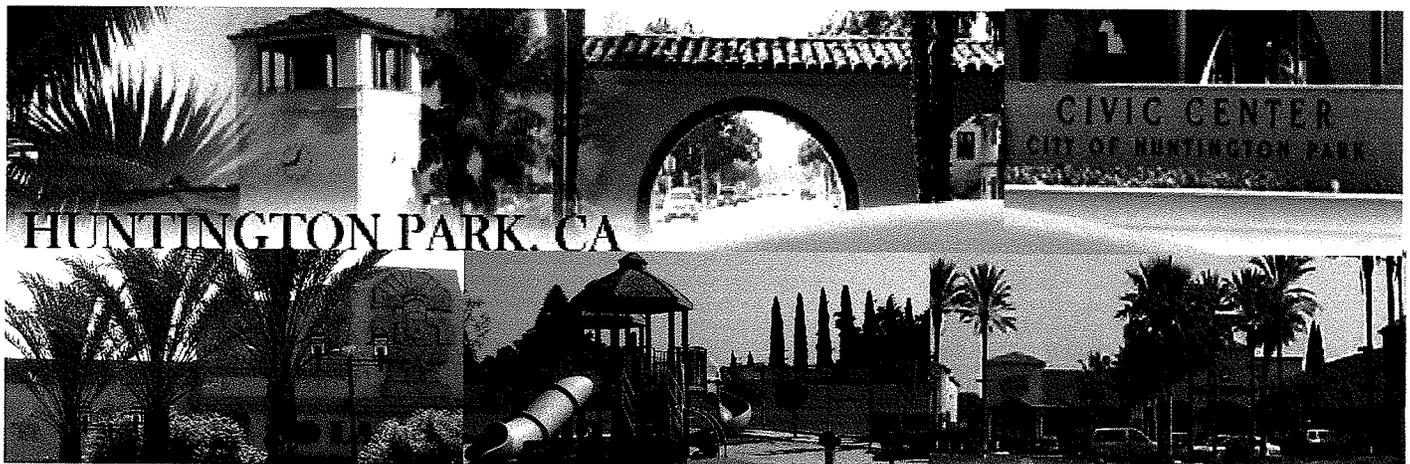




**CITY OF  
HUNTINGTON PARK,  
CALIFORNIA**

---

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**



**FISCAL YEAR ENDED  
JUNE 30, 2009**

---

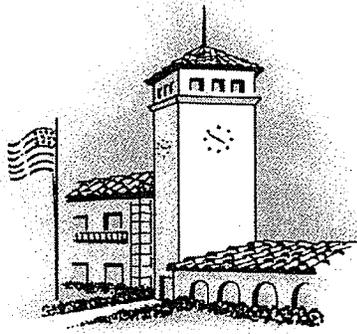
**PREPARED BY:  
FINANCE DEPARTMENT**

	<u>PAGE</u>
<b>INTRODUCTORY SECTION</b>	
Letter of Transmittal	i
List of Elected Officials and Administrative Officials	v
Organizational Chart	vi
Certificate of Achievement for Excellence in Financial Reporting (GFOA)	vii
<b>BASIC FINANCIAL STATEMENTS</b>	
<b>Report of Independent Auditors</b>	<b>1</b>
<b>Management’s Discussion and Analysis</b>	<b>5</b>
<b>Government-wide Financial Statements</b>	
Statement of Net Assets	14
Statement of Activities	15
<b>Fund Financial Statements</b>	
Balance Sheet	16
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	17
Statement of Revenues, Expenditures and Changes in Fund Balances	18
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	19
<b>Proprietary Funds</b>	
Statement of Net Assets	20
Statement of Revenues, Expenses and Changes in Fund Net Assets	21
Statement of Cash Flows	22
<b>Notes to Financial Statements</b>	<b>23</b>
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
Schedule of Funding Progress Safety and Miscellaneous Plans of the California Public Employees’ Retirement System	64
Schedule of Funding Progress Other Post-Employment Benefit Plan	65
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
General Fund	66
Community Development Commission – Special Revenue Fund	68
Notes to Required Supplementary Information	69

	<u>PAGE</u>
<b>OTHER SUPPLEMENTARY INFORMATION</b>	
<b>Nonmajor Funds</b>	
Combining Balance Sheet	73
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	80
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	
Special Revenue Funds	
Special Events	87
Parks and Recreation	88
Employees' Retirement	89
State Gas Tax	90
Art in Public Places	91
Local Origination Program	92
Community Development	93
HUD Home Program	94
Sales Tax Transit Proposition A	95
Asset Forfeiture	96
Air Quality Improvement	97
Sales Tax Transit Proposition C	98
Business Improvement District	99
Supplemental Law Enforcement	100
Air Pollution Education	101
Emergency Preparedness	102
Public Financing Authority	103
Public Safety	104
Parking System	105
Contingency	106
OPEB	107
HUD Section 108	108
HUD EDI Grant	109
Park Facility	110
Street Lighting Landscape Assessment	111
TDA / Bike Path	112
Capital Projects Funds	
Capital Improvement	113
Community Development Commission	114
Debt Service Fund	
Community Development Commission	115
<b>Internal Service Funds</b>	
Combining Statement of Net Assets	117
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets	118
Combining Statement of Cash Flows	119
<b>Nonmajor Other Enterprise Funds</b>	
Combining Statement of Net Assets	121
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets	122
Combining Statement of Cash Flows	123

	<u>PAGE</u>
<b>STATISTICAL SECTION (UNAUDITED)</b>	
Net Assets by Component	125
Change in Net Assets	126
Fund Balances of Governmental Funds	128
Changes in Fund Balances of Governmental Funds	129
Assessed Value and Estimated Actual Value of Taxable Property	130
Direct and Overlapping Property Tax Rates	131
Ten Principal Property Taxpayers	132
Property Tax Levies and Collections	133
Ratio of Net General Bonded Debt Total	
Assessed Value and Net Bonded Debt per Capita	134
Computation of Legal Debt Margin	135
Direct and Overlapping Bonded Debt	136
Pledged-Revenue Coverage	137
Demographic Statistics	138
Principal Employers - Los Angeles County	139
Full-time and Part-time City Employees by Function	140
Operating Indicators by Function	141
Capital Assets Statistics by Function	142

(This page intentionally left blank.)



City of  
**HUNTINGTON PARK**

6550 MILES AVE. #116, HUNTINGTON PARK CA 90255  
Phone • (323) 584-6201 Fax • (323) 588-2657

**FINANCE DEPARTMENT**

November 25, 2009

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

It is the policy of the City of Huntington Park to annually publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Huntington Park ("the City") for the fiscal year ended June 30, 2009.

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

The City's financial statements have been audited by Vasquez & Company LLP, a firm of certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2009, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended June 30, 2009, were fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited City's internal controls

and legal requirements involving the administration of federal awards. These reports are available in the City's separately issued Single Audit Report.

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

### Profile of the Government

The City was incorporated on September 1, 1906 under the general laws of the State of California. The City currently occupies a land area of 3.03 square miles and serves a population of 64,617. The City is empowered to levy property tax on both real and personal properties located within its boundaries. The City is also empowered by state statute to extend its corporate limits by annexation where deemed appropriate by the City Council.

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

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

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

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

City Council has the legal authority to amend the budget at any time during the fiscal year but by policy amendments to the budget is 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 policy objective was not achieved for the general fund for 2008-2009. This policy objective was achieved for the water and sewer fund for 2008-2009.

#### 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.

**Local Economy.** The City currently enjoys a favorable economic environment due to the variety of business activity. The region has a varied manufacturing and industrial base that adds to the relative stability of the unemployment rate. Not being immune to the downturn in the economy in 2008-2009 the City's sales tax revenues, one of our key sources of revenues, declined by 13% compared to 2007-2008. The City's central business district is now experiencing vacancies in a variety of stores, specialty shops and commercial businesses. Meanwhile, there continues to be a discernable trend toward steady residential growth.

**Key Revenue Sources.** Sales tax is the City's largest revenue source, accounting for about 22% of General Fund revenues. General sales tax receipts variance from estimated to actual was large, due to no budget adjustment, and were \$869,703 (13%) than prior year.

City's voter approved Utility Users' Fee of 6.5% for communications and 7% for all other utilities shows a steady growth each year of about 5%; however, it is 20% above budget estimates, budget estimates were very conservative.

**Award For Excellence in Financial Reporting.** The Government Finance Officers Association of the United States and Canada (GFOA) has awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Huntington Park for its CAFR for the fiscal year ended June 30, 2008. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable organized comprehensive annual financial report whose contents conform to program standards. This report must satisfy both U.S. generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City is very proud of receiving the first Certificate of Achievement. We believe our current CAFR conforms to the Certificate of Achievement program requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

### 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 "Elba Padilla". The signature is written in a cursive, flowing style.

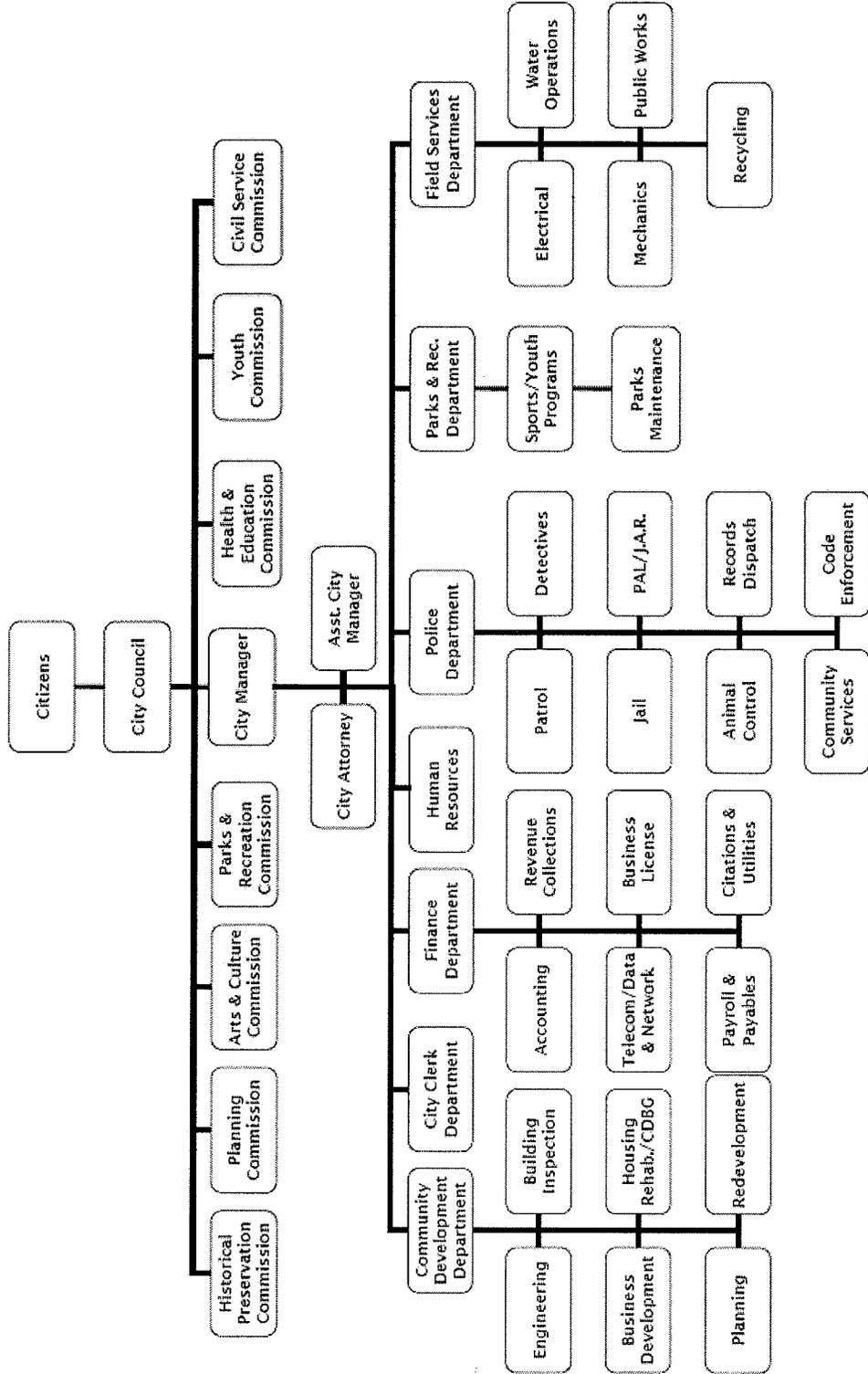
Elba Padilla  
Director of Finance

# City of Huntington Park

## Elected Officials and Administrative Officials

Mayor	Mario Gomez
Vice Mayor	Juan R. Noguez
Council Member	Ofelia Hernandez
Council Member	Elba Guerrero
Council Member	Andy Molina
City Manager	Gregory D. Korduner
City Clerk	Rosanna M. Ramirez
City Attorney	Leal-Trejo, LLP
Director of Public Works	Patrick Fu
Director of Finance	Elba Padilla
Director of Community Development	Henry L. Gray
Director of Parks and Recreation	Josette Espinosa
Chief of Police	Paul Wadley

# CITY OF HUNTINGTON PARK ORGANIZATIONAL CHART



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Huntington Park  
California

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting



President

Executive Director

(This page intentionally left blank).

## REPORT OF INDEPENDENT AUDITORS

### **The Honorable Mayor and the Members of the City Council City of Huntington Park, California**

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, 2009, which collectively comprise the City's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the City's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Huntington Park, California, as of June 30, 2009, and the respective changes in financial positions and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 3 to financial statements, the City had deficit unrestricted net assets in the amount of \$148,938,364 for governmental activities as of June 30, 2009.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2009, 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 result of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

(BLANK)

The management's discussion and analysis, the budgetary comparison information, and the public employees' retirement system schedule of funding progress are not required parts of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on them.

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, the supplemental combining financial statements, supplemental schedules and statistical section are presented for purposes of additional analysis and are not required parts of the basic financial statements. The supplemental combining financial statements and supplemental schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

*Vargus + Company LLP*

**Los Angeles, California**  
**November 25, 2009**

(BLANK)

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, 2009. Please read it in conjunction with the financial statements identified in the accompanying table of contents.

## **FINANCIAL HIGHLIGHTS**

### Government-wide:

- As of June 30, 2009, the City's total net assets were negative \$60.9 million. This was a decrease from the prior year by \$3.2 million.
- The City's general revenues decreased by \$7.0 million. The decrease was caused by sharp decreases in property tax revenue and sales and use tax revenue – property tax revenue decreased by \$6.2 million and sales and use tax revenue decreased by \$1.6 million.
- The City's capital assets increased by \$1.6 million. This increase was related to various street projects throughout the City and infrastructure improvements of the City's water utility.

### Fund based:

- At June 30, 2009, the General Fund's fund balance was \$33.1 million, an increase of \$1.2 million from the previous fiscal year.
- The actual General Fund revenues decreased by \$0.6 million from \$30.8 million in fiscal 2008 to \$30.2 million in 2009.
- The City's overall General Fund expenditures were \$2.1 million less than the adopted budgeted amount for fiscal 2009.

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended as an introduction to the City's basic financial statements. 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. The report also contains other supplementary information in addition to the basic financial statements.

**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 assets* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets 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 assets changed during the most recent fiscal year. All changes in net assets 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 Community Development Commission of the City of Huntington Park, Parking Authority of the City of Huntington Park and the Huntington Park Public Finance Authority. Although legally separate, these entities function for all practical purposes as departments of the City and therefore have been blended as part of the primary government.

**Fund financial statements:** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other State and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

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

**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 assets includes all of the City's assets and liabilities. All current year revenues and expenses are reported in the statement of activities regardless of when cash is received or paid.

Condensed Statement of Net Assets  
(In \$ millions)

	Governmental Activities		Business type activities		Totals	
	2009	2008	2009	2008	2009	2008
Current and other assets	95.7	95.2	6.3	6.2	\$ 102.0	\$ 101.4
Capital assets	51.9	50.5	16.6	16.4	68.5	66.9
Total assets	147.6	145.7	22.9	22.6	170.5	168.3
Long-term debt outstanding	224.0	217.3	0.1	0.0	224.1	217.3
Other liabilities	6.5	8.0	0.8	0.7	7.3	8.7
Total liabilities	230.5	225.3	0.9	0.7	231.4	226.0
Net assets:						
Invested in capital assets, net of related debt	39.4	37.5	16.5	16.4	55.9	53.9
Restricted	26.6	28.4	-	-	26.6	28.4
Unrestricted	(148.9)	(145.5)	5.5	5.5	(143.4)	(140.0)
Total net assets	(82.9)	(79.6)	22.0	21.9	(60.9)	(57.7)

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

The City's Government-wide total net assets were negative \$60.9 million, with assets of \$170.5 million and liabilities of \$231.4 million. The net investment in capital assets was \$55.9 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 debt used to acquire those assets that is still outstanding. 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 assets.

The City's restricted net assets of \$26.6 million, represents resources that are subject to external restrictions in how they may be used. The remaining balance of negative \$143.4 million represents the City's unrestricted net assets. Unrestricted net assets may be used to meet ongoing obligations to citizens and creditors. Internally imposed designations of resources are presented as restricted net assets.

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

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

**Condensed Statement of Changes in Net Assets**  
(In \$ millions)

	Governmental Activities		Business type activities		Totals	
	2009	2008	2009	2008	2009	2008
<b>Revenues</b>						
<b>Program revenues:</b>						
Charges for services	9.2	9.8	5.3	5.2	14.5	15.0
Operating contributions and grants	7.2	5.8	0.5	-	7.7	5.8
Capital contributions and grants	0.3	3.0	-	-	0.3	3.0
Sub-total program revenues	16.7	18.6	5.8	5.2	22.5	23.8
<b>General revenues:</b>						
Property taxes	13.5	19.7	-	-	13.5	19.7
Motor vehicle in lieu taxes	5.0	4.8	-	-	5.0	4.8
Sales and use taxes	5.7	7.3	-	-	5.7	7.3
In lieu sales taxes	1.7	1.4	-	-	1.7	1.4
Franchise taxes	0.7	0.6	-	-	0.7	0.6
Utility taxes	4.6	4.4	-	-	4.6	4.4
Other taxes	0.4	0.1	-	-	0.4	0.1
Supplemental subvention	0.5	0.5	-	-	0.5	0.5
Investment income	2.9	2.6	0.2	0.2	3.1	2.8
Other	1.0	1.6	-	-	1.0	1.6
Sub-total general revenues	36.0	43.0	0.2	0.2	36.2	43.2
<b>Total revenues</b>	<b>52.7</b>	<b>61.6</b>	<b>6.0</b>	<b>5.4</b>	<b>58.7</b>	<b>67.0</b>
<b>Expenses</b>						
General government	7.9	8.9	-	-	7.9	8.9
Public safety	16.3	15.9	-	-	16.3	15.9
Public works	9.0	9.7	-	-	9.0	9.7
Community services	3.0	3.4	-	-	3.0	3.4
Community development	7.0	10.2	-	-	7.0	10.2
Interest on long-term debt	13.0	14.1	-	-	13.0	14.1
Water	-	-	5.0	4.5	5.0	4.5
Sewer	-	-	0.4	0.3	0.4	0.3
Solid waste	-	-	0.3	0.3	0.3	0.3

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

	Governmental Activities		Business type activities		Totals	
	2009	2008	2009	2008	2009	2008
Total expenses	56.2	62.3	5.7	5.1	61.9	67.4
Increase in net assets before transfers	(3.5)	(0.7)	0.3	0.3	(3.2)	(0.4)
Transfers	0.2	0.2	(0.2)	(0.2)	-	-
Change in net assets	(3.3)	(0.5)	0.1	0.1	(3.2)	(0.4)
Beginning net assets, as restated	(79.6)	(79.1)	21.9	21.8	(57.7)	(57.3)
Ending net assets	(82.9)	(79.6)	22.0	21.9	(60.9)	(57.7)

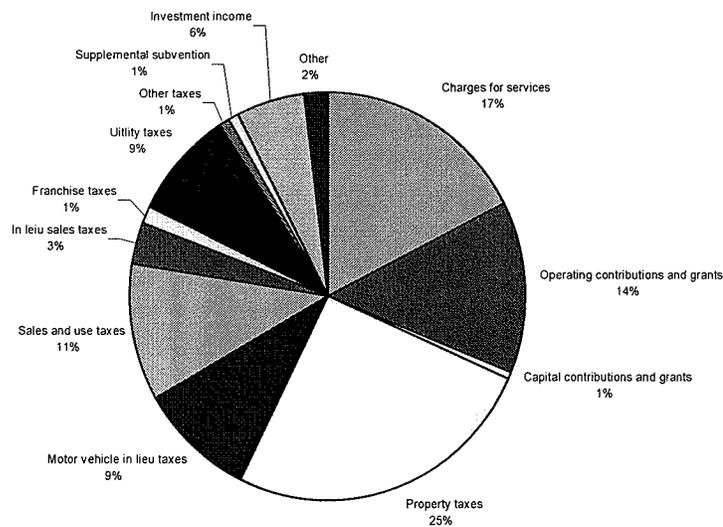
Note: Due to rounding, the dollar details may not add up to corresponding totals.

**Governmental Activities.** Governmental activities decreased the City's net assets by \$3.3 million. The factors to the decrease are as follows:

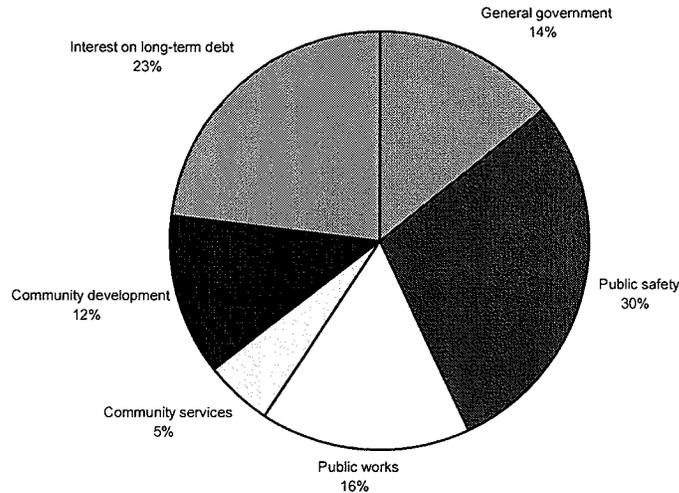
- The City's sales and use taxes decreased from \$7.3 million for fiscal 2008 to \$5.7 million for fiscal 2009, a total decrease of \$1.6 million. These taxes vary based on sales generated by businesses operated within the City.
- The City's property taxes decreased from \$19.7 million for fiscal 2008 to \$13.5 million for fiscal 2009, a total decrease of \$6.2 million.

The City's total governmental activity expenses decreased from \$62.3 million for fiscal 2008 to \$56.2 million for fiscal 2009, a total decrease of \$6.1 million.

**Revenues by Source – Governmental Activities**



Expenses by Function – Governmental Activities



**Business type activities.** Business type activities remained relatively level for fiscal 2009 with a slight increase in net assets of \$0.1 million. Key elements of this year's increase in relation to prior year's are as follows:

- The City' change in net assets from its water operations increased by \$0.1 million which was about the same increase as fiscal 2008.
- Water operation revenues increased slightly in fiscal 2009 by about \$0.6 million.

**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, 2009, the City's governmental funds reported combined ending fund balances of \$36.9 million, an increase of \$0.2 million in comparison with the prior year. Of that amount, negative \$30.2 million constitutes *unreserved, undesignated fund balance*, which, if positive, would be available for spending at the City's discretion. The remainder of fund balance totaling \$67.1 million is *reserved* to indicate that it is not available for new spending because it has already been committed to: 1) loans to the Redevelopment Agency (\$22.9 million); 2) for low and moderate income housing (\$28.0 million); 3) land held for resale (\$7.0 million); and 4) to pay for debt service (\$9.3 million).

The General Fund is the chief operating fund of the City. As of the end of the fiscal year, the total combined fund balance was \$33.1 million, an increase of \$1.1 million in comparison with the prior year. The unreserved, undesignated fund balance totaled \$10.2 million. The increase in the General Fund was a result of revenues exceeding expenditures, as operating costs ran behind revenue increases.

The Community Development Commission Special Revenue Fund is used to account for the 20% set aside of tax increment monies that are reserved for the benefit of low and moderate income housing. The reserve fund balance increased by \$2.2 million in comparison with the prior year. The increase in the reserved fund balance was a result of revenues exceeding expenditures as low and moderate income housing activities ran behind set aside revenues.

The Community Development Commission Debt Service Fund receives all tax increment revenues for the City's Redevelopment Agency and pays the debt service on the Agency's debt. The total fund balance of negative \$55.4 million reflects a decrease of \$5.0 million over the prior year due to current debt service expenditures exceeding tax increment and other revenues.

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

**Proprietary Fund.** The City's proprietary funds provide the same type of information found in the government-wide financial statement, but in more detail. Unrestricted net assets of the Water fund at the end of the year amounted to \$4.2 million, the same level as the previous year. Other factors concerning the finances of the Water fund have already been addressed in the discussion of the City's business-type activities.

### **General Fund Budgetary Highlights**

In any fiscal year, the City Council and 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 \$34.0 million, an increase of \$2.2 million from the original budget. There were various budget adjustments with notable changes in the following line items: taxes (increase of \$.8 million), licenses and permits (increase of \$.3 million), use of money and property (increase of \$.2 million) and intergovernmental (increase of \$.2 million).

*Appropriations and Transfers Out* – The final appropriations and transfers were \$33.2 million an increase of \$.6 million from the original allocation. Notable budget adjustments for the year include and increase of \$.2 million to community development and minor increases in transfers out and the other departments.

### Budget to Actual Variance

The actual total revenues of \$30.2 million were less than the final budgeted revenues of \$34.0 million by \$3.8 million. The major portion of the difference is attributable to taxes which were \$3.0 million less than the final budgeted amount.

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

The actual total expenditures of \$30.6 million were lower than the final appropriations of \$32.7 million by \$2.1 million. Major portions of the difference are attributable to general government and public safety expenditures, which were approximately \$1.0 million less than the final budgeted amount per line item.

**Capital Asset and Debt Administration**

**Capital Assets**

The City's capital assets for its governmental and business-type activities as of June 30, 2009, totaled \$68.5 million, net of depreciation. These assets include land, construction in progress, buildings and improvements, vehicles, property and equipment and various infrastructures.

Capital Assets  
(Net of depreciation and in thousand dollars)

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
Land	5,701	5,701	4,139	4,139	9,840	9,840
Buildings and improvements	5,389	5,345	7	9	5,396	5,354
Vehicles	1,355	1,038	-	-	1,355	1,038
Property and equipment	833	906	19	47	852	953
Infrastructure	31,128	33,023	11,827	11,288	42,955	44,311
Construction in progress	<u>7,529</u>	<u>4,492</u>	<u>547</u>	<u>950</u>	<u>8,076</u>	<u>5,442</u>
<b>Total</b>	<u>51,935</u>	<u>50,505</u>	<u>16,539</u>	<u>16,433</u>	<u>68,474</u>	<u>66,938</u>

The major additions to capital assets, which are still in progress, during the year ended June 30, 2009, include various street projects.

Additional information on the City's capital assets can be found in the notes (note 7) to the financial statements on pages 38-39.

**Long-Term Debt**

At the end of the current fiscal year, the City had \$224 million in outstanding long-term debt for Governmental Activities, an increase of \$6.6 million, or 3%, from the preceding fiscal year. The overall increase was due to the loans received from the Los Angeles County reduced by the City's scheduled repayment of the outstanding long-term debt. For additional information on long-term debt, please refer to Note 12 to the notes of the basic financial statements.

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

**Long-Term Debt**

	2009	2008	Variance Increase/ (Decrease)	% Change
Pensions obligation bonds	\$ 22,600,000	\$ 22,850,000	\$ (250,000)	(1.1%)
Compensated absences	3,026,587	2,670,502	356,085	13.34%
Notes/Loans/Agreements	133,712,855	123,431,692	10,281,163	8.33%
Claims and judgments	4,472,688	4,764,487	(291,799)	(6.12%)
Lease/Revenue bonds	60,134,739	63,585,934	(3,451,195)	(5.43%)
	<u>\$ 223,946,869</u>	<u>\$ 217,302,615</u>	<u>\$ 6,644,254</u>	<u>3.06%</u>

Under the California Government Code Section 43605, the City's legal bonded debt limit for this fiscal year was \$92.6 million based on the assessed value of all real and personal property of the City. The City had no new bonded indebtedness during the fiscal year.

**Economic Outlook – Fiscal 2009-2010**

When preparing the City's budget for fiscal 2010, the following factors were considered.

- The June 2009 UCLA Anderson forecast predicts very little growth in the last six months of 2009 and the economy will begin to pickup in 2010 and return to normal levels of growth in 2011. Continually, total employment will contract by 3.5 percent in 2009, will not grow in 2010 and will rise slightly in 2011.
- During the November 2009 election, the city passed a 2.75% increase to its utility user tax and communication user tax.
- The City's unemployment rate increased from 10.7% to 16.0%

**Adopted Budget**

While the economic downturn poses a threat to the City's finances, the adopted 2009/2010 operating budget continues to be both balanced and fiscally responsible. The spending plan maintains essential services to the community and continues to provide funding to stimulate 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 Assets**  
**June 30, 2009**

<b>ASSETS</b>	Governmental Activities	Business-type Activities	Total
Cash and investments	\$ 52,214,999	\$ 5,678,577	\$ 57,893,576
Receivables			
Taxes	3,120,254	-	3,120,254
Accounts	3,542,709	711,724	4,254,433
Notes	4,987,133	-	4,987,133
Cash and investments - restricted	1,515,446	-	1,515,446
Prepaid expenses	60,706	-	60,706
Land held for resale	7,001,949	-	7,001,949
Capital assets:			
Non-depreciable	13,228,802	4,686,680	17,915,482
Depreciable, net of depreciation	38,706,367	11,854,029	50,560,396
Deferred bond issue costs, net of amortization	2,570,274	-	2,570,274
OPEB asset, net of amortization	330,812	-	330,812
Pension asset, net of amortization	20,273,145	-	20,273,145
<b>Total assets</b>	<b>147,552,596</b>	<b>22,931,010</b>	<b>170,483,606</b>
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities	3,989,509	512,062	4,501,571
Interest payable	1,770,763	-	1,770,763
Deferred revenue	280,511	6,123	286,634
Deposits	157,915	344,449	502,364
Due to other governments	280,576	-	280,576
Noncurrent liabilities			
Due within one year	6,314,019	23,731	6,337,750
Due in more than one year	217,632,850	56,564	217,689,414
<b>Total liabilities</b>	<b>230,426,143</b>	<b>942,929</b>	<b>231,369,072</b>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	39,429,070	16,540,709	55,969,779
Restricted for:			
Debt service	19,083,828	-	19,083,828
Public safety	3,055,534	-	3,055,534
Public works	2,060,360	-	2,060,360
Community development	389,923	-	389,923
Retired employees	2,046,102	-	2,046,102
Unrestricted (deficit)	(148,938,364)	5,447,372	(143,490,992)
<b>Total net assets (deficit)</b>	<b>\$ (82,873,547)</b>	<b>\$ 21,988,081</b>	<b>\$ (60,885,466)</b>

*See notes to financial statements.*

**City of Huntington Park  
Statement of Activities  
Year ended June 30, 2009**

	Program Revenues					Total
	Expenses	Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	Net Governmental Activities	
<b>Governmental Activities</b>						
General Government	\$ 7,921,074	\$ 4,449,075	\$ 2,025,646	\$ -	\$ (1,446,353)	\$ (1,446,353)
Public Safety	16,333,354	2,588,983	142,001	-	(13,602,370)	(13,602,370)
Public Works	9,023,648	156,719	2,642,691	-	(6,224,238)	(6,224,238)
Community Services	2,979,348	734,891	442,601	-	(1,801,856)	(1,801,856)
Community Development	6,953,506	1,295,097	1,914,561	334,963	(3,408,885)	(3,408,885)
Interest on long-term debt	13,020,990	-	-	-	(13,020,990)	(13,020,990)
<b>Total Governmental Activities</b>	<b>56,231,920</b>	<b>9,224,765</b>	<b>7,167,500</b>	<b>334,963</b>	<b>(39,504,692)</b>	<b>(39,504,692)</b>
<b>Business-type Activities:</b>						
Water	5,032,129	4,883,300	365,183	-	-	216,354
Sewer	349,607	336,186	-	-	-	(13,421)
Solid Waste	294,189	132,565	87,909	-	-	(73,715)
<b>Total Business-type activities</b>	<b>5,675,925</b>	<b>5,352,051</b>	<b>453,092</b>	<b>-</b>	<b>-</b>	<b>129,218</b>
<b>Total \$</b>	<b>61,907,845</b>	<b>14,576,816</b>	<b>7,620,592</b>	<b>334,963</b>	<b>(39,504,692)</b>	<b>(39,375,474)</b>

**General revenues**

**Taxes:**

Property	13,517,895	-	13,517,895
Motor vehicle in-lieu	5,022,115	-	5,022,115
Sales and use	5,679,730	-	5,679,730
In-lieu sales	1,697,425	-	1,697,425
Franchise	659,540	-	659,540
Utility	4,636,735	-	4,636,735
Other	386,784	-	386,784
Supplemental subvention	500,000	-	500,000
Investment income	2,910,403	188,245	3,098,648
Other	998,542	20,358	1,018,900
Transfers	220,000	(220,000)	-
<b>Total general revenues and transfers</b>	<b>36,229,169</b>	<b>(11,397)</b>	<b>36,217,772</b>
Change in net assets	(3,275,523)	117,821	(3,157,702)
<b>Net assets(deficit) - beginning, as restated</b>	<b>(79,598,024)</b>	<b>21,870,260</b>	<b>(57,727,764)</b>
<b>Net assets(deficit) - ending</b>	<b>\$ (82,873,547)</b>	<b>\$ 21,988,081</b>	<b>(60,885,466)</b>

See notes to financial statements.

**FUND FINANCIAL STATEMENTS**

**City of Huntington Park  
Governmental Funds  
Balance Sheet  
June 30, 2009**

	General	Special Revenue	Debt Service	Other Governmental Funds	Total
		Community Development Commission	Community Development Commission		
<b>ASSETS</b>					
Cash and investments	\$ 10,040,790	\$ 3,647,634	\$ 8,167,300	\$ 29,850,928	\$ 51,706,652
Cash and investments with fiscal agent	400,000	-	1,115,435	11	1,515,446
Receivables:					
Taxes	723,474	-	938,296	1,458,484	3,120,254
Accounts and interest	2,946,381	4,145	16,877	574,379	3,541,782
Loans	-	49,750	-	4,937,383	4,987,133
Prepaid expenses	60,706	-	-	-	60,706
Due from other funds	1,289,740	-	1,264,110	-	2,553,850
Advances to other funds	44,476,541	24,370,093	-	-	68,846,634
Land held for resale	-	-	-	7,001,949	7,001,949
<b>Total assets</b>	<b>\$ 59,937,632</b>	<b>\$ 28,071,622</b>	<b>\$ 11,502,018</b>	<b>\$ 43,823,134</b>	<b>\$ 143,334,406</b>
<b>LIABILITIES</b>					
Accounts payable	\$ 1,185,662	\$ 34,647	\$ -	\$ 1,487,127	\$ 2,707,436
Accrued payroll	866,035	1,793	-	102,113	969,941
Accrued employee benefits payable - short term	168,624	7,907	-	29,135	205,666
Deposits	47,910	-	-	110,005	157,915
Due to other funds	-	-	767,097	1,786,753	2,553,850
Due to other governments	11,900	4,757	149,919	114,000	280,576
Claims and judgments	847,000	-	-	-	847,000
Deferred revenue	23,694,042	49,750	-	6,112,490	29,856,282
Advances from other funds	-	-	66,035,562	2,811,072	68,846,634
<b>Total liabilities</b>	<b>26,821,173</b>	<b>98,854</b>	<b>66,952,578</b>	<b>12,552,695</b>	<b>106,425,300</b>
<b>FUND BALANCES</b>					
Reserved for:					
Advances to redevelopment agency	22,906,852	-	-	-	22,906,852
Land held for resale	-	-	-	7,001,949	7,001,949
Housing set-aside	-	27,972,768	-	-	27,972,768
Debt service	-	-	9,282,735	11	9,282,746
Unreserved, reported in:					
General fund	10,209,607	-	-	-	10,209,607
Special revenue funds	-	-	-	24,967,238	24,967,238
Capital projects funds	-	-	-	(698,759)	(698,759)
Debt service funds	-	-	(64,733,295)	-	(64,733,295)
<b>Total fund balances</b>	<b>33,116,459</b>	<b>27,972,768</b>	<b>(55,450,560)</b>	<b>31,270,439</b>	<b>36,909,106</b>
<b>Total liabilities and fund balances</b>	<b>\$ 59,937,632</b>	<b>\$ 28,071,622</b>	<b>\$ 11,502,018</b>	<b>\$ 43,823,134</b>	<b>\$ 143,334,406</b>

See notes to financial statements.

**City of Huntington Park**  
**Governmental Funds**  
**Reconciliation of the Balance Sheet of Governmental Funds**  
**to the Statement of Net Assets**  
**June 30, 2009**

---

Fund balance of governmental funds	\$	36,909,106
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets of governmental activities are not financial resources and are not reported in the governmental funds.		51,248,685
OPEB asset of governmental activities are not financial resources and therefore, are not reported in the governmental funds		330,812
Net pension asset of governmental activities are not financial resources and therefore, are not reported in the governmental funds.		20,273,145
Certain long-term assets are not available to pay for current period expenditures and deferred in the funds.		29,575,771
Interest expenditures are recognized when due and accrued interest payable is not recorded in the governmental funds.		(1,770,763)
Long-term liabilities are not due and payable in the current period and are not reported in the governmental funds.		
Compensated absences	\$ (3,026,587)	
Loans and notes payable	(34,675,500)	
Claims and judgments	(3,625,688)	
Bonds and premium on bonds	(81,927,618)	
County deferral	(102,082,558)	
Deferred loss on refunding	<u>2,238,082</u>	(223,099,869)
Long-term deferred charges from bond issuance are not a current financial resource and are not included in the governmental funds.		2,570,274
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 assets.		1,089,292
Net assets of governmental activities	\$	<u><u>(82,873,547)</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, 2009**

	General Fund	Special Revenue Community Development Commission	Debt Service Community Development Commission	Other Governmental Funds	Total
<b>Revenues</b>					
Taxes	\$ 12,006,086	\$ -	\$ 12,750,417	\$ 6,229,492	\$ 30,985,995
Licenses and permits	1,969,768	-	-	-	1,969,768
Fines and forfeitures	2,064,834	-	-	181,727	2,246,561
Use of money and property	281,992	80,859	283,531	926,285	1,572,667
Intergovernmental	5,321,202	-	500,000	5,408,575	11,229,777
Charges for services	2,564,003	-	-	1,842,827	4,406,830
Other revenues	1,618,251	250	86	479,743	2,098,330
Interfund charges	4,395,076	-	-	1,837,240	6,232,316
<b>Total revenues</b>	<b>30,221,212</b>	<b>81,109</b>	<b>13,534,034</b>	<b>16,905,889</b>	<b>60,742,244</b>
<b>Expenditures</b>					
Current:					
General government	7,735,107	-	-	5,241,720	12,976,827
Public safety	15,675,883	-	-	3,812	15,679,695
Public works	3,648,395	-	-	2,988,497	6,636,892
Community services	1,449,231	-	-	1,405,894	2,855,125
Community development	2,056,907	1,004,159	223,043	3,232,439	6,516,548
Pass-throughs to other agencies	-	-	399,097	-	399,097
Capital outlay	-	-	-	4,822,188	4,822,188
Debt service:					
Principal retirement	-	-	3,610,907	775,475	4,386,382
Interest and fiscal charges	2,639	-	4,343,121	2,092,218	6,437,978
<b>Total expenditures</b>	<b>30,568,162</b>	<b>1,004,159</b>	<b>8,576,168</b>	<b>20,562,243</b>	<b>60,710,732</b>
Excess (deficiency) of revenues over expenditures	(346,950)	(923,050)	4,957,866	(3,656,354)	31,512
<b>Other financing sources (uses)</b>					
Transfers in	1,575,010	3,069,837	40,000	7,035,909	11,720,756
Transfers out	(75,909)	-	(10,014,837)	(1,410,010)	(11,500,756)
<b>Net other financing sources (uses)</b>	<b>1,499,101</b>	<b>3,069,837</b>	<b>(9,974,837)</b>	<b>5,625,899</b>	<b>220,000</b>
Change in fund balance	1,152,151	2,146,787	(5,016,971)	1,969,545	251,512
<b>Fund balance, beginning of year, as restated</b>	<b>31,964,308</b>	<b>25,825,981</b>	<b>(50,433,589)</b>	<b>29,300,894</b>	<b>36,657,594</b>
<b>Fund balance, end of year</b>	<b>\$ 33,116,459</b>	<b>\$ 27,972,768</b>	<b>\$ (55,450,560)</b>	<b>\$ 31,270,439</b>	<b>\$ 36,909,106</b>

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, 2009**

---

Change in Fund Balances - Governmental Funds	\$	251,512
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		4,750,142
Depreciation expense		(3,271,558)
Governmental funds report pension payments in excess of the annual required contributions as current pension expenditures. However, in the statement of activities, the excess payments are capitalized.		
		330,812
Governmental funds report pension payments in excess of the annual required contributions as current pension expenditures. However, in the statement of activities, the excess payments are capitalized and amortized over the period of benefit. This amount is the amortization in excess of the annual required contribution.		
		(969,070)
Repayment and issuance of notes receivable reported as revenues and expenditures respectively, in the funds are not reported in the statement of activities. This amount is the net effect of notes receivable activity.		
		2,670,626
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:		
County deferral		(11,102,903)
Principal payments of long-term debt		3,734,562
Principal payment of notes payable		902,653
Claims and judgments		104,799
Governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:		
Change in bond premium		72,227
Change in deferred loss on refunding		(186,507)
Change in bond issuance costs		(214,190)
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.		
		(356,085)
Expenditures 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 net effect of these differences.		
		172,923
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.		
		(165,466)
Change in net assets of governmental activities	\$	<u><u>(3,275,523)</u></u>

*See notes to financial statements.*

**City of Huntington Park  
Statement of Net Assets  
Proprietary Funds  
June 30, 2009**

	Business-type Activities - Enterprise Funds			Governmental Activities Internal Service Funds
	Water Fund	Other Enterprise Funds	Total	
<b>ASSETS</b>				
Current assets				
Cash and investments	\$ 4,461,692	\$ 1,216,885	\$ 5,678,577	\$ 508,347
Accounts receivable	642,928	67,099	710,027	927
Due from other agencies	-	1,697	1,697	-
Total current assets	<u>5,104,620</u>	<u>1,285,681</u>	<u>6,390,301</u>	<u>509,274</u>
Noncurrent assets				
Capital assets	21,588,883	8,654,142	30,243,025	2,336,961
Less accumulated depreciation	<u>(10,664,160)</u>	<u>(3,038,156)</u>	<u>(13,702,316)</u>	<u>(1,650,477)</u>
Net capital assets	<u>10,924,723</u>	<u>5,615,986</u>	<u>16,540,709</u>	<u>686,484</u>
Total noncurrent assets	<u>10,924,723</u>	<u>5,615,986</u>	<u>16,540,709</u>	<u>686,484</u>
<b>Total assets</b>	<u>16,029,343</u>	<u>6,901,667</u>	<u>22,931,010</u>	<u>1,195,758</u>
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	473,104	19,073	492,177	96,464
Accrued payroll	10,518	4,471	14,989	7,903
Accrued leave payable	2,981	1,915	4,896	2,099
Deposits	344,449	-	344,449	-
Deferred revenue	<u>-</u>	<u>6,123</u>	<u>6,123</u>	<u>-</u>
Total current liabilities	<u>831,052</u>	<u>31,582</u>	<u>862,634</u>	<u>106,466</u>
Noncurrent liabilities				
Compensated absences payable	<u>50,509</u>	<u>29,786</u>	<u>80,295</u>	<u>-</u>
<b>Total liabilities</b>	<u>881,561</u>	<u>61,368</u>	<u>942,929</u>	<u>106,466</u>
<b>NET ASSETS</b>				
Invested in capital assets	10,924,723	5,615,986	16,540,709	686,484
Unrestricted	<u>4,223,059</u>	<u>1,224,313</u>	<u>5,447,372</u>	<u>402,808</u>
<b>Total net assets</b>	<u>\$ 15,147,782</u>	<u>\$ 6,840,299</u>	<u>\$ 21,988,081</u>	<u>\$ 1,089,292</u>

*See notes to financial statements.*

**City of Huntington Park**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Proprietary Funds**  
**Year ended June 30, 2009**

	Business-type Activities - Enterprise Funds			Governmental Activities Internal Service Funds
	Water Fund	Other Enterprise Funds	Total	
<b>Operating revenues</b>				
Charges for services	\$ 4,883,300	\$ 470,558	\$ 5,353,858	\$ 708,800
Other	383,508	226	383,734	16,066
<b>Total operating revenues</b>	<u>5,266,808</u>	<u>470,784</u>	<u>5,737,592</u>	<u>724,866</u>
<b>Operating expenses</b>				
Personnel services	377,864	249,358	627,222	181,990
Contractual services	1,116,694	-	1,116,694	-
General	9,380	528	9,908	-
Materials and supplies	2,941,440	302,815	3,244,255	426,317
Insurance	22,970	15,233	38,203	-
Depreciation	563,781	75,862	639,643	301,742
<b>Total operating expenses</b>	<u>5,032,129</u>	<u>643,796</u>	<u>5,675,925</u>	<u>910,049</u>
<b>Operating income (loss)</b>	234,679	(173,012)	61,667	(185,183)
<b>Nonoperating revenues (expenses)</b>				
Interest earnings on investments	147,957	40,288	188,245	19,717
Intergovernmental revenue	-	87,909	87,909	-
<b>Income (loss) before transfers</b>	382,636	(44,815)	337,821	(165,466)
<b>Transfers in(out)</b>				
Transfers out	(220,000)	-	(220,000)	-
<b>Change in net assets</b>	162,636	(44,815)	117,821	(165,466)
<b>Total net assets - beginning</b>	<u>14,985,146</u>	<u>6,885,114</u>	<u>21,870,260</u>	<u>1,254,758</u>
<b>Total net assets - ending</b>	<u>\$ 15,147,782</u>	<u>\$ 6,840,299</u>	<u>\$ 21,988,081</u>	<u>\$ 1,089,292</u>

*See notes to financial statements.*

**City of Huntington Park  
Statement of Cash Flows  
Proprietary Funds  
Year ended June 30, 2009**

	Business-type Activities - Enterprise Funds			Governmental Activities Internal Service Funds
	Water Fund	Other Enterprise Funds	Total	
<b>Cash flows from operating activities</b>				
Receipts from tenants, customers and users	\$ 5,302,491	\$ 419,112	\$ 5,721,603	\$ 711,184
Payments to suppliers	(3,864,144)	(317,691)	(4,181,835)	(459,542)
Payments to employees	(363,527)	(240,549)	(604,076)	(180,585)
<b>Net cash provided by (used in) operating activities</b>	<u>1,074,820</u>	<u>(139,128)</u>	<u>935,692</u>	<u>71,057</u>
<b>Cash flows from capital and related financing activities</b>				
Purchases and construction of capital assets	(731,535)	(15,718)	(747,253)	(205,535)
<b>Net cash used in capital and related financing activities</b>	<u>(731,535)</u>	<u>(15,718)</u>	<u>(747,253)</u>	<u>(205,535)</u>
<b>Cash flows from non-capital financing activities</b>				
Cash contributions from other governments	-	86,212	86,212	-
Transfers out	(220,000)	-	(220,000)	-
<b>Net cash provided by (used in) non-capital financing activities</b>	<u>(220,000)</u>	<u>86,212</u>	<u>(133,788)</u>	<u>-</u>
<b>Cash flows from investing activities</b>				
Interest received	147,957	40,288	188,245	19,717
<b>Change in cash and cash equivalents</b>	271,242	(28,346)	242,896	(114,761)
<b>Beginning cash and cash equivalents</b>	4,190,450	1,245,231	5,435,681	623,108
<b>Ending cash and cash equivalents</b>	<u>\$ 4,461,692</u>	<u>\$ 1,216,885</u>	<u>\$ 5,678,577</u>	<u>\$ 508,347</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>				
Operating income (loss)	\$ 234,679	\$ (173,012)	\$ 61,667	\$ (185,183)
Adjustments to reconcile operating loss to net cash used in operating activities:				
Depreciation	563,781	75,862	639,643	301,742
(Increase) decrease in:				
Accounts receivable	35,683	15,756	51,439	1,527
Increase (decrease):				
Accounts payable	212,298	885	213,183	(33,225)
Accrued payroll	(5,153)	(2,968)	(8,121)	1,405
Accrued leave payable	7,537	(1)	7,536	-
Due to other funds	-	-	-	(15,209)
Deposits payable	14,042	-	14,042	-
Deferred revenues	-	(67,428)	(67,428)	-
Compensated absences payable	11,953	11,778	23,731	-
<b>Net cash provided by (used in) operating activities</b>	<u>\$ 1,074,820</u>	<u>\$ (139,128)</u>	<u>\$ 935,692</u>	<u>\$ 71,057</u>

There were no noncash capital financing and investing activities during the year ended June 30, 2009.

*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 No. 39). 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. Component units are those entities which are financially accountable to the primary government, either because the City appoints a voting majority of the component units' board or because the component unit will provide a financial benefit or impose a financial burden on the City.

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

Included within the City of Huntington Park (City) reporting entity are the Community Development Commission of the City of Huntington Park (Commission), 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.

The Commission's separately issued financial statements can be obtained from the City of Huntington Park, Finance Department, 6550 Miles Avenue, Huntington Park, California 90255. Component unit financial statements are not issued for the Finance Authority or Parking Authority.

A description of the entities follows:

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.

Community Development Commission of the City of Huntington Park

The Commission was established on March 25, 1975, by the City under the authority of the California Health and Safety Code. The Commission's primary purpose is to eliminate blighted areas within the City by encouraging development of residential, commercial, industrial, recreational and public facilities. The City Council acts as the governing body of the Commission by serving as its board members. The Commission is funded by property tax increment revenue and the use of debt.

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 Assets and a Statement of Activities (including changes in net assets). 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 Assets. The Statement of Activities presents changes in net assets. 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.

*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 assets presented in the Government-wide Financial Statements. The City has presented all major funds that met the qualifications of GASB Statement No. 34.

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

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 current liabilities 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 net 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.

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 *Community Development Commission Special Revenue Fund* is used to account for the receipt of 20 percent of the gross tax increment allocation, which is restricted for use on projects that increase or preserve the supply of low and moderate income housing, in accordance with Health and Safety Code Section 33334.

The *Community Development Commission Debt Service Fund* is used to account for the accumulation of resources for and the payment of principal and interest on the Commission's debt service and other long-term obligations.

Description of other Governmental Funds can be found on pages 70 to 72.

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

Proprietary Funds

Proprietary Fund Financial Statements include a Statement of Net Assets, a Statement of Revenues, Expenses, and Changes in Fund Net Assets, 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 Assets.

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.

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. 20, for proprietary fund accounting, the City applies all applicable Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions and Accounting Research Bulletins (ARB) issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

**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. Budgetary comparison schedules are presented for all funds except the Park Facilities Special Revenue Fund and the HUD Social Security Grant Special Revenue Fund, which did not have legally adopted budgets. 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 adopted GASB Statement No. 31, Accounting and Financial Reporting for certain investments and for external investment pools as of July 1, 1997. GASB Statement No. 31 establishes fair value standards for investments in participating interest earning investment contracts, external investment pools, equity securities, option contracts, stock warrants and stock rights that have readily determinable fair values. The fair value of instruments is determined annually and is based on current market prices.

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

The City maintains investment accounting records on amortized cost and compares those records to "fair value" on an annual basis. The funds' investment custodian provides market values on each investment instrument on a monthly basis. The investments held by the City are widely traded in the financial markets and trading values are readily available from numerous published sources. The City has elected to report its money market investments (those investments with maturities of less than one year) at amortized cost adjusted to fair value on an annual basis. As of June 30, 2009, the carrying value of its investments is considered "fair value".

**Investment with Fiscal Agent**

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

**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 Assets, 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, 2009.

**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.

**Bond Issuance Costs**

Bond issuance costs of \$3,467,611, net of amortization of \$897,337 are reported as deferred charges. In the Statement of Net Assets bond issuance costs are amortized on a straight-line method over the life of the respective debt issue. As of June 30, 2009 the unamortized balance was \$2,570,274.

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

**Reclassification**

Certain amounts in the financial statements have been reclassified from the presentation in the prior year report.

**Net Assets Restricted by Enabling Legislation**

The government-wide statement of net assets reports \$26.6 million of restricted net assets, of which \$2.0 million is restricted by enabling legislation, which was derived from voter approved special tax levies to pay for retirement costs and street lighting projects.

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

As of June 30, 2009, the City had deficit unrestricted net assets in the amount of \$148,938,364 for governmental activities. This deficit was created by funding redevelopment projects through the use of long-term indebtedness to outside entities. As discussed in Note 12, the Commission owes the County of Los Angeles \$102,082,558 of deferred tax increment and accrued interest. This loan has been increasing at approximately \$11,000,000 per year, including accrued interest, and will not be repaid until tax increment revenues are sufficient to meet annual bonded debt service requirements. As discussed in Note 12, the City has outstanding bonds in the amount of \$84,106,099.

The following funds have a deficit Fund Balance at June 30, 2009:

	Deficit
<i>Major Funds:</i>	
Community Development Commission Debt Service Fund	\$ <u><u>55,450,560</u></u>
 <i>NonMajor Funds:</i>	
Special Revenue	
Street Lighting Landscape Assessment	\$ <u><u>632,076</u></u>
HUD Home Program	\$ <u><u>514,870</u></u>
Community Development	\$ <u><u>88,406</u></u>
Public Safety	\$ <u><u>75,097</u></u>
Supplemental Law Enforcement	\$ <u><u>13,049</u></u>
TDA / Bike Path	\$ <u><u>3,718</u></u>

The City's management asserts that the deficit in the CDC Debt Service Fund of \$55,450,560 will be eliminated by tax increment revenues and reducing debt service requirements in future periods. However, this deficit will continue until tax increment revenue is sufficient to pay bonded debt service and meet the required low/mod set aside.

**NOTE 3            STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)**

For the Street Lighting Landscape Assessment, HUD Home Program, Community Development, Public Safety, Supplemental Law Enforcement, and TDA / Bike Path Special Revenue Funds, management asserts that the deficits of \$632,076, \$514,870, \$88,406, \$75,097, \$13,049 and \$3,718, respectively, will be eliminated by revenues made available in subsequent periods. If revenues are not sufficient in subsequent periods, the impact on the General Fund could be material.

**NOTE 4            CASH AND INVESTMENTS**

Cash and investments as of June 30, 2009 are classified in the accompanying financial statements as follows:

Statement of net assets:

Cash and investments	\$            57,893,576
Cash and investments - restricted	1,515,446
	\$            59,409,022

Cash and investments as of June 30, 2009 consist of the following:

Cash on hand	\$            13,510
Deposits with financial institutions	1,274,055
Investments	58,121,457
	\$            59,409,022

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

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

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

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

**Investments Authorized by Debt Agreements**

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

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

**Disclosures Related to Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

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

Investment Type	Amount	Remaining maturity in Months		
		12 Months Or Less	13 to 24 Months	25-60 Months
LAIF	\$ 29,667,621	\$ 29,667,621	\$ -	\$ -
Federal Farm Credit Bank Note (FFCB)	6,000,000	-	-	6,000,000
Federal Home Loan Bank Note (FHLB)	11,375,000	-	-	11,375,000
Freddie Mac Note	2,500,000	-	-	2,500,000
Federal Treasury Money Market Funds	7,063,390	7,063,390	-	-
Held by fiscal agent:				
Federal Treasury Money Market Funds	1,515,446	1,515,446	-	-
	<u>\$ 58,121,457</u>	<u>\$ 38,246,457</u>	<u>\$ -</u>	<u>\$ 19,875,000</u>

**Disclosures Relating to Credit Risk**

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

Investment Type	Amount	Minimum Legal Rating	Not Rated	Rating * AAA
LAIF	\$ 29,667,621	N/A	\$ 29,667,621	\$ -
Federal Farm Credit Bank Note (FFCB)	6,000,000	AAA	-	6,000,000
Federal Home Loan Bank Note (FHLB)	11,375,000	AAA	-	11,375,000
Freddie Mac Note	2,500,000	AAA	-	2,500,000
Federal Treasury Money Market Funds	7,063,390	AAA	-	7,063,390
Held by fiscal agent:				
Federal Treasury Money Market Funds	1,515,446	AAA	-	1,515,446
	<u>\$ 58,121,457</u>		<u>\$ 29,667,621</u>	<u>\$ 28,453,836</u>

\* Available rating dates range from November 2008 to October 2009

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

**Concentration of Credit Risk**

The City's investment policy contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. 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 are as follows:

Investment Type	Investment Type	Reported Amount
Federal Farm Credit Bank Note (FFCB)	U.S. Government-Sponsored Enterprise Securities	\$ 6,000,000
Federal Home Loan Bank Note (FHLB)	U.S. Government-Sponsored Enterprise Securities	11,375,000
		<u>\$ 17,375,000</u>

**Custodial Credit Risk**

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

As of June 30, 2009, \$1,217,855 of the City's deposits with financial institutions in excess of federal depository insurance limits was collateralized with securities held by the pledging financial institution but not in the City's name.

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

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

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

As of June 30, 2009, the City's investments in the State treasurer's investment pool (LAIF) were \$29.7 million. The management of LAIF has indicated to the City that as of June 30, 2009, the estimated fair value of the pool, including accrued interest, was approximately \$50.9 billion. The City's proportionate share of the estimated fair value is \$29.7 million. LAIF's (and the City's) exposure to risk (credit, market or legal) is not currently available.

**NOTE 5      NOTES RECEIVABLE**

At June 30, 2009, the City had \$4,987,133 in various notes receivable. These amounts represent various loans under the Community Development Block Grant, HUD Social Security Grant, and HOME Federal Programs ranging from \$4,000 to \$50,000 each. The remaining 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 with maturity at 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. During fiscal year 2008-2009, no payments were remitted by the borrower. Accordingly, accrued interest is not recorded. The principal balance outstanding at June 30, 2009 was \$700,000.

**NOTE 5            NOTES RECEIVABLE (CONTINUED)**

**Rasa Note (Continued)**

On October 18, 2001, the Commission entered into an agreement with Rasa Limited Partnership whereby in return for land disposition, the Commission 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. Principal and interest are due and payable on or before December 31, 2047. The principal and interest balance outstanding as of June 30, 2009, were \$100,000 and \$8,000, respectively.

**Oldtimers Housing Development Corporation IV, Note**

The City authorized the Community Development Commission of the City of Huntington Park (the Commission) to implement 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 Old timers Housing Development Corporation IV ("CHDO") to assist 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 the principal amounts with the Note accruing interest at the rate of three percent per annum, compounded annually.

The Note amount shall be paid by the CHDO's annual payment to the Commission of an amount equal to fifty percent (50%) of the residual receipts of the property equal to the project's net profits. Below is the summary of the terms of the loans and the outstanding balances as of June 30, 2009.

Loan	Date of Loan Agreement	Principal Amount	Interest Rate	Payment Period	Outstanding Balance, June 30, 2009
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
4	December 10, 2007	1,038,525	3%	July 1, 2015- July 1, 2063	1,038,525
5	January 22, 2008	1,316,200	3%	July 1, 2015- July 1, 2063	1,316,200

**NOTE 6            LAND HELD FOR RESALE**

In March 2005, the City acquired 4.89 acres of land with improvements on South Alameda Street (the Alameda Property). The land was acquired by the City for the purchase price of \$6,321,641. Of the \$6,321,641, the City provided consideration in the amount of \$5,431,641 and the seller contributed \$890,000 as a donation.

In August 2008, the City bought 22,619 square feet of land located in APN 6009-033-800, Huntington Park, CA for \$680,308.

**City of Huntington Park  
Notes to Financial Statements  
Year ended June 30, 2009**

**NOTE 7 CAPITAL ASSETS**

The City's capital assets activity for the year ended June 30, 2009 is as follows:

	Beginning Balance	Increases	Decreases	Adjustments	Ending Balance
<b>Governmental Activities</b>					
Capital assets not being depreciated:					
Land	\$ 5,700,656	\$ -	\$ -	\$ -	\$ 5,700,656
Construction in progress	4,491,875	3,036,271	-	-	7,528,146
Total capital assets not being depreciated	<u>10,192,531</u>	<u>3,036,271</u>	<u>-</u>	<u>-</u>	<u>13,228,802</u>
Capital assets being depreciated:					
Buildings and improvements	10,086,373	401,896	-	-	10,488,269
Vehicles	4,492,317	876,168	(236,718)	2,780	5,134,547
Property and equipment	3,336,489	277,880	(28,679)	-	3,585,690
Infrastructure					
Pavement systems	26,601,683	-	-	(366,026)	26,235,657
Sidewalk, curb, & gutter system	17,522,434	-	-	-	17,522,434
Traffic signals	4,766,823	-	-	366,026	5,132,849
Street lights	14,899,316	146,522	(183,609)	-	14,862,229
Total capital assets, being depreciated	<u>81,705,435</u>	<u>1,702,466</u>	<u>(449,006)</u>	<u>2,780</u>	<u>82,961,675</u>
Less accumulated depreciation for:					
Buildings and Improvements	(4,742,289)	(355,764)	-	-	(5,098,053)
Vehicles	(3,453,556)	(560,291)	236,718	(2,780)	(3,779,909)
Property and equipment	(2,430,056)	(350,719)	28,679	-	(2,752,096)
Infrastructure					
Pavement system	(12,234,615)	(624,349)	-	-	(12,858,964)
Sidewalk, curb and gutter system	(9,820,332)	(410,946)	-	-	(10,231,278)
Traffic signals	(3,406,631)	(219,864)	-	-	(3,626,495)
Street lights	(5,305,776)	(749,625)	146,888	-	(5,908,513)
Total accumulated depreciation	<u>(41,393,255)</u>	<u>(3,271,558)</u>	<u>412,285</u>	<u>(2,780)</u>	<u>(44,255,308)</u>
Total capital assets, being depreciated, net	<u>40,312,180</u>	<u>(1,569,092)</u>	<u>(36,721)</u>	<u>-</u>	<u>38,706,367</u>
Governmental activities capital assets, net	<u>\$ 50,504,711</u>	<u>\$ 1,467,179</u>	<u>\$ (36,721)</u>	<u>\$ -</u>	<u>\$ 51,935,169</u>

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

General government	\$ 91,355
Public safety	653,659
Public works	2,386,756
Community services	124,223
Community development	15,565
	<u>\$ 3,271,558</u>

See Note 12 regarding the Lease Revenue Bonds and Measure L (Street Improvement) Bonds issued relating to the above capital assets.

**City of Huntington Park**  
**Notes to Financial Statements**  
**Year ended June 30, 2009**

**NOTE 7            CAPITAL ASSETS (CONTINUED)**

	<b>Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending Balance</b>
<b>Business-type Activities</b>				
Capital assets not being depreciated:				
Land	\$ 4,139,404	\$ -	\$ -	\$ 4,139,404
Construction in progress	949,890	78,152	(480,766)	547,276
<b>Total capital assets not being depreciated</b>	<b>5,089,294</b>	<b>78,152</b>	<b>(480,766)</b>	<b>4,686,680</b>
Capital assets being depreciated:				
Buildings and improvements	27,266	-	-	27,266
Vehicles	55,377	-	-	55,377
Property and equipment	254,877	-	-	254,877
Infrastructure				
Water improvements	19,531,070	1,134,149	-	20,665,219
Sewer and storm drain	4,537,888	15,718	-	4,553,606
<b>Total capital assets being depreciated</b>	<b>24,406,478</b>	<b>1,149,867</b>	<b>-</b>	<b>25,556,345</b>
Less accumulated depreciation for:				
Buildings and improvements	(17,580)	(2,371)	-	(19,951)
Vehicles	(55,378)	-	-	(55,378)
Property and equipment	(208,029)	(27,358)	-	(235,387)
Infrastructure				
Water improvements	(9,841,475)	(534,052)	-	(10,375,527)
Sewer and storm drain	(2,940,211)	(75,862)	-	(3,016,073)
<b>Total accumulated depreciation</b>	<b>(13,062,673)</b>	<b>(639,643)</b>	<b>-</b>	<b>(13,702,316)</b>
<b>Capital assets, being depreciated, net</b>	<b>11,343,805</b>	<b>510,224</b>	<b>-</b>	<b>11,854,029</b>
<b>Business-type activities capital assets, net</b>	<b>\$ 16,433,099</b>	<b>\$ 588,376</b>	<b>\$ (480,766)</b>	<b>\$ 16,540,709</b>

Depreciation expense was charged to the following activities:

Water improvements	\$ 536,423
Water operations	27,358
Sewer maintenance	75,862
	<b>\$ 639,643</b>

**NOTE 8      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 2008-09, the City was required to contribute at an actuarially determined rate; the rate was 20.062 percent and 6.242 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, 2009, the actual amounts contributed to the plans, and changes in the City's net pension asset:

	Safety	Miscellaneous	Total
Annual Required Contribution	\$ 1,228,948	\$ 472,358	\$ 1,701,306
Interest on Pension Asset	(1,646,272)	-	(1,646,272)
Adjustments to Annual Required Contribution	2,615,342	-	2,615,342
Annual Pension Cost	2,198,018	472,358	2,670,376
Annual Contribution Made	1,228,948	472,358	1,701,306
Decrease in Pension Asset	(969,070)	-	(969,070)
Pension Asset, Beginning of Year	21,242,215	-	21,242,215
Pension Asset, End of Year	\$ 20,273,145	\$ -	\$ 20,273,145

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

**NOTE 8 PENSION PLAN (CONTINUED)**

**Annual Pension Cost (Continued)**

The required contribution was determined as part of the June 30, 2005, actuarial valuation using the entry age normal actuarial cost method. The current actuarial assumptions for the miscellaneous plan included (a) 7.75 percent investment rate of return (net of administrative expenses), (b) projected annual salary increases that vary by duration of service from 3.25 percent to 14.45 percent (c) 3.25 percent per year cost-of-living adjustments. Both (a) and (b) included an inflation component of 3.00 percent. The actuarial value of PERS assets was determined using techniques that smooth the effect of short-term volatility in the market value of investments over a three year period (smoothed market value). Effective July 1, 2003, the City's miscellaneous plan received a "fresh start" resulting in the PERS unfunded actuarial accrued liability being amortized as a level percentage of projected payroll on a closed basis over a new amortization period of 15 years.

Three-year Trend Information for PERS (In \$ thousands):

<b>Safety Plan</b>			
Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
6/30/2007	\$ 1,132	93%	\$ (21,472)
6/30/2008	1,415	82%	(21,242)
6/30/2009	2,198	56%	(20,273)

<b>Miscellaneous Plan</b>			
Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation (Asset)
6/30/2007	\$ 359	100%	\$ -
6/30/2008	392	100%	-
6/30/2009	472	100%	-

See Note 12 regarding Pension Obligation Bond issued relating to the above Pension Asset. The Schedule of Funding Progress for both the Safety and Miscellaneous Plans are part of the Required Supplementary Information.

**NOTE 9 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.

**NOTE 9            DEFINED CONTRIBUTION PLAN (CONTINUED)**

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, 2009, employees participating in PARS contributed \$49,239.

**NOTE 10           OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN**

In addition to the retirement plan described in Note 9, the City of Huntington Park Retiree Healthcare Plan provides defined benefit post-employment benefits to eligible retired City employees and their spouses. The plan provides a monthly contribution towards medical insurance premium which costs up to a fixed dollar cap that varies based on coverage election and employment status.

**Eligibility**

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

The City provides a medical contribution of up to 100% of the Kaiser LA region non-Medicare eligible premium for single, 2-party, and family coverage for non-Medicare and Medicare eligible retirees. Effective January 1, 2011, the City contribution cap for current and future Medicare eligible retirees will be the Kaiser LA Region Medicare eligible premium.

**NOTE 10 OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)**

Membership in the plan consisted of the following at January 1, 2009, the date of the latest actuarial valuation:

Eligible active employees:		
Miscellaneous	130	
Safety	68	
Subtotal	198	
Eligible retirees		
Miscellaneous	60	
Safety	81	
Subtotal	141	
Total	339	

**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 2008-2009 was \$2,396,000, 18.2% 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 asset:

Annual required contribution		\$ 2,396,000	
Interest on net OPEB asset		(72,000)	
Amortization of net OPEB Obligation		97,000	
Annual OPEB cost		2,421,000	
Contributions made			
Benefit payments	\$ 1,107,812		
Pre-funding	600,000	1,707,812	
Decrease in net OPEB asset		(713,188)	
Net OPEB asset – beginning of year		1,044,000	
Net OPEB asset - end of year		\$ 330,812	

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

**NOTE 10 OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)**

The required contribution was determined as part of the January 1, 2009 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.75% discount rate for portion of ARC funded with the irrevocable trust and 4.25% for portion of ARC not funded; (b) aggregate payroll increases of 3.25% per year; and (c) contribution of 14% of payroll for 2009-2010 increasing by 1% of payroll each year until the contribution equals 100% of the ARC. The actuarial value of the plan assets is equal to the fair value. The City's unfunded actuarial liability is being amortized as a level percentage of projected payroll over a fixed 30-year closed period.

Three Year Trend Information:

(in thousands)

Fiscal Year	Annual OPEB Cost (AOC) (Employer Contribution)	Annual Contribution	Percentage of AOC Contributed	Net OPEB Obligation (Asset)
6/30/2007	\$ N/A	\$ N/A	N/A	\$ N/A
6/30/2008	2,339	2,339	100%	(1,044)
6/30/2009	2,421	1,708	71%	(331)

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

**NOTE 11 DEFERRED REVENUE**

Deferred revenue as shown in the Statement of Net Assets as of June 30, 2009, consisted of the following:

*Governmental Activities*

Grant funds received in advance pertaining to nonmajor funds:

Parks and recreation	\$ 14,256
Police supplemental law enforcement programs	256,794
HUD EDI grant	9,461
Total deferred revenue	<u>\$ 280,511</u>

Deferred revenue as shown in the Governmental Fund Balance Sheet as of June 30, 2009 in the amount of \$29,856,282 consisted of the following:

General Fund:

- \$21,566,239 related to accrued interest for various operating loans to the Community Development Commission
- \$2,127,803 related to revenues not collected within the City's revenue recognition policy, and therefore are not available to liquidate liabilities of the current period.

**City of Huntington Park**  
**Notes to Financial Statements**  
**Year ended June 30, 2009**

**NOTE 11 DEFERRED REVENUE (CONTINUED)**

Other Governmental Funds:

- \$4,942,447 related to outstanding loans due to the City.
- \$791,704 related to grant receivables not received within the City's revenue recognition policy or grant proceeds where the City has not satisfied certain grant terms and such resources were therefore not available to liquidate liabilities of the current period.
- \$428,089 related to certain outstanding receivables not collected within the City's revenue recognition policy and such revenues are therefore not available to liquidate liabilities of the current period.

**NOTE 12 LONG-TERM LIABILITIES**

Changes in the City's long-term debt for the fiscal year ended June 30, 2009 were as follows:

	Balance at Beginning of Year	Additions	Reductions	Balance at End of Year	Due Within One Year
<b>Governmental Activities:</b>					
HUD Section 108 Loans	\$ 8,974,000	\$ -	\$ (205,000)	\$ 8,769,000	\$ 618,000
Developer Notes	3,888,081	-	(45,833)	3,842,248	-
Lease Revenue Bonds	3,126,116	-	(319,199)	2,806,917	334,104
Commission Developer Notes	3,504,123	-	-	3,504,123	-
Commission Pass Through Agreements	90,979,655	11,102,903	-	102,082,558	-
Commission Revenue Bonds	52,040,000	-	(3,040,000)	49,000,000	3,095,000
Premium on 2004 issuance	938,949	-	(72,227)	866,722	-
Deferred loss on 2004 Refunding Bonds	(2,424,589)	-	186,507	(2,238,082)	-
All Points Loan \$6,575,000 Santa Fe	6,575,000	-	(238,286)	6,336,714	249,705
Neighborhood Preservation Promissory Note	6,473,833	-	(235,101)	6,238,732	244,388
Santa Fe Promissory Note	3,037,000	-	(97,520)	2,939,480	101,840
2005 Pension Obligation Refunding Bonds	22,850,000	-	(250,000)	22,600,000	400,000
Measure L - Street Light Improvement Bonds	9,905,458	-	(206,276)	9,699,182	237,435
Compensated absences	2,670,502	1,443,854	(1,087,769)	3,026,587	186,547
Claims and judgements	4,764,487	-	(291,799)	4,472,688	847,000
Governmental activities	<u>\$ 217,302,615</u>	<u>\$ 12,546,757</u>	<u>\$ (5,902,503)</u>	<u>\$ 223,946,869</u>	<u>\$ 6,314,019</u>
Long-term liabilities					
<b>Business-type Activities:</b>					
Compensated absences	<u>\$ 56,564</u>	<u>\$ 26,623</u>	<u>\$ (2,892)</u>	<u>\$ 80,295</u>	<u>\$ 23,731</u>

**NOTE 12      LONG-TERM LIABILITIES (CONTINUED)**

**HUD Section 108 Loan - \$8,769,000**

On June 5, 1996, the City obtained a HUD Section 108 loan (Note No. B-94-MC-06-0566) Series 1996-A in the amount of \$2,970,000. Payments are due semi-annually on August 1 and February 1 with final maturity on August 1, 2014. The note bears interest at rates which approximate 6.98 percent to 7.63 percent. The balance outstanding at June 30, 2009 amounted to \$1,605,000.

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

Year ending June 30,	Principal	Interest	Total
2010	\$ 220,000	\$ 112,160	\$ 332,160
2011	235,000	95,448	330,448
2012	255,000	77,277	332,277
2013	275,000	57,452	332,452
2014	300,000	35,771	335,771
2015	320,000	12,208	332,208
<b>Total \$</b>	<b>1,605,000</b>	<b>\$ 390,316</b>	<b>\$ 1,995,316</b>

On September 22, 2006, the City obtained a HUD Section 108 loan (Note No. B-03-MC-06-0566) in the amount of \$7,164,000. Payments are due annually on August 1 starting in 2008 with a final maturity date on August 1, 2026. The note bears interest at variable rates, which approximated 5.06 percent during fiscal year 2008-2009. The balance outstanding at June 30, 2009 amounted to \$7,164,000.

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

Year ending June 30,	Principal	Interest	Total
2010	\$ 398,000	\$ 314,022	\$ 712,022
2011	398,000	302,619	700,619
2012	398,000	289,585	687,585
2013	398,000	275,137	673,137
2014	398,000	259,576	657,576
2015-2019	1,990,000	1,042,621	3,032,621
2020-2024	1,990,000	570,175	2,560,175
2025-2027	1,194,000	95,221	1,289,221
<b>Total \$</b>	<b>7,164,000</b>	<b>\$ 3,148,956</b>	<b>\$ 10,312,956</b>

**NOTE 12      LONG-TERM LIABILITIES (CONTINUED)**

**Developer Notes - \$3,842,248**

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, 2009, the outstanding balance was \$1,579,674.

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, 2009, the outstanding balance was \$2,262,574.

**Lease Revenue Bonds Series 2006 - \$2,806,917**

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

Year ending June 30,	Principal	Interest	Total
2010	\$ 334,104	\$ 123,103	\$ 457,207
2011	349,706	107,502	457,208
2012	366,035	91,172	457,207
2013	383,128	74,080	457,208
2014	401,018	56,189	457,207
2015-2017	972,926	56,622	1,029,548
<b>Total \$</b>	<b>2,806,917</b>	<b>\$ 508,668</b>	<b>\$ 3,315,585</b>

**NOTE 12      LONG-TERM LIABILITIES (CONTINUED)**

**Commission Developer Notes - \$3,504,123**

During 1997-98 the Santa Fe Project Area issued 1997 Tax Allocation Revenue and Refunding Bonds and these together with the Huntington Park Public Financing Authority's 1997 Series A bonds provided \$3,652,446 of proceeds to retire a portion of the debt to Margarita Plaza Partners and Ralph's (previously Boys Market and Alpha Beta). Principal payments on the remaining balance of these debts, by agreement dated October 9, 1997, shall only be paid from amounts on deposit in Reserve Fund A created with the 1997 bond issue. All monies in that fund on October 2, 2007, shall be paid to these developers as payment in full of the then remaining obligation. However, at that point, the amount paid to developers cannot exceed the sum of principal plus interest thereon. With the refunding of the 1997 Lease Revenue Bonds Series A of \$ 8,580,000, the City asserts that these notes should be removed from the long-term debt accounts of the City.

Pending resolution of the claims filed by the developers, the amounts owed in accordance with the above agreements which approximated \$3,504,123 is kept in the long-term debt accounts of the City as of June 30, 2009.

**Pass through Agreements with the County of Los Angeles - \$102,082,558**

On January 30, 1990, the Commission entered into an agreement with the County of Los Angeles whereby the County agreed to annually loan to the Commission a portion of the County's share of Tax Increment Revenues. The County Deferral Loans bear interest at a rate of 7 percent per year, compounded annually. The Commission shall commence repayment of the principal and interest amounts of the County Deferral beginning in the fiscal year immediately following the year in which the total of the Commission's share of Tax Increment, debt service override, unitary revenue, and State property tax subvention revenue is sufficient to meet annual Agency bonded debt service requirements. The County deferral to the Commission shall terminate that year. As of June 30, 2009, these deferrals amounted to \$102,082,558.

In accordance with the above agreement, the Commission is required to remit the revenue in excess of "approved" debt service requirements to the County in repayment of the outstanding deferral loan obligation. However, the Commission's management asserts that the County deferral loan is subordinate to the City's statutory Low-Moderate Income Housing Set-Aside. Under Management's assertion, the Commission transferred the excess revenues to the Low/Mod Special Revenue Fund, and therefore, no amount is due for remittance to the County for the fiscal year ended June 30, 2009.

**NOTE 12      LONG-TERM LIABILITIES (CONTINUED)**

**Commission Revenue Bonds - \$49,000,000**

Huntington Park Public Financing Authority Merged Redevelopment Project, Local Agency Taxable Parity Revenue Bonds, Issue of 1994 Series C (\$30,420,000) - These bonds were dated May 1, 1994 and were issued for the purpose of providing funds, together with the proceeds of the 1994 Series A Bonds and the 1994 Series B Bonds, for the advance refunding of the prior bonds and to pay the expenses of the Commission in connection with the issuance of the Authority Bonds. The Bonds bear varying rates of interest ranging from 7.60 percent to 8.30 percent payable September 1 and March 1. On June 17, 2004, \$23,990,000 of the Local Agency Taxable Parity Revenue Bonds was defeased and removed from the Commission's financial statements. The remaining bonds from this issue are the 1994 Series C Zero Coupon Bonds maturing in years 2004-2009. Annual debt services to maturity are as follows:

Year ending June 30,	Total
2010	\$ 1,260,000
<b>Total</b>	<b>\$ 1,260,000</b>

Huntington Park Public Financing Authority Refunding Revenue Bonds, Issue of 2004 Series A (\$55,875,000) - 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 were issued with an original issue premium of \$1,483,309 and resulted in a deferred loss on refunding of \$3,100,678 which is being amortized over the life of the new debt. Under the terms of the bond indenture, on September 2 of each year, and so long as no amounts are due and owed to the bond insurer, all amounts on deposit in the revenue fund with the fiscal agent shall be made available to the City of Huntington Park Public Financing Authority for any lawful purpose of the Authority. 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:

Year ending June 30,	Principal	Interest	Total
2010	\$ 1,835,000	\$ 2,263,881	\$ 4,098,881
2011	3,190,000	2,158,194	5,348,194
2012	3,310,000	2,015,632	5,325,632
2013	3,475,000	1,863,381	5,338,381
2014	3,615,000	1,719,322	5,334,322
2015-2019	20,805,000	5,703,375	26,508,375
2020-2023	11,510,000	1,190,081	12,700,081
<b>Total</b>	<b>\$ 47,740,000</b>	<b>\$ 16,913,866</b>	<b>\$ 64,653,866</b>

**NOTE 12      LONG-TERM LIABILITIES (CONTINUED)**

**All Points Loan - \$6,336,714**

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

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 249,705	\$ 290,715	\$ 540,420
2011	261,671	278,749	540,420
2012	274,211	266,209	540,420
2013	287,351	253,069	540,420
2014	301,121	239,299	540,420
2015-2019	1,736,396	965,704	2,702,100
2020-2024	2,194,281	507,819	2,702,100
2025-2027	1,031,978	48,862	1,080,840
<b>Total</b>	<b>\$ 6,336,714</b>	<b>\$ 2,850,426</b>	<b>\$ 9,187,140</b>

**Neighborhood Preservation Promissory Note - \$6,238,732**

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 will 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).

**NOTE 12      LONG-TERM LIABILITIES (CONTINUED)**

Annual debt service to the stated maturity date using variable rate of 3.48% as of June 30, 2009 is as follows:

Year ending June 30,	Principal	Interest	Total
2010	\$ 244,388	\$ 216,915	\$ 461,303
2011	254,041	208,417	462,458
2012	264,076	199,585	463,661
2013	274,506	190,403	464,909
2014	285,349	180,859	466,208
2015-2019	1,604,989	170,937	1,775,926
2020-2024	1,948,026	115,134	2,063,160
2025-2027	1,363,357	47,403	1,410,760
<b>Total \$</b>	<b>\$ 6,238,732</b>	<b>\$ 1,329,652</b>	<b>\$ 7,568,384</b>

**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 fluctuation 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 \$658,653 as of June 30, 2009. 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, 2009.

*Credit Risk.* The swap counterparty was rated A2/negative by Moody's and A+/Stable by Standard & Poor's as of June 30, 2009.

*Basis Risk.* The synthetic rate on the Notes of 3.9% 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.

**NOTE 12      LONG-TERM LIABILITIES (CONTINUED)**

*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 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, 2009, 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.

Year ending June 30,	Principal	Interest	Net Swap Payments	Total
2010	\$ 244,388	\$ 216,915	\$ (16,883)	\$ 444,420
2011	254,041	208,417	(16,222)	446,237
2012	264,076	199,585	(15,534)	448,127
2013	274,506	190,403	(14,819)	450,090
2014	285,349	180,859	(14,077)	452,131
2015-2019	1,604,989	170,937	(13,304)	1,762,622
2020-2024	1,948,026	115,134	(8,961)	2,054,199
2025-2027	1,363,357	47,403	(3,689)	1,407,070
<b>Total</b>	<b>\$ 6,238,732</b>	<b>\$ 1,329,652</b>	<b>\$ (103,489)</b>	<b>\$ 7,464,895</b>

**Santa Fe Promissory Note - \$2,939,480**

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 October 1, 2013 (the Stated Maturity Date).

On or before February 3, 2014, if no default has occurred, the counterparty will renew or refinance the Note 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 October 1, 2027 (the Absolute Maturity Date).

**NOTE 12      LONG-TERM LIABILITIES (CONTINUED)**

Annual debt service to the stated maturity date, based on the variable rate of 3.48% as of June 30, 2009 is as follows:

Year ending June 30,	Principal	Interest	Total
2010	\$ 101,840	\$ 102,203	\$ 204,043
2011	106,351	98,662	205,013
2012	111,063	94,964	206,027
2013	115,983	91,103	207,086
2014	121,121	87,070	208,191
2015-2019	691,004	82,859	773,863
2020-2024	858,236	58,833	917,069
2025-2028	833,882	28,993	862,875
<b>Total</b>	<b>\$ 2,939,480</b>	<b>\$ 644,687</b>	<b>\$ 3,584,167</b>

**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 (see note 12) 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 associate debt, decline 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.

**NOTE 12 LONG-TERM LIABILITIES (CONTINUED)**

*Fair Value.* The swap had a negative fair value of \$313,486 as of June 30, 2009. 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, 2009.

*Credit Risk.* The swap counterparty was rated A2/negative by Moody's and A+/Stable by Standard & Poor's as of June 30, 2009.

*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 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, 2009, 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.

Year ending June 30,	Principal	Interest	Net Swap Payments	Total
2010	\$ 101,840	\$ 102,203	\$ (7,955)	\$ 196,088
2011	106,351	98,662	(7,679)	197,334
2012	111,063	94,964	(7,391)	198,636
2013	115,983	91,103	(7,091)	199,995
2014	121,121	87,070	(6,777)	201,414
2015-2019	691,004	82,859	(6,449)	767,414
2020-2024	858,236	58,833	(4,579)	912,490
2025-2028	833,882	28,993	(2,257)	860,619
<b>Total</b>	<b>\$ 2,939,480</b>	<b>\$ 644,687</b>	<b>\$ (50,177)</b>	<b>\$ 3,533,990</b>

**Pension Obligation Refunding Bonds (POB's) - \$22,600,000**

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 CalPERS to; a) fund pension benefits for the City's employees who are members of CalPERS and b) reduce the unfunded actuarial liability with respect to such pension benefits. The bonds mature August 1, 2025. The POB's are an absolute and unconditional obligation of the City and payable from any funds available.

**NOTE 12      LONG-TERM LIABILITIES (CONTINUED)**

The bonds initially bear interest at the rate of 3.32%, established by the underwriter, through July 27, 2005, (the Initial Interest Rate Period). Subsequent to the Initial Interest Rate Period, the bonds bear variable interest rate using a 28-day auction rate. 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 8 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>
2010	\$ 400,000	\$ 1,249,176	\$ 1,649,176
2011	500,000	1,225,794	1,725,794
2012	600,000	1,197,216	1,797,216
2013	700,000	1,163,442	1,863,442
2014	800,000	1,124,472	1,924,472
2015-2019	5,800,000	4,826,043	10,626,043
2020-2024	9,100,000	2,740,332	11,840,332
2025-2026	4,700,000	276,336	4,976,336
<b>Total</b>	<b>\$ 22,600,000</b>	<b>\$ 13,802,811</b>	<b>\$ 36,402,811</b>

**Measure L - Street Improvement Bonds - \$9,699,182**

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.

**NOTE 12 LONG-TERM LIABILITIES (CONTINUED)**

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
2010	\$ 237,435	\$ 472,513	\$ 709,948
2011	270,768	460,480	731,248
2012	306,400	446,785	753,185
2013	344,466	431,314	775,780
2014	385,106	413,948	799,054
2015-2019	2,636,056	1,733,496	4,369,552
2020-2024	4,133,510	931,999	5,065,509
2025-2026	1,385,441	63,570	1,449,011
<b>Total</b>	<b>\$ 9,699,182</b>	<b>\$ 4,954,105</b>	<b>\$ 14,653,287</b>

**NOTE 13 ADVANCE REFUNDING AND CONDUIT DEBT**

**Advance Refunding**

As of June 30, 2009, the Commission has previously advance refunded several outstanding bond issues described below:

\$35,515,000 Huntington Park Redevelopment Agency Merged Redevelopment Project Junior Lien Tax Allocation and Sales and Use Tax Revenue Bonds, Issue of 1990.	\$ <u>35,515,000</u>
--	----------------------

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

As of June 30, 2009, the total amount of defeased debt outstanding but removed from the Commission's Statement of Net Assets aggregated \$35,515,000.

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

The following issues of Residential Mortgage Revenue Bonds, Loans-to-Lenders Revenue Bonds and Industrial Development Revenue Bonds are not reflected in the Statement of Net Assets 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.

**City of Huntington Park**  
**Notes to Financial Statements**  
**Year ended June 30, 2009**

**NOTE 13      ADVANCE REFUNDING AND CONDUIT DEBT (CONTINUED)**

The principal amounts outstanding at June 30, 2009, 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		3,805,000
	\$	<u>8,405,000</u>

**NOTE 14      INTERFUND BALANCES**

The individual fund interfund receivable and payable balances at June 30, 2009 are as follows:

Due To	Due From		
	Debt Service Fund Community Development Commission	Other Governmental Funds	Total
General Fund	\$ -	\$ 1,289,740	\$ 1,289,740
Debt Service Fund Community Development Commission	767,097	497,013	1,264,110
	<u>\$ 767,097</u>	<u>\$ 1,786,753</u>	<u>\$ 2,553,850</u>

Amounts due to the General Fund and Debt Service Fund Community Development Commission represent short-term borrowings by the Nonmajor funds to compensate for negative cash balances. These balances are expected to be repaid within the next fiscal year.

Advance From	Advance To		
	Debt Service Fund Community Development Commission	Nonmajor Governmental Funds	Total
General Fund	\$ 41,665,469	\$ 2,811,072	\$ 44,476,541
Community Development Commission	24,370,093	-	24,370,093
	<u>\$ 66,035,562</u>	<u>\$ 2,811,072</u>	<u>\$ 68,846,634</u>

Advances to the Community Development Commission Debt Service Fund of \$24,370,093 represent borrowings from the Low and Moderate Income Housing Set Aside Fund. Pursuant to the California Health and Safety Code Section 33334.2, the Commission is required to use at least 20 percent of the tax increment generated by the redevelopment project areas to increase and improve the supply of low and moderate housing.

**NOTE 14 INTERFUND BALANCES (CONTINUED)**

In previous years, the Commission has deferred the 20 percent tax set aside in order to provide sufficient revenue to payoff the Commission's indebtedness. However, these funds must be repaid to the low and moderate income housing set aside fund in future periods. This advance is between governmental funds and is therefore, not reflected in the Statement of Net Assets.

The remaining advances of \$41,665,469 to the Community Development Commission Debt Service Fund are for various operating loans from the City of Huntington Park as further described in Note 15. All amounts are eliminated in the Statement of Net Assets.

**NOTE 15 TRANSFERS**

	Transfer To				Total
	General Fund	Special Revenue Community Development Commission	Debt Service Community Development Commission	Other Governmental Funds	
General Fund	\$ -	\$ -	\$ -	\$ 75,909	\$ 75,909
Debt Service Community Development Commission	-	3,069,837	-	6,945,000	10,014,837
Other Governmental Funds	1,355,010	-	40,000	15,000	1,410,010
Enterprise Fund	220,000	-	-	-	220,000
Water Fund	-	-	-	-	-
	<u>\$ 1,575,010</u>	<u>\$ 3,069,837</u>	<u>\$ 40,000</u>	<u>\$ 7,035,909</u>	<u>\$ 11,720,756</u>

During fiscal year 2008-09 the following transfers occurred from the General Fund:

- \$75,909 was transferred to the Air Pollution fund to close out the fund.

The following transfers occurred from the Debt Service Community Development Commission Funds:

- In accordance with the California Low and Moderate Income Set Aside requirements, \$3,069,837 was transferred to the Community Development Commission Special Revenue Fund to reflect the 20 percent set aside for fiscal year 2008-09.
- \$809,848 was transferred to the Public Financing Authority fund as surplus from trustee account.
- \$6,135,152 was transferred to the Community Development Commission Fund (Capital Project Funds) to fund capital projects and service debt.

**NOTE 15      TRANSFERS (CONTINUED)**

The following transfers occurred from the Other Governmental Funds:

- The Parks and Recreation, Supplemental Law Enforcement, State Gas Tax, Parking System, Business Improvement District, and Public Financing Authority collectively transferred \$1,355,010 to the General fund for reimbursement costs.
- The HUD Home Program fund transferred \$40,000 to the Community Development Commission to reimburse operating expenses.
- The Business Improvement District fund transferred \$15,000 to the Sales Tax Prop A fund to share in the operating costs.

The following transfers occurred from the Enterprise (Water) Fund:

- \$220,000 was transferred to the General fund for operating costs.

**NOTE 16      OPERATING ADVANCES TO THE COMMISSION**

**Loan from the City of Huntington Park**

During the current and previous fiscal years, the City of Huntington Park has made loans to the Commission. These loans bear interest at a rate of 7 percent per annum and are payable when funds become available to the Commission. Also, during fiscal year 1985-86 through the current year, the City paid for costs on behalf of the Commission. These amounts are reflected as a loan from the City; no interest is charged on these amounts. As of June 30, 2009, unpaid loans to and costs paid on behalf of the Commission were as follows:

	Balance at Beginning of Year	Additions	Reductions	Balance at End of Year
<u>Loans from the City - Principal</u>				
Merged Project Area	\$ 19,374,152	\$ -	\$ -	\$ 19,374,152
Santa Fe Project Area	3,532,700	-	-	3,532,700
Total loans from the City - Principal	22,906,852	-	-	22,906,852
<u>Loans from the City - Matured Interest</u>				
Merged Project Area	15,916,432	1,077,390	-	16,993,822
Santa Fe Project Area	4,335,239	240,628	-	4,575,867
Total loans from the City - Matured Interest	20,251,671	1,318,018	-	21,569,689
Total loans from the City	\$ 43,158,523	\$ 1,318,018	\$ -	\$ 44,476,541

Repayment from the Commission will only occur to the extent that the Commission has met its obligations for bonded indebtedness, the 20% set-aside requirement of the Health and Safety Code, and as determined by management. Accordingly, there are no formal repayment terms or final maturity.

**City of Huntington Park**  
**Notes to Financial Statements**  
**Year ended June 30, 2009**

**NOTE 17 FUND BALANCE DESIGNATED**

The City's management has designated the following fund balance unreserved amounts for specific purposes as of June 30, 2009:

	Risk Management	Economic Development	Economic Contingencies	Total
General Fund	\$ 3,887,775	\$ 10,265,593	\$ -	\$ 14,153,368
Contingency Fund	-	-	9,801,082	9,801,082
	\$ 3,887,775	\$ 10,265,593	\$ 9,801,082	\$ 23,954,450

**NOTE 18 PRIOR PERIOD ADJUSTMENT**

The beginning fund balance of the City's Community Development Commission Capital Project Fund was restated as a result of the City correcting an error in recording deferred revenue of \$890,000 as of July 1, 2008.

**NOTE 19 RISK MANAGEMENT**

The City is self-insured for the first \$500,000 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 \$20,000,000 for general liability and \$2,000,000 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, 2009, the amount of these liabilities was \$4,472,688. The amount represents an estimate of \$2,043,569 for reported claims through June 30, 2009 and \$2,429,119 of estimates incurred but not reported claims. Changes in the reported liability resulted from the following:

Fiscal Year	Liability at Beginning	Current Year Claims and Changes in Estimates	Claim Payments	Liability at End
2008	\$ 5,634,222	\$ (700,926)	\$ (168,809)	\$ 4,764,487
2009	4,764,487	193,863	(485,662)	4,472,688

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, 2009, which can be obtained from Independent Cities Risk Management Authority, Sherman Oaks, California.

**NOTE 20      RISKS AND UNCERTAINTIES**

The City invests in various investment securities, including 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. (See Note 12). 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, 2009. The actual amount of exposure as of November 25, 2009 is not determinable.

**NOTE 21      LITIGATION**

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 22      NEW PRONOUNCEMENTS**

GASB Statement No. 50 - In May 2008, the GASB issued Statement No. 50, Pension Disclosures-an amendment of GASB Statements No. 25 and No. 27. This statement more closely aligns the financial reporting requirements for pensions with those for other postemployment benefits (OPEB) and, in doing so, enhances information disclosed in notes to financial statements or presented as required supplementary information (RSI) by pension plans and by employers that provide pension benefits. This statement is not effective until June 30, 2009. The City has not determined its effect on the financial statements.

GASB No. 51 – GASB has issued Statement No. 51 “Accounting and Financial Reporting for Intangible Assets”. This Statement establishes accounting and financial reporting requirements for intangible assets to reduce inconsistencies in the accounting and financial reporting of these assets among state and local governments thereby enhancing comparability of the accounting and financial reporting of such assets. The requirements of this Statement become effective for fiscal periods beginning after June 15, 2009. The provisions of this Statement are generally required to be applied retroactively. For governments that were classified as phase 1 or phase 2 governments for the purpose of implementing Statement No. 34, retroactive reporting is required for intangible assets acquired in fiscal years ended after June 30, 1980, except for those considered to have indefinite useful lives as of the effective date of this Statement and those that would be considered internally generated. Retroactive reporting of these intangible assets by phase 3 governments is encouraged but not required. Retroactive reporting is not required but is permitted for intangible assets considered to have indefinite useful lives as of the effective date of this Statement and those considered to be internally generated. The City has not determined its effect on the financial statements.

**NOTE 22      NEW PRONOUNCEMENTS (CONTINUED)**

GASB No. 52 - GASB has issued Statement No. 52, *Land and Other Real Estate Held as Investments by Endowments*. This statement improves the quality of financial reporting by requiring endowments to report their land and other real estate investments at fair value, creating consistency in reporting among similar entities that exist to invest resources for the purpose of generating income. This Statement is effective for financial statements for periods beginning after June 15, 2008. The City has not determined its effect on the financial statements.

GASB No. 53 - GASB has issued Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*. Statement 53 is intended to improve how state and local governments report information about derivative instruments—financial arrangements used by governments to manage specific risks or make investments—in their financial statements. The Statement specifically requires governments to measure most derivative instruments at fair value in their financial statements that are prepared using the economic resources measurement focus and the accrual basis of accounting. The guidance in this Statement also addresses hedge accounting requirements and is effective for financial statements for reporting periods beginning after June 15, 2009, with earlier application encouraged.

GASB No. 54 - GASB has issued Statement No. 54, *Fund Balance Reporting and Fund Type Definitions*. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. This Statement also provides for additional fund classification as restricted, committed, assigned, and unassigned based on the relative strength of the constraints that control how specific amounts can be spent. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2010.

GASB No. 55 - GASB has issued Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The objective of this Statement is to incorporate the hierarchy of generally accepted accounting principles (GAAP) for state and local governments into the Governmental Accounting Standards Board's (GASB) authoritative literature. The Board does not expect that this Statement will result in a change in current practice.

GASB No. 56 - GASB has issued Statement No. 56, *Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards*. The objective of this Statement is to incorporate into the Governmental Accounting Standards Board's (GASB) authoritative literature certain accounting and financial reporting guidance presented in the American Institute of Certified Public Accountants' Statements on Auditing Standards. This Statement addresses three issues not included in the authoritative literature that establishes *accounting principles*—related party transactions, going concern considerations, and subsequent events. This Statement does not establish new accounting standards but rather incorporates the existing guidance (to the extent appropriate in a governmental environment) into the GASB standards.

**NOTE 23      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, 2009, 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.

During the fiscal year management performed an analysis regarding a Disposition and Development Agreement ("DDA") with Rugby Associates LP ("Developer") dating back to April 1995 between the Developer and the Commission. Pursuant to the DDA, the developer was required to make "in-lieu property tax" payments ("PILOT Payments") to the Commission which have not been made. The note was originally issued to build a parking structure which was part of the Rugby Senior Housing Project ("Project"). The Project is currently under the purview of the Oldtimers Foundation. The City is currently working with the entity to enforce collection of the note receivable. As of June 30, 2009, the City asserts the amount owed is approximately \$3.3 million. Due to the uncertainty of collection on the note, the City has not reflected the outstanding balance in the financial statements. Such amounts will be recorded in the period when and if the note is realizable.

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 12, will be used to fund the project and/or subsequent development and disposition agreement (DDA).

As of June 30, 2009, the City has a variety of agreements with certain private contractors relating to various renovation projects and street improvements. The City has committed to \$18.8 million of open construction contracts as of June 30, 2009.

**REQUIRED SUPPLEMENTARY INFORMATION**

**City of Huntington Park**  
**Schedule of Funding Progress**  
**Safety and Miscellaneous Plans of the California Public Employees' Retirement System**  
**Year ended June 30, 2009**

(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
6/30/2006	\$ 6,102,616	\$ 7,278,050	\$ 1,175,434	83.8%	\$ 754,730	155.7%
6/30/2007	6,826,599	7,986,055	1,159,456	85.5%	831,608	139.4%
6/30/2008	7,464,928	8,700,468	1,235,540	85.8%	914,841	135.1%

**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
6/30/2006	\$ 38,615	\$ 37,003	\$ (1,612)	104.4%	\$ 5,926	-27.2%
6/30/2007	41,192	39,561	(1,631)	104.1%	6,738	-24.2%
6/30/2008	43,687	42,222	(1,465)	103.5%	6,905	-21.2%

**City of Huntington Park  
 Schedule of Funding Progress  
 Other Post-Employment Benefit Plan  
 Year ended June 30, 2009**

---

(in thousands)

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

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**General Fund**  
**Year ended June 30, 2009**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 14,175,279	\$ 15,009,111	\$ 12,006,086	\$ (3,003,025)
Licenses and permits	1,725,000	1,978,551	1,969,768	(8,783)
Fines and forfeitures	2,010,000	2,108,619	2,064,834	(43,785)
Use of money and property	225,000	429,859	281,992	(147,867)
Intergovernmental	5,449,251	5,650,692	5,321,202	(329,490)
Charges for services	2,306,000	2,522,626	2,564,003	41,377
Other revenues	1,636,763	1,873,590	1,618,251	(255,339)
Interfund charges	4,287,272	4,426,766	4,395,076	(31,690)
<b>Total revenues</b>	<b>31,814,565</b>	<b>33,999,814</b>	<b>30,221,212</b>	<b>(3,778,602)</b>
<b>Current:</b>				
General government:				
City council	277,487	276,026	246,200	29,826
Planning commission	35,750	35,750	22,339	13,411
Health and education commission	12,250	12,250	6,372	5,878
Historical preservation commission	18,625	18,625	11,495	7,130
Youth commission	3,000	3,000	1,261	1,739
Arts and Culture commission	7,500	7,500	3,775	3,725
Parks and recreation commission	7,500	7,500	5,108	2,392
Civil service commission	4,750	4,750	1,827	2,923
City manager	501,549	516,075	507,850	8,225
City attorney	670,100	560,304	559,967	337
Human resources	377,078	342,851	336,761	6,090
Special events	208,050	163,254	123,261	39,993
City clerk	458,060	423,257	420,383	2,874
Risk management	178,042	184,722	(31,773)	216,495
Workers compensation	975,000	977,652	582,031	395,621
Liability	1,095,000	1,085,668	1,090,936	(5,268)
Employee benefits	2,100,150	2,183,103	2,170,130	12,973
Finance	677,052	762,167	754,778	7,389
Data processing	139,028	131,104	128,165	2,939
Revenue collection	353,825	368,591	364,379	4,212
Non-departmental	465,784	572,787	429,862	142,925
<b>Total general government</b>	<b>8,565,580</b>	<b>8,636,936</b>	<b>7,735,107</b>	<b>901,829</b>
Public safety:				
Administration	1,499,346	1,494,902	1,182,728	312,174
Operations	9,012,420	8,960,524	8,736,061	224,463
Investigations	2,612,800	2,666,529	2,515,565	150,964
Support services	3,207,083	3,276,992	3,013,380	263,612
Animal control	241,573	242,558	228,150	14,408
<b>Total public safety</b>	<b>16,573,222</b>	<b>16,641,505</b>	<b>15,675,884</b>	<b>965,621</b>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**General Fund (Continued)**  
**Year ended June 30, 2009**

Public works:				
Recreation buildings	247,637	219,637	214,669	4,968
Police buildings	310,244	310,969	190,882	120,087
Street operations	976,120	1,006,858	1,002,337	4,521
Mechanical admin	266,866	301,113	260,979	40,134
General government buildings	163,744	164,574	142,532	22,042
Waste collection and disposal	1,450,000	1,450,000	1,439,180	10,820
Community beautification	358,751	423,651	397,816	25,835
<b>Total public works</b>	<b>3,773,362</b>	<b>3,876,802</b>	<b>3,648,395</b>	<b>228,407</b>
Community services:				
Administration	630,633	640,100	638,644	1,456
Cultural arts	546,594	494,204	490,992	3,212
Youth sports programs	139,825	155,776	155,607	169
Adult sports programs	61,028	50,278	49,977	301
Lunch programs	56,000	49,100	49,017	83
Fee classes	50,000	65,000	64,993	7
<b>Total community services</b>	<b>1,484,080</b>	<b>1,454,458</b>	<b>1,449,230</b>	<b>5,228</b>
Community development:				
Engineering	211,505	215,996	215,018	978
Planning and building	1,384,891	1,632,234	1,615,156	17,078
Economic development	225,000	226,773	226,733	40
<b>Total community development</b>	<b>1,821,396</b>	<b>2,075,003</b>	<b>2,056,907</b>	<b>18,096</b>
Debt service:				
Interest and fiscal charges	-	2,639	2,639	-
<b>Total expenditures</b>	<b>32,217,640</b>	<b>32,687,343</b>	<b>30,568,162</b>	<b>2,119,181</b>
Excess (deficiency) of revenues over expenditures	(403,075)	1,312,471	(346,950)	(1,659,421)
<b>Other financing sources (uses)</b>				
Transfers in	1,270,000	1,591,721	1,575,010	(16,711)
Transfers out	(417,845)	(493,755)	(75,909)	417,846
<b>Net other financing sources (uses)</b>	<b>852,155</b>	<b>1,097,966</b>	<b>1,499,101</b>	<b>401,135</b>
Change in fund balance	449,080	2,410,437	1,152,151	(1,258,286)
<b>Fund balances, beginning of year</b>	<b>31,964,308</b>	<b>31,964,308</b>	<b>31,964,308</b>	<b>-</b>
<b>Fund balances, end of year</b>	<b>\$ 32,413,388</b>	<b>\$ 34,374,745</b>	<b>\$ 33,116,459</b>	<b>\$ (1,258,286)</b>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Community Development Commission - Special Revenue Fund**  
**Year ended June 30, 2009**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Use of money and property	\$ 40,000	\$ 80,860	\$ 80,859	\$ (1)
Other revenues	-	250	250	-
<b>Total revenues</b>	<u>40,000</u>	<u>81,110</u>	<u>81,109</u>	<u>(1)</u>
<b>Expenditures</b>				
Current:				
General government	2,536,582	2,540,606	1,004,159	1,536,447
Excess (deficiency) of revenues over expenditures	(2,496,582)	(2,459,496)	(923,050)	1,536,446
<b>Other financing sources</b>				
Transfers in	1,373,416	3,069,839	3,069,837	(2)
<b>Change in fund balance</b>	(1,123,166)	610,343	2,146,787	1,536,444
<b>Fund balances, beginning of year</b>	25,825,981	25,825,981	25,825,981	-
<b>Fund balances, end of year</b>	<u>\$ 24,702,815</u>	<u>\$ 26,436,324</u>	<u>\$ 27,972,768</u>	<u>\$ 1,536,444</u>

### **Budgetary Information**

The City and its component units' fiscal year begins on July 1 of each year and ends June 30 the following year. On or before the fifteenth of June of each year, the City Manager submits to the City Council a proposed budget for the next ensuing fiscal year based on a detailed financial plan prepared by the heads of the various offices, agencies and departments of the City and its component units. Upon receipt of the proposed budget, the Council may make modifications with the affirmative vote of at least a majority of its members. Before adoption of the budget, the Council holds a public hearing wherein the public is given an opportunity to be heard, after which the Council may make any revisions deemed advisable. On or before July 1 annually, the City Council adopts the budget as amended through a budget resolution passed by the affirmative vote of at least a majority of its members. Upon final adoption, the budget is in effect for the ensuing fiscal year and becomes the authority for the various offices, agencies, and departments to expend subject to controls established by the City's Policy. At any meeting after the adoption of the budget, the City Council may amend or supplement the budget by affirmative vote of the majority of the Council members so as to authorize the transfer of unused balances appropriated for one purpose to another purpose, or to appropriate available revenue not included in the budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the department level, subject to the authority granted to the City Manager to transfer appropriations from account to account as necessary to assure adequate and proper standards of service and to achieve the intent of the City Council in providing municipal services for the fiscal year. Management may overexpend appropriations within a department without the approval of City Council. City Council approval is required for any budget revisions that affect total appropriations of the City. Appropriations lapse at the end of the fiscal year unless they are reappropriated through the formal budget process. The City controls expenditures without the aid of encumbrances. Council action is necessary for transfers between departments/agencies or transfers between funds.

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

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

**OTHER SUPPLEMENTARY INFORMATION**

**SPECIAL REVENUE FUNDS**

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

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

**City of Huntington Park  
Nonmajor Governmental Funds**

---

<b><i>Supplemental Law Enforcement</i></b>	To account for monies received from the State allocated by AB3229 of 1996 for the Citizen Option for Public Safety (COPS) Program.
<b><i>Air Pollution Education</i></b>	To account for funds previously received from various grants, and to account for the expenditures related to the grants.
<b><i>HUD Social Security Grant</i></b>	To account for funds received from HUD for the purpose of providing micro loans.
<b><i>Emergency Preparedness</i></b>	To account for resources that are used for expenditures relating to emergency preparedness activities.
<b><i>Public Financing Authority</i></b>	Component unit of the City used to facilitate financing of various improvements and economic development efforts.
<b><i>Public Safety</i></b>	To account for grant money passed through from the California Office of Traffic Safety.
<b><i>Parking System</i></b>	To account for funds received for parking meters and other parking related activities and to account for the expenditures related to the enforcement of parking regulations and other activities.
<b><i>Contingency</i></b>	To account for funds that are set aside to meet the City's reserve policy.
<b><i>OPEB</i></b>	To account for the funds and expenditures related to the City's other post employment benefits.
<b><i>HUD Section 108</i></b>	To account for housing assistance programs under HUD Section 108 programs administered by the Department of Housing and Urban Development.
<b><i>HUD EDI Grant</i></b>	To account for the funds received from the Economic Development Initiative program of the U.S. Department of Housing and Urban Development to enhance both the security of loans guaranteed through the Section 108 Loan Program and the feasibility of the economic development and revitalization projects they finance.
<b><i>Park Facility</i></b>	To account for revenues received from a City-wide Park Maintenance assessment district. The district is responsible for landscaping, tree trimming, irrigation and maintenance of parks within the City.
<b><i>Street Lighting Assessment</i></b>	<b><i>Landscape</i></b> To account for revenues received from a citywide Landscape Maintenance District. The District is responsible for the maintenance of streetlights and the landscaping of median islands, parkways, street trees, and city parks.
<b><i>TDA / Bike Path</i></b>	To account for the funds received and expenditures related to the Bicycle and Pedestrian Facilities Program under Article 3 of the Transportation Development Act.

**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.

***Capital Improvement***

To account for various capital projects of the City. Financing is provided by various grants received by the City.

***Community Development  
Commission***

To account for the construction and rehabilitation of various redevelopment projects. Financing is provided by tax allocation bonds issued by the Commission.

**City of Huntington Park  
Nonmajor Governmental Funds  
Combining Balance Sheet  
June 30, 2009**

	Special Revenue			
	Special Events	Parks and Recreation	Employees' Retirement	State Gas Tax
<b>ASSETS</b>				
Cash and investments	\$ 113,994	\$ -	\$ 1,290,731	\$ 1,056,567
Cash and investments with fiscal agent	-	-	11	-
Receivables:				
Taxes and intergovernmental	-	68,701	214,613	130,216
Accounts and interest	198	324	2,191	2,042
Loans	-	-	-	-
Due from other funds	-	-	-	-
Land held for resale	-	-	-	-
<b>Total assets</b>	<b>\$ 114,192</b>	<b>\$ 69,025</b>	<b>\$ 1,507,546</b>	<b>\$ 1,188,825</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 802	\$ 675	\$ 204,358	\$ 276,557
Accrued payroll	-	-	39,724	13,492
Accrued employee benefits payable - short term	-	-	-	5,585
Deposits	-	-	-	-
Due to other funds	-	3,453	-	-
Due to other governments	-	-	-	-
Deferred revenue	-	44,256	-	-
Advances from other funds	-	-	-	-
<b>Total liabilities</b>	<b>802</b>	<b>48,384</b>	<b>244,082</b>	<b>295,634</b>
<b>FUND BALANCES</b>				
Reserved for:				
Land held for resale	-	-	-	-
Debt service	-	-	11	-
Unreserved, reported in:				
Special revenue funds	113,390	20,641	1,263,453	893,191
Capital projects funds	-	-	-	-
<b>Total fund balances</b>	<b>113,390</b>	<b>20,641</b>	<b>1,263,464</b>	<b>893,191</b>
<b>Total liabilities and fund balances</b>	<b>\$ 114,192</b>	<b>\$ 69,025</b>	<b>\$ 1,507,546</b>	<b>\$ 1,188,825</b>

**City of Huntington Park  
Nonmajor Governmental Funds  
Combining Balance Sheet (Continued)  
June 30, 2009**

	Special Revenue				
	Art in Public Places	Local Origination Program	Community Development	HUD Home Program	Sales Tax Transit Proposition A
<b>ASSETS</b>					
Cash and investments	\$ 119,516	\$ 77,901	\$ 235	\$ -	\$ 503,892
Cash and investments with fiscal agent	-	-	-	-	-
Receivables:					
Taxes and intergovernmental	-	-	481,542	309,988	109,747
Accounts and interest	190	7,550	-	8,000	634
Loans	-	-	213,953	4,713,971	-
Due from other funds	-	-	-	-	-
Land held for resale	-	-	-	-	-
<b>Total assets</b>	<b>\$ 119,706</b>	<b>\$ 85,451</b>	<b>\$ 695,730</b>	<b>\$ 5,031,959</b>	<b>\$ 614,273</b>
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ 2,700	\$ 156,866	\$ 50,958	\$ 119,753
Accrued payroll	-	-	21,113	1,400	1,631
Accrued employee benefits payable - short term	-	-	6,108	166	6,071
Deposits	-	-	-	-	-
Due to other funds	-	-	276,009	428,527	-
Due to other governments	-	-	-	114,000	-
Deferred revenue	-	-	324,040	4,951,778	38,500
Advances from other funds	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>2,700</b>	<b>784,136</b>	<b>5,546,829</b>	<b>165,955</b>
<b>FUND BALANCES</b>					
Reserved for:					
Land held for resale	-	-	-	-	-
Debt service	-	-	-	-	-
Unreserved, reported in:					
Special revenue funds	119,706	82,751	(88,406)	(514,870)	448,318
Capital projects funds	-	-	-	-	-
<b>Total fund balances</b>	<b>119,706</b>	<b>82,751</b>	<b>(88,406)</b>	<b>(514,870)</b>	<b>448,318</b>
<b>Total liabilities and fund balances</b>	<b>\$ 119,706</b>	<b>\$ 85,451</b>	<b>\$ 695,730</b>	<b>\$ 5,031,959</b>	<b>\$ 614,273</b>

**City of Huntington Park  
Nonmajor Governmental Funds  
Combining Balance Sheet (Continued)  
June 30, 2009**

	Special Revenue			
	Asset Forfeiture	Air Quality Improvement	Sales Tax Transit Proposition C	Business Improvement District
<b>ASSETS</b>				
Cash and investments	\$ 1,370,011	\$ 498,751	\$ 1,356,331	\$ 99,242
Cash and investments with fiscal agent	-	-	-	-
Receivables:				
Taxes and intergovernmental	-	-	-	-
Accounts and interest	2,341	21,098	61,600	193
Loans	-	-	-	-
Due from other funds	-	-	-	-
Land held for resale	-	-	-	-
<b>Total assets</b>	<b>\$ 1,372,352</b>	<b>\$ 519,849</b>	<b>\$ 1,417,931</b>	<b>\$ 99,435</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 11,003	\$ 100	\$ 67,004	\$ 10,021
Accrued payroll	-	10	-	2,052
Accrued employee benefits payable - short term	-	-	-	-
Deposits	-	-	-	-
Due to other funds	-	-	-	-
Due to other governments	-	-	-	-
Deferred revenue	-	-	-	-
Advances from other funds	-	-	-	-
<b>Total liabilities</b>	<b>11,003</b>	<b>110</b>	<b>67,004</b>	<b>12,073</b>
<b>FUND BALANCES</b>				
Reserved for:				
Land held for resale	-	-	-	-
Debt service	-	-	-	-
Unreserved, reported in:				
Special revenue funds	1,361,349	519,739	1,350,927	87,362
Capital projects funds	-	-	-	-
<b>Total fund balances</b>	<b>1,361,349</b>	<b>519,739</b>	<b>1,350,927</b>	<b>87,362</b>
<b>Total liabilities and fund balances</b>	<b>\$ 1,372,352</b>	<b>\$ 519,849</b>	<b>\$ 1,417,931</b>	<b>\$ 99,435</b>

**City of Huntington Park  
Nonmajor Governmental Funds  
Combining Balance Sheet (Continued)  
June 30, 2009**

	Special Revenue			
	Supplemental Law Enforcement	Air Pollution Education	HUD Social Security Grant	Emergency Preparedness
<b>ASSETS</b>				
Cash and investments	\$ 268,721	\$ -	\$ 10,485	\$ 1,176,086
Cash and investments with fiscal agent	-	-	-	-
Receivables:				
Taxes and intergovernmental	19,226	-	-	-
Accounts and interest	452	-	-	2,078
Loans	-	-	9,459	-
Due from other funds	-	-	-	-
Land held for resale	-	-	-	-
<b>Total assets</b>	<b>\$ 288,399</b>	<b>\$ -</b>	<b>\$ 19,944</b>	<b>\$ 1,178,164</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 6,203	\$ -	\$ -	\$ -
Accrued payroll	-	-	-	-
Accrued employee benefits payable - short term	-	-	-	-
Deposits	-	-	-	-
Due to other funds	19,226	-	-	-
Due to other governments	-	-	-	-
Deferred revenue	276,019	-	9,459	-
Advances from other funds	-	-	-	-
<b>Total liabilities</b>	<b>\$ 301,448</b>	<b>\$ -</b>	<b>\$ 9,459</b>	<b>\$ -</b>
<b>FUND BALANCES</b>				
Reserved for:				
Land held for resale	-	-	-	-
Debt service	-	-	-	-
Unreserved, reported in:				
Special revenue funds	(13,049)	-	10,485	1,178,164
Capital projects funds	-	-	-	-
<b>Total fund balances</b>	<b>(13,049)</b>	<b>-</b>	<b>10,485</b>	<b>1,178,164</b>
<b>Total liabilities and fund balances</b>	<b>\$ 288,399</b>	<b>\$ -</b>	<b>\$ 19,944</b>	<b>\$ 1,178,164</b>

**City of Huntington Park  
Nonmajor Governmental Funds  
Combining Balance Sheet (Continued)  
June 30, 2009**

	Special Revenue				
	Public Financing Authority	Public Safety	Parking System	Contingency	OPEB
<b>ASSETS</b>					
Cash and investments	\$ 8,100	\$ -	\$ 214,068	\$ 9,783,801	\$ 780,819
Cash and investments with fiscal agent	-	-	-	-	-
Receivables:					
Taxes and intergovernmental	-	78,847	-	-	-
Accounts and interest	-	-	444	97,411	1,830
Loans	-	-	-	-	-
Due from other funds	-	-	-	-	-
Land held for resale	-	-	-	-	-
<b>Total assets</b>	<u>\$ 8,100</u>	<u>\$ 78,847</u>	<u>\$ 214,512</u>	<u>\$ 9,881,212</u>	<u>\$ 782,649</u>
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ -	\$ 31,306	\$ -	\$ -
Accrued payroll	-	-	3,621	-	-
Accrued employee benefits payable - short term	-	-	9,360	-	-
Deposits	-	-	-	-	-
Due to other funds	-	75,097	-	-	-
Due to other governments	-	-	-	-	-
Deferred revenue	-	78,847	-	80,130	-
Advances from other funds	-	-	-	-	-
<b>Total liabilities</b>	<u>-</u>	<u>153,944</u>	<u>44,287</u>	<u>80,130</u>	<u>-</u>
<b>FUND BALANCES</b>					
Reserved for:					
Land held for resale	-	-	-	-	-
Debt service	-	-	-	-	-
Unreserved, reported in:					
Special revenue funds	8,100	(75,097)	170,225	9,801,082	782,649
Capital projects funds	-	-	-	-	-
<b>Total fund balances</b>	<u>8,100</u>	<u>(75,097)</u>	<u>170,225</u>	<u>9,801,082</u>	<u>782,649</u>
<b>Total liabilities and fund balances</b>	<u>\$ 8,100</u>	<u>\$ 78,847</u>	<u>\$ 214,512</u>	<u>\$ 9,881,212</u>	<u>\$ 782,649</u>

**City of Huntington Park  
Nonmajor Governmental Funds  
Combining Balance Sheet (Continued)  
June 30, 2009**

	Special Revenue				
	HUD Section 108	HUD EDI Grant	Park Facility	Street Lighting Landscape Assessment	TDA / Bike Path
<b>ASSETS</b>					
Cash and investments	\$ 8,004,143	\$ 27,410	\$ 59,035	\$ -	\$ -
Cash and investments with fiscal agent	-	-	-	-	-
Receivables:					
Taxes and intergovernmental	-	-	-	45,604	-
Accounts and interest	14,144	47	104	-	-
Loans	-	-	-	-	-
Due from other funds	-	-	-	-	-
Land held for resale	-	-	-	-	-
<b>Total assets</b>	<b>\$ 8,018,287</b>	<b>\$ 27,457</b>	<b>\$ 59,139</b>	<b>\$ 45,604</b>	<b>\$ -</b>
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ -	\$ 12,500	\$ 173,684	\$ 3,700
Accrued payroll	-	-	-	11,685	18
Accrued employee benefits payable - short term	-	-	-	4,882	-
Deposits	-	-	-	-	-
Due to other funds	-	-	-	487,429	-
Due to other governments	-	-	-	-	-
Deferred revenue	-	9,461	-	-	-
Advances from other funds	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>9,461</b>	<b>12,500</b>	<b>677,680</b>	<b>3,718</b>
<b>FUND BALANCES</b>					
Reserved for:					
Land held for resale	-	-	-	-	-
Debt service	-	-	-	-	-
Unreserved, reported in:					
Special revenue funds	8,018,287	17,996	46,639	(632,076)	(3,718)
Capital projects funds	-	-	-	-	-
<b>Total fund balances</b>	<b>8,018,287</b>	<b>17,996</b>	<b>46,639</b>	<b>(632,076)</b>	<b>(3,718)</b>
<b>Total liabilities and fund balances</b>	<b>\$ 8,018,287</b>	<b>\$ 27,457</b>	<b>\$ 59,139</b>	<b>\$ 45,604</b>	<b>\$ -</b>

**City of Huntington Park  
Nonmajor Governmental Funds  
Combining Balance Sheet (Continued)  
June 30, 2009**

	Capital Projects Fund		Total
	Capital Improvement	Community Development Commission	Nonmajor Governmental Funds
<b>ASSETS</b>			
Cash and investments	\$ 1,879,810	\$ 1,151,279	\$ 29,850,928
Cash and investments with fiscal agent	-	-	11
Receivables:			
Taxes and intergovernmental	-	-	1,458,484
Accounts and interest	3,063	348,445	574,379
Loans	-	-	4,937,383
Due from other funds	-	-	-
Land held for resale	-	7,001,949	7,001,949
<b>Total assets</b>	<b>\$ 1,882,873</b>	<b>\$ 8,501,673</b>	<b>\$ 43,823,134</b>
<b>LIABILITIES</b>			
Accounts payable	\$ 165,271	\$ 193,665	\$ 1,487,126
Accrued payroll	387	3,943	99,076
Accrued employee benefits payable - short term	-	-	32,172
Deposits	-	110,005	110,005
Due to other funds	-	497,013	1,786,754
Due to other governments	-	-	114,000
Deferred revenue	-	300,000	6,112,490
Advances from other funds	-	2,811,072	2,811,072
<b>Total liabilities</b>	<b>165,658</b>	<b>3,915,698</b>	<b>12,552,695</b>
<b>FUND BALANCES</b>			
Reserved for:			
Land held for resale	-	7,001,949	7,001,949
Debt service	-	-	11
Unreserved, reported in:			
Special revenue funds	-	-	24,967,238
Capital projects funds	1,717,215	(2,415,974)	(698,759)
<b>Total fund balances</b>	<b>1,717,215</b>	<b>4,585,975</b>	<b>31,270,439</b>
<b>Total liabilities and fund balances</b>	<b>\$ 1,882,873</b>	<b>\$ 8,501,673</b>	<b>\$ 43,823,134</b>

**City of Huntington Park  
Nonmajor Governmental Funds**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Year ended June 30, 2009**

	Special Revenue			
	Special Events	Parks and Recreation	Employees' Retirement	State Gas Tax
<b>Revenues</b>				
Taxes	\$ -	\$ 80,091	\$ 2,662,193	\$ -
Fines and forfeitures	-	-	-	-
Use of money and property	3,464	9,694	41,809	36,501
Intergovernmental	-	640,601	-	2,642,691
Charges for services	-	-	284,054	-
Other revenues	49,697	-	-	-
Interfund charges	-	-	-	-
<b>Total revenues</b>	<u>53,161</u>	<u>730,386</u>	<u>2,988,056</u>	<u>2,679,192</u>
<b>Expenditures</b>				
Current:				
General government	-	-	2,929,704	-
Public safety	-	-	-	-
Public works	-	-	-	799,492
Community services	-	-	-	-
Community development	-	-	-	-
Capital outlay	46,608	635,868	-	847,772
Principal retirement	-	-	250,000	-
Interest and fiscal charges	-	-	1,268,156	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<u>46,608</u>	<u>635,868</u>	<u>4,447,860</u>	<u>1,647,264</u>
Excess (deficiency) of revenues over expenditures	<u>6,553</u>	<u>94,518</u>	<u>(1,459,804)</u>	<u>1,031,928</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	-	(41,390)	-	(175,000)
<b>Net other financing sources (uses)</b>	<u>-</u>	<u>(41,390)</u>	<u>-</u>	<u>(175,000)</u>
Change in fund balance	6,553	53,128	(1,459,804)	856,928
<b>Fund balances, beginning of year, as restated</b>	<u>106,837</u>	<u>(32,487)</u>	<u>2,723,268</u>	<u>36,263</u>
<b>Fund balances, end of year</b>	<u>\$ 113,390</u>	<u>\$ 20,641</u>	<u>\$ 1,263,464</u>	<u>\$ 893,191</u>

**City of Huntington Park**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**(Continued)**  
**Year ended June 30, 2009**

	Special Revenue				
	Art in Public Places	Local Origination Program	Community Development	HUD Home Program	Sales Tax Transit Proposition A
<b>Revenues</b>					
Taxes	\$ -	\$ 30,345	\$ -	\$ -	\$ 1,043,562
Fines and forfeitures	-	-	-	-	-
Use of money and property	3,302	2,695	974	-	14,982
Intergovernmental	-	-	1,658,280	160,212	-
Charges for services	-	-	-	-	423,963
Other revenues	16,717	-	3,864	1,543	-
Interfund charges	-	-	-	-	-
<b>Total revenues</b>	<u>20,019</u>	<u>33,040</u>	<u>1,663,118</u>	<u>161,755</u>	<u>1,482,507</u>
<b>Expenditures</b>					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	42,550	-	-	-
Community services	-	-	-	65,715	1,340,179
Community development	-	-	1,800,575	-	-
Capital outlay	1,989	13,294	-	334,260	611,157
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Bond issuance costs	-	-	-	-	-
<b>Total expenditures</b>	<u>1,989</u>	<u>55,844</u>	<u>1,800,575</u>	<u>399,975</u>	<u>1,951,336</u>
Excess (deficiency) of revenues over expenditures	18,030	(22,804)	(137,457)	(238,220)	(468,829)
<b>Other financing sources (uses)</b>					
Transfers in	-	-	-	-	15,000
Transfers out	-	-	-	(40,000)	-
<b>Net other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(40,000)</u>	<u>15,000</u>
Change in fund balance	18,030	(22,804)	(137,457)	(278,220)	(453,829)
Fund balances, beginning of year, as restated	101,676	105,555	49,051	(236,650)	902,147
Fund balances, end of year	<u>\$ 119,706</u>	<u>\$ 82,751</u>	<u>\$ (88,406)</u>	<u>\$ (514,870)</u>	<u>\$ 448,318</u>

**City of Huntington Park**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**(Continued)**  
**Year ended June 30, 2009**

	Special Revenue			
	Asset Forfeiture	Air Quality Improvement	Sales Tax Transit Proposition C	Business Improvement District
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ 721,308	\$ 341,504
Fines and forfeitures	173,202	-	-	-
Use of money and property	37,454	14,448	45,134	7,149
Intergovernmental	-	75,599	-	-
Charges for services	-	-	-	-
Other revenues	-	-	-	1,075
Interfund charges	-	-	-	-
<b>Total revenues</b>	<u>210,656</u>	<u>90,047</u>	<u>766,442</u>	<u>349,728</u>
<b>Expenditures</b>				
Current:				
General government	-	-	-	-
Public safety	(54,681)	2,085	-	-
Public works	-	-	864,164	-
Community services	-	-	-	-
Community development	-	-	-	264,845
Capital outlay	96,433	2,500	-	30,345
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<u>41,752</u>	<u>4,585</u>	<u>864,164</u>	<u>295,190</u>
Excess (deficiency) of revenues over expenditures	<u>168,904</u>	<u>85,462</u>	<u>(97,722)</u>	<u>54,538</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	(190,000)
<b>Net other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(190,000)</u>
Change in fund balance	168,904	85,462	(97,722)	(135,462)
<b>Fund balances, beginning of year, as restated</b>	1,192,445	434,277	1,448,649	222,824
<b>Fund balances, end of year</b>	<u>\$ 1,361,349</u>	<u>\$ 519,739</u>	<u>\$ 1,350,927</u>	<u>\$ 87,362</u>

**City of Huntington Park  
Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
(Continued)  
Year ended June 30, 2009**

	Special Revenue			
	Supplemental Law Enforcement	Air Pollution Education	HUD Social Security Grant	Emergency Preparedness
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Use of money and property	9,252	-	-	36,810
Intergovernmental	42,310	-	-	-
Charges for services	-	-	-	-
Other revenues	126,207	-	-	-
Interfund charges	-	-	-	-
<b>Total revenues</b>	<u>177,769</u>	<u>-</u>	<u>-</u>	<u>36,810</u>
<b>Expenditures</b>				
Current:				
General government	-	-	-	-
Public safety	20,364	-	-	-
Public works	-	-	-	-
Community services	-	-	-	-
Community development	-	-	-	-
Capital outlay	122,799	-	-	-
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
<b>Total expenditures</b>	<u>143,163</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>34,606</u>	<u>-</u>	<u>-</u>	<u>36,810</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	75,909	-	-
Transfers out	(20,482)	-	-	-
<b>Net other financing sources (uses)</b>	<u>(20,482)</u>	<u>75,909</u>	<u>-</u>	<u>-</u>
Change in fund balance	14,124	75,909	-	36,810
<b>Fund balances, beginning of year, as restated</b>	<u>(27,173)</u>	<u>(75,909)</u>	<u>10,485</u>	<u>1,141,354</u>
<b>Fund balances, end of year</b>	<u>\$ (13,049)</u>	<u>\$ -</u>	<u>\$ 10,485</u>	<u>\$ 1,178,164</u>

**City of Huntington Park**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**(Continued)**  
**Year ended June 30, 2009**

	Special Revenue				
	Public Financing Authority	Public Safety	Parking System	Contingency	OPEB
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	8,525	-	-	-
Use of money and property	-	-	-	306,616	25,625
Intergovernmental	-	(19,742)	10,380	-	-
Charges for services	-	-	1,126,810	-	-
Other revenues	-	1,716	18,000	5,034	-
Interfund charges	-	-	-	-	1,837,240
<b>Total revenues</b>	<u>-</u>	<u>(9,501)</u>	<u>1,155,190</u>	<u>311,650</u>	<u>1,862,865</u>
<b>Expenditures</b>					
Current:					
General government	400	-	589,244	-	1,709,872
Public safety	-	36,044	-	-	-
Public works	-	-	-	-	-
Community services	-	-	-	-	-
Community development	-	-	-	-	-
Capital outlay	-	-	-	-	-
Principal retirement	-	-	319,199	-	-
Interest and fiscal charges	-	-	138,009	-	-
Bond issuance costs	-	-	-	-	-
<b>Total expenditures</b>	<u>400</u>	<u>36,044</u>	<u>1,046,452</u>	<u>-</u>	<u>1,709,872</u>
Excess (deficiency) of revenues over expenditures	<u>(400)</u>	<u>(45,545)</u>	<u>108,738</u>	<u>311,650</u>	<u>152,993</u>
<b>Other financing sources (uses)</b>					
Transfers in	809,848	-	-	-	-
Transfers out	(793,138)	-	(150,000)	-	-
<b>Net other financing sources (uses)</b>	<u>16,710</u>	<u>-</u>	<u>(150,000)</u>	<u>-</u>	<u>-</u>
Change in fund balance	16,310	(45,545)	(41,262)	311,650	152,993
<b>Fund balances, beginning of year, as restated</b>	<u>(8,210)</u>	<u>(29,552)</u>	<u>211,487</u>	<u>9,489,432</u>	<u>629,656</u>
<b>Fund balances, end of year</b>	<u>\$ 8,100</u>	<u>\$ (75,097)</u>	<u>\$ 170,225</u>	<u>\$ 9,801,082</u>	<u>\$ 782,649</u>

**City of Huntington Park**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**(Continued)**  
**Year ended June 30, 2009**

	Special Revenue				
	HUD Section 108	HUD EDI Grant	Park Facility	Street Lighting Landscape Assessment	TDA / Bike Path
<b>Revenues</b>					
Taxes	\$ -	\$ -	\$ -	\$ 1,315,214	\$ -
Fines and forfeitures	-	-	-	-	-
Use of money and property	250,523	4,815	1,848	-	-
Intergovernmental	-	198,244	-	-	-
Charges for services	-	-	-	-	-
Other revenues	-	-	-	-	-
Interfund charges	-	-	-	-	-
<b>Total revenues</b>	<u>250,523</u>	<u>203,059</u>	<u>1,848</u>	<u>1,315,214</u>	<u>-</u>
<b>Expenditures</b>					
Current:					
General government	-	-	12,500	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	1,282,291	-
Community services	-	-	-	-	-
Community development	-	-	-	-	-
Capital outlay	-	-	-	28,799	3,718
Principal retirement	-	-	-	206,276	-
Interest and fiscal charges	-	203,059	-	482,994	-
Bond issuance costs	-	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>203,059</u>	<u>12,500</u>	<u>2,000,360</u>	<u>3,718</u>
Excess (deficiency) of revenues over expenditures	<u>250,523</u>	<u>-</u>	<u>(10,652)</u>	<u>(685,146)</u>	<u>(3,718)</u>
<b>Other financing sources (uses)</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
<b>Net other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	250,523	-	(10,652)	(685,146)	(3,718)
<b>Fund balances, beginning of year, as restated</b>	7,767,764	17,996	57,291	53,070	-
<b>Fund balances, end of year</b>	<u>\$ 8,018,287</u>	<u>\$ 17,996</u>	<u>\$ 46,639</u>	<u>\$ (632,076)</u>	<u>\$ (3,718)</u>

**City of Huntington Park**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**(Continued)**  
**Year ended June 30, 2009**

	Capital Projects Fund		Total Nonmajor Governmental Funds
	Capital Improvement	Community Development Commission	
<b>Revenues</b>			
Taxes	\$ -	\$ 35,275	\$ 6,229,492
Fines and forfeitures	-	-	181,727
Use of money and property	71,550	1,640	926,285
Intergovernmental	-	-	5,408,575
Charges for services	-	8,000	1,842,827
Other revenues	-	255,890	479,743
Interfund charges	-	-	1,837,240
<b>Total revenues</b>	<u>71,550</u>	<u>300,805</u>	<u>16,905,889</u>
<b>Expenditures</b>			
Current:			
General government	-	-	5,241,720
Public safety	-	-	3,812
Public works	-	-	2,988,497
Community services	-	-	1,405,894
Community development	-	1,167,019	3,232,439
Capital outlay	910,940	1,135,706	4,822,188
Principal retirement	-	-	775,475
Interest and fiscal charges	-	-	2,092,218
Bond issuance costs	-	-	-
<b>Total expenditures</b>	<u>910,940</u>	<u>2,302,725</u>	<u>20,562,243</u>
Excess (deficiency) of revenues over expenditures	<u>(839,390)</u>	<u>(2,001,920)</u>	<u>(3,656,354)</u>
<b>Other financing sources (uses)</b>			
Transfers in	-	6,135,152	7,035,909
Transfers out	-	-	(1,410,010)
<b>Net other financing sources (uses)</b>	<u>-</u>	<u>6,135,152</u>	<u>5,625,899</u>
Change in fund balance	(839,390)	4,133,232	1,969,545
<b>Fund balances, beginning of year, as restated</b>	<u>2,556,605</u>	<u>452,743</u>	<u>29,300,894</u>
<b>Fund balances, end of year</b>	<u>\$ 1,717,215</u>	<u>\$ 4,585,975</u>	<u>\$ 31,270,439</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, 2009**

---

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Use of money and property	\$ 1,500	\$ 3,465	\$ 3,464	\$ (1)
Other revenues	<u>20,000</u>	<u>49,698</u>	<u>49,697</u>	<u>(1)</u>
<b>Total revenues</b>	<u>21,500</u>	<u>53,163</u>	<u>53,161</u>	<u>(2)</u>
<b>Expenditures</b>				
Capital outlay	<u>54,400</u>	<u>54,400</u>	<u>46,608</u>	<u>7,792</u>
<b>Change in fund balance</b>	(32,900)	(1,237)	6,553	7,790
<b>Fund balances, beginning of year</b>	<u>106,837</u>	<u>106,837</u>	<u>106,837</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 73,937</u>	<u>\$ 105,600</u>	<u>\$ 113,390</u>	<u>\$ 7,790</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, 2009**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 29,290	\$ 80,091	\$ 80,091	\$ -
Use of money and property	-	9,695	9,694	(1)
Intergovernmental	815,800	853,036	640,601	(212,435)
<b>Total revenues</b>	<u>845,090</u>	<u>942,822</u>	<u>730,386</u>	<u>(212,436)</u>
<b>Expenditures</b>				
Capital outlay	<u>467,000</u>	<u>635,868</u>	<u>635,868</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>378,090</u>	<u>306,954</u>	<u>94,518</u>	<u>(212,436)</u>
<b>Other financing sources (uses)</b>				
Transfers out	<u>-</u>	<u>(41,390)</u>	<u>(41,390)</u>	<u>-</u>
<b>Change in fund balance</b>	378,090	265,564	53,128	(212,436)
<b>Fund balances, beginning of year</b>	<u>(32,487)</u>	<u>(32,487)</u>	<u>(32,487)</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 345,603</u>	<u>\$ 233,077</u>	<u>\$ 20,641</u>	<u>\$ (212,436)</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, 2009**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 2,976,750	\$ 2,976,750	\$ 2,662,193	\$ (314,557)
Use of money and property	126,500	126,500	41,809	(84,691)
Charges for services	248,776	284,780	284,054	(726)
<b>Total revenues</b>	<u>3,352,026</u>	<u>3,388,030</u>	<u>2,988,056</u>	<u>(399,974)</u>
<b>Expenditures</b>				
Current:				
General government	2,699,810	2,929,705	2,929,704	1
Debt service:				
Principal retirement	250,000	250,000	250,000	-
Interest and fiscal charges	1,266,063	1,268,156	1,268,156	-
<b>Total expenditures</b>	<u>4,215,873</u>	<u>4,447,861</u>	<u>4,447,860</u>	<u>1</u>
<b>Change in fund balance</b>	(863,847)	(1,059,831)	(1,459,804)	(399,973)
<b>Fund balances, beginning of year</b>	<u>2,723,268</u>	<u>2,723,268</u>	<u>2,723,268</u>	-
<b>Fund balances, end of year</b>	<u>\$ 1,859,421</u>	<u>\$ 1,663,437</u>	<u>\$ 1,263,464</u>	<u>\$ (399,973)</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, 2009**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Use of money and property	\$ 20,000	\$ 50,000	\$ 36,501	\$ (13,499)
Intergovernmental	2,707,500	2,704,143	2,642,691	(61,452)
<b>Total revenues</b>	<u>2,727,500</u>	<u>2,754,143</u>	<u>2,679,192</u>	<u>(74,951)</u>
<b>Expenditures</b>				
Current:				
Public works	844,072	844,277	799,492	44,785
Capital outlay	2,129,400	1,901,623	847,772	1,053,851
<b>Total expenditures</b>	<u>2,973,472</u>	<u>2,745,900</u>	<u>1,647,264</u>	<u>1,098,636</u>
Excess (deficiency) of revenues over expenditures	<u>(245,972)</u>	<u>8,243</u>	<u>1,031,928</u>	<u>1,023,685</u>
<b>Other financing sources (uses)</b>				
Transfers out	<u>(175,000)</u>	<u>(175,000)</u>	<u>(175,000)</u>	<u>-</u>
<b>Change in fund balance</b>	<u>(420,972)</u>	<u>(166,757)</u>	<u>856,928</u>	<u>1,023,685</u>
<b>Fund balances, beginning of year</b>	<u>36,263</u>	<u>36,263</u>	<u>36,263</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u><u>\$ (384,709)</u></u>	<u><u>\$ (130,494)</u></u>	<u><u>\$ 893,191</u></u>	<u><u>\$ 1,023,685</u></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, 2009**

---

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Use of money and property	\$ 1,000	\$ 4,000	\$ 3,302	\$ (698)
Other revenues	25,000	25,000	16,717	(8,283)
<b>Total revenues</b>	<u>26,000</u>	<u>29,000</u>	<u>20,019</u>	<u>(8,981)</u>
<b>Expenditures</b>				
Capital outlay	-	6,739	1,989	4,750
<b>Change in fund balance</b>	26,000	22,261	18,030	(4,231)
<b>Fund balances, beginning of year</b>	<u>101,676</u>	<u>101,676</u>	<u>101,676</u>	-
<b>Fund balances, end of year</b>	<u>\$ 127,676</u>	<u>\$ 123,937</u>	<u>\$ 119,706</u>	<u>\$ (4,231)</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, 2009**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 28,000	\$ 30,346	\$ 30,345	\$ (1)
Use of money and property	-	2,696	2,695	(1)
<b>Total revenues</b>	<u>28,000</u>	<u>33,042</u>	<u>33,040</u>	<u>(2)</u>
<b>Expenditures</b>				
Current:				
Public works	40,900	42,550	42,550	-
Capital outlay	87,000	87,000	13,294	73,706
<b>Total expenditures</b>	<u>127,900</u>	<u>129,550</u>	<u>55,844</u>	<u>73,706</u>
<b>Change in fund balance</b>	(99,900)	(96,508)	(22,804)	73,704
<b>Fund balances, beginning of year</b>	105,555	105,555	105,555	-
<b>Fund balances, end of year</b>	<u>\$ 5,655</u>	<u>\$ 9,047</u>	<u>\$ 82,751</u>	<u>\$ 73,704</u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Community Development Special Revenue Fund**  
**Year ended June 30, 2009**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Use of money and property	\$ -	\$ -	\$ 974	\$ 974
Intergovernmental	2,525,330	2,586,098	1,658,280	(927,818)
Other revenues	-	3,865	3,864	(1)
<b>Total revenues</b>	<u>2,525,330</u>	<u>2,589,963</u>	<u>1,663,118</u>	<u>(926,845)</u>
<b>Expenditures</b>				
Current:				
Community development	<u>2,525,330</u>	<u>2,553,920</u>	<u>1,800,575</u>	<u>753,345</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>36,043</u>	<u>(137,457)</u>	<u>(173,500)</u>
<b>Other financing sources</b>				
Transfers in	<u>-</u>	<u>6,628</u>	<u>-</u>	<u>(6,628)</u>
<b>Change in fund balance</b>	<u>-</u>	<u>42,671</u>	<u>(137,457)</u>	<u>(180,128)</u>
<b>Fund balances, beginning of year</b>	<u>49,051</u>	<u>49,051</u>	<u>49,051</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ 49,051</u>	<u>\$ 91,722</u>	<u>\$ (88,406)</u>	<u>\$ (180,128)</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, 2009**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 829,302	\$ 844,696	\$ 160,212	\$ (684,484)
Other revenue	<u>1,042,645</u>	<u>1,044,188</u>	<u>1,543</u>	<u>(1,042,645)</u>
	1,871,947	1,888,884	161,755	(1,727,129)
<b>Expenditures</b>				
Current:				
Community services	752,647	712,647	65,715	646,932
Capital outlay	<u>1,119,300</u>	<u>1,119,300</u>	<u>334,260</u>	<u>785,040</u>
<b>Total expenditures</b>	<u>1,871,947</u>	<u>1,831,947</u>	<u>399,975</u>	<u>1,431,972</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>56,937</u>	<u>(238,220)</u>	<u>(295,157)</u>
<b>Other financing sources (uses)</b>				
Transfers out	<u>-</u>	<u>(40,000)</u>	<u>(40,000)</u>	<u>-</u>
<b>Change in fund balance</b>	-	16,937	(278,220)	(295,157)
<b>Fund balances, beginning of year</b>	<u>(236,650)</u>	<u>(236,650)</u>	<u>(236,650)</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u><u>\$ (236,650)</u></u>	<u><u>\$ (219,713)</u></u>	<u><u>\$ (514,870)</u></u>	<u><u>\$ (295,157)</u></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, 2009**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 1,336,000	\$ 1,336,000	\$ 1,043,562	\$ (292,438)
Use of money and property	30,000	30,000	14,982	(15,018)
Charges for services	462,000	852,352	423,963	(428,389)
<b>Total revenues</b>	<u>1,828,000</u>	<u>2,218,352</u>	<u>1,482,507</u>	<u>(735,845)</u>
<b>Expenditures</b>				
Current:				
Community services	1,186,379	1,601,497	1,340,179	261,318
Capital outlay	10,000	620,512	611,157	9,355
<b>Total expenditures</b>	<u>1,196,379</u>	<u>2,222,009</u>	<u>1,951,336</u>	<u>270,673</u>
Excess (deficiency) of revenues over expenditures	631,621	(3,657)	(468,829)	(465,172)
<b>Other financing sources</b>				
Transfers in	500	15,500	15,000	(500)
<b>Change in fund balance</b>	632,121	11,843	(453,829)	(465,672)
<b>Fund balances, beginning of year</b>	902,147	902,147	902,147	-
<b>Fund balances, end of year</b>	<u>\$ 1,534,268</u>	<u>\$ 913,990</u>	<u>\$ 448,318</u>	<u>\$ (465,672)</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, 2009**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Fines and forfeitures	\$ -	\$ 173,202	\$ 173,202	\$ -
Use of money and property	50,000	50,000	37,454	(12,546)
<b>Total revenues</b>	<u>50,000</u>	<u>223,202</u>	<u>210,656</u>	<u>(12,546)</u>
<b>Expenditures</b>				
Current:				
Public safety	310,000	310,000	(54,681)	364,681
Capital outlay	1,103,803	1,103,803	96,433	1,007,370
<b>Total expenditures</b>	<u>1,413,803</u>	<u>1,413,803</u>	<u>41,752</u>	<u>1,372,051</u>
<b>Change in fund balance</b>	(1,363,803)	(1,190,601)	168,904	1,359,505
<b>Fund balances, beginning of year</b>	<u>1,192,445</u>	<u>1,192,445</u>	<u>1,192,445</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ (171,358)</u>	<u>\$ 1,844</u>	<u>\$ 1,361,349</u>	<u>\$ 1,359,505</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, 2009**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Use of money and property	\$ 15,000	\$ 15,000	\$ 14,448	\$ (552)
Intergovernmental	80,000	80,000	75,599	(4,401)
<b>Total revenues</b>	<u>95,000</u>	<u>95,000</u>	<u>90,047</u>	<u>(4,953)</u>
<b>Expenditures</b>				
Current:				
Public safety	-	2,100	2,085	15
Capital outlay	550,000	547,900	2,500	545,400
<b>Total expenditures</b>	<u>550,000</u>	<u>550,000</u>	<u>4,585</u>	<u>545,415</u>
<b>Change in fund balance</b>	(455,000)	(455,000)	85,462	540,462
<b>Fund balances, beginning of year</b>	434,277	434,277	434,277	-
<b>Fund balances, end of year</b>	<u>\$ (20,723)</u>	<u>\$ (20,723)</u>	<u>\$ 519,739</u>	<u>\$ 540,462</u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Sales Tax Transit Proposition C Special Revenue Fund**  
**Year ended June 30, 2009**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 885,000	\$ 885,000	\$ 721,308	\$ (163,692)
Use of money and property	125,000	125,000	45,134	(79,866)
Other	500	500	-	(500)
<b>Total revenues</b>	<u>1,010,500</u>	<u>1,010,500</u>	<u>766,442</u>	<u>(244,058)</u>
<b>Expenditures</b>				
Current:				
Public works	1,038,100	948,100	864,164	83,936
Capital outlay	400,000	400,000	-	400,000
<b>Total expenditures</b>	<u>1,438,100</u>	<u>1,348,100</u>	<u>864,164</u>	<u>483,936</u>
<b>Change in fund balance</b>	(427,600)	(337,600)	(97,722)	239,878
<b>Fund balances, beginning of year</b>	<u>1,448,649</u>	<u>1,448,649</u>	<u>1,448,649</u>	-
<b>Fund balances, end of year</b>	<u>\$ 1,021,049</u>	<u>\$ 1,111,049</u>	<u>\$ 1,350,927</u>	<u>\$ 239,878</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, 2009**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 375,000	\$ 375,000	\$ 341,504	\$ (33,496)
Use of money and property	25,000	12,000	7,149	(4,851)
Other revenues	-	1,075	1,075	-
<b>Total revenues</b>	<u>400,000</u>	<u>388,075</u>	<u>349,728</u>	<u>(38,347)</u>
<b>Expenditures</b>				
Current:				
Community development	361,976	381,976	264,845	117,131
Capital outlay	120,000	100,000	30,345	69,655
<b>Total expenditures</b>	<u>481,976</u>	<u>481,976</u>	<u>295,190</u>	<u>186,786</u>
Excess (deficiency) of revenues over expenditures	(81,976)	(93,901)	54,538	148,439
<b>Other financing sources (uses)</b>				
Transfers out	<u>(175,000)</u>	<u>(190,000)</u>	<u>(190,000)</u>	<u>-</u>
<b>Change in fund balance</b>	<u>(256,976)</u>	<u>(283,901)</u>	<u>(135,462)</u>	<u>148,439</u>
<b>Fund balances, beginning of year</b>	<u>222,824</u>	<u>222,824</u>	<u>222,824</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u><u>\$ (34,152)</u></u>	<u><u>\$ (61,077)</u></u>	<u><u>\$ 87,362</u></u>	<u><u>\$ 148,439</u></u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Supplemental Law Enforcement Special Revenue Fund**  
**Year ended June 30, 2009**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Use of money and property	\$ 16,000	\$ 13,655	\$ 9,252	\$ (4,403)
Intergovernmental	-	42,311	42,310	(1)
Other revenues	-	143,586	126,207	(17,379)
<b>Total revenues</b>	<u>16,000</u>	<u>199,552</u>	<u>177,769</u>	<u>(21,783)</u>
<b>Expenditures</b>				
Current:				
Public safety	-	19,231	20,364	(1,133)
Capital outlay	208,000	208,000	122,799	85,201
<b>Total expenditures</b>	<u>208,000</u>	<u>227,231</u>	<u>143,163</u>	<u>84,068</u>
Excess (deficiency) of revenues over expenditures	(192,000)	(27,679)	34,606	62,285
<b>Other financing sources</b>				
Transfers out	-	(20,483)	(20,482)	1
<b>Change in fund balance</b>	(192,000)	(48,162)	14,124	62,286
<b>Fund balances, beginning of year</b>	(27,173)	(27,173)	(27,173)	-
<b>Fund balances, end of year</b>	<u>\$ (219,173)</u>	<u>\$ (75,335)</u>	<u>\$ (13,049)</u>	<u>\$ 62,286</u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Air Pollution Education Special Revenue Fund**  
**Year ended June 30, 2009**

---

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Other financing sources</b>				
Transfers in	\$ -	\$ 75,909	\$ 75,909	\$ -
<b>Change in fund balance</b>	-	75,909	75,909	-
<b>Fund balances, beginning of year</b>	<u>(75,909)</u>	<u>(75,909)</u>	<u>(75,909)</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ (75,909)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Emergency Preparedness Special Revenue Fund**  
**Year ended June 30, 2009**

---

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Use of money and property	\$ 40,000	\$ 46,000	\$ 36,810	\$ (9,190)
<b>Expenditures</b>				
Current:				
General government	40,000	40,000	-	40,000
<b>Change in fund balance</b>	-	6,000	36,810	30,810
<b>Fund balances, beginning of year</b>	<u>1,141,354</u>	<u>1,141,354</u>	<u>1,141,354</u>	-
<b>Fund balances, end of year</b>	<u>\$ 1,141,354</u>	<u>\$ 1,147,354</u>	<u>\$ 1,178,164</u>	<u>\$ 30,810</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, 2009**

---

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Expenditures</b>				
Current:				
General government	\$ 8,500	\$ 8,500	\$ 400	\$ 8,100
<b>Total expenditures</b>	<u>8,500</u>	<u>8,500</u>	<u>400</u>	<u>8,100</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	809,848	809,848	-
Transfers out	-	(793,138)	(793,138)	-
<b>Net other financing sources (uses)</b>	<u>-</u>	<u>16,710</u>	<u>16,710</u>	<u>-</u>
<b>Change in fund balance</b>	(8,500)	8,210	16,310	8,100
<b>Fund balances, beginning of year</b>	<u>(8,210)</u>	<u>(8,210)</u>	<u>(8,210)</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ (16,710)</u>	<u>\$ -</u>	<u>\$ 8,100</u>	<u>\$ 8,100</u>

**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, 2009**

---

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Fines and forfeitures	\$ 7,500	\$ 8,526	\$ 8,525	\$ (1)
Intergovernmental	171,393	23,694	(19,742)	(43,436)
Other revenues	-	1,716	1,716	-
<b>Total revenues</b>	<u>178,893</u>	<u>33,936</u>	<u>(9,501)</u>	<u>(43,437)</u>
<b>Expenditures</b>				
Current:				
Public safety	<u>44,000</u>	<u>47,153</u>	<u>36,044</u>	<u>11,109</u>
<b>Change in fund balance</b>	134,893	(13,217)	(45,545)	(32,328)
<b>Fund balances, beginning of year</b>	<u>(29,552)</u>	<u>(29,552)</u>	<u>(29,552)</u>	-
<b>Fund balances, end of year</b>	<u>\$ 105,341</u>	<u>\$ (42,769)</u>	<u>\$ (75,097)</u>	<u>\$ (32,328)</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, 2009**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 5,000	\$ 10,380	\$ 10,380	\$ -
Charges for services	1,310,000	1,310,452	1,126,810	(183,642)
Other revenues	-	18,000	18,000	-
<b>Total revenues</b>	<u>1,315,000</u>	<u>1,338,832</u>	<u>1,155,190</u>	<u>(183,642)</u>
<b>Expenditures</b>				
Current:				
General government	569,938	614,100	589,244	24,856
Capital outlay	300,000	143,629	-	143,629
Debt service:				
Principal retirement	240,000	319,200	319,199	1
Interest and fiscal charges	105,000	138,009	138,009	-
<b>Total expenditures</b>	<u>1,214,938</u>	<u>1,214,938</u>	<u>1,046,452</u>	<u>168,486</u>
Excess (deficiency) of revenues over expenditures	100,062	123,894	108,738	(15,156)
<b>Other financing sources (uses)</b>				
Transfers out	<u>(150,000)</u>	<u>(150,000)</u>	<u>(150,000)</u>	<u>-</u>
<b>Change in fund balance</b>	<u>(49,938)</u>	<u>(26,106)</u>	<u>(41,262)</u>	<u>(15,156)</u>
<b>Fund balances, beginning of year</b>	<u>211,487</u>	<u>211,487</u>	<u>211,487</u>	
<b>Fund balances, end of year</b>	<u>\$ 161,549</u>	<u>\$ 185,381</u>	<u>\$ 170,225</u>	<u>\$ (15,156)</u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Contingency Special Revenue Fund**  
**Year ended June 30, 2009**

---

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Use of money and property	\$ 250,000	\$ 306,616	\$ 306,616	\$ -
Other revenues	-	5,034	5,034	-
	<u>250,000</u>	<u>311,650</u>	<u>311,650</u>	<u>-</u>
<b>Change in fund balance</b>	250,000	311,650	311,650	-
	<u>9,489,432</u>	<u>9,489,432</u>	<u>9,489,432</u>	<u>-</u>
<b>Fund balances, beginning of year</b>	<u>9,489,432</u>	<u>9,489,432</u>	<u>9,489,432</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u><u>\$ 9,739,432</u></u>	<u><u>\$ 9,801,082</u></u>	<u><u>\$ 9,801,082</u></u>	<u><u>\$ -</u></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, 2009**

---

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Use of money and property	\$ 30,000	\$ 30,000	\$ 25,625	\$ (4,375)
Interfund charges	1,724,317	1,843,428	1,837,240	(6,188)
	<u>1,754,317</u>	<u>1,873,428</u>	<u>1,862,865</u>	<u>(10,563)</u>
<b>Expenditures</b>				
Current:				
General government	1,150,000	1,709,872	1,709,872	-
<b>Change in fund balance</b>	604,317	163,556	152,993	(10,563)
<b>Fund balances, beginning of year</b>	629,656	629,656	629,656	-
<b>Fund balances, end of year</b>	<u>\$ 1,233,973</u>	<u>\$ 793,212</u>	<u>\$ 782,649</u>	<u>\$ (10,563)</u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**HUD Section 108 Special Revenue Fund**  
**Year ended June 30, 2009**

---

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Use of money and property	\$ 100,000	\$ 250,524	\$ 250,523	\$ (1)
<b>Change in fund balance</b>	100,000	250,524	250,523	(1)
<b>Fund balances, beginning of year</b>	<u>7,767,764</u>	<u>7,767,764</u>	<u>7,767,764</u>	-
<b>Fund balances, end of year</b>	<u>\$ 7,867,764</u>	<u>\$ 8,018,288</u>	<u>\$ 8,018,287</u>	<u>\$ (1)</u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**HUD EDI Grant Special Revenue Fund**  
**Year ended June 30, 2009**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Use of money and property	\$ 13,700	\$ 13,700	\$ 4,815	\$ (8,885)
Intergovernmental	-	198,244	198,244	-
<b>Total revenues</b>	<u>13,700</u>	<u>211,944</u>	<u>203,059</u>	<u>(8,885)</u>
<b>Expenditures</b>				
Debt service:				
Interest and fiscal charges	<u>300,000</u>	<u>300,000</u>	<u>203,059</u>	<u>96,941</u>
<b>Change in fund balance</b>	(286,300)	(88,056)	-	88,056
<b>Fund balances, beginning of year</b>	17,996	17,996	17,996	-
<b>Fund balances, end of year</b>	<u>\$ (268,304)</u>	<u>\$ (70,060)</u>	<u>\$ 17,996</u>	<u>\$ 88,056</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, 2009**

---

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Use of money and property	\$ -	\$ 1,848	\$ 1,848	\$ -
<b>Expenditures</b>				
Current:				
General government	-	12,500	12,500	-
<b>Change in fund balance</b>	-	(10,652)	(10,652)	-
<b>Fund balances, beginning of year</b>	57,291	57,291	57,291	-
<b>Fund balances, end of year</b>	\$ 57,291	\$ 46,639	\$ 46,639	\$ -

**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, 2009**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 1,315,250	\$ 1,321,111	\$ 1,315,214	\$ (5,897)
<b>Expenditures</b>				
Current:				
Public works	1,327,726	1,327,722	1,282,291	45,431
Capital outlay	28,800	28,800	28,799	1
Debt service:				
Principal retirement	206,300	206,300	206,276	24
Interest and fiscal charges	483,400	483,400	482,994	406
Bond issuance costs	3,000	3,000	-	3,000
<b>Total expenditures</b>	<u>2,049,226</u>	<u>2,049,222</u>	<u>2,000,360</u>	<u>48,862</u>
<b>Change in fund balance</b>	(733,976)	(728,111)	(685,146)	42,965
<b>Fund balances, beginning of year</b>	<u>53,070</u>	<u>53,070</u>	<u>53,070</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ (680,906)</u>	<u>\$ (675,041)</u>	<u>\$ (632,076)</u>	<u>\$ 42,965</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, 2009**

---

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Intergovernmental	\$ 200,000	\$ 200,000	\$ -	\$ (200,000)
<b>Expenditures</b>				
Capital outlay	200,000	200,000	3,718	196,282
<b>Change in fund balance</b>	-	-	(3,718)	(3,718)
<b>Fund balances, beginning of year</b>	-	-	-	-
<b>Fund balances, end of year</b>	\$ -	\$ -	\$ (3,718)	\$ (3,718)

**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, 2009**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Use of money and property	\$ 140,000	\$ 140,000	\$ 71,550	\$ (68,450)
<b>Expenditures</b>				
Capital outlay	2,498,000	2,498,000	910,940	1,587,060
Excess (deficiency) of revenues over expenditures	(2,358,000)	(2,358,000)	(839,390)	1,518,610
<b>Other financing sources</b>				
Transfers in	167,845	-	-	-
<b>Change in fund balance</b>	(2,190,155)	(2,358,000)	(839,390)	1,518,610
<b>Fund balances, beginning of year</b>	2,556,605	2,556,605	2,556,605	-
<b>Fund balances, end of year</b>	\$ 366,450	\$ 198,605	\$ 1,717,215	\$ 1,518,610

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Community Development Commission Capital Projects Fund**  
**Year ended June 30, 2009**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ -	\$ 35,276	\$ 35,275	\$ (1)
Use of money and property	-	1,640	1,640	-
Charges for services	-	8,000	8,000	-
Other revenues	160,000	263,440	255,890	(7,550)
<b>Total revenues</b>	<u>160,000</u>	<u>308,356</u>	<u>300,805</u>	<u>(7,551)</u>
<b>Expenditures</b>				
Current:				
Community development	2,611,307	2,921,303	1,167,019	1,754,284
Capital outlay	7,810,000	7,817,400	1,135,706	6,681,694
<b>Total expenditures</b>	<u>10,421,307</u>	<u>10,738,703</u>	<u>2,302,725</u>	<u>8,435,978</u>
Excess (deficiency) of revenues over expenditures	(10,261,307)	(10,430,347)	(2,001,920)	8,428,427
<b>Other financing sources (uses)</b>				
Transfers in	6,061,659	6,461,659	6,135,152	(326,507)
<b>Change in fund balance</b>	(4,199,648)	(3,968,688)	4,133,232	8,101,920
<b>Fund balances, beginning of year</b>	452,743	452,743	452,743	-
<b>Fund balances, end of year</b>	<u>\$ (3,746,905)</u>	<u>\$ (3,515,945)</u>	<u>\$ 4,585,975</u>	<u>\$ 8,101,920</u>

**City of Huntington Park**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance –**  
**Budget and Actual**  
**Community Development Commission Debt Service Fund**  
**Year ended June 30, 2009**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 12,447,060	\$ 13,827,257	\$ 12,750,417	\$ (1,076,840)
Use of money and property intergovernmental	545,000	645,013	283,531	(361,482)
Other revenues	100,000	500,000	500,000	-
	-	74	86	12
<b>Total revenues</b>	<u>13,092,060</u>	<u>14,972,344</u>	<u>13,534,034</u>	<u>(1,438,310)</u>
<b>Expenditures</b>				
Current:				
Community development	2,685,674	2,031,960	223,043	1,808,917
Pass-throughs to other agencies	783,218	783,218	399,097	384,121
Debt service:				
Principal retirement	3,636,168	4,818,269	3,610,907	1,207,362
Interest and fiscal charges	8,668,000	7,160,245	4,343,121	2,817,124
<b>Total expenditures</b>	<u>15,773,060</u>	<u>14,793,692</u>	<u>8,576,168</u>	<u>6,217,524</u>
Excess (deficiency) of revenues over expenditures	<u>(2,681,000)</u>	<u>178,652</u>	<u>4,957,866</u>	<u>4,779,214</u>
<b>Other financing sources (uses)</b>				
Payment to refund the 1997 bonds and tax allocation bonds	(473,387)	(473,387)	-	473,387
Transfers in	6,229,340	40,000	40,000	-
Transfers out	(7,990,075)	(13,199,796)	(10,014,837)	3,184,959
<b>Net other financing sources (uses)</b>	<u>(2,234,122)</u>	<u>(13,633,183)</u>	<u>(9,974,837)</u>	<u>3,658,346</u>
<b>Change in fund balance</b>	(4,915,122)	(13,454,531)	(5,016,971)	8,437,560
<b>Fund balances, beginning of year</b>	<u>(50,433,589)</u>	<u>(50,433,589)</u>	<u>(50,433,589)</u>	<u>-</u>
<b>Fund balances, end of year</b>	<u>\$ (55,348,711)</u>	<u>\$ (63,888,120)</u>	<u>\$ (55,450,560)</u>	<u>\$ 8,437,560</u>

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

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

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

**City of Huntington Park**  
**Combining Statement of Net Assets**  
**Internal Service Funds**  
**June 30, 2009**

	Fleet Maintenance	Vehicle and Equipment Replacement	Governmental Activities - Internal Service Funds
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	\$ 48,079	\$ 460,268	\$ 508,347
Accounts receivable	-	927	927
Total current assets	48,079	461,195	509,274
Noncurrent assets			
Capital assets	534,644	1,802,317	2,336,961
Less accumulated depreciation	(519,334)	(1,131,143)	(1,650,477)
Net capital assets	15,310	671,174	686,484
Total noncurrent assets	15,310	671,174	686,484
<b>Total assets</b>	63,389	1,132,369	1,195,758
<b>LIABILITIES</b>			
Current liabilities			
Accounts payable	48,383	48,081	96,464
Accrued payroll	7,903	-	7,903
Accrued leave payable	2,099	-	2,099
<b>Total liabilities</b>	58,385	48,081	106,466
<b>NET ASSETS</b>			
Invested in capital assets	15,310	671,174	686,484
Unrestricted	(10,306)	413,114	402,808
<b>Total net assets</b>	\$ 5,004	\$ 1,084,288	\$ 1,089,292

**City of Huntington Park**  
**Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets**  
**Internal Service Funds**  
**Year ended June 30, 2009**

	Fleet Maintenance	Vehicle and Equipment Replacement	Governmental Activities- Internal Service Funds
<b>Cash flows from operating activities</b>			
Receipts from tenants, customers and users	\$ 693,591	\$ 17,593	\$ 711,184
Payments to suppliers	(451,365)	(8,177)	(459,542)
Payments to employees	(180,585)	-	(180,585)
<b>Net cash provided by (used in) operating activities</b>	<u>61,641</u>	<u>9,416</u>	<u>71,057</u>
<b>Cash flows from capital and related financing activities</b>			
Purchases and construction of capital assets	(13,561)	(191,974)	(205,535)
<b>Net cash used in capital and related financing activities</b>	<u>(13,561)</u>	<u>(191,974)</u>	<u>(205,535)</u>
<b>Cash flows from investing activities</b>			
Interest received	-	19,717	19,717
<b>Change in cash and cash equivalents</b>	48,080	(162,841)	(114,761)
<b>Beginning cash and cash equivalents</b>	-	623,108	623,108
<b>Ending cash and cash equivalents</b>	<u>\$ 48,080</u>	<u>\$ 460,268</u>	<u>\$ 508,347</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>			
Operating income (loss)	\$ 102,014	\$ (287,197)	\$ (185,183)
Adjustments to reconcile operating loss to net cash used in operating activities:			
Depreciation	6,656	295,086	301,742
(Increase) decrease in:			
Accounts receivable	-	1,527	1,527
Increase (decrease):			
Accounts payable	(33,225)	-	(33,225)
Accrued payroll	1,405	-	1,405
Due to other funds	(15,209)	-	(15,209)
<b>Net cash provided by (used in) operating activities</b>	<u>\$ 61,641</u>	<u>\$ 9,416</u>	<u>\$ 71,057</u>

**City of Huntington Park**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**Year ended June 30, 2009**

	Fleet Maintenance	Vehicle and Equipment Replacement	Governmental Activities- Internal Service Funds
<b>Cash flows from operating activities</b>			
Receipts from tenants, customers and users	\$ 693,591	\$ 17,593	\$ 711,184
Payments to suppliers	(451,365)	(8,177)	(459,542)
Payments to employees	(180,585)	-	(180,585)
<b>Net cash provided by (used in) operating activities</b>	<u>61,641</u>	<u>9,416</u>	<u>71,057</u>
<b>Cash flows from capital and related financing activities</b>			
Purchases and construction of capital assets	(13,561)	(191,974)	(205,535)
<b>Net cash used in capital and related financing activities</b>	<u>(13,561)</u>	<u>(191,974)</u>	<u>(205,535)</u>
<b>Cash flows from investing activities</b>			
Interest received	-	19,717	19,717
<b>Change in cash and cash equivalents</b>	48,080	(162,841)	(114,761)
<b>Beginning cash and cash equivalents</b>	-	623,108	623,108
<b>Ending cash and cash equivalents</b>	<u>\$ 48,080</u>	<u>\$ 460,267</u>	<u>\$ 508,347</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>			
Operating income (loss)	\$ 102,014	\$ (287,197)	\$ (185,183)
Adjustments to reconcile operating loss to net cash used in operating activities:			
Depreciation	6,656	295,086	301,742
(Increase) decrease in:			
Accounts receivable	-	1,527	1,527
Increase (decrease):			
Accounts payable	(33,225)	-	(33,225)
Accrued payroll	1,405	-	1,405
Due to other funds	(15,209)	-	(15,209)
<b>Net cash provided by (used in) operating activities</b>	<u>\$ 61,641</u>	<u>\$ 9,416</u>	<u>\$ 71,057</u>

The Enterprise Funds 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.

- |                                      |  |
|--------------------------------------|--|
| <b><i>Sewer Maintenance</i></b>      | To account for the activities of sewer utility services provided to the residents of the City. |
| <b><i>Solid Waste Management</i></b> | To account for the activities of solid waste management services to the resident of the City.  |

**City of Huntington Park**  
**Combining Statement of Net Assets**  
**Nonmajor Other Enterprise Funds**  
**June 30, 2009**

	Sewer Maintenance	Solid Waste Management	Total Other Enterprise Funds
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	\$ 1,161,043	\$ 55,842	\$ 1,216,885
Accounts receivable	55,660	11,439	67,099
Due from other agencies	-	1,697	1,697
<b>Total current assets</b>	<b>1,216,703</b>	<b>68,978</b>	<b>1,285,681</b>
<b>Noncurrent assets</b>			
Capital assets	8,654,142	-	8,654,142
Less accumulated depreciation	(3,038,156)	-	(3,038,156)
Net capital assets	5,615,986	-	5,615,986
<b>Total noncurrent assets</b>	<b>5,615,986</b>	<b>-</b>	<b>5,615,986</b>
<b>Total assets</b>	<b>6,832,689</b>	<b>68,978</b>	<b>6,901,667</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable	800	18,273	19,073
Accrued payroll	756	3,715	4,471
Accrued leave payable	129	1,786	1,915
Deferred revenue	-	6,123	6,123
<b>Total current liabilities</b>	<b>1,685</b>	<b>29,897</b>	<b>31,582</b>
<b>Noncurrent liabilities</b>			
Compensated absences payable	9,505	20,281	29,786
<b>Total liabilities</b>	<b>11,190</b>	<b>50,178</b>	<b>61,368</b>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	5,615,986	-	5,615,986
Unrestricted	1,205,513	18,800	1,224,313
<b>Total net assets</b>	<b>\$ 6,821,499</b>	<b>\$ 18,800</b>	<b>\$ 6,840,299</b>

**City of Huntington Park**  
**Combining Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Nonmajor Other Enterprise Funds**  
**Year ended June 30, 2009**

	<u>Sewer Maintenance</u>	<u>Solid Waste Management</u>	<u>Total Other Enterprise Funds</u>
<b>Operating revenues</b>			
Charges for services	\$ 336,186	\$ 134,372	\$ 470,558
Other	-	226	226
<b>Total operating revenues</b>	<u>336,186</u>	<u>134,598</u>	<u>470,784</u>
<b>Operating expenses</b>			
Personnel services	30,607	218,751	249,358
General	386	142	528
Materials and supplies	241,202	61,613	302,815
Insurance	1,550	13,683	15,233
Depreciation	75,862	-	75,862
<b>Total operating expenses</b>	<u>349,607</u>	<u>294,189</u>	<u>643,796</u>
<b>Operating income (loss)</b>	(13,421)	(159,591)	(173,012)
<b>Nonoperating revenues</b>			
Interest earnings on investments	36,242	4,046	40,288
Intergovernmental revenue	-	87,909	87,909
<b>Income (loss) before transfers</b>	22,821	(67,636)	(44,815)
<b>Transfers in (out)</b>			
Transfers in	-	-	-
Transfers out	-	-	-
<b>Change in net assets</b>	22,821	(67,636)	(44,815)
<b>Total net assets - beginning</b>	6,798,678	86,436	6,885,114
<b>Total net assets - ending</b>	<u>\$ 6,821,499</u>	<u>\$ 18,800</u>	<u>\$ 6,840,299</u>

**City of Huntington Park**  
**Combining Statement of Cash Flows**  
**Nonmajor Other Enterprise Funds**  
**Year ended June 30, 2009**

	<u>Sewer Maintenance</u>	<u>Solid Waste Management</u>	<u>Total Other Enterprise Funds</u>
<b>Cash flows from operating activities</b>			
Receipts from tenants, customers and users	\$ 349,945	\$ 69,167	\$ 419,112
Payments to suppliers	(251,897)	(65,794)	(317,691)
Payments to employees	(24,440)	(216,109)	(240,549)
	<u>73,608</u>	<u>(212,736)</u>	<u>(139,128)</u>
<b>Net cash provided by (used in) operating activities</b>			
<b>Cash flows from capital and related financing activities</b>			
Purchases and construction of capital assets	(15,718)	-	(15,718)
	<u>(15,718)</u>	<u>-</u>	<u>(15,718)</u>
<b>Net cash used in capital and related financing activities</b>			
<b>Cash flows from non-capital financing activities</b>			
Cash contributions from other governments		86,212	86,212
Transfers in	-	-	-
	<u>-</u>	<u>86,212</u>	<u>86,212</u>
<b>Net cash provided by (used in) non-capital financing activities</b>			
<b>Cash flows from investing activities</b>			
Interest received	36,242	4,046	40,288
	<u>36,242</u>	<u>4,046</u>	<u>40,288</u>
<b>Change in cash and cash equivalents</b>			
	94,132	(122,478)	(28,346)
<b>Beginning cash and cash equivalents</b>			
	1,066,911	178,320	1,245,231
<b>Ending cash and cash equivalents</b>			
	<u>\$ 1,161,043</u>	<u>\$ 55,842</u>	<u>\$ 1,216,885</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>			
Operating income (loss)	\$ (13,421)	\$ (159,591)	\$ (173,012)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	75,862	-	75,862
(Increase) decrease in:			-
Accounts receivable	13,759	1,997	15,756
Increase (decrease):			
Accounts payable	(8,759)	9,644	885
Accrued payroll	540	(3,508)	(2,968)
Accrued leave payable	-	(1)	(1)
Deferred revenue	-	(67,428)	(67,428)
Compensated absences	5,627	6,151	11,778
	<u>73,608</u>	<u>(212,736)</u>	<u>(139,128)</u>
<b>Net cash provided by (used in) operating activities</b>			

This part of the City of Huntington Park's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<b>Contents</b>	<b>Page</b>
<p>Financial Trends</p> <p style="padding-left: 20px;">These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</p>	125
<p>Revenue Capacity</p> <p style="padding-left: 20px;">These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.</p>	130
<p>Debt Capacity</p> <p style="padding-left: 20px;">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.</p>	134
<p>Demographic and Economic Information</p> <p style="padding-left: 20px;">These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</p>	138
<p>Operating Information</p> <p style="padding-left: 20px;">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.</p>	141

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

**City of Huntington Park  
Net Assets by Component  
Last Seven Fiscal Years**

	Fiscal Year						
	2003	2004	2005	2006	2007	2008	2009
<b>Governmental activities:</b>							
Invested in capital assets, net of related debt	\$ 29,658,273	\$ 31,377,364	\$ 33,071,291	\$ 33,752,080	\$ 48,360,018	\$ 50,504,711	\$ 39,429,070
Restricted	11,915,766	10,610,129	12,055,500	23,131,021	24,139,614	38,723,137	26,635,747
Unrestricted	<u>(118,440,171)</u>	<u>(121,322,650)</u>	<u>(125,060,515)</u>	<u>(137,711,033)</u>	<u>(152,496,772)</u>	<u>(169,715,872)</u>	<u>(148,938,364)</u>
<b>Total governmental activities net assets</b>	<b>\$ <u>(76,866,132)</u></b>	<b>\$ <u>(79,335,157)</u></b>	<b>\$ <u>(79,933,724)</u></b>	<b>\$ <u>(80,827,932)</u></b>	<b>\$ <u>(79,997,140)</u></b>	<b>\$ <u>(80,488,024)</u></b>	<b>\$ <u>(82,873,547)</u></b>
<b>Business-type activities:</b>							
Invested in capital assets, net of related debt	\$ 11,937,431	\$ 14,092,016	\$ 14,798,112	\$ 14,924,640	\$ 16,181,737	\$ 16,433,099	\$ 16,540,709
Restricted	-	-	-	-	-	-	-
Unrestricted	<u>6,733,363</u>	<u>4,985,646</u>	<u>4,697,331</u>	<u>5,585,405</u>	<u>5,611,257</u>	<u>5,437,161</u>	<u>5,447,372</u>
<b>Total business-type activities net assets</b>	<b>\$ <u>18,670,794</u></b>	<b>\$ <u>19,077,662</u></b>	<b>\$ <u>19,495,443</u></b>	<b>\$ <u>20,510,045</u></b>	<b>\$ <u>21,792,994</u></b>	<b>\$ <u>21,870,260</u></b>	<b>\$ <u>21,988,081</u></b>
<b>Primary government:</b>							
Invested in capital assets, net of related debt	\$ 41,595,704	\$ 45,469,380	\$ 47,869,403	\$ 48,676,720	\$ 64,541,755	\$ 66,937,810	\$ 55,969,779
Restricted	11,915,766	10,610,129	12,055,500	23,131,021	24,139,614	38,723,137	26,635,747
Unrestricted	<u>(111,706,808)</u>	<u>(116,337,004)</u>	<u>(120,363,184)</u>	<u>(132,125,628)</u>	<u>(146,885,515)</u>	<u>(164,278,711)</u>	<u>(143,490,992)</u>
<b>Total primary government net assets</b>	<b>\$ <u>(58,195,338)</u></b>	<b>\$ <u>(60,257,495)</u></b>	<b>\$ <u>(60,438,281)</u></b>	<b>\$ <u>(60,317,887)</u></b>	<b>\$ <u>(58,204,146)</u></b>	<b>\$ <u>(58,617,764)</u></b>	<b>\$ <u>(60,885,466)</u></b>

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

Source: City of Finance Department

**City of Huntington Park  
Change in Net Assets  
Last Seven Fiscal Years**

	Fiscal Year						
	2003	2004	2005	2006	2007	2008	2009
<b>Expenses:</b>							
<b>Governmental activities:</b>							
General government	\$ 7,631,014	\$ 6,018,744	\$ 8,477,615	\$ 7,569,344	\$ 7,566,171	\$ 14,903,038	\$ 7,921,074
Public safety	12,613,238	12,904,452	13,622,058	13,771,989	15,731,625	15,946,700	16,333,354
Public works	5,747,685	5,046,870	6,891,876	8,689,165	8,493,393	9,690,430	9,023,648
Community services	1,101,939	2,721,760	2,408,847	1,701,046	2,809,850	3,427,821	2,979,348
Community development	8,604,457	9,235,080	7,014,636	6,892,678	6,820,647	10,236,104	6,953,506
Interest on long-term debt	11,822,150	8,202,539	7,434,798	9,792,357	11,256,296	8,179,476	13,020,990
Total governmental activities expenses	<u>47,520,483</u>	<u>44,129,445</u>	<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>
<b>Business-type activities:</b>							
Water	4,228,437	4,253,103	4,165,747	4,087,940	3,452,374	4,522,007	5,032,129
Sewer	196,733	189,127	271,800	233,282	283,578	322,940	349,607
Solid Waste	141,199	181,873	205,041	197,629	295,841	287,332	294,189
Total business-type activities expenses	<u>4,566,369</u>	<u>4,624,103</u>	<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>
Total primary government expenses	<u>52,086,852</u>	<u>48,753,548</u>	<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>
<b>Program revenues:</b>							
<b>Governmental activities:</b>							
<b>Charges for services:</b>							
General government	2,114,423	2,535,287	2,889,264	2,601,300	2,981,586	4,527,576	4,449,075
Public safety	2,640,805	2,656,272	2,426,093	2,105,952	1,858,610	2,804,384	2,588,983
Public works	799,303	1,212,668	1,242,599	1,337,594	1,396,146	747,050	156,719
Community services	179,674	191,529	379,295	393,355	408,728	509,136	734,891
Community development	552,725	576,299	765,508	544,720	618,831	1,248,185	1,295,097
Operating grants and contributions	5,652,545	7,671,605	4,795,621	5,199,227	6,378,628	5,804,978	7,167,500
Capital grants and contributions	911,275	649,806	3,999,639	3,688,738	3,187,473	3,044,238	334,963
Total governmental activities program revenues	<u>12,850,750</u>	<u>15,493,466</u>	<u>16,498,019</u>	<u>15,868,886</u>	<u>16,830,002</u>	<u>18,685,547</u>	<u>16,727,228</u>
<b>Business-type activities:</b>							
<b>Charges for services:</b>							
Water	4,894,926	4,635,504	4,479,898	4,740,441	4,813,066	4,686,335	4,883,300
Sewer	278,033	366,418	380,498	379,006	383,512	367,477	336,186
Solid Waste	81,682	98,783	106,918	118,751	125,261	128,080	132,565
Operating grants and contributions	-	-	31,728	35,797	30,993	41,739	453,092
Capital grants and contributions	-	-	-	-	-	-	-
Total business-type activities program revenues	<u>5,254,641</u>	<u>5,100,705</u>	<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>
Total primary government program revenues	<u>18,105,391</u>	<u>20,594,171</u>	<u>21,497,061</u>	<u>21,142,881</u>	<u>22,182,834</u>	<u>23,909,178</u>	<u>22,532,371</u>
<b>Net revenues (expenses):</b>							
Governmental activities	(34,669,733)	(28,635,979)	(29,351,811)	(32,547,693)	(35,847,980)	(43,698,022)	(39,504,692)
Business-type activities	<u>688,272</u>	<u>476,602</u>	<u>356,454</u>	<u>755,144</u>	<u>1,321,039</u>	<u>91,352</u>	<u>129,218</u>
Total net revenues (expenses)	\$ <u>(33,981,461)</u>	\$ <u>(28,159,377)</u>	\$ <u>(28,995,357)</u>	\$ <u>(31,792,549)</u>	\$ <u>(34,526,941)</u>	\$ <u>(43,606,670)</u>	\$ <u>(39,375,474)</u>

**City of Huntington Park**  
**Change in Net Assets (Continued)**  
**Last Seven Fiscal Years**

General revenues and other changes in net assets:

Governmental activities:

Taxes:

Property taxes	\$ 11,206,312	\$ 11,359,621	\$ 11,873,610	\$ 13,798,209	\$ 15,584,471	\$ 19,745,557	\$ 13,517,895
Sales tax	5,024,219	5,530,661	4,724,900	5,102,823	5,051,694	7,258,290	5,679,730
In lieu sales tax	-	-	1,452,319	1,414,721	2,425,768	1,444,374	1,697,425
Franchise	520,712	558,820	708,580	616,012	643,875	648,097	659,540
Utility	3,442,500	3,508,536	3,725,982	4,047,951	4,437,893	4,433,574	4,636,735
Motor vehicle in lieu tax	3,656,644	2,924,607	5,162,676	4,584,517	4,833,395	4,746,791	5,022,115
Other taxes	30,522	26,782	26,279	57,320	122,822	72,042	386,784
Supplemental subvention	724,937	634,441	199,949	105,493	117,024	518,489	500,000
Investment income	978,545	406,909	594,630	1,061,075	2,962,108	2,561,394	2,910,403
Other	382,887	602,078	124,851	680,364	299,722	1,568,531	998,542
Sale of assets	-	439,500	(25,531)	-	-	-	-
Transfers	150,000	175,000	185,000	185,000	200,000	210,000	220,000
Total governmental activities	<u>26,117,278</u>	<u>26,166,955</u>	<u>28,753,245</u>	<u>31,653,485</u>	<u>36,678,772</u>	<u>43,207,139</u>	<u>36,229,169</u>

Business-type activities:

Investment income	179,944	105,266	246,327	442,514	10,169	174,583	188,245
Other	-	-	-	1,944	151,741	21,331	20,358
Transfers	(150,000)	(175,000)	(185,000)	(185,000)	(200,000)	(210,000)	(220,000)
Total business-type activities	<u>29,944</u>	<u>(69,734)</u>	<u>61,327</u>	<u>259,458</u>	<u>(38,090)</u>	<u>(14,086)</u>	<u>(11,397)</u>
Total primary government	<u>26,147,222</u>	<u>26,097,221</u>	<u>28,814,572</u>	<u>31,912,943</u>	<u>36,640,682</u>	<u>43,193,053</u>	<u>36,217,772</u>

Changes in net assets

Governmental activities	(8,552,455)	(2,469,024)	(598,566)	(894,208)	830,792	(490,883)	(3,275,523)
Business-type activities	718,216	406,868	417,781	1,014,602	1,282,949	77,266	117,821
Total primary government	<u>\$ (7,834,239)</u>	<u>\$ (2,062,156)</u>	<u>\$ (180,785)</u>	<u>\$ 120,394</u>	<u>\$ 2,113,741</u>	<u>\$ (413,617)</u>	<u>\$ (3,157,702)</u>

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

Source: City Finance Department

**City of Huntington Park  
Fund Balances of Governmental Funds  
Last Seven Fiscal Years**

	Fiscal Year						
	2003	2004	2005	2006	2007	2008	2009
General fund:							
Reserved	\$ 31,755,490	\$ 36,129,928	\$ 22,532,616	\$ 20,410,380	\$ 23,246,047	\$ 22,929,771	\$ 22,906,852
Unreserved	9,181,554	6,729,895	6,753,224	10,467,272	6,211,242	9,034,537	10,209,607
Total general fund	<u>\$ 40,937,044</u>	<u>\$ 42,859,823</u>	<u>\$ 29,285,840</u>	<u>\$ 30,877,652</u>	<u>\$ 29,457,289</u>	<u>\$ 31,964,308</u>	<u>\$ 33,116,459</u>
All other governmental funds:							
Reserved	\$ 16,260,816	\$ 22,832,070	\$ 28,260,622	\$ 32,972,739	\$ 47,670,744	\$ 45,480,411	\$ 44,257,463
Unreserved, reported in:							
Special revenue funds	13,347,975	15,528,671	14,984,867	27,819,219	27,611,233	26,290,833	24,967,238
Capital projects funds	(1,348,845)	(764,176)	1,980,232	(1,890,427)	(926,334)	(4,202,293)	(698,759)
Debt service funds	(36,659,483)	(51,402,091)	(54,310,509)	(55,708,530)	(61,900,822)	(63,765,665)	(64,733,295)
Total all other governmental funds	<u>\$ (8,399,537)</u>	<u>\$ (13,805,526)</u>	<u>\$ (9,084,788)</u>	<u>\$ 3,193,001</u>	<u>\$ 12,454,821</u>	<u>\$ 3,803,286</u>	<u>\$ 3,792,647</u>

*The City of Huntington Park has elected to show only seven years of data for this schedule.*

Source: City Finance Department

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

	Fiscal Year						
	2003	2004	2005	2006	2007	2008	2009
<b>Revenues:</b>							
Taxes	\$ 23,146,243	\$ 23,094,178	\$ 22,379,276	\$ 25,037,036	\$ 28,266,523	\$ 33,601,936	\$ 30,985,995
Licenses and permits	1,457,663	1,881,831	2,057,217	1,941,962	1,922,670	1,818,592	1,969,768
Fines and forfeitures	2,271,588	2,276,431	2,138,280	1,894,223	1,750,229	2,386,254	2,246,561
Use of money and property	2,679,224	1,864,078	803,568	1,209,451	3,144,299	2,518,555	1,572,667
Intergovernmental	7,640,099	10,306,525	11,777,620	13,185,593	14,454,974	12,509,369	11,229,777
Charges for services	2,558,312	3,140,491	3,111,045	3,388,742	3,476,787	4,261,736	4,406,830
Interfund charges	-	-	825,389	684,174	1,363,798	6,098,629	6,232,316
Other	503,715	455,077	587,605	1,999,076	722,011	2,687,716	2,098,330
<b>Total revenues</b>	<b>40,256,844</b>	<b>43,018,611</b>	<b>43,680,000</b>	<b>49,340,257</b>	<b>55,101,291</b>	<b>65,882,787</b>	<b>60,742,244</b>
<b>Expenditures</b>							
<b>Current:</b>							
General government	6,228,578	5,999,972	30,150,830	7,646,065	7,933,501	14,360,372	12,976,827
Public safety	11,989,595	12,533,370	13,140,243	13,293,068	15,067,682	15,104,932	15,679,695
Public works	3,498,962	3,616,546	5,213,037	6,659,033	6,879,908	7,455,249	6,636,892
Community services	1,018,996	2,647,316	2,304,302	1,610,030	2,682,181	3,311,487	2,855,125
Community development	4,716,003	6,249,288	7,202,870	6,835,708	8,477,421	7,679,446	6,516,548
Pass through to other agencies	3,174,076	3,071,641	-	45,566	90,278	570,973	399,097
Capital outlay	3,873,940	3,209,057	2,714,384	2,607,119	13,337,662	7,282,239	4,822,188
<b>Debt service:</b>							
Principal retirement	1,935,730	1,831,427	1,015,002	3,440,532	10,576,895	15,585,667	4,386,382
Interest and fiscal charges	10,073,108	10,049,484	8,560,132	11,192,321	6,677,436	7,454,938	6,437,978
Bond issue costs	-	2,482,040	846,291	17,315	140,000	7,000	-
Payment to escrow agent	-	5,246,513	-	-	-	-	-
<b>Total expenditures</b>	<b>46,508,988</b>	<b>56,936,654</b>	<b>71,147,091</b>	<b>53,346,757</b>	<b>71,862,964</b>	<b>78,812,303</b>	<b>60,710,732</b>
Excess (deficiency) of revenues over (under) expenditures	(6,252,144)	(13,918,043)	(27,467,091)	(4,006,500)	(16,761,673)	(12,929,516)	31,512
<b>Other financing sources (uses):</b>							
Transfers in	9,935,426	7,989,726	10,286,478	11,436,176	12,263,450	4,874,003	11,720,756
Transfers out	(10,028,062)	(7,971,091)	(10,332,114)	(11,465,031)	(12,313,449)	(4,664,003)	(11,500,756)
Proceeds from debt	6,381,258	64,281,935	33,857,730	17,904,956	24,653,129	6,575,000	-
Proceeds from sale of assets	-	439,500	-	-	-	-	-
Payment to escrow agent	-	(54,449,166)	-	-	-	-	-
Repayment of notes	250,000	143,928	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>6,538,622</b>	<b>10,434,832</b>	<b>33,812,094</b>	<b>17,876,101</b>	<b>24,603,130</b>	<b>6,785,000</b>	<b>220,000</b>
<b>Net change in fund balances</b>	<b>\$ 286,478</b>	<b>\$ (3,483,211)</b>	<b>\$ 6,345,003</b>	<b>\$ 13,869,601</b>	<b>\$ 7,841,457</b>	<b>\$ (6,144,516)</b>	<b>\$ 251,512</b>
Debt service as a percentage of noncapital expenditures	27.5%	36.5%	15.2%	28.7%	30.0%	31.2%	19.3%

The City of Huntington Park has elected to show only seven years of data for this schedule.

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
2000	\$ 854,533	\$ 283,468	\$ 148,343	\$ 31,532	\$ 11,983	\$ 10,593	\$ 12,003	\$ 113,565	\$ 14,607	\$ 1,480,627	\$ 1,466,020	0.2835%
2001	884,978	291,362	189,425	31,301	12,223	10,983	12,103	86,084	15,304	1,533,763	1,518,459	0.2835%
2002	911,809	323,288	189,032	32,537	11,339	11,849	22,930	91,914	15,240	1,609,938	1,594,698	0.2835%
2003	956,398	347,910	200,261	33,139	6,624	10,665	25,947	95,973	14,823	1,691,740	1,676,917	0.2835%
2004	1,004,943	363,615	210,006	13,382	6,115	13,166	20,755	104,730	20,256	1,756,968	1,736,712	0.2835%
2005	1,085,615	391,280	179,311	11,706	7,310	15,458	8,722	88,675	21,392	1,809,469	1,788,077	0.2835%
2006	1,175,103	442,183	187,758	12,483	12,952	18,696	8,318	97,817	20,398	1,975,708	1,955,310	0.2835%
2007	1,297,799	467,176	199,473	12,572	17,605	16,574	8,568	113,366	21,511	2,154,644	2,133,133	0.2835%
2008	1,427,170	490,808	215,450	28,335	19,866	16,950	3,361	114,199	21,315	2,337,454	2,316,139	0.2835%
2009	1,495,042	530,927	230,221	36,697	20,280	16,406	3,631	117,237	21,003	2,471,444	2,450,441	0.2835%

(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**

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>City Direct Rates:</b>											
City's share of 1% levy per prop 13	\$ 0.0765	\$ 0.0765	\$ 0.0765	\$ 0.0765	\$ 0.0765	\$ 0.0765	\$ 0.0765	\$ 0.0765	\$ 0.0765	\$ 0.0765	\$ 0.0765
General obligation debt rate	0.2100	0.2100	0.2100	0.2100	0.2100	0.2100	0.2100	0.2100	0.2100	0.2100	0.2100
<b>Overlapping Rates:</b>											
Detention Facilities 1987 Debt	0.0015	0.0014	0.0013	0.0011	0.0010	0.0010	0.0009	0.0008	0.0007	-	-
L.A. Co. Fl. Con. Storm Dr. D.S. #4	0.0005	0.0010	0.0009	0.0007	0.0006	0.0004	0.0002	-	-	-	-
Flood Con. Ref. Bonds 1993 Ds	0.0015	0.0008	0.0006	0.0004	0.0003	-	-	-	-	-	-
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	0.0080
Central Basin MWD	0.0089	0.0089	0.0088	0.0077	0.0067	0.0061	0.0058	0.0052	0.0047	0.0045	0.0043
L.A. County Comm. College District	0.0266	0.0266	0.0266	0.0426	0.0412	0.0465	0.0446	0.0409	0.0482	0.0353	0.0488
Los Angeles Unified School District	0.2207	0.2275	0.2368	0.2443	0.2330	0.2734	0.2849	0.2804	0.3028	0.3193	0.3207
Los Angeles County General	0.2585	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	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	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	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	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	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	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	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	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	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	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	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	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	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	0.0001
Co. Sch. Serv. Fd. - Los Angeles	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001	0.0001
<b>Total Direct Rate &amp; Overlapping Rates</b>	<b>\$ 1.2501</b>	<b>\$ 1.2566</b>	<b>\$ 1.2654</b>	<b>\$ 1.2872</b>	<b>\$ 1.2732</b>	<b>\$ 1.3178</b>	<b>\$ 1.3267</b>	<b>\$ 1.3177</b>	<b>\$ 1.3468</b>	<b>\$ 1.3495</b>	<b>\$ 1.3642</b>

**NOTE:**

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

Source: Los Angeles County Assessor's Office

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

Taxpayer	2009			2000		
	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.	\$ 22,652,309	1	0.92%			
RHA Partners Limited	19,478,936	2	0.79%	\$ 10,763,720	6	0.73%
Pacific Imedra Partners, LLC	18,351,887	3	0.75%	11,981,104	3	0.82%
Prings LLC	15,800,000	4	0.64%			
Home Depot USA, Inc.	15,204,366	5	0.62%			
HP 2071 Saturn LLC	13,872,000	6	0.57%			
McDonalds USA LLC	12,525,600	7	0.51%			
Nick Alexander Imports	11,517,783	8	0.47%			
Chin Star Inc.	11,013,317	9	0.45%			
Seville Gardens, LLC	10,217,861	10	0.42%			
Lonza Inc.				21,007,190	1	1.43%
City Housing Rugby Associates				13,510,178	2	0.92%
Ingersoll Dresser Pump Company				11,897,972	4	0.81%
Rita Partners				11,569,297	5	0.79%
Margarita Plaza Associates				9,966,699	7	0.68%
Joseph & Leona Fallas Trust				7,282,596	8	0.50%
Katina Torino				7,008,380	9	0.48%
Windsor Quality Food Company Ltd.				6,974,123	10	0.48%

**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*
2000	N/A	N/A	N/A	N/A	N/A	N/A
2001	N/A	N/A	N/A	N/A	N/A	N/A
2002	N/A	N/A	N/A	N/A	N/A	N/A
2003	N/A	N/A	N/A	N/A	N/A	N/A
2004	N/A	N/A	N/A	N/A	N/A	N/A
2005	N/A	N/A	N/A	N/A	N/A	N/A
2006	\$ 13,375,271	\$ 12,575,027	94.02%	\$ 1,223,182	\$ 13,798,209	103.16%
2007	15,274,437	14,896,843	97.53%	687,628	15,584,471	102.03%
2008	17,053,964	18,841,249	110.48%	904,308	19,745,557	115.78%
2009	18,496,794	18,191,533	98.35%	763,598	18,955,131	102.48%

**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.

\* 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								Percentage of Personal Income	Debt Per Capita <sup>1</sup>
	Lease Revenue Bonds	Tax Allocation Bonds	Notes, Loans and Agreements	Section 108 Loan	Installment Sale Agreement	Pension Obligation Bonds	Capital Leases	Total Governmental Activities		
2000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2001	\$ 78,610,000	\$ 3,250,000	\$ 40,895,458	\$ 3,465,000	-	-	\$ 700,343	\$ 126,920,801	6.35%	\$ 2,044
2002	77,550,000	3,250,000	46,392,385	3,115,000	-	-	891,588	131,198,973	6.40%	2,087
2003	76,315,000	3,250,000	56,205,249	2,780,000	-	-	720,680	139,270,929	6.50%	2,181
2004	74,170,000	3,250,000	63,336,854	2,475,000	-	-	470,271	143,702,125	6.33%	2,235
2005	73,415,000	3,250,000	74,034,609	2,325,000	-	\$ 23,050,000	254,507	176,329,116	7.28%	2,733
2006	70,370,000	3,250,000	81,904,182	2,165,000	\$ 10,000,000	23,050,000	54,360	190,793,542	7.27%	2,947
2007	67,031,074	3,250,000	98,044,787	9,159,000	10,000,000	23,000,000	1,098	210,485,959	7.71%	3,261
2008	55,166,116	-	114,457,692	8,974,000	9,905,458	22,850,000	-	211,353,266	N/A	3,283
2009	51,806,917	-	124,943,855	8,769,000	9,699,182	22,600,000	-	217,818,954	N/A	3,371

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

N/A - Not available

Notes:

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

Source: City Finance Department

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

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Assessed valuation <sup>1</sup>	\$ 1,480,627	\$ 1,533,763	\$ 1,609,938	\$ 1,691,740	\$ 1,756,988	\$ 1,809,469	\$ 1,975,708	\$ 2,154,644	\$ 2,337,454	\$ 2,471,444
Conversion percentage	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Adjusted assessed valuation	370,157	383,441	402,485	422,935	439,242	452,367	493,927	538,661	584,364	617,861
Debt limit percentage	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
Debt limit	55,524	57,516	60,373	63,440	65,886	67,855	74,089	80,799	87,655	92,679
Total net debt applicable to limit: General obligation bonds	-	-	-	-	-	-	-	-	-	-
Legal debt margin	55,524	57,516	60,373	63,440	65,886	67,855	74,089	80,799	87,655	92,679
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	\$ 2,450,440,066	
Redevelopment Agency Incremental Valuation	(1,201,271,863)	
Adjusted Assessed Valuation	<u>\$ 1,249,168,203</u>	
	Percentage	Outstanding
	Applicable <sup>1</sup>	Debt 6/30/08
		Estimated
		Share of
		Overlapping
		Debt
Overlapping Debt Repaid with Property Taxes:		
Metropolitan Water District	0.145%	\$ 136,897,241
Los Angeles Community College District	0.419%	2,408,509,547
Los Angeles Unified School District	0.516%	<u>8,047,943,411</u>
Total overlapping debt		<u>\$10,593,350,199</u>
City direct debt		<u>217,818,954</u>
Total direct and overlapping debt <sup>2</sup>		<u>\$ 269,636,498</u>

Notes:

<sup>1</sup> 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.

<sup>2</sup> 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**

Fiscal Year Ended June 30	Tax Allocation Bonds			
	Tax Increment	Debt Service		Coverage
		Principal	Interest	
2000	\$ 6,584,419	-	201,500	-
2001	7,584,276	-	201,500	-
2002	6,711,581	-	201,500	-
2003	7,246,738	-	201,500	35.96
2004	7,266,809	-	201,500	36.06
2005	7,412,095	-	201,500	36.78
2006	8,607,664	-	201,500	42.72
2007	10,183,611	-	201,500	50.54
2008	4,055,494	75,000	199,175	14.79
2009	*	*	*	*

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

Source: City Finance Department

\* - For fiscal 2009 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)
2000	61,124	\$ 1,897,900	\$ 31,050	8.3%
2001	62,082	1,998,233.33	32,187	8.7%
2002	62,863	2,050,276.75	32,615	10.3%
2003	63,865	2,141,840.51	33,537	10.6%
2004	64,307	2,270,615.86	35,309	9.9%
2005	64,528	2,422,574.70	37,543	8.2%
2006	64,747	2,624,713.89	40,538	7.3%
2007	64,547	2,728,918.07	42,278	7.7%
2008	64,374	N/A	N/A	10.7%
2009	64,617	N/A	N/A	16.0%

N/A Per Capita Personal Income was not available for calendar 2008 and 2009.

Sources:

- (1) California Department of Finance  
<http://www.dof.ca.gov/HTML/DEMORGRAP/ReportsPapers/ReportsPapers.asp>  
 Official estimate as of January 1st of each calendar year.
- (2) Bureau of Economic Analysis; for the Los Angeles-Long Beach-Santa Ana area  
 (City of Huntington Park data not available)  
<http://www.bea.gov/bea/regional/reis/default.cfm?catable=CA1-3&section=2>
- (3) California Employment Development Department LaborMarketInfo  
<http://www.labormarketinfo.edd.ca.gov/cgi/dataanalysis/AreaSelection.asp?tableName=Laborforce>  
 The unemployment rate is the annual rate for the City of Huntington Park with the exception of the following:  
 - 2008 annual rate was not available, therefore, the rate for June 2008 was used.  
 - 1999 City of Huntington Park rates were not available, therefore, the annual County of Los Angeles rate was used.

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

Employer	2006		2002	
	Number of Employees	Percent of Total Employment	Number of Employees	Percent of Total Employment
County of Los Angeles	93,200	1.92%	93,354	1.95%
Los Angeles Unified School District	74,632	1.54%	80,802	1.69%
Federal Government (3)	53,200	1.10%	56,100	1.17%
City of Los Angeles	53,471	1.10%	51,150	1.07%
University of California, Los Angeles	35,543	0.73%	36,354	0.76%
State of California (non-education)	30,200	0.62%	32,300	0.68%
Kaiser Permanente	32,180	0.66%	27,635	0.58%
Northrop Grumman Corp.	21,000	0.43%	10,000	0.21%
Boeing Company	15,825	0.33%	23,468	0.49%
Kroger Co. (former Ralph's Grocery Co.)	14,000	0.29%	17,211	0.36%

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

(2) - Information for 2009 and 2005 is not yet available. The information presented is the latest available.

(3) - Includes U.S. Postal Service

Source:

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

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

Function	Full-time and Part-time Employees as of June 30									
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
<b>General Government</b>										
Full-time	31	31	31	27	26	28	29	29	27	28
Part-time	2	1	2	6	3	4	5	5	4	5
Total	<u>33</u>	<u>32</u>	<u>33</u>	<u>33</u>	<u>29</u>	<u>32</u>	<u>34</u>	<u>34</u>	<u>31</u>	<u>33</u>
<b>Community Development</b>										
Full-time	15	13	13	8	10	12	14	21	17	15
Part-time	6	3	6	4	2	3	6	5	4	4
Total	<u>21</u>	<u>16</u>	<u>19</u>	<u>12</u>	<u>12</u>	<u>15</u>	<u>20</u>	<u>26</u>	<u>21</u>	<u>19</u>
<b>Community services</b>										
Full-time	10	9	9	9	8	8	10	11	12	12
Part-time	31	27	20	19	19	19	22	16	9	9
Total	<u>41</u>	<u>36</u>	<u>29</u>	<u>28</u>	<u>27</u>	<u>27</u>	<u>32</u>	<u>27</u>	<u>21</u>	<u>21</u>
<b>Public safety</b>										
Full-time	113	108	101	102	105	99	108	106	106	105
Part-time	21	18	24	27	27	22	22	15	16	16
Total	<u>134</u>	<u>126</u>	<u>125</u>	<u>129</u>	<u>132</u>	<u>121</u>	<u>130</u>	<u>121</u>	<u>122</u>	<u>121</u>
<b>Public works</b>										
Full-time	27	26	27	26	26	25	23	21	21	23
Part-time	2	2	2	0	0	0	0	0	0	0
Total	<u>29</u>	<u>28</u>	<u>29</u>	<u>26</u>	<u>26</u>	<u>25</u>	<u>23</u>	<u>21</u>	<u>21</u>	<u>23</u>
Full-time total	196	187	181	172	175	172	184	188	183	183
Part-time total	62	51	54	56	51	48	55	41	33	34
Grand Total	<u>258</u>	<u>238</u>	<u>235</u>	<u>228</u>	<u>226</u>	<u>220</u>	<u>239</u>	<u>229</u>	<u>216</u>	<u>217</u>

Source: City of Huntington Park Finance Department

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

	Fiscal Year									
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>Police:</b>										
Arrests	3,486	2,927	2,952	3,160	2,872	2,924	2,729	2,902	2,346 <sup>2</sup>	2,366
Calls for service	45,329	46,142	46,018	47,438	44,736	44,289	41,539	42,112	33,589 <sup>2</sup>	41,430
Traffic violations	9,225	13,230	13,271	11,123	8,803	6,467	5,256	4,961	4,129 <sup>2</sup>	7,124
Code enforcement inspections	1,623	1,797	N/A <sup>5</sup>	N/A <sup>5</sup>	2,101	2,409	618 <sup>3</sup>	506	906 <sup>4</sup>	972
<b>Public works:</b>										
Pounds of trash recycled	N/A	N/A	N/A	N/A	N/A	N/A	7,746	11,973	10,461 <sup>6</sup>	
<b>Parks and recreation:</b>										
Recreation classes	N/A	58	113	122	125	99	107	125	149	187
Recreation class participants	N/A	1,020	2,143	1,906	1,871	1,550	1,491	1,705	2,125	3,295
Facility rentals	N/A	14	24	64	126	121	371	575	365	419
Youth sport participants	N/A	N/A	N/A	N/A	N/A	N/A	823	883	797	920
Adult sport participants	N/A	N/A	N/A	N/A	N/A	N/A	534	746	392	852
<b>Water:</b>										
Average daily consumption (thousands of gallons)	N/A	4,837	5,140	5,185	5,051	5,047	4,899	4,762	4,751	4,542
<b>Community Development</b>										
<b>Planning permits:</b>										
Entitlements	N/A	N/A	N/A	N/A	N/A	17	18	22	26	7*
Legislative Action	N/A	N/A	N/A	N/A	N/A	4	4	5	6	9*
<b>Building permits:</b>										
New construction	N/A	N/A	N/A	N/A	N/A	13	12	6	11	6
Alteration/repair	N/A	N/A	N/A	N/A	N/A	451	515	376	267	259
Plan checks	N/A	N/A	N/A	N/A	N/A	175	186	157	145	100
Business license inspections	N/A	N/A	N/A	N/A	N/A	451	417	450	397	396

<sup>1</sup> - The information is activity from 9/1/99 - 12/31/99

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

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

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

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

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

\* 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 Eight Fiscal Years**

	Fiscal Year							
	2002	2003	2004	2005	2006	2007	2008	2009
Police:								
Stations	1	1	1	1	1	1	1	1
Substations	1	1	1	1	1	1	3	3
Field services:								
Residential streets (miles)	38	38	38	38	38	38	38	38
Traffic signals	53	53	53	53	53	53	53	53
Parks and recreation:								
Parks	6	6	6	6	6	6	6	6
Park acreage	31	31	31	31	31	31	31	31
Athletic Fields	8	8	8	8	8	8	8	8
Community centers	5	5	5	5	5	5	5	5
Water:								
Water mains (miles)	61	61	61	61	61	61	61	61
Wells	7	7	7	7	7	7	7	7
Plants	21	21	21	21	21	21	21	21
Wastewater:								
Sanitary sewers (miles)	51	51	51	51	51	51	51	51
Storm sewers (miles)	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