\$ 4,963
<b>Expenditures</b>				
Current:				
Community development	398,000	398,000	398,000	-
<b>Change in fund balance</b>	(383,000)	(383,000)	(378,037)	4,963
<b>Fund balances, beginning of year</b>	<u>6,314,862</u>	<u>6,314,862</u>	<u>6,314,862</u>	-
<b>Fund balances, end of year</b>	<u>\$ 5,931,862</u>	<u>\$ 5,931,862</u>	<u>\$ 5,936,825</u>	<u>\$ 4,963</u>

**City of Huntington Park**  
**Expenditures in Excess of Appropriations**  
**Year ended June 30, 2013**

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		Excess of Expenditures over Appropriations
<hr/>		
<i>Major Funds:</i>		
General Fund		
General Government:		
City manager	\$	(235,091)
Special events		(5,613)
Finance		(86,906)
Revenue collection		(39,088)
Public Works:		
Recreation buildings		(39,571)
Mechanical admin		(18,778)
Waste collection and disposal		(226,970)
Community services:		
Community classes		(18,724)
Fee classes		(7,211)
Employees' Retirement Fund		
General Government		(93,335)
 <i>Non Major Funds:</i>		
Special Revenue Funds		
State Gas Tax		
Public works		(472,375)
Local Origination Program		
Public works		(49,561)
Sales tax transit proposition A		
Community services		(48,234)
Asset forfeiture		
Public safety		(20,773)
Air Quality and Improvement		
Capital outlay		(19,284)
Supplemental law enforcement		
Capital outlay		(284,811)
TDA/Bike Path		
Community development		(5,040)
Measure R		
Public works		(407,182)
 Capital Projects Funds		
Capital Improvement		
Capital outlay		(9,794)

### **Budgetary Information**

The City and its component units' fiscal year begins on July 1 of each year and ends June 30 the following year. 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. Management may overexpend appropriations within a department without the approval of City Council. City Council approval is required for any budget revisions that affect total appropriations of the City. Appropriations lapse at the end of the fiscal year unless they are reappropriated through the formal budget process. The City controls expenditures without the aid of encumbrances. Council action is necessary for transfers between departments/agencies or transfers between funds.

Annual budgets are legally adopted for the General Fund, Special Revenue Funds, Debt Service Funds and Certain Capital Projects Funds. Monthly budgetary reports are prepared to effect control through fiscal management. 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.

Budgets are prepared on a modified accrual basis. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as reservations of fund balances since they do not constitute expenditures or liabilities. All annual appropriations lapse at fiscal year-end to the extent that they have not been expended or lawfully encumbered. Expenditures may not legally exceed appropriations at the departmental level in the governmental funds, except that certain Special Revenue Funds are maintained at the project level.

**OTHER SUPPLEMENTARY INFORMATION**

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**SPECIAL REVENUE FUNDS**

The Special Revenue Funds account for the proceeds of specific sources that are legally restricted for expenditures related to specific purposes. Funds included are:

<b><i>Special Events</i></b>	To account for the funds used for improvements and equipment purchases for the parks and recreation department and the revenues to fund those expenditures.
<b><i>Parks and Recreation</i></b>	To account for revenues received from fees collected for parks and recreation.
<b><i>State Gas Tax</i></b>	To account for the City's share of tax revenues collected by the State on the sale of fuel for motor vehicles. The use of these funds is restricted to the construction, improvement, or maintenance of public streets.
<b><i>Art in Public Places</i></b>	To account for funds used to purchase artworks with in-lieu contribution from contractors who do not elect to provide artwork for their projects.
<b><i>Local Origination Program</i></b>	To account for revenues from franchise fees that are used to record council meetings and other equipment expenditures.
<b><i>Community Development Block Grant</i></b>	To account for housing and community development projects. Financing is provided by federal grants received from Department of Housing and Urban Development CDBG Program.
<b><i>Sales Tax Transit Prop A</i></b>	To account for the City's share of an additional one-half percent sales tax that was approved by the electorate in November 1980 and is collected by the County of Los Angeles to finance certain transportation projects.
<b><i>Asset Forfeiture</i></b>	To account for monies received from State and Federal agencies in Asset Forfeiture cases. These monies are restricted solely for law enforcement purposes.
<b><i>Air Quality Improvement</i></b>	To account for monies received from the South Coast Air Quality Management District. These monies are to be used for programs that reduce air pollution from motor vehicles.
<b><i>Sales Tax Transit Prop C</i></b>	To account for the City's share of a sales tax increase approved by Los Angeles County voters in 1990 to fund transportation projects.
<b><i>Business Improvement District</i></b>	To account for the Business Improvement Area Law (AB-1693) revenue. The revenue is collected through a Citywide Business Improvement District and used to promote local business activities.

<b><i>Supplemental Law Enforcement</i></b>	To account for monies received from the State allocated by AB3229 of 1996 for the Citizen Option for Public Safety (COPS) Program.
<b><i>HUD Social Security Grant</i></b>	To account for funds received from HUD for the purpose of providing micro loans.
<b><i>Illegal Disposal Abatement</i></b>	To account for resources that are used for expenditures relating to illegal disposal abatement.
<b><i>Public Financing Authority</i></b>	Component unit of the City used to facilitate financing of various improvements and economic development efforts.
<b><i>Public Safety</i></b>	To account for grant money passed through from the California Office of Traffic Safety.
<b><i>Parking System</i></b>	To account for funds received for parking meters and other parking related activities and to account for the expenditures related to the enforcement of parking regulations and other activities.
<b><i>Solid Waste Recycle Grant</i></b>	To account for funds received under the waste recycling grant.
<b><i>OPEB</i></b>	To account for the funds and expenditures related to the City's other postemployment benefits.
<b><i>Park Facility</i></b>	To account for revenues received from a City-wide Park Maintenance assessment district. The district is responsible for landscaping, tree trimming, irrigation and maintenance of parks within the City.
<b><i>Street Lighting Assessment</i></b>	To account for revenues received from a citywide Landscape Maintenance District. The District is responsible for the maintenance of streetlights and the landscaping of median islands, parkways, street trees, and city parks.
<b><i>Landscape</i></b>	
<b><i>TDA / Bike Path</i></b>	To account for the funds received and expenditures related to the Bicycle and Pedestrian Facilities Program under Article 3 of the Transportation Development Act.

<b><i>Measure R</i></b>	To account for revenues and monies spent on critical transit and highway projects.
<b><i>Inmate Welfare</i></b>	To account for the funds received and spent to provide services essential to the benefit, welfare, and educational needs of the inmates confined in the detention facilities.
<b><i>LBPHCP Lead Base</i></b>	To account for funds spent on programs to address lead poisoning in low-to-moderate income families.
<b><i>Neighborhood Lead Base</i></b>	To account for funds spent on programs to enhance the control of lead paint hazards and make housing safe from other health and safety concerns.
<b><i>Homelessness Prevention</i></b>	To account for revenues and expenditures incurred to help families who are either homeless or at risk of becoming homeless.
<b><i>Federal Street Improvement</i></b>	To account for funds received to improve and maintain the City's streets and roads.
<b><i>DNA ID</i></b>	To account for revenues received and expenditures incurred to further the use of DNA in solving crime.

**CAPITAL PROJECTS FUNDS**

Capital projects funds are used to account for financial resources used for the acquisition or construction of major capital facilities which are not financed by proprietary funds.

<b><i>Capital Improvement</i></b>	To account for various capital projects of the City. Financing is provided by various grants received by the City.
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	Special Revenue			
	Special Events	Parks and Recreation	State Gas Tax	Art in Public Places
<b>ASSETS</b>				
Cash and investments	\$ 154,749	\$ 242,063	\$ 2,474,572	\$ 195,659
Receivables:				
Taxes and intergovernmental	-	-	-	-
Accounts and interest	52	-	1,002	65
Loans	-	-	-	-
Prepaid expenses	-	-	-	-
<b>Total assets</b>	<b>\$ 154,801</b>	<b>\$ 242,063</b>	<b>\$ 2,475,574</b>	<b>\$ 195,724</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
	-	-	-	-
<b>Total assets and deferred outflows of resources</b>	<b>\$ 154,801</b>	<b>\$ 242,063</b>	<b>\$ 2,475,574</b>	<b>\$ 195,724</b>
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ 283,224	\$ 41,097	\$ -
Accrued payroll	-	-	4,008	-
Accrued employee benefits payable - short term	-	-	7,084	-
Deposits	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenue	-	9,971	-	-
<b>Total liabilities</b>	<b>-</b>	<b>293,195</b>	<b>52,189</b>	<b>-</b>
<b>Deferred inflows of resources</b>				
Unavailable revenue	-	-	-	-
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted for:				
Capital projects	-	-	-	-
Special revenue funds	154,801	-	2,423,385	195,724
Unassigned	-	(51,132)	-	-
<b>Total fund balances</b>	<b>154,801</b>	<b>(51,132)</b>	<b>2,423,385</b>	<b>195,724</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 154,801</b>	<b>\$ 242,063</b>	<b>\$ 2,475,574</b>	<b>\$ 195,724</b>
<b>Fund No.</b>	114	212	221	232

**City of Huntington Park  
Nonmajor Governmental Funds  
Combining Balance Sheet  
June 30, 2013**

Special Revenue			
Local Origination Program	Community Development Block Grant	Sales Tax Transit Proposition A	Asset Forfeiture
\$ -	\$ -	\$ 618,442	\$ 1,447,272
-	391,048	-	-
-	-	2,388	24,018
-	158,496	-	-
-	-	-	-
<u>\$ -</u>	<u>\$ 549,544</u>	<u>\$ 620,830</u>	<u>\$ 1,471,290</u>
-	-	-	-
<u>\$ -</u>	<u>\$ 549,544</u>	<u>\$ 620,830</u>	<u>\$ 1,471,290</u>
\$ -	\$ 78,250	\$ 361,636	\$ 8,783
-	7,696	2,534	662
-	5,659	1,042	-
-	-	25,000	-
7,748	368,326	-	-
-	48,307	2,180	-
<u>7,748</u>	<u>508,238</u>	<u>392,392</u>	<u>9,445</u>
-	158,496	-	-
-	-	-	-
-	-	-	-
-	-	228,438	1,461,845
<u>(7,748)</u>	<u>(117,190)</u>	<u>-</u>	<u>-</u>
<u>(7,748)</u>	<u>(117,190)</u>	<u>228,438</u>	<u>1,461,845</u>
<u>\$ -</u>	<u>\$ 549,544</u>	<u>\$ 620,830</u>	<u>\$ 1,471,290</u>
223	(237 & 239)	219	229

	Special Revenue			
	Air Quality Improvement	Sales Tax Transit Proposition C	Business Improvement District	Supplemental Law Enforcement
<b>ASSETS</b>				
Cash and investments	\$ 677,554	\$ 320,961	\$ 93,043	\$ -
Receivables:				
Taxes and intergovernmental	-	-	-	415,695
Accounts and interest	18,651	-	31	89
Loans	-	-	-	-
Prepaid expenses	-	-	-	-
<b>Total assets</b>	<b>\$ 696,205</b>	<b>\$ 320,961</b>	<b>\$ 93,074</b>	<b>\$ 415,784</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
	-	-	-	-
<b>Total assets and deferred outflows of resources</b>	<b>\$ 696,205</b>	<b>\$ 320,961</b>	<b>\$ 93,074</b>	<b>\$ 415,784</b>
<b>LIABILITIES</b>				
Accounts payable	\$ -	\$ 102,718	\$ 3,881	\$ 38,218
Accrued payroll	5,226	1,976	93	-
Accrued employee benefits payable - short term	-	421	135	-
Deposits	-	-	-	-
Due to other funds	-	-	-	49,971
Unearned revenue	-	-	-	-
<b>Total liabilities</b>	<b>5,226</b>	<b>105,115</b>	<b>4,109</b>	<b>88,189</b>
<b>Deferred inflows of resources</b>				
Unavailable revenue	-	-	-	402,515
<b>FUND BALANCES</b>				
Nonspendable	-	-	-	-
Restricted for:				
Capital projects	-	-	-	-
Special revenue funds	690,979	215,846	88,965	-
Unassigned	-	-	-	(74,920)
<b>Total fund balances</b>	<b>690,979</b>	<b>215,846</b>	<b>88,965</b>	<b>(74,920)</b>
<b>Total liabilities and fund balances</b>	<b>\$ 696,205</b>	<b>\$ 320,961</b>	<b>\$ 93,074</b>	<b>\$ 415,784</b>
<b>Fund No.</b>	<b>226</b>	<b>220</b>	<b>533</b>	<b>(225 - 234)</b>

City of Huntington Park  
 Nonmajor Governmental Funds  
 Combining Balance Sheet (Continued)  
 June 30, 2013

Special Revenue				
HUD Social Security Grant	Illegal Disposal Abatement	Public Financing Authority	Public Safety	Parking System
\$ 10,485	\$ -	\$ -	\$ -	\$ -
-	-	-	64,402	-
-	-	-	-	-
9,459	-	-	-	-
-	-	-	-	-
<u>\$ 19,944</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,402</u>	<u>\$ -</u>
-	-	-	-	-
<u>\$ 19,944</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,402</u>	<u>\$ -</u>
\$ -	\$ 581	\$ -	\$ -	\$ 20,853
-	1,099	-	-	3,924
-	-	-	-	2,337
-	-	-	-	-
-	13,000	1,850	36,785	219,137
-	-	-	12,847	-
<u>-</u>	<u>14,680</u>	<u>1,850</u>	<u>49,632</u>	<u>246,251</u>
9,459	-	-	-	-
-	-	-	-	-
-	-	-	-	-
10,485	-	-	14,770	-
-	(14,680)	(1,850)	-	(246,251)
<u>10,485</u>	<u>(14,680)</u>	<u>(1,850)</u>	<u>14,770</u>	<u>(246,251)</u>
<u>\$ 19,944</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 64,402</u>	<u>\$ -</u>
240	286	475	224	231

	Special Revenue		
	Solid Waste Recycle Grant	OPEB	Park Facility
<b>ASSETS</b>			
Cash and investments	\$ 41,562	\$ 284,877	\$ 47,683
Receivables:			
Taxes and intergovernmental	-	-	-
Accounts and interest	13	32,589	16
Loans	-	-	-
Prepaid expenses	-	-	-
<b>Total assets</b>	<u>\$ 41,575</u>	<u>\$ 317,466</u>	<u>\$ 47,699</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
	-	-	-
<b>Total assets and deferred outflows of resources</b>	<u>\$ 41,575</u>	<u>\$ 317,466</u>	<u>\$ 47,699</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 2,065	\$ 6,000	\$ -
Accrued payroll	-	-	-
Accrued employee benefits payable - short term	-	-	-
Deposits	-	-	-
Due to other funds	-	-	-
Unearned revenue	-	-	-
<b>Total liabilities</b>	<u>2,065</u>	<u>6,000</u>	<u>-</u>
<b>Deferred inflows of resources</b>			
Unavailable revenue	-	-	-
<b>FUND BALANCES</b>			
Nonspendable	-	-	-
Restricted for:			
Capital projects	-	-	-
Special revenue funds	39,510	311,466	47,699
Unassigned	-	-	-
<b>Total fund balances</b>	<u>39,510</u>	<u>311,466</u>	<u>47,699</u>
<b>Total liabilities and fund balances</b>	<u>\$ 41,575</u>	<u>\$ 317,466</u>	<u>\$ 47,699</u>
<b>Fund No.</b>	287	217	213

**City of Huntington Park  
Nonmajor Governmental Funds  
Combining Balance Sheet (Continued)  
June 30, 2013**

Special Revenue					
Street Lighting Landscape Assessment	TDA / Bike Path	Measure R	Inmate Welfare	LBPHCP Lead Base	
\$ 96,421	\$ 37,306	\$ 1,121,607	\$ 65,837	\$ -	
40,169	-	14,620	-	25,717	
-	12	509	22	-	
-	-	-	-	-	
-	-	8,282	-	-	
<u>\$ 136,590</u>	<u>\$ 37,318</u>	<u>\$ 1,145,018</u>	<u>\$ 65,859</u>	<u>\$ 25,717</u>	
-	-	-	-	-	
<u>\$ 136,590</u>	<u>\$ 37,318</u>	<u>\$ 1,145,018</u>	<u>\$ 65,859</u>	<u>\$ 25,717</u>	
\$ 74,872	\$ 5,040	\$ 15,682	\$ 21	\$ 12,688	
2,982	-	-	-	180	
3,015	-	-	-	965	
-	-	-	-	-	
-	-	-	-	67,162	
-	-	-	-	-	
<u>80,869</u>	<u>5,040</u>	<u>15,682</u>	<u>21</u>	<u>80,995</u>	
-	-	-	-	-	
-	-	8,282	-	-	
-	-	-	-	-	
55,721	32,278	1,121,054	65,838	-	
-	-	-	-	(55,278)	
<u>55,721</u>	<u>32,278</u>	<u>1,129,336</u>	<u>65,838</u>	<u>(55,278)</u>	
<u>\$ 136,590</u>	<u>\$ 37,318</u>	<u>\$ 1,145,018</u>	<u>\$ 65,859</u>	<u>\$ 25,717</u>	
535	334	222	121	246	

	Special Revenue		
	Neighborhood Lead Base	Homelessness Prevention	Federal Street Improvement
<b>ASSETS</b>			
Cash and investments	\$ 39,000	\$ 148	\$ 1,796
Receivables:			
Taxes and intergovernmental	13	-	-
Accounts and interest	-	-	-
Loans	-	-	-
Prepaid expenses	-	-	-
<b>Total assets</b>	<b>\$ 39,013</b>	<b>\$ 148</b>	<b>\$ 1,796</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
	-	-	-
<b>Total assets and deferred outflows of resources</b>	<b>\$ 39,013</b>	<b>\$ 148</b>	<b>\$ 1,796</b>
<b>LIABILITIES</b>			
Accounts payable	\$ -	\$ -	\$ -
Accrued payroll	-	-	-
Accrued employee benefits payable - short term	-	-	-
Deposits	-	-	-
Due to other funds	-	-	-
Unearned revenue	38,872	-	-
<b>Total liabilities</b>	<b>38,872</b>	<b>-</b>	<b>-</b>
<b>Deferred inflows of resources</b>			
Unavailable revenue	-	-	-
<b>FUND BALANCES</b>			
Nonspendable	-	-	-
Restricted for:			
Capital projects	-	-	-
Special revenue funds	141	148	1,796
Unassigned	-	-	-
<b>Total fund balances</b>	<b>141</b>	<b>148</b>	<b>1,796</b>
<b>Total liabilities and fund balances</b>	<b>\$ 39,013</b>	<b>\$ 148</b>	<b>\$ 1,796</b>
<b>Fund No.</b>	<b>247</b>	<b>248</b>	<b>235</b>

**City of Huntington Park**  
**Nonmajor Governmental Funds**  
**Combining Balance Sheet (Continued)**  
**June 30, 2013**

Special Revenue Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
DNA ID	Capital Improvement	
\$ 24,136	\$ 1,059,806	9,054,979
-	165,750	1,117,414
8	354	79,819
-	-	167,955
-	-	8,282
<u>\$ 24,144</u>	<u>\$ 1,225,910</u>	<u>\$ 10,428,449</u>
-	-	-
<u>\$ 24,144</u>	<u>\$ 1,225,910</u>	<u>\$ 10,428,449</u>
\$ -	\$ -	\$ 1,055,609
-	-	30,380
-	-	20,658
-	-	25,000
-	-	763,979
-	-	112,177
<u>-</u>	<u>-</u>	<u>2,007,803</u>
-	165,750	736,220
-	-	8,282
-	1,060,160	1,060,160
24,144	-	7,185,033
-	-	(569,049)
<u>24,144</u>	<u>1,060,160</u>	<u>7,684,426</u>
<u>\$ 24,144</u>	<u>\$ 1,225,910</u>	<u>\$ 10,428,449</u>
120	349	

	Special Revenue			
	Special Events	Parks and Recreation	State Gas Tax	Art in Public Places
<b>Revenues</b>				
Taxes	\$ -	\$ 66,876	\$ -	\$ 2,970
Fines and forfeitures	-	-	-	-
Use of money and property	478	1,025	9,233	647
Intergovernmental	-	178,420	1,458,735	-
Charges for services	-	-	-	-
Other revenues	21,000	-	-	-
Interfund charges	-	-	-	-
<b>Total revenues</b>	<u>21,478</u>	<u>246,321</u>	<u>1,467,968</u>	<u>3,617</u>
<b>Expenditures</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	1,392,142	-
Community services	-	-	-	-
Community development	-	-	-	-
Capital outlay	9,397	253,791	4,717	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total expenditures</b>	<u>9,397</u>	<u>253,791</u>	<u>1,396,859</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>12,081</u>	<u>(7,470)</u>	<u>71,109</u>	<u>3,617</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	-	(23,896)	-	-
<b>Net other financing sources (uses)</b>	<u>-</u>	<u>(23,896)</u>	<u>-</u>	<u>-</u>
Change in fund balance	12,081	(31,366)	71,109	3,617
<b>Fund balances, beginning of year</b>	<u>142,720</u>	<u>(19,766)</u>	<u>2,352,276</u>	<u>192,107</u>
<b>Fund balances, end of year</b>	<u>\$ 154,801</u>	<u>\$ (51,132)</u>	<u>\$ 2,423,385</u>	<u>\$ 195,724</u>
<b>Fund No.</b>	114	212	221	232

**City of Huntington Park**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Year ended June 30, 2013**

Special Revenue			
Local Origination Program	Community Development Block Grant	Sales Tax Transit Proposition A	Asset Forfeiture
\$ 21,149	\$ -	\$ 1,167,038	\$ -
-	-	-	91,426
6	-	1,282	4,780
-	1,257,243	-	-
-	-	287,271	-
-	-	-	-
-	-	-	-
<u>21,155</u>	<u>1,257,243</u>	<u>1,455,591</u>	<u>96,206</u>
-	-	-	-
-	-	-	40,773
49,561	-	-	-
-	-	1,505,509	-
-	1,412,453	-	-
1,208	-	-	10,538
-	-	-	-
-	-	-	-
<u>50,769</u>	<u>1,412,453</u>	<u>1,505,509</u>	<u>51,311</u>
<u>(29,614)</u>	<u>(155,210)</u>	<u>(49,918)</u>	<u>44,895</u>
-	-	-	-
-	-	-	-
-	-	-	-
<u>(29,614)</u>	<u>(155,210)</u>	<u>(49,918)</u>	<u>44,895</u>
<u>21,866</u>	<u>38,020</u>	<u>278,356</u>	<u>1,416,950</u>
<u>\$ (7,748)</u>	<u>\$ (117,190)</u>	<u>\$ 228,438</u>	<u>\$ 1,461,845</u>
223	(237 & 239)	219	229

	Special Revenue			
	Air Quality Improvement	Sales Tax Transit Proposition C	Business Improvement District	Supplemental Law Enforcement
<b>Revenues</b>				
Taxes	\$ -	\$ 825,808	\$ 296,262	\$ -
Fines and forfeitures	-	-	-	-
Use of money and property	2,253	20	455	1,034
Intergovernmental	70,363	-	-	180,152
Charges for services	-	-	-	-
Other revenues	-	-	-	100,000
Interfund charges	-	-	-	-
<b>Total revenues</b>	<u>72,616</u>	<u>825,828</u>	<u>296,717</u>	<u>281,186</u>
<b>Expenditures</b>				
Current:				
General government	-	-	-	-
Public safety	8,274	-	-	96,729
Public works	-	734,315	-	-
Community services	-	-	-	-
Community development	-	-	257,808	-
Capital outlay	19,284	-	-	568,279
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total expenditures</b>	<u>27,558</u>	<u>734,315</u>	<u>257,808</u>	<u>665,008</u>
Excess (deficiency) of revenues over expenditures	<u>45,058</u>	<u>91,513</u>	<u>38,909</u>	<u>(383,822)</u>
<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>
Change in fund balance	45,058	91,513	38,909	(383,822)
<b>Fund balances, beginning of year</b>	<u>645,921</u>	<u>124,333</u>	<u>50,056</u>	<u>308,902</u>
<b>Fund balances, end of year</b>	<u>\$ 690,979</u>	<u>\$ 215,846</u>	<u>\$ 88,965</u>	<u>\$ (74,920)</u>
<b>Fund No.</b>	226	220	533	(225 - 234)

**City of Huntington Park**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**(Continued)**  
**Year ended June 30, 2013**

Special Revenue				
HUD Social Security Grant	Illegal Disposal Abatement	Public Financing Authority	Public Safety	Parking System
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	9,794	-
-	-	-	13	30
-	77,740	-	52,061	-
-	-	-	-	1,106,426
-	-	-	-	18,000
-	-	-	-	-
<u>-</u>	<u>77,740</u>	<u>-</u>	<u>61,868</u>	<u>1,124,456</u>
-	-	-	-	-
-	-	-	66,306	-
-	-	-	-	-
-	-	-	-	-
-	77,208	-	-	614,699
-	19,678	-	-	-
-	-	-	-	383,128
-	-	-	-	74,080
<u>-</u>	<u>96,886</u>	<u>-</u>	<u>66,306</u>	<u>1,071,907</u>
<u>-</u>	<u>(19,146)</u>	<u>-</u>	<u>(4,438)</u>	<u>52,549</u>
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(260,768)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(260,768)</u>
-	(19,146)	-	(4,438)	(208,219)
<u>10,485</u>	<u>4,466</u>	<u>(1,850)</u>	<u>19,208</u>	<u>(38,032)</u>
<u>\$ 10,485</u>	<u>\$ (14,680)</u>	<u>\$ (1,850)</u>	<u>\$ 14,770</u>	<u>\$ (246,251)</u>
240	286	475	224	231

	Special Revenue		
	Solid Waste Recycle Grant	OPEB	Park Facility
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Revenues</b>			
Taxes	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-
Use of money and property	125	587	160
Intergovernmental	16,610	188,317	-
Charges for services	-	-	916
Other revenues	-	-	-
Interfund charges	-	1,179,519	-
<b>Total revenues</b>	<u>16,735</u>	<u>1,368,423</u>	<u>1,076</u>
<b>Expenditures</b>			
Current:			
General government	-	1,325,562	-
Public safety	-	-	-
Public works	-	-	-
Community services	-	-	-
Community development	26,989	-	-
Capital outlay	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
<b>Total expenditures</b>	<u>26,989</u>	<u>1,325,562</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(10,254)</u>	<u>42,861</u>	<u>1,076</u>
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
<b>Net other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	(10,254)	42,861	1,076
<b>Fund balances, beginning of year</b>	49,764	268,605	46,623
<b>Fund balances, end of year</b>	<u>\$ 39,510</u>	<u>\$ 311,466</u>	<u>\$ 47,699</u>
<b>Fund No.</b>	287	217	213

City of Huntington Park  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**(Continued)**  
**Year ended June 30, 2013**

Special Revenue					
Street Lighting	TDA / Bike	Measure R	Inmate	LBPHCP	
Landscape	Path		Welfare	Lead Base	
Assessment					
\$ 1,327,132	\$ -	\$ 631,221	\$ -	\$ -	
-	-	-	-	-	
3,532	40	4,408	202	-	
-	36,803	-	24,185	376,821	
-	-	-	-	-	
68,249	-	-	-	-	
-	-	-	-	-	
<u>1,398,913</u>	<u>36,843</u>	<u>635,629</u>	<u>24,387</u>	<u>376,821</u>	
-	-	-	-	-	
-	-	-	1,408	-	
567,412	-	415,682	-	-	
-	-	-	-	-	
-	5,040	-	-	191,126	
-	-	-	-	241,018	
344,466	-	-	-	-	
431,314	-	-	-	-	
<u>1,343,192</u>	<u>5,040</u>	<u>415,682</u>	<u>1,408</u>	<u>432,144</u>	
<u>55,721</u>	<u>31,803</u>	<u>219,947</u>	<u>22,979</u>	<u>(55,323)</u>	
1,804,465	-	-	-	-	
-	-	-	-	-	
<u>1,804,465</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
1,860,186	31,803	219,947	22,979	(55,323)	
(1,804,465)	475	909,389	42,859	45	
<u>\$ 55,721</u>	<u>\$ 32,278</u>	<u>\$ 1,129,336</u>	<u>\$ 65,838</u>	<u>\$ (55,278)</u>	
535	334	222	121	246	

	Special Revenue		
	Neighborhood Lead Base	Homelessness Prevention	Federal Street Improvement
<b>Revenues</b>			
Taxes	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-
Use of money and property	131	-	-
Intergovernmental	-	-	98,133
Charges for services	-	-	-
Other revenues	-	-	-
Interfund charges	-	-	-
<b>Total revenues</b>	<u>131</u>	<u>-</u>	<u>98,133</u>
<b>Expenditures</b>			
Current:			
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Community services	-	-	-
Community development	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>131</u>	<u>-</u>	<u>98,133</u>
<b>Other financing sources (uses)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
<b>Net other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	131	-	98,133
<b>Fund balances, beginning of year</b>	10	148	(96,337)
<b>Fund balances, end of year</b>	<u>\$ 141</u>	<u>\$ 148</u>	<u>\$ 1,796</u>
<b>Fund No.</b>	247	248	235

City of Huntington Park  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**(Continued)**  
**Year ended June 30, 2013**

Special Revenue Fund	Projects Fund	Total Nonmajor Governmental Funds
DNA ID	Capital Improvement	
\$ -	\$ -	\$ 4,338,456
-	-	101,220
72	3,535	34,048
8,730	-	4,024,313
-	-	1,394,613
-	-	207,249
-	-	1,179,519
<u>8,802</u>	<u>3,535</u>	<u>11,279,418</u>
-	-	1,325,562
-	-	213,490
-	-	3,159,112
-	-	1,505,509
-	-	2,585,323
-	9,794	1,137,704
-	-	727,594
-	-	505,394
<u>-</u>	<u>9,794</u>	<u>11,159,688</u>
<u>8,802</u>	<u>(6,259)</u>	<u>119,730</u>
-	-	1,804,465
-	-	(284,664)
<u>-</u>	<u>-</u>	<u>1,519,801</u>
8,802	(6,259)	1,639,531
15,342	1,066,419	6,044,895
<u>\$ 24,144</u>	<u>\$ 1,060,160</u>	<u>\$ 7,684,426</u>

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**City of Huntington Park**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance –**  
**Budget and Actual**  
**Special Events Special Revenue Fund**  
**Year ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Use of money and property	\$ 800	\$ 800	\$ 478	\$ (322)
Other revenues	25,000	25,000	21,000	(4,000)
<b>Total revenues</b>	<u>25,800</u>	<u>25,800</u>	<u>21,478</u>	<u>(4,322)</u>
<b>Expenditures</b>				
Capital outlay	62,000	62,000	9,397	52,603
<b>Total expenditures</b>	<u>62,000</u>	<u>62,000</u>	<u>9,397</u>	<u>52,603</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(36,200)</u>	<u>(36,200)</u>	<u>12,081</u>	<u>48,281</u>
<b>Other financing sources (uses)</b>				
Transfers out	-	-	-	-
<b>Change in fund balance</b>	(36,200)	(36,200)	12,081	48,281
<b>Fund balances, beginning of year</b>	<u>142,720</u>	<u>142,720</u>	<u>142,720</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 106,520</u>	<u>\$ 106,520</u>	<u>\$ 154,801</u>	<u>\$ 48,281</u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Parks and Recreation Special Revenue Fund**  
**Year ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 30,000	\$ 30,000	\$ 66,876	\$ 36,876
Use of money and property	-	-	1,025	1,025
Intergovernmental	700,000	700,000	178,420	(521,580)
<b>Total revenues</b>	<u>730,000</u>	<u>730,000</u>	<u>246,321</u>	<u>(483,679)</u>
<b>Expenditures</b>				
Capital outlay	700,000	700,000	253,791	446,209
<b>Excess (deficiency) of revenues over expenditures</b>	<u>30,000</u>	<u>30,000</u>	<u>(7,470)</u>	<u>(37,470)</u>
<b>Other financing sources (uses)</b>				
Transfers out	(30,000)	(30,000)	(23,896)	6,104
<b>Change in fund balance</b>	-	-	(31,366)	(31,366)
<b>Fund balances, beginning of year</b>	(19,766)	(19,766)	(19,766)	-
<b>Fund balances, end of year</b>	<u>\$ (19,766)</u>	<u>\$ (19,766)</u>	<u>\$ (51,132)</u>	<u>\$ (31,366)</u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**State Gas Tax Special Revenue Fund**  
**Year ended June 30, 2013**

	<u>Budgeted Amounts</u>		<u>Actual</u> Amounts	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Use of money and property	\$ 2,000	\$ 2,000	\$ 9,233	\$ 7,233
Intergovernmental	<u>1,691,209</u>	<u>1,691,209</u>	<u>1,458,735</u>	<u>(232,474)</u>
<b>Total revenues</b>	<u>1,693,209</u>	<u>1,693,209</u>	<u>1,467,968</u>	<u>(225,241)</u>
<b>Expenditures</b>				
Current:				
Public works	919,767	919,767	1,392,142	(472,375)
Capital outlay	<u>50,500</u>	<u>50,500</u>	<u>4,717</u>	<u>45,783</u>
<b>Total expenditures</b>	<u>970,267</u>	<u>970,267</u>	<u>1,396,859</u>	<u>(426,592)</u>
<b>Change in fund balance</b>	722,942	722,942	71,109	(651,833)
<b>Fund balances, beginning of year</b>	<u>2,352,276</u>	<u>2,352,276</u>	<u>2,352,276</u>	-
<b>Fund balances, end of year</b>	<u>\$ 3,075,218</u>	<u>\$ 3,075,218</u>	<u>\$ 2,423,385</u>	<u>\$ (651,833)</u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Art in Public Places Special Revenue Fund**  
**Year ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ 2,970	\$ 2,970
Use of money and property	-	-	647	647
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>3,617</u>	<u>3,617</u>
<b>Expenditures</b>				
Current:				
Community development	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Change in fund balance</b>	-	-	3,617	3,617
<b>Fund balances, beginning of year</b>	192,107	192,107	192,107	-
<b>Fund balances, end of year</b>	<u>\$ 192,107</u>	<u>\$ 192,107</u>	<u>\$ 195,724</u>	<u>\$ 3,617</u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Local Origination Program Special Revenue Fund**  
**Year ended June 30, 2013**

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	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 30,000	\$ 30,000	\$ 21,149	\$ (8,851)
Use of money and property	-	-	6	6
<b>Total revenues</b>	<u>30,000</u>	<u>30,000</u>	<u>21,155</u>	<u>(8,845)</u>
<b>Expenditures</b>				
Current:				
Public works	-	-	49,561	(49,561)
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>50,769</u>	<u>(50,769)</u>
<b>Change in fund balance</b>	30,000	30,000	(29,614)	(59,614)
<b>Fund balances, beginning of year</b>	<u>21,866</u>	<u>21,866</u>	<u>21,866</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 51,866</u>	<u>\$ 51,866</u>	<u>\$ (7,748)</u>	<u>\$ (59,614)</u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Community Development Block Grant Special Revenue Fund**  
**Year ended June 30, 2013**

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	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ 1,278,096	\$ 1,278,096	\$ 1,257,243	\$ (20,853)
<b>Total revenues</b>	<u>1,278,096</u>	<u>1,278,096</u>	<u>1,257,243</u>	<u>(20,853)</u>
<b>Expenditures</b>				
Current:				
Community development	<u>2,339,928</u>	<u>2,339,928</u>	<u>1,412,453</u>	<u>927,475</u>
<b>Change in fund balance</b>	(1,061,832)	(1,061,832)	(155,210)	906,622
<b>Fund balances, beginning of year</b>	<u>38,020</u>	<u>38,020</u>	<u>38,020</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ (1,023,812)</u>	<u>\$ (1,023,812)</u>	<u>\$ (117,190)</u>	<u>\$ 906,622</u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Sales Tax Transit Proposition A Special Revenue Fund**  
**Year ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 1,047,268	\$ 1,047,268	\$ 1,167,038	\$ 119,770
Use of money and property	1,500	1,500	1,282	(218)
Charges for services	264,800	264,800	287,271	22,471
<b>Total revenues</b>	<u>1,313,568</u>	<u>1,313,568</u>	<u>1,455,591</u>	<u>142,023</u>
<b>Expenditures</b>				
Current:				
Community services	1,457,275	1,457,275	1,505,509	(48,234)
<b>Total expenditures</b>	<u>1,457,275</u>	<u>1,457,275</u>	<u>1,505,509</u>	<u>(48,234)</u>
<b>Change in fund balance</b>	(143,707)	(143,707)	(49,918)	93,789
<b>Fund balances, beginning of year</b>	278,356	278,356	278,356	-
<b>Fund balances, end of year</b>	<u>\$ 134,649</u>	<u>\$ 134,649</u>	<u>\$ 228,438</u>	<u>\$ 93,789</u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Asset Forfeiture Special Revenue Fund**  
**Year ended June 30, 2013**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Fines and forfeitures	\$ -	\$ -	\$ 91,426	\$ 91,426
Use of money and property	5,000	5,000	4,780	(220)
<b>Total revenues</b>	<u>5,000</u>	<u>5,000</u>	<u>96,206</u>	<u>91,206</u>
<b>Expenditures</b>				
Current:				
Public safety	20,000	20,000	40,773	(20,773)
Capital outlay	580,000	580,000	10,538	569,462
<b>Total expenditures</b>	<u>600,000</u>	<u>600,000</u>	<u>51,311</u>	<u>548,689</u>
<b>Change in fund balance</b>	(595,000)	(595,000)	44,895	639,895
<b>Fund balances, beginning of year</b>	1,416,950	1,416,950	1,416,950	-
<b>Fund balances, end of year</b>	<u>\$ 821,950</u>	<u>\$ 821,950</u>	<u>\$ 1,461,845</u>	<u>\$ 639,895</u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Air Quality Improvement Special Revenue Fund**  
**Year ended June 30, 2013**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Use of money and property	\$ 1,000	\$ 1,000	\$ 2,253	\$ 1,253
Intergovernmental	70,000	70,000	70,363	363
<b>Total revenues</b>	<u>71,000</u>	<u>71,000</u>	<u>72,616</u>	<u>1,616</u>
<b>Expenditures</b>				
Current:				
Public safety	9,221	9,221	8,274	947
Capital outlay	-	-	19,284	(19,284)
<b>Total expenditures</b>	<u>9,221</u>	<u>9,221</u>	<u>27,558</u>	<u>(18,337)</u>
<b>Change in fund balance</b>	61,779	61,779	45,058	(16,721)
<b>Fund balances, beginning of year</b>	<u>645,921</u>	<u>645,921</u>	<u>645,921</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 707,700</u>	<u>\$ 707,700</u>	<u>\$ 690,979</u>	<u>\$ (16,721)</u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Sales Tax Transit Proposition C Special Revenue Fund**  
**Year ended June 30, 2013**

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	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
<b>Revenues</b>				
Taxes	\$ 762,509	\$ 762,509	\$ 825,808	\$ 63,299
Use of money and property	1,000	1,000	20	(980)
<b>Total revenues</b>	763,509	763,509	825,828	62,319
<b>Expenditures</b>				
Current:				
Public works	1,025,405	1,025,405	734,315	291,090
Capital outlay	151,477	151,477	-	151,477
<b>Total expenditures</b>	1,176,882	1,176,882	734,315	442,567
<b>Change in fund balance</b>	(413,373)	(413,373)	91,513	504,886
<b>Fund balances, beginning of year</b>	124,333	124,333	124,333	-
<b>Fund balances, end of year</b>	\$ (289,040)	\$ (289,040)	\$ 215,846	\$ 504,886

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Business Improvement District Special Revenue Fund**  
**Year ended June 30, 2013**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes	\$ 335,000	\$ 335,000	\$ 296,262	\$ (38,738)
Use of money and property	-	-	455	455
<b>Total revenues</b>	<u>335,000</u>	<u>335,000</u>	<u>296,717</u>	<u>(38,283)</u>
<b>Expenditures</b>				
Current:				
Community development	330,000	330,000	257,808	72,192
<b>Total expenditures</b>	<u>330,000</u>	<u>330,000</u>	<u>257,808</u>	<u>72,192</u>
<b>Excess (deficiency) of revenues over expenditures</b>	5,000	5,000	38,909	33,909
<b>Other financing sources (uses)</b>				
Transfers out	-	-	-	-
<b>Change in fund balance</b>	5,000	5,000	38,909	33,909
<b>Fund balances, beginning of year</b>	<u>50,056</u>	<u>50,056</u>	<u>50,056</u>	-
<b>Fund balances, end of year</b>	<u>\$ 55,056</u>	<u>\$ 55,056</u>	<u>\$ 88,965</u>	<u>\$ 33,909</u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Supplemental Law Enforcement Special Revenue Fund**  
**Year ended June 30, 2013**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Use of money and property	\$ -	\$ -	\$ 1,034	\$ 1,034
Intergovernmental	213,610	213,610	180,152	(33,458)
Other revenues	-	-	100,000	100,000
<b>Total revenues</b>	<u>213,610</u>	<u>213,610</u>	<u>281,186</u>	<u>67,576</u>
<b>Expenditures</b>				
Current:				
Public safety	204,085	204,085	96,729	107,356
Capital outlay	283,468	283,468	568,279	(284,811)
<b>Total expenditures</b>	<u>487,553</u>	<u>487,553</u>	<u>665,008</u>	<u>(177,455)</u>
<b>Change in fund balance</b>	(273,943)	(273,943)	(383,822)	(109,879)
<b>Fund balances, beginning of year</b>	<u>308,902</u>	<u>308,902</u>	<u>308,902</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 34,959</u>	<u>\$ 34,959</u>	<u>\$ (74,920)</u>	<u>\$ (109,879)</u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Illegal Disposal Abatement Fund Special Revenue Fund**  
**Year ended June 30, 2013**

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	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 435,467	\$ 435,467	\$ 77,740	\$ (357,727)
<b>Total revenues</b>	435,467	435,467	77,740	(357,727)
<b>Expenditures</b>				
Community development	311,967	311,967	77,208	234,759
Capital outlay	123,500	123,500	19,678	103,822
	435,467	435,467	96,886	338,581
<b>Change in fund balance</b>	-	-	(19,146)	(19,146)
<b>Fund balances, beginning of year</b>	4,466	4,466	4,466	
<b>Fund balances, end of year</b>	\$ 4,466	\$ 4,466	\$ (14,680)	\$ (19,146)

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Public Financing Authority Special Revenue Fund**  
**Year ended June 30, 2013**

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	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
<b>Revenues</b>				
Use of money and property	\$ -	\$ -	\$ -	\$ -
<b>Expenditures</b>				
Current:				
General government	-	-	-	-
<b>Total expenditures</b>	-	-	-	-
<b>Change in fund balance</b>	-	-	-	-
<b>Fund balances, beginning of year</b>	(1,850)	(1,850)	(1,850)	-
<b>Fund balances, end of year</b>	\$ (1,850)	\$ (1,850)	\$ (1,850)	\$ -

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Public Safety Special Revenue Fund**  
**Year ended June 30, 2013**

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	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Fines and forfeitures	\$ 10,000	\$ 10,000	\$ 9,794	\$ (206)
Intergovernmental	70,100	70,100	52,061	(18,039)
Use of money and property	100	100	13	(87)
<b>Total revenues</b>	<u>80,200</u>	<u>80,200</u>	<u>61,868</u>	<u>(18,332)</u>
<b>Expenditures</b>				
Current:				
Public safety	<u>86,100</u>	<u>86,100</u>	<u>66,306</u>	<u>19,794</u>
<b>Change in fund balance</b>	(5,900)	(5,900)	(4,438)	1,462
<b>Fund balances, beginning of year</b>	<u>19,208</u>	<u>19,208</u>	<u>19,208</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 13,308</u>	<u>\$ 13,308</u>	<u>\$ 14,770</u>	<u>\$ 1,462</u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Parking System Special Revenue Fund**  
**Year ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Charges for services	\$ 1,100,000	\$ 1,100,000	\$ 1,106,426	\$ 6,426
Other revenues	-	-	18,030	18,030
<b>Total revenues</b>	<u>1,100,000</u>	<u>1,100,000</u>	<u>1,124,456</u>	<u>24,456</u>
<b>Expenditures</b>				
Current:				
Community development	1,131,331	1,131,331	614,699	516,632
Debt service:				
Principal retirement	383,128	383,128	383,128	-
Interest and fiscal charges	74,080	74,080	74,080	-
<b>Total expenditures</b>	<u>1,588,539</u>	<u>1,588,539</u>	<u>1,071,907</u>	<u>516,632</u>
<b>Excess (deficiency) of revenues over expenditures</b>	(488,539)	(488,539)	52,549	541,088
<b>Other financing sources (uses)</b>				
Transfers out	(150,000)	(150,000)	(260,768)	(110,768)
<b>Change in fund balance</b>	(638,539)	(638,539)	(208,219)	430,320
<b>Fund balances, beginning of year</b>	(38,032)	(38,032)	(38,032)	
<b>Fund balances, end of year</b>	<u>\$ (676,571)</u>	<u>\$ (676,571)</u>	<u>\$ (246,251)</u>	<u>\$ 430,320</u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Solid Waste Recycle Grant Special Revenue Fund**  
**Year ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive
	Original	Final		(Negative)
<b>Revenues</b>				
Use of money and property	\$ -	\$ -	\$ 125	\$ 125
Intergovernmental	32,985	32,985	16,610	(16,375)
	<u>32,985</u>	<u>32,985</u>	<u>16,735</u>	<u>(16,250)</u>
<b>Expenditures</b>				
Current:				
Community development	32,827	32,827	26,989	5,838
<b>Total expenditures</b>	<u>32,827</u>	<u>32,827</u>	<u>26,989</u>	<u>5,838</u>
<b>Change in fund balance</b>	158	158	(10,254)	(10,412)
<b>Fund balances, beginning of year</b>	49,764	49,764	49,764	-
<b>Fund balances, end of year</b>	<u>\$ 49,922</u>	<u>\$ 49,922</u>	<u>\$ 39,510</u>	<u>\$ (10,412)</u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**OPEB Special Revenue Fund**  
**Year ended June 30, 2013**

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	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Use of money and property	\$ -	\$ -	\$ 587	\$ 587
Intergovernmental	-	-	188,317	188,317
Interfund charges	<u>1,350,559</u>	<u>1,350,559</u>	<u>1,179,519</u>	<u>(171,040)</u>
	1,350,559	1,350,559	1,368,423	17,864
<b>Expenditures</b>				
Current:				
General government	<u>1,374,115</u>	<u>1,374,115</u>	<u>1,325,562</u>	<u>48,553</u>
<b>Change in fund balance</b>	(23,556)	(23,556)	42,861	66,417
<b>Fund balances, beginning of year</b>	<u>268,605</u>	<u>268,605</u>	<u>268,605</u>	-
<b>Fund balances, end of year</b>	<u>\$ 245,049</u>	<u>\$ 245,049</u>	<u>\$ 311,466</u>	<u>\$ 66,417</u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Park Facility Special Revenue Fund**  
**Year ended June 30, 2013**

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	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Use of money and property	\$ -	\$ -	\$ 160	\$ 160
Charges for services	-	-	916	916
Use of money and property	<u>-</u>	<u>-</u>	<u>1,076</u>	<u>1,076</u>
<b>Expenditures</b>				
Current:				
General government	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Change in fund balance</b>	-	-	1,076	1,076
<b>Fund balances, beginning of year</b>	<u>46,623</u>	<u>46,623</u>	<u>46,623</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 46,623</u>	<u>\$ 46,623</u>	<u>\$ 47,699</u>	<u>\$ 1,076</u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Street Lighting Landscape Assessment Special Revenue Fund**  
**Year ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 1,430,000	\$ 1,430,000	\$ 1,327,132	\$ (102,868)
Use of money and property	-	-	3,532	3,532
Other revenues	-	-	68,249	68,249
<b>Total revenues</b>	<u>1,430,000</u>	<u>1,430,000</u>	<u>1,398,913</u>	<u>(31,087)</u>
<b>Expenditures</b>				
Current:				
Public works	1,050,444	1,050,444	567,412	483,032
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	344,466	344,466	344,466	-
Interest and fiscal charges	431,314	431,314	431,314	-
<b>Total expenditures</b>	<u>1,826,224</u>	<u>1,826,224</u>	<u>1,343,192</u>	<u>483,032</u>
<b>Excess (deficiency) of revenues over expenditures</b>	(396,224)	(396,224)	55,721	451,945
<b>Other financing sources</b>				
Transfers in	-	-	1,804,465	1,804,465
<b>Change in fund balance</b>	(396,224)	(396,224)	1,860,186	2,256,410
<b>Fund balances, beginning of year</b>	<u>(1,804,465)</u>	<u>(1,804,465)</u>	<u>(1,804,465)</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ (2,200,689)</u>	<u>\$ (2,200,689)</u>	<u>\$ 55,721</u>	<u>\$ 2,256,410</u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**TDA / Bike Path Special Revenue Fund**  
**Year ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ -	\$ -	\$ 36,803	\$ 36,803
Use of money and property	32,582	32,582	40	(32,542)
<b>Total revenues</b>	<u>32,582</u>	<u>32,582</u>	<u>36,843</u>	<u>4,261</u>
<b>Expenditures</b>				
Current:				
Community development	-	-	5,040	(5,040)
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>5,040</u>	<u>(5,040)</u>
<b>Change in fund balance</b>	32,582	32,582	31,803	(779)
<b>Fund balances, beginning of year</b>	475	475	475	-
<b>Fund balances, end of year</b>	<u>\$ 33,057</u>	<u>\$ 33,057</u>	<u>\$ 32,278</u>	<u>\$ (779)</u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Measure R Special Revenue Fund**  
**Year ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 571,896	\$ 571,896	\$ 631,221	\$ 59,325
Use of money and property	2,500	2,500	4,408	1,908
<b>Total revenues</b>	<u>574,396</u>	<u>574,396</u>	<u>635,629</u>	<u>61,233</u>
<b>Expenditures</b>				
Current:				
Public works	8,500	8,500	415,682	(407,182)
<b>Total expenditures</b>	<u>8,500</u>	<u>8,500</u>	<u>415,682</u>	<u>(407,182)</u>
<b>Change in fund balance</b>	565,896	565,896	219,947	(345,949)
<b>Fund balances, beginning of year</b>	909,389	909,389	909,389	-
<b>Fund balances, end of year</b>	<u>\$ 1,475,285</u>	<u>\$ 1,475,285</u>	<u>\$ 1,129,336</u>	<u>\$ (345,949)</u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Inmate Welfare Special Revenue Fund**  
**Year ended June 30, 2013**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
<b>Revenues</b>				
Use of money and property	\$ 300	\$ 300.00	\$ 202	\$ (98)
Intergovernmental	15,000	15,000	24,185	9,185
<b>Total revenues</b>	<u>15,300</u>	<u>15,300</u>	<u>24,387</u>	<u>9,087</u>
<b>Expenditures</b>				
Current:				
Public safety	10,000	10,000	1,408	8,592
<b>Change in fund balance</b>	5,300	5,300	22,979	17,679
<b>Fund balances, beginning of year</b>	42,859	42,859	42,859	-
<b>Fund balances, end of year</b>	<u>\$ 48,159</u>	<u>\$ 48,159</u>	<u>\$ 65,838</u>	<u>\$ 17,679</u>

What was the \$300,000 that was budgeted but not received?

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**LBPHCP Lead Base Special Revenue Fund**  
**Year ended June 30, 2013**

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	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental	\$ 795,000	\$ 795,000	\$ 376,821	\$ (418,179)
	<u>795,000</u>	<u>795,000</u>	<u>376,821</u>	<u>(418,179)</u>
<b>Expenditures</b>				
Current:				
Community development	225,471	225,471	191,126	34,345
Capital outlay	569,529	569,529	241,018	328,511
<b>Total expenditures</b>	<u>795,000</u>	<u>795,000</u>	<u>432,144</u>	<u>362,856</u>
<b>Change in fund balance</b>	-	-	(55,323)	(55,323)
<b>Fund balances, beginning of year</b>	<u>45</u>	<u>45</u>	<u>45</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 45</u>	<u>\$ 45</u>	<u>\$ (55,278)</u>	<u>\$ (55,323)</u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Neighborhood Lead Base Special Revenue Fund**  
**Year ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Use of money and property	\$ -	\$ -	\$ 131	\$ 131
Intergovernmental	-	-	-	-
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>131</u>	<u>131</u>
<b>Expenditures</b>				
Current:				
Community development	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Change in fund balance</b>	-	-	131	131
<b>Fund balances, beginning of year</b>	10	10	10	-
<b>Fund balances, end of year</b>	<u>\$ 10</u>	<u>\$ 10</u>	<u>\$ 141</u>	<u>\$ 131</u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Homelessness Prevention Special Revenue Fund**  
**Year ended June 30, 2013**

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	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
<b>Revenues</b>				
Use of money and property	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
<b>Total revenues</b>	-	-	-	-
<b>Expenditures</b>				
Current:				
Community development	-	-	-	-
<b>Change in fund balance</b>	-	-	-	-
<b>Fund balances, beginning of year</b>	148	148	148	-
<b>Fund balances, end of year</b>	\$ 148	\$ 148	\$ 148	\$ -

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Federal Street Improvement Special Revenue Fund**  
**Year ended June 30, 2013**

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	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ -	\$ -	\$ 98,133	\$ 98,133
<b>Expenditures</b>				
Current:				
Public works	-	-	-	-
Capital outlay	-	-	-	-
<b>Total expenditures</b>	-	-	-	-
<b>Change in fund balance</b>	-	-	98,133	98,133
<b>Fund balances, beginning of year</b>	(96,337)	(96,337)	(96,337)	-
<b>Fund balances, end of year</b>	\$ (96,337)	\$ (96,337)	\$ 1,796	\$ 98,133

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**DNA ID Special Revenue Fund**  
**Year ended June 30, 2013**

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	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Use of money and property	\$ 200	\$ 200	\$ 72	\$ (128)
Intergovernmental	5,000	5,000	8,730	3,730
<b>Total revenues</b>	<u>5,200</u>	<u>5,200</u>	<u>8,802</u>	<u>3,602</u>
<b>Expenditures</b>				
Current:				
Public safety	<u>4,000</u>	<u>4,000</u>	<u>-</u>	<u>4,000</u>
<b>Change in fund balance</b>	1,200	1,200	8,802	7,602
<b>Fund balances, beginning of year</b>	<u>15,342</u>	<u>15,342</u>	<u>15,342</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u><u>\$ 16,542</u></u>	<u><u>\$ 16,542</u></u>	<u><u>\$ 24,144</u></u>	<u><u>\$ 7,602</u></u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Capital Improvement Capital Projects Fund**  
**Year ended June 30, 2013**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Use of money and property	\$ -	\$ -	\$ 3,535	\$ 3,535
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>3,535</u>	<u>3,535</u>
<b>Expenditures</b>				
Current:				
Capital outlay	-	-	9,794	(9,794)
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>9,794</u>	<u>(9,794)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	-	-	(6,259)	(6,259)
<b>Other financing uses</b>				
Transfers out	-	-	-	-
<b>Change in fund balance</b>	-	-	(6,259)	(6,259)
<b>Fund balances, beginning of year</b>	1,066,419	1,066,419	1,066,419	-
<b>Fund balances, end of year</b>	<u>\$ 1,066,419</u>	<u>\$ 1,066,419</u>	<u>\$ 1,060,160</u>	<u>\$ (6,259)</u>

Internal service funds are used to account for financing of goods and services provided by one department to other departments of the City.

Fleet Maintenance – To account for the costs of maintenance of City vehicles used by various City departments.

Vehicle and Equipment Replacement Fund – This fund accounts for the costs of replacement of City vehicles and equipment used by the various City departments. Such costs are based upon actual usage.

Workers Compensation Fund – This fund accounts for the workers compensation costs to the City. Such costs are based upon actual claims paid.

Employee Benefit Fund – This fund accounts for the costs of benefits paid to City employees.

**City of Huntington Park**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
**June 30, 2013**

	Fleet Maintenance	Vehicle and Equipment Replacement	Workers' Compensation Fund	Employee Benefit Fund	Governmental Activities - Internal Service Funds
<b>ASSETS</b>					
Current assets					
Cash and investments	\$ 435,722	\$ 40,795	\$ 5,596,032	\$ -	\$ 6,072,549
Accounts receivable	143	14	1,853	-	2,010
Total current assets	<u>435,865</u>	<u>40,809</u>	<u>5,597,885</u>	<u>-</u>	<u>6,074,559</u>
Noncurrent assets					
Capital assets	484,562	1,828,766	-	-	2,313,328
Less accumulated depreciation	<u>(431,092)</u>	<u>(1,781,372)</u>	<u>-</u>	<u>-</u>	<u>(2,212,464)</u>
Net capital assets	<u>53,470</u>	<u>47,394</u>	<u>-</u>	<u>-</u>	<u>100,864</u>
Total noncurrent assets	<u>53,470</u>	<u>47,394</u>	<u>-</u>	<u>-</u>	<u>100,864</u>
<b>Total assets</b>	<b><u>489,335</u></b>	<b><u>88,203</u></b>	<b><u>5,597,885</u></b>	<b><u>-</u></b>	<b><u>6,175,423</u></b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
	-	-	-	-	-
<b>LIABILITIES</b>					
Current liabilities					
Accounts payable	43,828	-	30,440	11,775	86,043
Accrued payroll	4,620	-	6,431	9,685	20,736
Accrued leave payable	2,615	-	-	-	2,615
Due to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>115,124</u>	<u>115,124</u>
Total current liabilities	<u>51,063</u>	<u>-</u>	<u>36,871</u>	<u>136,584</u>	<u>224,518</u>
Noncurrent liabilities					
Claims payable	-	-	896,000	-	896,000
<b>Total liabilities</b>	<b><u>51,063</u></b>	<b><u>-</u></b>	<b><u>932,871</u></b>	<b><u>136,584</u></b>	<b><u>1,120,518</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
	-	-	-	-	-
<b>NET POSITION</b>					
Net investment in capital asset	53,470	47,394	-	-	100,864
Unrestricted	<u>384,802</u>	<u>40,809</u>	<u>4,665,014</u>	<u>(136,584)</u>	<u>4,954,041</u>
<b>Total net position</b>	<b><u>\$ 438,272</u></b>	<b><u>\$ 88,203</u></b>	<b><u>\$ 4,665,014</u></b>	<b><u>\$ (136,584)</u></b>	<b><u>\$ 5,054,905</u></b>

**City of Huntington Park**  
**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
**Internal Service Funds**  
**Year ended June 30, 2013**

	Fleet Maintenance	Vehicle and Equipment Replacement	Workers' Compensation Fund	Employee Benefit Fund	Governmental Activities- Internal Service Funds
<b>Operating revenues</b>					
Charges for services	\$ 885,052	\$ -	\$ 1,728,178	\$ 2,442,507	\$ 5,055,737
<b>Total operating revenues</b>	<u>885,052</u>	<u>-</u>	<u>1,728,178</u>	<u>2,442,507</u>	<u>5,055,737</u>
<b>Operating expenses</b>					
Personnel services	324,311	-	188,820	-	513,131
Materials and supplies	425,890	-	431,186	-	857,076
Insurance	-	-	1,129,074	2,444,682	3,573,756
Depreciation	16,853	44,616	-	-	61,469
<b>Total operating expenses</b>	<u>767,054</u>	<u>44,616</u>	<u>1,749,080</u>	<u>2,444,682</u>	<u>5,005,432</u>
<b>Operating income (loss)</b>	<u>117,998</u>	<u>(44,616)</u>	<u>(20,902)</u>	<u>(2,175)</u>	<u>50,305</u>
<b>Nonoperating revenues</b>					
Interest earnings on investments	979	137	17,487	-	18,603
<b>Total nonoperating revenues</b>	<u>979</u>	<u>137</u>	<u>17,487</u>	<u>-</u>	<u>18,603</u>
<b>Change in net position</b>	118,977	(44,479)	(3,415)	(2,175)	68,908
<b>Total net position - beginning</b>	<u>319,295</u>	<u>132,682</u>	<u>4,668,429</u>	<u>(134,409)</u>	<u>4,985,997</u>
<b>Total net position - ending</b>	<u>\$ 438,272</u>	<u>\$ 88,203</u>	<u>\$ 4,665,014</u>	<u>\$ (136,584)</u>	<u>\$ 5,054,905</u>

**City of Huntington Park**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**Year ended June 30, 2013**

	Fleet Maintenance	Vehicle and Equipment Replacement	Workers' Compensation Fund	Employee Benefit Fund	Governmental Activities- Internal Service Funds
<b>Cash flows from operating activities</b>					
Receipts from tenants, customers and users	\$ 885,145	\$ 16	\$ 1,730,328	\$ 2,442,507	\$ 5,057,996
Payments to suppliers	(445,448)	-	(1,458,112)	(2,435,416)	(4,338,976)
Payments to employees	(324,947)	-	(188,130)	(7,091)	(520,168)
<b>Net cash provided by (used in) operating activities</b>	<u>114,750</u>	<u>16</u>	<u>84,086</u>	<u>-</u>	<u>198,852</u>
 <b>Cash flows from investing activities</b>					
Interest received	979	137	17,487	-	18,603
 <b>Change in cash and cash equivalents</b>	115,729	153	101,573	-	217,455
 <b>Beginning cash and cash equivalents</b>	319,993	40,642	5,494,459	-	5,855,094
<b>Ending cash and cash equivalents</b>	<u>\$ 435,722</u>	<u>\$ 40,795</u>	<u>5,596,032</u>	<u>-</u>	<u>\$ 6,072,549</u>
 <b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>					
Operating income (loss)	\$ 117,998	\$ (44,616)	\$ (20,902)	\$ (2,175)	\$ 50,305
Adjustments to reconcile operating loss to net cash used in operating activities:					
Depreciation	16,853	44,616	-	-	61,469
(Increase) decrease in:					
Accounts receivable	93	16	2,150	-	2,259
Increase (decrease):					
Accounts payable	(19,558)	-	102,148	(11,544)	71,046
Accrued payroll	1,090	-	726	7,091	8,907
Due to other funds	-	-	-	6,628	6,628
Accrued leave payable	(1,726)	-	(36)	-	(1,762)
<b>Net cash provided by (used in) operating activities</b>	<u>\$ 114,750</u>	<u>\$ 16</u>	<u>\$ 84,086</u>	<u>\$ -</u>	<u>\$ 198,852</u>

The Enterprise Fund accounts for the financing of self-supporting activities which render services to the general public on a user charge basis or a fixed payment schedule. All activities necessary to provide such services are accounted for in these funds, including, but not limited to, operations, maintenance, financing and related debt service, and billings and collections.

***Sewer Maintenance***                      To account for the activities of sewer utility services provided to the residents of the City.

***Solid Waste Management***              To account for the activities of solid waste management services to the residents of the City.

**City of Huntington Park**  
**Combining Statement of Net Position**  
**Nonmajor Enterprise Funds**  
**June 30, 2013**

	Sewer Maintenance	Solid Waste Management	Total Other Enterprise Funds
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and investments	\$ 697,813	\$ 41,025	\$ 738,838
Accounts receivable	44,631	16,879	61,510
Total current assets	<u>742,444</u>	<u>57,904</u>	<u>800,348</u>
<b>Noncurrent assets</b>			
Capital assets	8,998,545	-	8,998,545
Less accumulated depreciation	(3,265,760)	-	(3,265,760)
Net capital assets	<u>5,732,785</u>	<u>-</u>	<u>5,732,785</u>
Total noncurrent assets	<u>5,732,785</u>	<u>-</u>	<u>5,732,785</u>
<b>Total assets</b>	<u>6,475,229</u>	<u>57,904</u>	<u>6,533,133</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
	-	-	-
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable	154,947	387	155,334
Accrued payroll	191	1,748	1,939
Accrued leave payable	102	800	902
Deposits	-	11,697	11,697
Unearned revenue	-	4,426	4,426
Total current liabilities	<u>155,240</u>	<u>19,058</u>	<u>174,298</u>
<b>Noncurrent liabilities</b>			
Compensated absences payable	1,746	13,133	14,879
<b>Total liabilities</b>	<u>156,986</u>	<u>32,191</u>	<u>189,177</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
	-	-	-
<b>NET POSITION</b>			
Net investment in capital asset	5,732,785	-	5,732,785
Unrestricted	585,458	25,713	611,171
<b>Total net position</b>	<u>\$ 6,318,243</u>	<u>\$ 25,713</u>	<u>\$ 6,343,956</u>

**City of Huntington Park**  
**Combining Statement of Revenues, Expenses and Changes in Net Position**  
**Nonmajor Enterprise Funds**  
**Year ended June 30, 2013**

	<u>Sewer Maintenance</u>	<u>Solid Waste Management</u>	<u>Total Other Enterprise Funds</u>
<b>Operating revenues</b>			
Charges for services	\$ 328,996	\$ 164,113	\$ 493,109
Other	-	25	25
<b>Total operating revenues</b>	<u>328,996</u>	<u>164,138</u>	<u>493,134</u>
<b>Operating expenses</b>			
Personnel services	40,206	104,419	144,625
General	1,821	519	2,340
Materials and supplies	315,932	26,750	342,682
Insurance	2,603	6,858	9,461
Depreciation	32,154	-	32,154
<b>Total operating expenses</b>	<u>392,716</u>	<u>138,546</u>	<u>531,262</u>
<b>Operating income (loss)</b>	(63,720)	25,592	(38,128)
<b>Nonoperating revenues</b>			
Interest earnings on investments	<u>2,274</u>	<u>120</u>	<u>2,394</u>
Income (loss) before transfers	(61,446)	25,712	(35,734)
Transfers in	<u>-</u>	<u>40,121</u>	<u>40,121</u>
<b>Change in net position</b>	(61,446)	65,833	4,387
<b>Total net position- beginning</b>	<u>6,379,689</u>	<u>(40,120)</u>	<u>6,339,569</u>
<b>Total net position - ending</b>	<u>\$ 6,318,243</u>	<u>\$ 25,713</u>	<u>\$ 6,343,956</u>

**City of Huntington Park  
Combining Statement of Cash Flows  
Nonmajor Enterprise Funds  
Year ended June 30, 2013**

	<u>Sewer Maintenance</u>	<u>Solid Waste Management</u>	<u>Total Other Enterprise Funds</u>
<b>Cash flows from operating activities</b>			
Receipts from tenants, customers and users	\$ 323,691	\$ 162,584	\$ 486,275
Payments to suppliers	(184,551)	(62,629)	(247,180)
Payments to employees	(39,712)	(99,171)	(138,883)
	<u>99,428</u>	<u>784</u>	<u>100,212</u>
<b>Cash flows from non-capital financing activities</b>			
Received from other funds	-	40,121	40,121
<b>Net cash provided by (used in) non-capital financing activities</b>	<u>-</u>	<u>40,121</u>	<u>40,121</u>
<b>Cash flows from investing activities</b>			
Interest received	2,274	120	2,394
	<u>101,702</u>	<u>41,025</u>	<u>142,727</u>
<b>Change in cash and cash equivalents</b>			
	101,702	41,025	142,727
<b>Beginning cash and cash equivalents</b>	<u>596,111</u>	<u>-</u>	<u>596,111</u>
<b>Ending cash and cash equivalents</b>	<u>\$ 697,813</u>	<u>\$ 41,025</u>	<u>\$ 738,838</u>
 <b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>			
Operating income (loss)	\$ (63,720)	\$ 25,592	\$ (38,128)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	32,154	-	32,154
(Increase) decrease in:			
Accounts receivable	(5,305)	(1,554)	(6,859)
Increase (decrease):			
Accounts payable	135,805	(310)	135,495
Accrued payroll	132	431	563
Accrued leave payable	(14)	(464)	(478)
Deposits payable	-	5,760	5,760
Due to other funds	-	(33,952)	(33,952)
Compensated absences	376	5,281	5,657
<b>Net cash provided by (used in) operating activities</b>	<u>\$ 99,428</u>	<u>\$ 784</u>	<u>\$ 100,212</u>
<b>Noncash capital and related financing activities:</b>			
Purchase of capital assets through lease agreements	<u>\$ -</u>	<u>-</u>	<u>-</u>

This part of the City of Huntington Park'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.

<b>Contents</b>	<b>Page</b>
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.	132
Revenue Capacity These schedules contain information to help the reader assess the city's most significant local revenue source, the property tax.	138
Debt Capacity These schedules present information to help the reader assess the affordability of the of the city's current levels of outstanding debt and the city's ability to issue additional debt in the future.	141
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.	145
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the city's financial report relates to the services the city provides and the activities it performs.	148

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**City of Huntington Park  
Net Position by Component  
Last Ten Fiscal Years**

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental activities:										
Invested in capital assets, net of related debt	\$ 31,377,364	\$ 33,071,291	\$ 33,752,080	\$ 48,360,018	\$ 50,504,711	\$ 39,429,070	\$ 41,925,935	\$ 42,370,024	\$ 40,872,320	\$ 40,199,209
Restricted	10,610,129	12,055,500	23,131,021	24,139,614	38,723,137	26,635,747	23,065,886	25,989,823	11,959,587	14,454,478
Unrestricted	<u>(121,322,650)</u>	<u>(125,060,515)</u>	<u>(137,711,033)</u>	<u>(152,496,772)</u>	<u>(169,715,872)</u>	<u>(148,938,364)</u>	<u>(167,485,978)</u>	<u>(179,961,906)</u>	<u>3,870,375</u>	<u>2,584,990</u>
Total governmental activities net position	<u>(79,335,157)</u>	<u>(79,933,724)</u>	<u>(80,827,932)</u>	<u>(79,997,140)</u>	<u>(80,488,024)</u>	<u>(82,873,547)</u>	<u>(102,494,157)</u>	<u>(111,602,059)</u>	<u>56,702,282</u>	<u>57,238,677</u>
Business-type activities:										
Invested in capital assets, net of related debt	14,092,016	14,798,112	14,924,640	16,181,737	16,433,099	16,540,709	16,796,898	17,484,720	17,579,641	17,143,164
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	<u>4,985,646</u>	<u>4,697,331</u>	<u>5,585,405</u>	<u>5,611,257</u>	<u>5,437,161</u>	<u>5,447,372</u>	<u>3,364,892</u>	<u>1,073,584</u>	<u>(157,944)</u>	<u>1,430,353</u>
Total business-type activities net position	<u>\$ 19,077,662</u>	<u>\$ 19,495,443</u>	<u>\$ 20,510,045</u>	<u>\$ 21,792,994</u>	<u>\$ 21,870,260</u>	<u>\$ 21,988,081</u>	<u>\$ 20,161,790</u>	<u>\$ 18,558,304</u>	<u>\$ 17,421,697</u>	<u>\$ 18,573,517</u>
Primary government:										
Net investment in capital assets	45,469,380	47,869,403	48,676,720	64,541,755	66,937,810	55,969,779	58,722,833	59,854,744	58,451,961	57,342,373
Restricted	10,610,129	12,055,500	23,131,021	24,139,614	38,723,137	26,635,747	23,065,886	25,989,823	11,959,587	14,454,478
Unrestricted	<u>(116,337,004)</u>	<u>(120,363,184)</u>	<u>(132,125,628)</u>	<u>(146,885,515)</u>	<u>(164,278,711)</u>	<u>(143,490,992)</u>	<u>(164,121,086)</u>	<u>(178,888,322)</u>	<u>3,712,431</u>	<u>4,015,343</u>
Total primary government net position	<u>\$ (60,257,495)</u>	<u>\$ (60,438,281)</u>	<u>\$ (60,317,887)</u>	<u>\$ (58,204,146)</u>	<u>\$ (58,617,764)</u>	<u>\$ (60,885,466)</u>	<u>\$ (82,332,367)</u>	<u>\$ (93,043,755)</u>	<u>\$ 74,123,979</u>	<u>\$ 75,812,194</u>

The Redevelopment Commission of the City of Huntington Park was dissolved on 1/31/2012. The Successor Agency is reported as a fiduciary fund.

Source: City Finance Department

**City of Huntington Park  
Change in Net Position  
Last Ten Fiscal Years**

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Expenses:</b>										
<b>Governmental activities:</b>										
General government	\$ 6,018,744	\$ 8,477,615	\$ 7,569,344	\$ 7,566,171	\$ 14,903,038	\$ 7,921,074	\$ 10,131,265	\$ 8,195,158	\$ 7,408,478	\$ 3,261,534
Public safety	12,904,452	13,622,058	13,771,989	15,731,625	15,946,700	16,333,354	16,942,017	16,288,182	17,470,158	19,375,996
Public works	5,046,870	6,891,876	8,689,165	8,493,393	9,690,430	9,023,648	9,007,145	9,381,142	9,531,593	9,466,770
Community services	2,721,760	2,408,847	1,701,046	2,809,850	3,427,821	2,979,348	3,301,805	3,245,733	2,974,883	3,033,319
Community development	9,235,080	7,014,636	6,892,678	6,820,647	10,236,104	6,953,506	17,201,159	11,872,378	9,351,165	5,608,525
Interest on long-term debt	8,202,539	7,434,798	9,792,357	11,256,296	8,179,476	13,020,990	18,062,079	13,745,107	4,226,594	1,644,013
Total governmental activities expenses	44,129,445	45,849,830	48,416,579	52,677,982	62,383,569	56,231,920	74,645,470	62,727,700	50,962,871	42,390,157
<b>Business-type activities:</b>										
Water	4,253,103	4,165,747	4,087,940	3,452,374	4,522,007	5,032,129	6,187,272	5,448,673	5,633,636	4,363,525
Sewer	189,127	271,800	233,282	283,578	322,940	349,607	354,626	867,534	239,677	392,716
Solid Waste	181,873	205,041	197,629	295,841	287,332	294,189	196,563	232,150	129,012	138,546
Total business-type activities expenses	4,624,103	4,642,588	4,518,851	4,031,793	5,132,279	5,675,925	6,738,461	6,548,357	6,002,325	4,894,787
Total primary government expenses	48,753,548	50,492,418	52,935,430	56,709,775	67,515,848	61,907,845	81,383,931	69,276,057	56,965,196	47,284,944
<b>Program revenues:</b>										
<b>Governmental activities:</b>										
<b>Charges for services:</b>										
General government	1,330,209	1,695,616	1,246,860	1,642,557	2,297,092	2,363,712	4,242,351	3,355,886	3,480,292	3,726,111
Public safety	2,656,272	2,426,093	2,105,952	1,858,610	2,804,384	2,588,983	2,325,230	2,377,785	2,042,596	1,777,525
Public works	1,212,668	1,242,599	1,337,594	1,396,146	747,050	156,719	255,895	123,882	119,038	216,216
Community services	191,529	379,295	393,355	408,728	509,136	734,891	847,982	633,813	645,245	691,800
Community development	576,299	765,508	544,720	618,831	1,248,185	1,295,097	1,283,804	1,182,626	1,236,244	1,136,729
Operating grants and contributions	7,671,605	4,795,621	5,199,227	6,378,628	5,804,978	7,167,500	8,666,335	7,634,221	8,541,045	6,276,304
Capital grants and contributions	649,806	3,999,639	3,686,738	3,187,473	3,044,238	334,963	259,939	-	-	-
Total governmental activities program revenues	14,288,388	15,304,371	14,514,446	15,490,973	16,455,063	14,641,865	17,881,536	15,308,213	16,064,460	13,824,685
<b>Business-type activities:</b>										
<b>Charges for services:</b>										
Water	4,635,504	4,479,898	4,740,441	4,813,066	4,686,335	4,883,300	4,318,781	4,249,282	4,070,052	5,153,893
Sewer	366,418	380,498	379,006	383,512	367,477	336,186	341,158	325,163	326,470	328,996
Solid Waste	98,783	106,918	118,751	125,261	128,080	132,565	151,403	159,501	139,978	164,113
Operating grants and contributions	-	31,728	35,797	30,993	41,739	453,092	14,936	75,661	292,214	-
Capital grants and contributions	-	-	-	-	-	-	191,897	-	-	-
Total business-type activities program revenues	5,100,705	4,999,042	5,273,995	5,352,832	5,223,631	5,805,143	5,018,175	4,809,607	4,828,714	5,647,002
Total primary government program revenues	19,389,093	20,303,413	19,788,441	20,843,805	21,678,694	20,447,008	22,899,711	20,117,820	20,893,174	19,471,687
<b>Net revenues (expenses):</b>										
Governmental activities	(29,841,057)	(30,545,459)	(33,902,133)	(37,187,009)	(45,928,506)	(41,590,055)	(56,763,934)	(47,419,487)	(34,898,411)	(28,565,472)
Business-type activities	476,602	356,454	755,144	1,321,039	91,352	129,218	(1,720,286)	(1,738,750)	(1,173,611)	752,215
Total net revenues (expenses)	<u>\$ (29,364,455)</u>	<u>\$ (30,189,005)</u>	<u>\$ (33,146,989)</u>	<u>\$ (35,865,970)</u>	<u>\$ (45,837,154)</u>	<u>\$ (41,460,837)</u>	<u>\$ (58,484,220)</u>	<u>\$ (49,158,237)</u>	<u>\$ (36,072,022)</u>	<u>\$ (27,813,257)</u>

**City of Huntington Park  
Change in Net Position (Continued)  
Last Ten Fiscal Years**

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General revenues and other changes in net position:										
Governmental activities:										
Taxes:										
Property taxes	\$ 11,359,621	\$ 11,873,610	\$ 13,798,209	\$ 15,584,471	\$ 19,745,557	\$ 13,517,895	\$ 15,373,839	\$ 14,640,143	\$ 13,223,844	\$ 7,493,285
Sales tax	5,530,661	4,724,900	5,102,823	5,051,694	7,258,290	5,679,730	5,325,737	6,377,406	6,518,106	4,827,816
In lieu sales tax	-	1,452,319	1,414,721	2,425,768	1,444,374	1,697,425	1,036,404	1,273,544	1,424,304	6,659,850
Franchise	558,820	708,580	616,012	643,875	648,097	659,540	617,944	647,472	636,094	1,432,117
Utility	3,508,536	3,725,982	4,047,951	4,437,893	4,433,574	4,636,735	4,716,341	5,866,108	5,523,882	600,333
Motor vehicle in lieu tax	2,924,607	5,162,676	4,584,517	4,833,395	4,746,791	5,022,115	4,991,089	4,782,510	4,780,123	5,678,620
Other taxes	26,782	26,279	57,320	122,822	72,042	386,784	389,703	968,396	421,016	434,769
Parking meter	1,205,078	1,193,648	1,354,440	1,339,029	2,230,484	2,085,363	2,085,363	-	-	-
Supplemental subvention	634,441	199,949	105,493	117,024	518,489	500,000	275,652	-	-	-
Investment income	406,909	594,630	1,061,075	2,962,108	2,561,394	2,910,403	2,175,887	1,637,914	245,456	123,089
Other	602,078	124,851	680,364	299,722	1,568,531	998,542	907,504	2,118,092	611,693	52,010
Sale of assets	439,500	(25,531)	-	-	-	-	-	-	-	2,601,479
Transfers	175,000	185,000	185,000	200,000	210,000	220,000	220,000	-	-	(332,697)
Extraordinary item	-	-	-	-	-	-	-	-	169,818,234	-
<b>Total governmental activities</b>	<b>27,372,033</b>	<b>29,946,893</b>	<b>33,007,925</b>	<b>38,017,801</b>	<b>45,437,623</b>	<b>38,314,532</b>	<b>38,115,463</b>	<b>38,311,585</b>	<b>203,202,752</b>	<b>29,570,671</b>
Business-type activities:										
Investment income	105,266	246,327	442,514	10,169	174,583	188,245	94,274	14,483	5,087	4,120
Other	-	-	1,944	151,741	21,331	20,358	19,721	120,781	31,917	62,788
Transfers	(175,000)	(185,000)	(185,000)	(200,000)	(210,000)	(220,000)	(220,000)	-	-	332,697
<b>Total business-type activities</b>	<b>(69,734)</b>	<b>61,327</b>	<b>259,458</b>	<b>(38,090)</b>	<b>(14,086)</b>	<b>(11,397)</b>	<b>(106,005)</b>	<b>135,264</b>	<b>37,004</b>	<b>399,605</b>
<b>Total primary government</b>	<b>27,302,299</b>	<b>30,008,220</b>	<b>33,267,383</b>	<b>37,979,711</b>	<b>45,423,537</b>	<b>38,303,135</b>	<b>38,009,458</b>	<b>38,446,849</b>	<b>203,239,756</b>	<b>29,970,276</b>
Changes in net position										
Governmental activities	(2,469,024)	(598,566)	(894,208)	830,792	(490,883)	(3,275,523)	(18,648,471)	(9,107,902)	168,304,341	1,005,199
Business-type activities	406,868	417,781	1,014,602	1,282,949	77,266	117,821	(1,826,291)	(1,603,486)	(1,136,607)	1,151,820
<b>Total primary government</b>	<b>\$ (2,062,156)</b>	<b>\$ (180,785)</b>	<b>\$ 120,394</b>	<b>\$ 2,113,741</b>	<b>\$ (413,617)</b>	<b>\$ (3,157,702)</b>	<b>\$ (20,474,762)</b>	<b>\$ (10,711,388)</b>	<b>\$ 167,167,734</b>	<b>\$ 2,157,019</b>

Source: City Finance Department

**City of Huntington Park**  
**Fund Balances of Governmental Funds**  
**Fiscal Year 2013 through 2011**

	<u>2011</u>	<u>2012</u>	<u>2013</u>
<b>General Fund</b>			
Nonspendable	\$ 2,210,179	\$ 45,373	\$ 650
Restricted	-	-	-
Committed	-	-	-
Assigned	-	-	-
Unassigned	<u>9,153,901</u>	<u>15,977,450</u>	<u>11,612,642</u>
Total General Fund	<u>\$ 11,364,080</u>	<u>\$ 16,022,823</u>	<u>\$ 11,613,292</u>
<b>All Other Governmental Funds</b>			
Nonspendable	\$ 35,610,658	\$ 10,010	\$ 8,282
Restricted	27,990,761	7,706,817	16,808,499
Committed	-	-	-
Assigned	-	-	-
Unassigned	<u>(79,415,688)</u>	<u>(1,671,932)</u>	<u>(969,075)</u>
Total All Other Governmental Funds	<u>\$ (15,814,269)</u>	<u>\$ 6,044,895</u>	<u>\$ 15,847,706</u>

Note: The City of Huntington Park elected to present fund balance information under GASB#54 prospectively in the Statistical Section; refer to page 136 for reporting of the previous years under the old guidelines.

**City of Huntington Park**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Revenues:</b>										
Taxes	\$ 23,094,178	\$ 22,379,276	\$ 25,037,036	\$ 28,266,523	\$ 33,601,936	\$ 30,985,995	\$ 32,271,559	\$ 38,336,947	\$ 32,527,369	\$ 26,436,623
Licenses and permits	1,881,831	2,057,217	1,941,962	1,922,670	1,818,592	1,969,768	2,005,327	1,757,220	1,794,342	2,487,955
Fines and forfeitures	2,276,431	2,138,280	1,894,223	1,750,229	2,386,254	2,246,561	1,987,494	2,093,146	1,799,092	1,572,427
Use of money and property	1,864,078	803,568	1,209,451	3,144,299	2,518,555	1,572,667	853,250	319,448	214,718	104,608
Intergovernmental	10,306,525	11,777,620	13,185,593	14,454,974	12,509,369	11,229,777	11,596,106	7,184,291	8,194,479	5,743,636
Charges for services	3,140,491	3,111,045	3,388,742	3,476,787	4,261,736	4,406,830	4,215,952	3,897,067	3,988,545	3,998,378
Interfund charges	-	825,389	684,174	1,363,798	6,098,629	6,232,316	1,284,039	2,160,428	775,004	3,145,823
Other	455,077	587,605	1,999,076	722,011	2,687,716	2,098,330	7,341,289	7,689,193	1,910,471	1,496,649
<b>Total revenues</b>	<b>43,018,611</b>	<b>43,680,000</b>	<b>49,340,257</b>	<b>55,101,291</b>	<b>65,882,787</b>	<b>60,742,244</b>	<b>61,555,016</b>	<b>63,437,740</b>	<b>51,204,020</b>	<b>44,986,099</b>
<b>Expenditures</b>										
<b>Current:</b>										
General government	5,999,972	30,150,830	7,646,065	7,933,501	14,360,372	12,976,827	14,174,935	14,344,657	7,462,872	4,680,822
Public safety	12,533,370	13,140,243	13,293,068	15,067,682	15,104,932	15,679,695	16,264,466	15,605,975	15,276,824	17,091,392
Public works	3,616,546	5,213,037	6,659,033	6,879,908	7,455,249	6,636,892	6,859,393	7,100,592	6,783,407	7,302,787
Community services	2,647,316	2,304,302	1,610,030	2,682,181	3,311,487	2,855,125	3,173,041	3,116,084	2,755,936	2,822,416
Community development	6,249,288	7,202,870	6,835,708	8,477,421	7,679,446	6,516,548	16,328,082	7,878,855	7,831,704	3,940,893
Pass through to other agencies	3,071,641	-	45,566	90,278	570,973	399,097	375,593	3,391,334	-	-
Capital outlay	3,209,057	2,714,384	2,607,119	13,337,662	7,282,239	4,822,188	5,586,603	3,808,666	3,465,866	2,491,517
<b>Debt service:</b>										
Principal retirement	1,831,427	1,015,002	3,440,532	10,576,895	15,585,667	4,386,382	6,262,841	5,122,931	5,976,568	2,145,594
Interest and fiscal charges	10,049,484	8,560,132	11,192,321	6,677,436	7,454,938	6,437,978	10,559,333	5,908,670	4,148,109	1,668,836
Bond issue costs	2,482,040	846,291	17,315	140,000	7,000	-	-	-	-	-
Payment to escrow agent	5,246,513	-	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>56,936,654</b>	<b>71,147,091</b>	<b>53,346,757</b>	<b>71,862,964</b>	<b>78,812,303</b>	<b>60,710,732</b>	<b>79,584,287</b>	<b>66,277,764</b>	<b>53,701,286</b>	<b>42,144,257</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(13,918,043)</b>	<b>(27,467,091)</b>	<b>(4,006,500)</b>	<b>(16,761,673)</b>	<b>(12,929,516)</b>	<b>31,512</b>	<b>(18,029,271)</b>	<b>(2,840,024)</b>	<b>(2,497,266)</b>	<b>2,841,842</b>
<b>Other financing sources (uses):</b>										
Transfers in	7,989,726	10,286,478	11,436,176	12,263,450	4,874,003	11,720,756	7,420,949	5,154,358	65,221	5,187,441
Transfers out	(7,971,091)	(10,332,114)	(11,465,031)	(12,313,449)	(4,664,003)	(11,500,756)	(7,200,949)	(5,154,358)	(65,221)	(5,520,138)
Proceeds from debt	64,281,935	33,857,730	17,904,956	24,653,129	6,575,000	-	-	-	-	-
Proceeds from sale of assets	439,500	-	-	-	-	-	-	-	-	-
Payment to escrow agent	(54,449,166)	-	-	-	-	-	-	-	-	-
Repayment of notes	143,928	-	-	-	-	-	-	-	-	-
Adjustment for CDC Loans	-	-	-	-	-	-	-	-	24,202,277	-
CDC Dissolution	-	-	-	-	-	-	-	-	(8,433,593)	-
<b>Total other financing sources (uses)</b>	<b>10,434,832</b>	<b>33,812,094</b>	<b>17,876,101</b>	<b>24,603,130</b>	<b>6,785,000</b>	<b>220,000</b>	<b>220,000</b>	<b>-</b>	<b>15,768,684</b>	<b>(332,697)</b>
<b>Net change in fund balances</b>	<b>\$ (3,483,211)</b>	<b>\$ 6,345,003</b>	<b>\$ 13,869,601</b>	<b>\$ 7,841,457</b>	<b>\$ (6,144,516)</b>	<b>\$ 251,512</b>	<b>\$ (17,809,271)</b>	<b>\$ (2,840,024)</b>	<b>\$ 13,271,418</b>	<b>\$ 2,509,145</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>36.5%</b>	<b>15.2%</b>	<b>28.7%</b>	<b>30.0%</b>	<b>31.2%</b>	<b>19.3%</b>	<b>22.5%</b>	<b>17.9%</b>	<b>20.7%</b>	<b>10.2%</b>

Source: City Finance Department

**City of Huntington Park**  
**Assessed Value and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30	Residential	Commerical	Industrial	Institutional	Recreational	Vacant Land	Other Secured	Unsecured	Exemptions	Assessed Value	Taxable Assessed Value (1)	Total Direct Tax Rate
2003	\$ 956,398	\$ 347,910	\$ 200,261	\$ 33,139	\$ 6,624	\$ 10,665	\$ 25,947	\$ 95,973	\$ 14,823	\$ 1,691,740	\$ 1,676,917	0.2835%
2004	1,004,943	363,615	210,006	13,382	6,115	13,166	20,755	104,730	20,256	1,756,968	1,736,712	0.2835%
2005	1,085,615	391,280	179,311	11,706	7,310	15,458	8,722	88,675	21,392	1,809,469	1,788,077	0.2835%
2006	1,175,103	442,183	187,758	12,483	12,952	18,696	8,318	97,817	20,398	1,975,708	1,955,310	0.2835%
2007	1,297,799	467,176	199,473	12,572	17,605	16,574	8,568	113,366	21,511	2,154,644	2,133,133	0.2835%
2008	1,427,170	490,808	215,450	28,335	19,866	16,950	3,361	114,199	21,315	2,337,454	2,316,139	0.2835%
2009	1,495,042	530,927	230,221	36,697	20,280	16,406	3,631	117,237	21,003	2,471,444	2,450,441	0.2835%
2010	1,433,846	552,360	239,580	36,302	20,686	12,807	3,291	136,319	30,194	2,465,385	2,435,191	0.2835%
2011	1,359,615	550,717	243,284	23,248	14,088	11,996	3,510	126,905	29,891	2,363,254	2,333,363	0.2835%
2012	1,356,052	548,295	237,675	31,505	12,547	14,676	3,466	127,982	28,941	2,361,139	2,332,198	0.7398%
2013	1,359,583	565,004	245,171	22,287	14,032	24,391	3,153	117,569	-	2,355,463	2,355,463	0.7407%

(1) - Taxable assessed value equals the assessed value less exemption amounts.

**NOTE:**

In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only re-assessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

Source: Los Angeles County Assessor's Office

**City of Huntington Park**  
**Direct and Overlapping Property Tax Rates**  
**(Rate per \$100 of assessed value)**  
**Last Ten Fiscal Years**

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
City Direct Rates:										
City's share of 1% levy per prop 13	\$ 0.0765	\$ 0.0765	\$ 0.0765	\$ 0.0765	\$ 0.0765	\$ 0.0765	\$ 0.0735	\$ 0.0735	\$ 0.0735	\$ 0.0735
General obligation debt rate	0.2100	0.2100	0.2100	0.2100	0.2100	0.2100	0.2100	0.2100	0.2100	0.2100
Overlapping Rates:										
Detention Facilities 1987 Debt	0.0010	0.0009	0.0008	0.0007	-	-	-	-	-	-
L.A. Co. Fl. Con. Storm Dr. D.S. #4	0.0004	0.0002	-	-	-	-	-	-	-	-
Flood Con. Ref. Bonds 1993 Ds	-	-	-	-	-	-	-	-	-	-
L.A. County Flood Control	0.0080	0.0080	0.0080	0.0080	0.0080	0.0080	0.0080	0.0080	0.0080	0.0080
Central Basin MWD	0.0061	0.0058	0.0052	0.0047	0.0045	0.0043	0.0430	0.0037	0.0037	0.0037
L.A. County Comm. College District	0.0465	0.0446	0.0409	0.0482	0.0353	0.0488	0.0231	0.0403	0.0403	0.0266
Los Angeles Unified School District	0.2734	0.2849	0.2804	0.3028	0.3193	0.3221	0.3478	0.1960	0.1960	0.1960
Los Angeles County General	0.2585	0.2585	0.2585	0.2585	0.2585	0.2585	0.2585	0.2585	0.2585	0.2585
Educational Augmentation Fund	0.2334	0.2334	0.2334	0.2334	0.2334	0.2334	0.2334	0.2334	0.2334	0.2334
Los Angeles Consolidated Fire District	0.1547	0.1547	0.1547	0.1547	0.1547	0.1547	0.1547	0.1547	0.1547	0.1547
L.A. County Library	0.0199	0.0199	0.0199	0.0199	0.0199	0.0199	0.0199	0.0199	0.0199	0.0199
County Sanitation District #1	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130	0.0130
L.A. County Ffw	0.0059	0.0059	0.0059	0.0059	0.0059	0.0059	0.0059	0.0059	0.0059	0.0059
Los Angeles Childrens Center Fd	0.0032	0.0032	0.0032	0.0032	0.0032	0.0032	0.0032	0.0032	0.0032	0.0032
Childrens Instil Tuition Fund	0.0025	0.0025	0.0025	0.0025	0.0025	0.0025	0.0025	0.0025	0.0025	0.0025
L.A. Co. Fl. Con. Imp. Dist.	0.0014	0.0014	0.0014	0.0014	0.0014	0.0014	0.0014	0.0014	0.0014	0.0014
County School Services	0.0013	0.0013	0.0013	0.0013	0.0013	0.0013	0.0013	0.0013	0.0013	0.0013
Dev. Ctr. Hdcpd Minor - IA Unif.	0.0011	0.0011	0.0011	0.0011	0.0011	0.0011	0.0011	0.0011	0.0011	0.0011
Greater L.A. Co. Vector Control	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003
L.A. Comm. Coll. Childrens Ctr Fd	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003	0.0003
Wtr Replenishment Dist of So Cal	0.0002	0.0002	0.0002	0.0002	0.0002	0.0002	0.0002	0.0002	0.0002	0.0002
L.A. County Accum Cap Outlay	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001
Co. Sch. Serv. Fd. - Los Angeles	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0000	0.0000
<b>Total Direct Rate &amp; Overlapping Rates</b>	<b>\$ 1.3178</b>	<b>\$ 1.3267</b>	<b>\$ 1.3177</b>	<b>\$ 1.3467</b>	<b>\$ 1.3495</b>	<b>\$ 1.3656</b>	<b>\$ 1.4013</b>	<b>\$ 1.2274</b>	<b>\$ 1.2274</b>	<b>\$ 1.2137</b>

**NOTE:**

In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.

**City of Huntington Park  
Ten Principal Property Taxpayers  
Current Year and Eleven Years Ago**

Taxpayer	2013			2003		
	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value
Crown Poly Inc	\$ 29,435,853	1	1.25%	\$ 9,362,218	6	0.54%
RHA Partners Limited	20,370,072	2	0.86%	12,040,000	3	0.69%
Pacific Imedra Partners LLC	19,191,428	3	0.81%			
MP Investors LLC	16,522,833	4	0.70%			
Home Depot USA Inc	16,172,462	5	0.69%	14,604,037	2	0.84%
Nicholas B. Alexander Trust	11,804,440	6	0.50%			
Primestor Las Palmas LLC	11,662,172	7	0.50%			
Joseph M and Leona Fallas Trust	11,523,467	8	0.49%	8,896,931	8	0.51%
Rita Partners	11,423,829	9	0.48%	9,907,188	5	0.57%
6700 Alameda HPCA LLC	11,124,041	10	0.47%			

Source: Los Angeles County Assessor and HdL Coren & Cone

**City of Huntington Park  
Property Tax Levies and Collections  
Last Ten Fiscal Years**

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount *	Percent of Levy*
2004	N/A	N/A	N/A	N/A	N/A	N/A
2005	N/A	N/A	N/A	N/A	N/A	N/A
2006	\$13,375,271	\$12,575,027	94.02%	\$ 1,223,182	13,798,209	103.16%
2007	\$15,274,437	\$14,896,843	97.53%	\$ 687,628	15,584,471	102.03%
2008	\$17,053,964	\$18,841,249	110.48%	\$ 904,308	19,745,557	115.78%
2009	\$18,496,794	\$18,004,516	97.34%	\$ 950,615	18,955,131	102.48%
2010	\$18,107,004	\$17,179,824	94.88%	\$ 955,585	18,135,409	100.16%
2011	\$17,404,739	\$16,384,223	94.14%	\$ 819,710	17,203,933	98.85%
2012	\$ 1,223,609	\$ 1,155,220	94.41%	\$ 218,220	1,373,440	112.25%
2013	\$ 756,317	\$ 745,845	98.62%	\$ 10,471	756,317	100.00%

**NOTE:**

The amounts presented include City property taxes and Community Development Commission tax increment. This schedule also includes amounts collected by the City and Redevelopment Agency that were passed-through to other agencies from 2003-2011. 2012 reflects just the City of Huntington Park.

\* Total collection may include such items as supplemental assessments, prior year delinquencies, penalties, and tax payer refunds, which may cause the percent of levy to exceed 100%.

N/A - The information was not available.

**Source:**

Los Angeles County Auditor Controller's Office  
City Finance Department

**City of Huntington Park**  
**Ratio of Net General Bonded Debt to Total**  
**Assessed Value and Net Bonded Debt Per Capita**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30	Governmental Activities							Total Governmental Activities	Percentage of Personal Income	Debt Per Capita <sup>1</sup>
	Lease Revenue Bonds	Tax Allocation Bonds	Notes , Loans and Agreements	Section 108 Loan	Installment Sale Agreement	Pension Obligation Bonds	Capital Leases			
2004	\$ 74,170,000	\$ 3,250,000	\$ 63,336,854	\$ 2,475,000	\$ -	\$ -	\$ 470,271	\$ 143,702,125	22.50%	2,236
2005	73,415,000	3,250,000	74,034,609	2,325,000	-	23,050,000	254,507	176,329,116	26.66%	2,735
2006	70,370,000	3,250,000	81,904,182	2,165,000	10,000,000	23,050,000	54,360	190,793,542	27.61%	2,964
2007	67,031,074	3,250,000	98,044,787	9,159,000	10,000,000	23,000,000	1,098	210,485,959	29.63%	3,274
2008	55,166,116	-	114,457,692	8,974,000	9,905,458	22,850,000	-	211,353,266	29.56%	3,289
2009	51,806,917	-	124,943,855	8,769,000	9,699,182	22,600,000	-	217,818,954	31.05%	3,384
2010	48,377,813	-	132,602,298	8,151,000	9,461,747	22,200,000	-	220,792,858	29.24%	3,438
2011	44,838,107	-	144,305,106	7,518,000	9,190,979	21,700,000	-	227,552,192	30.89%	3,901
2012	1,757,072	-	3,746,060	6,865,000	8,884,579	21,100,000	-	42,352,711	5.81%	722
2013	1,373,113	-	3,715,659	6,192,000	8,540,113	20,400,000	-	40,220,885	5.42%	681

<sup>1</sup> - Where available, these ratios are calculated using the official demographic estimate as of January 1st of each calendar year.

N/A - Not available

Notes:

Details regarding the City's outstanding debt can be found in the notes to the financial statements  
No debt was issued in the business-type activities

Source: City Finance Department

**City of Huntington Park  
Computation of Legal Debt Margin  
Last Ten Years**

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Assessed valuation <sup>1</sup>	\$ 1,756,968	\$ 1,809,469	\$ 1,975,708	\$ 2,154,644	\$ 2,337,454	\$ 2,471,444	\$ 2,465,385	\$ 2,363,254	\$ 2,361,139	\$ 2,355,463
Conversion percentage	<u>25%</u>									
Adjusted assessed valuation	439,242	452,367	493,927	538,661	584,364	617,861	616,346	590,814	590,285	588,866
Debt limit percentage	<u>15%</u>									
Debt limit	65,886	67,855	74,089	80,799	87,655	92,679	92,452	88,622	88,543	88,330
Total net debt applicable to limit: General obligation bonds	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 65,886</u>	<u>\$ 67,855</u>	<u>\$ 74,089</u>	<u>\$ 80,799</u>	<u>\$ 87,655</u>	<u>\$ 92,679</u>	<u>\$ 92,452</u>	<u>\$ 88,622</u>	<u>\$ 88,543</u>	<u>\$ 88,330</u>
Total debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Note:

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the state.

Source: City Finance Department  
Los Angeles County Tax Assessor's Office

**City of Huntington Park  
Direct and Overlapping Bonded Debt**

City Assessed Valuation Redevelopment Agency Incremental Valuation Adjusted Assessed Valuation	\$ 2,355,462,989 <u>(1,174,336,800)</u> \$ <u>1,181,126,189</u>									
	<table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;"></td> <td style="width: 33%; text-align: center;">Percentage Applicable <sup>1</sup></td> <td style="width: 33%; text-align: center;">Outstanding Debt 6/30/12</td> <td style="width: 33%; text-align: center;">Estimated Share of Overlapping Debt</td> </tr> </table>		Percentage Applicable <sup>1</sup>	Outstanding Debt 6/30/12	Estimated Share of Overlapping Debt	<table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;"></td> <td style="width: 33%;"></td> <td style="width: 33%;"></td> <td style="width: 33%;"></td> </tr> </table>				
	Percentage Applicable <sup>1</sup>	Outstanding Debt 6/30/12	Estimated Share of Overlapping Debt							
Overlapping Debt Repaid with Property Taxes:										
Metropolitan Water District	0.134%	\$ 79,696,126	\$ 106,524							
Los Angeles Community College District	0.395%	3,712,555,000	14,669,479							
Los Angeles Unified School District	0.491%	<u>10,956,555,000</u>	<u>53,757,732</u>							
Total overlapping debt		<u>14,748,806,126</u>	<u>68,533,735</u>							
City direct debt			<u>-</u>							
Total direct and overlapping debt <sup>2</sup>			<u>\$ 68,533,735</u>							

Notes:

For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Overlapping other debt was not available.

Source: HdL Coren and Cone, Los Angeles County Assessor and Auditor

**City of Huntington Park  
Pledged-Revenue Coverage  
Tax Allocation Bonds  
Last Ten Fiscal Years**

Tax Allocation Bonds				
Fiscal Year Ended June 30	Debt Service			
	Tax Increment	Principal	Interest	Coverage
2004	\$ 7,266,809	\$ -	\$ 201,500	36.06
2005	7,412,095	-	201,500	36.78
2006	8,607,664	-	201,500	42.72
2007	10,183,611	-	201,500	50.54
2008	4,055,494	75,000	199,175	14.79
2009	*	*	*	*
2010	*	*	*	*
2011	*	*	*	*
2012	*	*	*	*
2013	*	*	*	*

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

Source: City Finance Department

\* - For these fiscal years, the City did not have any revenue backed debt.

**City of Huntington Park  
Demographic Statistics  
Last Ten Fiscal Years**

Calendar Year	Population (1)	Personal Income (in thousands)	Per Capita Personal Income (2)	Unemployment Rate (3)
2004	64,265	\$ 638,746	\$ 9,939	9.9%
2005	64,466	661,397	10,260	8.2%
2006	64,362	690,967	10,736	7.4%
2007	64,285	710,478	11,052	7.8%
2008	64,270	715,012	11,125	11.3%
2009	64,376	701,431	10,896	17.2%
2010	64,219	755,215	11,760	18.7%
2011	58,329	736,695	12,630	18.2%
2012	58,624	728,520	12,427	13.9%
2013	59,062*	742,296	12,568	9.5%*

Sources: HdL Coren and Cone  
California Department of Finance  
Bureau of Labor Statistics

\* - Population for 2013 is based on the projected population growth in the Los Angeles County.  
Personal Income for 2013 is based on the average CPI for FY 12-13.  
Unemployment rate is based on the average Unemployment Rate for the Los Angeles MSA.

**City of Huntington Park  
Principal Employers - Los Angeles County (1)  
Most Recent Year and Four Years Ago (2)**

Employer	2011		2009	
	Number of Employees	Percent of Total Employment	Number of Employees	Percent of Total Employment
County of Los Angeles	95,700	15.03%	109,500	1.92%
Los Angeles Unified School District	73,300	11.51%	104,900	1.54%
Federal Government	48,100	7.55%	48,100	1.10%
City of Los Angeles (including DWP)	47,700	7.49%	56,200	1.10%
University of California, Los Angeles	41,000	6.44%	28,400	0.73%
Kaiser Permanente	36,500	5.73%	34,100	0.66%
State of California (non-education)	30,400	4.77%	30,500	0.62%
Northrop Grumman Corp.	18,000	2.83%	19,100	0.43%
University of Southern California	16,600	2.61%		
Target Corp.	14,200	2.23%		

(1) - Principal employer information for the City of Huntington Park was not available; therefore we used Los Angeles County information.

(2) - Information for 2013 & 2012 is not available. The information presented is the latest available.

(3) - Includes U.S. Postal Service

Source:  
Los Angeles Almanac website address: [www.laalmanac.com/employment](http://www.laalmanac.com/employment)

**City of Huntington Park**  
**Full-Time and Part-Time City Employees by Function**  
**Last Ten Fiscal Years**

Function	Full-time and Part-time Employees as of June 30									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>General Government</b>										
Full-time	28	27	27	29	31	31	31	27	26	28
Part-time	1	1	1	2	2	1	2	6	3	4
Total	<u>29</u>	<u>28</u>	<u>28</u>	<u>31</u>	<u>33</u>	<u>32</u>	<u>33</u>	<u>33</u>	<u>29</u>	<u>32</u>
<b>Community Development</b>										
Full-time	5	8	12	14	15	13	13	8	10	12
Part-time	0	1	5	8	6	3	6	4	2	3
Total	<u>5</u>	<u>9</u>	<u>17</u>	<u>22</u>	<u>21</u>	<u>16</u>	<u>19</u>	<u>12</u>	<u>12</u>	<u>15</u>
<b>Community services</b>										
Full-time	7	7	7	10	10	9	9	9	8	8
Part-time	31	25	25	32	31	27	20	19	19	19
Total	<u>38</u>	<u>32</u>	<u>32</u>	<u>42</u>	<u>41</u>	<u>36</u>	<u>29</u>	<u>28</u>	<u>27</u>	<u>27</u>
<b>Public safety</b>										
Full-time	102	106	108	117	113	108	101	102	105	99
Part-time	17	19	20	20	21	18	24	27	27	22
Total	<u>119</u>	<u>125</u>	<u>128</u>	<u>137</u>	<u>134</u>	<u>126</u>	<u>125</u>	<u>129</u>	<u>132</u>	<u>121</u>
<b>Public works</b>										
Full-time	24	25	25	28	27	26	27	26	26	25
Part-time	0	0	1	2	2	2	2	0	0	0
Total	<u>24</u>	<u>25</u>	<u>26</u>	<u>30</u>	<u>29</u>	<u>28</u>	<u>29</u>	<u>26</u>	<u>26</u>	<u>25</u>
Full-time total	166	173	179	198	196	187	181	172	175	172
Part-time total	49	46	52	64	62	51	54	56	51	48
Grand Total	<u>215</u>	<u>219</u>	<u>231</u>	<u>262</u>	<u>258</u>	<u>238</u>	<u>235</u>	<u>228</u>	<u>226</u>	<u>220</u>

Source: City of Huntington Park Finance Department

**City of Huntington Park  
Operating Indicators by Function  
Last Ten Fiscal Years**

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Police:</b>										
Arrests	2,872	2,924	2,729	2,902	2,346 <sup>2</sup>	2,366	2,624	2,183	2,112	1,778
Calls for service	44,736	44,289	41,539	42,112	33,589 <sup>2</sup>	41,430	26,101	37,940	36,272	33,627
Traffic violations	8,803	6,467	5,256	4,961	4,129 <sup>2</sup>	7,124	7,910	4,790	3,863	3,748
Code enforcement inspections	<sup>5</sup> 2,101	2,409	618 <sup>3</sup>	506	906 <sup>4</sup>	972	1,112	2,729	1,206	901
<b>Public works:</b>										
Pounds of trash recycled	N/A	N/A	7,746	11,973	10,461 <sup>6</sup>	N/A	N/A	N/A	N/A	N/A
Pounds of trash recycled per resident	N/A	N/A	N/A	N/A	N/A	4.1	N/A	N/A	N/A	N/A
<b>Parks and recreation:</b>										
Recreation classes	125	99	107	125	149	187	206	301	256	258
Recreation class participants	1,871	1,550	1,491	1,705	2,125	3,295	4,254	3,483	3,283	2,467
Facility rentals	126	121	371	575	365	419	231	191	295	935
Youth sport participants	N/A	N/A	823	883	797	920	896	1,081	1,057	1,101
Adult sport participants	N/A	N/A	534	746	392	852	905	875	926	995
<b>Water:</b>										
Average daily consumption (thousands of gallons)	5,051	5,047	4,899	4,762	4,751	4,542	5,374	5,452	5,545	4,258
<b>Community Development</b>										
<b>Planning permits:</b>										
Entitlements	N/A	17	18	22	26	7*	8*	13	7	12
Legislative Action	N/A	4	4	5	6	9*	6*	6	5	2
<b>Building permits:</b>										
New construction	N/A	13	12	6	11	6	5	N/A	N/A	N/A
Alteration/repair	N/A	451	515	376	267	259	199	N/A	N/A	N/A
Plan checks	N/A	175	186	157	145	100	124	N/A	N/A	N/A
Business license inspections	N/A	451	417	450	397	396	305	N/A	N/A	N/A

<sup>2</sup> - The information is activity from 1/1/08 - 10/19/08

<sup>3</sup> - Down 1 code enforcement officers during period

<sup>4</sup> - Down 3 code enforcement officers during period

<sup>5</sup> - Supervisor on military leave during period

<sup>6</sup> - As of November 31, 2007 and does not include buy back center data or C & D material.

<sup>7</sup> - Down 3 planners during this period

\* Only includes cases reviewed by the Planning Commission and/or the City Council

Source: City of Huntington Park

**City of Huntington Park  
Capital Asset Statistics by Function  
Last Ten Fiscal Years**

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Substations	1	1	1	1	3	3	3	3	1	1
Field services:										
Residential streets (miles)	38	38	38	38	38	38	38	38	38	38
Traffic signals	53	53	53	53	53	53	53	53	60	64
Parks and recreation:										
Parks	6	6	6	6	6	6	6	6	6	6
Park acreage	31	31	31	31	31	31	31	31	32	32
Athletic Fields	8	8	8	8	8	8	8	8	8	8
Community centers	5	5	5	5	5	5	5	5	5	5
Water:										
Water mains (miles)	61	61	61	61	61	61	61	61	61	61
Wells	7	7	7	7	7	7	7	7	6	6
Plants	21	21	21	21	21	21	21	21	21	21
Wastewater:										
Sanitary sewers (miles)	51	51	51	51	51	51	51	51	51	51
Storm sewers (miles)	4	4	4	4	4	4	4	4	4	4

Note: A complete valuation of the City's capital assets including infrastructure was completed for fiscal 2002.

Source: City of Huntington Park Finance Department