

**Comprehensive Annual Financial Report
City of Huntington Park, California
Year ended June 30, 2014
*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, 2015

Honorable Mayor, Vice Mayor and Members of the City Council:

The Comprehensive Annual Financial Report of the City of Huntington Park (the “City”) is hereby submitted for your consideration and acceptance. In keeping with the City’s policy of annually publishing a complete set of financial statements that are presented in conformity with generally accepted accounting principles (GAAP), the accompanying financial statements for the fiscal year end June 30, 2014, have been audited in accordance with generally accepted auditing standards by a firm of certified public accountants.

This report includes management’s representations with regard to the finances of the City. Management is responsible for the completeness and reliability of all information presented in this report. As a reasonable basis for making these representations, management 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 are free from material misstatement. As management, 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 “Independent Auditor”). The Independent Auditor’s responsibility is to express an opinion on these financial statements based on the audit. Conducted in accordance with auditing standards generally accepted in the United States, those standards require that the Independent Auditor 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 auditors’ judgment, including the assessment of the risks of material misstatement of the financial statements. The Independent Auditor considers internal control relevant to the City’s preparation and fair presentation of the financial statements in order to design the appropriate audit procedures in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management.

Accordingly, the Independent Auditor has concluded that there is a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended June 30, 2014, are fairly presented in all material aspects and in conformity with GAAP. The Independent Auditor's report is presented as the first component of the financial section of the CAFR.

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's discussion and analysis (MD&A) be presented to accompany the basic financial statements. The MD&A 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.

Profile of the Government

The City was incorporated on September 1, 1906 under the general laws of the State of California. 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 Successor Agency, the Parking Authority of the City of Huntington Park and the Huntington Park Public Financing Authority, which are reported separately within the City's financial statements. Additional information regarding all 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. The annual budget process begins with a review of the current year's budget performance by the City Manager, Finance Director and respective Department heads. This review is the basis for proposed budget for the upcoming fiscal year. 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 City 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 59,000 people in 3 square miles, approximately six miles south of downtown Los Angeles. 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 is characterized by a downtown retail area and dense residential development encircled by large-scale industrial development in neighboring cities. Surrounded by several freeways, the City's location provides convenient, centrally located access to employment opportunities in Los Angeles, as well as the greater Los Angeles, Riverside, Orange, and San Bernardino counties. The City participates in the broad and diversified economy of the Los Angeles-Long Beach-Anaheim metropolitan statistical area. The County's unemployment rate for calendar year 2014 was 7.5%, an improvement from the unemployment rate of 9.9% in 2014.

Revenue Trends. The City began FY2012-2013 with \$21.5 million in budgeted revenues. It ended that year with \$22.5 million in revenues. This increase was primarily due to an \$800,000 increase in sales tax revenue, \$360,000 increase in Utility Users' Tax, and an offsetting \$150,000 reduction in parking ticket revenues. The City's revenue base continued its positive trend during FY2013-2014, by increasing from \$22.5 million to \$23.4 million due to increases in sales tax revenues, \$519,000, Utility Users' Taxes, \$111,600, Property Taxes, \$266,700, Franchise Fees, \$275,600, and Business Licenses, \$23,800, with an offsetting \$281,200 reduction in all other revenues.

Key Revenue Sources. Sales Tax, Property Tax, and Utility Users' Tax are the City's three largest revenue sources, accounting for approximately 75% of General Fund revenues. Sales Tax revenues grew by 8%, Property Tax levels remained relatively flat over this one-year period, growing by 4% and Utility Users' Tax increased by 2% from the prior year.

Expenditure Trends. 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. FY12-13 actual figures ended with a deficit of \$2.8 million: \$22.5 million in revenues and \$25.3 million expenses.

The City budgeted \$26.7 million in expenses for FY13-14 and ended with \$25.9 million in actual expenses. As a result of conservative spending and budgetary practices, the City ended up with \$800,000 fewer expenses than budgeted. FY13-14 actual figures ended with a deficit of \$2.5 million: \$23.4 million in revenues and \$25.9 million in expenses.

Primary Expenditures. Salaries and benefits comprised nearly 65% of the City's General Fund budget, which is comprised of approximately 171 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 due to hiring freezes. 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 of CalPERS and 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 previous year, FY11-12: \$1,211 vs. FY12-13 \$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 deficit. The City has a combined \$50 million annual budget, of which nearly 45% is comprised of a variety of federal and state grant awards and local return funds. Given our 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 slow recovery of the local economy, the City continues to face a budget deficit. This past fiscal year the City had a budgeted \$2.4 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. FY2012-2013 commenced with a \$4.2 million General Fund budget 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 leaving a \$3,200,000 imbalance for FY13-14. 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 and California 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 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 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 \$11.1 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 and Lighting Fund, Waste Fund and the Parking Fund. The City will run a nearly \$3.0 million deficit in the FY14-15 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,

A handwritten signature in black ink, appearing to read 'Jan Mazyck', with a long, sweeping horizontal line extending to the right.

Jan Mazyck
Interim Director of Finance

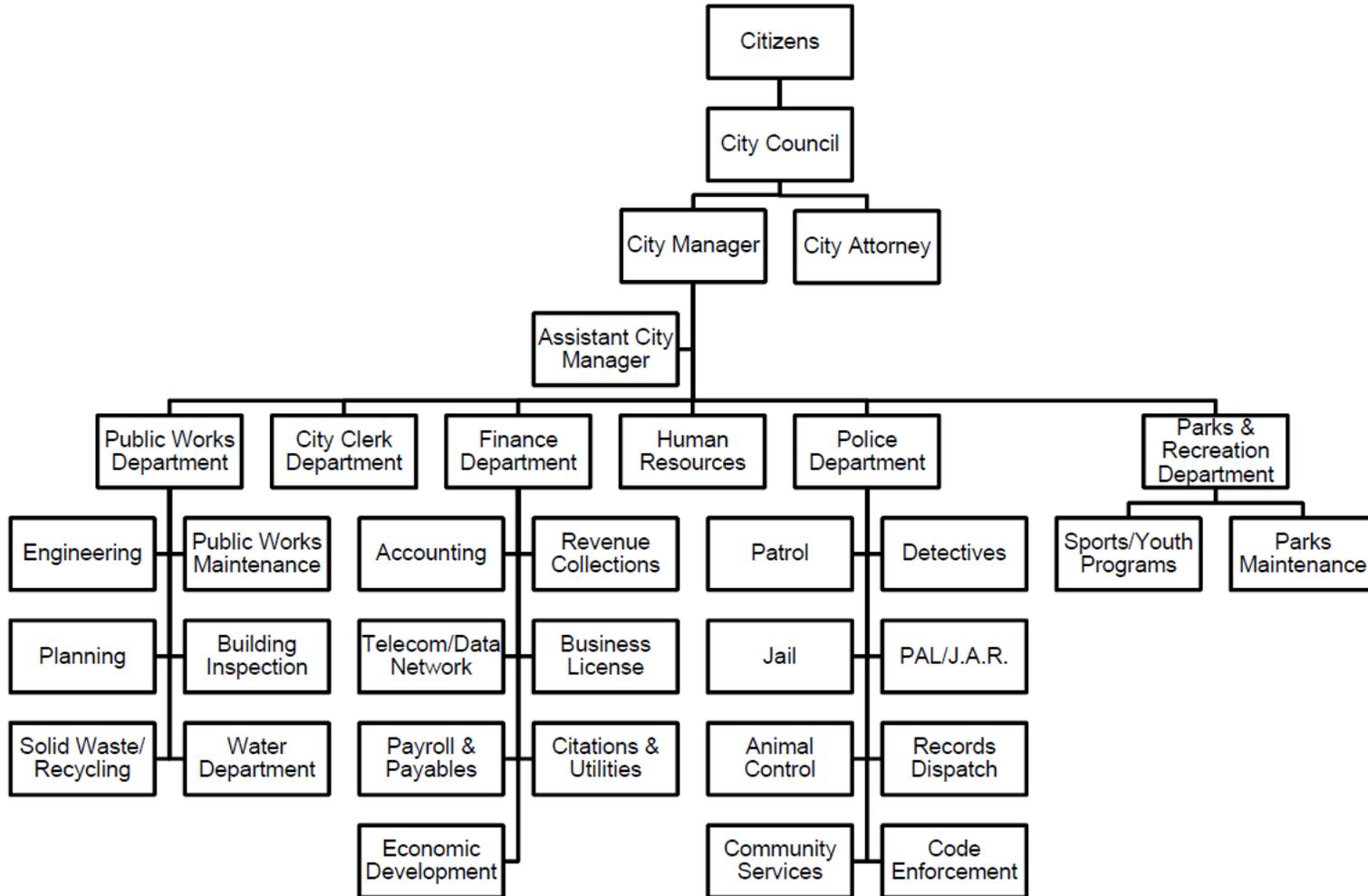
City of Huntington Park

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



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, 2014, 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, 2014, 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 63 through 70 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.



Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 24, 2015, 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.

Vasquez + Company LLP

**Los Angeles, California
March 24, 2015**

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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, 2014. 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, 2014 were \$123.6 million and total liabilities and deferred inflows of resources were \$51.8 million. The assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$71.6 million (net position).
- Total revenues from all sources were \$46.0 million and total expenditures were \$50.1 million compared with prior year totals of \$49.4 million and \$47.3 million respectively. Of the total revenues, program revenues were approximately \$19.3 million and general revenues were \$26.7million.
- As of June 30, 2014, the City's total net position was \$71.6 million which was a decrease from the prior year of approximately \$4.1 million. The decrease was primarily due to the increase in retirement costs and repairs and maintenance of expenses incurred in fiscal year 2014.

Fund based:

- The City's General Fund revenues and other financing sources decreased by \$0.3 million from \$27.8 million in fiscal 2013 to \$27.5 million in 2014.
- The City's actual General Fund expenditures were \$27.8million, which were \$0.7 million less than the Adopted Budget amount of \$28.5 million for fiscal year 2014.
- The General Fund's fund balance was \$11.3 million, as of June 30, 2014, a decrease of \$0.3 million from the prior fiscal year.

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 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
- 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.

	Governmental Activities		Business type activities		Totals	
	2014	2013	2014	2013	2014	2013
Current and other assets	\$ 54.4	\$ 64.2	\$ 3.0	\$ 2.5	\$ 57.4	\$ 66.7
Capital assets	49.5	50.1	16.7	17.1	66.2	67.2
Total assets	103.9	114.3	19.7	19.6	123.6	133.9
Deferred outflows of resources	-	-	-	-	-	-
Long-term debt outstanding	46.4	53.1	0.0	0.0	46.4	53.1
Other liabilities	4.3	4.0	1.1	1.0	5.4	5.0
Total liabilities	50.7	57.1	1.1	1.0	51.8	58.1
Deferred inflows of resources	-	-	-	-	-	-
Net position:						
Net investment in capital	38.9	40.2	16.7	17.1	55.6	57.2
Restricted	10.1	14.5	-	-	10.1	14.5
Unrestricted	4.0	2.5	1.9	1.4	5.9	4.0
Total net position	\$ 53.0	\$ 57.2	\$ 18.6	\$ 18.5	\$ 71.6	\$ 75.7

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

The City's government-wide total net position was \$71.6 million, with assets and deferred outflows of resources of \$123.6 million and liabilities and deferred inflows of resources of \$51.8 million. The net investment in capital assets was \$55.6 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 \$10.1 million represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$5.9 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)

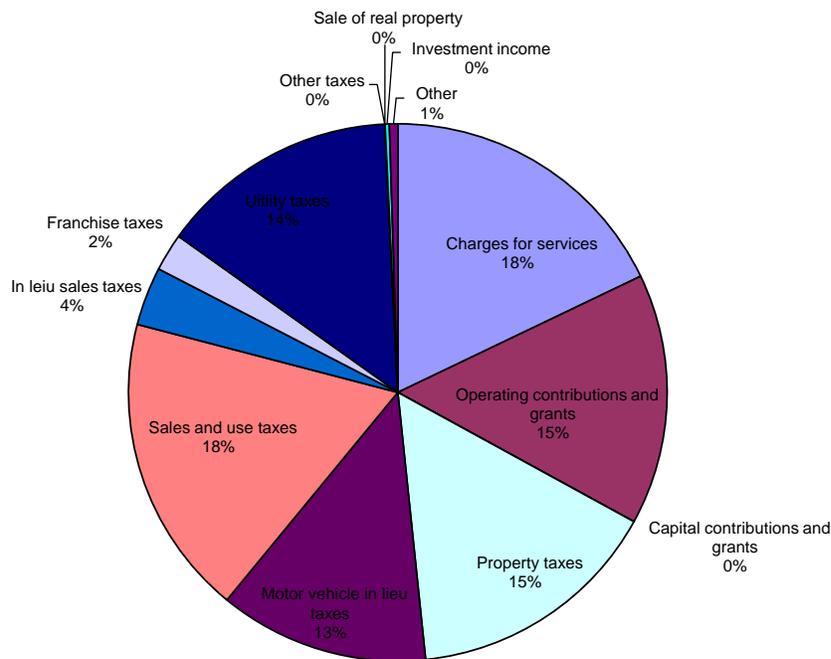
	Governmental Activities		Business type activities		Totals	
	2014	2013	2014	2013	2014	2013
Revenues						
Program revenues:						
Charges for services	\$ 7.1	\$ 7.5	\$ 6.3	\$ 5.7	\$ 13.4	\$ 13.2
Operating contributions and grants	6.0	6.3	-	-	6.0	6.3
Sub-total program revenues	13.1	13.8	6.3	5.7	19.4	19.5
General revenues:						
Property taxes	6.1	7.5	-	-	6.1	7.5
Motor vehicle in lieu taxes	5.0	4.8	-	-	5.0	4.8
Sales and use taxes	7.2	6.7	-	-	7.2	6.7
In lieu sales taxes	1.4	1.4	-	-	1.4	1.4
Franchise taxes	0.9	0.6	-	-	0.9	0.6
Utility taxes	5.7	5.7	-	-	5.7	5.7
Other taxes	0.0	0.4	-	-	0.0	0.4
Sale of real property	0.0	2.6	-	-	0.0	2.6
Investment income	0.1	0.1	0.0	0.0	0.1	0.1
Other	0.2	0.1	0.0	0.0	0.3	0.1
Transfers	0.2	(0.3)	(0.2)	0.3	-	-
Sub-total general revenues	26.8	29.6	(0.2)	0.3	26.7	29.9
Total revenues	39.9	43.4	6.1	6.0	46.1	49.4
Expenses						
General government	6.8	3.2	-	-	6.8	3.2
Public safety	19.8	19.4	-	-	19.8	19.4
Public works	8.8	9.6	-	-	8.8	9.6
Community services	2.7	3.0	-	-	2.7	3.0
Community development	4.6	5.6	-	-	4.6	5.6
Interest on long-term debt	1.3	1.6	-	-	1.3	1.6
Water	-	-	5.6	4.5	5.6	4.5
Sewer	-	-	0.3	0.3	0.3	0.3
Solid waste	-	-	0.1	0.1	0.1	0.1
Total expenses	44.0	42.4	6.0	4.9	50.0	47.3
Increase/(Decrease) in net position	(4.2)	1.0	0.1	1.1	(4.1)	2.1
Beginning net position	57.2	56.2	18.5	17.4	75.7	73.6
Ending net position	\$ 53.0	\$ 57.2	\$ 18.6	\$ 18.5	\$ 71.6	\$ 75.7

Governmental Activities. Governmental activities decreased the City's net position by \$4.1 million. The factors attributable to this decrease are as follows:

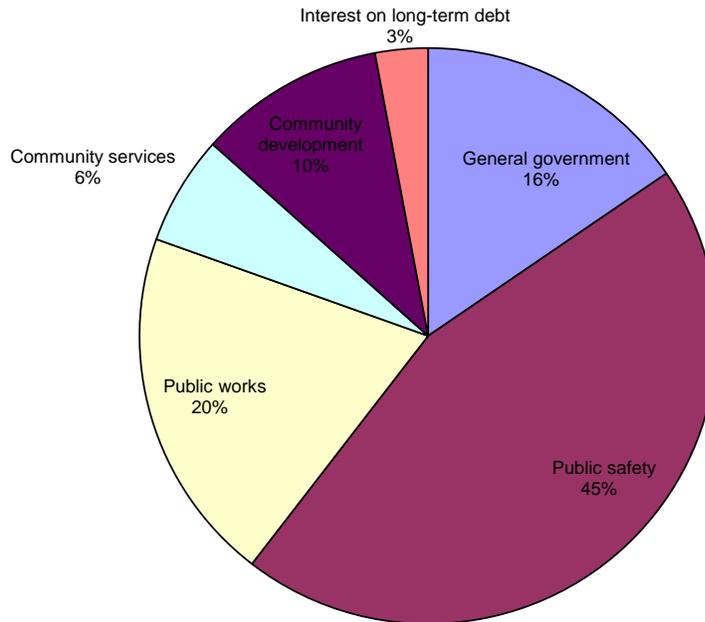
- The City's property taxes decreased from \$7.5 million in fiscal year 2013 to \$6.1 million in fiscal year 2014, a total decrease of \$1.4 million.
- General government expenditure increased from \$3.2 million in fiscal 2013 to \$6.8 million in fiscal 2014. This increase was caused by increase in retirement costs and repairs and maintenance expenditures in fiscal year 2014.

The City's total governmental activity expenses increased from \$42.4 million in fiscal year 2013 to \$44.1 million in fiscal year 2014, a total increase of \$1.6 million. The increase was primarily due to the increase in retirement cost and repairs and maintenance expenses incurred in fiscal year 2014.

Revenues by Source – Governmental Activities



Expenses by Function – Governmental Activities



Business-type Activities.

The cost of the City's Business-type Activities was \$6.1 million in fiscal year 2014 and \$4.9 million in fiscal year 2013. The revenue generated by these activities was \$6.3 million in fiscal year 2014 and \$6.0 million in fiscal year 2013. These activities included \$220,000 of transfers to other funds. As a result, the net revenue of the Business-type activities in fiscal year 2014 was \$87,901. Overall, the revenues generated from the City's business operations exceed the costs incurred by these activities.

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, 2014, the City's governmental funds reported combined ending fund balances of \$19.4 million, a decrease of \$8.1 million in comparison with the prior year. The primary reason for this decrease was the full payment of the HUD loan in the amount of \$6.2 million in fiscal year 2014. Of the total fund balance of 19.4 million, \$10.0 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 \$9.3 million has been restricted for: 1) capital projects (\$1.0 million); and 2) for special revenue funds (\$8.3 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 \$11.3 million, a decrease of \$0.3 million in comparison with the prior year. The entire fund balance of \$11.3 is unrestricted and unassigned.

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.

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 \$24.9 million (the original budget matched the final budget).

Appropriations and Transfers Out – The final appropriations and transfers were \$28.5 million, (the original budget matched the final budget).

Budget to Actual Variance

The actual total revenues and transfers in the amount of \$27.5 million were higher than the final budgeted amounts by \$2.6 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 of \$27.8 million were lower than the final appropriations of \$28.5 million.

Capital Assets and Debt Administration

Capital Assets

The City's capital assets for its governmental and business-type activities as of June 30, 2014, totaled \$66.2 million, net of depreciation. These assets include land, construction in progress, buildings and improvements, vehicles, property and equipment and various infrastructures.

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

Capital Assets
(Net of depreciation and in thousands)

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land	\$ 5,701	\$ 5,701	\$ 4,139	\$ 4,139	\$ 9,840	\$ 9,840
Buildings and improvements	11,022	11,131	914	925	11,936	12,056
Vehicles	572	633	-	-	572	633
Property and equipment	1,436	1,067	29	33	1,465	1,100
Infrastructure	30,786	31,580	11,621	12,045	42,407	43,625
Total \$	<u>49,517</u>	<u>\$ 50,112</u>	<u>\$ 16,703</u>	<u>\$ 17,143</u>	<u>\$ 66,220</u>	<u>\$ 67,254</u>

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

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 \$46.3 million in outstanding long-term debt for Governmental Activities, a decrease of \$6.7 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)			
	2014	2013	Variance Increase/ (Decrease)	% Change
Pensions obligation bonds	\$ 19,600	\$ 20,400	\$ (800)	-3.92%
Street light improvement bonds	8,155	8,540	(385)	0.00%
Compensated absences	3,520	3,616	(96)	-2.67%
Notes/Loans/Agreements	3,681	9,908	(6,227)	-62.85%
Claims and judgements	3,957	5,166	(1,209)	0.00%
Lease/Revenue bonds	972	1,373	(401)	-29.21%
OPEB liability	6,468	4,077	2,391	58.65%
	<u>\$ 46,353</u>	<u>\$ 53,080</u>	<u>\$ (6,727)</u>	<u>-40%</u>

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 \$53,057 and at June 30, 2014, reflecting a net reduction in fiscal year 2014 of \$5,231.

Economic Outlook – Fiscal 2014-2015

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 2014, projected 2014-15 operating deficit is estimated at -\$2.8 billion and 2015-16 operating surplus at \$760 million. The report anticipates that, absent any changes to current laws and policies, the State would end fiscal year 2015-16 with a \$4.2 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 2014-15 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 \$23.5 million or 4% 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 \$26.8 million, a decrease of 9%, are within budgeted resources.
- Operating budget includes an approximate \$3.3 million 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, 2014

ASSETS	Governmental Activities	Business- type Activities	Total
Cash and cash equivalents	\$ 24,750,535	\$ 1,866,909	\$ 26,617,444
Receivables			
Taxes	3,214,755	-	3,214,755
Accounts	3,502,735	1,211,380	4,714,115
Notes	8,264,016	-	8,264,016
Prepaid expenses	8,932	-	8,932
Capital assets:			
Non-depreciable	5,700,657	4,139,404	9,840,061
Depreciable, net of depreciation	43,816,700	12,563,882	56,380,582
Pension asset, net of amortization	14,513,853	-	14,513,853
Total assets	<u>103,772,183</u>	<u>19,781,575</u>	<u>123,553,758</u>
 DEFERRED OUTFLOWS OF RESOURCES	 <u>-</u>	 <u>-</u>	 <u>-</u>
 LIABILITIES			
Accounts payable and accrued liabilities	2,950,554	577,456	3,528,010
Interest payable	630,086	-	630,086
Deposits	198,157	485,218	683,375
Due to other governments	14,007	-	14,007
Unearned revenue	617,416	4,426	621,842
Noncurrent liabilities			
Due within one year	2,644,211	-	2,644,211
Due in more than one year	43,709,463	53,057	43,762,520
Total liabilities	<u>50,763,894</u>	<u>1,120,157</u>	<u>51,884,051</u>
 DEFERRED INFLOWS OF RESOURCES	 <u>-</u>	 <u>-</u>	 <u>-</u>
 NET POSITION			
Net investment in capital asset	38,895,289	16,703,286	55,598,575
Restricted for:			
Retirement	1,405,165	-	1,405,165
Community development	6,339,114	-	6,339,114
Public safety	1,317,484	-	1,317,484
Public works	1,062,971	-	1,062,971
Unrestricted	3,988,266	1,958,132	5,946,398
Total net position	<u>\$ 53,008,289</u>	<u>\$ 18,661,418</u>	<u>\$ 71,669,707</u>

See notes to financial statements.

**City of Huntington Park
Statement of Activities
Year ended June 30, 2014**

	Expenses	Program Revenues			Net Governmental Activities	Net Business-type Activities	Total
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants			
Governmental Activities							
General Government	\$ 6,798,376	\$ 3,232,083	711,147	\$ -	\$ (2,855,146)	\$ -	\$ (2,855,146)
Public Safety	19,803,125	1,783,042	666,309	-	(17,353,774)	-	(17,353,774)
Public Works	8,844,250	157,274	3,376,831	-	(5,310,145)	-	(5,310,145)
Community Services	2,709,093	615,523	364,432	-	(1,729,138)	-	(1,729,138)
Community Development	4,554,443	1,167,459	881,455	-	(2,505,529)	-	(2,505,529)
Interest on long-term debt	1,370,239	-	-	-	(1,370,239)	-	(1,370,239)
Total Governmental Activities	44,079,526	6,955,381	6,000,174	-	(31,123,971)	-	(31,123,971)
Business-type Activities;							
Water	5,615,913	5,850,581	-	-	-	234,668	234,668
Sewer	332,070	327,254	-	-	-	(4,816)	(4,816)
Solid Waste	112,879	163,850	-	-	-	50,971	50,971
Total Business-type Activities	6,060,862	6,341,685	-	-	-	280,823	280,823
Total \$	<u>50,140,388</u>	<u>13,297,066</u>	<u>6,000,174</u>	<u>\$ -</u>	<u>(31,123,971)</u>	<u>280,823</u>	<u>(30,843,148)</u>
General revenues							
Taxes:							
Property					6,121,647	-	6,121,647
Motor vehicle in-lieu					4,987,850	-	4,987,850
Sales and use					7,184,663	-	7,184,663
In-lieu sales					1,420,873	-	1,420,873
Franchise					924,430	-	924,430
Utility					5,742,027	-	5,742,027
Investment income					54,437	5,621	60,058
Transfers					220,000	(220,000)	-
Miscellaneous					237,656	21,457	259,113
Total general revenues and transfers					<u>26,893,583</u>	<u>(192,922)</u>	<u>26,700,661</u>
Change in net position					(4,230,388)	87,901	(4,142,487)
Net position - beginning					57,238,677	18,573,517	75,812,194
Net position - ending					<u>\$ 53,008,289</u>	<u>\$ 18,661,418</u>	<u>\$ 71,669,707</u>

See notes to financial statements.

FUND FINANCIAL STATEMENTS

**City of Huntington Park
Governmental Funds
Balance Sheet
June 30, 2014**

	Special Revenue Funds				Total
	General	HUD Home Program	HUD Section 108 Loan	Other Governmental Funds	
ASSETS AND DEFERED OUTFLOWS OF RESOURCES					
Cash and cash equivalents	\$ 9,348,481	\$ -	\$ 8,777	\$ 9,243,975	\$ 18,601,233
Receivables:					
Taxes	987,769	-	-	2,226,986	3,214,755
Accounts and interest	3,126,639	346,725	4	26,638	3,500,006
Loans	216,300	7,881,661	-	166,055	8,264,016
Prepaid expenses	650	-	-	8,282	8,932
Due from other funds	1,477,563	-	-	-	1,477,563
Total assets	\$ 15,157,402	\$ 8,228,386	\$ 8,781	\$ 11,671,936	\$ 35,066,505
DEFERRED OUTFLOWS OF RESOURCES					
	-	-	-	-	-
Total assets and deferred outflows of resources	\$ 15,157,402	\$ 8,228,386	\$ 8,781	\$ 11,671,936	\$ 35,066,505
LIABILITIES, DEFERRED INFLOWS OF AND FUND BALANCES					
Accounts payable	\$ 1,142,491	\$ 100,151	-	\$ 870,814	\$ 2,113,456
Accrued payroll	615,194	3,632	-	52,403	671,229
Accrued employee benefits payable - short term	-	3,389	-	30,815	34,204
Deposits	171,210	-	-	26,947	198,157
Due to other funds	-	512,221	-	795,815	1,308,036
Due to other governments	14,007	-	-	-	14,007
Unearned revenue	-	-	-	617,416	617,416
Total liabilities	1,942,902	619,393	-	2,394,210	4,956,505
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	1,959,811	8,243,005	-	453,151	10,655,967
FUND BALANCES					
Nonspendable	650	-	-	8,282	8,932
Restricted for:					
Capital projects	-	-	-	1,062,971	1,062,971
Special revenue funds	-	-	8,781	8,248,615	8,257,396
Unassigned	11,254,039	(634,012)	-	(495,293)	10,124,734
Total fund balances (deficit)	11,254,689	(634,012)	8,781	8,824,575	19,454,033
Total liabilities, deferred inflows of resources and fund balances	\$ 15,157,402	\$ 8,228,386	\$ 8,781	\$ 11,671,936	\$ 35,066,505

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, 2014**

Fund balance of governmental funds	\$	19,454,033
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.		49,438,601
Net pension asset of governmental activities is not a current financial resource and therefore, is not reported in the governmental funds.		14,513,853
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.		10,655,967
Interest expenditures are recognized when due and accrued interest payable is not recorded in the governmental funds.		(630,086)
Long-term liabilities are not due and payable in the current period and are not reported in the governmental funds.		
OPEB liability	(6,467,962)	
Compensated absences	(3,520,863)	
Loans and notes payable	(3,681,075)	
Claims and judgments	(3,060,671)	
General obligation bonds	<u>(28,727,103)</u>	(45,457,674)
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>5,033,595</u>
Net position of governmental activities	\$	<u><u>53,008,289</u></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, 2014

	Special Revenue Funds				Total
	General Fund	HUD Home Program	HUD Section 108 Loan	Other Governmental Funds	
Revenues					
Taxes	\$ 14,266,143	\$ -	\$ -	\$ 6,687,440	\$ 20,953,583
Licenses and permits	2,675,805	-	-	-	2,675,805
Fines and forfeitures	1,424,799	-	-	127,011	1,551,810
Use of money and property	27,295	-	4,811	24,791	56,897
Intergovernmental	5,052,016	626,150	-	4,848,181	10,526,347
Charges for services	2,683,563	-	-	1,387,507	4,071,070
Other revenues	301,149	-	-	120,501	421,650
Interfund charges	184,520	-	-	1,312,472	1,496,992
Total revenues	<u>26,615,290</u>	<u>626,150</u>	<u>4,811</u>	<u>14,507,903</u>	<u>41,754,154</u>
Expenditures					
Current:					
General government	3,971,139	-	-	3,110,560	7,081,699
Public safety	17,303,194	-	-	444,070	17,747,264
Public works	3,820,103	-	-	3,090,382	6,910,485
Community services	1,362,574	-	-	1,147,598	2,510,172
Community development	1,086,883	338,911	-	2,050,225	3,476,019
Capital outlay	-	521,225	-	2,393,483	2,914,708
Debt service:					
Principal retirement	300,000	-	5,926,583	1,586,124	7,812,707
Interest and fiscal charges	-	-	6,272	1,521,793	1,528,065
Total expenditures	<u>27,843,893</u>	<u>860,136</u>	<u>5,932,855</u>	<u>15,344,235</u>	<u>49,981,119</u>
Excess (deficiency) of revenues over expenditures	<u>(1,228,603)</u>	<u>(233,986)</u>	<u>(5,928,044)</u>	<u>(836,332)</u>	<u>(8,226,965)</u>
Other financing sources (uses)					
Transfers in	870,000	-	-	-	870,000
Transfers out	-	-	-	(650,000)	(650,000)
Net other financing sources (uses)	<u>870,000</u>	<u>-</u>	<u>-</u>	<u>(650,000)</u>	<u>220,000</u>
Change in fund balances	<u>(358,603)</u>	<u>(233,986)</u>	<u>(5,928,044)</u>	<u>(1,486,332)</u>	<u>(8,006,965)</u>
Fund balance, beginning of year	<u>11,613,292</u>	<u>(400,026)</u>	<u>5,936,825</u>	<u>10,310,907</u>	<u>27,460,998</u>
Fund balance, end of year	<u>\$ 11,254,689</u>	<u>\$ (634,012)</u>	<u>\$ 8,781</u>	<u>\$ 8,824,575</u>	<u>\$ 19,454,033</u>

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, 2014

Net change in fund balances - governmental funds	\$ (8,006,965)
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:	
Government 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:	
Cost of assets capitalized	1,950,436
Depreciation expense	(2,523,406)
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.	
	(2,390,965)
Prepayment of PERS unfunded obligation was recorded as an expenditure in the governmental funds statements when payment was made. The prepayment is amortized over the PERS actuarial amortization period in the government-wide financial statements.	
	(1,870,430)
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.	
	(642,739)
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:	
Principal payments of long-term debt	1,586,123
Note payments	6,226,584
Claims and judgments	1,208,917
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.	
	95,542
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 decrease in accrued interest payable	
	157,825
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.	
	(21,310)
Change in net position of governmental activities	<u>\$ (4,230,388)</u>

See notes to financial statements.

City of Huntington Park
Statement of Net Position
Proprietary Funds
June 30, 2014

ASSETS	Business-type Activities - Enterprise Funds			Governmental
	Water Fund	Other Enterprise Funds	Total	Activities Internal Service Funds
Current assets				
Cash and cash equivalents	\$ 1,156,304	\$ 710,605	\$ 1,866,909	\$ 6,149,302
Accounts receivable	1,141,404	69,976	1,211,380	2,729
Total current assets	2,297,708	780,581	3,078,289	6,152,031
Noncurrent assets				
Capital assets	24,007,315	8,998,545	33,005,860	2,289,593
Less accumulated depreciation	(13,004,660)	(3,297,914)	(16,302,574)	(2,210,837)
Net capital assets	11,002,655	5,700,631	16,703,286	78,756
Total noncurrent assets	11,002,655	5,700,631	16,703,286	78,756
Total assets	13,300,363	6,481,212	19,781,575	6,230,787
DEFERRED OUTFLOWS OF RESOURCES	-	-	-	-
LIABILITIES				
Current liabilities				
Accounts payable	545,515	17,923	563,438	116,935
Accrued payroll	2,579	2,760	5,339	11,443
Accrued leave payable	7,383	1,296	8,679	3,287
Deposits payable	442,321	42,897	485,218	-
Due to other funds	-	-	-	169,527
Unearned revenue	-	4,426	4,426	-
Total current liabilities	997,798	69,302	1,067,100	301,192
Noncurrent liabilities				
Claims payable	-	-	-	896,000
Compensated absences payable	33,136	19,921	53,057	-
Total liabilities	1,030,934	89,223	1,120,157	1,197,192
DEFERRED INFLOWS OF RESOURCES	-	-	-	-
NET POSITION				
Net investment in capital asset	11,002,655	5,700,631	16,703,286	78,756
Unrestricted	1,266,774	691,358	1,958,132	4,954,839
Total net position	\$ 12,269,429	\$ 6,391,989	\$ 18,661,418	\$ 5,033,595

See notes to financial statements.

City of Huntington Park
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
Year ended June 30, 2014

	Business-type Activities - Enterprise Funds			Governmental Activities Internal Service Funds
	Water Fund	Other Enterprise Funds	Total	
Operating revenues				
Charges for services	\$ 5,850,581	\$ 491,104	\$ 6,341,685	\$ 3,131,731
Other	21,415	42	21,457	-
Total operating revenues	<u>5,871,996</u>	<u>491,146</u>	<u>6,363,142</u>	<u>3,131,731</u>
Operating expenses				
Personnel services	331,279	133,556	464,835	573,156
Contractual services	1,372,508	273,191	1,645,699	-
Purchased water, materials and supplies	3,483,587	-	3,483,587	1,015,492
Insurance	20,814	6,048	26,862	1,556,777
Depreciation	407,725	32,154	439,879	22,332
Total operating expenses	<u>5,615,913</u>	<u>444,949</u>	<u>6,060,862</u>	<u>3,167,757</u>
Operating income (loss)	256,083	46,197	302,280	(36,026)
Nonoperating revenues (expenses)				
Interest earnings on investments	3,785	1,836	5,621	14,716
Income (loss) before transfers	259,868	48,033	307,901	(21,310)
Transfers out	(220,000)	-	(220,000)	-
Change in net position	39,868	48,033	87,901	(21,310)
Net position - beginning	<u>12,229,561</u>	<u>6,343,956</u>	<u>18,573,517</u>	<u>5,054,905</u>
Net position - ending	<u>\$ 12,269,429</u>	<u>\$ 6,391,989</u>	<u>\$ 18,661,418</u>	<u>\$ 5,033,595</u>

See notes to financial statements.

**City of Huntington Park
Statement of Cash Flows
Proprietary Funds
Year ended June 30, 2014**

	Business-type Activities - Enterprise Funds			Governmental
	Water Fund	Other Enterprise Funds	Total	Activities Internal Service Funds
Cash flows from operating activities				
Receipts from tenants, customers and users	\$ 5,651,631	\$ 482,680	\$ 6,134,311	\$ 3,132,332
Payments to suppliers	(4,682,444)	(416,650)	(5,099,094)	(2,493,090)
Payments to employees	(300,975)	(96,099)	(397,074)	(577,200)
Net cash provided by (used in) operating activities	<u>668,212</u>	<u>(30,069)</u>	<u>638,143</u>	<u>62,042</u>
Cash flows from non-capital financing activities				
Transferred to other funds	(220,000)	-	(220,000)	-
Net cash provided by non-capital financing activities	<u>(220,000)</u>	<u>-</u>	<u>(220,000)</u>	<u>-</u>
Cash flows from investing activities				
Interest received	3,785	1,836	5,621	14,711
Change in cash and cash equivalents	451,997	(28,233)	423,764	76,753
Beginning cash and cash equivalents	<u>704,307</u>	<u>738,838</u>	<u>1,443,145</u>	<u>6,072,549</u>
Ending cash and cash equivalents	<u>\$ 1,156,304</u>	<u>\$ 710,605</u>	<u>\$ 1,866,909</u>	<u>\$ 6,149,302</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ 256,083	\$ 46,197	\$ 302,280	\$ (36,026)
Adjustments to reconcile operating loss to net cash used in operating activities:				
Depreciation	407,725	32,154	439,879	22,332
(Increase) decrease in:				
Accounts receivable	(220,365)	(8,466)	(228,831)	(715)
Increase (decrease):				
Accounts payable	194,465	(137,411)	57,054	30,892
Accrued payroll	96	821	917	(9,293)
Accrued leave payable	2,497	394	2,891	449
Due to other funds	-	-	-	54,403
Deposits payable	27,522	31,200	58,722	-
Compensated absences payable	189	5,042	5,231	-
Net cash provided by (used in) operating activities	<u>\$ 668,212</u>	<u>\$ (30,069)</u>	<u>\$ 638,143</u>	<u>\$ 62,042</u>

There were no noncash capital financing and investing activities during the year ended June 30, 2014.

See notes to financial statements.

City of Huntington Park
Statement of Fiduciary Net Position
Year ended June 30, 2014

		Successor Agency to the Dissolved Redevelopment Commission Private Purpose Trust Fund
ASSETS		
Cash and investments	\$	5,895,422
Receivables:		
Accounts and interest		99,750
Land held for resale		922,050
Total assets		6,917,222
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized loss on defeasance of debt		1,334,241
LIABILITIES		
Accounts payable		61,221
Accrued interest payable		696,564
Deposits		49,750
Due to other governments		3,277,564
Long-term liabilities:		
Due within one year		4,492,388
Due in more than one year		203,789,759
Total liabilities		212,367,246
DEFERRED INFLOWS OF RESOURCES		
		-
FIDUCIARY NET POSITION		
Unrestricted Net Position	\$	(204,115,783)

See notes to financial statements.

City of Huntington Park
Statement Changes in Fiduciary Net Position
Year ended June 30, 2014

	Successor Agency to the Dissolved Redevelopment Commission Private Purpose Trust Fund
Revenues:	
Taxes	9,696,553
Other revenues	94,016
Total revenues	9,790,569
 Expenses:	
Current:	
Community development	6,159,789
Debt service:	
Interest and fiscal charges	19,568,705
Total expenditures	25,728,494
Excess (deficiency) of revenues over expenditures	(15,937,925)
Net position held in trust - beginning	(188,177,858)
Net position held in trust - ending	\$ (204,115,783)

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.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 *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)

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, 2014.

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 18 for the list of deferred inflows and deferred outflows of resources the City has recognized as of June 30, 2014.

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. The City had no committed fund balance at June 30, 2014.
- Assigned: Resources that are constrained by the City's intent to be used for specific purposes, but that are neither restricted nor committed. The City had no assigned fund balance at June 30, 2014.
- 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 \$10.1 million of restricted net position, of which \$1,405,165 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 had a deficit Fund Balance at June 30, 2014:

<i>Major Fund:</i>		
HUD Home Program	\$	<u>(634,012)</u>
<i>NonMajor Funds:</i>		
Special Revenue		
Parks and Recreation	\$	<u>(166,418)</u>
Community Development	\$	<u>(109,517)</u>
Supplemental Law Enforcement	\$	<u>92,662</u>
Business Improvement District	\$	<u>(16,634)</u>
Public Financing Authority	\$	<u>(1,850)</u>
Parking System	\$	<u>(108,212)</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 CASH EQUIVALENTS

Cash and investments are classified in the accompanying financial statements as follows:

	Government-wide Statement of Net Position	Fiduciary Fund Statement of Net Position	Total
Cash and cash equivalents	\$ <u>26,617,444</u>	\$ <u>5,895,422</u>	\$ <u>32,512,866</u>

Cash and cash equivalents composition is as follows:

Cash on hand	\$ 13,510
Deposits with financial institutions	1,824,946
Cash equivalents	<u>30,674,410</u>
	<u>\$ 32,512,866</u>

NOTE 4 CASH AND CASH EQUIVALENTS (CONTINUED)

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

The table below identifies the investment types that are authorized for the City by the 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

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. It is the City's policy to manage its exposure to interest rate risk 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.

NOTE 4 CASH AND CASH EQUIVALENTS (CONTINUED)

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
Local Agency Investment Fund	\$ <u>30,674,410</u>	\$ <u>30,674,410</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
Local Agency Investment Fund	\$ <u>30,674,410</u>	N/A	\$ <u>30,674,410</u>	-

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, 2014, 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

NOTE 4 CASH AND CASH EQUIVALENTS (CONTINUED)

Custodial Credit Risk (Continued)

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. As of June 30, 2014, 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.

The City's investments in the State Treasurer's investment pool (LAIF) were \$30.7 million which approximates the City's pro-rata share in the fair market value of the pool including accrued interest. LAIF's (and the City's) exposure to risk (credit, market or legal) is not currently available.

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, 2014, the City had \$8,264,016 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, 2014 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, 2014 was \$100,000.

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 ("OHDC") 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.

City of Huntington Park
Notes to Financial Statements
Year ended June 30, 2014

NOTE 5 NOTES RECEIVABLE (CONTINUED)

The Note amount shall be paid by the OHDC'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, 2014.

Loan	Date of Loan Agreement	Principal Amount	Interest Rate	Payment Period	Outstanding Balance, June 30, 2014
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

NOTE 6 CAPITAL ASSETS

The City's capital assets activity is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital assets not being depreciated or amortized:				
Land	\$ 5,700,656	\$ -	\$ -	\$ 5,700,656
Intangible asset- easement	1	-	-	1
Total capital assets not being depreciated	<u>5,700,657</u>	<u>-</u>	<u>-</u>	<u>5,700,657</u>
Capital assets being depreciated:				
Buildings and improvements	17,752,395	305,495	-	18,057,890
Vehicles	5,193,642	155,707	(87,957)	5,261,392
Property and equipment	4,888,312	639,960	-	5,528,272
Infrastructure				
Pavement systems	31,204,367	-	-	31,204,367
Sidewalk, curb, and gutter system	20,386,047	-	-	20,386,047
Traffic signals	5,687,861	-	-	5,687,861
Street lights	14,862,229	861,977	-	15,724,206
Total capital assets, being depreciated	<u>99,974,853</u>	<u>1,963,139</u>	<u>(87,957)</u>	<u>101,850,035</u>
Less accumulated depreciation for:				
Buildings and Improvements	(6,621,076)	(414,362)	-	(7,035,438)
Vehicles	(4,560,026)	(204,362)	75,478	(4,688,910)
Property and equipment	(3,821,609)	(269,941)	-	(4,091,550)
Infrastructure				
Pavement system	(15,653,567)	(691,189)	-	(16,344,756)
Sidewalk, curb and gutter system	(11,932,865)	(414,444)	-	(12,347,309)
Traffic signals	(4,416,073)	(56,932)	-	(4,473,005)
Street lights	(8,557,859)	(494,508)	-	(9,052,367)
Total accumulated depreciation	<u>(55,563,075)</u>	<u>(2,545,738)</u>	<u>75,478</u>	<u>(58,033,335)</u>
Total capital assets, being depreciated, net	<u>44,411,778</u>	<u>(582,599)</u>	<u>(12,479)</u>	<u>43,816,700</u>
Governmental activities capital assets, net	<u>\$ 50,112,435</u>	<u>\$ (582,599)</u>	<u>\$ (12,479)</u>	<u>\$ 49,517,357</u>

NOTE 6 CAPITAL ASSETS (CONTINUED)

Depreciation expense charged to the primary government's functions/programs is as follows:

		Amount
General Government	\$	71,315
Public Safety		508,593
Public Works		1,857,065
Community Services		96,655
Community Development		12,111
Total Depreciation Expense - Governmental Activities	\$	2,545,738

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 Associates), 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 (at 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)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities				
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	282,697	-	-	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	28,866,456	-	-	28,866,456
Less accumulated depreciation for:				
Buildings and improvements	(38,845)	(10,311)	-	(49,156)
Vehicles	(55,377)	-	-	(55,377)
Property and equipment	(249,447)	(3,916)	-	(253,363)
Infrastructure				
Water improvements	(12,275,349)	(393,498)	-	(12,668,847)
Sewer & storm drain	(3,243,677)	(32,154)	-	(3,275,831)
Total accumulated depreciation	(15,862,695)	(439,879)	-	(16,302,574)
Capital assets, being depreciated, net	13,003,761	(439,879)	-	12,563,882
Business-type activities capital assets, net	\$ 17,143,165	\$ (439,879)	\$ -	\$ 16,703,286

Depreciation expense charged to activities is as follows:

Water Improvements	\$ 403,809
Water Operations	3,916
Sewer Maintenance	32,154
Total Depreciation - Business-type Activities	\$ 439,879

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 2013-14, the City was required to contribute at an actuarially determined rate; the rate was 27.968 percent and 8.678 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, 2014, 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	\$ 1,875,078	\$ 541,711	\$ 2,416,789
Interest on Pension Asset	(1,228,821)	-	(1,228,821)
Adjustments to Annual Required Contribution	3,099,251	-	3,099,251
Annual Pension Cost	3,745,507	541,711	4,287,218
Annual Contribution Made	1,875,078	541,711	2,416,789
Decrease in Pension Asset	(1,870,430)	-	(1,870,430)
Pension Asset, Beginning of Year	16,384,283	-	16,384,283
Pension Asset, End of Year	\$ <u>14,513,853</u>	\$ <u>-</u>	\$ <u>14,513,853</u>

NOTE 7 PENSION PLAN (CONTINUED)

Annual Pension Cost (Continued)

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

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) 7.5 percent investment rate of return (net of administrative expenses), (b) projected annual salary increases that vary by duration of service from 3.30 percent to 14.20 percent (c) 2.75 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):

Safety Plan			
Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
6/30/2012	\$ 2,728	64%	\$ (18,300)
6/30/2013	2,728	71%	(17,316)
6/30/2014	3,746	56%	(14,514)

Miscellaneous Plan			
Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
6/30/2012	\$ 458	100%	\$ -
6/30/2013	485	100%	-
6/30/2014	542	100%	-

See Note 10 regarding Pension Obligation Bond relating to the above Pension Asset. The Schedule of Funding Progress for both the Safety and Miscellaneous Plans is 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 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, 2014, employees participating in PARS contributed \$39,157.

NOTE 9 OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN

In addition to the retirement plan described in Note 8, 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 (PERS). PERS issues a publicly available financial report through their website at www.calpers.ca.gov.

Eligibility

Employees of the City are eligible for retiree health benefits if they retire directly from the City under PERS, at least age 50 at the date of retirement and with 5 years of PERS service eligibility. Retiree benefit continues to surviving spouse if retiree elects PERS 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, 2013, the date of the latest actuarial valuation:

Eligible active employees:		
Miscellaneous	108	
Safety	65	
Subtotal	173	
Eligible retirees		
Miscellaneous	73	
Safety	90	
Subtotal	163	
Total	336	

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 2013-2014 was \$3,838,000, 26.6% 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	\$ 3,838,000
Interest on net OPEB liability	268,000
Amortization of net OPEB obligation	(300,000)
Annual OPEB cost	3,806,000
Contributions made	1,415,035
Increase in net OPEB obligation	2,390,965
Net OPEB liability - beginning of year	4,076,997
Net OPEB liability - end of year	\$ 6,467,962

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 June 30, 2013 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 4.1% discount rate for portion of ARC funded with the irrevocable trust and 4.00% for portion of ARC not funded; (b) aggregate payroll increases of 3.25% per year; and (c) 3% general inflation rate. 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)
6/30/2012	\$ 3,671	\$ 1,497	41%	\$ 1,130
6/30/2013	3,892	1,335	34%	4,077
6/30/2014	3,806	1,415	37%	6,468

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

NOTE 10 LONG-TERM LIABILITIES

The activities in the City's long-term debt were as follows:

	Balance at Beginning of Year	Additions	Reductions	Balance at End of Year	Due Within One Year
Governmental Activities:					
HUD Section 108 Loans	\$ 6,192,000	\$ -	\$ (6,192,000)	\$ -	\$ -
Developer Notes	3,715,659	-	(34,584)	3,681,075	-
Lease Revenue Bonds	1,373,113	-	(401,018)	972,095	419,744
2005 Pension Obligation Refunding Bonds	20,400,000	-	(800,000)	19,600,000	900,000
Measure L - Street Light Improvement Bonds	8,540,113	-	(385,105)	8,155,008	428,467
OPEB Liability	4,076,997	3,806,000	(1,415,035)	6,467,962	-
Compensated absences	3,616,405	118,812	(214,354)	3,520,863	-
Claims and judgements (Note 13)	5,165,588	603,813	(1,812,730)	3,956,671	896,000
Governmental activities					
Long-term liabilities	<u>\$ 53,079,875</u>	<u>\$ 4,528,625</u>	<u>\$ (11,254,826)</u>	<u>\$ 46,353,674</u>	<u>\$ 2,644,211</u>
Business-type Activities:					
Compensated absences	<u>\$ 47,826</u>	<u>\$ 5,231</u>	<u>\$ -</u>	<u>\$ 53,057</u>	<u>\$ -</u>

NOTE 10 LONG-TERM LIABILITIES (CONTINUED)

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

Developer Notes - \$3,681,075

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, 2014, the outstanding balance was \$1,411,502.

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, 2014, the outstanding balance was \$2,269,573.

Lease Revenue Bonds Series 2006 - \$972,095

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.

NOTE 10 LONG-TERM LIABILITIES (CONTINUED)

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>
2015	\$ 419,744	\$ 37,463	\$ 457,207
2016	439,344	17,863	457,207
2017	113,007	1,297	114,304
Total	\$ 972,095	\$ 56,623	\$ 1,028,718

Pension Obligation Refunding Bonds (POB's) - \$19,600,000

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 PERS to; a) fund pension benefits for the City's employees who are members of PERS 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:

<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	1,400,000	834,765	2,234,765
2020-2024	9,100,000	2,740,332	11,840,332
2025-2026	4,700,000	276,336	4,976,336
Total	\$ 19,600,000	\$ 7,842,711	\$ 27,442,711

NOTE 10 LONG-TERM LIABILITIES (CONTINUED)

Measure L - Street Improvement Bonds - \$8,155,008

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.

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:

Year ending June 30,	Principal	Interest	Total
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	632,394	293,928	926,322
2019-2024	5,184,218	987,368	6,171,586
2026	334,733	8,202	342,935
Total	\$ 8,155,008	\$ 2,729,065	\$ 10,884,073

NOTE 11 INTERFUND BALANCES

The individual fund interfund receivable and payable balances are as follows:

Due To	Due From			Total Governmental Funds
	HUD Home	Other Governmental Funds	Governmental Activities Internal Service Funds	
General Fund	\$ 512,221	\$ 795,815	\$ 169,527	\$ 1,477,563

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

Transfers between funds are as follows:

Funds	Transfer in	Transfer out
Major Governmental Funds:		
General	\$ 870,000	\$ -
Nonmajor Governmental Funds:		
Parking System	-	150,000
Employees' Retirement	-	500,000
Major Enterprise Fund:		
Water	-	220,000
Total	\$ 870,000	\$ 870,000

During the year ended June 30, 2014, the Parking System Fund, Employees' Retirement and Water Fund transferred \$150,000, \$500,000 and \$220,000 respectively, to the General Fund for reimbursement of costs.

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, 2014, the amount of these liabilities was \$3,956,671. The amount represents an estimate of \$2,035,166 for reported claims through June 30, 2014 and \$1,921,505 of estimates incurred but not reported claims.

NOTE 13 RISK MANAGEMENT (CONTINUED)

The result of activities in the reported liability is as follows:

<u>Fiscal Year</u>	<u>Liability at Beginning of Year</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Liability at End of Year</u>
2012	\$ 4,864,035	\$ 88,825	\$ (74,953)	\$ 4,877,907
2013	4,877,907	490,683	(203,002)	5,165,588
2014	5,165,588	603,813	(1,812,730)	3,956,671

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, 2014, 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, 2014. The actual amount of exposure as of June 30, 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.

NOTE 16 DEFERRED INFLOWS OF RESOURCES (CONTINUED)

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, 2014
Deferred inflows of resources	
Unavailable Revenue - Receivables that were not received within the availability period and were not recognized as revenues	\$ <u>10,655,967</u>

NOTE 17 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, 2014, 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, were used to fund the project and/or subsequent development and disposition agreement (DDA).

NOTE 18 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 Commission's boundaries and as such, are not available for the use of the City.

Disclosure of Successor Agency Debts

	Balance at Beginning of Year	Additions	Reductions	Balance at End of Year	Due Within One Year
Governmental Activities:					
Commission Pass Through Agreements	151,471,627	10,603,014	-	162,074,641	-
Commission Revenue Bonds	35,930,000	-	(3,615,000)	32,315,000	3,765,000
Premium on 2004 issuance	600,038	-	(66,671)	533,367	-
All Points Loan \$6,575,000 Santa Fe	5,290,057	-	(301,121)	4,988,936	315,551
Neighborhood Preservation Promissory Note	5,201,721	-	(285,350)	4,916,371	126,487
Santa Fe Promissory Note	2,504,243	-	(121,121)	2,383,122	285,350
Interest rate swap liability	1,155,857	-	(85,147)	1,070,710	-
	<u>\$ 202,153,543</u>	<u>\$ 10,603,014</u>	<u>\$ (4,474,410)</u>	<u>\$ 208,282,147</u>	<u>\$ 4,492,388</u>
Long-term liabilities					

Pass through Agreements with the County of Los Angeles - \$162,074,641

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.

NOTE 18 SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT COMMISSION (CONTINUED)

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 revenue, and State property tax subvention revenue is sufficient to meet annual Successor Agency bonded debt service requirements. The County deferral to the Commission shall terminate that year. As of June 30, 2014, these deferrals amounted to \$162,074,641.

Huntington Park Public Financing Authority Refunding Revenue Bonds, Issue of 2004 Series A \$32,315,000

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.

Annual debt service to maturity is as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	4,585,000	702,519	5,287,519
2020-2023	11,510,000	368,456	11,878,456
Total	\$ 32,315,000	\$ 6,071,831	\$ 38,386,831

All Points Loan - \$4,988,936

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 lower future debt service of approximately \$1.1 million.

NOTE 18 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>
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	380,527	159,893	540,420
2020-2024	2,194,281	507,816	2,702,097
2025-2026	1,058,258	48,862	1,107,120
Total	\$ 4,988,936	\$ 1,522,381	\$ 6,511,317

Neighborhood Preservation Promissory Note - \$4,916,371

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, 2014 is as follows:

<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	346,338	135,898	482,236
2020-2024	1,948,026	461,669	2,409,695
2025-2027	1,363,356	81,129	1,444,485
Total	\$ 4,916,371	\$ 1,302,000	\$ 6,218,371

NOTE 18 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 \$717,315 as of June 30, 2014. 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, 2014.

Credit Risk. The swap counterparty was A-3/Negative by Moody's and A-1/Stable by Standard & Poor's as of June 30, 2014.

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, 2014, 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 18 SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT COMMISSION (CONTINUED)

Year ending June 30	Variable-Rate Bonds		Net Swap	Total
	Principal	Interest	Payments	
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	346,338	135,898	(5,438)	476,798
2020-2024	1,948,026	461,669	(16,048)	2,393,647
2025-2027	1,363,356	81,129	(5,875)	1,438,610
Total \$	\$ 4,916,371	\$ 1,302,000	\$ (54,115)	\$ 6,164,256

Santa Fe Promissory Note - \$2,383,122

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, 2014 is as follows:

Year ending June 30	Principal	Interest	Total
2015	\$ 126,486	\$ 104,395	\$ 230,881
2016	132,090	98,577	230,667
2017	137,941	92,501	230,442
2018	144,052	86,156	230,208
2019	150,434	79,530	229,964
2020-2024	858,236	287,521	1,145,757
2025-2028	833,883	77,082	910,965
Total \$	\$ 2,383,122	\$ 825,762	\$ 3,208,884

NOTE 18 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 \$353,395 as of June 30, 2014. 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, 2014.

Credit Risk. The swap counterparty was A-3/Negative by Moody's and A-1/Stable by Standard & Poor's as of June 30, 2014.

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, 2014, 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 18 SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT COMMISSION (CONTINUED)

Year ending June 30	Principal	Interest	Net Swap Payments	Total
2015	\$ 126,486	\$ 104,395	\$ (3,520)	\$ 227,361
2016	132,090	98,577	(3,317)	227,350
2017	137,941	92,501	(3,105)	227,337
2018	144,052	86,156	(2,884)	227,324
2019	150,434	79,530	(2,690)	227,274
2019-2023	858,236	287,521	(8,057)	1,137,700
2024-2028	833,883	77,082	(3,554)	907,411
	<u>\$ 2,383,122</u>	<u>\$ 825,762</u>	<u>\$ (27,127)</u>	<u>\$ 3,181,757</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, 2014.	\$ <u>35,515,000</u>
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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.

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 18 SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT COMMISSION (CONTINUED)

The principal amounts outstanding at June 30, 2014, 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

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
Trust Fund at June 30, 2014

Deferred outflow of resources

Unamortized loss on defeasance of debt	\$ 1,334,241
	\$ 1,334,241

NOTE 19 SUBSEQUENT EVENTS

The City has evaluated events subsequent to June 30, 2014 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through March 24, 2015, 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, 2014

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
6/30/2011	\$ 9,135,654	\$ 10,951,745	\$ 1,816,091	83.4%	\$ 949,833	191.2%
6/30/2012	9,854,787	11,724,021	1,869,234	84.1%	947,734	197.2%
6/30/2013	12,092,373	16,086,316	3,993,943	75.2%	1,263,365	316.1%

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
6/30/2011	\$ 49,517	\$ 52,462	\$ 2,945	97.6%	\$ 6,845	43.0%
6/30/2012	50,492	54,406	3,914	94.4%	6,709	58.3%
6/30/2013	45,680	56,108	10,428	81.4%	6,475	161.1%

**City of Huntington Park
 Schedule of Funding Progress
 Other Post Employment Benefit Plan
 June 30, 2014**

(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>
6/30/2009	\$ 23,357	\$ 2,712	\$ 27,263	12%	\$ 13,192	213%
6/30/2011	45,080	5,559	39,521	12%	13,675	289%
6/30/2013*	47,898	6,387	41,511	13%	14,444	287%

* 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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 11,950,000	\$ 11,950,000	\$ 14,266,143	\$ 2,316,143
Licenses and permits	2,349,500	2,349,500	2,675,805	326,305
Fines and forfeitures	1,874,000	1,874,000	1,424,799	(449,201)
Use of money and property	82,000	82,000	27,295	(54,705)
Intergovernmental	5,022,829	5,022,829	5,052,016	29,187
Charges for services	2,275,500	2,275,500	2,683,563	408,063
Other revenues	271,600	271,600	301,149	29,549
Interfund charges	200,000	200,000	184,520	(15,480)
Total revenues	<u>24,025,429</u>	<u>24,025,429</u>	<u>26,615,290</u>	<u>2,589,861</u>
Expenditures				
Current:				
General government:				
City council	289,273	289,273	329,666	(40,393)
Planning commission	21,816	21,816	4,083	17,733
Health and education commission	3,033	3,033	304	2,729
Historical preservation commission	4,870	4,870	-	4,870
Parks and recreation commission	3,289	3,289	457	2,832
Civil service commission	1,522	1,522	406	1,116
City manager	542,965	542,965	646,741	(103,776)
City attorney	544,000	544,000	421,172	122,828
Human resources	319,659	319,659	299,567	20,092
Special events	78,817	78,817	104,308	(25,491)
City clerk	606,888	606,888	520,142	86,746
Finance	734,847	734,847	843,647	(108,800)
Data processing	83,935	83,935	85,081	(1,146)
Revenue collection	313,878	313,878	306,012	7,866
Non-departmental	352,652	352,652	409,553	(56,901)
Total general government	<u>3,901,444</u>	<u>3,901,444</u>	<u>3,971,139</u>	<u>(69,695)</u>
Public safety:				
Administration	1,863,933	1,863,933	1,825,178	38,755
Operations	8,792,416	8,792,416	8,607,929	184,487
Investigations	4,364,853	4,364,853	4,341,692	23,161
Support services	2,294,713	2,294,713	2,249,305	45,408
Animal control	298,069	298,069	279,090	18,979
Total public safety	<u>17,613,984</u>	<u>17,613,984</u>	<u>17,303,194</u>	<u>310,790</u>
Public works:				
Recreation buildings	261,154	261,154	299,989	(38,835)
Police buildings	250,931	250,931	170,520	80,411
Street operations	1,096,011	1,096,011	961,516	134,495
Mechanical admin	305,905	305,905	362,604	(56,699)
General government buildings	147,226	147,226	115,490	31,736
Waste collection and disposal	1,450,000	1,450,000	1,492,287	(42,287)
Community beautification	577,948	577,948	417,697	160,251
Total public works	<u>4,089,175</u>	<u>4,089,175</u>	<u>3,820,103</u>	<u>269,072</u>

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	738,006	738,006	670,483	67,523
Cultural arts	442,918	442,918	423,737	19,181
Youth sports programs	162,825	162,825	139,093	23,732
Adult sports programs	32,828	32,828	26,023	6,805
Lunch programs	56,976	56,976	48,037	8,939
Fee classes	60,000	60,000	55,201	4,799
Total community services	<u>1,493,553</u>	<u>1,493,553</u>	<u>1,362,574</u>	<u>130,979</u>
Community development:				
Engineering	172,118	172,118	119,732	52,386
Planning and building	734,200	734,200	732,688	1,512
Economic development	213,008	213,008	234,463	(21,455)
Total community development	<u>1,119,326</u>	<u>1,119,326</u>	<u>1,086,883</u>	<u>32,443</u>
Debt service:				
Principal retirement	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>-</u>
Total expenditures	<u>28,517,482</u>	<u>28,517,482</u>	<u>27,843,893</u>	<u>673,589</u>
Excess (deficiency) of revenues over expenditures	<u>(4,492,053)</u>	<u>(4,492,053)</u>	<u>(1,228,603)</u>	<u>3,263,450</u>
Other financing sources (uses)				
Transfers in	<u>870,000</u>	<u>870,000</u>	<u>870,000</u>	<u>-</u>
Net other financing sources (uses)	<u>870,000</u>	<u>870,000</u>	<u>870,000</u>	<u>-</u>
Change in fund balance	(3,622,053)	(3,622,053)	(358,603)	3,263,450
Fund balances, beginning of year	<u>11,613,292</u>	<u>11,613,292</u>	<u>11,613,292</u>	<u>-</u>
Fund balances, end of year	<u>\$ 7,991,239</u>	<u>\$ 7,991,239</u>	<u>\$ 11,254,689</u>	<u>\$ 3,263,450</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, 2014

	Budgeted Amounts		Actual Amounts	Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 1,649,023	\$ 1,649,023	\$ 626,150	\$ (1,022,873)
Total revenue	<u>1,649,023</u>	<u>1,649,023</u>	<u>626,150</u>	<u>(1,022,873)</u>
Expenditures				
Current:				
Community development	540,471	540,471	338,911	201,560
Capital outlay	873,217	873,217	521,225	351,992
Total expenditures	<u>1,413,688</u>	<u>1,413,688</u>	<u>860,136</u>	<u>553,552</u>
Change in fund balance	235,335	235,335	(233,986)	(469,321)
Fund balances, beginning of year	<u>(400,026)</u>	<u>(400,026)</u>	<u>(400,026)</u>	<u>-</u>
Fund balances, end of year	<u>\$ (164,691)</u>	<u>\$ (164,691)</u>	<u>\$ (634,012)</u>	<u>\$ (469,321)</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, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Use of money and property	\$ 15,000	\$ 15,000	\$ 4,811	\$ (10,189)
Expenditures				
Debt service:				
Principal retirement	-	-	5,926,583	(5,926,583)
Interest and fiscal charges	-	-	6,272	(6,272)
Total expenditures	<u>-</u>	<u>-</u>	<u>5,932,855</u>	<u>(5,932,855)</u>
Change in fund balance	15,000	15,000	(5,928,044)	(5,943,044)
Fund balances, beginning of year	<u>5,936,825</u>	<u>5,936,825</u>	<u>5,936,825</u>	<u>-</u>
Fund balances, end of year	<u>\$ 5,951,825</u>	<u>\$ 5,951,825</u>	<u>\$ 8,781</u>	<u>\$ (5,943,044)</u>

City of Huntington Park
Expenditures in Excess of Appropriations
Year ended June 30, 2014

		Excess of Expenditures over Appropriations
<i>Major Funds:</i>		
General Fund		
General Government:		
City Council	\$	(40,393)
City Manager		(103,776)
Special Events		(25,491)
Finance		(108,800)
Data Processing		(1,146)
Non-departmental		(56,901)
Public Works:		
Recreation Buildings		(38,835)
Mechanical Administration		(56,699)
Waste Collection and Disposal		(42,287)
Community development:		
Economic Development		(21,455)
HUD Section 108 Loan		
Principal Retirement		(5,926,583)
Interest and Fiscal Charges		(6,272)
 <i>Non Major Funds:</i>		
Special Revenue Funds		
Parks and Recreation		
Capital outlay		(142,259)
Art in Public Places		
Capital outlay		(17,947)
Local Origination Program		
Public works		(3,089)
Capital outlay		(3,247)
Sales Tax Transit Proposition A		
Community services		(45,706)
Business Improvement District		
Community development		(105,066)
Supplemental law enforcement		
Capital outlay		(186,983)
Illegal Disposal Abatement		
Community development		(82,433)
Street Lighting Landscape Assessment		
Interest and fiscal charges		(37,007)
TDA/Bike Path		
Capital outlay		(17,670)
Measure R		
Public works		(176,368)
Capital outlay		(46,988)
Employees' Retirement		
General government		(142,488)

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 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:

<i>Special Events</i>	To account for the funds used for improvements and equipment purchases for the parks and recreation department and the revenues to fund those expenditures.
<i>Parks and Recreation</i>	To account for revenues received from fees collected for parks and recreation.
<i>State Gas Tax</i>	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.
<i>Art in Public Places</i>	To account for funds used to purchase artworks with in-lieu contribution from contractors who do not elect to provide artwork for their projects.
<i>Local Origination Program</i>	To account for revenues from franchise fees that are used to record council meetings and other equipment expenditures.
<i>Community Development Block Grant</i>	To account for housing and community development projects. Financing is provided by federal grants received from Department of Housing and Urban Development CDBG Program.
<i>Sales Tax Transit Prop A</i>	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.
<i>Asset Forfeiture</i>	To account for monies received from State and Federal agencies in Asset Forfeiture cases. These monies are restricted solely for law enforcement purposes.
<i>Air Quality Improvement</i>	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.
<i>Sales Tax Transit Prop C</i>	To account for the City's share of a sales tax increase approved by Los Angeles County voters in 1990 to fund transportation projects.
<i>Business Improvement District</i>	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.

<i>Supplemental Law Enforcement</i>	To account for monies received from the State allocated by AB3229 of 1996 for the Citizen Option for Public Safety (COPS) Program.
<i>HUD Social Security Grant</i>	To account for funds received from HUD for the purpose of providing micro loans.
<i>Illegal Disposal Abatement</i>	To account for resources that are used for expenditures relating to illegal disposal abatement.
<i>Public Financing Authority</i>	Component unit of the City used to facilitate financing of various improvements and economic development efforts.
<i>Public Safety</i>	To account for grant money passed through from the California Office of Traffic Safety.
<i>Parking System</i>	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.
<i>Solid Waste Recycle Grant</i>	To account for funds received under the waste recycling grant.
<i>OPEB</i>	To account for the funds and expenditures related to the City's other postemployment benefits.
<i>Park Facility</i>	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.
<i>Street Lighting Assessment</i>	<i>Landscape</i> 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.
<i>TDA / Bike Path</i>	To account for the funds received and expenditures related to the Bicycle and Pedestrian Facilities Program under Article 3 of the Transportation Development Act.

<i>Measure R</i>	To account for revenues and monies spent on critical transit and highway projects.
<i>Inmate Welfare</i>	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.
<i>LBPHCP Lead Base</i>	To account for funds spent on programs to address lead poisoning in low-to-moderate income families.
<i>Neighborhood Lead Base</i>	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.
<i>Homelessness Prevention</i>	To account for revenues and expenditures incurred to help families who are either homeless or at risk of becoming homeless.
<i>Federal Street Improvement</i>	To account for funds received to improve and maintain the City's streets and roads.
<i>DNA ID</i>	To account for revenues received and expenditures incurred to further the use of DNA in solving crime.
<i>Employees' Retirement</i>	To account for the receipt of property taxes allocated for retirement expenditures.

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.

<i>Capital Improvement</i>	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
ASSETS				
Cash and cash equivalents	\$ 157,318	\$ -	\$ 2,231,401	\$ 192,384
Receivables:				
Taxes and intergovernmental	-	274,452	191,512	-
Accounts and interest	73	-	995	84
Loans	-	-	-	-
Prepaid expenses	-	-	-	-
Total assets	\$ 157,391	\$ 274,452	\$ 2,423,908	\$ 192,468
DEFERRED OUTFLOWS OF RESOURCES				
	-	-	-	-
Total assets and deferred outflows of resources	\$ 157,391	\$ 274,452	\$ 2,423,908	\$ 192,468
LIABILITIES				
Accounts payable	\$ 2,025	\$ 196,298	\$ 85,389	\$ -
Accrued payroll	-	-	5,336	-
Accrued employee benefits payable - short term	-	-	20,523	-
Deposits	-	-	-	-
Due to other funds	-	14,576	-	-
Unearned revenue	-	229,996	-	-
Total liabilities	2,025	440,870	111,248	-
Deferred inflows of resources				
Unavailable revenue	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted for:				
Capital projects	-	-	-	-
Special revenue funds	155,366	-	2,312,660	192,468
Unassigned	-	(166,418)	-	-
Total fund balances	155,366	(166,418)	2,312,660	192,468
Total liabilities, deferred inflows of resources and fund balances	\$ 157,391	\$ 274,452	\$ 2,423,908	\$ 192,468

**City of Huntington Park
Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2014**

Special Revenue				
Local Origination Program	Community Development Block Grant	Sales Tax Transit Proposition A	Asset Forfeiture	
\$ 5,810	\$ -	584,489	\$	1,130,984
-	870,536	3,084	-	52,077
-	-	240	-	-
-	156,596	-	-	-
-	-	-	-	-
<u>\$ 5,810</u>	<u>\$ 1,027,132</u>	<u>\$ 587,813</u>	<u>\$</u>	<u>1,183,061</u>
-	-	-	-	-
<u>\$ 5,810</u>	<u>\$ 1,027,132</u>	<u>\$ 587,813</u>	<u>\$</u>	<u>1,183,061</u>
\$ -	\$ 48,071	\$ 221,752	\$	784
-	6,964	3,727	-	1677
-	4,213	844	-	-
-	-	25,000	-	-
-	587,281	-	-	-
-	333,524	2,180	-	-
-	<u>980,053</u>	<u>253,503</u>	-	<u>2,461</u>
-	156,596	-	-	-
-	-	-	-	-
-	-	-	-	-
5,810	-	334,310	-	1,180,600
-	(109,517)	-	-	-
<u>5,810</u>	<u>(109,517)</u>	<u>334,310</u>	<u>-</u>	<u>1,180,600</u>
<u>\$ 5,810</u>	<u>\$ 1,027,132</u>	<u>\$ 587,813</u>	<u>\$</u>	<u>1,183,061</u>

	Special Revenue			
	Air Quality Improvement	Sales Tax Transit Proposition C	Business Improvement District	Supplemental Law Enforcement
ASSETS				
Cash and cash equivalents	\$ 414,402	\$ 267,778	\$ -	\$ -
Receivables:				
Taxes and intergovernmental	-	-	-	256,069
Accounts and interest	19,071	-	-	100
Loans	-	-	-	-
Prepaid expenses	-	-	-	-
Total assets	\$ 433,473	\$ 267,778	\$ -	\$ 256,169
DEFERRED OUTFLOWS OF RESOURCES				
	-	-	-	-
Total assets and deferred outflows of resources	\$ 433,473	\$ 267,778	\$ -	\$ 256,169
LIABILITIES				
Accounts payable	\$ -	\$ 35,857	\$ -	\$ 20,857
Accrued payroll	28,967	1,515	-	-
Accrued employee benefits payable - short term	-	657	-	-
Deposits	-	-	-	-
Due to other funds	-	-	16,634	71,905
Unearned revenue	-	-	-	-
Total liabilities	28,967	38,029	16,634	92,762
Deferred inflows of resources				
Unavailable revenue	-	-	-	256,069
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted for:				
Capital projects	-	-	-	-
Special revenue funds	404,506	229,749	-	-
Unassigned	-	-	(16,634)	(92,662)
Total fund balances	404,506	229,749	(16,634)	(92,662)
Total liabilities and fund balances	\$ 433,473	\$ 267,778	\$ -	\$ 256,169

City of Huntington Park
 Nonmajor Governmental Funds
 Combining Balance Sheet (Continued)
 June 30, 2014

Special Revenue				
HUD Social Security Grant	Illegal Disposal Abatement	Public Financing Authority	Public Safety	Parking System
\$ 10,485	\$ 30,248	\$ -	\$ 434	\$ -
-	31,027	-	44,117	-
-	-	-	-	-
9,459	-	-	-	-
-	-	-	-	-
<u>\$ 19,944</u>	<u>\$ 61,275</u>	<u>\$ -</u>	<u>\$ 44,551</u>	<u>\$ -</u>
-	-	-	-	-
<u>\$ 19,944</u>	<u>\$ 61,275</u>	<u>\$ -</u>	<u>\$ 44,551</u>	<u>\$ -</u>
\$ -	\$ 402	\$ -	\$ -	\$ 17,538
-	-	-	-	4,217
-	-	-	-	1,647
-	-	-	-	-
-	-	1,850	-	84,810
-	-	-	12,844	-
<u>-</u>	<u>402</u>	<u>1,850</u>	<u>12,844</u>	<u>108,212</u>
9,459	31,027	-	-	-
-	-	-	-	-
-	-	-	-	-
10,485	29,846	-	31,707	-
-	-	(1,850)	-	(108,212)
<u>10,485</u>	<u>29,846</u>	<u>(1,850)</u>	<u>31,707</u>	<u>(108,212)</u>
<u>\$ 19,944</u>	<u>\$ 61,275</u>	<u>\$ -</u>	<u>\$ 44,551</u>	<u>\$ -</u>

	Special Revenue		
	Solid Waste Recycle Grant	OPEB	Park Facility
ASSETS			
Cash and cash equivalents	\$ 51,149	\$ 314,135	\$ 47,804
Receivables:			
Taxes and intergovernmental	15,583	-	-
Accounts and interest	21	140	21
Loans	-	-	-
Prepaid expenses	-	-	-
Total assets	\$ 66,753	\$ 314,275	\$ 47,825
DEFERRED OUTFLOWS OF RESOURCES			
	-	-	-
Total assets and deferred outflows of resources	\$ 66,753	\$ 314,275	\$ 47,825
LIABILITIES			
Accounts payable	\$ 753	\$ 2,668	\$ -
Accrued payroll	-	-	-
Accrued employee benefits payable - short term	-	-	-
Deposits	-	-	-
Due to other funds	-	-	-
Unearned revenue	-	-	-
Total liabilities	753	2,668	-
Deferred inflows of resources			
Unavailable revenue	-	-	-
FUND BALANCES			
Nonspendable	-	-	-
Restricted for:			
Capital projects	-	-	-
Special revenue funds	66,000	311,607	47,825
Unassigned	-	-	-
Total fund balances	66,000	311,607	47,825
Total liabilities and fund balances	\$ 66,753	\$ 314,275	\$ 47,825

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

Special Revenue					
Street Lighting Landscape Assessment	TDA / Bike Path	Measure R	Inmate Welfare	LBPHCP Lead Base	
\$ 399,848	\$ 1,703	\$ 1,324,197	\$ 84,569	\$ -	
29,524	27,924	55,288	-	88,891	
-	-	587	1,817	-	
-	-	-	-	-	
-	-	8,282	-	-	
<u>\$ 429,372</u>	<u>\$ 29,627</u>	<u>\$ 1,388,354</u>	<u>\$ 86,386</u>	<u>\$ 88,891</u>	
-	-	-	-	-	
<u>\$ 429,372</u>	<u>\$ 29,627</u>	<u>\$ 1,388,354</u>	<u>\$ 86,386</u>	<u>\$ 88,891</u>	
\$ 57,279	\$ -	\$ 131,545	\$ 810	\$ -	
-	-	-	-	-	
2,931	-	-	-	-	
-	-	-	-	-	
-	-	-	-	18,759	
-	-	-	-	-	
<u>60,210</u>	<u>-</u>	<u>131,545</u>	<u>810</u>	<u>18,759</u>	
-	-	-	-	-	
-	-	8,282	-	-	
-	-	-	-	-	
369,162	29,627	1,248,527	85,576	70,132	
-	-	-	-	-	
<u>369,162</u>	<u>29,627</u>	<u>1,256,809</u>	<u>85,576</u>	<u>70,132</u>	
<u>\$ 429,372</u>	<u>\$ 29,627</u>	<u>\$ 1,388,354</u>	<u>\$ 86,386</u>	<u>\$ 88,891</u>	

	Special Revenue			
	Neighborhood Lead Base	Homelessness Prevention	Federal Street Improvement	DNA ID
ASSETS				
Cash and cash equivalents	\$ 39,099	\$ 148	\$ 1,796	\$ 33,891
Receivables:				
Taxes and intergovernmental	17	-	-	-
Accounts and interest	-	-	-	3,015
Loans	-	-	-	-
Prepaid expenses	-	-	-	-
Total assets	\$ 39,116	\$ 148	\$ 1,796	\$ 36,906
DEFERRED OUTFLOWS OF RESOURCES				
	-	-	-	-
Total assets and deferred outflows of resources	\$ 39,116	\$ 148	\$ 1,796	\$ 36,906
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
Accrued employee benefits payable - short term	-	-	-	-
Deposits	-	-	-	-
Due to other funds	-	-	-	-
Unearned revenue	38,872	-	-	-
Total liabilities	38,872	-	-	-
Deferred inflows of resources				
Unavailable revenue	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted for:				
Capital projects	-	-	-	-
Special revenue funds	244	148	1,796	36,906
Unassigned	-	-	-	-
Total fund balances	244	148	1,796	36,906
Total liabilities and fund balances	\$ 39,116	\$ 148	\$ 1,796	\$ 36,906

City of Huntington Park
Nonmajor Governmental Funds
Combining Balance Sheet (Continued)
June 30, 2014

Special Revenue Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
Employees' Retirement	Capital Improvement	
\$ 857,406	\$ 1,062,497	9,243,975
286,885	-	2,226,986
-	474	26,638
-	-	166,055
-	-	8,282
<u>\$ 1,144,291</u>	<u>\$ 1,062,971</u>	<u>\$ 11,671,936</u>
-	-	-
<u>\$ 1,144,291</u>	<u>\$ 1,062,971</u>	<u>\$ 11,671,936</u>
\$ 48,786	\$ -	\$ 870,814
-	-	52,403
-	-	30,815
1,947	-	26,947
-	-	795,815
-	-	617,416
<u>50,733</u>	<u>-</u>	<u>2,394,210</u>
-	-	453,151
-	-	8,282
-	1,062,971	1,062,971
1,093,558	-	8,248,615
-	-	(495,293)
<u>1,093,558</u>	<u>1,062,971</u>	<u>8,824,575</u>
<u>\$ 1,144,291</u>	<u>\$ 1,062,971</u>	<u>\$ 11,671,936</u>

	Special Revenue			
	Special Events	Parks and Recreation	State Gas Tax	Art in Public Places
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ 14,180
Fines and forfeitures	-	-	-	-
Use of money and property	426	-	6,400	511
Intergovernmental	-	391,973	2,014,435	-
Charges for services	-	-	-	-
Other revenues	2,501	-	-	-
Interfund charges	-	-	-	-
Total revenues	<u>2,927</u>	<u>391,973</u>	<u>2,020,835</u>	<u>14,691</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	1,271,096	-
Community services	-	-	-	-
Community development	-	-	-	-
Capital outlay	2,362	507,259	860,464	17,947
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>2,362</u>	<u>507,259</u>	<u>2,131,560</u>	<u>17,947</u>
Excess (deficiency) of revenues over expenditures	<u>565</u>	<u>(115,286)</u>	<u>(110,725)</u>	<u>(3,256)</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	565	(115,286)	(110,725)	(3,256)
Fund balances, beginning of year	<u>154,801</u>	<u>(51,132)</u>	<u>2,423,385</u>	<u>195,724</u>
Fund balances, end of year	<u>\$ 155,366</u>	<u>\$ (166,418)</u>	<u>\$ 2,312,660</u>	<u>\$ 192,468</u>

**City of Huntington Park
Nonmajor Governmental Funds**

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Year ended June 30, 2014

Special Revenue			
Local Origination Program	Community Development Block Grant	Sales Tax Transit Proposition A	Asset Forfeiture
\$ 69,483	\$ -	\$ 1,021,792	\$ -
-	-	-	94,510
11	-	1,289	3,276
-	1,260,948	-	-
-	-	230,389	-
-	-	-	-
-	-	-	-
69,494	1,260,948	1,253,470	97,786
-	-	-	-
-	-	-	50,405
52,689	-	-	-
-	-	1,147,598	-
-	1,253,275	-	-
3,247	-	-	328,626
-	-	-	-
-	-	-	-
55,936	1,253,275	1,147,598	379,031
13,558	7,673	105,872	(281,245)
-	-	-	-
-	-	-	-
-	-	-	-
13,558	7,673	105,872	(281,245)
(7,748)	(117,190)	228,438	1,461,845
\$ 5,810	\$ (109,517)	\$ 334,310	\$ 1,180,600

Special Revenue				
	Air Quality Improvement	Sales Tax Transit Proposition C	Business Improvement District	Supplemental Law Enforcement
Revenues				
Taxes	\$ -	\$ 830,552	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Use of money and property	1,349	559	-	629
Intergovernmental	72,696	-	-	218,612
Charges for services	-	-	-	-
Other revenues	-	-	-	100,000
Interfund charges	-	-	-	-
Total revenues	<u>74,045</u>	<u>831,111</u>	<u>-</u>	<u>319,241</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	307,066	-	-	-
Public works	-	809,679	-	-
Community services	-	-	-	-
Community development	-	-	105,599	-
Capital outlay	53,452	7,529	-	336,983
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>360,518</u>	<u>817,208</u>	<u>105,599</u>	<u>336,983</u>
Excess (deficiency) of revenues over expenditures	<u>(286,473)</u>	<u>13,903</u>	<u>(105,599)</u>	<u>(17,742)</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	(286,473)	13,903	(105,599)	(17,742)
Fund balances, beginning of year	690,979	215,846	88,965	(74,920)
Fund balances, end of year	<u>\$ 404,506</u>	<u>\$ 229,749</u>	<u>\$ (16,634)</u>	<u>\$ (92,662)</u>

City of Huntington Park
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
(Continued)
Year ended June 30, 2014

Special Revenue				
HUD Social Security Grant	Illegal Disposal Abatement	Public Financing Authority	Public Safety	Parking System
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	32,501	-
-	22	-	-	-
-	352,195	-	67,082	-
-	-	-	-	1,157,118
-	-	-	-	18,000
-	-	-	-	-
<u>-</u>	<u>352,217</u>	<u>-</u>	<u>99,583</u>	<u>1,175,118</u>
-	-	-	-	-
-	-	-	82,646	-
-	-	-	-	-
-	-	-	-	-
-	185,933	-	-	429,872
-	121,758	-	-	-
-	-	-	-	401,018
-	-	-	-	56,189
<u>-</u>	<u>307,691</u>	<u>-</u>	<u>82,646</u>	<u>887,079</u>
-	-	-	-	-
-	44,526	-	16,937	288,039
-	-	-	-	-
-	-	-	-	(150,000)
-	-	-	-	(150,000)
-	44,526	-	16,937	138,039
10,485	(14,680)	(1,850)	14,770	(246,251)
<u>\$ 10,485</u>	<u>\$ 29,846</u>	<u>\$ (1,850)</u>	<u>\$ 31,707</u>	<u>\$ (108,212)</u>

	Special Revenue		
	Solid Waste Recycle Grant	OPEB	Park Facility
	_____	_____	_____
Revenues			
Taxes	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-
Use of money and property	133	479	126
Intergovernmental	48,194	102,562	-
Charges for services	-	-	-
Other revenues	-	-	-
Interfund charges	-	1,312,472	-
Total revenues	<u>48,327</u>	<u>1,415,513</u>	<u>126</u>
Expenditures			
Current:			
General government	-	1,415,372	-
Public safety	-	-	-
Public works	-	-	-
Community services	-	-	-
Community development	21,837	-	-
Capital outlay	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	<u>21,837</u>	<u>1,415,372</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>26,490</u>	<u>141</u>	<u>126</u>
Other financing sources (uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	26,490	141	126
Fund balances, beginning of year	<u>39,510</u>	<u>311,466</u>	<u>47,699</u>
Fund balances, end of year	<u>\$ 66,000</u>	<u>\$ 311,607</u>	<u>\$ 47,825</u>

City of Huntington Park
 Nonmajor Governmental Funds
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 (Continued)
 Year ended June 30, 2014

Special Revenue				
Street Lighting Landscape Assessment	TDA / Bike Path	Measure R	Inmate Welfare	LBPHCP Lead Base
\$ 1,551,095	\$ -	\$ 615,909	\$ -	\$ -
-	-	-	-	-
634	17	3,420	206	-
-	27,924	-	23,485	255,395
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
1,551,729	27,941	619,329	23,691	255,395
-	-	-	-	-
-	-	-	3,953	-
512,050	-	444,868	-	-
-	-	-	-	-
-	12,922	-	-	40,787
-	17,670	46,988	-	89,198
385,106	-	-	-	-
341,132	-	-	-	-
1,238,288	30,592	491,856	3,953	129,985
313,441	(2,651)	127,473	19,738	125,410
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
313,441	(2,651)	127,473	19,738	125,410
55,721	32,278	1,129,336	65,838	(55,278)
\$ 369,162	\$ 29,627	\$ 1,256,809	\$ 85,576	\$ 70,132

	Special Revenue			
	Neighborhood Lead Base	Homelessness Prevention	Federal Street Improvement	DNA ID
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Use of money and property	103	-	-	82
Intergovernmental	-	-	-	12,680
Charges for services	-	-	-	-
Other revenues	-	-	-	-
Interfund charges	-	-	-	-
Total revenues	<u>103</u>	<u>-</u>	<u>-</u>	<u>12,762</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Community services	-	-	-	-
Community development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>103</u>	<u>-</u>	<u>-</u>	<u>12,762</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	103	-	-	12,762
Fund balances, beginning of year	141	148	1,796	24,144
Fund balances, end of year	<u>\$ 244</u>	<u>\$ 148</u>	<u>\$ 1,796</u>	<u>\$ 36,906</u>

City of Huntington Park
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
(Continued)
Year ended June 30, 2014

Special Revenue Fund	Capital Projects Fund	Total
Employees' Retirement	Capital Improvement	Nonmajor Governmental Funds
\$ 2,584,429	-	\$ 6,687,440
-	-	127,011
2,308	2,811	24,791
-	-	4,848,181
-	-	1,387,507
-	-	120,501
-	-	1,312,472
<u>2,586,737</u>	<u>2,811</u>	<u>14,507,903</u>
1,695,188	-	3,110,560
-	-	444,070
-	-	3,090,382
-	-	1,147,598
-	-	2,050,225
-	-	2,393,483
800,000	-	1,586,124
<u>1,124,472</u>	<u>-</u>	<u>1,521,793</u>
<u>3,619,660</u>	<u>-</u>	<u>15,344,235</u>
<u>(1,032,923)</u>	<u>2,811</u>	<u>(836,332)</u>
-	-	-
<u>(500,000)</u>	<u>-</u>	<u>(650,000)</u>
<u>(500,000)</u>	<u>-</u>	<u>(650,000)</u>
(1,532,923)	2,811	(1,486,332)
<u>2,626,481</u>	<u>1,060,160</u>	<u>10,310,907</u>
<u>\$ 1,093,558</u>	<u>1,062,971</u>	<u>\$ 8,824,575</u>

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, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	Final Budget - Positive (Negative)
Revenues				
Use of money and property	\$ 800	\$ 800	\$ 426	\$ (374)
Other revenues	<u>25,000</u>	<u>25,000</u>	<u>2,501</u>	<u>(22,499)</u>
Total revenues	<u>25,800</u>	<u>25,800</u>	<u>2,927</u>	<u>(22,873)</u>
Expenditures				
Capital outlay	<u>62,000</u>	<u>62,000</u>	<u>2,362</u>	<u>59,638</u>
Total expenditures	<u>62,000</u>	<u>62,000</u>	<u>2,362</u>	<u>59,638</u>
Excess (deficiency) of revenues over expenditures	<u>(36,200)</u>	<u>(36,200)</u>	<u>565</u>	<u>36,765</u>
Change in fund balance	(36,200)	(36,200)	565	36,765
Fund balances, beginning of year	<u>154,801</u>	<u>154,801</u>	<u>154,801</u>	<u>-</u>
Fund balances, end of year	<u>\$ 118,601</u>	<u>\$ 118,601</u>	<u>\$ 155,366</u>	<u>\$ 36,765</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, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget -</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues				
Intergovernmental	\$ 338,016	\$ 338,016	\$ 391,973	\$ 53,957
Total revenues	<u>338,016</u>	<u>338,016</u>	<u>391,973</u>	<u>53,957</u>
Expenditures				
Capital outlay	<u>365,000</u>	<u>365,000</u>	<u>507,259</u>	<u>(142,259)</u>
Excess (deficiency) of revenues over expenditures	<u>(26,984)</u>	<u>(26,984)</u>	<u>(115,286)</u>	<u>(88,302)</u>
Change in fund balance	(26,984)	(26,984)	(115,286)	(88,302)
Fund balances, beginning of year	<u>(51,132)</u>	<u>(51,132)</u>	<u>(51,132)</u>	<u>-</u>
Fund balances, end of year	<u>\$ (78,116)</u>	<u>\$ (78,116)</u>	<u>\$ (166,418)</u>	<u>\$ (88,302)</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, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u> Amounts	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Use of money and property	\$ 2,000	\$ 2,000	\$ 6,400	\$ 4,400
Intergovernmental	<u>1,691,209</u>	<u>1,691,209</u>	<u>2,014,435</u>	<u>323,226</u>
Total revenues	<u>1,693,209</u>	<u>1,693,209</u>	<u>2,020,835</u>	<u>327,626</u>
Expenditures				
Current:				
Public works	1,635,497	1,635,497	1,271,096	364,401
Capital outlay	<u>1,015,504</u>	<u>1,015,504</u>	<u>860,464</u>	<u>155,040</u>
Total expenditures	<u>2,651,001</u>	<u>2,651,001</u>	<u>2,131,560</u>	<u>519,441</u>
Excess (deficiency) of revenues over expenditures	<u>(957,792)</u>	<u>(957,792)</u>	<u>(110,725)</u>	<u>847,067</u>
Change in fund balance	(957,792)	(957,792)	(110,725)	847,067
Fund balances, beginning of year	<u>2,423,385</u>	<u>2,423,385</u>	<u>2,423,385</u>	-
Fund balances, end of year	<u>\$ 1,465,593</u>	<u>\$ 1,465,593</u>	<u>\$ 2,312,660</u>	<u>\$ 847,067</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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ -	\$ -	\$ 14,180	\$ 14,180
Use of money and property	-	-	511	511
Total revenues	<u>-</u>	<u>-</u>	<u>14,691</u>	<u>14,691</u>
Expenditures				
Current:				
Capital outlay	-	-	17,947	(17,947)
Total expenditures	<u>-</u>	<u>-</u>	<u>17,947</u>	<u>(17,947)</u>
Change in fund balance	-	-	(3,256)	(3,256)
Fund balances, beginning of year	<u>195,724</u>	<u>195,724</u>	<u>195,724</u>	<u>-</u>
Fund balances, end of year	<u>\$ 195,724</u>	<u>\$ 195,724</u>	<u>\$ 192,468</u>	<u>\$ (3,256)</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, 2014

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 54,000	\$ 54,000	\$ 69,483	\$ 15,483
Use of money and property	-	-	11	11
Total revenues	<u>54,000</u>	<u>54,000</u>	<u>69,494</u>	<u>15,494</u>
Expenditures				
Current:				
Public works	49,600	49,600	52,689	(3,089)
Capital outlay	-	-	3,247	(3,247)
Total expenditures	<u>49,600</u>	<u>49,600</u>	<u>55,936</u>	<u>(6,336)</u>
Change in fund balance	4,400	4,400	13,558	9,158
Fund balances, beginning of year	<u>(7,748)</u>	<u>(7,748)</u>	<u>(7,748)</u>	-
Fund balances, end of year	<u>\$ (3,348)</u>	<u>\$ (3,348)</u>	<u>\$ 5,810</u>	<u>\$ 9,158</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, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u> Amounts	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 1,499,000	\$ 1,499,000	\$ 1,260,948	\$ (238,052)
Total revenues	<u>1,499,000</u>	<u>1,499,000</u>	<u>1,260,948</u>	<u>(238,052)</u>
Expenditures				
Current:				
Community development	<u>1,482,752</u>	<u>1,482,752</u>	<u>1,253,275</u>	<u>229,477</u>
Change in fund balance	16,248	16,248	7,673	(8,575)
Fund balances, beginning of year	<u>(117,190)</u>	<u>(117,190)</u>	<u>(117,190)</u>	<u>-</u>
Fund balances, end of year	<u>\$ (100,942)</u>	<u>\$ (100,942)</u>	<u>\$ (109,517)</u>	<u>\$ (8,575)</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, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 1,099,268	\$ 1,099,268	\$ 1,021,792	\$ (77,476)
Use of money and property	1,500	1,500	1,289	(211)
Charges for services	212,800	212,800	230,389	17,589
Total revenues	<u>1,313,568</u>	<u>1,313,568</u>	<u>1,253,470</u>	<u>(60,098)</u>
Expenditures				
Current:				
Community services	1,101,892	1,101,892	1,147,598	(45,706)
Total expenditures	<u>1,101,892</u>	<u>1,101,892</u>	<u>1,147,598</u>	<u>(45,706)</u>
Change in fund balance	211,676	211,676	105,872	(105,804)
Fund balances, beginning of year	<u>228,438</u>	<u>228,438</u>	<u>228,438</u>	<u>-</u>
Fund balances, end of year	<u>\$ 440,114</u>	<u>\$ 440,114</u>	<u>\$ 334,310</u>	<u>\$ (105,804)</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, 2014

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Fines and forfeitures	\$ -	\$ -	\$ 94,510	\$ 94,510
Use of money and property	5,000	5,000	3,276	(1,724)
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>97,786</u>	<u>92,786</u>
Expenditures				
Current:				
Public safety	126,561	126,561	50,405	76,156
Capital outlay	580,000	580,000	328,626	251,374
Total expenditures	<u>706,561</u>	<u>706,561</u>	<u>379,031</u>	<u>327,530</u>
Change in fund balance	(701,561)	(701,561)	(281,245)	420,316
Fund balances, beginning of year	<u>1,461,845</u>	<u>1,461,845</u>	<u>1,461,845</u>	<u>-</u>
Fund balances, end of year	<u>\$ 760,284</u>	<u>\$ 760,284</u>	<u>\$ 1,180,600</u>	<u>\$ 420,316</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, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
Revenues				
Use of money and property	\$ 1,000	\$ 1,000	\$ 1,349	\$ 349
Intergovernmental	70,000	70,000	72,696	2,696
Total revenues	71,000	71,000	74,045	3,045
Expenditures				
Current:				
Public safety	450,000	450,000	307,066	142,934
Capital outlay	74,221	74,221	53,452	20,769
Total expenditures	524,221	524,221	360,518	163,703
Change in fund balance	(453,221)	(453,221)	(286,473)	166,748
Fund balances, beginning of year	690,979	690,979	690,979	-
Fund balances, end of year	\$ 237,758	\$ 237,758	\$ 404,506	\$ 166,748

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, 2014

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 792,509	\$ 792,509	\$ 830,552	\$ 38,043
Use of money and property	1,000	1,000	559	(441)
Total revenues	<u>793,509</u>	<u>793,509</u>	<u>831,111</u>	<u>37,602</u>
Expenditures				
Current:				
Public works	810,802	810,802	809,679	1,123
Capital outlay	8,000	8,000	7,529	471
Total expenditures	<u>818,802</u>	<u>818,802</u>	<u>817,208</u>	<u>1,594</u>
Change in fund balance	(25,293)	(25,293)	13,903	39,196
Fund balances, beginning of year	<u>215,846</u>	<u>215,846</u>	<u>215,846</u>	-
Fund balances, end of year	<u>\$ 190,553</u>	<u>\$ 190,553</u>	<u>\$ 229,749</u>	<u>\$ 39,196</u>

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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$	\$	\$ -	\$ -
Use of money and property			-	-
Total revenues	-	-	-	-
Expenditures				
Current:				
Community development	533	533	105,599	(105,066)
Total expenditures	533	533	105,599	(105,066)
Excess (deficiency) of revenues over expenditures	(533)	(533)	(105,599)	(105,066)
Other financing sources (uses)				
Transfers out			-	-
Change in fund balance	(533)	(533)	(105,599)	(105,066)
Fund balances, beginning of year	88,965	88,965	88,965	-
Fund balances, end of year	\$ 88,432	\$ 88,432	\$ (16,634)	\$ (105,066)

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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Use of money and property	\$ -	\$ -	\$ 629	\$ 629
Intergovernmental	-	-	132,137	132,137
Other revenues	100,000	100,000	100,000	-
Total revenues	<u>100,000</u>	<u>100,000</u>	<u>232,766</u>	<u>132,766</u>
Expenditures				
Current:				
Capital outlay	150,000	150,000	336,983	(186,983)
Total expenditures	<u>150,000</u>	<u>150,000</u>	<u>336,983</u>	<u>(186,983)</u>
Change in fund balance	(50,000)	(50,000)	(104,217)	(54,217)
Fund balances, beginning of year	<u>(74,920)</u>	<u>(74,920)</u>	<u>(74,920)</u>	<u>-</u>
Fund balances, end of year	<u>\$ (124,920)</u>	<u>\$ (124,920)</u>	<u>\$ (179,137)</u>	<u>\$ (54,217)</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, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 340,607	\$ 340,607	\$ 352,195	\$ 11,588
Total revenues	<u>340,607</u>	<u>340,607</u>	<u>352,217</u>	<u>11,610</u>
Expenditures				
Community development	103,500	103,500	185,933	(82,433)
Capital outlay	<u>128,600</u>	<u>128,600</u>	<u>121,758</u>	<u>6,842</u>
	<u>232,100</u>	<u>232,100</u>	<u>307,691</u>	<u>(75,591)</u>
Change in fund balance	108,507	108,507	44,526	(63,981)
Fund balances, beginning of year	<u>(14,680)</u>	<u>(14,680)</u>	<u>(14,680)</u>	<u>-</u>
Fund balances, end of year	<u>\$ 93,827</u>	<u>\$ 93,827</u>	<u>\$ 29,846</u>	<u>\$ (63,981)</u>

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, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
Revenues				
Use of money and property	\$ -	\$ -	\$ -	\$ -
Expenditures				
Current:				
General government	-	-	-	-
Total expenditures	-	-	-	-
Change in fund balance	-	-	-	-
Fund balances, beginning of year	(1,850)	(1,850)	(1,850)	-
Fund balances, end of year	\$ (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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Fines and forfeitures	\$ 10,000	\$ 10,000	\$ 32,501	\$ 22,501
Intergovernmental	70,100	70,100	67,082	(3,018)
Use of money and property	100	100	-	(100)
Total revenues	<u>80,200</u>	<u>80,200</u>	<u>99,583</u>	<u>19,383</u>
Expenditures				
Current:				
Public safety	<u>86,100</u>	<u>86,100</u>	<u>82,646</u>	<u>3,454</u>
Change in fund balance	(5,900)	(5,900)	16,937	22,837
Fund balances, beginning of year	<u>14,770</u>	<u>14,770</u>	<u>14,770</u>	<u>-</u>
Fund balances, end of year	<u>\$ 8,870</u>	<u>\$ 8,870</u>	<u>\$ 31,707</u>	<u>\$ 22,837</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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Charges for services	\$ 1,100,000	\$ 1,100,000	\$ 1,157,118	\$ 57,118
Other revenues	18,000	18,000	18,000	-
Total revenues	<u>1,118,000</u>	<u>1,118,000</u>	<u>1,175,118</u>	<u>57,118</u>
Expenditures				
Current:				
Community development	712,690	712,690	429,872	282,818
Debt service:				
Principal retirement	401,018	401,018	401,018	-
Interest and fiscal charges	56,189	56,189	56,189	-
Total expenditures	<u>1,169,897</u>	<u>1,169,897</u>	<u>887,079</u>	<u>282,818</u>
Excess (deficiency) of revenues over expenditures	(51,897)	(51,897)	288,039	339,936
Other financing sources (uses)				
Transfers out	150,000	150,000	(150,000)	(300,000)
Change in fund balance	98,103	98,103	138,039	39,936
Fund balances, beginning of year	(246,251)	(246,251)	(246,251)	-
Fund balances, end of year	<u>\$ (148,148)</u>	<u>\$ (148,148)</u>	<u>\$ (108,212)</u>	<u>\$ 39,936</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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Use of money and property	\$ -	\$ -	\$ 133	\$ 133
Intergovernmental	32,985	32,985	48,194	15,209
	<u>32,985</u>	<u>32,985</u>	<u>48,327</u>	<u>15,342</u>
Expenditures				
Current:				
Community development	25,730	25,730	21,837	3,893
Total expenditures	<u>25,730</u>	<u>25,730</u>	<u>21,837</u>	<u>3,893</u>
Change in fund balance	7,255	7,255	26,490	19,235
Fund balances, beginning of year	<u>39,510</u>	<u>39,510</u>	<u>39,510</u>	<u>-</u>
Fund balances, end of year	<u>\$ 46,765</u>	<u>\$ 46,765</u>	<u>\$ 66,000</u>	<u>\$ 19,235</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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Use of money and property	\$ -	\$ -	\$ 479	\$ 479
Intergovernmental	-	-	102,562	102,562
Interfund charges	1,452,657	1,452,657	1,312,472	(140,185)
	<u>1,452,657</u>	<u>1,452,657</u>	<u>1,415,513</u>	<u>(37,144)</u>
Expenditures				
Current:				
General government	1,452,657	1,452,657	1,415,372	37,285
	<u>1,452,657</u>	<u>1,452,657</u>	<u>1,415,372</u>	<u>37,285</u>
Change in fund balance	-	-	141	141
Fund balances, beginning of year	311,466	311,466	311,466	-
Fund balances, end of year	<u>\$ 311,466</u>	<u>\$ 311,466</u>	<u>\$ 311,607</u>	<u>\$ 141</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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Use of money and property	\$ -	\$ -	\$ 126	\$ 126
Charges for services	-	-	-	-
	<u>-</u>	<u>-</u>	<u>126</u>	<u>126</u>
Expenditures				
Current:				
General government	-	-	-	-
Change in fund balance	-	-	126	126
Fund balances, beginning of year	<u>47,699</u>	<u>47,699</u>	<u>47,699</u>	<u>-</u>
Fund balances, end of year	<u>\$ 47,699</u>	<u>\$ 47,699</u>	<u>\$ 47,825</u>	<u>\$ 126</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, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u> Amounts	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 1,513,312	\$ 1,513,312	\$ 1,551,095	\$ 37,783
Use of money and property	-	-	634	634
Total revenues	<u>1,513,312</u>	<u>1,513,312</u>	<u>1,551,729</u>	<u>38,417</u>
Expenditures				
Current:				
Public works	760,511	760,511	512,050	248,461
Debt service:				
Principal retirement	385,106	385,106	385,106	-
Interest and fiscal charges	304,125	304,125	341,132	(37,007)
Total expenditures	<u>1,449,742</u>	<u>1,449,742</u>	<u>1,238,288</u>	<u>211,454</u>
Change in fund balance	63,570	63,570	313,441	249,871
Fund balances, beginning of year	<u>55,721</u>	<u>55,721</u>	<u>55,721</u>	<u>-</u>
Fund balances, end of year	<u>\$ 119,291</u>	<u>\$ 119,291</u>	<u>\$ 369,162</u>	<u>\$ 249,871</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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 32,582	\$ 32,582	\$ 27,924	\$ (4,658)
Use of money and property			17	17
Total revenues	<u>32,582</u>	<u>32,582</u>	<u>27,941</u>	<u>(4,641)</u>
Expenditures				
Current:				
Community development	24,000	24,000	12,922	11,078
Capital outlay	-	-	17,670	(17,670)
Total expenditures	<u>24,000</u>	<u>24,000</u>	<u>30,592</u>	<u>(6,592)</u>
Change in fund balance	8,582	8,582	(2,651)	(11,233)
Fund balances, beginning of year	<u>32,278</u>	<u>32,278</u>	<u>32,278</u>	<u>-</u>
Fund balances, end of year	<u>\$ 40,860</u>	<u>\$ 40,860</u>	<u>\$ 29,627</u>	<u>\$ (11,233)</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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 571,896	\$ 571,896	\$ 615,909	\$ 44,013
Use of money and property	2,500	2,500	3,420	920
Total revenues	<u>574,396</u>	<u>574,396</u>	<u>619,329</u>	<u>44,933</u>
Expenditures				
Current:				
Public works	268,500	268,500	444,868	(176,368)
Capital outlay	-	-	46,988	(46,988)
Total expenditures	<u>268,500</u>	<u>268,500</u>	<u>491,856</u>	<u>(223,356)</u>
Change in fund balance	305,896	305,896	127,473	(178,423)
Fund balances, beginning of year	<u>1,129,336</u>	<u>1,129,336</u>	<u>1,129,336</u>	<u>-</u>
Fund balances, end of year	<u>\$ 1,435,232</u>	<u>\$ 1,435,232</u>	<u>\$ 1,256,809</u>	<u>\$ (178,423)</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, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
Revenues				
Use of money and property	\$ 300	\$ 300	\$ 206	\$ (94)
Intergovernmental	15,000	15,000	23,485	8,485
Total revenues	<u>15,300</u>	<u>15,300</u>	<u>23,691</u>	<u>8,391</u>
Expenditures				
Current:				
Public safety	10,000	10,000	3,953	6,047
Change in fund balance	5,300	5,300	19,738	14,438
Fund balances, beginning of year	<u>65,838</u>	<u>65,838</u>	<u>65,838</u>	<u>-</u>
Fund balances, end of year	<u>\$ 71,138</u>	<u>\$ 71,138</u>	<u>\$ 85,576</u>	<u>\$ 14,438</u>

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, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 795,000	\$ 795,000	\$ 255,395	\$ (539,605)
	<u>795,000</u>	<u>795,000</u>	<u>255,395</u>	<u>(539,605)</u>
Expenditures				
Current:				
Community development	161,082	161,082	40,787	120,295
Capital outlay	569,529	569,529	89,198	480,331
Total expenditures	<u>730,611</u>	<u>730,611</u>	<u>129,985</u>	<u>600,626</u>
Change in fund balance	64,389	64,389	125,410	61,021
Fund balances, beginning of year	<u>(55,278)</u>	<u>(55,278)</u>	<u>(55,278)</u>	<u>-</u>
Fund balances, end of year	<u>\$ 9,111</u>	<u>\$ 9,111</u>	<u>\$ 70,132</u>	<u>\$ 61,021</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, 2014

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Use of money and property	\$ -	\$ -	\$ 103	\$ 103
Intergovernmental	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>103</u>	<u>103</u>
Expenditures				
Current:				
Community development	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	-	-	103	103
Fund balances, beginning of year	<u>141</u>	<u>141</u>	<u>141</u>	<u>-</u>
Fund balances, end of year	<u>\$ 141</u>	<u>\$ 141</u>	<u>\$ 244</u>	<u>\$ 103</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, 2014

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

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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Expenditures				
Current:				
Public works	-	-	-	-
Total expenditures	-	-	-	-
Change in fund balance	-	-	-	-
Fund balances, beginning of year	1,796	1,796	1,796	-
Fund balances, end of year	\$ 1,796	\$ 1,796	\$ 1,796	\$ -

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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Use of money and property	\$ -	\$ -	\$ 82	\$ 82
Intergovernmental	-	-	12,680	12,680
Total revenues	<u>-</u>	<u>-</u>	<u>12,762</u>	<u>12,762</u>
Expenditures				
Current:				
Public safety	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	-	-	12,762	12,762
Fund balances, beginning of year	<u>24,144</u>	<u>24,144</u>	<u>24,144</u>	<u>-</u>
Fund balances, end of year	<u>\$ 24,144</u>	<u>\$ 24,144</u>	<u>\$ 36,906</u>	<u>\$ 12,762</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, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 2,565,000	\$ 2,565,000	\$ 2,584,429	\$ 19,429
Use of money and property	-	-	2,308	2,308
Total revenues	<u>2,565,000</u>	<u>2,565,000</u>	<u>2,586,737</u>	<u>21,737</u>
Expenditures				
Current:				
General government	1,552,700	1,552,700	1,695,188	(142,488)
Debt service:				
Principal retirement	800,000	800,000	800,000	-
Interest and fiscal charges	1,124,472	1,124,472	1,124,472	-
Total expenditures	<u>3,477,172</u>	<u>3,477,172</u>	<u>3,619,660</u>	<u>(142,488)</u>
Excess (deficiency) of revenues over expenditures	(912,172)	(912,172)	(1,032,923)	(120,751)
Other financing sources (uses)				
Transfers out	(500,000)	(500,000)	(500,000)	-
Change in fund balance	(1,412,172)	(1,412,172)	(1,532,923)	(120,751)
Fund balances, beginning of year	<u>2,626,481</u>	<u>2,626,481</u>	<u>2,626,481</u>	<u>-</u>
Fund balances, end of year	<u>\$ 1,214,309</u>	<u>\$ 1,214,309</u>	<u>\$ 1,093,558</u>	<u>\$ (120,751)</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, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
Revenues				
Use of money and property	\$ -	\$ -	\$ 2,811	\$ 2,811
Total revenues	-	-	2,811	2,811
Expenditures				
Current:				
Capital outlay	9,794	-	-	-
Total expenditures	9,794	-	-	-
Change in fund balance	(9,794)	-	2,811	2,811
Fund balances, beginning of year	1,060,160	1,060,160	1,060,160	-
Fund balances, end of year	\$ 1,050,366	\$ 1,060,160	\$ 1,062,971	\$ 2,811

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, 2014

	Fleet Maintenance	Vehicle and Equipment Replacement	Workers' Compensation Fund	Employee Benefit Fund	Governmental Activities - Internal Service Funds
ASSETS					
Current assets					
Cash and cash equivalents	\$ 420,953	\$ 40,898	\$ 5,687,451	\$ -	\$ 6,149,302
Accounts receivable	188	18	2,523	-	2,729
Total current assets	<u>421,141</u>	<u>40,916</u>	<u>5,689,974</u>	<u>-</u>	<u>6,152,031</u>
Noncurrent assets					
Capital assets	484,562	1,805,031	-	-	2,289,593
Less accumulated depreciation	(447,065)	(1,763,772)	-	-	(2,210,837)
Net capital assets	<u>37,497</u>	<u>41,259</u>	<u>-</u>	<u>-</u>	<u>78,756</u>
Total noncurrent assets	<u>37,497</u>	<u>41,259</u>	<u>-</u>	<u>-</u>	<u>78,756</u>
Total assets	<u>458,638</u>	<u>82,175</u>	<u>5,689,974</u>	<u>-</u>	<u>6,230,787</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
LIABILITIES					
Current liabilities					
Accounts payable	57,762	-	48,864	10,309	116,935
Accrued payroll	5,266	-	2,387	3,790	11,443
Accrued leave payable	3,287	-	-	-	3,287
Due to other funds	-	-	-	169,527	169,527
Total current liabilities	<u>66,315</u>	<u>-</u>	<u>51,251</u>	<u>183,626</u>	<u>301,192</u>
Noncurrent liabilities					
Claims payable	-	-	896,000	-	896,000
Total liabilities	<u>66,315</u>	<u>-</u>	<u>947,251</u>	<u>183,626</u>	<u>1,197,192</u>
DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION					
Net investment in capital asset	37,497	41,259	-	-	78,756
Unrestricted	354,826	40,916	4,742,723	(183,626)	4,954,839
Total net position	<u>\$ 392,323</u>	<u>\$ 82,175</u>	<u>\$ 4,742,723</u>	<u>\$ (183,626)</u>	<u>\$ 5,033,595</u>

City of Huntington Park
Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
Year ended June 30, 2014

	Fleet Maintenance	Vehicle and Equipment Replacement	Workers' Compensation Fund	Employee Benefit Fund	Governmental Activities- Internal Service Funds
Operating revenues					
Charges for services	\$ 753,436	\$ -	\$ 2,311,462	\$ 66,833	\$ 3,131,731
Total operating revenues	<u>753,436</u>	<u>-</u>	<u>2,311,462</u>	<u>66,833</u>	<u>3,131,731</u>
Operating expenses					
Personnel services	352,485	-	220,671	-	573,156
Materials and supplies	431,527	-	583,965	-	1,015,492
Insurance	-	-	1,442,902	113,875	1,556,777
Depreciation	16,196	6,136	-	-	22,332
Total operating expenses	<u>800,208</u>	<u>6,136</u>	<u>2,247,538</u>	<u>113,875</u>	<u>3,167,757</u>
Operating income (loss)	<u>(46,772)</u>	<u>(6,136)</u>	<u>63,924</u>	<u>(47,042)</u>	<u>(36,026)</u>
Nonoperating revenues					
Interest earnings on investments	823	108	13,785	-	14,716
Total nonoperating revenues	<u>823</u>	<u>108</u>	<u>13,785</u>	<u>-</u>	<u>14,716</u>
Change in net position	(45,949)	(6,028)	77,709	(47,042)	(21,310)
Total net position - beginning	<u>438,272</u>	<u>88,203</u>	<u>4,665,014</u>	<u>(136,584)</u>	<u>5,054,905</u>
Total net position - ending	<u>\$ 392,323</u>	<u>\$ 82,175</u>	<u>\$ 4,742,723</u>	<u>\$ (183,626)</u>	<u>\$ 5,033,595</u>

City of Huntington Park
Combining Statement of Cash Flows
Internal Service Funds
Year ended June 30, 2014

	Fleet Maintenance	Vehicle and Equipment Replacement	Workers' Compensation Fund	Employee Benefit Fund	Governmental Activities- Internal Service Funds
Cash flows from operating activities					
Receipts from tenants, customers and users	\$ 754,707	\$ -	\$ 2,310,792	\$ 66,833	\$ 3,132,332
Payments to suppliers	(417,814)	-	(2,008,443)	(66,833)	(2,493,090)
Payments to employees	(352,485)	-	(224,715)	-	(577,200)
Net cash provided by (used in) operating activities	<u>(15,592)</u>	<u>-</u>	<u>77,634</u>	<u>-</u>	<u>62,042</u>
 Cash flows from investing activities					
Interest received	<u>823</u>	<u>103</u>	<u>13,785</u>	<u>-</u>	<u>14,711</u>
 Change in cash and cash equivalents	(14,769)	103	91,419	-	76,753
 Beginning cash and cash equivalents	<u>435,722</u>	<u>40,795</u>	<u>5,596,032</u>	<u>-</u>	<u>6,072,549</u>
Ending cash and cash equivalents	<u>\$ 420,953</u>	<u>\$ 40,898</u>	<u>5,687,451</u>	<u>-</u>	<u>\$ 6,149,302</u>
 Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ (46,772)	\$ (6,136)	\$ 63,924	\$ (47,042)	\$ (36,026)
Adjustments to reconcile operating loss to net cash used in operating activities:					
Depreciation	16,196	6,136	-	-	22,332
(Increase) decrease in:					
Accounts receivable	(45)	-	(670)	-	(715)
Increase (decrease):					
Accounts payable	13,934	-	18,424	(1,466)	30,892
Accrued payroll	646	-	(4,044)	(5,895)	(9,293)
Due to other funds	-	-	-	54,403	54,403
Accrued leave payable	449	-	-	-	449
Net cash provided by (used in) operating activities	<u>\$ (15,592)</u>	<u>\$ -</u>	<u>\$ 77,634</u>	<u>\$ -</u>	<u>\$ 62,042</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, 2014

	Sewer Maintenance	Solid Waste Management	Total Other Enterprise Funds
ASSETS			
Current assets			
Cash and investments	\$ 581,833	\$ 128,772	\$ 710,605
Accounts receivable	52,837	17,139	69,976
Total current assets	634,670	145,911	780,581
Noncurrent assets			
Capital assets	8,998,545	-	8,998,545
Less accumulated depreciation	(3,297,914)	-	(3,297,914)
Net capital assets	5,700,631	-	5,700,631
Total noncurrent assets	5,700,631	-	5,700,631
Total assets	6,335,301	145,911	6,481,212
DEFERRED OUTFLOWS OF RESOURCES			
	-	-	-
LIABILITIES			
Current liabilities			
Accounts payable	17,735	188	17,923
Accrued payroll	223	2,537	2,760
Accrued leave payable	201	1,095	1,296
Deposits	-	42,897	42,897
Unearned revenue	-	4,426	4,426
Total current liabilities	18,159	51,143	69,302
Noncurrent liabilities			
Compensated absences payable	2,178	17,743	19,921
Total liabilities	20,337	68,886	89,223
DEFERRED INFLOWS OF RESOURCES			
	-	-	-
NET POSITION			
Net investment in capital asset	5,700,631	-	5,700,631
Unrestricted	614,333	77,025	691,358
Total net position	\$ 6,314,964	\$ 77,025	\$ 6,391,989

City of Huntington Park
Combining Statement of Revenues, Expenses and Changes in Net Position
Nonmajor Enterprise Funds
Year ended June 30, 2014

	<u>Sewer Maintenance</u>	<u>Solid Waste Management</u>	<u>Total Other Enterprise Funds</u>
Operating revenues			
Charges for services	\$ 327,254	\$ 163,850	\$ 491,104
Other	-	42	42
Total operating revenues	<u>327,254</u>	<u>163,892</u>	<u>491,146</u>
Operating expenses			
Personnel services	33,729	99,827	133,556
Materials and supplies	265,419	7,772	273,191
Insurance	768	5,280	6,048
Depreciation	32,154	-	32,154
Total operating expenses	<u>332,070</u>	<u>112,879</u>	<u>444,949</u>
Operating income (loss)	(4,816)	51,013	46,197
Nonoperating revenues			
Interest earnings on investments	<u>1,537</u>	<u>299</u>	<u>1,836</u>
Change in net position	(3,279)	51,312	48,033
Total net position- beginning	<u>6,318,243</u>	<u>25,713</u>	<u>6,343,956</u>
Total net position - ending	<u>\$ 6,314,964</u>	<u>\$ 77,025</u>	<u>\$ 6,391,989</u>

City of Huntington Park
Combining Statement of Cash Flows
Nonmajor Enterprise Funds
Year ended June 30, 2014

	<u>Sewer Maintenance</u>	<u>Solid Waste Management</u>	<u>Total Other Enterprise Funds</u>
Cash flows from operating activities			
Receipts from customers and users	\$ 319,048	\$ 163,632	\$ 482,680
Payments to suppliers	(403,399)	(13,251)	(416,650)
Payments to employees	(33,166)	(62,933)	(96,099)
Net cash provided by (used in) operating activities	<u>(117,517)</u>	<u>87,448</u>	<u>(30,069)</u>
Cash flows from investing activities			
Interest received	<u>1,537</u>	<u>299</u>	<u>1,836</u>
Change in cash and cash equivalents	(115,980)	87,747	(28,233)
Beginning cash and cash equivalents	<u>697,813</u>	<u>41,025</u>	<u>738,838</u>
Ending cash and cash equivalents	<u>\$ 581,833</u>	<u>\$ 128,772</u>	<u>\$ 710,605</u>

**Reconciliation of operating income (loss) to net cash provided by
(used in) operating activities:**

Operating income (loss)	\$ (4,816)	\$ 51,013	\$ 46,197
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	(8,206)	(260)	(8,466)
Increase (decrease):			
Accounts payable	(137,212)	(199)	(137,411)
Accrued payroll	32	789	821
Accrued leave payable	99	295	394
Deposits payable	-	31,200	31,200
Compensated absences	432	4,610	5,042
Net cash provided by (used in) operating activities	<u>\$ (117,517)</u>	<u>\$ 87,448</u>	<u>\$ (30,069)</u>

STATISTICAL SECTION

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.

Contents	Page
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.	129
Revenue Capacity These schedules contain information to help the reader assess the city's most significant local revenue source, the property tax.	135
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.	138
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.	142
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.	145

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									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities:										
Net investment in capital asset	\$ 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	\$ 38,895,289
Restricted	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	11,187,705
Unrestricted	(125,060,515)	(137,711,033)	(152,496,772)	(169,715,872)	(148,938,364)	(167,485,978)	(179,961,906)	3,870,375	2,584,990	2,925,295
Total governmental activities net position	\$ (79,933,724)	\$ (80,827,932)	\$ (79,997,140)	\$ (80,488,024)	\$ (82,873,547)	\$ (102,494,157)	\$ (111,602,059)	\$ 56,702,282	\$ 57,238,677	\$ 53,008,289
Business-type activities:										
Net investment in capital asset	\$ 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	\$ 16,703,286
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	4,697,331	5,585,405	5,611,257	5,437,161	5,447,372	3,364,892	1,073,584	(157,944)	1,430,353	1,958,132
Total business-type activities net position	\$ 19,495,443	\$ 20,510,045	\$ 21,792,994	\$ 21,870,260	\$ 21,988,081	\$ 20,161,790	\$ 18,558,304	\$ 17,421,697	\$ 18,573,517	\$ 18,661,418
Primary government:										
Net investment in capital assets	\$ 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	\$ 55,598,575
Restricted	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	11,187,705
Unrestricted	(120,363,184)	(132,125,628)	(146,885,515)	(164,278,711)	(143,490,992)	(164,121,086)	(178,888,322)	3,712,431	4,015,343	4,883,427
Total primary government net position	\$ (60,438,281)	\$ (60,317,887)	\$ (58,204,146)	\$ (58,617,764)	\$ (60,885,466)	\$ (82,332,367)	\$ (93,043,755)	\$ 74,123,979	\$ 75,812,194	\$ 71,669,707

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									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses:										
Governmental activities:										
General government	\$ 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	\$ 6,798,376
Public safety	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	19,803,125
Public works	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	8,844,250
Community services	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	2,709,093
Community development	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	4,554,443
Interest on long-term debt	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	1,370,239
Total governmental activities expenses	<u>45,849,830</u>	<u>48,416,579</u>	<u>52,677,982</u>	<u>62,383,569</u>	<u>56,231,920</u>	<u>74,645,470</u>	<u>62,727,700</u>	<u>50,962,871</u>	<u>42,390,157</u>	<u>44,079,526</u>
Business-type activities:										
Water	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	5,615,913
Sewer	271,800	233,282	283,578	322,940	349,607	354,626	867,534	239,677	392,716	332,070
Solid Waste	205,041	197,629	295,841	287,332	294,189	196,563	232,150	129,012	138,546	112,879
Total business-type activities expenses	<u>4,642,588</u>	<u>4,518,851</u>	<u>4,031,793</u>	<u>5,132,279</u>	<u>5,675,925</u>	<u>6,738,461</u>	<u>6,548,357</u>	<u>6,002,325</u>	<u>4,894,787</u>	<u>6,060,862</u>
Total primary government expenses	<u>50,492,418</u>	<u>52,935,430</u>	<u>56,709,775</u>	<u>67,515,848</u>	<u>61,907,845</u>	<u>81,383,931</u>	<u>69,276,057</u>	<u>56,965,196</u>	<u>47,284,944</u>	<u>50,140,388</u>
Program revenues:										
Governmental activities:										
Charges for services:										
General government	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	3,232,083
Public safety	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	1,783,042
Public works	1,242,599	1,337,594	1,396,146	747,050	156,719	255,895	123,882	119,038	216,216	157,274
Community services	379,295	393,355	408,728	509,136	734,891	847,982	633,813	645,245	691,800	615,523
Community development	765,508	544,720	618,831	1,248,185	1,295,097	1,283,804	1,182,626	1,236,244	1,136,729	1,167,459
Operating grants and contributions	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	6,000,174
Capital grants and contributions	3,999,639	3,686,738	3,187,473	3,044,238	334,963	259,939	-	-	-	-
Total governmental activities program revenues	<u>15,304,371</u>	<u>14,514,446</u>	<u>15,490,973</u>	<u>16,455,063</u>	<u>14,641,865</u>	<u>17,881,536</u>	<u>15,308,213</u>	<u>16,064,460</u>	<u>13,824,685</u>	<u>12,955,555</u>
Business-type activities:										
Charges for services:										
Water	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	5,850,581
Sewer	380,498	379,006	383,512	367,477	336,186	341,158	325,163	326,470	328,996	327,254
Solid Waste	106,918	118,751	125,261	128,080	132,565	151,403	159,501	139,978	164,113	163,850
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	<u>4,999,042</u>	<u>5,273,995</u>	<u>5,352,832</u>	<u>5,223,631</u>	<u>5,805,143</u>	<u>5,018,175</u>	<u>4,809,607</u>	<u>4,828,714</u>	<u>5,647,002</u>	<u>6,341,685</u>
Total primary government program revenues	<u>20,303,413</u>	<u>19,788,441</u>	<u>20,843,805</u>	<u>21,678,694</u>	<u>20,447,008</u>	<u>22,899,711</u>	<u>20,117,820</u>	<u>20,893,174</u>	<u>19,471,687</u>	<u>19,297,240</u>
Net revenues (expenses):										
Governmental activities	(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)	(31,123,971)
Business-type activities	356,454	755,144	1,321,039	91,352	129,218	(1,720,286)	(1,738,750)	(1,173,611)	752,215	280,823
Total net revenues (expenses)	<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>	<u>\$ (30,843,148)</u>

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

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General revenues and other changes in net position:										
Governmental activities:										
Taxes:										
Property taxes	\$ 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	\$ 6,121,647
Sales tax	4,724,900	5,102,823	5,051,694	7,258,290	5,679,730	5,325,737	6,377,406	6,518,106	6,659,850	7,184,663
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	1,432,117	1,420,873
Franchise	708,580	616,012	643,875	648,097	659,540	617,944	647,472	636,094	600,333	924,430
Utility	3,725,982	4,047,951	4,437,893	4,433,574	4,636,735	4,716,341	5,866,108	5,523,882	5,678,820	5,742,027
Motor vehicle in lieu tax	5,162,676	4,584,517	4,833,395	4,746,791	5,022,115	4,991,089	4,782,510	4,780,123	4,827,816	4,987,850
Other taxes	26,279	57,320	122,822	72,042	386,784	389,703	968,396	421,016	434,569	-
Parking meter	1,193,648	1,354,440	1,339,029	2,230,484	2,085,363	2,085,363	-	-	-	-
Supplemental subvention	199,949	105,493	117,024	518,489	500,000	275,652	-	-	-	-
Investment income	594,630	1,061,075	2,962,108	2,561,394	2,910,403	2,175,887	1,637,914	245,456	123,089	54,437
Other	124,851	680,364	299,722	1,568,531	998,542	907,504	2,118,092	611,693	52,010	237,656
Sale of assets	(25,531)	-	-	-	-	-	-	-	2,601,479	-
Transfers	185,000	185,000	200,000	210,000	220,000	220,000	-	-	(332,697)	220,000
Extraordinary item	-	-	-	-	-	-	-	169,818,234	-	-
Total governmental activities	<u>29,946,893</u>	<u>33,007,925</u>	<u>38,017,801</u>	<u>45,437,623</u>	<u>38,314,532</u>	<u>38,115,463</u>	<u>38,311,585</u>	<u>203,202,752</u>	<u>29,570,671</u>	<u>26,893,583</u>
Business-type activities:										
Investment income	246,327	442,514	10,169	174,583	188,245	94,274	14,483	5,087	4,120	5,621
Other	-	1,944	151,741	21,331	20,358	19,721	120,781	31,917	62,788	21,457
Transfers	(185,000)	(185,000)	(200,000)	(210,000)	(220,000)	(220,000)	-	-	332,697	(220,000)
Total business-type activities	<u>61,327</u>	<u>259,458</u>	<u>(38,090)</u>	<u>(14,086)</u>	<u>(11,397)</u>	<u>(106,005)</u>	<u>135,264</u>	<u>37,004</u>	<u>399,605</u>	<u>(192,922)</u>
Total primary government	<u>30,008,220</u>	<u>33,267,383</u>	<u>37,979,711</u>	<u>45,423,537</u>	<u>38,303,135</u>	<u>38,009,458</u>	<u>38,446,849</u>	<u>203,239,756</u>	<u>29,970,276</u>	<u>26,700,661</u>
Changes in net position										
Governmental activities	(598,566)	(894,208)	830,792	(490,883)	(3,275,523)	(18,648,471)	(9,107,902)	168,304,341	1,005,199	(4,230,388)
Business-type activities	417,781	1,014,602	1,282,949	77,266	117,821	(1,826,291)	(1,603,486)	(1,136,607)	1,151,820	87,901
Total primary government	<u>\$ (180,785)</u>	<u>\$ 120,394</u>	<u>\$ 2,113,741</u>	<u>\$ (413,617)</u>	<u>\$ (3,157,702)</u>	<u>\$ (20,474,762)</u>	<u>\$ (10,711,388)</u>	<u>\$ 167,167,734</u>	<u>\$ 2,157,019</u>	<u>\$ (4,142,487)</u>

Source: City Finance Department

**City of Huntington Park
Fund Balances of Governmental Funds
Fiscal Year 2014 through 2011**

	<u>2011</u>		<u>2012</u>		<u>2013</u>		<u>2014</u>
General Fund							
Nonspendable	\$ 2,210,179	\$	45,373	\$	650	\$	650
Restricted	-		-		-		-
Committed	-		-		-		-
Assigned	-		-		-		-
Unassigned	9,153,901		15,977,450		11,612,642		11,254,039
Total General Fund	<u>\$ 11,364,080</u>	<u>\$</u>	<u>16,022,823</u>	<u>\$</u>	<u>11,613,292</u>	<u>\$</u>	<u>11,254,689</u>
All Other Governmental Funds							
Nonspendable	\$ 35,610,658	\$	10,010	\$	8,282	\$	8,282
Restricted	27,990,761		7,706,817		16,808,499		9,320,367
Committed	-		-		-		-
Assigned	-		-		-		-
Unassigned	(79,415,688)		(1,671,932)		(969,075)		(1,129,305)
Total All Other Governmental Funds	<u>\$ (15,814,269)</u>	<u>\$</u>	<u>6,044,895</u>	<u>\$</u>	<u>15,847,706</u>	<u>\$</u>	<u>8,199,344</u>

Note: The City of Huntington Park elected to present fund balance information under GASB#54 prospectively in the Statistical Section; refer to page 132 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									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues:										
Taxes	\$ 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	\$ 20,953,583
Licenses and permits	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	2,675,805
Fines and forfeitures	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	1,551,810
Use of money and property	803,568	1,209,451	3,144,299	2,518,555	1,572,667	853,250	319,448	214,718	104,608	56,897
Intergovernmental	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	10,526,347
Charges for services	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	4,071,070
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	421,650
Other	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	1,496,992
Total revenues	43,680,000	49,340,257	55,101,291	65,882,787	60,742,244	61,555,016	63,437,740	51,204,020	44,986,099	41,754,154
Expenditures										
Current:										
General government	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	7,081,699
Public safety	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	17,747,264
Public works	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	6,910,485
Community services	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	2,510,172
Community development	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	3,476,019
Pass through to other agencies	-	45,566	90,278	570,973	399,097	375,593	3,391,334	-	-	-
Capital outlay	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	2,914,708
Debt service:										
Principal retirement	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	7,812,707
Interest and fiscal charges	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	1,528,065
Bond issue costs	846,291	17,315	140,000	7,000	-	-	-	-	-	-
Payment to escrow agent	-	-	-	-	-	-	-	-	-	-
Total expenditures	71,147,091	53,346,757	71,862,964	78,812,303	60,710,732	79,584,287	66,277,764	53,701,286	42,144,257	49,981,119
Excess (deficiency) of revenues over (under) expenditures	(27,467,091)	(4,006,500)	(16,761,673)	(12,929,516)	31,512	(18,029,271)	(2,840,024)	(2,497,266)	2,841,842	(8,226,965)
Other financing sources (uses):										
Transfers in	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	870,000
Transfers out	(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)	(650,000)
Proceeds from debt	33,857,730	17,904,956	24,653,129	6,575,000	-	-	-	-	-	-
CDC Dissolution	-	-	-	-	-	-	-	(8,433,593)	-	-
Total other financing sources (uses)	33,812,094	17,876,101	24,603,130	6,785,000	220,000	220,000	-	15,768,684	(332,697)	220,000
Net change in fund balances	\$ 6,345,003	\$ 13,869,601	\$ 7,841,457	\$ (6,144,516)	\$ 251,512	\$ (17,809,271)	\$ (2,840,024)	\$ 13,271,418	\$ 2,509,145	\$ (8,006,965)
Debt service as a percentage of noncapital expenditures	15.3%	28.9%	25.0%	35.5%	19.4%	22.5%	17.9%	20.7%	10.2%	20.7%

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
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%
2014	1,404,959	578,391	257,446	28,971	14,283	14,035	29,658	121,229	-	2,422,376	2,422,376	0.7350%

(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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
City Direct Rates:										
City's share of 1% levy per prop 13	\$ 0.0765	\$ 0.0765	\$ 0.0765	\$ 0.0765	\$ 0.0765	\$ 0.0735	\$ 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	0.0009	0.0008	0.0007	-	-	-	-	-	-	-
L.A. Co. Fl. Con. Storm Dr. D.S. #4	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	0.0058	0.0052	0.0047	0.0045	0.0043	0.0430	0.0037	0.0037	0.0037	0.0037
L.A. County Comm. College District	0.0446	0.0409	0.0482	0.0353	0.0488	0.0231	0.0403	0.0403	0.0266	0.0266
Los Angeles Unified School District	0.2849	0.2804	0.3028	0.3193	0.3221	0.3478	0.1960	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	<u>0.0001</u>	<u>0.0000</u>	<u>0.0000</u>	<u>0.0001</u>						
Total Direct Rate & Overlapping Rates	<u>\$ 1.3267</u>	<u>\$ 1.3177</u>	<u>\$ 1.3467</u>	<u>\$ 1.3495</u>	<u>\$ 1.3656</u>	<u>\$ 1.4013</u>	<u>\$ 1.2274</u>	<u>\$ 1.2274</u>	<u>\$ 1.2137</u>	<u>1.2138</u>

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.

Source: Los Angeles County Assessor's Office

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

Taxpayer	2014			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	\$ 26,697,454	1	1.10%	\$ 9,362,218	6	0.54%
RHA Partners Limited	20,777,466	2	0.86%	12,040,000	3	0.69%
Pacific Imedra Partners LLC	19,575,244	3	0.81%			
MP Investors LLC	16,853,284	4	0.70%			
Home Depot USA Inc	16,080,177	5	0.66%	14,604,037	2	0.84%
Abraham and Atiye Sengul Trust	12,036,000	6	0.50%			
Primestor Las Palmas LLC	11,895,414	7	0.49%			
6700 Alameda HPCA LLC	11,346,521	8	0.47%	8,896,931	8	0.51%
Nicolas B. Alexander Co Trust	11,187,486	9	0.46%	9,907,188	5	0.57%
Seville Gardens LLC	10,890,089	10	0.45%			

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*
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%
2014	\$ 789,350	\$ 789,350	100.00%	\$ 98,295	\$ 887,645	112.45%

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 ¹
	Lease Revenue Bonds	Tax Allocation Bonds	Notes , Loans and Agreements	Section 108 Loan	Installment Sale Agreement	Pension Obligation Bonds	Capital Leases			
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
2014	972,095	-	3,681,075	-	8,155,008	19,600,000	-	32,408,178	4.36%	549

¹ - 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									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Assessed valuation ¹	\$ 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	\$ 2,422,376
Conversion percentage	<u>25%</u>									
Adjusted assessed valuation	452,367	493,927	538,661	584,364	617,861	616,346	590,814	590,285	588,866	605,594
Debt limit percentage	<u>15%</u>									
Debt limit	67,855	74,089	80,799	87,655	92,679	92,452	88,622	88,543	88,330	90,839
Total net debt applicable to limit: General obligation bonds	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<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>	<u>\$ 90,839</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	\$	2,422,375,926
Redevelopment Agency Incremental Valuation		<u>(1,223,736,751)</u>
Adjusted Assessed Valuation	\$	<u>1,198,639,175</u>

	Percentage Applicable ¹	Outstanding Debt 6/30/14
Overlapping Debt Repaid with Property Taxes:		
Metropolitan Water District	0.134%	\$ 79,696,126
Los Angeles Community College District	0.403%	3,642,560,000
Los Angeles Unified School District	0.510%	<u>10,545,135,000</u>
Total overlapping debt		<u>\$ 14,267,391,126</u>
City direct debt		
Total direct and overlapping debt ²		

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				
Debt Service				
Fiscal Year Ended June 30	Tax Increment	Principal	Interest	Coverage
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	*	*	*	*
2014	*	*	*	*

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)
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%
2014	59,033*		743,366		12,800	8.8%

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

* Population for 2014 is based on the projected population growth in the Los Angeles County
Personal Income for 2014 is based on the average CPI for FY 13-14
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 Five Years Ago (2)**

<u>Employer</u>	<u>2011</u>		<u>2009</u>	
	<u>Number of Employees</u>	<u>Percent of Total Employment</u>	<u>Number of Employees</u>	<u>Percent of Total Employment</u>
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 2014, 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

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									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General Government										
Full-time	27	28	27	27	29	31	31	31	27	26
Part-time	1	1	1	1	2	2	1	2	6	3
Total	<u>28</u>	<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>
Community Development										
Full-time	5	5	8	12	14	15	13	13	8	10
Part-time	0	0	1	5	8	6	3	6	4	2
Total	<u>5</u>	<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>
Community services										
Full-time	6	7	7	7	10	10	9	9	9	8
Part-time	31	31	25	25	32	31	27	20	19	19
Total	<u>37</u>	<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>
Public safety										
Full-time	106	106	108	117	113	108	101	102	105	99
Part-time	17	19	20	20	21	18	24	27	27	22
Total	<u>123</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>
Public works										
Full-time	23	25	25	28	27	26	27	26	26	25
Part-time	0	0	1	2	2	2	2	0	0	0
Total	<u>23</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	167	171	175	191	193	190	181	181	175	168
Part-time total	49	51	48	53	65	59	57	55	56	46
Grand Total	<u>216</u>	<u>222</u>	<u>223</u>	<u>244</u>	<u>258</u>	<u>249</u>	<u>238</u>	<u>236</u>	<u>231</u>	<u>214</u>

Source: City of Huntington Park Finance Department

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

	Fiscal Year									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Police:										
Arrests	2,924	2,729	2,902	2,346 ²	2,366	2,624	2,183	2,112	1,778	2,044
Calls for service	44,289	41,539	42,112	33,589 ²	41,430	26,101	37,940	36,272	33,627	34,123
Traffic violations	6,467	5,256	4,961	4,129 ²	7,124	7,910	4,790	3,863	3,748	2,544
Code enforcement inspections	⁵ 2,409	618 ³	506	906 ⁴	972	1,112	2,729	1,206	901	2,302
Public works:										
Pounds of trash recycled	N/A	7,746	11,973	10,461 ⁶	N/A	N/A	N/A	N/A	N/A	N/A
Pounds of trash recycled per resident	N/A	N/A	N/A	N/A	4.1	N/A	N/A	N/A	N/A	N/A
Parks and recreation:										
Recreation classes	99	107	125	149	187	206	301	256	258	270
Recreation class participants	1,550	1,491	1,705	2,125	3,295	4,254	3,483	3,283	2,467	3,925
Facility rentals	121	371	575	365	419	231	191	295	935	2,049
Youth sport participants	N/A	823	883	797	920	896	1,081	1,057	1,101	899
Adult sport participants	N/A	534	746	392	852	905	875	926	995	700
Water:										
Average daily consumption (thousands of gallons)	5,047	4,899	4,762	4,751	4,542	5,374	5,452	5,545	4,258	4,177
Community Development										
Planning permits:										
Entitlements	17	18	22	26	7*	8*	13	7	12 ⁷	-
Legislative Action	4	4	5	6	9*	6*	6	5	2 ⁷	-
Building permits:										
New construction	13	12	6	11	6	5	N/A	N/A	N/A	N/A
Alteration/repair	451	515	376	267	259	199	N/A	N/A	N/A	N/A
Plan checks	175	186	157	145	100	124	N/A	N/A	N/A	N/A
Business license inspections	451	417	450	397	396	305	N/A	N/A	N/A	N/A

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

³ - Down 1 code enforcement officers during period

⁴ - Down 3 code enforcement officers during period

⁵ - Supervisor on military leave during period

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

⁷ - 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**

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Substations	1	1	1	3	3	3	3	1	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	60	64	64
Parks and recreation:										
Parks	6	6	6	6	6	6	6	6	6	6
Park acreage	31	31	31	31	31	31	31	32	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	6	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

