



CITY COUNCIL AGENDA REPORT



DEPARTMENT: Administrative Services

MEETING DATE: February 6, 2018

PREPARED BY: Buffy Bullis, Administrative Services Director

AGENDA LOCATION: AR-4

TITLE: Fiscal Year 2016-2017 Comprehensive Annual Financial Report

OBJECTIVE: To receive and file the Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2017

BACKGROUND: Each year, the City undergoes an extensive annual financial audit. This audit includes a review of the existing internal accounting controls with respect to document preparation and processing, separation of critical functions and duties, management and control of assets, and reliability of the computer systems to properly record transactions. In addition, major account balances and large dollar activities are reviewed to validate year-end balances.

From this review, the City's auditors and staff prepare the CAFR. The CAFR is the public document that summarizes accomplishments, financial results, and statistical data for the fiscal year. Major funds are grouped together, financial activities are summarized, and extensive footnote documentation is prepared.

The layout of the CAFR follows guidelines established by the Government Finance Officers Association (GFOA). Three major sections are presented:

- **Introductory Section** – This section includes a Letter of Transmittal, which discusses financial results, economic indicators, and major projects completed during the fiscal year. In addition, the Introductory Section also includes the City's Organizational Chart, a listing of Monrovia's officials, and other important information.
- **Financial Section** – This section includes the Independent Auditor's Report, Management's Discussion and Analysis, the audited financial statements, footnotes to the financial statements, and additional required supplementary information.
- **Statistical Section** – This section includes supplemental data not evident in the Financial Section, such as financial trend information and demographic information.

The CAFR presentation adheres to the guidelines of all Governmental Accounting Standards Board (GASB) Statements in effect at the time of the issuance of the report.

The CAFR consists of a series of financial statements that have been grouped into two different sections, government-wide financial statements and fund financial statements. The government-wide statements, which begin on Page 17, provide information about the activities of the City, as a whole, and present information about the City's finances on a full accrual basis, similar to a private-sector

AR-4

business. These statements are designed to provide readers with a broad overview of the City of Monrovia's finances. The Statement of Net Position and the Statement of Activities, which comprise the government-wide financial statements, report information about the City, in its entirety, and about its activities. These statements include all assets and liabilities of the City using the accrual basis of accounting. All of the current year's revenues and expenses are taken into account, regardless of when cash is received or paid. Additionally, these two statements report the City's net position and changes. Net position is the difference between assets and liabilities, which is one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position are an indication of whether its financial health is improving or deteriorating.

In the Statement of Net Position and the Statement of Activities, the City's activities are separated as follows:

Governmental Activities – Most of the City's basic services are reported in this category, including general government (city manager, city clerk, human resources, etc.), public safety (police and fire protection), public works, community development, community services, and interest on long-term debt. Property tax, sales tax, transient occupancy tax, interest income, franchise fees, and other revenues finance these activities.

Business-Type Activities – City services that recover all, or a significant portion of, their costs through user fees are reported as business-type activities. These activities function similarly to a business enterprise and include services such as water, sewer, storm drain, street sweeping and waste management activities.

Fund Financial Statements start on Page 21. For governmental activities, these fund statements tell how services were financed in the short-term, as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about each fund. The remaining fiduciary (Agency) fund statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government.

A summary overview of the financial activities and condition of the City as of June 30, 2017, can be found in the Management's Discussion and Analysis (M D & A) Section of the CAFR, which starts on Page 5.

ANALYSIS: Lance Soll & Lunghard, LLP, Certified Public Accountants, has been retained to audit the financial records of the City. Lance Soll & Lunghard has issued an unqualified opinion on the City's financial statements. This means the financial information presented in the City's accounting records and financial statements is accurately presented and free from material misstatement. In addition, an unqualified opinion indicates that the Finance Department is following appropriate accounting practices and regulations in recording day-to-day financial activities of the City.

Auditor's Report

In 2008, the American Institute of Certified Public Accountants (AICPA) issued Statement on Auditing Standards No. 115 (SAS No. 115), *Communication of Internal Control Related Matters Identified in an Audit*. SAS No. 115 is effective for financial statements with periods ending on or after December 15, 2009. Per the requirements of SAS No. 115, auditors are required to communicate internal control related matters to those charged with governance. Our auditors issued a report, dated December 12, 2017, regarding the City's internal control over financial reporting and the tests of compliance with certain provisions of law, regulations, contracts, grant agreements and other matters. The purpose of the report is to describe the scope of the testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of the audit. The report, which has been provided to the Audit Committee under separate cover, is intended solely for the information and use of

management, those charged with governance, federal awarding agencies, pass-through entities, and others within the organization.

Additionally, auditors must evaluate internal controls to determine that the financial statements under audit are, in fact, fairly presented in accordance with generally accepted accounting principles (GAAP). Lance Soll & Lunghard has issued an Independent Auditor's Report, which states that the financial statements present fairly, in all material respects, the respective financial position of the City. This report may be found in the Financial Section of the CAFR.

The City Council's and Management's Responsibilities

The City Council and management are responsible for overseeing the strategic direction and obligations related to the accountability of the City and its component units, including overseeing the financial reporting process. The City Council and management are responsible for:

- The City's financial statements and the selection and application of the accounting policies.
- Establishing and maintaining effective internal controls over financial reporting.
- Designing and implementing programs and controls to prevent and detect fraud.
- Identifying and ensuring that the City complies with the laws and regulations applicable to its activities.
- Making all financial records and related information available to the auditors.

Audit Committee

During fiscal year 2014-2015, the City Council approved the creation of an Audit Committee. As background, the Audit Committee serves as a means for the governing body to provide independent review and oversight of the government's financial reporting processes and internal controls. The Audit Committee also provides a forum for which the governing body can candidly discuss concerns with the auditors, independent from management. By effectively carrying out its functions and responsibilities, the Audit Committee helps to ensure that management properly develops and adheres to a sound system of internal controls, that procedures are in place to objectively assess management's practices, and that the independent auditors, through their own review, objectively assess the government's financial reporting practices.

For the FY 2016-17 audit, the Audit Committee met with the auditing firm before the start of the audit to discuss the level and focus of testing that would be performed. During the course of the audit, the Audit Committee also had the opportunity to meet to discuss the progress of the audit with the auditors. Finally, after the audit fieldwork was complete, the Audit Committee met with the auditors to discuss the results of the audit and to review a draft copy of the CAFR.

Currently, Councilmember Crudginton and Councilmember Blackburn serve as City Council's appointees to the Audit Committee.

Certificate of Achievement Award

In order to be awarded a Certificate of Achievement in Financial Reporting, a city must publish an easily readable and well organized CAFR. The CAFR must satisfy both applicable legal requirements and generally accepted accounting principles. Monrovia has received the Government Finance Officers Association (GFOA) financial reporting award for the last 23 years. Once again, the Administrative Services Department has submitted the City's 2016-2017 CAFR for consideration in the national award program.

The 2016-2017 CAFR is available on the City's website at www.cityofmonrovia.org.

ENVIRONMENTAL IMPACT: There is no environmental impact associated with receiving and filing the 2016-2017 CAFR.

FISCAL IMPACT: There is no fiscal impact associated with receiving and filing the 2016-2017 CAFR.

OPTIONS: As this is a receive and file report, there are no options presented.

RECOMMENDATION: Staff recommends that the City Council receive and file the report.

COUNCIL ACTION REQUIRED: If the City Council concurs, the appropriate action would be a motion to receive and file the Fiscal Year 2016-2017 Comprehensive Annual Financial Report.

MONROVIA

CALIFORNIA

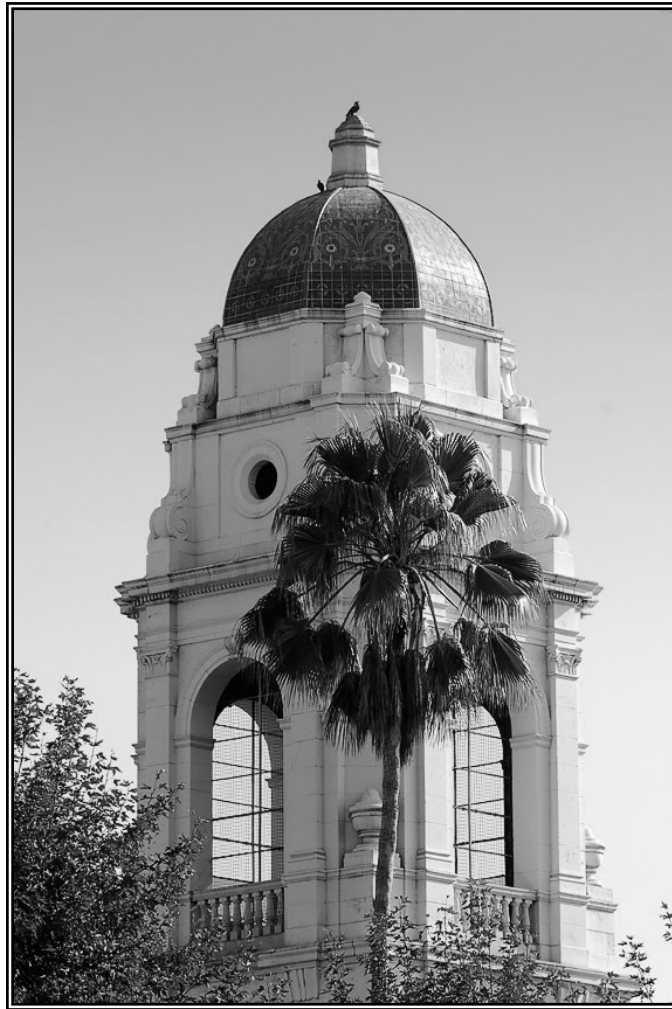


Comprehensive Annual Financial Report **CAFR**

Fiscal Year Ended June 30, 2017



City of Monrovia



Monrovia, CA

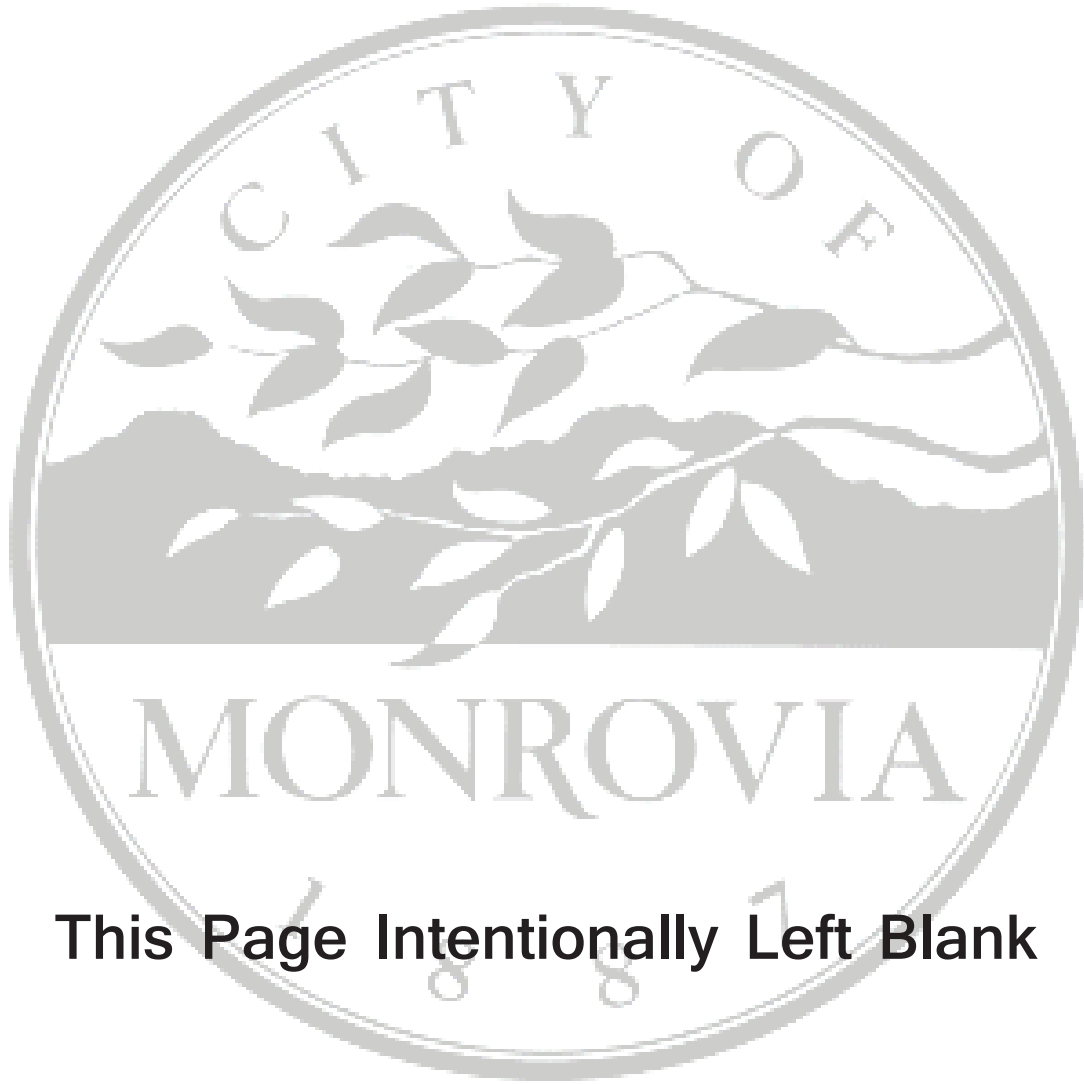
Comprehensive Annual Financial Report

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Fiscal Year Ended June 30, 2017



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CITY OF MONROVIA, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

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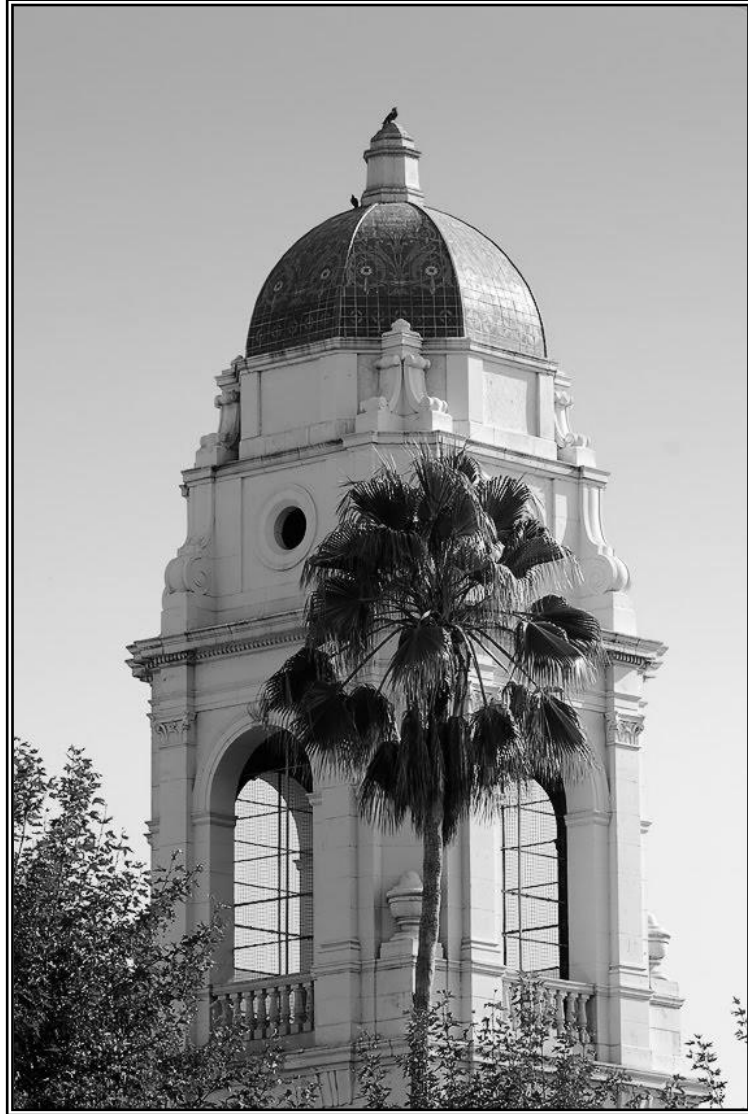
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INTRODUCTORY SECTION



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Administrative Services

December 12, 2017

Honorable Mayor and City Council
City of Monrovia
Monrovia, California

It is a great pleasure to present to you the City of Monrovia's Comprehensive Annual Financial Report (CAFR) for the 2016-17 fiscal year.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed information is accurate in all material respects and is reported in a manner designed to present fairly the financial position of the City. All disclosures necessary to enable an understanding of the City's financial activities have been included. In addition, the CAFR complies with the most current Governmental Accounting Standards Board (GASB) Statements. The GASB Statements continue to improve our financial reporting by adding significant additional information in local government financial statements.

In addition to the fund-by-fund financial information currently presented in the City's financial statements, government-wide financial statements are also included. The government-wide financial statements include a Statement of Net Position that provides the total net equity of the City, including infrastructure, and the Statement of Activities that shows the cost of providing government services. These statements have been prepared using the economic resources measurement focus and the accrual basis of accounting, versus the financial resources measurement focus and the modified accrual method used in the fund financial statements. A reconciliation report is provided as a key to understanding the changes between the two reporting methods. The Governmental Fund Statements also include an emphasis on the City's major funds. These statements, combined with other information, are further analyzed in the narrative section called Management's Discussion and Analysis (MDA). The MDA provides financial highlights and interprets the reports by analyzing trends and by explaining changes, fluctuations, and variances in the financial data. In addition, the MDA is intended to disclose significant events or decisions that affect the financial condition of the City.

History

The City of Monrovia is located in Southern California and is part of the San Gabriel Valley within Los Angeles County. More specifically, Monrovia is located 20 miles northeast of the City of Los Angeles. The City was incorporated on December 15, 1887, under the laws of the State of California. Monrovia operates under all the rights and privileges applicable to a general law city.

The Monrovia Redevelopment Agency (Agency) was created on March 4, 1969, pursuant to redevelopment law of the State of California commencing with Health and Safety Code Section 33000. Its purpose was to prepare and carry out plans for the rehabilitation, improvement, and development of blighted areas within the designated project area of the Agency. AB x1 26 abolished redevelopment agencies as of February 1, 2012. As a result, the Successor Agency to the former Monrovia Redevelopment Agency (Successor Agency) was formed on January 11, 2012. This was done to allow the Successor Agency to wind down the duties and responsibilities of the former Agency. The City Council serves as the Successor Agency's Board Members. As such, it is deemed to be financially accountable. Therefore, all former Agency and Successor Agency financial activities are blended with the City's financial statements.

The Monrovia Housing Authority (Housing Authority) was established on October 5, 2004. The creation of the Housing Authority was done to administer the affordable housing needs and requirements of the City. The housing assets of the former Monrovia Redevelopment Agency were transferred over to the Housing Authority when the Monrovia Redevelopment Agency was dissolved, so that the City could continue to provide affordable housing opportunities for residents.

The Monrovia Financing Authority (Financing Authority) was established on February 6, 1996. The Financing Authority was created to facilitate the proper completion of a loan refinancing with the State Department of Water Resources. Since that time, the Financing Authority has also facilitated other debt financings within the City. The bylaws of the Financing Authority establish the City Council as the governing body. This entity is blended into the City's combined financial statements.

The Monrovia Wilderness Preserve Foundation, Inc. (Foundation), a nonprofit public benefit corporation, was created on November 22, 2000, to acquire property in the Monrovia foothills to be used as a wilderness preserve for the protection of existing natural resources and to provide outdoor educational activities to nearby schools. It also serves as a mechanism to help secure funding for improvements to all City parks. The Foundation has a separate governing board, which is comprised of City Council members, employees, members of the Community Services Commission, and members of the public.

The City of Monrovia is a full-service city, with its own police, fire, and utility services departments. The City employs approximately 250 full-time employees. Being the fourth oldest incorporated city in California has meant that there are many older, historic homes throughout the City, many of which are nestled in the foothills of the San Gabriel Mountains. Historic preservation is a very high priority in our community. To that end, Monrovia is one of the leading cities in California granting historic preservation status. Currently, the City has granted approximately 143 historic preservation designations and 2 historic district designations within the community.

Economic Condition and Outlook

Although the focus of this Comprehensive Annual Financial Report is based on the economic condition of the City at June 30, 2017, the information presented is best understood within the context of the City's broader economic conditions.

Over the last several decades, Monrovia has continuously tried to create a self-sustaining, diverse economy. This diversity has created a well-balanced labor pool to support the retail, manufacturing, and service based industries located within the community. Housing prices attract a variety of owners and renters, and proper land use decisions have allowed Monrovia to weather economic downturns. The local economy is strengthened by the City's accessibility to the Los Angeles Metropolitan Area. The recently-completed Gold Line light rail system provides mobility for Monrovia's residents to access Downtown Los Angeles and surrounding areas.

The City's population has seen steady growth over the years, with a current population of 38,514. The City's unemployment rate has consistently improved since 2009 and is currently lower than that of both the County of Los Angeles and the State of California.

Assessed valuation of citywide property has always been a solid benchmark reflecting the state of our local economy. For FY 2016-17, countywide assessed valuation increased by 5.49%, and for FY 2017-18, assessed valuation increased by 6.03%. This is the sixth straight year of growth in excess of 2%, after several of years of minimal growth and/or negative growth, due to the recession.

For our City, secured property tax revenue increased by approximately 4.69% for FY 2016-17, and by 5.58% for FY 2017-18. This growth rate coincides with our historical long-term average growth. Because Monrovia is a well-established, built-out community, we are less vulnerable to the housing bubble cycles that can negatively impact City finances. In other words, our long-term property value growth is steady and consistent, despite housing upturns or downturns. In fact, over the last ten years, the City's total assessed valuation has never declined, even during recessionary years.

After the economic downturn that occurred between 2008 and 2012, the City has repositioned itself to regain all of its lost sales tax growth from those years. Our low point for sales tax was in FY 2009-10, when we collected \$7.2 million in revenues. Before the recession, our high was \$9 million in FY 2007-08. Our projection for FY 2017-18 is \$10.4 million. To that end, we have now recouped our lost growth and are reaching for new highs in sales tax revenues. That being said, the diversified sales tax base that exists in Monrovia helps to ensure a consistent stream of revenues from year to year. The City's strongest sales tax producers include autos / transportation, building / construction, general consumer goods, and restaurants / hotels. Together, these industries provide over 75% of the City's total sales tax revenues each year. The City is forecasting continued growth of around 3% going forward.

In addition to consistent and steady property and sales tax growth, new development activity in Monrovia contributes to a strong fiscal position for the City. The need for additional housing, driven by the growth in the economy, population, and employment in the Southern California Region, has positively impacted development in the City. Currently, Monrovia is experiencing growth in both commercial and residential development.

The City has adopted a balanced budget for the 2017-18 and 2018-19 fiscal year. Every year, based on economic conditions, mid-year adjustments are made to revenues and expenditures. The City Council reviews and makes necessary adjustments to reflect any revenue and expenditure projection changes, but always retains a balanced budget. It is important for the City to monitor and control all potential expenditure increases, as it is difficult to always expect revenues to continue to keep pace. In addition, the City is focused on looking at ways to set aside reserves for future needs.

Major Accomplishments for the Year:

The City of Monrovia's mission is clear. We exist to serve the people of Monrovia to create a community that offers a premier quality of life. Our core values are based on being humble, hungry, loyal, and smart. The four strategic goals that have guided the City are:

1. Enhance Organizational Capacity
2. Enhance Community Infrastructure
3. Enhance Fiscal Sustainability
4. Enhance Relationships with the Community

During fiscal year 2015-16, the City Council undertook a process of adopting these four key strategic goals to support the City's overall thematic objective of *Renewal*. This thematic objective of *Renewal* can be seen in many of the City's accomplishments during the 2016-17 fiscal year.

In fiscal year 2015-16, the City Council approved an initiative called *Monrovia Renewal*, which is an estimated \$51.7 million project that seeks to facilitate the improvement of deferred street, sidewalk, water system, and sewer line maintenance initiatives. The overall plan calls for the repair of every street in the City that has a pavement condition index rating of less than 70, the implementation of necessary water transmission pipe replacements, the improvement of water production facilities, and the upgrade of all sewer lines in need of repair. *Monrovia Renewal* began construction during FY 2015-16 and was in full production during the 2016-17 fiscal year, with \$9.5 million in infrastructure being added to the City's capital asset inventory as a result of project expenditures in FY 2016-17. The project is expected to continue over the next three fiscal years.

In addition to *Monrovia Renewal*, the City's overall thematic objective of *Renewal* is also evident in the City's development and implementation of a comprehensive Citywide CIP plan. During the 2016-17 fiscal year, the City invested approximately \$4.4 million in capital assets and infrastructure as part of the Citywide CIP plan. Major work was performed on the following projects:

- Mountain Avenue/ BMW Pedestrian Crosswalk
- Street Sign Replacement Survey
- Julian Fisher Park
- Canyon Park Entrance Trail
- Huntington Drive Median Upgrades
- Monrovia Legacy Project
- Trakit Permitting Program
- Sidewalk Repairs (Non-Renewal)
- Catch Basin Storm Drain Design
- Police Department Office Renovations
- FATS Machine Replacement
- Spillman Module Update
- Hillside Wilderness Preserve Fire Road Repairs and Trail Repairs
- Foothill Boulevard Improvement Project
- Station Square Park Modifications
- Huntington Drive Phase II
- Huntington Drive Concrete Curb Repairs

In addition, work was completed on 22 other various CIP projects. In total, the Citywide CIP plan includes approximately 83 different projects that are at different stages of completion.

Coupled with a focus on developing and investing in infrastructure and capital, the City has also worked to maintain positive employee relations while effectively managing salary and benefit costs. To that end, during the year, the City was able to successfully negotiate five-year labor agreements with all of its bargaining groups. The agreements are effective for FY 2017-18 through FY 2021-22. This major achievement provides for financial stability in managing the City's salary and benefit costs.

Major Initiatives for the Future:

In June 2017, the City Council approved the Fiscal Year 2017-19 Two-Year Budget. In an effort to address all of the City Council directed objectives, the Fiscal Year 2017-19 two-year budget presents spending plans focused on the execution of significant capital infrastructure and facility improvements,

enhancing public safety initiatives, advancing historic preservation / neighborhood compatibility practices, and addressing economic development priorities. These goals involve many processes and projects that are aligned with our mission to serve the people of Monrovia to create a community that offers a premier quality of life.

Investing in capital infrastructure and facility improvements is one of the key initiatives incorporated in the two-year budget. In addition to the *Monrovia Renewal* program, the City also incorporated \$5.6 million in capital expenditures for its Citywide CIP plan. CIP projects include Fire Station 103 Upgrades, the Comprehensive Old Town Project, the Bradoaks / Santa Fe Project, the Comprehensive Library Park Upgrades Project, among many others.

With the opening of the Gold Line light rail in March of 2016, the City continues to focus on creating residential housing in and around the Station Square area, along with retail and restaurant amenities. The City instituted flexible new land use regulations in the area surrounding the Gold Line and Station Square to allow for enhanced development activities. Taken together, these factors have resulted in a tremendous influx of private investment into the City, as more than \$500 million worth of housing, retail, and restaurant-related projects have been proposed. Currently, a 261-unit luxury apartment complex project, MODA at Monrovia Station, which is adjacent to the Gold Line, is currently under construction and is expected to be completed in 2018.

The City continues to work with developers interested in other potential land sites in and around the Station Square area. The elimination of the Redevelopment Agency in 2012 created challenges to the City's long-term economic development plan. However, the City has identified other avenues for promoting development. The City and the Successor Agency continue to focus on finding strong development companies who can build residential and/or commercial development projects that will complement the Station Square area. While the City's ability to provide any type of significant financial assistance for these types of development projects went away, the City continues to focus on creating strong public / private partnerships to assist with these long-term plans.

In addition to development located around the Gold Line and Station Square area, there are several other key development projects underway. Located at the corner of Fifth Avenue and Huntington Drive, the Areum Project, a 154-unit luxury apartment complex project, has recently completed construction and is preparing to open for operation soon. In addition, there are 5 other additional residential development projects anticipated to be entitled over the next 12 months. Overall, it is expected that over 1,700 additional units of residential housing stock will be added to the City's housing inventory over the next several years.

During the past 24 months, there has also been an increase in commercial development. There has been an addition of 300,000 square feet of new high-end office space in the City, which has added approximately 2,000 new jobs in the City. This new addition of office space has been primarily in the science / technology fields, along with corporate office space users, and the community has added businesses such as Beckman Research Institute, the City of Hope, Aerovironment, Cacique, Worley Parsons, Oak Crest Institute of Science, Yang Ming Shipping, and Southern California News Group.

Tourism activity and hotel occupancy rates also continue to do well in Monrovia. Hotel occupancy tax revenues continue to be a strong revenue source for the City and provide 7% of the City's General Fund revenues. In addition to the existing 6 hotels that operate in the City, a new Marriott TownePlace Suites is in the planning stages and is expected to receive entitlement approval in early 2018. This new hotel, located at the corner of Myrtle Avenue and Huntington Drive, is a 113 room, 5-story project that will add 68,000 square feet of building space to Monrovia.

While there are many positive financial prospects on the horizon for the City, the City must be proactive in managing possible financial threats. One of the biggest financial issues impacting the City is rising pension costs. The City is a member of the California Public Employee Retirement System (CalPERS) and, during the past five years, CalPERS has systematically implemented a series of significant rate adjustments to address rising Unfunded Accrued Liability (UAL) levels associated with California's public sector pension system. The most recent of those rate increases was approved in December 2016, and significant annual increases in the City's required UAL payments will be instituted beginning July 1, 2018. Along with Monrovia, this is an issue that will impact nearly every governmental agency in California in the coming years.

In response to these increasing costs, City management began analyzing UAL cost increase impacts to the City's finances over the next few years. Based on management's analysis, the City's overall UAL costs and pension liability payments would increase by approximately 82% during the next five-year period, growing from a current cost of \$4.9 million in FY 2017-18 to \$8.9 million in FY 2022-23. In FY 2030-31, it is estimated that the City's overall UAL costs would be around \$11 million. This means that during the next 13 year period, the City's UAL costs will increase by 125% over its current level of \$4.9 million per year, to around \$11 million annually. Concurrently, the City also has other unfunded pension liability costs that will add an average of around \$1.4 million per year in additional costs through FY 2025-26.

Beginning in the spring of 2017, management and the City Council began discussing options for addressing the impact that these increased costs will have on Monrovia's future fiscal sustainability. Without instituting a thoughtful response to these issues, the current CalPERS pension cost structure would severely impact the City's operational capacity.

In November 2017, after thoughtful consideration, the City Council approved a CalPERS Response (CPR) Plan involving five (5) response actions. The 5-point CPR Plan involves the following components:

1. Employee CPR Giveback Plan - The City met with all bargaining groups to develop an overall Employee CPR Giveback Plan, whereby all employees agreed to contribute more towards pension costs, resulting in a savings to the City of approximately \$300,000 annually.
2. Issuance of Pension Obligation Bonds – The City issued Pension Obligation Bonds (POB's) in December 2017 to refinance all of the City's existing UAL and pension liability debt, thereby stabilizing pension liability payments at a uniform and level annual amount.
3. Adoption of a New UAL Funding Policy – The City adopted a new UAL Funding Policy that provides guidelines to address and payoff any new future pension liabilities that arise after the payoff of the UAL. Specified payoff periods are outlined in the new policy.
4. Proposal to Increase the City's Transient Occupancy Tax (TOT) Rate From 10% to 12% - In December 2017, the City Council approved a ballot measure for 2018 to increase the City's Transient Occupancy Tax (TOT) Rate from 10% to 12%. If approved by the voters, this would increase TOT revenues by approximately \$400,000 annually.
5. Creation of Community Facility Districts (CFD's) for Significant New Residential Development Projects – In December 2017, the City Council approved the creation of CFD's for significant new residential development projects in the City, which, depending on development patterns during the next several years, could increase property tax related revenues by approximately \$300,000 annually.

Given the continued growth in new developments and the implementation of the City's CPR Plan, the City is confident that it has positively positioned itself to ensure its strong fiscal health in the years to come.

Other Financial Information

Internal Controls

The management of the City is responsible for establishing and maintaining an internal control structure to ensure that the assets of the City are protected from loss, theft, or misuse, and to ensure that adequate accounting data is compiled for the preparation of financial statements, in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control structure should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgetary Controls

The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of all governmental-type funds and enterprise-type funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) adopted by City Council is established at the fund level. Formal budgetary integration is employed as a management control device. The City maintains an encumbrance accounting system for all governmental-type funds. Encumbrances and appropriations for unfinished capital projects will generally be re-appropriated as part of the following year.

The City of Monrovia operates under a philosophy of community involvement and cooperative effort. The City Council established strategic goals in order to outline a roadmap to success for upcoming years. A list of the strategic goals and priorities is shown on page viii.

In conjunction with establishing goals and priorities, the City follows "Principles of Financial Management." Fourteen separate principles have been established as the foundation for meeting the Fiscal Responsibility priority. The purpose of these standards is to build a foundation for establishing balanced resource allocation and appropriation levels in the upcoming budget. The principles reflect responsible, conservative fiscal practices. In addition, they provide a buffer from quick fixes or solutions that could lead to long-term financial problems.

Cash Management

The City manages a pooled investment program for all funds in which temporarily idle cash is invested in a variety of instruments. The investment program is managed in accordance with the Investment Policy approved by the City Council annually. Safety, liquidity, and yield, in that order, are the objectives of the investment program. Investments are diversified among investment tools that include Certificates of Deposit, Federal Agency Securities, and the State of California's Local Agency Investment Fund (LAIF), among others. Monthly reports on investment status and activity are provided to the City Council.

Financial Policies

Financial policies that have directly affected the City's financial statements include a focus on *Enhancing Fiscal Sustainability*, Strategic Goal # 3. In 2009, the City implemented a new defined contribution retiree medical plan to supplement the current defined benefit plan. All new general and fire department

employees, as of February 1, 2009, are enrolled in the defined contribution plan. Under the defined contribution plan, both employee and employer contributions are put into a trust vehicle. Employee contributions cannot be accessed until the employee separates employment from Monrovia, either through retirement or through employment separations.

All current general and fire employees were given a one time election to opt into the new retiree medical plan. The new plan does not create an unfunded liability because all contributions must be made every pay period. However, the City still has an unfunded liability for the grandfathered retiree medical plan.

Effective July 1, 2017, as part of the new labor agreements, all newly-hired police sworn and non-sworn employees will begin participating in the defined contribution program. However, police employees hired before July 1, 2017, will still be enrolled in the previous defined benefit plan. This change in benefit will help to control the growth of the unfunded liability, as new employee benefits will be paid on an annual basis and will not result in liability growth.

All City employees are paying the employee portion of pension costs, in addition to the amounts defined in the Employee CPR Giveback Plan. All new hires fall under the guidelines of PEPRA (Public Employee Pension Reform Act), and as of January 1, 2014, all applicable healthcare changes from the Affordable Healthcare Act were implemented.

Debt Administration

The City has no outstanding general obligation bonds as of June 30, 2017. Below is a listing of other debt outstanding at June 30, 2017:

Debt outstanding of the City of Monrovia includes:

- 2010 Pension Obligation Bonds, for \$10,970,000
- 2015 Hillside Wilderness Preserve Lease Revenue Bonds, for \$5,615,000
- 2016 Lease Revenue Bonds, for \$13,445,000
- 2016 Water and Sewer Lease Revenue Bonds, for \$36,370,000
- 2017 Lease Revenue Refunding Bonds, for \$13,865,000

Debt outstanding of the Successor Agency to the Monrovia Redevelopment Agency includes:

- 2012 Subordinate Tax Allocation Refunding Bonds, for \$10,290,000
- 2013A Subordinate Tax Allocation Refunding Bonds, for \$8,820,000
- 2013B Subordinate Tax Allocation Refunding Bonds, for \$2,770,000
- 2015A Tax Allocation Refunding Bonds, for \$18,020,000
- 2015B Tax Allocation Refunding Bonds, for \$3,835,000
- 2017 Tax Allocation Refunding Bonds, for \$5,420,000
- Pass thru agreement with Los Angeles County, \$5,281,167

Risk Management

The City is a member of the California Joint Powers Insurance Authority for liability, property, and risk management insurance coverage. The Authority was established in 1978 for the purpose of providing liability protection for its members from losses from lawsuits. Today, it is one of the largest municipal self-insurance pools in the state.

The California JPIA works with its members to reduce the frequency and severity of claims. Monrovia has a specific Risk Manager assigned to serve our needs and to help us determine our risk management strategy.

Independent Audit

The City requires an annual audit by independent certified public accountants. The accounting firm of Lance Soll & Lunghard, LLP, conducted this year's audit. The auditor's report on the basic financial statements, which include the government-wide and fund financial statements, is located in the financial section of this report.

Financial Reporting Recognition

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Monrovia for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2016. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current Comprehensive Annual Financial Report continues to meet to the Certificate of Achievement Program's requirements and, therefore, we are submitting the report to GFOA to determine its eligibility for another certificate.

Acknowledgements

The City's Comprehensive Annual Financial Report was prepared through the combined efforts of City staff. Special recognition is due the Administrative Services Department, in particular Alex Kung, Michie Hernandez, Ruth Chavez, Rae Bowman, and Emy-Rose Hanna for their hard work and effort closing the books for the fiscal year and ensuring timely and accurate reporting. Michie Hernandez, especially, was instrumental in leading the annual financial audit and coordinating the overall completion of the CAFR. I am truly appreciative for the hard work and dedication of our hard working staff.

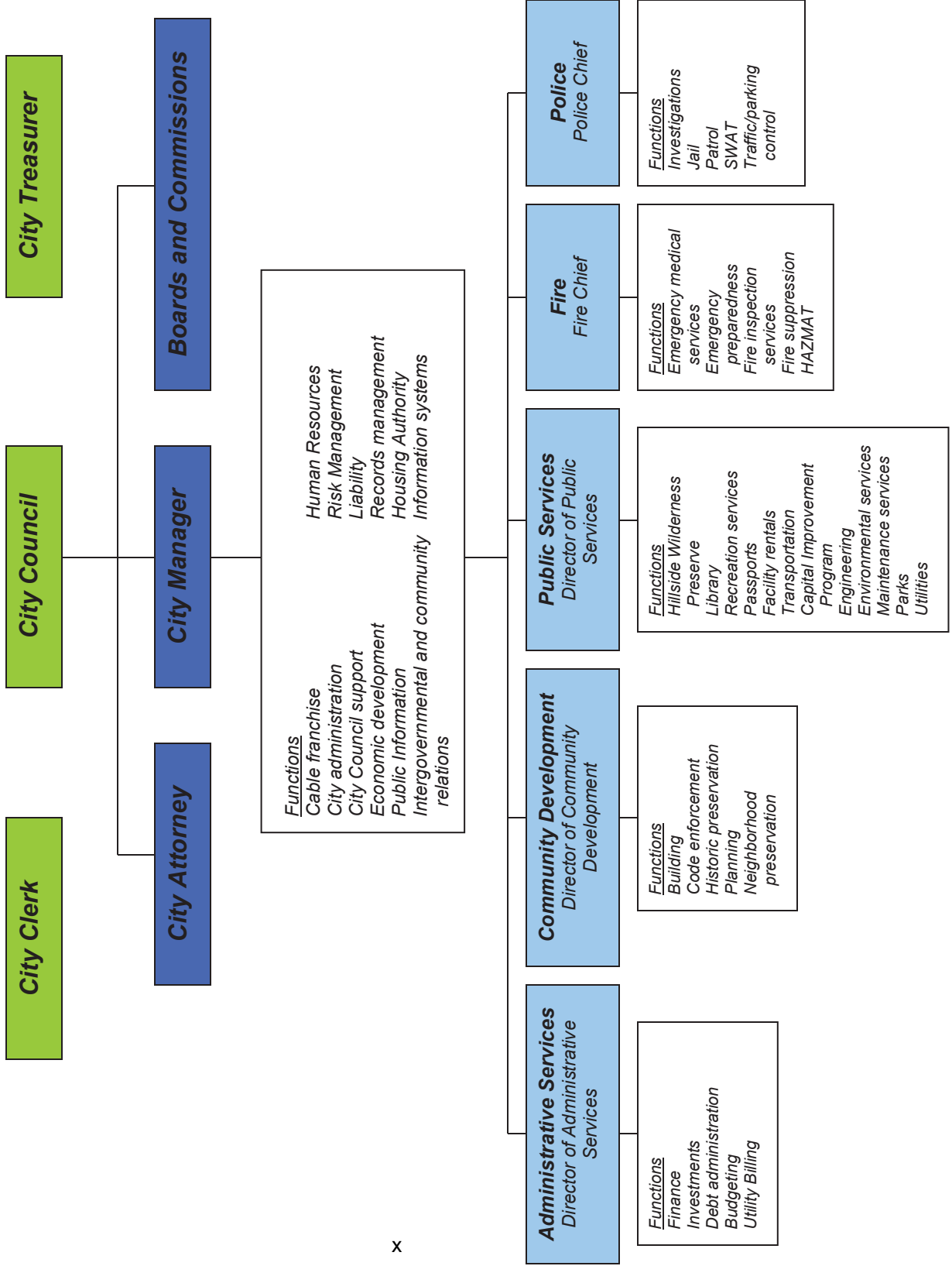
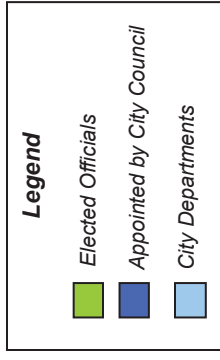
Lastly, without the leadership and support of the Mayor, the City Council, and the City Manager, the preparation of this report would not have been possible. The commitment of the City Council and City Manager toward achieving and maintaining the highest standards for the management of the City's finances is greatly appreciated.

Respectfully submitted,



Buffy J. Bullis
Administrative Services Director

City of Monrovia Organizational Chart



City of Monrovia

Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2017

CITY COUNCIL

**Tom Adams, Mayor
Gloria Crudgington, Mayor Pro Tem**

**Alexander C. Blackburn
Councilmember**

**Becky A. Shevlin
Councilmember**

**Larry J. Spicer
Councilmember**

ELECTED OFFICIALS

**Alice D. Atkins, CMC, City Clerk
Stephen R. Baker, City Treasurer**

MANAGEMENT TEAM

Oliver Chi, City Manager

**Buffy Bullis, Administrative Services Director
Tina Cherry, Public Services Director
Brad Dover, Fire Chief
Alan Sanvictores, Chief of Police
Craig Jimenez, Community Development Director
Lauren Vasquez, Deputy City Manager**

Submitted By:

***Administrative Services Department
June 2017***



Government Finance Officers Association

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

Presented to

**City of Monrovia
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Executive Director/CEO

Citywide Thematic Goal

Renewal

Citywide Strategic Goals

The City has established four strategic goals in support of our current thematic goal of *Renewal*. Those four strategic goals include the following:

Strategic Goal 1: Enhance Organizational Capacity

- Achievement of this goal will be accomplished by pursuing work plan items which build a mission-driven & values-based organizational culture, establish people-oriented organizational systems, remove obstacles which impede the ability of our people to achieve success, and establish performance management systems that gauge operational effectiveness.

Strategic Goal 2: Enhance Community Infrastructure

- Achievement of this goal will be accomplished by pursuing work plan items which implement Citywide capital infrastructure improvements, enhance neighborhood compatibility, and augment historic preservation practices.

Strategic Goal 3: Enhance Fiscal Sustainability

- Achievement of this goal will be accomplished by pursuing work plan items which support the development of structurally balanced operating budgets, pursue new economic development opportunities, and enhance office-based occupancy rates.

Strategic Goal 4: Enhance Relationships with the Community

- Achievement of this goal will be accomplished by pursuing work plan items which serve to enhance community trust in all City operations, expand Community Activist Policing programs, inspire excellence in customer service, and provide enhanced opportunities for civic engagement.

Principles of Financial Management

PRINCIPLE I **CITY BUDGETS MUST BALANCE**

The City Council will continue to adopt balanced budgets on an annual basis. Annual audited financial reports confirm the adoption of a balanced budget, and note any discrepancies. These financial reports are used by the financing community to gauge the City's credit worthiness, among other issues.

PRINCIPLE II **THE CITY SHALL MAINTAIN PRUDENT RESERVES**

Adequate reserves of funds shall be established to meet future capital needs, to offset economic hard times, to stabilize fluctuations in cash flow requirements, and to provide for emergency situations.

PRINCIPLE III **THE CITY SHALL ENDEAVOR TO MAINTAIN COMPETITIVE COMPENSATION**

The City wishes to continue positive labor relations, be competitive in the market place, and desires to attract and retain top talent. Competitive salary and benefits will be provided to all employees within the City's means, with the expectation that services being provided by staff will continue to be exemplary.

PRINCIPLE IV **THE CITY SHALL MAINTAIN ITS INFRASTRUCTURE**

Ongoing, preventative maintenance is an essential component of the City's operations. Adequate funding shall be allocated in current years to minimize expenditures in future years. Infrastructure maintenance includes, but is not limited to, streets, sewers, storm drains, water systems, sidewalks, lights, and parks.

PRINCIPLE V **THE CITY SHALL AMORTIZE CAPITAL COSTS**

To the extent possible, the cost of replacing or expanding existing facilities and equipment will be fully amortized as a continuing cost of doing business. With respect to equipment, rates shall be established to recover the replacement cost of each item at the end of its useful life. Facilities will be amortized to cover ongoing maintenance and cyclical repairs, and for the replacement or expansion of major structures.

PRINCIPLE VI **THE CITY SHALL ONLY BORROW WHAT IT CAN AFFORD TO REPAY**

Loans and other external obligations will be established wisely to level out costs. Refinancing of existing debt will take place when market conditions lend themselves to economic gains. The City shall not overextend indebtedness, which may cause undue financial burdens in subsequent years.

PRINCIPLE VII **THE CITY SHALL FUND ONGOING COSTS WITH ONGOING REVENUES**

Cost must be matched with revenues. Ongoing costs shall only be funded with ongoing revenues. One-time costs can be funded with one-time revenues. However, ongoing costs cannot be funded by one-time revenues.

PRINCIPLE VIII **THE CITY SHALL BASE ITS BUDGET ON REALISTIC ESTIMATES**

The City shall make its budgetary and financial decisions on conservative estimates of revenues and expenditures.

PRINCIPLE IX **THE CITY SHALL COMPETITIVELY PROCURE GOODS AND SERVICES**

Significant savings of tax dollars can be obtained through the competitive bidding of purchases of goods and services. The City shall seek market prices or proposals for all significant purchases of goods and services, including periodic market testing of internally-provided services, consistent with the City's purchasing policy. Preference will be given to Monrovia businesses.

PRINCIPLE X **THE CITY MUST KNOW ITS TRUE COSTS**

The City shall maintain current full business costs of providing each and every City-provided service. In addition, the City shall make conscious decisions about cost recovery and/or general tax subsidy of those services which benefit only portions of the tax-paying public.

PRINCIPLE XI **THE CITY SHALL PLAN AHEAD**

The City shall examine its financial condition periodically by forecasting several years into the future. In this way, adverse trends can be anticipated and better managed.

PRINCIPLE XII **THE CITY SHALL MAKE AND REPORT ITS FINANCIAL DECISIONS PUBLICLY**

Public involvement is encouraged in budgeting and financial planning. The City Council shall make all non-routine or non-administrative financial decisions in public at regularly scheduled meetings, and the results of such decision-making shall be reported in a timely manner through Comprehensive Annual Financial Reports and public information documents.

PRINCIPLE XIII **THE CITY SHALL OPPOSE MANDATED PROGRAMS WHICH ARE UNFUNDED**

Federal and State Government regularly adopt laws which mandate local compliance or implementation. The City is forced to incur additional operating costs, and no funding is provided to pay for these mandates. The City shall have a general policy against unfunded mandates that have an adverse impact to Monrovia's services and budget.

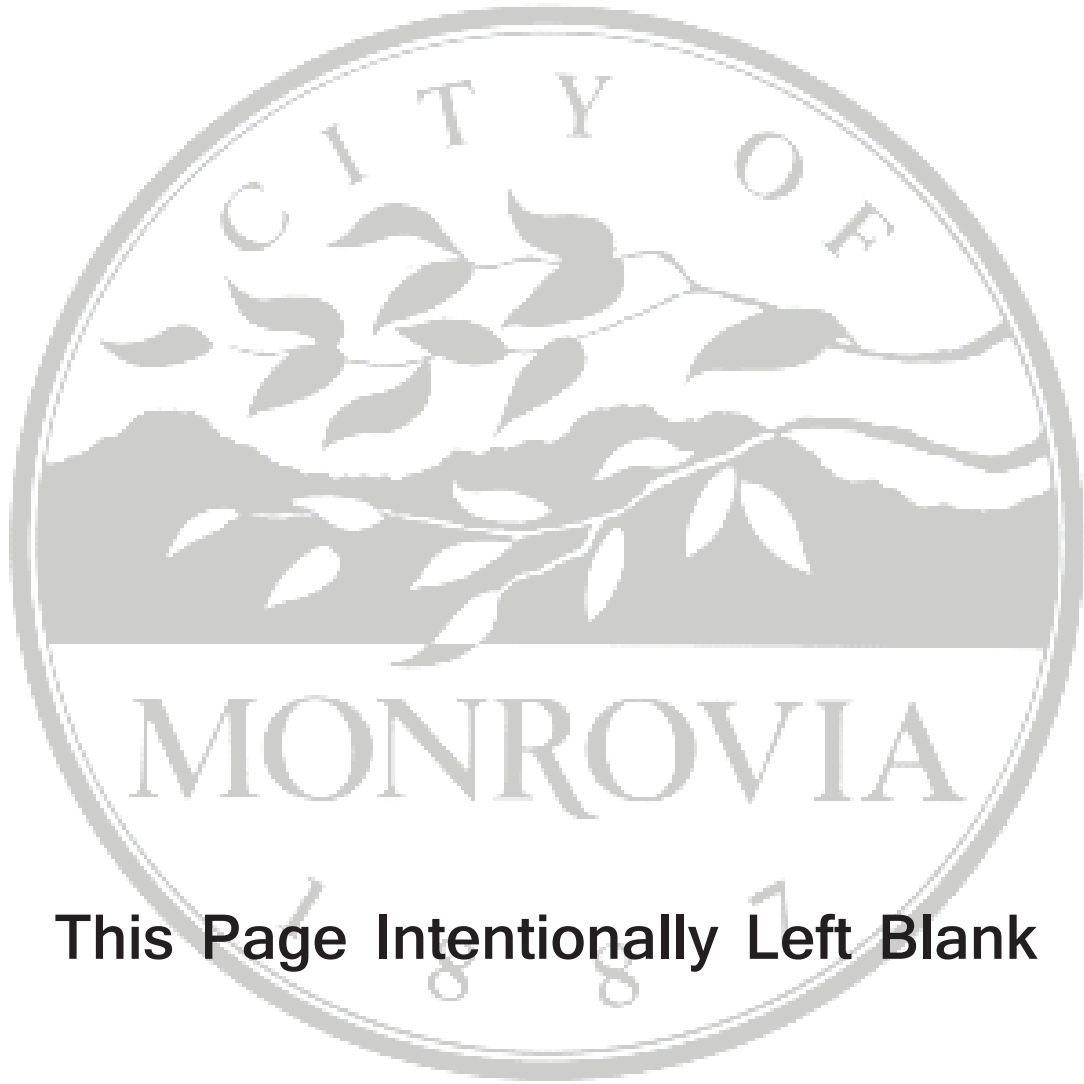
PRINCIPLE XIV **THE CITY SHALL CONSERVATIVELY INVEST ITS IDLE CASH**

The City will invest its idle cash in a conservative manner so as to safeguard public funds. Investment instruments will be chosen using safety, liquidity, and yield as the selection criteria.



**FINANCIAL
SECTION**

FINANCIAL SECTION



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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council
City of Monrovia, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Monrovia, California, (the City) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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



To the Honorable Mayor and Members of the City Council
City of Monrovia, California

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 Monrovia, California, as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules as listed in the table of contents for the general fund and major special revenue funds, the schedule of changes in net pension liability and related ratio, the schedule of contributions, and the schedule of proportionate share of the net pension liability be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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



CPAs AND ADVISORS

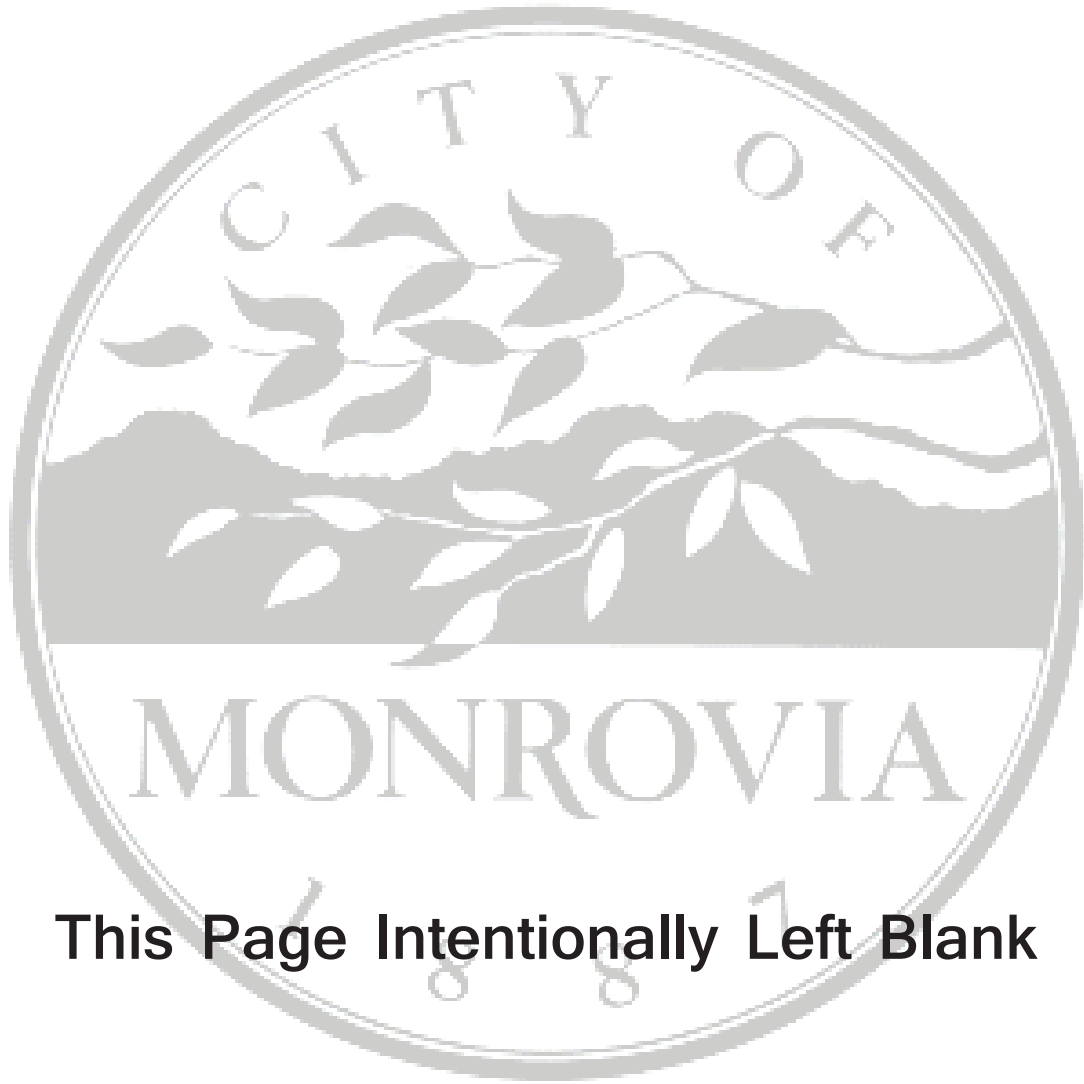
To the Honorable Mayor and Members of the City Council
City of Monrovia, California

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2017 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

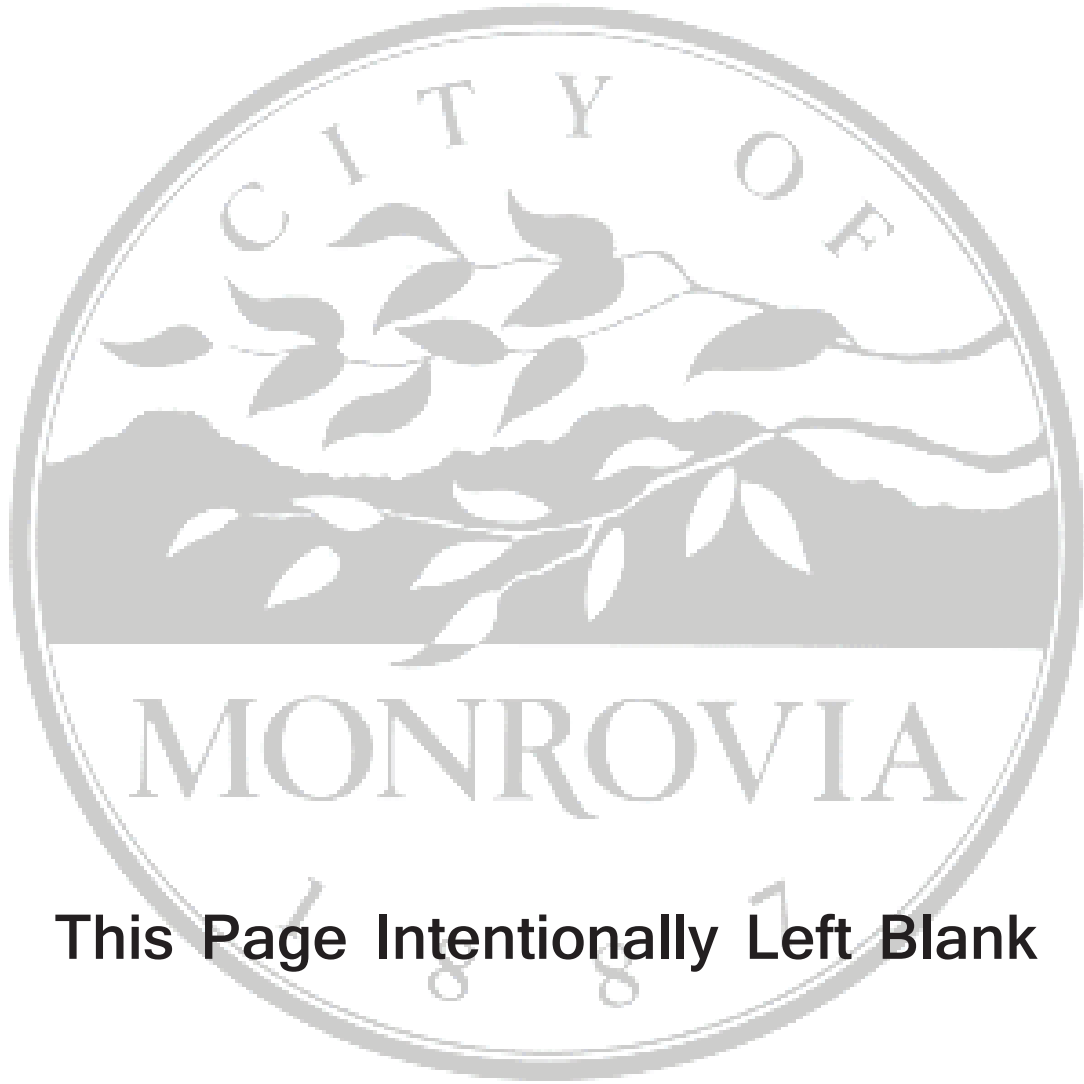
Lance, Soll & Lughard, LLP

Brea California
December 12, 2017



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**MANAGEMENT
DISCUSSION AND
ANALYSIS**



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MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Monrovia, we offer readers of the City of Monrovia's financial statements this narrative overview and analysis of the financial activities of the City of Monrovia for the fiscal year ended June 30, 2017. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our Letter of Transmittal and the City's financial statements.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the City, as a whole, exceeded its liabilities and deferred inflows at the close of fiscal year 2016-2017 by \$28.40 million (net position). Of this amount, the City had \$93.05 million invested in capital assets, \$26.04 million in restricted net position, and (\$90.69) million in unrestricted net position. This reflects a net decrease over the prior year of \$6.39 million. The analysis of this change is discussed under the section titled "THE CITY AS A WHOLE."
- During the year, the City had revenues (including transfers) that were \$7.54 million less than the \$63.14 million expenses recorded by the City for its governmental activities. For the City's business-type activities, revenues were \$0.75 million more than the \$11.55 million in expenses (including transfers) recorded for the year. The analysis of these changes in net position is discussed under the section titled "THE CITY AS A WHOLE."
- During the year, the City's revenues decreased by \$6.71 million over the prior year, or 9.52 percent. Additionally, expenditures increased by \$11.62 million over the prior year, or 19.58 percent. The analysis of these changes is also discussed under the section titled "THE CITY AS A WHOLE."
- In the General Fund, the net decrease in fund balance was \$1.43 million. The analysis of this increase is discussed under the section titled "THE CITY'S FUNDS."
- The City's total outstanding debt at year-end decreased by \$1.52 million. The analysis of this decrease is discussed under the section titled "CAPITAL ASSETS AND DEBT ADMINISTRATION."
- The City's total capital assets increased by \$10.53 million, or 9.05 percent. The analysis of this increase is discussed under the section titled "CAPITAL ASSETS AND DEBT ADMINISTRATION."
- In fiscal year 2015-2016, the City began a comprehensive infrastructure improvement project called Monrovia Renewal. The Monrovia Renewal Project is aimed at making citywide repairs to water pipelines and facilities, sewer pipelines, streets, and sidewalks. Funding for the project was achieved through the issuance of various bond financings. The "CAPITAL ASSETS AND DEBT ADMINISTRATION" sections include asset and debt information related to the project.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and Statement of Activities (on pages 17-19) provide information about the activities of the City, as a whole, and present a long-term view of the City's finances. Fund financial statements start on page 20. For governmental activities, these fund statements tell how these services were financed in the short term, as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds and other funds. The remaining fiduciary (Agency) fund statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government.

REPORTING THE CITY AS A WHOLE

The Statement of Net Position and the Statement of Activities:

Our analysis of the City, as a whole, begins on Page 17. Each year, one of the most important questions asked about the City's finances is, "Is the City, as a whole, better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the City, as a whole, and about its activities in a way that answers this question. These statements include all assets and liabilities of the City using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's *net position* and *changes*. Net position is the difference between assets and liabilities, which is one way to measure the City's financial health, or *financial position*. Over time, *increases or decreases* in the City's net position is an indication of whether its *financial health* is improving or deteriorating.

In the Statement of Net Position and the Statement of Activities, we separate the City activities as follows:

Governmental activities – Most of the City's basic services are reported in this category, including the general administration (city manager, city clerk, finance, etc.), police and fire protection, community development, public works, community services, and interest on long-term debt. Property taxes, sales tax, transient occupancy tax, interest income, franchise fees, state and federal grants, contributions from other agencies, and other revenues finance these activities.

Business-type activities – The City charges a fee to customers to cover all or most of the cost of certain services it provides. The City's water, sewer, storm drain, street sweeping and waste management activities are reported in this category.

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

Fund Financial Statements:

The fund financial statements provide detailed information about the most significant funds and other funds – not the City as a whole. Some funds are required to be established by State law and by bond covenants. However, management established many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other resources. The City's two types of funds are governmental and proprietary.

Governmental funds – Most of the City’s basic services are reported in governmental funds, which focus on how money flows in and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *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 differences of results in the governmental fund financial statements to those in the government-wide financial statements are explained in a reconciliation following each governmental fund financial statement.

Proprietary funds – When the City charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City’s enterprise funds are the same as the business-type activities we report in the government-wide statements, but provide more detail and additional information such as a statement of cash flows.

THE CITY AS TRUSTEE

Reporting the City’s Fiduciary Responsibilities:

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

THE CITY AS A WHOLE

The City’s combined net position decreased \$6.39 million. A separate review of the net change in the governmental and business-type activities depicts two different stories. Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the City’s governmental and business-type activities.

TABLE 1

NET POSITION
(IN MILLIONS)

As of June 30, 2017

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$ 45.13	\$ 53.17	\$ 43.86	\$ 51.04	\$ 88.99	\$ 104.21
Capital assets	105.29	102.52	21.60	13.84	126.89	116.36
TOTAL ASSETS	150.42	155.69	65.46	64.88	215.88	220.57
Deferred outflows	17.37	6.07	1.17	0.46	18.54	6.53
Long term liabilities						
Outstanding	143.01	128.25	45.11	46.18	188.12	174.43
Other liabilities	9.76	7.98	3.74	2.12	13.50	10.10
TOTAL LIABILITIES	152.77	136.23	48.85	48.30	201.62	184.53
Deferred inflows	4.24	7.20	0.17	0.57	4.41	7.77
Net Investment in						
Capital Assets	76.53	81.21	16.52	12.50	93.05	93.71
Restricted	26.04	34.32	-	-	26.04	34.32
Unrestricted	(91.78)	(97.21)	1.10	3.97	(90.69)	(93.24)
TOTAL NET POSITION	\$ 10.79	\$ 18.32	\$ 17.61	\$ 16.47	\$ 28.40	\$ 34.79

TABLE 2
CHANGES IN NET POSITION
(IN MILLIONS)

As of June 30, 2017

	Governmental Activities		Business Type Activities		Total	
	2017	2016	2017	2016	2017	2016
REVENUES:						
Program Revenues:						
Charges for services	6.95	8.83	11.87	9.41	18.82	18.24
Operating grants and contributions	7.64	8.18	0.02	0.02	7.66	8.20
Capital grants and contributions	1.05	8.10	-	-	1.05	8.10
General Revenues:						
Property Taxes	19.51	20.52	-	-	19.51	20.52
Sales Tax	10.74	9.45	-	-	10.74	9.45
Franchise Taxes	0.62	0.63	-	-	0.62	0.63
Other Taxes	3.86	1.07	-	-	3.86	1.07
Motor Vehicle In-Lieu	0.02	0.02	-	-	0.02	0.02
Use of Money & Property	0.61	0.65	0.20	0.12	0.81	0.77
Other Revenues	0.45	3.44	0.22	0.04	0.67	3.48
TOTAL REVENUES	51.45	60.89	12.31	9.59	63.76	70.48
EXPENSES:						
General Government	8.84	6.18	-	-	8.84	6.18
Public Safety	35.43	30.00	-	-	35.43	30.00
Community Development	5.56	3.85	-	-	5.56	3.85
Community Services	4.84	4.08	-	-	4.84	4.08
Public Works	6.44	5.45	-	-	6.44	5.45
Interest on Long-term Debt	2.03	2.00	-	-	2.03	2.00
Water	-	-	6.10	6.26	6.10	6.26
Sewer	-	-	0.97	0.83	0.97	0.83
Storm Drain	-	-	0.36	0.22	0.36	0.22
Street Sweeping	-	-	0.17	0.11	0.17	0.11
Waste Management	-	-	0.21	0.36	0.21	0.36
TOTAL EXPENSES	63.14	51.56	7.81	7.78	70.96	59.34
Increase (Decrease) in Net Position before transfers	(11.69)	9.32	4.49	1.81	(7.20)	11.13
Gain on sale of capital assets	0.41	-	-	-	0.41	-
Transfers	3.74	2.87	(3.74)	(2.87)	-	-
Increase (Decrease) in Net Position	(7.54)	12.19	0.75	(1.06)	(6.79)	11.13
Net Position at Beginning of Year	18.33	6.13	16.47	17.53	34.80	23.66
Restatements of Net Position	-	-	0.39	-	0.39	-
NET POSITION AT END OF YEAR	10.79	18.32	17.61	16.47	28.40	34.79

Expenditures increased by \$11.6 million over the prior year and the overall net position of the City's governmental activities decreased by 41.10 percent, or \$7.54 million. There are several reasons for this decrease. First, the City's net pension liability increased by \$14.8 million over the prior year, contributing to an overall decrease in net position. Additional information regarding the City's pension liability is included in the paragraph below and in Note 10 of the Financial Statements. The City also incurred one-time expenditures for capital projects that were part of the City's base CIP Program. Finally, an increase in salary and benefit costs resulting from an extra pay period during the year caused a decrease in net position. This extra pay period was planned for and budgeted as part of the annual budgeting process; however, it resulted in an overall increase in expenditures during the year and a decrease in net position.

During the year, the City's revenues decreased by \$6.71 million over the prior year. This decrease is mainly due to the fact that one-time capital grant revenues for the station square project, totaling \$8.1 million, were received in the prior fiscal year. If these revenues are backed out for comparison purposes, revenues actually increased by \$1.39 million over the prior year.

The City's net position of \$28.40 million is made-up of three components: Net Investment in Capital Assets, Restricted Net Position and Unrestricted Net Position. The largest portion of the City's net position, \$93.05 million, reflects its net investment in capital assets (e.g., infrastructure, land, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to the community. As such, these assets are not available for spending. In addition, \$26.04 million of the City's net position represents resources that are subject to external restrictions on how they may be used. The remaining negative balance of unrestricted net position of \$90.69 million is the result of the implementation of GASB 68. During fiscal year 2014-2015, the City implemented GASB 68, a new accounting standard that established new financial reporting requirements for most state and local governments that provide employees with pension benefits. GASB 68 requires governments providing defined benefit pensions, such as the City of Monrovia, to recognize their long-term obligation for pension benefits as a liability on the Government-Wide Statement of Net Position for the first time. This accounting requirement has resulted in a restatement of net position totaling \$77.32 million for the City of Monrovia during fiscal year 2014-2015. For additional information regarding GASB 68, please see the Notes to the Financial Statements, Note 10.

Governmental Activities

The following presents the cost of each of the City's six largest programs – general government, public safety, community development, community services, public works and interest on long-term debt – as well as each program's *net* cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions. The City earmarks most of its general revenues (i.e., sales tax, property taxes, occupancy taxes, business license taxes, motor vehicle fees and franchise fees) to provide the services from the areas listed below. Public safety (police and fire services) is always the number one priority for the use of discretionary revenues, with a Net Cost of Service totaling \$25.87 million.

Governmental Activities
(In Millions)

	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
General Government	\$ 8.84	\$ 7.91
Public Safety	35.43	25.87
Community Development	4.84	3.20
Community Services	5.56	3.26
Public Works	6.44	5.22
Interest on Long-Term Debt	2.03	2.03
Total	<u>\$ 63.14</u>	<u>\$ 47.49</u>

THE CITY'S FUNDS

On page 20 to 21, the Governmental Funds Balance Sheet is shown. The combined fund balance of \$31.25 million decreased by \$8.36 million over the prior year. This net decrease is due to the following increases and decreases among the City's funds:

- Funds that include personnel and benefit costs were impacted by an extra payroll period that occurred during the year. The City currently processes payroll on a twenty-six payroll period cycle during the year. This extra payroll period occurs every eleven years and was budgeted for as part of the annual budgeting process. Due to this extra payroll period, there was an overall increase in expenditures and a corresponding decrease in fund balance in many funds that include personnel costs. In addition, increases in pension costs also impacted overall expenditures, resulting in a decrease in the fund balance.
- The General Fund had a net decrease in fund balance of \$1.43 million. This decrease was mainly due to the extra payroll period during the year, as well one-time capital project expenditures funded with reserves.
- The Retirement Fund had a net decrease in fund balance of \$.27 million, which was due to an increase in CalPERS pension cost increases.
- A decrease in the Proposition C and Measure R Project Fund totaling \$4.4 million for expenditures incurred for the Monrovia Renewal Project.
- A decrease of \$.91 million in the Capital Improvement Fund for Station Square capital project expenditures.
- An increase of \$.15 million in the City's Gang Violence and Drug Abuse Grants Fund, a fund which is used to account for activity related to several state and federal public safety grants. This increase of \$.15 million is due to prior year expenditures being reimbursed by the grantor during the current year.
- A reduction in the fund balance for non-major governmental funds totaling \$2.1 million. This reduction is mainly due to the impact of the additional pay period mentioned above, as well as an increase in capital project activity.

General Fund Budgetary Highlights

During the year, with the recommendation from City staff, the City Council made several adjustments to the budget. Adjustments were made as staff requested additional appropriations to cover the cost of projects that either had change orders for additional work, or the estimated cost at the beginning of the project was underestimated. Adjustments were also made as departments requested increases to their budgets to implement new programs or to add enhancements to existing programs. All amendments that either increase or decrease appropriations are approved by the City Council.

For the City's General Fund, actual ending revenues of \$42.02 million (including transfers) were \$0.18 million less than final budgeted revenues of \$42.20 million. Below are a few notable items regarding the General Fund:

- The City's overall tax revenue increased by approximately \$109,000, or 0.4%, over prior year levels. During Fiscal Year 2015-16, the City received a one-time payment of approximately \$900,000 for the State's completion of the Triple Flip program. Excluding the impact of this payment for comparative purposes, the City's overall tax revenue actually increased by approximately \$1,009,000, or 4.2%.
- Charges for Services revenues decreased by approximately \$589,000, or 18.4% from the prior year, which is attributable to one-time revenues received during the prior fiscal year for several large developments that began construction during the current year. Such one-time revenues were collected at the commencement of construction on the developments. In addition, licenses and permits decreased by approximately \$604,000, or 42.9%, which is also attributable to one-time building and planning revenues received during Fiscal Year 2015-16.
- Use of Money and Property increased approximately \$61,000 over the prior year, and Fines and Forfeitures increased by approximately \$18,000, or 7.0%. Miscellaneous revenue decreased \$208,000, or 27.1% from the prior year, due to the receipt of one-time monies received in the Fiscal Year 2015-16.

The General Fund actual expenditures of \$43.45 million (including transfers) were \$0.28 million more than the final budget of \$43.17 million. This variance was due to the following:

- While the City realized savings in many General Fund departments, several departments incurred overages, including Police Patrol, Communication Crime Analysis, and the Library, to name a few. Other departments incurred minor overages. Savings in Human Resources, Detectives, and the Canyon Park Department, among others, helped to offset these overages.
- The City's estimated General Fund expenditures for Fiscal Year 2016-17 increased by 13.4% over the prior year. Approximately \$1 million of this increase was due to an extra pay period that occurred during Fiscal Year 2016-17. This extra pay period was budgeted as part of the annual budgeting process and was funded with one-time monies received in Fiscal Year 2015-16 for the State's Triple Flip program. These funds were set-aside in reserves to pay for the extra pay period in Fiscal Year 2016-17.
- In addition, personnel costs, including CalPERS pension costs, increased over the prior year. A majority of the additional CalPERS pension costs increases is due to changes in CalPERS retirement funding assumptions.
- In addition, one-time capital project expenditures and an increase in internal service charges resulted in an approximate increase of \$500,000 over Fiscal Year 2015-16. Both expenditures were planned and were included as part of the annual budgeting process. The one-time capital project expenditures were funded with reserves.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2017, the City had \$126.89 million in land, buildings, equipment, and infrastructure capital assets. (See Table 3). This amount represents a net increase (including additions, deletions, and adjustments) of \$10.53 million. Capital assets increased by \$2.77 million in governmental activities and increased by \$7.76 million in business-type activities. These increases were mainly attributed to assets constructed as part of the Monrovia Renewal Project. In addition, the assets were also acquired as part of the city-wide CIP program. Normal depreciation of existing assets resulted in a decrease in some asset categories, such as Structures and Improvements and Infrastructure.

To see detailed activity for Capital Assets, please see pages 49 and 50 in the notes to the financial statements.

TABLE 3

CAPITAL ASSETS AT YEAR-END (NET OF DEPRECIATION, IN MILLIONS)

For the year ended June 30, 2017

	Governmental Activities		Business Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land	\$ 32.91	\$ 32.82	\$.44	\$.44	\$ 33.35	\$ 33.26
Construction in Progress	1.95	21.27	1.86	1.03	3.81	22.30
Structures and Improvements	16.33	16.92	2.19	2.24	18.52	19.16
Furniture and Equipment	3.83	4.48	.03	.06	3.86	4.54
Infrastructure	50.27	27.03	17.08	10.07	67.35	37.10
Total	<u>\$ 105.29</u>	<u>\$ 102.52</u>	<u>\$ 21.60</u>	<u>\$ 13.84</u>	<u>\$ 126.89</u>	<u>\$ 116.36</u>

Debt

At year-end, the City's governmental activities had \$49.28 million in bonds, leases, compensated absences, and claims and judgments, compared to \$50.31 million in the prior year, a decrease of \$1.03 million. The net decrease of \$1.03 million was the result of the normal payment of principal and interest during the year. Please see the Notes to the Financial Statements for detailed information (pages 53-64).

TABLE 4
 OUSTANDING DEBT, AT YEAR-END
 (IN MILLIONS)

For the year ended June 30, 2017

	Governmental Activities		Business Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Compensated Absences	\$ 2.20	\$ 2.12	\$.12	\$.12	\$ 2.32	\$ 2.27
Pension Obligation Bonds	10.97	11.42	-	-	10.97	11.42
Capitalized Leases	.27	.41	-	-	.27	.41
Claims & Judgments	1.40	1.97	-	-	1.40	1.97
Revenue Bonds	32.93	33.10	36.37	36.77	69.30	69.87
Unamortized Bond Premium (Discount)	1.51	1.29	2.67	2.76	4.18	4.05
TOTALS	<u>\$ 49.28</u>	<u>\$ 50.31</u>	<u>\$ 39.16</u>	<u>\$ 39.65</u>	<u>\$ 88.44</u>	<u>\$ 89.96</u>

The City's business-type activities debt decreased \$.49 million, from \$39.65 million to \$39.16 million. This decrease is due to the annual payment of principal on the 2016 Water and Sewer Revenue Bonds. These bonds were issued to fund infrastructure for the Monrovia Renewal Project. For detailed information, please see page 65 in the Notes to the Financial Statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

In preparing the budget for 2017-2018, management looked at the following economic factors:

- The effects of steady growth in the overall economy.
- The impact on revenues resulting from the continued assessed valuation growth in housing market activity (e.g., increases in home sale activity and increases in housing prices) in California.
- The impact on revenues resulting from the growth in retail sales activity in California.
- The impact on revenues resulting from growth in tourism activity within California.

Key budget assumptions for forecasting General Fund revenues include the following:

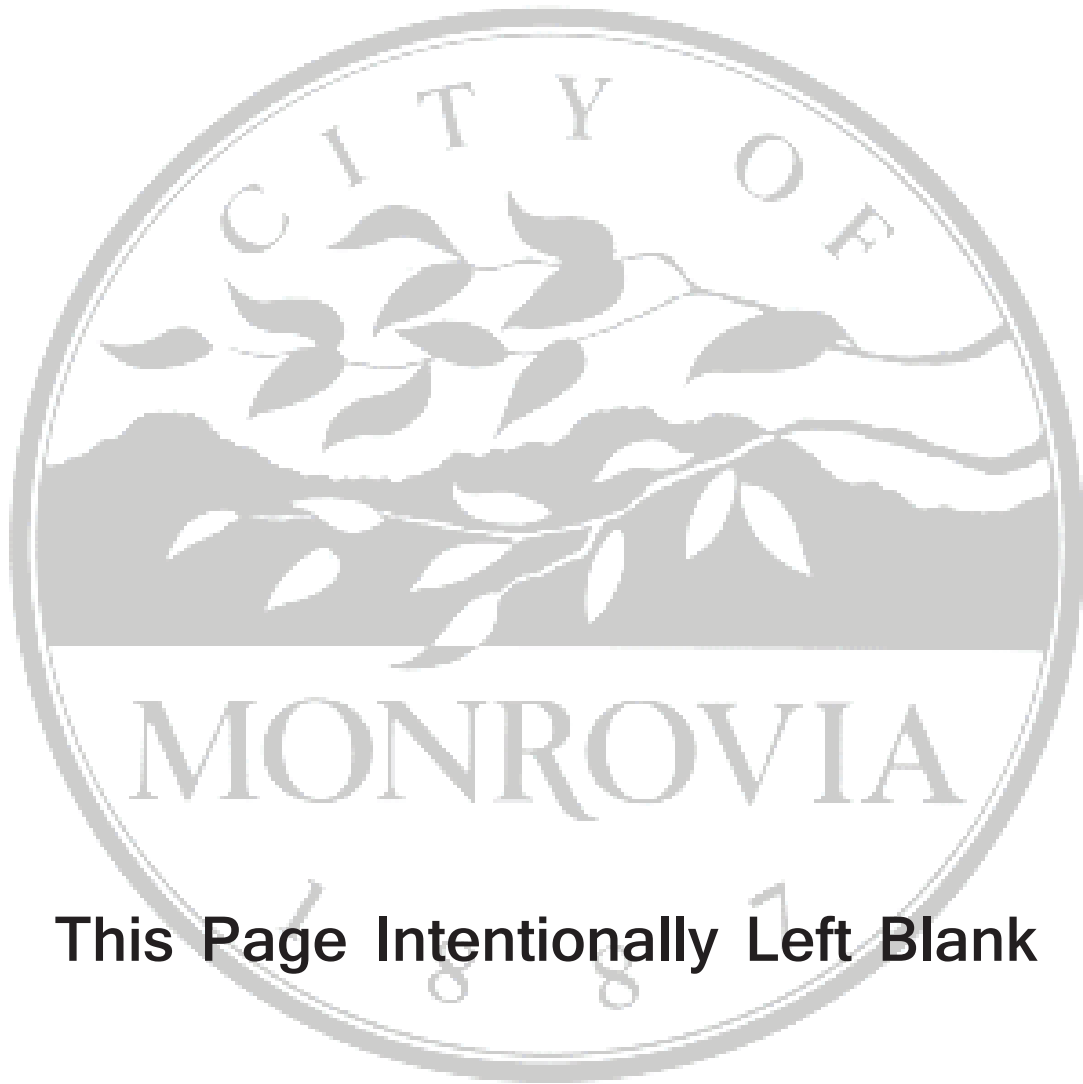
- Sales Tax revenue is expected to increase by approximately 2.3% percent over the prior year to \$10.4 million. This growth is attributable to a combination of factors, including auto sales and business and construction growth in Monrovia.
- Property tax revenues are expected to continue to be strong in the 2017-18 Fiscal Year. Assessed values of single family homes are expected to increase by more than 5.0% during Fiscal Year 2017-18.
- The City's Transient Occupancy (Hotel) Tax continues to show strong growth over the last several years, and the City projects that those revenues will increase 3.1% during the 2017-18 Fiscal Year, with total hotel tax receipts projected to be over \$2 million.
- Service revenues, especially building and planning-related revenues, will continue to experience growth as the construction sector activity continues to improve.
- Some growth in revenue will result from realigning fees with the cost of services.

The Operating Budget for Fiscal Year 2017-2018 is a well-balanced budget that reflects the City's commitment to foster steady, controlled growth and provide the highest level of service to the community within the City's financial constraint and is consistent with the City Council's list of objectives. Budget documents are available online at www.cityofmonrovia.org. Questions or requests for information regarding the City of Monrovia's budget should be sent to the Administrative Services Department at the address below.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

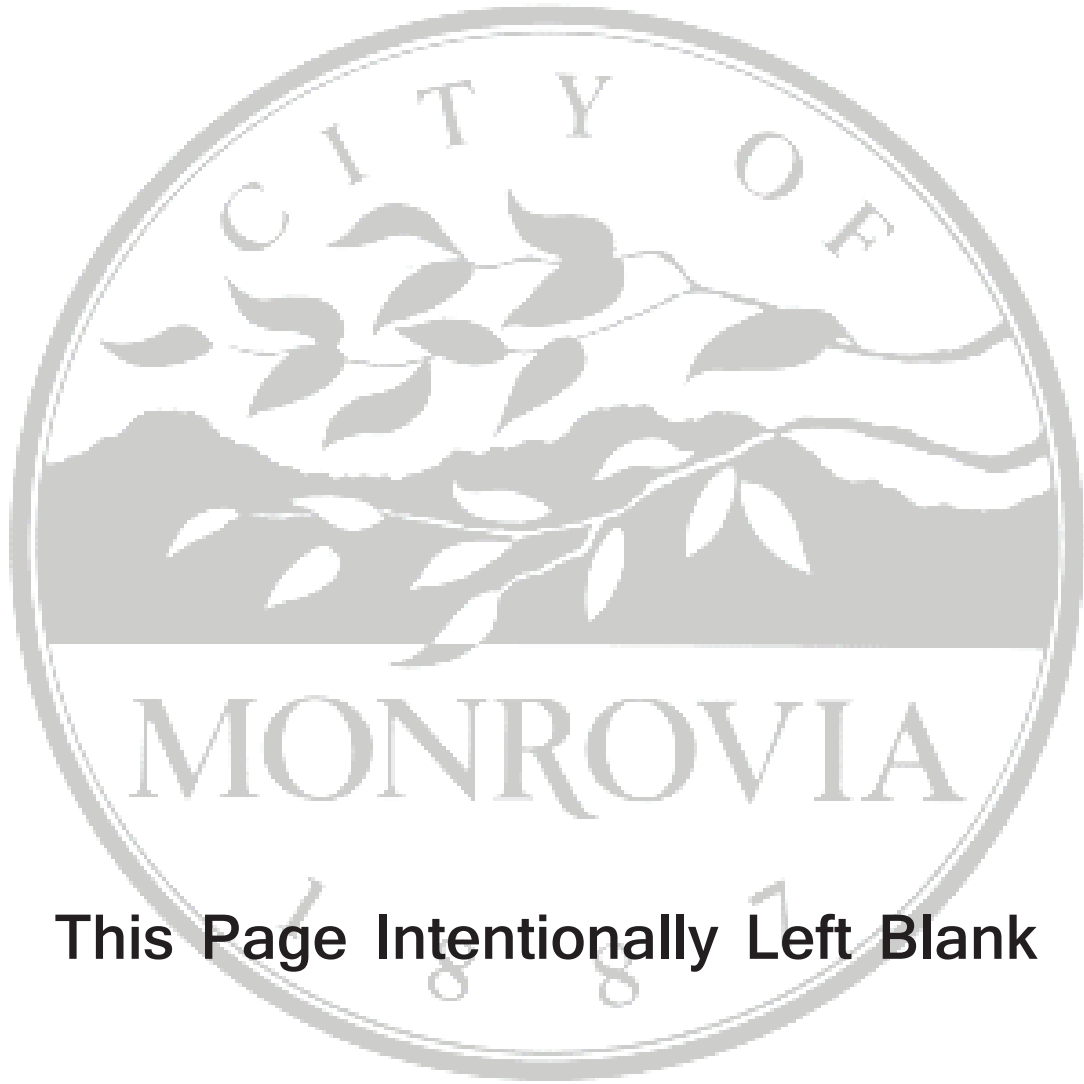
This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City of Monrovia's finances and to show the City's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

City of Monrovia
Administrative Services Department
415 S. Ivy
Monrovia, CA 91016.



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**GOVERNMENT-
WIDE FINANCIAL
STATEMENTS**



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CITY OF MONROVIA

STATEMENT OF NET POSITION
JUNE 30, 2017

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and investments	\$ 21,241,188	\$ 28,870,143	\$ 50,111,331
Receivables:			
Accounts	1,397,256	1,598,546	2,995,802
Taxes	2,719,200	-	2,719,200
Notes and loans	1,305,220	-	1,305,220
Accrued interest	75,150	-	75,150
Deferred loans	1,663,518	-	1,663,518
Grants	1,720,467	-	1,720,467
Internal balances	(196,541)	196,541	-
Advances to Successor Agency	2,551,385	-	2,551,385
Prepaid costs	3,188,819	126,911	3,315,730
Inventories	2,250	-	2,250
Land held for resale	3,139,259	-	3,139,259
Restricted assets:			
Cash and investments	796,042	-	796,042
Cash with fiscal agent	5,527,937	13,070,868	18,598,805
Capital assets not being depreciated	34,866,518	2,300,904	37,167,422
Capital assets, net of depreciation	70,424,410	19,301,543	89,725,953
Total Assets	150,422,078	65,465,456	215,887,534
Deferred Outflows of Resources:			
Deferred charge on refunding	445,856	-	445,856
Deferred pension related items	16,926,759	1,168,560	18,095,319
Total Deferred Outflows of Resources	17,372,615	1,168,560	18,541,175
Liabilities:			
Accounts payable	3,790,578	2,573,536	6,364,114
Accrued liabilities	962,690	35,245	997,935
Accrued interest	210,966	115,126	326,092
Unearned revenue	206,986	40,161	247,147
Deposits payable	139,461	186,084	325,545
Due to other governments	197,373	-	197,373
Noncurrent liabilities:			
Due within one year	4,252,418	786,344	5,038,762
Due in more than one year	45,024,399	38,376,361	83,400,760
OPEB Obligation	15,463,997	-	15,463,997
Net pension liability	82,518,059	6,733,124	89,251,183
Total Liabilities	152,766,927	48,845,981	201,612,908
Deferred Inflows of Resources:			
Deferred pension related items	4,239,736	172,632	4,412,368
Total Deferred Inflows of Resources	4,239,736	172,632	4,412,368
Net Position:			
Net investment in capital assets	76,531,083	16,518,001	93,049,084
Restricted for:			
Housing	4,689,229	-	4,689,229
Public safety	225,369	-	225,369
Public works	404,766	-	404,766
Capital projects	12,374,456	-	12,374,456
Debt service	1,150,223	-	1,150,223
Retirement	2,608,315	-	2,608,315
Transportation	3,051,154	-	3,051,154
Air quality	381,325	-	381,325
Library	1,056,194	-	1,056,194
Memorial Trust			
Expendable	30,530	-	30,530
Nonexpendable	70,000	-	70,000
Unrestricted	(91,784,614)	1,097,402	(90,687,212)
Total Net Position	\$ 10,788,030	\$ 17,615,403	\$ 28,403,433

CITY OF MONROVIA

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2017

	Expenses	Program Revenues		
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants
Functions/Programs				
Primary Government:				
Governmental Activities:				
General government	\$ 8,838,995	\$ 925,206	\$ 2,605	\$ 4,542
Public safety	35,428,713	2,489,660	7,068,415	-
Community Services	5,555,789	1,295,987	230,579	771,925
Community Development	4,845,457	1,573,065	73,188	-
Public works	6,437,941	669,384	270,036	273,048
Interest on long-term debt	2,034,772	-	-	-
Total Governmental Activities	63,141,667	6,953,302	7,644,823	1,049,515
Business-Type Activities:				
Water	6,102,765	7,624,310	-	-
Sewer	972,083	1,499,794	-	-
Storm Drain	359,671	286,994	-	-
Street Sweeping	165,928	211,563	-	-
Waste Management	213,575	2,250,525	17,634	-
Total Business-Type Activities	7,814,022	11,873,186	17,634	-
Total Primary Government	\$ 70,955,689	\$ 18,826,488	\$ 7,662,457	\$ 1,049,515

General Revenues:

Taxes:

Property taxes, levied for general purpose

Transient occupancy taxes

Sales taxes

Franchise taxes

Business licenses taxes

Other taxes

Motor vehicle in lieu - unrestricted

Use of money and property

Other

Gain on sale of capital asset

Transfers

Total General Revenues and Transfers

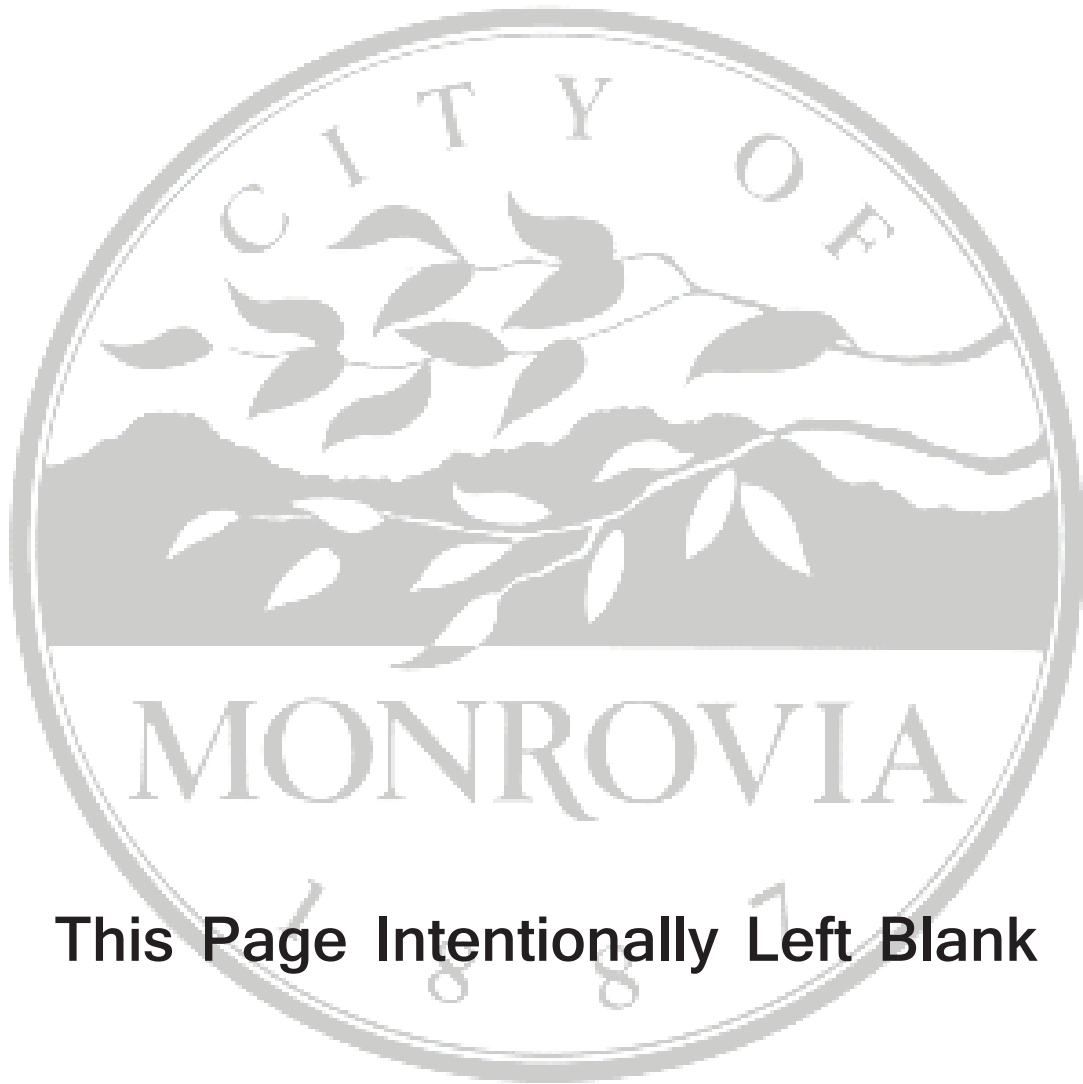
Change in Net Position

Net Position at Beginning of Year

Restatement of Net Position

Net Position at End of Year

Net (Expenses) Revenues and Changes in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (7,906,642)	\$ -	\$ (7,906,642)
(25,870,638)	-	(25,870,638)
(3,257,298)	-	(3,257,298)
(3,199,204)	-	(3,199,204)
(5,225,473)	-	(5,225,473)
(2,034,772)	-	(2,034,772)
(47,494,027)	-	(47,494,027)
-	1,521,545	1,521,545
-	527,711	527,711
-	(72,677)	(72,677)
-	45,635	45,635
-	2,054,584	2,054,584
-	4,076,798	4,076,798
(47,494,027)	4,076,798	(43,417,229)
19,505,335	-	19,505,335
1,945,275	-	1,945,275
10,735,607	-	10,735,607
616,374	-	616,374
767,457	-	767,457
1,156,792	-	1,156,792
16,813	-	16,813
611,746	199,193	810,939
454,039	218,800	672,839
405,466	-	405,466
3,739,541	(3,739,541)	-
39,954,445	(3,321,548)	36,632,897
(7,539,582)	755,250	(6,784,332)
18,327,612	16,469,274	34,796,886
-	390,879	390,879
\$ 10,788,030	\$ 17,615,403	\$ 28,403,433



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**FUND FINANCIAL
STATEMENTS**



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MAJOR GOVERNMENTAL FUNDS

The following funds have been classified as major governmental funds in the accompanying financial statements.

General Fund - To account for all revenues and expenditures of the City which are not required to be accounted for in another fund.

Retirement Fund - To account for voter approved override property taxes levied for employee retirement funding. Monies are transferred from this fund to numerous other funds to reimburse each fund for the payment of retirement costs which are charged directly against each fund. In addition, monies are transferred from this fund to the Pension Obligation Bond Debt Service Fund to provide funds for the payment of debt service on the 2010 Pension Obligation Bonds.

Gang Violence and Drug Abuse Grant Fund – To account for the revenues and expenditures of federal and state anti-drug abuse grants for which the City provides fiduciary responsibilities. The City is the grant recipient for funds used by a consortium of federal, state, and local law enforcement agencies who manage grant activities.

Monrovia Housing Authority Fund – To account for the costs of construction and management of quality affordable housing within the City. The Monrovia Housing Authority was established pursuant to the California Housing Authority law.

Proposition C and Measure R Projects - To account for Proposition C and Measure R project expenditures for the Monrovia Renewal Improvement Program, which have been financed through a bond measure. This program will provide for citywide street infrastructure repairs and improvements.

Capital Improvement Fund - To account for the costs associated with major capital improvement projects not financed under other funds. The many different projects undertaken by this fund are under the control of the Public Works Department. Financing for the projects includes state grants, investment earnings, and new construction taxes.

CITY OF MONROVIA

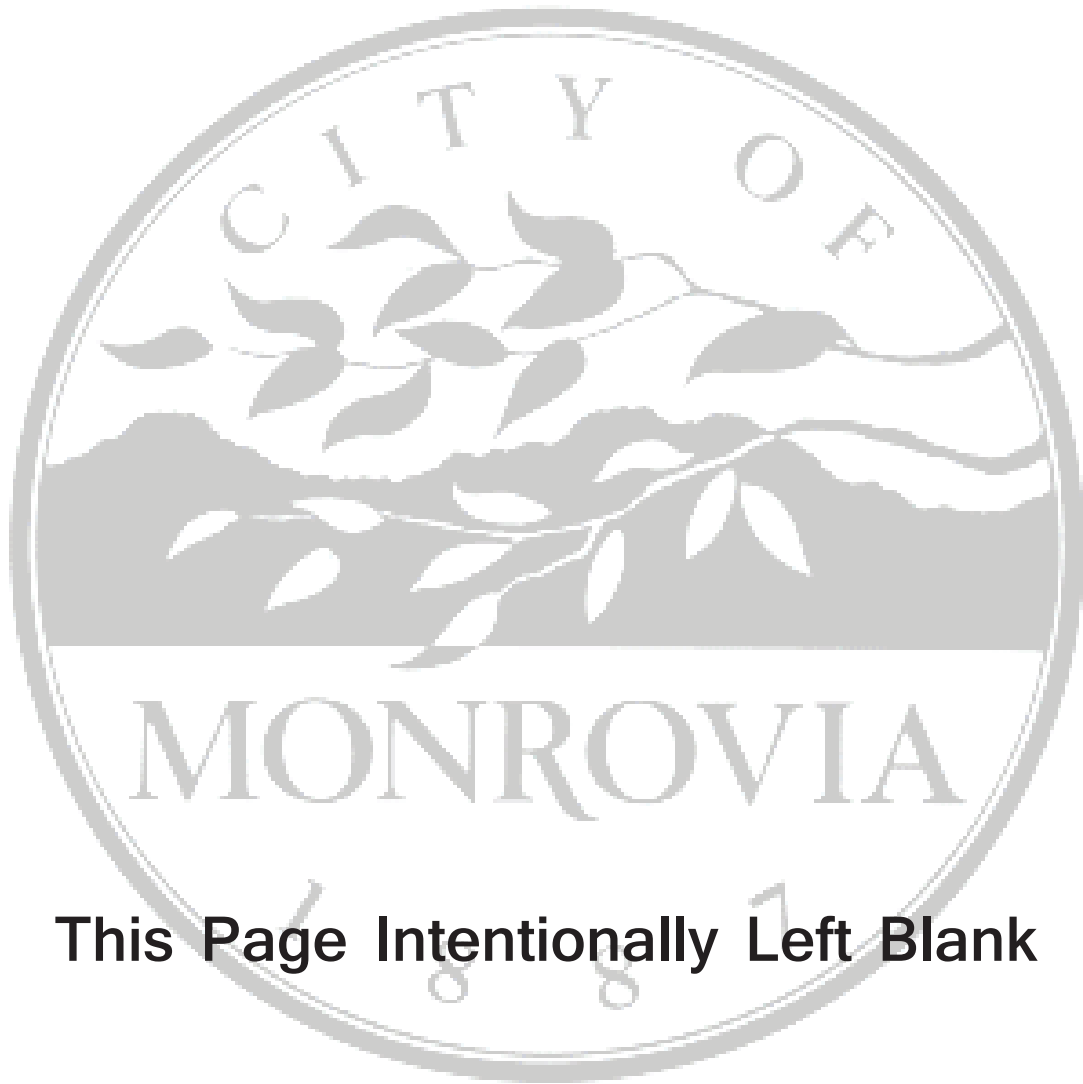
**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2017**

	<u>Special Revenue Funds</u>			
	<u>General</u>	<u>Retirement</u>	<u>Gang Violence and Drug Abuse Grants</u>	<u>Monrovia Housing Authority</u>
Assets:				
Pooled cash and investments	\$ 3,333,226	\$ 2,462,498	\$ 1,070	\$ 1,346,732
Receivables:				
Accounts	705,234	-	-	-
Taxes	2,452,391	145,817	-	-
Notes and loans	44,850	-	-	1,260,370
Accrued interest	75,150	-	-	-
Deferred loans	-	-	-	1,663,518
Grants	169,630	-	983,204	-
Prepaid costs	60,263	-	-	-
Due from other funds	1,728,254	-	-	-
Advances to Successor Agency of the former RDA	-	-	-	2,551,385
Land held for resale	353,790	-	-	347,036
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
Total Assets	<u>\$ 8,922,788</u>	<u>\$ 2,608,315</u>	<u>\$ 984,274</u>	<u>\$ 7,169,041</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 940,897	\$ -	\$ 727,909	\$ 5,415
Accrued liabilities	928,104	-	-	509
Unearned revenues	39,450	-	-	-
Deposits payable	129,461	-	-	-
Due to other governments	-	-	5,196	-
Due to other funds	-	-	229,627	-
Advances from other funds	46,452	-	-	-
Total Liabilities	<u>2,084,364</u>	<u>-</u>	<u>962,732</u>	<u>5,924</u>
Deferred Inflows of Resources:				
Unavailable revenues	603,679	-	329,511	2,473,888
Total Deferred Inflows of Resources	<u>603,679</u>	<u>-</u>	<u>329,511</u>	<u>2,473,888</u>
Fund Balances:				
Nonspendable:				
Prepaid costs	60,263	-	-	-
Land held for resale	353,790	-	-	-
Permanent fund principal	-	-	-	-
Restricted for:				
Public safety	-	-	-	-
Public works	-	-	-	-
Capital Projects	-	-	-	-
Debt service	-	-	-	-
Retirement	-	2,608,315	-	-
Transportation	-	-	-	-
Air quality	-	-	-	-
Library	-	-	-	-
Housing	-	-	-	4,689,229
Assigned to:				
Special Programs	1,090,482	-	-	-
General plan update	261,869	-	-	-
Unassigned	4,468,341	-	(307,969)	-
Total Fund Balances	<u>6,234,745</u>	<u>2,608,315</u>	<u>(307,969)</u>	<u>4,689,229</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 8,922,788</u>	<u>\$ 2,608,315</u>	<u>\$ 984,274</u>	<u>\$ 7,169,041</u>

CITY OF MONROVIA

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2017**

	<u>Capital Projects Funds</u>			
	<u>Proposition C and Measure R Projects</u>	<u>Capital Improvement</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:				
Pooled cash and investments	\$ 3,876,989	\$ 568,934	\$ 6,372,305	\$ 17,961,754
Receivables:				
Accounts	-	105,132	446,995	1,257,361
Taxes	-	-	120,992	2,719,200
Notes and loans	-	-	-	1,305,220
Accrued interest	-	-	-	75,150
Deferred loans	-	-	-	1,663,518
Grants	-	293,899	273,734	1,720,467
Prepaid costs	-	944,131	15,382	1,019,776
Due from other funds	-	-	-	1,728,254
Advances to Successor Agency of the former RDA	-	-	-	2,551,385
Land held for resale	-	2,438,433	-	3,139,259
Restricted assets:				
Cash and investments	-	-	796,042	796,042
Cash and investments with fiscal agents	5,505,398	-	22,539	5,527,937
Total Assets	<u>\$ 9,382,387</u>	<u>\$ 4,350,529</u>	<u>\$ 8,047,989</u>	<u>\$ 41,465,323</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 462,965	\$ 224,833	\$ 1,069,320	\$ 3,431,339
Accrued liabilities	-	-	25,657	954,270
Unearned revenues	-	78,119	89,417	206,986
Deposits payable	-	10,000	-	139,461
Due to other governments	-	188,642	3,535	197,373
Due to other funds	-	-	677,558	907,185
Advances from other funds	-	-	75,463	121,915
Total Liabilities	<u>462,965</u>	<u>501,594</u>	<u>1,940,950</u>	<u>5,958,529</u>
Deferred Inflows of Resources:				
Unavailable revenues	-	393,901	454,298	4,255,277
Total Deferred Inflows of Resources	<u>-</u>	<u>393,901</u>	<u>454,298</u>	<u>4,255,277</u>
Fund Balances:				
Nonspendable:				
Prepaid costs	-	-	-	60,263
Land held for resale	-	-	-	353,790
Permanent fund principal	-	-	100,530	100,530
Restricted for:				
Public safety	-	-	225,369	225,369
Public works	-	-	404,766	404,766
Capital Projects	8,919,422	3,455,034	-	12,374,456
Debt service	-	-	1,150,223	1,150,223
Retirement	-	-	-	2,608,315
Transportation	-	-	3,051,154	3,051,154
Air quality	-	-	381,325	381,325
Library	-	-	1,056,194	1,056,194
Housing	-	-	-	4,689,229
Assigned to:				
Special Programs	-	-	-	1,090,482
General plan update	-	-	-	261,869
Unassigned	<u>-</u>	<u>-</u>	<u>(716,820)</u>	<u>3,443,552</u>
Total Fund Balances	<u>8,919,422</u>	<u>3,455,034</u>	<u>5,652,741</u>	<u>31,251,517</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 9,382,387</u>	<u>\$ 4,350,529</u>	<u>\$ 8,047,989</u>	<u>\$ 41,465,323</u>



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CITY OF MONROVIA

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2017**

Fund balances of governmental funds		\$ 31,251,517
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets net of depreciation have not been included as financial resources in governmental fund activity.		100,528,149
Deferred outflows related to pension items:		
Miscellaneous net different between projected and actual investment earnings	\$ 2,841,157	
Miscellaneous pension contributions subsequent to measurement date	2,971,758	
Safety pension contributions subsequent to measurement date	3,950,150	
Safety net difference between projected and actual investment earnings	5,937,373	
Safety adjustment due to differences in proportion	<u>900,457</u>	16,600,895
Long-term debt and compensated absences that have not been included in the governmental fund activity:		
Bonds payable	(43,623,679)	
Unamortized bond premiums/discounts	(1,514,778)	
Unamortized deferred charge on refunding	445,856	
Capitalized leases payable	(271,321)	
Compensated Absences	<u>(2,172,469)</u>	(47,136,391)
Governmental funds report all OPEB contributions as expenditures, however in the statement of net position any excesses or deficiencies in contributions in relation to the Annual Required Contribution (ARC) are recorded as an asset or liability.		(15,463,997)
Governmental funds report all pension contributions as expenditures, however the unfunded net pension liability is reported in the statement of net position.		
Miscellaneous net pension liability	(33,493,415)	
Safety net pension liability	<u>(47,147,040)</u>	(80,640,455)
Accrued interest payable for the current portion of interest due on bonds has not been reported in the governmental funds.		(210,966)
Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.		4,255,277
Deferred inflows related to pension items:		
Miscellaneous change in assumptions	(139,645)	
Miscellaneous net differences between projected and actual experience	(719,100)	
Safety change in assumptions	(1,208,514)	
Safety net differences between projected and actual experience	(277,177)	
Safety adjustment due to difference in proportions	(154,894)	
Safety adjustment due to difference in proportion contribution	<u>(1,692,266)</u>	(4,191,596)
Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position.		<u>5,795,597</u>
Net Position of governmental activities		<u><u>\$ 10,788,030</u></u>

CITY OF MONROVIA

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2016

	Special Revenue Funds			
	General	Retirement	Gang Violence and Drug Abuse Grants	Monrovia Housing Authority
Revenues:				
Taxes	\$ 25,153,294	\$ 6,255,354	\$ -	\$ -
Assessments	-	-	-	-
Licenses and permits	804,006	-	-	-
Intergovernmental	907,173	-	6,854,351	-
Charges for services	2,608,813	-	-	-
Use of money and property	421,983	975	1,268	42,648
Fines and forfeitures	281,856	-	-	-
Contributions	93,168	-	-	-
Miscellaneous and other revenue	560,899	-	892	7,633
Total Revenues	30,831,192	6,256,329	6,856,511	50,281
Expenditures:				
Current:				
General government	5,598,497	158,040	-	-
Public safety	25,895,140	-	6,700,260	-
Community development	2,955,601	-	-	122,064
Parks and recreation	5,182,344	-	-	-
Public works	1,450,003	-	-	-
Capital outlay	361,785	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	350	-	-	-
Total Expenditures	41,443,720	158,040	6,700,260	122,064
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,612,528)	6,098,289	156,251	(71,783)
Other Financing Sources (Uses):				
Transfers in	11,186,419	1,800,000	-	110,212
Transfers out	(2,006,228)	(8,170,261)	-	(21,973)
Lease revenue bond issued	-	-	-	-
Bond premium	-	-	-	-
Proceeds from sale of capital asset	-	-	-	642,973
Payment to refunded bond escrow agent	-	-	-	-
Total Other Financing Sources (Uses)	9,180,191	(6,370,261)	-	731,212
Net Change in Fund Balances	(1,432,337)	(271,972)	156,251	659,429
Fund Balances, Beginning of Year	7,667,082	2,880,287	(464,220)	4,029,800
Fund Balances, End of Year	\$ 6,234,745	\$ 2,608,315	\$ (307,969)	\$ 4,689,229

CITY OF MONROVIA

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2016

	Capital Projects Funds			Total Governmental Funds
	Proposition C and Measure R Projects	Capital Improvement	Other Governmental Funds	
Revenues:				
Taxes	\$ -	\$ 13,263	\$ 3,259,104	\$ 34,681,015
Assessments	-	-	1,337,382	1,337,382
Licenses and permits	-	-	-	804,006
Intergovernmental	-	8,988	1,820,225	9,590,737
Charges for services	-	-	245,349	2,854,162
Use of money and property	27,873	4,681	27,532	526,960
Fines and forfeitures	-	-	548,775	830,631
Contributions	-	-	59	93,227
Miscellaneous and other revenue	-	290,895	-	860,319
Total Revenues	27,873	317,827	7,238,426	51,578,439
Expenditures:				
Current:				
General government	-	-	-	5,756,537
Public safety	-	-	1,281,688	33,877,088
Community development	-	-	1,342,517	4,420,182
Parks and recreation	-	-	42,512	5,224,856
Public works	-	-	3,445,327	4,895,330
Capital outlay	4,444,021	1,233,504	1,249,929	7,289,239
Debt service:				
Principal retirement	-	-	1,250,000	1,250,000
Interest and fiscal charges	-	-	2,486,288	2,486,638
Total Expenditures	4,444,021	1,233,504	11,098,261	65,199,870
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,416,148)	(915,677)	(3,859,835)	(13,621,431)
Other Financing Sources (Uses):				
Transfers in	-	-	4,643,215	17,739,846
Transfers out	-	-	(3,367,482)	(13,565,944)
Lease revenue bond issued	-	-	13,865,000	13,865,000
Bond premium	-	-	215,563	215,563
Proceeds from sale of capital asset	-	-	-	642,973
Payment to refunded bond escrow agent	-	-	(13,638,262)	(13,638,262)
Total Other Financing Sources (Uses)	-	-	1,718,034	5,259,176
Net Change in Fund Balances	(4,416,148)	(915,677)	(2,141,801)	(8,362,255)
Fund Balances, Beginning of Year	13,335,570	4,370,711	7,794,542	39,613,772
Fund Balances, End of Year	\$ 8,919,422	\$ 3,455,034	\$ 5,652,741	\$ 31,251,517

CITY OF MONROVIA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2017**

Net change in fund balances - total governmental funds \$ (8,362,255)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation and disposals in the current period.

Capital outlay	\$ 7,262,597	
Capitalized interest	489,817	
Depreciation	(3,312,658)	
Disposals	(1,803,827)	
Gain/(loss) on sale of capital assets	<u>376,497</u>	3,012,426

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal repayments	1,250,000	
2017 Library project refunding bonds issuance	(13,865,000)	
2016 Lease Revenue Bond premium	(215,563)	
2007 library project bonds defeasance	13,638,262	
Amortization of bond premiums/discounts	(11,519)	
Amortization of deferred charge	<u>(7,102)</u>	789,078

Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period. 63,096

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 governmental funds. (156,774)

Governmental funds report all contributions in relation to the annual required contribution (ARC) for OPEB as expenditures, however in the statement of activities only the ARC is an expense. (1,198,034)

Pension obligation expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (2,326,901)

Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity. (133,049)

Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The net revenues (expenses) of the internal service funds is reported with governmental activities. 772,831

Change in net position of governmental activities \$ (7,539,582)

MAJOR PROPRIETARY FUNDS

The following funds have been classified as major proprietary funds in the accompanying financial statements.

Water Fund – To account for the costs associated with maintaining and operating the City’s water system, which includes water production and treatment, delivery and distribution of potable water, State-mandated water quality testing, inspection services, utility billing and collection for water services, and water pipeline and water facility improvements.

Sewer Fund - To account for the costs associated with maintaining and operating the citywide sewer system, which includes sewer cleaning, preventative maintenance, emergency standby service, and sewer pipeline improvements.

CITY OF MONROVIA

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 JUNE 30, 2017

Assets and Deferred Outflows of Resources:	Business-Type Activities - Enterprise Funds				Governmental Activities- Internal Service Funds
	Water	Sewer	Other Enterprise Funds	Totals	
Assets:					
Current:					
Cash and investments	\$ 19,368,322	\$ 7,139,496	\$ 2,362,325	\$ 28,870,143	\$ 3,279,434
Receivables:					
Accounts	1,204,058	215,470	179,018	1,598,546	139,895
Prepaid costs	90,711	36,200	-	126,911	2,169,043
Inventories	-	-	-	-	2,250
Restricted:					
Cash with fiscal agent	9,859,487	3,211,381	-	13,070,868	-
Total Current Assets	30,522,578	10,602,547	2,541,343	43,666,468	5,590,622
Noncurrent:					
Advances to other funds	120,782	47,585	-	168,367	-
Capital assets - net of accumulated depreciation	14,523,911	6,550,621	527,915	21,602,447	4,762,779
Total Noncurrent Assets	14,644,693	6,598,206	527,915	21,770,814	4,762,779
Total Assets	45,167,271	17,200,753	3,069,258	65,437,282	10,353,401
Deferred Outflows of Resources:					
Deferred pension related items	896,597	139,537	132,426	1,168,560	325,864
Total Deferred Outflows of Resources	896,597	139,537	132,426	1,168,560	325,864
Total Assets and Deferred Outflows of Resources	\$ 46,063,868	\$ 17,340,290	\$ 3,201,684	\$ 66,605,842	\$ 10,679,265
Liabilities, Deferred Inflows of Resources, and Net Position:					
Liabilities:					
Current:					
Accounts payable	\$ 1,814,384	\$ 659,136	\$ 100,016	\$ 2,573,536	\$ 359,239
Accrued liabilities	32,514	2,731	-	35,245	8,420
Accrued interest	82,099	33,027	-	115,126	-
Unearned revenues	-	-	40,161	40,161	-
Deposits payable	55,900	-	130,184	186,084	-
Due to other funds	-	-	-	-	821,069
Accrued compensated absences	77,348	9,369	4,627	91,344	19,495
Accrued claims and judgments	-	-	-	-	845,128
Bonds, notes, and capital leases	495,000	200,000	-	695,000	133,609
Total Current Liabilities	2,557,245	904,263	274,988	3,736,496	2,186,960
Noncurrent:					
Advances from other funds	-	-	23,226	23,226	23,226
Accrued compensated absences	25,196	3,052	1,508	29,756	6,350
Accrued claims and judgments	-	-	-	-	552,276
Bonds, notes, and capital leases	27,345,749	11,000,856	-	38,346,605	137,712
Net pension liability	5,166,102	803,994	763,028	6,733,124	1,877,604
Total Noncurrent Liabilities	32,537,047	11,807,902	787,762	45,132,711	2,597,168
Total Liabilities	35,094,292	12,712,165	1,062,750	48,869,207	4,784,128
Deferred Inflows of Resources:					
Deferred pension related items	132,455	20,614	19,563	172,632	48,140
Total Deferred Inflows of Resources	132,455	20,614	19,563	172,632	48,140
Net Position:					
Net investment in capital assets	11,313,617	4,676,469	527,915	16,518,001	4,491,458
Unrestricted	(476,496)	(68,958)	1,591,456	1,046,002	1,355,539
Total Net Position	10,837,121	4,607,511	2,119,371	17,564,003	5,846,997
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 46,063,868	\$ 17,340,290	\$ 3,201,684	\$ 66,605,842	\$ 10,679,265
Reconciliation of Net Position to the Statement of Net Position					
Net Position per Statement of Net Position - Proprietary Funds				\$ 17,564,003	
Prior years' accumulated adjustment to reflect the consolidation of internal service funds activities related to the enterprise funds				(83,630)	
Current years' adjustments to reflect the consolidation of internal service activities related to enterprise funds				135,030	
Net Position per Statement of Net Position				\$ 17,615,403	

CITY OF MONROVIA

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2017

	Business-Type Activities - Enterprise Funds				Governmental Activities- Internal Service Funds
	Water	Sewer	Other Enterprise Funds	Totals	
Operating Revenues:					
Sales and service charges	\$ 7,624,310	\$ 1,499,794	\$ 2,749,082	\$ 11,873,186	\$ 190,427
Interdepartmental charges	-	-	-	-	7,548,923
Miscellaneous	70,593	-	148,207	218,800	1,286,646
Total Operating Revenues	7,694,903	1,499,794	2,897,289	12,091,986	9,025,996
Operating Expenses:					
Salaries and employee benefits	1,056,514	358,778	80,299	1,495,591	430,330
Professional and contract services	2,121,982	67,358	552,870	2,742,210	2,768,561
Maintenance and supplies	1,176,189	278,205	82,483	1,536,877	1,764,168
Utilities	1,419,605	-	-	1,419,605	668,898
Repairs and replacements	198,383	124,361	1,063	323,807	589,216
Claims expense	-	-	-	-	87,970
Depreciation expense	265,122	143,381	22,285	430,788	683,298
Other operating expense	-	-	-	-	8,950
Claims expense/(recovery)	-	-	-	-	674,308
Total Operating Expenses	6,237,795	972,083	739,000	7,948,878	7,675,699
Operating Income (Loss)	1,457,108	527,711	2,158,289	4,143,108	1,350,297
Nonoperating Revenues (Expenses):					
Intergovernmental	-	-	17,634	17,634	-
Interest revenue	130,469	53,289	15,435	199,193	11,589
Interest expense	-	-	(174)	(174)	(48,733)
Contributions	-	-	-	-	100
Gain (loss) on disposal of capital assets	-	-	-	-	28,969
Total Nonoperating Revenues (Expenses)	130,469	53,289	32,895	216,653	(8,075)
Income (Loss) Before Transfers	1,587,577	581,000	2,191,184	4,359,761	1,342,222
Transfers in	60,000	-	160,000	220,000	159,272
Transfers out	(1,389,941)	(344,733)	(2,224,867)	(3,959,541)	(593,633)
Changes in Net Position	257,636	236,267	126,317	620,220	907,861
Net Position:					
Beginning of Year, as previously reported	10,300,746	4,259,104	1,993,054	16,552,904	4,939,136
Restatements	278,739	112,140	-	390,879	-
Beginning of Fiscal Year, as restated	10,579,485	4,371,244	1,993,054	16,943,783	4,939,136
End of Fiscal Year	\$ 10,837,121	\$ 4,607,511	\$ 2,119,371	\$ 17,564,003	\$ 5,846,997
Reconciliation of Changes in Net Position to the Statement of Activities:					
Changes in Net Position, per the Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds				\$ 620,220	
Adjustment to reflect the consolidation of current fiscal year internal service funds activities related to enterprise funds				135,030	
Changes in Net Position of Business-Type Activities per Statement of Activities				\$ 755,250	

CITY OF MONROVIA

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 YEAR ENDED JUNE 30, 2017

	Business-Type Activities - Enterprise Funds				Governmental
	Water	Sewer	Other Enterprise Funds	Totals	Activities-Internal Service Funds
Cash Flows from Operating Activities:					
Cash received from customers and users	\$ 7,421,112	\$ 1,472,888	\$ 2,983,272	\$ 11,877,272	\$ -
Cash received from/(paid to) interfund service provided	-	-	-	-	8,965,025
Cash paid to suppliers for goods and services	(2,529,064)	-	(566,372)	(3,095,436)	(7,295,271)
Cash received/refunded by suppliers for goods and services	-	-	-	-	6,519
Cash paid to employees for services	(3,505,624)	(238,900)	(446,497)	(4,191,021)	(2,585,175)
Cash received from (payments to) others	-	-	-	-	(1,339,751)
Net Cash Provided by Operating Activities	1,386,424	1,233,988	1,970,403	4,590,815	(2,248,653)
Cash Flows from Non-Capital Financing Activities:					
Cash transfers out	(1,389,941)	(344,733)	(2,224,867)	(3,959,541)	(593,633)
Cash transfers in	60,000	-	160,000	220,000	159,272
Cash given for interfund receivables	-	-	173,260	173,260	-
Repayment received from/(paid to) other funds	120,779	246,523	(1,155,711)	(788,409)	821,069
Cash paid for advances to other funds	-	-	(23,222)	(23,222)	(23,222)
Repayments received for advance to other funds	580,353	47,583	-	627,936	-
Intergovernmental	-	-	17,634	17,634	-
Net Cash Provided by (Used in) Non-Capital Financing Activities	(628,809)	(50,627)	(3,052,906)	(3,732,342)	363,486
Cash Flows from Capital and Related Financing Activities:					
Acquisition and construction of capital assets	(4,677,004)	(2,950,921)	(178,918)	(7,806,843)	(422,065)
Principal paid on capital debt	(284,000)	(116,000)	-	(400,000)	(135,309)
Interest paid on capital debt	(264,127)	(104,826)	(174)	(369,127)	(67,169)
Proceeds from sales of capital assets	-	-	-	-	28,969
Net Cash Used in Capital and Related Financing Activities	(5,225,131)	(3,171,747)	(179,092)	(8,575,970)	(595,574)
Cash Flows from Investing Activities:					
Interest received	130,469	53,289	15,435	199,193	11,589
Net Cash Provided by Net Cash Provided by Investing Activities	130,469	53,289	15,435	199,193	11,589
Net Increase (Decrease) in Cash and Cash Equivalents	(4,337,047)	(1,935,097)	(1,246,160)	(7,518,304)	(2,469,152)
Cash and Cash Equivalents at Beginning of Year	33,564,856	12,285,974	3,608,485	49,459,315	5,748,586
Cash and Cash Equivalents at End of Year	\$ 29,227,809	\$ 10,350,877	\$ 2,362,325	\$ 41,941,011	\$ 3,279,434
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities:					
Operating income	\$ 1,457,108	\$ 527,711	\$ 2,158,289	\$ 4,143,108	\$ 1,350,297
Adjustments to reconcile operating income net cash provided by (used in) operating activities:					
Depreciation	265,122	143,381	22,285	430,788	683,298
(Increase) decrease in accounts receivable	(236,491)	(26,906)	67,563	(195,834)	(60,971)
(Increase) decrease in inventories	-	-	-	-	(580)
(Increase) decrease in prepaid expense	2,406	1,263	-	3,669	(2,158,058)
(Increase) decrease in deferred pension related outflows	(532,090)	(98,242)	(82,394)	(712,726)	(119,077)
Increase (decrease) in accounts payable	965,084	549,385	70,044	1,584,513	(8,169)
Increase (decrease) in unearned revenue	-	-	17,270	17,270	-
Increase (decrease) in deposits payable	(37,300)	-	1,150	(36,150)	-
Increase (decrease) in claims and judgments	-	-	-	-	(577,473)
Increase (decrease) in compensated absences	(12,916)	6,154	6,135	(627)	(78,198)
Increase (decrease) in accrued liabilities	21,847	4,031	-	25,878	(7,354)
Increase (decrease) in net pension liability	(215,772)	160,532	(218,525)	(273,765)	(1,085,777)
Increase (decrease) in deferred pension related inflows	(290,574)	(33,321)	(71,414)	(395,309)	(186,591)
Total Adjustments	(70,684)	706,277	(187,886)	447,707	(3,598,950)
Net Cash Provided by Operating Activities	\$ 1,386,424	\$ 1,233,988	\$ 1,970,403	\$ 4,590,815	\$ (2,248,653)
Non-Cash Activity in Investing and Financing Activities:					
Amortization of premiums/(discounts)	\$ 66,169	\$ 27,027	\$ -	\$ -	\$ -
Restatement of capitalized interest	278,739	112,140	-	390,879	-
Retired assets	-	-	-	-	18,536

CITY OF MONROVIA

STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 JUNE 30, 2017

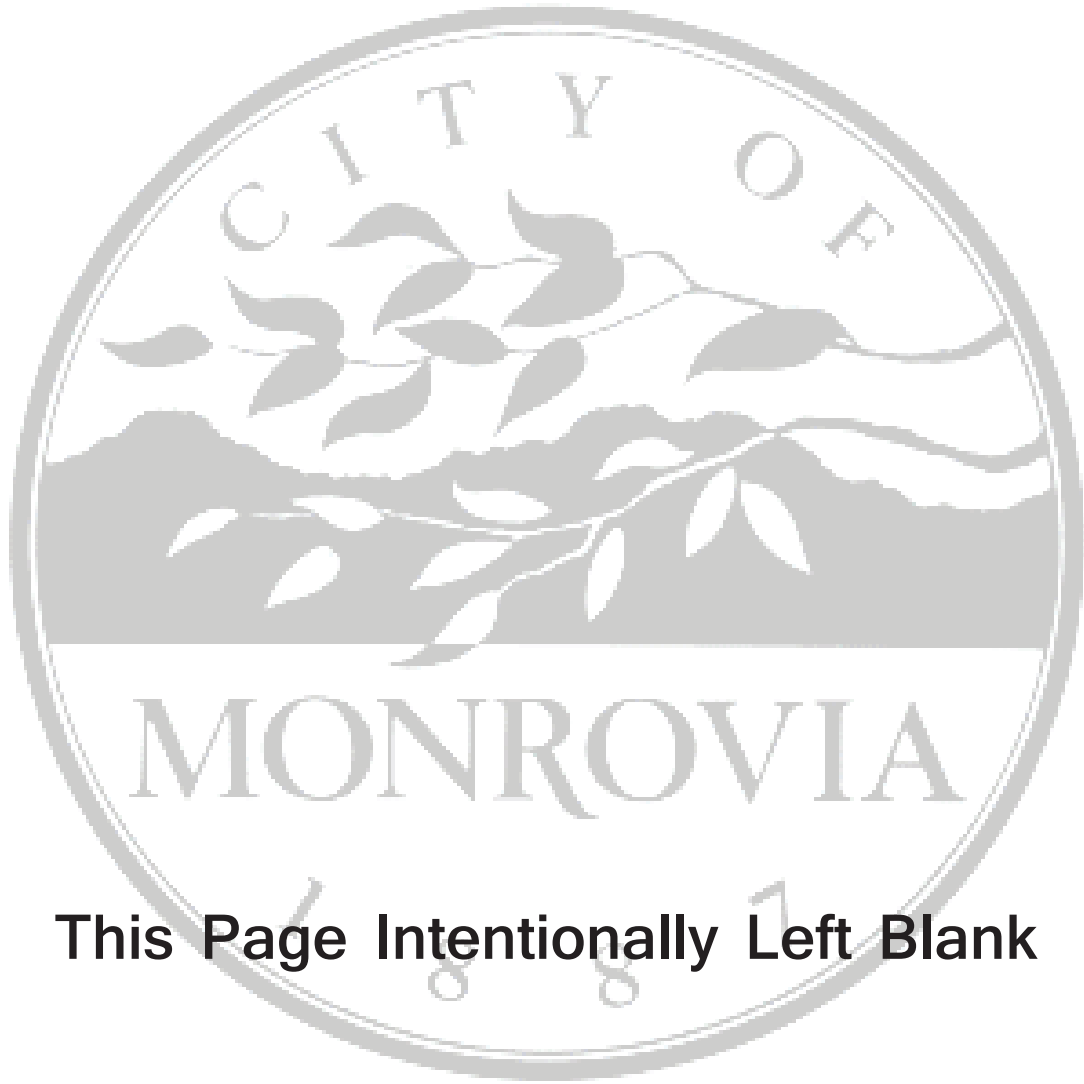
	<u>Agency Funds Deposits</u>	<u>Private- Purpose Trust Funds</u>
Assets:		
Pooled cash and investments	\$ 1,953,047	\$ 3,672,540
Receivables:		
Accounts	-	11,350
Notes and loans	-	2,093,298
Prepaid costs	-	352,659
Land held for resale	-	5,674,434
Restricted assets:		
Cash and investments with fiscal agents	-	2,078,490
Capital assets:		
Capital assets, not being depreciated	-	400,638
Capital assets, net of accumulated depreciation	-	1,630,400
Total Assets	<u>\$ 1,953,047</u>	<u>15,913,809</u>
Deferred Outflows of Resources:		
Deferred charge on refunding		2,161,459
Total Deferred Outflows of Resources		<u>2,161,459</u>
Liabilities:		
Accounts payable	\$ 9,388	-
Accrued interest	-	555,750
Deposits payable	1,943,659	-
Advances from City	-	2,551,385
Long-term liabilities:		
Due in one year	-	3,855,000
Due in more than one year	-	51,466,049
Total Liabilities	<u>\$ 1,953,047</u>	<u>58,428,184</u>
Net Position:		
Held in trust for educational material		123,227
Held in trust for other purposes		(40,476,143)
Total Net Position		<u>\$ (40,352,916)</u>

CITY OF MONROVIA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2017

	Private-Purpose Trust Funds
Additions:	
Taxes	\$ 6,437,291
Interest, rental income and change in fair value of investments	6,653
Total Additions	6,443,944
Deductions:	
Administrative expenses	300,000
Contractual services	50,453
Interest expense	2,534,519
Depreciation expense	47,071
Total Deductions	2,932,043
Changes in Net Position	3,511,901
Net Position:	
Net Position - Beginning of the Year	(43,864,817)
Net Position - End of the Year	\$ (40,352,916)

**NOTES TO THE
FINANCIAL
STATEMENTS**



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I. SIGNIFICANT ACCOUNTING POLICIES

Note 1: Summary of Significant Accounting Policies

a. Financial Reporting Entity

The financial reporting entity "City of Monrovia" includes the accounts of the City, the Monrovia Financing Authority (the Authority), and the Monrovia Housing Authority (Housing Authority).

The City of Monrovia was incorporated December 15, 1887, under the general laws of the State of California and follows the City Council - Manager form of government. As required by accounting principles generally accepted in the United States of America, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. Each blended component unit has a June 30 year-end.

Blended Component Units

The Authority was established by resolution on February 6, 1996, under a Joint Exercise of Powers Agreement (the Agreement) by the City of Monrovia and the former Monrovia Redevelopment Agency. The governing body of the Authority is comprised of the consenting members of the City Council. The agreement provides for the financing of public capital improvements for the City and the Agency through the acquisition by the Authority of such public capital improvements and/or the purchase of obligations of the City and the Agency pursuant to debt purchase agreements.

The Housing Authority was established on October 5, 2004, pursuant to the California Housing Authority Law codified under State of California Health and Safety Code, Section 34200 et seq. The Housing Authority retained the housing assets and functions previously performed by the former Redevelopment Agency. City Council serves as the governing Board for the Housing Authority. Further, City management has the same operational responsibility for the Housing Authority as it does for the rest of the City. The Housing Authority was formed for purposes of construction and management of quality affordable housing within the City. Separate financial statements are not prepared.

Discretely Presented Component Units

Monrovia Wilderness Preserve Foundation, Inc. - The Monrovia Wilderness Preserve Foundation, Inc. (the Foundation), a nonprofit public benefit corporation, was created on November 20, 2000, to acquire property in the foothills to be used as a wilderness preserve for the protection of existing natural resources and to provide outdoor educational activities to nearby schools. The Foundation has a separate governing board, which is comprised of City Council members, employees, citizens and members from two local conservancy agencies. During fiscal year 2016-2017, there was no material financial activity for the Foundation; therefore, financial data has not been presented in the City's financial statements.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017

Note 1: Summary of Significant Accounting Policies (Continued)

b. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities which normally are supported by taxes and intergovernmental revenues are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from the governmental funds and internal service funds, while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds, even though the latter are excluded from the government-wide financial statements.

c. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The fund financial statements provide information about the government's funds, including its fiduciary funds and blended component units. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017

Note 1: Summary of Significant Accounting Policies (Continued)

However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered susceptible to accrual as revenue of the current period. All other revenue items are considered measurable and available only when cash is received by the government.

The City reports the following major governmental funds:

- The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The Retirement Fund is to account for voter approved override property taxes levied for employee retirement funding. Monies are transferred from this fund to numerous other funds to reimburse each fund for the payment of retirement costs which are charged directly against each fund. In addition, monies are transferred from this fund to the Pension Obligation Bond Debt Service Fund to provide funds for the payment of debt service on the 2010 Pension Obligation Bonds.
- The Gang Violence and Drug Abuse Grants Fund accounts for grant funds received from the U.S. Department of Justice, the California Emergency Management Agency, and the Board of State and Community Corrections. All expenditures are restricted to target area projects and programs.
- The Monrovia Housing Authority accounts for transactions related to affordable housing activities. Revenues include bond proceeds held by the Monrovia Successor Agency that will be transferred for use into this fund for affordable housing activities.
- The Proposition C and Measure R Projects Fund accounts for Proposition C and Measure R project expenditures for the Monrovia Renewal Improvement Program, which have been financed through a bond measure. This program will provide for citywide street infrastructure repairs and improvements
- The Capital Improvement Fund accounts for the costs associated with major capital improvement projects not financed under other funds. The many different projects undertaken by this fund are under the control of the Public Works Department. Financing for the projects includes state grants, investment earnings, and new construction taxes.

The City reports the following major proprietary funds:

- The Water Fund accounts for the administration, operation, maintenance, improvement and contract costs associated with the water utility.
- The Sewer Fund accounts for the citywide sewer maintenance services provided to all segments of the community. The City maintains 91 miles of sewer lines.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017

Note 1: Summary of Significant Accounting Policies (Continued)

Additionally, the City reports the following fund types:

- The Debt Service Funds are used to account for the accumulation of funds for the payment of principal and interest of various bond issues and loans.
- The Permanent Fund is used to account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the City's programs.
- Internal Service Funds are used to account for goods and services provided by one City department to other City departments on a cost-reimbursement basis. The services provided to the departments are facility maintenance including capital replacements, equipment pool maintenance including routine maintenance and replacement of the City's motorized fleet, central services including information services, maintenance and replacement of copy machines and specialized equipment, and the operation of the City-wide general and automotive, workers' compensation and unemployment insurance programs.
- The Agency Fund is used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations and other governmental units. The purpose of the assets held by the City are for various organizations such as the Wilderness Preservation Foundation and the City of Monrovia Employees We Care Foundation, as well as several other miscellaneous activities.
- The Private Purpose Trust Fund is used to account for the Bartle Memorial Trust, which is a contribution where the principal and interest earnings are used to acquire books or other educational materials appropriate to the library. The Private Purpose Trust Fund also accounts for the assets and liabilities of the former redevelopment agency and is allocated revenue to pay estimated installment payments of enforceable obligations until obligations of the former redevelopment agency are paid in full and assets have been liquidated.

The proprietary and private-purpose trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency fund has no measurement focus, but utilizes the accrual basis of accounting for reporting its assets and liabilities.

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

Note 1: Summary of Significant Accounting Policies (Continued)

The principal operating revenues of the Enterprise Funds and of the Internal Service Funds are charges to customers for sales and services. Operating expenses for Enterprise Funds and Internal Service Funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

d. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity

Cash and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. For financial statement presentation purposes, cash and cash equivalents are shown as both unrestricted and restricted cash and investments.

Investments for the City, as well as for its component units, are reported at fair value, the value at which a financial instrument could be exchanged in a current transaction between willing parties, other than a forced liquidation sale. The City's policy is generally to hold investments until maturity or until market values equal or exceed cost. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

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

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

Inventories and Land Held for Resale

All inventories are valued at cost using the first-in/first-out (FIFO) method. The City accounts for inventory using the consumption method and is equally offset by a reservation of fund balance in the fund-level statements, which indicates that it does not constitute "available spendable resources." Inventory is capitalized when

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017

Note 1: Summary of Significant Accounting Policies (Continued)

purchased and is thereafter recorded as an expenditure at the time the inventory item is consumed.

Land purchased for resale is capitalized as inventory at acquisition costs or net realizable value, if lower. Land held for resale is classified as nonspendable fund balance, which indicates that it does not constitute "available spendable resources." Other property held for resale is capitalized as inventory and is recorded at cost.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

In accordance with GASB Statement No. 34, the City has reported general infrastructure assets acquired in the current and prior years.

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

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

Property, plant and equipment of the governmental activities and business-type activities for the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Structures and Improvements	50
Equipment, Furniture, & Vehicles:	
Furniture & Fixtures	5
Machinery & Equipment	5-10
Autos & Trucks	5-20
Infrastructures:	
Reservoirs & Wells	50
Water & Sewer Mains	50-75
Meters	35
Hydrants	75
Pumping Equipment	50
Transmission & Distribution	50
Other infrastructures	15-50

Note 1: Summary of Significant Accounting Policies (Continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The City has two items that qualify for reporting in this category. It is the deferred charge on refunding reported in the fiduciary statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second are deferred outflows relating to the net pension obligation reported in the statement of net position. These outflows are the results of contributions made after the measurement period, which are expensed in the following year, adjustments due to differences in proportions, adjustments due to difference in proportions and the difference between actual contributions made and the proportionate share of the risk pool's total contributions, and differences between expected and actual experiences. These amounts are deferred and amortized over the expected average remaining service lifetime.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two types of reported in this category. The first item is in relation to the net pension obligation reported in the statement of net position. These inflows are the results of net differences between projected and actual earnings on pension plan investments, adjustments due to differences in proportions, changes in assumptions, and net difference between proportion actuarial and actual contributions. Inflows from changes in net pension liability arise only under a full accrual basis of accounting, and are reported in the government-wide Statement of Net Position and proprietary funds. The second item arises only under a modified accrual basis of accounting. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: sales taxes and grant revenues. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Compensated Absences

Compensated absences are accounted for in accordance with Govt. Code Sec. C60. It is the government's policy to permit employees to accumulate earned but unused vacation, holiday and compensatory pay benefits. There is no liability for unpaid accumulated sick leave, with the exception of certain management and fire positions, since the City does not have a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017

Note 1: Summary of Significant Accounting Policies (Continued)

Claims and Judgments

When it is probable that a claim liability has been incurred, and the amount of the loss can be reasonably estimated, the City records the estimated loss, net of any insurance coverage under its self-insurance program. Claims payable, which include an estimate for incurred but not reported claims (IBNR), are recorded in Internal Service Funds.

Unearned Revenue

Unearned revenues are those where asset recognition has been met, but for which the revenue recognition criteria has not. The City reported as unearned revenues the amount of \$206,986 in the governmental funds and \$40,161 reported in the Waste Management Proprietary Fund for which services have not yet been rendered.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are no longer reported as deferred charges and amortized over the term of the related debt. Debt issuance costs should be recognized in the period incurred. This was a change in accounting principle due to implementing GASB Statement No. 65.

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

Net Pension Liability

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan's fiduciary net position has been determined on the same basis as they are reported by the CalPERS Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. CalPERS audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017

Note 1: Summary of Significant Accounting Policies (Continued)

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

Valuation Date (VD) June 30, 2015

Measurement Date (MD) June 30, 2016

Measurement Period (MP) July 1, 2015 to June 30, 2016

Statement of Cash Flows

Substantial portions of the City's investments are in short-term instruments with maturities of one to three years. In addition, there are liquid funds on deposit with California Local Agency Investment Fund. For purposes of the statements of cash flows, all cash and investments held by the enterprise and internal service funds are considered short-term and, accordingly, are considered cash and cash equivalents.

Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Equity

In the fund financial statements, government funds report the following fund balance classification:

Nonspendable include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted include amounts that are constrained on the use of resources by either (a) external creditors, grantors, contributors, or laws of regulations of other governments or (b) by law through constitutional provisions or enabling legislation.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017

Note 1: Summary of Significant Accounting Policies (Continued)

Committed include amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest authority, the City Council. The formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution.

Assigned include amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The City Manager is authorized to assign amounts to a specific purpose, which was established by the governing body in Resolution No. 2011-32 approved on June 21, 2011.

Unassigned include the residual amounts that have not been restricted, committed, or assigned to specific purposes. The General Fund is the only fund that reports a positive unassigned fund balance amount. In governmental funds, other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, the City reports a negative unassigned fund balance in that fund.

An individual governmental fund could include nonspendable resources and amounts that are restricted or unrestricted (committed, assigned, or unassigned) or any combination of those classifications. Restricted amounts are to be considered spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available and committed, assigned, then unassigned amounts are considered to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

Effect of New Accounting Standards

During the fiscal year ended June 30, 2017, the City implemented the following Governmental Accounting Standards Board (GASB) standards:

GASB Statement No. 77 – Tax Abatement Disclosures, during the year ended June 30, 2017. The changes resulting from this implementation are the disclosures of tax abatement agreements the City has entered into, which have been properly disclosed in Note 17.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017

II. STEWARDSHIP

Note 2: Deficit Fund Balances

The following non-major funds contained deficit fund balances:

Fund	Amount
Nonmajor Special Revenue Funds:	
Community Development Block Grant	\$ 244
Asset Forfeiture	31,677
Police Grants	57,078
Fire Grants	22,196
NonmajorCapital Projects Funds:	
Hillside Acquisition	351,545
Street Maintenance	254,080
Internal Service Funds:	
Central Services	350,463
Workers' Compensation Insurance	905,649
Fiduciary Funds:	
Successor Agency of the Former RDA	40,476,143

The City expects to eliminate these deficits from future revenues.

III. DETAILED NOTES ON ALL FUNDS

Note 3: Cash and Investments

As of June 30, 2017, cash and investments were reported in the accompanying financial statements as follows:

	Governmental Activities	Business-Type Activities	Fiduciary Funds	Total
Cash and Investments	\$ 21,241,188	\$ 28,870,143	\$ 5,625,587	\$ 55,736,918
Restricted:				
Cash and Investments	796,042	13,070,868	-	13,866,910
Cash with fiscal agents	5,527,937	-	2,078,490	7,606,427
Total cash and investments	<u>\$ 27,565,167</u>	<u>\$ 41,941,011</u>	<u>\$ 7,704,077</u>	<u>\$ 77,210,255</u>

Deposits with financial institutions	\$ 4,265,737
Petty Cash	8,452
Investments	51,462,726
Investments held with fiscal agents	<u>21,473,340</u>
Total cash and investments	<u>\$ 77,210,255</u>

The City follows the practice of pooling cash and investments of all funds, except for funds required to be held by fiscal agents under provisions of bond indentures. Interest income earned on pooled cash and investments is allocated monthly to the various funds based on monthly cash and investment balances. Interest Income from cash and investments with fiscal agents is credited directly to the related fund.

CITY OF MONROVIA

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017**

Note 3: Cash and Investments (Continued)

Deposits

At June 30, 2017, the carrying amount of the City's deposits was \$4,265,737 and the bank balance was \$5,147,979. The \$882,242 difference represents outstanding checks and other reconciling items.

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

Investments

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

- U.S. Treasury Bills
- Federal Agency Securities
- Federal Instrumentality
- Repurchase Agreements
- Prime Commercial Paper
- Eligible Bankers Acceptances
- Medium-Term Corporate Notes
- Negotiable and Non-negotiable Certificates of Deposit
- State of California's Local Agency Investment Fund (LAIF)
- Los Angeles County Pooled Investment Fund
- Money Market Funds

Investments Authorized by Debt Agreements

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

CITY OF MONROVIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 YEAR ENDED JUNE 30, 2017

Note 3: Cash and Investments (Continued)

Investments in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The State Treasurer's Office audits the fund annually. The fair value of the position in the investment pool is the same as the value of the pool shares.

GASB Statement No. 31

The City adopted GASB Statement of 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. Accordingly, the City reports its investments at fair value in the balance sheet. All investment income, including changes in the fair value of investments, is recognized as revenue in the operating statement.

Credit Risk

The City's investment policy limits investments in Medium-Term Notes to those rated in the top three rating categories by two of the three largest nationally recognized rating services at time of purchase. As of June 30, 2017, the City did not have any investments in Medium-Term Notes. Generally, credit risk is the risk that an issuer of an investment might not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the City's investment policy, and the actual rating by Standard and Poor's as of year-end for each investment type.

Investment Type:	Total	Minimum Legal Rating	Rating as of Year End	
			Aaa	Not Rated
Local Agency Investment Fund	\$ 24,727,086	N/A	\$ -	\$ 24,727,086
US Federal Agencies				
Federal Home Loan Mortgage Corp.	10,900,430	N/A	10,900,430	-
Federal Farm Credit Banks	2,000,020	N/A	2,000,020	-
Federal National Mortgage Assn	12,834,954	N/A	12,834,954	-
Certificates of Deposit	1,000,236	N/A	-	1,000,236
Money Market Mutual Funds	21,473,340	N/A	-	21,473,340
	<u>\$ 72,936,066</u>		<u>\$ 25,735,404</u>	<u>\$ 47,200,662</u>

CITY OF MONROVIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017

Note 3: Cash and Investments (Continued)

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

As of June 30, 2017, none of the City's deposits or investments were exposed to custodial credit risk.

Concentration of Credit Risk

The City's investment policy imposes restrictions on the maximum percentage it can invest in certain investments, as follows:

Prime Commercial Paper	10%
Eligible Bankers Acceptances	10%
Medium-Term Corporate Notes	10%
Negotiable Certificates of Deposit	30%
Non-Negotiable Certificates of Deposit	30%
Money Market Funds	20%

As of June 30, 2017, the City is in compliance with the investment policy restrictions.

The City has invested more than 5% of the total investment value with the following issuers:

Federal Home Loan Mortgage Corp	14.95%
Federal National Mortgage Assoc.	17.60%

Interest Rate Risk

The City's investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The City's investment policy states that the City's investment portfolio will not directly invest in securities maturing in more than five years. The City has elected to use the segmented time distribution method of disclosure for its interest rate risk.

CITY OF MONROVIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017

Note 3: Cash and Investments (Continued)

As of June 30, 2017, the City had the following investments and original maturities:

Investment Type:	Investment Maturities (in Years)		Fair Value
	1 year or less	1 year to 5 years	
Local Agency Investment Fund	\$ 24,727,086	\$ -	\$ 24,727,086
US Federal Agencies			
Federal Home Loan Mortgage Corp.	999,960	9,900,470	10,900,430
Federal National Mortgage Assoc.	-	12,834,954	12,834,954
Federal Farm Credit Bank	-	2,000,020	2,000,020
Certificates of Deposit	500,122	500,114	1,000,236
Money Market Mutual Funds	21,473,340	-	21,473,340
	<u>\$ 47,700,508</u>	<u>\$ 25,235,558</u>	<u>\$ 72,936,066</u>

Fair Value Hierarchy

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City has the following recurring fair value measurements as of June 30, 2017:

Investment Type	Totals	Level	
		1	2
U.S. Federal Agencies	\$ 25,735,404	\$ -	\$ 25,735,404
Certificates of Deposit	1,000,236	-	1,000,236
Local Agency Investment Fund (LAIF)	24,727,086	-	24,727,086
Held by Fiscal Agent:			
Money Market Mutual Funds	21,473,340	-	21,473,340
Total Investments	<u>\$ 72,936,066</u>	<u>\$ -</u>	<u>\$ 72,936,066</u>

U.S. Treasury Securities are classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Certificates of Deposit, LAIF, and Money Market Mutual Funds are classified in Level 2 of the fair value hierarchy are valued using institutional bond quotes or specified fair market value factors.

IV. OTHER INFORMATION

Note 4: Loans and Deferred Loans Receivable

a. Loans Receivable

In October 2002, the former redevelopment agency issued a 30-year Note Receivable to Monrovia Heritage Park, L.P. for the rehabilitation of low and moderate income housing. The note bears interest at 3% per annum, compounded annually. Payments are due annually, beginning April 15, 2002, and are equal to 50% of all residual receipts after the payment of deferred developer fee notes. The full amount of the note, together with all accrued and unpaid interest, is due no later than April 15, 2032. As of June 30, 2017, the balance was:

\$ 177,245

On July 1, 2008, the former redevelopment agency issued a 45-year Note Receivable to San Gabriel Valley Habitat for Humanity for the sale of properties at 1214 & 1218 Sherman Avenue, for the development of 4 low-income housing units. The note will not accrue interest and will become due and payable if a unit is subsequently sold to a buyer that does not meet the income restriction level. In the event that the buyer remains on site for 45 years, the note will be forgiven in its entirety. The balance of the loan outstanding on June 30, 2017 was:

300,000

On October 1, 1992, the former redevelopment agency issued a 28-year note receivable to Regency Court for the development of a 115 unit senior apartment complex. The full amount of the note, together with all accrued interest and unpaid interest, is due no later than October 1, 2020. However, pursuant to the First Amendment to the Disposition and Development Agreement, dated June 15, 1993, the entire principal amount and accrued interest shall be forgiven by the Agency provided that no event of default exists. As of June 30, 2017, the balance was:

783,125

On September 25, 2015, City Council approved a loan repayment agreement between the City of Monrovia (City) and Green Leaf Events, Inc. (Franchisee) in an amount not to exceed \$45,000 for use towards fulfilling Franchisee's obligations to serve as an independent contractor for the production of the weekly Friday Night Family Street Fair in Old Town Monrovia. Any loan amount requested by the Franchisee shall accrue interest at the rate of 1.75%. As of June 30, 2017, the balance was:

44,850

b. Deferred Loans Receivable

The City has made various rehabilitation and second trust deed loans bearing different interest rates to property owners within the City. The majority of the loans are payable upon sale of the property. However, if the property is not sold within a certain number of years, as stated in each loan agreement, any principal and interest relating to the loan is forgiven. The balance of the loans outstanding as of June 30, 2017, was:

1,663,518

Total Loans and Deferred Loans Receivable:

\$ 2,968,738

CITY OF MONROVIA

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017**

Note 5: Capital Assets

Capital asset activity for the year ended June 30, 2017, was as follows:

	Beginning Balance	Transfers	Increases	Decreases	Ending Balance
Governmental Activities:					
Capital Assets, Not Being Depreciated:					
Land	\$ 32,824,327	\$ -	\$ 355,836	\$ (266,476)	\$ 32,913,687
Construction-in-progress	21,267,804	(20,975,014)	1,660,041	-	1,952,831
Total Capital Assets Not Being Depreciated	54,092,131	(20,975,014)	2,015,877	(266,476)	34,866,518
Capital Assets, Being Depreciated:					
Structures & Improvements	27,240,154	-	152,790	(100,114)	27,292,830
Equipment, Furniture and Vehicles	13,838,629	-	498,418	(585,659)	13,751,388
Infrastructure	71,165,210	20,975,014	6,183,401	(8,057,726)	90,265,899
Total Capital Assets Being Depreciated	112,243,993	20,975,014	6,834,609	(8,743,499)	131,310,117
Less Accumulated Depreciation					
Structures & Improvements	10,316,987	-	672,311	(31,358)	10,957,940
Equipment, Furniture and Vehicles	9,361,276	-	1,136,738	(571,161)	9,926,853
Infrastructure	44,136,662	-	2,186,907	(6,322,655)	40,000,914
Total Accumulated Depreciation	63,814,925	-	3,995,956	(6,925,174)	60,885,707
Total Capital Assets Being Depreciated, Net	48,429,068	20,975,014	2,838,653	(1,818,325)	70,424,410
Governmental Activities Capital Assets, Net	<u>\$ 102,521,199</u>	<u>\$ -</u>	<u>\$ 4,854,530</u>	<u>\$ (2,084,801)</u>	<u>\$ 105,290,928</u>

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

Governmental Activities	
General government	\$ 11,160
Public Safety	519,767
Community development	373,313
Community services	337,019
Public works	2,071,399
Internal Services Funds	683,298
Total Governmental Activities	<u>\$ 3,995,956</u>

CITY OF MONROVIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 YEAR ENDED JUNE 30, 2017

Note 5: Capital Assets (Continued)

	Adjusted Beginning Balance*	Transfers	Increases	Ending Balance
Business-Type Activities:				
Capital assets, not being depreciated:				
Land	\$ 438,232	\$ -	\$ -	\$ 438,232
Construction-in-Progress	1,026,162	(837,474)	1,673,984	1,862,672
Total Capital Assets Not Being Depreciated	<u>1,464,394</u>	<u>(837,474)</u>	<u>1,673,984</u>	<u>2,300,904</u>
Capital assets, being depreciated:				
Structures & Improvements	3,277,298	-	-	3,277,298
Equipment, furniture and vehicles	1,497,495	-	-	1,497,495
Infrastructure	16,590,284	837,474	6,132,859	23,560,617
Total Capital assets, being depreciated:	<u>20,974,198</u>	<u>837,474</u>	<u>6,132,859</u>	<u>28,335,410</u>
Less Accumulated Depreciation				
Structures & improvements	1,032,896	-	55,714	1,088,610
Machinery, Equipment & Vehicles	1,440,265	-	29,908	1,470,173
Infrastructure	6,129,918	-	345,166	6,475,084
Total Accumulated Depreciation:	<u>8,603,079</u>	<u>-</u>	<u>430,788</u>	<u>9,033,867</u>
Total Capital Assets, Being Depreciated, Net	<u>12,371,119</u>	<u>837,474</u>	<u>5,702,071</u>	<u>19,301,543</u>
Business-type Activities Capital Assets, Net	<u>\$ 13,835,513</u>	<u>\$ -</u>	<u>\$ 7,376,055</u>	<u>\$ 21,602,447</u>

Beginning balance was adjusted for \$390,879 of capital assets purchased in prior year.

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

Business-Type Activities:	
Water	\$ 265,122
Sewer	143,381
Storm drain	19,704
Street Sweeping	1,764
Waste management	817
Total Business-Type Activities	<u>\$ 430,788</u>

CITY OF MONROVIA

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017**

Note 6: Interfund Receivables, Payables and Transfers

The composition of interfund balances as of June 30, 2017, was as follows:

a. Due To/From Other Funds

Receivable Fund	Payable Fund	Totals
General Fund	Gang Violence and Drug Abuse Grants NonMajor Governmental Funds Internal Service Funds	\$ 229,627 677,558 821,069
		<u>\$ 1,728,254</u>

The amounts loaned from the General Fund to the Gang Violence and Drug Abuse Grants Major Special Revenue Fund, non-major Governmental Funds and Internal Service Funds were to eliminate negative cash balances as of June 30, 2017.

b. Interfund Transfers

Fund	Transfers In:							Totals
	General	Retirement	Monrovia Housing Authority	Water Fund	Nonmajor Governmental Funds	Nonmajor Business-Type Funds	Internal Service Funds	
Major Governmental Funds:								
General Fund	\$ -	\$ 1,800,000	\$ 87,653	\$ -	\$ 118,575	\$ -	\$ -	\$ 2,006,228
Monrovia Housing Authority	21,973	-	-	-	-	-	-	21,973
Retirement	6,439,585	-	22,559	-	1,548,845	-	159,272	8,170,261
Major Business Type Funds:								
Water Fund	1,389,941	-	-	-	-	-	-	1,389,941
Sewer Fund	219,733	-	-	20,000	75,000	30,000	-	344,733
Nonmajor Governmental Funds	671,687	-	-	-	2,695,795	-	-	3,367,482
Nonmajor Business-Type Funds	1,849,867	-	-	40,000	205,000	130,000	-	2,224,867
Internal Service Funds	593,633	-	-	-	-	-	-	593,633
Totals	<u>\$ 11,186,419</u>	<u>\$ 1,800,000</u>	<u>\$ 110,212</u>	<u>\$ 60,000</u>	<u>\$ 4,643,215</u>	<u>\$ 160,000</u>	<u>\$ 159,272</u>	<u>\$ 18,119,118</u>

The General Fund received \$11,186,419 for retirement costs and general overhead. The Housing Authority received \$110,212 for general overhead and administrative charges. The Retirement Fund received \$1,800,000 in funds to supplement the retirement fund. The non-major governmental funds received \$4,643,215 from various funds to cover retirement costs, for general overhead and administrative charges, and for general support for various projects and operational costs. The Water Fund received \$60,000 in funding to assist with administrative costs. The non-major business type funds received \$160,000 in support for storm drain program costs. The internal service type funds received \$159,272 for retirement costs and general overhead and administrative charges.

CITY OF MONROVIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 YEAR ENDED JUNE 30, 2017

Note 6: Interfund Receivables, Payables and Transfers (Continued)

c. Advances To/From Other Funds

Receivable Fund	Payable Fund	Totals
Business-type Funds:		
Water	General Fund	\$ 33,323
	Non-major Governmental Funds	54,135
	Non-major Enterprise Funds	16,662
	Internal Service Funds	16,662
		<u>120,782</u>
Sewer	General Fund	13,129
	Non-major Governmental Funds	21,328
	Non-major Enterprise Funds	6,564
	Internal Service Funds	6,564
		<u>47,585</u>
		<u><u>\$ 168,367</u></u>

The Water Fund and Sewer Fund paid for the Public Works Corporate Yard renovation project. Various funds that account for other Public Works departments are repaying the Water and Sewer Funds, amortized over ten years.

Note 7: Advance to the Successor Agency of the Former Monrovia Redevelopment Agency (Successor Agency)

On July 23, 2009, the State adopted legislation requiring a shift of monies during fiscal years 2009-2010 and 2010-2011 to be deposited into the County Supplemental Educational Revenue Augmentation Fund (SERAF). To accomplish these payments, Monrovia's former Redevelopment Agency borrowed from Monrovia's Redevelopment Agency Low/Mod Housing Fund. The balance outstanding of \$2,551,385 as of June 30, 2017, due from the Private Purpose Trust Fund Successor Agency.

CITY OF MONROVIA

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017**

Note 8: Governmental Activities Long-Term Debt

The following is a summary of changes in governmental activities long-term debt of the City for the year ended June 30, 2017:

	Balance July 1, 2016	Deceased	Additions	Deletions	Balance June 30, 2017	Due Within One Year
<u>Lease revenue bonds:</u>						
2007 Library Bonds	\$ 13,620,000	\$ 13,240,000	\$ -	\$ 380,000	\$ -	\$ -
2015 Hillside Refunding Bonds	5,880,000	-	-	265,000	5,615,000	275,000
2016 Lease Revenue Bonds	13,600,000	-	-	155,000	13,445,000	265,000
2017 Lease Revenue Refunding Bonds	-	-	13,865,000	-	13,865,000	575,000
<u>Pension obligation bonds:</u>						
2010 Pension Obligation Bonds	11,420,000	-	-	450,000	10,970,000	520,000
<u>Other long term liabilities:</u>						
Leases Payable	406,630	-	-	135,309	271,321	133,609
Compensated Absences	2,119,738	-	1,662,677	1,584,101	2,198,314	1,638,681
Claims and judgment	1,974,877	-	647,094	1,224,567	1,397,404	845,128
	<u>\$ 49,021,245</u>	<u>\$ 13,240,000</u>	<u>\$ 16,174,771</u>	<u>\$ 4,193,977</u>	<u>47,762,039</u>	<u>\$ 4,252,418</u>
				Net unamortized bond premium (discount)	1,514,778	
					<u>\$ 49,276,817</u>	

There are a number of limitations and restrictions contained in the various bond indentures. The City is in compliance with all significant limitations and restrictions.

a. Lease Revenue Bonds

2007 Library Lease Revenue Bonds

On November 15, 2007, the Monrovia Financing Authority issued Lease Revenue Bonds in the amount of \$15,850,000. The bonds are payable from lease payments to be made by the City of Monrovia to the Authority for the rental of certain property and the Monrovia Public Library facilities and all other facilities and improvements.

The bonds maturing after December 1, 2017, are subject to optional redemption prior to maturity at 100% of par, at the option of the City pursuant to the Lease Agreement, as a whole or in part on any date on or after December 1, 2017, from available funds in the Redemption Account including the amount of the Purchase Option Price in the event the City exercises its option to purchase the Project.

These bonds were refunded with the issuance of the 2017 Library Lease Revenue Refunding Bonds.

2015 Hillside Lease Revenue Refunding Bonds

On April 7, 2015, the Monrovia Financing Authority issued Lease Revenue Refunding Bonds (Hillside Wilderness Preserve Project) in the amount of \$6,180,000. Proceeds from the bonds were used to refund the Authority's Lease Revenue Bonds (Hillside Wilderness Preserve Project) Issue of 2002, to pay the premium for a municipal bond debt service reserve insurance policy for deposit into the Reserve Account and to pay certain costs associated with issuance of the Bonds. The proceeds of the 2002 Bonds were used to acquire certain property located in the foothills of the San Gabriel Mountains (The Property). The Bonds are payable from Lease Payments to be made by the City to the Authority as rental for The Property pursuant to that certain Lease Agreement between the City and the Authority dated as of July 1, 2002.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017

Note 8: Governmental Activities Long-Term Debt (Continued)

The Bonds bear interest ranging from 2.00% to 5.00% per annum payable on June 1 and December 1 of each year commencing June 1, 2015. The Bonds mature starting December 1, 2015 and end on December 1, 2031.

The balance outstanding as of June 30 and the remaining debt service payments are as follows:

Year Ending June 30,	2015 Hillside Lease Revenue Refunding Bonds	
	Principal	Interest
2018	\$ 275,000	\$ 222,094
2019	285,000	212,269
2020	295,000	200,669
2021	305,000	187,144
2022	320,000	171,519
2023 - 2027	1,855,000	594,469
2028 - 2032	2,280,000	184,134
Total	<u>\$ 5,615,000</u>	<u>\$ 1,772,298</u>

Pledged Revenue

The City pledged, as security for bonds issued, either directly or through the Financing Authority, a portion of tax revenue that it receives. The bonds issued were to purchase certain property in the foothills and to defease previously issued bonds. Total principal and interest remaining on the debt is \$7,387,298 with annual debt service requirements as indicated above. For the current year, the total property tax revenue recognized for the payment of indebtedness incurred was \$732,875 and the debt service obligation on the bonds was \$495,194.

2016 Measure R and Proposition C Street Improvements Lease Revenue Bonds

On March 10, 2016, the Monrovia Financing Authority issued Lease Revenue Bonds (Measure R and Proposition C Street Improvements) in the amount of \$13,600,000. The Bonds are being issued to finance the costs of acquisition, construction, rehabilitation, reconstruction, and resurfacing of the City's public street facilities, to fund a reserve account, and to pay certain costs of issuance in association therewith. The Bonds are payable from lease payments to be made by the City of Monrovia to the Authority for the rental of certain real property located at 600 South Mountain Avenue, 2053 to 2055 South Myrtle Avenue and 141 East Lemon Avenue, in the City, and the City's Corporate Yard Building and Maintenance Yard, Fire Station #1, and Fire Station #2, and related parking lots, and all other facilities and improvements on the Site, pursuant to a Lease Agreement, dated March 1, 2016, by and between the City, as lessee, and the Authority, as lessor.

The Bonds bear interest ranging from 3.00% to 5.00% per annum payable on June 1 and December 1 of each year commencing December 1, 2016. The Bonds mature starting December 1, 2016 and end on December 1, 2045.

CITY OF MONROVIA

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017**

Note 8: Governmental Activities Long-Term Debt (Continued)

The balance outstanding as of June 30 and the remaining debt service payments are as follows:

Year Ending June 30,	2016 Lease Revenue Bonds	
	Principal	Interest
2018	\$ 265,000	\$ 524,531
2019	275,000	516,431
2020	280,000	508,106
2021	290,000	498,106
2022	300,000	486,306
2023 - 2027	1,700,000	2,226,956
2028 - 2032	2,125,000	1,807,906
2033 - 2037	2,485,000	1,442,822
2038 - 2042	2,910,000	1,000,863
2043 - 2046	2,815,000	289,875
Total	<u>\$ 13,445,000</u>	<u>\$ 9,301,902</u>

Pledged Revenue

The City pledged, as security for bonds issued, either directly or through the Financing Authority, a portion of Measure R and Prop C revenue that it receives. The bonds issued were to provide funding for various public street improvements. Total principal and interest remaining on the debt is \$22,746,902 with annual debt service requirements as indicated above. For the current year, the total Measure R and Prop C revenue recognized for the payment of indebtedness incurred was \$785,058 and the debt service obligation on the bonds was \$785,058.

2017 Library Lease Revenue Refunding Bonds

On February 6, 2017, the Monrovia Financing Authority issued Lease Revenue Refunding Bonds (Library Project), Issue of 2017 in the amount of \$13,865,000, to refund in full the 2007 Library Lease Revenue Bonds. The bonds are payable from lease payments to be made by the City of Monrovia to the Authority for the rental of certain property and the Monrovia Public Library facilities and all other facilities and improvements. As a result of the refunding, the refunding bonds defeased the liability of the 2007 Library Lease Revenue Bonds and reduced its total debt service payments over 20 years by \$1,496,325 cash savings. The refunding resulted in an economic gain of \$1,079,832

The bonds maturing on or after December 1, 2027, are subject to optional redemption prior to maturity at 100% of par, at the option of the City pursuant to the Lease Agreement, as a whole or in part on any date on or after December 1, 2026, from available funds in the Redemption Account including the amount of the Purchase Option Price in the event the City exercises its option to prepay the Lease Payments under the Lease agreement. The bonds maturing on December 1, 2037, are subject to mandatory redemption by lot in the principal amounts ranging from \$750,000 to \$905,000, without premium, on December 1 of each year, commencing on December 1, 2032.

CITY OF MONROVIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017

Note 8: Governmental Activities Long-Term Debt (Continued)

The balance outstanding as of June 30 and the remaining debt service payments are as follows:

Year Ending June 30,	2017 Library Lease Revenue Bond	
	Principal	Interest
2018	\$ 575,000	\$ 462,238
2019	485,000	451,638
2020	495,000	439,363
2021	505,000	424,363
2022	520,000	408,988
2023 - 2027	2,890,000	1,750,038
2028 - 2032	3,435,000	1,206,250
2033 - 2037	4,055,000	561,281
2038	905,000	16,969
Total	<u>\$ 13,865,000</u>	<u>\$ 5,721,128</u>

Pledged Revenue

The City pledged, as security for bonds issued, either directly or through the Financing Authority, a portion of tax revenue that it receives. The bonds issued were to provide financing for Library facility improvements and to defease previously issued bonds. Total principal and interest remaining on the debt is \$19,586,128 with annual debt service requirements as indicated above. For the current year, the total property tax revenue recognized for the payment of indebtedness incurred was \$1,031,453 and the debt service obligation on the bonds was \$965,625.

b. 2010 Taxable Pension Obligation Bonds

On July 28, 2010, the City issued Taxable Pension Obligation Bonds, Series 2010 in the amount of \$12,750,000. The proceeds of the bonds were used to fund a portion of the City's unfunded liability to the California Public Employees' Retirement System ("PERS") for the benefit of the City's employees. The serial bonds mature annually each December 1 from 2011 to 2028, in amounts ranging from \$40,000 to \$330,000 and bear interest at rates ranging from 1.80% to 4.56%. Interest is payable semi-annually on May 1 and November 1, commencing November 1, 2010.

The term bonds maturing on May 1, 2023 and May 1, 2028, bear interest rates of 6.000% and 6.625% respectively. The bonds are subject to optional redemption prior to maturity, in whole or in part, on May 1, 2020, and on any date thereafter, at a redemption price equal to the principal amount, plus accrued interest to the redemption date, without a premium. The balance outstanding at June 30, less unamortized original issue discount and the remaining debt service payments are as follows:

Year Ending June 30,	2010 Taxable Pension Obligation Bonds	
	Principal	Interest
2018	\$ 520,000	\$ 699,575
2019	595,000	668,375
2020	675,000	632,675
2021	760,000	592,175
2022	850,000	546,575
2023 - 2027	5,960,000	1,795,731
2028	1,610,000	106,663
Total	<u>\$ 10,970,000</u>	<u>\$ 5,041,769</u>

CITY OF MONROVIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 YEAR ENDED JUNE 30, 2017

Note 8: Governmental Activities Long-Term Debt (Continued)

c. Lease Payable

1. Internal Service Fund Capital Leases

- i. During May 2014, the City entered into a vehicle lease agreement for a new 2014 Ford Fusion Hybrid vehicle. Interest on the Ford Fusion Hybrid vehicle accrues at 1.5% for a period of 4 years commencing on May 2014.

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

Year Ending June 30,	Total
2018	\$ 5,934
Total Minimum Lease Payments	5,934
Less Amount Representing Interest	<u>(895)</u>
Present Value of Net Minimum Lease Payments	<u>\$ 5,039</u>

- ii. During May 2014, the City entered into vehicle lease agreements for two new 2014 Ford Edge vehicles. Interest on the Ford Edge vehicles accrue at 1.5% for a period of 4 years commencing on May 2014.

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

Year Ending June 30,	Total
2018	\$ 13,577
Total Minimum Lease Payments	13,577
Less Amount Representing Interest	<u>(2,048)</u>
Present Value of Net Minimum Lease Payments	<u>\$ 11,529</u>

CITY OF MONROVIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 YEAR ENDED JUNE 30, 2017

Note 8: Governmental Activities Long-Term Debt (Continued)

- iii. During June 2014, the City entered into vehicle lease agreements for two new 2014 Ford Fusion Hybrid vehicles. Interest on the Ford Fusion Hybrid vehicle accrues at 1.5% for a period of 5 years commencing on June 2014.

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

Year Ending June 30,	Total
2018	\$ 12,973
2019	12,757
Total Minimum Lease Payments	25,730
Less Amount Representing Interest	(7,962)
Present Value of Net Minimum Lease Payments	<u>\$ 17,768</u>

- iv. During December 2014, the City entered into a vehicle lease agreement for a new 2015 Chevrolet Colorado vehicle. Interest on the Chevrolet Colorado vehicle accrues at 1.5% for a period of 4 years commencing on December 2014.

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

Year Ending June 30,	Total
2018	\$ 6,207
2019	2,737
Total Minimum Lease Payments	8,944
Less Amount Representing Interest	(1,348)
Present Value of Net Minimum Lease Payments	<u>\$ 7,596</u>

CITY OF MONROVIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 YEAR ENDED JUNE 30, 2017

Note 8: Governmental Activities Long-Term Debt (Continued)

- v. During February 2015, the City entered into a vehicle lease agreement for a new 2015 Ford Transit-350XL Super Cab vehicle. Interest on the 2015 Ford Transit vehicle accrues at 1.65% for a period of 5 years commencing on February 2015.

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

Year Ending June 30,	Total
2018	\$ 13,103
2019	13,103
2020	<u>7,995</u>
Total Minimum Lease Payments	34,201
Less Amount Representing Interest	<u>(12,488)</u>
Present Value of Net Minimum Lease Payments	<u>\$ 21,713</u>

- vi. During December 2014, the City entered into a vehicle lease agreement for a new 2015 Ford Transit-150 vehicle. Interest on the Ford Transit vehicle accrues at 1.5% for a period of 5 years commencing in December 2014.

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

Year Ending June 30,	Total
2018	\$ 5,999
2019	5,999
2020	<u>2,500</u>
Total Minimum Lease Payments	14,498
Less Amount Representing Interest	<u>(4,488)</u>
Present Value of Net Minimum Lease Payments	<u>\$ 10,010</u>

CITY OF MONROVIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 YEAR ENDED JUNE 30, 2017

Note 8: Governmental Activities Long-Term Debt (Continued)

- vii. During August 2014, the City entered into a vehicle lease agreement for a new 2014 Ford Fusion Hybrid vehicle. Interest on the Ford Fusion Hybrid vehicle accrues at 1.5% for a period of 5 years commencing on August 2014.

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

Year Ending June 30,	Total
2018	\$ 6,535
2019	6,552
Total Minimum Lease Payments	13,087
Less Amount Representing Interest	(4,051)
Present Value of Net Minimum Lease Payments	<u>\$ 9,036</u>

- viii. During September 2014, the City entered into a vehicle lease agreement for a new 2014 Ford F-150. Interest on the Ford F-150 vehicle accrues at 1.5% for a period of 5 years commencing in September 2014.

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

Year Ending June 30,	Total
2018	\$ 7,301
2019	7,301
2020	1,704
Total Minimum Lease Payments	16,306
Less Amount Representing Interest	(5,048)
Present Value of Net Minimum Lease Payments	<u>\$ 11,258</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017

Note 8: Governmental Activities Long-Term Debt (Continued)

- ix. During October 2014, the City entered into vehicle lease agreements for a new 2014 Ford F-150 Super Cab and 2015 Ford F-150 Super Cab vehicle. Interest on these Ford F-150's accrues at 1.5% for a period of 4 and 5 years commencing in October 2014.

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

Year Ending June 30,	Total
2018	\$ 13,001
2019	8,687
2020	<u>2,128</u>
Total Minimum Lease Payments	23,816
Less Amount Representing Interest	<u>(6,147)</u>
Present Value of Net Minimum Lease Payments	<u><u>\$ 17,669</u></u>

- x. During November 2014, the City entered into vehicle lease agreements for two new 2014 Ford F-150 vehicles. Interest on the Ford F-150 vehicles accrue at 1.5% for a period of 4 and 5 years commencing in November 2014.

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

Year Ending June 30,	Total
2018	\$ 11,993
2019	7,564
2020	<u>1,500</u>
Total Minimum Lease Payments	21,057
Less Amount Representing Interest	<u>(5,305)</u>
Present Value of Net Minimum Lease Payments	<u><u>\$ 15,752</u></u>

CITY OF MONROVIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 YEAR ENDED JUNE 30, 2017

Note 8: Governmental Activities Long-Term Debt (Continued)

- xi. During September 2014, the City entered into vehicle lease agreements for two new 2014 Ford F-250 vehicles. Interest on the Ford F-250 vehicles accrue at 1.5% for a period of 5 years commencing in September 2014.

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

Year Ending June 30,	Total
2018	\$ 15,247
2019	15,247
2020	<u>3,727</u>
Total Minimum Lease Payments	34,221
Less Amount Representing Interest	<u>(10,593)</u>
Present Value of Net Minimum Lease Payments	<u>\$ 23,628</u>

- xii. During November 2014, the City entered into vehicle lease agreements for three new 2015 Ford F-250 vehicles. Interest on the Ford F-250 vehicles accrue at 1.5% for a period of 5 years commencing in November 2014.

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

Year Ending June 30,	Total
2018	\$ 21,416
2019	21,416
2020	<u>5,736</u>
Total Minimum Lease Payments	48,568
Less Amount Representing Interest	<u>(15,040)</u>
Present Value of Net Minimum Lease Payments	<u>\$ 33,528</u>

CITY OF MONROVIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 YEAR ENDED JUNE 30, 2017

Note 8: Governmental Activities Long-Term Debt (Continued)

- xiii. During November 2014, the City entered into a vehicle lease agreement for a new 2015 Ford F-350 vehicle. Interest on the Ford F-350 vehicle accrues at 1.5% for a period of 5 years commencing on November 2014.

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

Year Ending June 30,	Total
2018	\$ 7,496
2019	7,496
2020	1,894
Total Minimum Lease Payments	16,886
Less Amount Representing Interest	(5,228)
Present Value of Net Minimum Lease Payments	<u>\$ 11,658</u>

- xiv. During January 2015, the City entered into vehicle lease agreements for three new 2015 Chevrolet Colorado vehicles. Interest on the Chevrolet Colorado vehicles accrue at 1.5% for a period of 4 years commencing on January 2015.

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

Year Ending June 30,	Total
2018	\$ 18,743
2019	10,161
Total Minimum Lease Payments	28,904
Less Amount Representing Interest	(4,383)
Present Value of Net Minimum Lease Payments	<u>\$ 24,521</u>

CITY OF MONROVIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 YEAR ENDED JUNE 30, 2017

Note 8: Governmental Activities Long-Term Debt (Continued)

xv. During September 2015, the City entered into a vehicle lease agreement for a new 2016 Chevrolet Colorado vehicle. Interest on the Chevrolet Colorado vehicle accrue at 1.60% for a period of 4 years commencing on September 2015.

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

Year Ending June 30,	Total
2018	\$ 6,601
2019	6,601
2020	<u>1,359</u>
Total Minimum Lease Payments	14,561
Less Amount Representing Interest	<u>(3,028)</u>
Present Value of Net Minimum Lease Payments	<u><u>\$ 11,533</u></u>

xvi. During May 2016, the City entered into a vehicle lease agreement for a new 2015 Ford F-350 Chassis vehicle. Interest on the Ford Chassis vehicle accrue at 1.67% for a period of 5 years commencing on May 2016.

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

Year Ending June 30,	Total
2018	\$ 15,939
2019	15,939
2020	15,939
2021	<u>14,354</u>
Total Minimum Lease Payments	62,171
Less Amount Representing Interest	<u>(23,088)</u>
Present Value of Net Minimum Lease Payments	<u><u>\$ 39,083</u></u>

d. Compensated Absences

There is no fixed payment schedule for compensated absences. Compensated absences are liquidated from all funds, with the majority being liquidated from the General Fund. The outstanding balance due as of June 30, 2017, is \$2,198,314.

e. Claims and Judgment

The City's liability regarding self insurance is described in Note 13 of the Notes to Financial Statements. The liability will be paid as it becomes due by the Liability Insurance Fund.

CITY OF MONROVIA

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017**

Note 9: Business-Type Activities Long-Term Debt

The following is a summary of changes in business-type activities long-term debt for the year ended June 30, 2017:

	Balance July 1, 2016	Additions	Deletions	Balance July 30, 2017	Due Within One Year
<u>Lease revenue bonds:</u>					
2016 Water and Sewer Revenue Bonds	\$ 36,770,000	\$ -	\$ 400,000	\$ 36,370,000	\$ 695,000
<u>Other long term liabilities</u>					
Compensated Absences	121,727	106,000	106,627	121,100	91,344
Total	<u>\$ 36,891,727</u>	<u>\$ 106,000</u>	<u>\$ 506,627</u>	<u>\$ 36,491,100</u>	<u>\$ 786,344</u>
			Net unamortized bond premium (discount)	2,671,605	
				<u>\$ 39,162,705</u>	

a. 2016 Water and Sewer Revenue Bonds

On March 9, 2016, the Monrovia Financing Authority issued Water and Sewer Revenue Bonds. The proceeds will be used to finance the acquisition and construction of capital improvements of the Water System of the City of Monrovia, to finance the acquisition and construction of capital improvement of the Sewer System of the City, to purchase a municipal bond insurance policy from Assured Guaranty Municipal Corp to guarantee the payment of principal of and interest on the Bonds, to purchase a municipal bond debt service reserve insurance policy from the Insurer for deposit in the Reserve Account for the Bonds, and to pay costs of issuance of the Bonds.

The Bonds bear interest ranging from 3.00% to 5.00% per annum payable on June 1 and December 1 of each year commencing December 1, 2016. The Bonds mature starting December 1, 2016 and end on December 1, 2045.

The balance outstanding as of June 30 and the remaining debt service payments are as follows:

Year Ending June 30,	2016 Water and Sewer Revenue Bonds	
	Principal	Interest
2018	\$ 695,000	\$ 1,442,538
2019	715,000	1,421,388
2020	735,000	1,395,963
2021	765,000	1,365,963
2022	800,000	1,334,663
2023 - 2027	4,515,000	6,116,388
2028 - 2032	5,700,000	4,910,663
2033 - 2037	6,770,000	3,863,319
2038 - 2042	8,035,000	2,544,259
2043 - 2046	7,640,000	770,666
Total	<u>\$ 36,370,000</u>	<u>\$ 25,165,810</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017

Note 9: Business-Type Activities Long-Term Debt (Continued)

b. Compensated Absences

There is no fixed payment schedule for compensated absences. The outstanding balance at June 30, 2017, was \$121,100. In prior years, the liability for compensated absences has been funded by all business-type activities.

Note 10: City Employees Retirement Plan (Defined Benefit Pension Plan)

Plan Description

All qualified permanent and probationary employees are eligible to participate in the City's separate Cost-Sharing Safety (police and fire) and Agent Miscellaneous (all other) Plans, administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible for non-duty disability benefits after 10 statutorily reduced benefits.

The rate plan provisions and benefits in effect at June 30, 2017, are summarized as follows:

Miscellaneous Agent Plans		
	Miscellaneous Classic*	Miscellaneous PEPRA
	Prior to January 1, 2013	January 1, 2013 and after
Hire date		
Benefit formula	2.7% @ 55	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	minimum 50 yrs	minimum 50 yrs
Monthly benefits, as a % of eligible compensation	2% - 2.7%, 50 yrs - 55+ yrs, respectively	1% - 2%, 50 yrs - 62 yrs, respectively
Required employee contribution rates	8.00%	6.75%
Required employer contribution rates	34.76%	34.76%

*Closed to new entrants

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017

Note 10: City Employees Retirement Plan (Defined Benefit Pension Plan) (Continued)

	Safety Cost-Sharing Plans		
	Safety Classic*	Safety Fire PEPRA	Safety Police PEPRA
Hire date	Prior to January 1, 2013	January 1, 2013 and after	January 1, 2013 and after
Benefit formula	3.0% @ 50	2.7% @ 57	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	minimum 50 yrs	minimum 50 yrs	minimum 50 yrs
Monthly benefits, as a % of eligible compensation	3.00%	2.0% - 2.7%, 50 yrs - 62 yrs, respectively	2.0% - 2.7%, 50 yrs - 62 yrs, respectively
Required employee contribution rates	9.00%	13.00%	13.00%
Required employer contribution rates	23.32%	13.78%	13.78%

*Closed to new entrants

Employees Covered

As of the measurement date, the following employees were covered by the benefit terms for the Plans:

	Miscellaneous Plans	Safety Plans		
		Classic	PEPRA Fire	PEPRA Police
Inactive employees or beneficiaries currently receiving benefits	231	195	-	-
Inactive employees entitled to but not yet receiving benefits	215	53	1	-
Active employees	137	80	6	1
	<u>583</u>	<u>328</u>	<u>7</u>	<u>1</u>

Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2017, the contributions recognized as a reduction to the net pension liability was \$2,888,235 and \$3,515,143 for the miscellaneous and safety plans, respectively.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017

Note 10: City Employees Retirement Plan (Defined Benefit Pension Plan) (Continued)

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ended June 30, 2016 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2015 total pension liability. The June 30, 2016 total pension liabilities were based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal in accordance with the requirements of GASB Statement No. 68
Actuarial Assumptions	
Discount Rate	7.65%
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.50% Net of Pension Plan Investment and Administrative Expenses; includes Inflation
Mortality Rate Table (1)	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter

(1) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 experience study report.

All other actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience study for the period from 1997 to 2011, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website under Forms and Publications.

Change of Assumptions

There were no changes of assumptions.

Discount Rate

The discount rate used to measure the total pension liability was 7.65 percent. To determine whether the municipal bond rate should be used in the calculation of the discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. The tests revealed the assets would not run out. Therefore, the current 7.65 percent discount rate is appropriate, and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.65 percent is applied to all plans in the Public Employees' Retirement Fund (PERF). The cash flows used in the testing were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS website under the GASB 68 section.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 YEAR ENDED JUNE 30, 2017

Note 10: City Employees Retirement Plan (Defined Benefit Pension Plan) (Continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, staff took into account both short-term and long-term market return expectations as well as the expected pension fund (PERF) cash flows. Taking into account historical returns of all the Public Employees Retirement Funds' asset classes (which includes the agent plan and two cost-sharing plans or PERF A, B, and C funds), expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each PERF fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. The target allocation shown was adopted by the Board effective on July 1, 2015.

Asset Class	Current Strategic Allocation	Real Return Years 1 - 10 (1)	Real Return Years 11+ (2)
Global Equity	51.0%	5.25%	5.71%
Global Fixed Income	20.0	0.99	2.43
Inflation Sensitive	6.0	0.45	3.36
Private Equity	10.0	6.83	6.95
Real Estate	10.0	4.50	5.13
Infrastructure and Forestland	2.0	4.50	5.09
Liquidity	1.0	(0.55)	(1.05)

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

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 YEAR ENDED JUNE 30, 2017

Note 10: City Employees Retirement Plan (Defined Benefit Pension Plan) (Continued)

Pension Plan Fiduciary Net Position

The plan fiduciary net position disclosed in the GASB 68 accounting valuation report may differ from the plan assets reported in the funding actuarial valuation report due to several reasons. First, for the accounting valuations, CalPERS must keep items such as deficiency reserves, fiduciary self-insurance and OPEB expense included as assets. These amounts are excluded for rate setting purposes in the funding actuarial valuation. In addition, differences may result from early Comprehensive Annual Financial Report closing and final reconciled reserves.

Net Pension and Liability and Changes in Net Pension Liability

As of June 30, 2017, the City reported net pension liabilities of each as follows:

	Net Pension Liability	
Miscellaneous agent	\$	42,104,143
Safety cost-sharing proportionate share		47,147,040
Total Net Pension Liability:	\$	<u>89,251,183</u>

For the Safety proportionate share of the net pension liability, it is measured as of June 30, 2016, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The City's proportionate share of the net pension liability for the Safety plans as of June 30, 2015 and June 30, 2016 are as follows:

	Safety
Proportion - June 30, 2015	<u>0.53703%</u>
Proportion - June 30, 2016	<u>0.54486%</u>
Change - Increase (Decrease)	<u>0.00783%</u>

CITY OF MONROVIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017

Note 10: City Employees Retirement Plan (Defined Benefit Pension Plan) (Continued)

Changes in the Net Pension Liability

The following table shows the changes in net pension liability recognized over the measurement period for the miscellaneous agent multiple-employer plan.

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Assets) (c)=(a)-(b)
Balance at: 6/30/2015 (Valuation Date)	\$ 108,053,919	\$ 70,364,985	\$ 37,688,934
Changes Recognized for the Measurement Period:			
Service Cost	1,735,585	-	1,735,585
Interest on the Total Pension Liability	8,015,449	-	8,015,449
Changes of Benefit Terms	-	-	-
Difference between Expected and Actual	(1,362,054)	-	(1,362,054)
Changes of Assumptions	-	-	-
Contribution from the Employer	-	2,888,235	(2,888,235)
Contributions from Employees	-	739,317	(739,317)
Net Investment Income	-	389,103	(389,103)
Benefit Payments including Refunds of Employee Contributions	(5,565,088)	(5,565,088)	-
Administrative Expense	-	(42,884)	42,884
Net Changes During 2015-16	<u>2,823,892</u>	<u>(1,591,317)</u>	<u>4,415,209</u>
Balance at: 6/30/2016 (Measurement Date)	<u>\$ 110,877,811</u>	<u>\$ 68,773,668</u>	<u>\$ 42,104,143</u>

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

The following presents the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 7.65 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.65 percent) or 1 percentage-point higher (8.65 percent) than the current rate:

	Discount Rate - 1%	Current Rate - 1%	Discount Rate + 1%
	6.65%	7.65%	8.65%
Safety Plan	\$ 70,276,630	\$ 47,147,040	\$ 28,160,016
Miscellaneous Plan	56,944,079	42,104,143	29,916,940
Total Plans	<u>\$ 127,220,709</u>	<u>\$ 89,251,183</u>	<u>\$ 58,076,956</u>

Recognition of Gains and Losses

Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017

Note 10: City Employees Retirement Plan (Defined Benefit Pension Plan) (Continued)

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Difference between projected and actual earnings	5 year straight-line amortization
All other amounts	Straight-line amortization over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period

The expected average remaining service lifetime (EARSL) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired).

The EARSL for the Plan for the measurement period ending June 30, 2016 is 3.7 years for safety cost-sharing and 2.2 years for miscellaneous agent, which was obtained by dividing the total service years of 475,689 safety and 1,318 miscellaneous (the sum of remaining service lifetimes of the active employees) by 127,009 safety and 595 miscellaneous (the total number of participants: active, inactive, and retired). Note that inactive employees and retirees have remaining service lifetimes equal to 0. Also note that total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2017, the City recognized pension expense of \$1,807,520 and \$5,267,866 for the miscellaneous and safety plans, respectively. At June 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Miscellaneous Agent Multiple-Employer	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 3,571,582	\$ -
Change in Assumptions	-	175,547
Net Difference between Projected and Actual Experience	-	903,970
Net Difference between Projected and Actual Earnings on Pension Plan Investments	3,735,757	-
Total Miscellaneous	<u>\$ 7,307,339</u>	<u>\$ 1,079,517</u>

CITY OF MONROVIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017

Note 10: City Employees Retirement Plan (Defined Benefit Pension Plan) (Continued)

Safety Cost-Sharing Multiple-Employer	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 3,950,150	\$ -
Change in Assumptions	-	1,208,514
Net Difference between Projected and Actual Experience	-	277,177
Net Difference between Projected and Actual Earnings on Pension Plan Investments	5,937,373	-
Adjustment due to Difference in Proportions	900,457	154,894
Adjustment due to Difference in Proportions contribution	-	1,692,266
Total Safety	<u>\$ 10,787,980</u>	<u>\$ 3,332,851</u>

Total Plans	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 7,521,732	\$ -
Change in Assumptions	-	1,384,061
Net Difference between Projected and Actual Experience	-	1,181,147
Net Difference between Projected and Actual Earnings on Pension Plan Investments	9,673,130	-
Adjustment due to Difference in Proportions	900,457	154,894
Adjustment due to Difference in Proportions contribution	-	1,692,266
Total Safety	<u>\$ 18,095,319</u>	<u>\$ 4,412,368</u>

\$7,521,732 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

Measurement Period ended June 30:	Deferred Outflows/(Inflows) of Resources		
	Safety	Miscellaneous	Total Plans
2017	\$ (708,910)	\$ (442,008)	\$ (1,150,918)
2018	(128,325)	389,863	261,538
2019	2,796,543	1,727,600	4,524,143
2020	1,545,671	980,785	2,526,456
	<u>\$ 3,504,979</u>	<u>\$ 2,656,240</u>	<u>\$ 6,161,219</u>

Pension Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net positions is available in the separately issued CalPERS financial reports.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017

Note 11: Public Agency Retirement System (Defined Contribution Retirement Plan)

The City of Monrovia contributed to the California Public Agency Retirement System (PARS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute and City ordinance.

PARS is a defined contribution retirement plan that provides retirement benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive.

Under a defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account, the returns earned on investments of those contributions, and forfeitures of other participant's benefits that may be allocated to such participant's account.

As established by the plan, all eligible employees of the City will become a participant in the plan from the date they are hired. An eligible employee is any employee who, at any time during which the employer maintains this plan, is not accruing a benefit under the Public Employees Retirement System (See Note 10).

Contributions made by an employee and the employer vest immediately. As determined by the plan, each employee must contribute 3.75% of gross earnings to the plan. The City contributes an additional 3.75% of gross earnings. The contributions requirements of plan members and the City are established and may be amended by PARS.

During the year, the City contributed \$40,281 (3.75% of current year covered payroll) and employees contributed \$40,281 (3.75% of current year covered payroll). The total covered payroll of employees participating in the plan for the year ended June 30, 2017, was \$1,074,108.

No changes in plan provisions occurred during the year. The plan held no securities of the City or other related parties during or at the close of the fiscal year.

Note 12: Other Post-Employment Employee Benefits

Plan Description

The City of Monrovia Retiree Healthcare Plan (Plan) is a single-employer defined benefit healthcare plan administered by the City. The plan provides healthcare benefits to eligible retirees and their dependents. Benefit provisions are established and may be amended through agreements and memorandums of understanding between the City, its management employees, and unions representing City employees. The Plan does not issue a financial report.

The City provides retiree healthcare benefits to employees retiring directly from the City. Medical coverage is provided through the City's stand alone healthcare program. The City reimburses retiree healthcare premiums, subject to caps which vary by bargaining unit and length of service. Because retiree premiums are based on blended active and retiree experience, an implied subsidy exists for retirees. No dental, vision or life insurance benefits are provided. The City currently pays for retiree healthcare benefits on a pay-as-you-go basis. As of January 1, 2016, plan membership consisted of 117 retirees and beneficiaries currently receiving benefits.

Funding Policy

There is no statutory requirement for the City to prefund its OPEB obligation. The City has currently chosen to pay plan benefits on a pay-as-you-go basis. There are no employee contributions. Retired Plan members and their beneficiaries pay the annual premium cost not paid by the employer. The General Fund has been used in prior years to liquidate the net OPEB obligation. A contribution of \$626,966K was made from the General Fund during the 2016-2017 fiscal year to cover current plan premiums.

Annual OPEB Cost and Net OPEB Obligation

The City's annual other postemployment benefit cost (expense) is calculated based on the annual required contribution (ARC) of the employer. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

The following table, based on the City's actuarial valuation as of January 1, 2016, shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's Net OPEB obligation:

CITY OF MONROVIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017

Note 12: Other Post-Employment Employee Benefits (Continued)

Annual required contribution (ARC)	\$ 2,479,000
Interest on net OPEB obligation	535,000
Adjustment to ARC	<u>(1,189,000)</u>
Annual OPEB cost	1,825,000
Contributions made	<u>(626,966)</u>
(Decrease) increase in Net OPEB obligation	1,198,034
Net OPEB obligation (asset) - beginning of year	<u>14,265,963</u>
Net OPEB obligation (asset) - end of year	<u><u>\$ 15,463,997</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2016-17 are as follows (dollar amounts in thousands):

Fiscal Year End	Annual OPEB Cost	Actual Contribution (Net of Adjustments)	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
6/30/2015	2,458	554	22.54%	12,313
6/30/2016	2,620	667	25.46%	14,265
6/30/2017	1,825	627	34.36%	15,463

Funded Status and Funding Process

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

The schedule of funding progress below presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. An actuarial is received every three years.

Schedule of Funding Progress for OPEB
(Amounts in Thousands)

Valuation Type	Actuarial Valuation Date	Actuarial Valuation of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll	Interest Rate	Salary Scale
Actual	1/1/2012	\$ -	\$ 32,318	\$ 32,318	0.0%	\$ 17,192	188.0%	4.00%	15.10%
Actual	1/1/2014	-	35,109	35,109	0.0%	16,504	212.7%	4.00%	17.30%
Actual	1/1/2016	-	27,638	27,638	0.0%	17,511	157.8%	3.75%	13.20%

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017

Note 12: Other Post-Employment Employee Benefits (Continued)

Actuarial Methods and Assumptions

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

For the January 1, 2016, actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a 3.75% investment rate of return, which is the expected long-term investment return on City investments, a 2.75% general inflation assumption, an annual aggregate payroll increase rate of 3%, and an annual pre-Medicare medical cost trend of 7.5% (HMO) and 6.5% (PPO) for 2018 decreasing to 6.75% and 5.90% respectively, after 5 years. Other assumptions include the Management/Mid-Management premium caps increasing at MO trend rates, and the General/Fire/Police dollar caps having no increases. The UAAL is being amortized as a level percentage of pay over 30 years on a closed basis, starting June 30, 2008. As of June 30, 2017, 22 years have yet to be amortized.

The second City of Monrovia Retiree Healthcare Plan is a single employer defined contribution retiree healthcare trust (Trust). The Trust provides healthcare benefits to eligible retirees and their dependents. Benefit provisions are established and may be amended through agreements and memorandums of understanding between the City, its management employees, and unions representing City employees. Currently, management employees, the general employees' association, and the firefighter's association participate in this plan. The plan was effective February 1, 2009. All new employees starting after this date are automatically enrolled in this Trust. Current employees, at the plan inception date, had the option of enrolling in the new plan. The plan does not issue a financial report.

All employees in the Trust have contributions withheld from their biweekly paycheck and deposited into a trust account. The City contributes a predefined amount based on the employee's position title. A third-party trust account was established with Nationwide Retirement Solutions to account for the funds. The funds are invested with the assistance of Wells Fargo Insurance Services Investment Advisors, Inc. As of June 30, 2017, the plan assets were \$1,162,190.

Note 13: Risk Management Insurance Pool

a. Independent Cities Risk Management Authority (Authority)

The City became members of the California Joint Powers Insurance Authority on July 1, 2015, as noted in Part B. The City is still responsible for all tail claims related to their former self-insured programs. The City of Monrovia was self-insured for its general liability program for the first \$300,000 of each general liability loss and is a member of the Independent Cities Risk Management Authority (Authority) for excess coverage up to \$30 million per occurrence. An amount attributable to claims incurred but not reported has been included based upon an actuarial study. The City was also self-insured for worker's compensation program for the first \$750,000 of each claim. The City also purchased excess coverage for workers' compensation from the Authority for claims up to \$100 million per occurrence.

Estimates for all liabilities, up to the self-insured levels, have been accrued in the Workers' Compensation and the Liability Insurance Funds. These funds also include an estimate for incurred but not reported claims. As of June 30, 2017, total estimated claims payable for workers' compensation and general liability were \$1,233,101 and \$164,303, respectively.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017

Note 13: Risk Management Insurance Pool (Continued)

The Authority is comprised of 21 Southern California cities, and each member city has a representative on the governing board. The comprehensive general liability insurance includes monetary damages for personal liability, property damage and public officials' errors and omissions. Deposits made to the Authority are based on losses incurred by the insured, and rebates are possible if the losses are minimal. Changes in the balances of claims liabilities for the years ended June 30, 2015 through 2017, were as follows:

Year Ended June 30,	Balance July 1,	Claims Increases	Claims Decreases	Balance June 30,	Due Within One Year
2015	\$ 5,422,451	\$ 1,179,149	\$ (808,245)	\$ 5,793,355	\$ 861,959
2016	5,793,355	-	(3,818,478)	1,974,877	1,158,891
2017	1,974,877	647,094	(1,224,567)	1,397,404	845,128

b. California Joint Powers Insurance Authority (Authority)

Beginning July 1, 2015, the City of Monrovia became a member of California Joint Powers Insurance Authority (Authority). The Authority is composed of 117 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

Liability

In the liability, program claims are pooled separately between police and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$30,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$30,000 to \$750,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$750,000 to \$50 million, are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2016-17 the Authority's pooled retention is \$2 million per occurrence, with reinsurance to \$20 million, and excess insurance to \$50 million. The Authority's reinsurance contracts are subject to the following additional pooled retentions: (a) \$2.5 million annual aggregate deductible in the \$3 million in excess of \$2 million layer, and (b) \$3 million annual aggregate deductible in the \$5 million in excess of \$10 million layer. There is a third annual aggregate deductible in the amount of \$2.5 million in the \$5 million in excess of \$5 million layer, however it is fully covered under a separate policy and therefore not retained by the Authority.

The overall coverage limit for each member, including all layers of coverage, is \$50 million per occurrence. Costs of covered claims for subsidence losses have a sub-limit of \$30 million per occurrence.

Note 13: Risk Management Insurance Pool (Continued)

Workers' Compensation

In the workers' compensation program, claims are pooled separately between public safety (police and fire) and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$50,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$50,000 to \$100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$100,000 to statutory limits are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2016-17, the Authority's pooled retention is \$2 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to \$2 million. Coverage from \$2 million to \$5 million is purchased as part of a reinsurance policy and Employer's Liability losses from \$5 million to \$10 million are pooled among members.

Pollution Legal Liability Insurance

The City of Monrovia participates in the pollution legal liability insurance program, which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City of Monrovia. Coverage is on a claims-made basis. There is a \$50,000 deductible. The Authority has an aggregate limit of \$50 million for the 3-year period from July 1, 2014 through July 1, 2017. Each member of the Authority has a \$10 million sub-limit during the 3-year term of the policy.

Property Insurance

The City of Monrovia participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. City of Monrovia property is currently insured according to a schedule of covered property submitted by the City of Monrovia to the Authority. City of Monrovia property currently has all-risk property insurance protection in the amount of \$61,407,639. There is a \$5,000 deductible per occurrence except for non-emergency vehicle insurance, which has a \$2,500 deductible.

Crime Insurance

The City of Monrovia purchased crime insurance coverage in the amount of \$1,000,000 with a \$2,500 deductible. The fidelity coverage is provided through the Authority.

CITY OF MONROVIA

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017**

Note 14: Property Taxes

Under California law, property taxes are assessed and collected by the counties up to 1% of assessed value, plus other increases approved by the voters. Property taxes go into a pool, and are then allocated to the cities based on complex formulas.

Accordingly, the City of Monrovia accrues only those taxes, which are received within 60 days after year-end.

Lien Date:	January 1
Levy Date:	June 30
Due Date:	November 1, February 1
Collection Dates:	December 10, April 10

Note 15: Commitments and Contingencies

The following material commitments existed at June 30, 2017:

<u>Project Name</u>	<u>Contract Amount</u>	<u>Expenditures to date as of June 30, 2017</u>	<u>Remaining Commitments</u>
Monrovia Renewal - SW/SE	\$ 500,388	\$ 500,259	\$ 129
Monrovia Renewal - SW/SE	158,510	121,260	37,250
Non-Renewal Sidewalk - SW/SE	196,906	139,190	57,716
Waterline Repairs	600,617	573,902	26,715
Monrovia Renewal - SW/SE	6,100,156	5,906,296	193,860
Monrovia Renewal - SW/SE	900,429	526,075	374,354
Monrovia Renewal - NW/S/NE/N	390,334	331,888	58,446
Non-Renewal Sidewalk - SW/SE	356,686	273,500	83,186
Huntington Drive Median	1,086,162	1,046,896	39,266
Monrovia Renewal - NW/S/N/NE	325,221	62,449	262,772
Non-Renewal Sidewalk - NW/S/N/NE	150,514	13,040	137,474
Mountain/Lemon	50,000	48,422	1,578
Foothill Blvd Improvements	725,000	722,139	2,861
Huntington Drive Concrete Curb	100,000	96,930	3,070
Canyon Park Entrance Trail	215,000	209,272	5,728
Julian Fisher Park Improvements	474,635	-	474,635
Total Construction Commitments	<u>\$ 12,330,558</u>	<u>\$ 10,571,518</u>	<u>\$ 1,759,040</u>

Claims and suits have been filed against the City in the normal course of business. Based upon information received from the City Attorney and the self-insurance administrator, the estimated liability under such claims would be adequately covered by self-insurance reserves and insurance coverage.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017

Note 16: Successor Agency Trust For Assets of Former Redevelopment Agency

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 (“the Bill”) that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

Successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

The Bill directs the State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency by the Bill.

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012. The following are the balances for the Successor Agency of the former Redevelopment Agency.

a. Cash and Investments

Cash and investments reported in the accompanying financial statements consisted of the following:

Cash and investments pooled with the City	\$ 3,549,313
Cash and investments with fiscal agent	<u>2,078,490</u>
	<u>\$ 5,627,803</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017

Note 16: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)

b. Loans Receivable

The following loans receivable were transferred from the Redevelopment Agency to the Successor Agency as of February 1, 2012, as a result of the dissolution:

The Agency has issued a 30-year low interest loan of \$120,000 at 5% for rehabilitation of commercial property into a senior citizen apartment complex secured by a second trust deed on the property. Loan payments are based on residual receipts and interest has accrued since March 1, 1994. As of June 30, 2017, the balance including interest was: \$ 348,917

The Agency issued a long-term note receivable due from Merengue Bakery (A&M Hospitality, LLC) for \$75,000 on March 27, 2008. The money will be used for exterior rehabilitation and the addition of a grease interceptor. The full loan amount is due at the end of three years (February 4, 2011). At the election of A&M Hospitality, LLC, the loan may be extended for an additional 7 year term. The loan will be fully amortized over the 7 years and will bear an interest rate of 7%. The balance of the loan outstanding as of June 30, 2017, was: 89,875

The Agency loaned funds to owners or tenants of commercial structures within Project Area No. 1. On June 2, 2009, the Agency issued a Note Receivable to London Gastropub, Inc. in the amount of \$150,000 to install a grease inceptor and make storefront improvements. The disbursement of funds is as follows: \$50,000 within three working days after satisfaction of the Conditions to Disbursement in the agreement, \$40,000 disbursed upon July 1, 2010, \$30,000 upon July 1, 2011 and \$30,000 upon July 1, 2012. Repayment of the note is not due until December 31, 2017 at which time the unpaid balance, principal amount less the amount that has been generated back to the City through sales tax, will be due and payable. As of June 30, 2017, the balance of the loan outstanding, less sales tax generated back to the City of \$12,937, was: 74,638

CITY OF MONROVIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017

Note 16: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)

The Agency issued a Note Receivable to T. Phillips, Inc. in the amount of \$1,500,000 of which \$25,000 was paid during escrow. The note bears interest, compounded annually, as follows: 2% per annum for year one and two; 3.5% per annum for year three and four; 5.5% per annum for year five and six; and 7.5% per annum on year seven. Interest payments due during the first two years of the agreement are to be deferred, and not due until after 84 months, the term of the note. As of June 30, 2017, the balance of the loan outstanding, including the deferred interest amount of \$117,066, was:

	<u>1,579,868</u>
Total Loans Receivable:	<u>\$ 2,093,298</u>

c. Capital Assets

An analysis of capital assets as of June 30, 2017, follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Fiduciary Activities:				
Capital assets, not being depreciated:				
Land	\$ 400,638	\$ -	\$ -	\$ 400,638
Total Capital Assets, Not Being Depreciated	400,638	-	-	400,638
Capital assets, being depreciated:				
Structures & Improvements	2,353,532	-	-	2,353,532
Equipment, furniture, and vehicles	7,145	-	-	7,145
Total Capital Assets, Being Depreciated	2,360,677	-	-	2,360,677
Less accumulated depreciation:				
Structures & Improvements	676,061	47,071	-	723,132
Vehicles	7,145	-	-	7,145
Total Accumulated Depreciation	683,206	47,071	-	730,277
Total Capital Assets, Being Depreciated, Net	1,677,471	(47,071)	-	1,630,400
Governmental Activities Capital Assets, Net	<u>\$ 2,078,109</u>	<u>\$ (47,071)</u>	<u>\$ -</u>	<u>\$ 2,031,038</u>

CITY OF MONROVIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017

Note 16: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)

d. Long-Term Debt

The following is a summary of changes in the Successor Agency long-term debt for the year ended June 30, 2017.

	Balance July 1, 2016	Deceased	Additions	Repayments	Balance June 30, 2017	Due Within One Year
Fiduciary Activities						
Successor Agency of the Former RDA						
<u>Tax allocation bonds:</u>						
2007 Tax Allocation Bonds	\$ 3,955,000	\$ 3,955,000	\$ -	\$ -	\$ -	\$ -
2011 Housing Tax Allocation Bonds	5,975,000	5,975,000	-	-	-	-
2012 Subordinate Tax Allocation Refunding Bonds	11,015,000	-	-	725,000	10,290,000	755,000
2013A Subordinate Tax Allocation Refunding Bonds	9,865,000	-	-	1,045,000	8,820,000	1,100,000
2013B Subordinate Tax Allocation Refunding Bonds	3,150,000	-	-	380,000	2,770,000	385,000
2015A Tax Allocation Refunding Bond	18,985,000	-	-	965,000	18,020,000	990,000
2015B Tax Allocation Refunding Bond	3,865,000	-	-	30,000	3,835,000	30,000
2017 Taxable Tax Allocation Refunding Bond	-	-	5,865,000	445,000	5,420,000	630,000
<u>Other long term liabilities:</u>						
Due to Other Governments	5,281,167	-	-	-	5,281,167	-
Total	<u>\$ 62,091,167</u>	<u>\$ 9,930,000</u>	<u>\$ 5,865,000</u>	<u>\$ 3,590,000</u>	<u>54,436,167</u>	<u>\$ 3,890,000</u>
				Unamortized Premiums/(Discounts)	884,882	
				Total Long-term Debt	<u>\$ 55,321,049</u>	

A description of the individual issues of bonds of the Successor Agency of the Former Redevelopment Agency outstanding as of June 30, 2017, follows:

2007 Taxable Tax Allocation Bonds

On April 1, 2007, the Agency issued Central Redevelopment Project Area No. 1 Taxable Tax Allocation Bonds in the amount of \$5,750,000. The proceeds of the bonds were used to provide moneys to finance the Redevelopment Plan to acquire land to serve approximately an 80-acre Transit Village, also known as "Station Square."

The term bonds mature on May 1, 2012, and bear interest at rates ranging from 5.03% to 5.94%. Interest is payable semi-annually on May 1 and November 1. The bonds are subject to optional redemption prior to maturity in whole or in part on May 1, 2017, and on each interest day thereafter at a price equal to the principal amount, plus accrued interest to the redemption date. The bonds are secured by a pledge of tax increment revenue from Project Area 1 and by interest earned from the investment of proceeds of the bond issue.

At June 30, 2017, these bonds were refunded with the issuance of the 2017 Taxable Tax Allocation Refunding Bonds.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 YEAR ENDED JUNE 30, 2017

Note 16: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)

2011 Housing Tax Allocation Bonds

On April 12, 2011, the former Agency issued Central Redevelopment Project, Project Area No. 1, Housing Tax Allocation Bonds, Issue of 2011 in the amount of \$8,000,000. The proceeds of the bonds were issued to finance low and moderate-income housing projects pursuant to the Redevelopment Plan. Term bonds of \$2,110,000 mature at May 1, 2026 bearing interest of 6.72%. Term bonds of \$1,325,000 mature at May 1, 2036 bearing interest of 7.08%.

At June 30, 2017, these bonds were refunded with the issuance of the 2017 Taxable Tax Allocation Refunding Bonds.

2012 Subordinate Tax Allocation Refunding Bonds

On February 13, 2013, the Successor Agency issued Central Redevelopment Project, Project Area No. 1, Subordinate Tax Allocation Refunding Bonds, Issue of 2012 in the amount of \$13,330,000. The proceeds of the bonds were issued on a subordinate basis to previously issued 1998B Bonds, 2002 Bonds, 2003 Bonds, 2006A Bonds, 2007 Bonds, and 2011 Bonds, all issued to either refinance existing debt or to finance low and moderate income housing projects pursuant to the Redevelopment Plan. The Bonds are being issued to refinance the prior Agency's previously issued \$11,750,000 Central Redevelopment Project, Project Area No. 1 2007 Notes. The Bonds are subject to optional redemption prior to maturity, in whole or part, on August 1, 2022 and any date thereafter. Term bonds of \$4,040,000 mature August 1, 2026 bearing interest of 4.15%. Term bonds of \$1,270,000 mature August 1, 2036 bearing interest of 4.7%. The balance outstanding as of June 30, less outstanding original premium and the remaining debt service payments are as follows:

Year Ending June 30,	2012 Subordinate Tax Allocation Refunding Bonds	
	Principal	Interest
2018	\$ 755,000	\$ 434,363
2019	785,000	403,563
2020	815,000	371,563
2021	845,000	341,531
2022	875,000	312,488
2023 - 2027	4,945,000	951,838
2018 - 2032	875,000	168,125
2033 - 2037	395,000	51,375
Totals	<u>\$ 10,290,000</u>	<u>\$ 3,034,846</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017

Note 16: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)

2013A Subordinate Tax Allocation Refunding Bonds

On October 16, 2013, the Successor Agency issued Central Redevelopment Project, Project Area No. 1, Subordinate Tax Allocation Refunding Bonds, Issue of 2013A in the amount of \$12,000,000. The proceeds of the bonds were issued on a subordinate basis to previously issued 2006A Bonds, 2006B Bonds, 2007 Bonds, and 2011 Bonds, all issued to either refinance existing debt or to finance low and moderate income housing projects pursuant to the Redevelopment Plan. The Bonds are being issued to refinance the prior Agency's previously issued \$15,160,000 Central Redevelopment Project, Project Area No. 1, Subordinate Tax Allocation Refunding Bonds, Issue of 1998B and \$9,100,000 Central Redevelopment Project, Project Area No. 1, Subordinate Tax Allocation Refunding Bonds, Issue of 2002. This advance refunding was undertaken to reduce total debt service payments over the next 9 years by \$2,500,300 and to obtain an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$1,003,567. The Bonds are not subject to redemption prior to maturity, on August 1, 2023, and bear interest at rates ranging from 3.00% to 5.00%. Interest is payable semi-annually on February 1 and August 1. The balance outstanding as of June 30, less outstanding original premium and the remaining debt service payments are as follows:

Year Ending June 30,	2013A Subordinate Tax Allocation Refunding Bonds	
	Principal	Interest
2018	\$ 1,100,000	\$ 408,000
2019	1,135,000	357,625
2020	1,190,000	299,500
2021	1,250,000	238,500
2022	1,315,000	174,375
2023 - 2024	2,830,000	143,250
Totals	<u>\$ 8,820,000</u>	<u>\$ 1,621,250</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 YEAR ENDED JUNE 30, 2017

Note 16: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)

2013B Subordinate Tax Allocation Refunding Bonds

On October 16, 2013, the Successor Agency issued Central Redevelopment Project, Project Area No. 1, Subordinate Tax Allocation Refunding Bonds, Issue of 2013B in the amount of \$3,920,000. The proceeds of the bonds were issued on a subordinate basis to previously issued 2006A Bonds, 2006B Bonds, 2007 Bonds, and 2011 Bonds, all issued to either refinance existing debt or to finance low and moderate income housing projects pursuant to the Redevelopment Plan. The Bonds are being issued to refinance the prior Agency's previously issued \$6,000,000 Central Redevelopment Project, Project Area No. 1, Taxable Tax Allocation Refunding Bonds, Issue of 2003. This advance refunding was undertaken to reduce total debt service payments over the next 9 years by \$228,430 and to obtain an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$123,568. The Bonds are subject to mandatory sinking account redemption prior to maturity, on August 1, 2023, and bear interest at rates ranging from 1.38% to 4.00%. Interest is payable semi-annually on February 1 and August 1. Term bonds of \$1,140,000 mature August 1, 2023 bearing interest of 4.95%. The balance outstanding as of June 30, less outstanding original premium and the remaining debt service payments are as follows:

Year Ending June 30,	2013B Subordinate Tax Allocation Refunding Bonds	
	Principal	Interest
2018	\$ 385,000	\$ 107,518
2019	400,000	94,743
2020	415,000	79,546
2021	430,000	62,750
2022	440,000	43,700
2023 - 2024	700,000	28,263
Totals	<u>\$ 2,770,000</u>	<u>\$ 416,520</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 YEAR ENDED JUNE 30, 2017

Note 16: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)

2015A Taxable Allocation Refunding Bonds

On December 2, 2015, the Successor Agency issued Central Redevelopment Project, Project Area No. 1, Taxable Tax Allocation Refunding Bonds, Issue of 2015A in the amount of \$19,770,000. The proceeds of the bonds, together with other funds on hand, are to refund on an advance basis \$18,540,000 in outstanding principal amount of the Prior Agency's previously issued \$23,450,000 Central Redevelopment Project, Project Area No. 1, Taxable Tax Allocation Refunding Bonds, Issue of 2006A, currently outstanding in the principal amount of \$18,775,000. As a result, the refunded bonds defeased and the liability of the 2006A Taxable Allocation Bonds have been removed from long-term debt. The refunding resulted in an economic gain of \$4,050,500. The 2015A Taxable Allocation Refunding Bonds bear interest at rates ranging from 1.50% to 4.00%. Interest is payable semi-annually on May 1 and November 1. The balance outstanding as of June 30, less outstanding original premium and the remaining debt service payments are as follows:

Year Ending June 30,	2015A Taxable Tax Allocation Refunding Bonds	
	Principal	Interest
2018	\$ 990,000	\$ 620,711
2019	1,000,000	600,911
2020	1,030,000	575,911
2021	1,065,000	549,131
2022	1,095,000	517,181
2023 - 2027	12,310,000	1,467,300
2028	530,000	21,200
Totals	<u>\$ 18,020,000</u>	<u>\$ 4,352,345</u>

2015B Taxable Allocation Refunding Bonds

On December 2, 2015, the Successor Agency issued Central Redevelopment Project, Project Area No. 1, Taxable Tax Allocation Refunding Bonds, Issue of 2015 in the amount of \$3,890,000. The proceeds of the bonds, together with other funds on hand, are to refund on an advance basis the remaining portion of the outstanding 2006A Bonds in aggregate principal amount of \$235,000, and refund on an advance basis all amounts payable pursuant to the Prior Agency's previously issued \$3,400,000 Central Redevelopment Project, Project Area No. 1, Tax Allocation Bonds, Issue of 2006B, currently outstanding in the principal amount of \$3,400,000. As a result, the refunded bonds are defeased and the liability of the 2006B Taxable Allocation Bonds have been removed from long-term debt. The refunding resulted in an economic gain of \$178,756. The 2015B Taxable Allocation Refunding Bonds bear interest at rates ranging from 2.20% to 4.00%. Interest is payable semi-annually on May 1 and November 1. The balance outstanding as of June 30, less outstanding original premium and the remaining debt service payments are as follows:

CITY OF MONROVIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 YEAR ENDED JUNE 30, 2017

Note 16: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)

Year Ending June 30,	2015B Taxable Tax Allocation Refunding Bonds	
	Principal	Interest
2018	\$ 30,000	\$ 131,745
2019	30,000	130,545
2020	35,000	129,345
2021	35,000	127,945
2022	35,000	126,545
2023 - 2027	280,000	614,775
2028 - 2032	3,110,000	421,925
2033 - 2036	280,000	25,025
Totals	<u>\$ 3,835,000</u>	<u>\$ 1,707,850</u>

2017 Taxable Tax Allocation Refunding Bonds

On February 22, 2017, the Successor Agency issued Central Redevelopment Project, Project Area No. 1, Taxable Tax Allocation Refunding Bonds, Issue of 2017 in the amount of \$5,865,000. The proceeds of the bonds, together with other funds on hand, were applied to refund on a current basis the remaining portion of the previously issued 2007 Taxable Tax Allocation Bonds, currently outstanding in the principal amount of \$3,955,000, and refund on an advance basis the remaining portion of the previously issued 2011 Housing Tax Allocation Bonds, currently outstanding in the principal amount of \$5,975,000. As a result of the refunding, the refunding bonds defeased the liability of the 2007 Taxable Tax Allocation Bonds and 2011 Housing Tax Allocation Bonds and reduced its total debt service payments over 20 years by \$7,414,800 cash savings. The refunding resulted in an economic gain of \$349,812.

The 2017 Taxable Allocation Refunding Bonds bear interest at rates ranging from 1.250% to 3.875%. Interest is payable semi-annually on May 1 and November 1. The balance outstanding as of June 30, less outstanding original premium and the remaining debt service payments are as follows:

Year Ending June 30,	2017 Taxable Tax Allocation Refunding Bonds	
	Principal	Interest
2018	\$ 630,000	\$ 149,939
2019	630,000	139,859
2020	645,000	127,259
2021	665,000	112,101
2022	670,000	94,146
2023 - 2027	1,945,000	209,243
2028 - 2030	235,000	18,600
Totals	<u>\$ 5,420,000</u>	<u>\$ 851,147</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017

Note 16: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)

e. Due to Other Governments

In an agreement dated July 24, 1990, between the Agency, the City of Monrovia, the Flood Control District of Los Angeles County (District) and the County of Los Angeles (County), the Agency agreed to pay to the County and District a portion of tax increment revenue received. The Agency is entitled to the first \$3,000,000 of tax increment revenue in each fiscal year. The County and District shall receive 48.25% and 1.70%, respectively, of the tax increment revenue in excess of \$3,000,000. These payments are subordinate to certain debt service of the Agency. Per the terms of the agreement, payments for the first ten years were allowed to be deferred, interest free, and are due at the end of the life of the redevelopment plan. The outstanding balance of these deferred payments as of June 30, 2017, was \$5,281,167.

f. Pledged Revenue

The City pledged, as security for bonds issued, either directly or through the Financing Authority, a portion of tax increment revenue (including Low and Moderate Income Housing set-aside and pass through allocations) that it receives. The bonds issued were to provide financing for various capital projects, accomplish Low and Moderate Income Housing projects and to defease previously issued bonds. Assembly Bill 1X 26 provided that upon dissolution of the Redevelopment Agency, property taxes allocated to redevelopment agencies no longer are deemed tax increment but rather property tax revenues and will be allocated first to successor agencies to make payments on the indebtedness incurred by the dissolved redevelopment agency. Total principal and interest remaining on the debt is \$61,138,958 with annual debt service requirements as indicated above. For the current year, the total property tax revenue recognized by the Successor Agency for the payment of indebtedness incurred by the dissolved redevelopment agency was \$6,437,291 and the debt service obligation on the bonds was \$6,257,101.

g. Insurance

The Successor Agency is covered under the City's insurance policies. Therefore, the limitation and self-insured retentions applicable to the City also apply to the Successor Agency. Additional information as to coverage and self-insured retentions can be found in Note 13.

CITY OF MONROVIA

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED JUNE 30, 2017**

Note 17: Tax Abatement Disclosures

The City entered into two agreements that negotiated sales tax abatements on an individual basis. The City has tax abatement agreements with two entities as of June 30, 2017:

<u>Contract</u>	<u>Purpose</u>	<u>Taxes abated during FY2016-17</u>
RDJC, LLC	Start up cost for new automotive dealership	\$ 153,498
Living Spaces	Open furniture store	4,115
Total		<u>\$ 157,613</u>

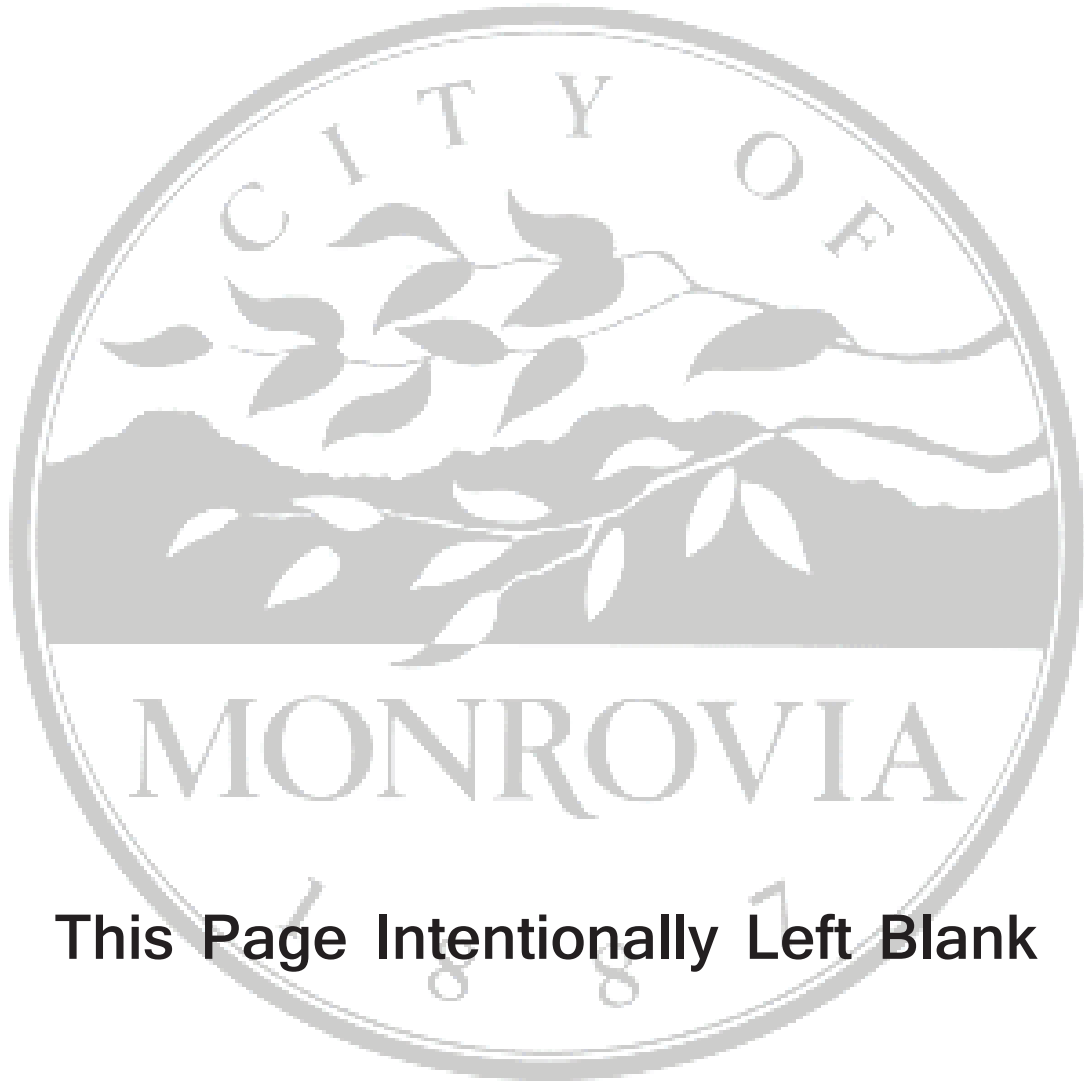
Each agreement was negotiated under City of Monrovia and Successor Agency of the former Redevelopment Agency allowing localities to abate sales taxes for a variety of economic development purposes. The abatements may be granted to any business located within or promising to relocate to the City of Monrovia. The City has not made any commitments as part of the agreements other than to reduce taxes. The City is not subject to any tax abatement agreements entered into by other government entities.

Note 18: Net Position Restatement

Net position for the business-type activities were adjusted for \$390,879 for prior year capital assets. The restatement was reflected in the Water fund for \$278,739 and the Sewer fund for \$112,140.

Note 19: Subsequent Event

On November 30, 2017, the City issued City of Monrovia Taxable Pension Obligation Bonds, Series, 2017, in the amount of \$111,545,000. The proceeds of the bonds will be used to refund, in full, the City of Monrovia Taxable Pension Obligation Bonds, Series 2010, currently outstanding in the principal sum amount of \$10,970,000. In addition, the proceeds of the bonds will also fund the City's unfunded accrued actuarial liability to the California Public Employees' Retirement System, CalPERS, in the amount of \$98,291,138. The bonds mature on May 1, 2047, and are subject to 1.91% to 4.14% interest rates, payable on May 1 and November 1 each year.



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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF MONROVIA

**AGENT MULTIPLE-EMPLOYER MISCELLANEOUS PLAN
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability			
Service cost	\$ 1,735,585	\$ 1,785,034	\$ 1,945,825
Interest on total pension liability	8,015,449	7,805,621	7,606,239
Differences between expected and actual experience	(1,362,054)	(1,771,353)	-
Changes in assumptions	-	(1,931,021)	-
Benefit payments, including refunds of employee contributions	<u>(5,565,088)</u>	<u>(5,356,957)</u>	<u>(4,946,152)</u>
Net change in total pension liability	2,823,892	531,324	4,605,912
Total pension liability - beginning	108,053,919	107,522,595	102,916,683
Total pension liability - ending (a)	<u>\$ 110,877,811</u>	<u>\$ 108,053,919</u>	<u>\$ 107,522,595</u>
 Plan Fiduciary Net Position			
Contributions - employer	\$ 3,053,966	\$ 2,546,716	\$ 2,375,009
Contributions - employee	739,317	924,253	911,780
Difference in projected and actual earnings	-	(3,734,084)	-
Net investment income	389,103	5,319,716	10,617,828
Benefit payments	(5,565,088)	(5,356,957)	(4,946,152)
Administration Expense	<u>(42,884)</u>	<u>(79,175)</u>	<u>-</u>
Net change in plan fiduciary net position	(1,425,586)	(379,531)	8,958,465
Plan fiduciary net position - beginning	70,199,254	70,578,785	61,620,320
Plan fiduciary net position - ending (b)	<u>\$ 68,773,668</u>	<u>\$ 70,199,254</u>	<u>\$ 70,578,785</u>
 Net pension liability - ending (a)-(b)	<u>\$ 42,104,143</u>	<u>\$ 37,854,665</u>	<u>\$ 36,943,810</u>
 Plan fiduciary net position as a percentage of the total pension liability	62.03%	64.97%	65.64%
 Covered-employee payroll	\$ 9,421,888	\$ 9,361,875	\$ 9,433,771
 Net pension liability as a percentage of covered-employee payroll	446.88%	404.35%	391.61%

Notes to Schedule:

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2015 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

(1) Fiscal Year 2015 was the first year of implementation, therefore only three years are shown.

CITY OF MONROVIA

**AGENT MULTIPLE-EMPLOYER MISCELLANEOUS PLAN
SCHEDULE OF CONTRIBUTIONS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

	<u>2017</u>	<u>2016</u>	<u>2015</u>
MISCELLANEOUS:			
Actuarially Determined Contribution	\$ 3,571,582	\$ 2,888,235	\$ 2,546,716
Contribution in Relation to the Actuarially Determined Contributions	<u>(3,571,582)</u>	<u>(2,888,235)</u>	<u>(2,546,716)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Covered-Employee Payroll	 \$ 10,373,595	 \$ 9,421,888	 \$ 9,361,878
 Contributions as a Percentage of Covered-Employee Payroll	 34.43%	 30.65%	 27.20%

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only three years are shown.

Note to Schedule:

Valuation Date:	June 30, 2014
Methods and assumptions used to determine contribution rates:	
Single and Agent Employers	Entry age normal Level Percent of
Amortization method	Payroll Market
Assets valuation method	value
Inflation	2.75%
Salary Increases	3.00%
Investment rate of return	7.50% Net of Pension Plan Investment and Administrative Expenses; includes Inflation.
Retirement age	The probabilities of Retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.
Mortality	RP-2000 Heath Annuitant Mortality Table

CITY OF MONROVIA

**COST-SHARING MULTIPLE EMPLOYER SAFETY PLANS
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

	<u>2017</u>	<u>2016</u>	<u>2015</u>
SAFETY:			
Proportion of the Net Pension Liability	0.54486%	0.53703%	0.42717%
Proportionate Share of the Net Pension Liability	\$ 47,147,040	\$ 36,861,586	\$ 31,006,504
Covered-Employee Payroll	\$ 9,183,754	\$ 8,938,777	\$ 9,306,810
Proportionate Share of the Net Pension Liability as Percentage of Covered-Employee Payroll	513.37%	412.38%	333.16%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.06%	79.82%	78.40%

Notes to Schedule:

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2015 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only three years are shown.

CITY OF MONROVIA

**COST-SHARING MULTIPLE EMPLOYER SAFETY PLANS
SCHEDULE OF CONTRIBUTIONS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

	<u>2017</u>	<u>2016</u>	<u>2015</u>
SAFETY:			
Actuarially Determined Contribution	\$ 3,950,150	\$ 3,515,143	\$ 2,674,702
Contribution in Relation to the Actuarially Determined Contributions	<u>(3,950,150)</u>	<u>(3,515,143)</u>	<u>(2,674,702)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Covered-Employee Payroll	 \$ 9,625,216	 \$ 9,183,754	 \$ 8,938,777
 Contributions as a Percentage of Covered-Employee Payroll	 41.04%	 38.28%	 29.92%

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only three years are shown.

Note to Schedule:

Valuation Date:	June 30, 2014
Methods and assumptions used to determine contribution rates:	
Single and Agent Employers	Entry age normal
Amortization method	Level percentage of payroll, closed 20 years
Assets valuation method	Market value
Inflation	#
Salary Increases	3.30% to 14.20% depending on age, service, and type of employment
Investment rate of return	7.50% Net of Pension Plan Investment and Administrative Expenses; includes Inflation
Retirement age	50 and 57 years
Mortality	RP-2000 Heath Annuitant Mortality Table

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE BY DEPARTMENT
GENERAL FUND
YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 7,667,082	\$ 7,667,082	\$ 7,667,082	\$ -
Resources (Inflows):				
Taxes	24,764,266	25,048,544	25,153,294	104,750
Licenses and permits	948,755	1,028,445	804,006	(224,439)
Intergovernmental	970,604	865,604	907,173	41,569
Charges for services	2,839,736	2,816,535	2,608,813	(207,722)
Use of money and property	305,780	305,780	421,983	116,203
Fines and forfeitures	357,800	315,191	281,856	(33,335)
Contributions	92,025	92,025	93,168	1,143
Miscellaneous	789,295	678,200	560,899	(117,301)
Transfers in	11,051,432	11,551,432	11,186,419	(865,013)
Amounts Available for Appropriations	49,786,775	50,368,838	49,684,693	684,145
Charges to Appropriations (Outflow):				
General government				
City Council	227,801	233,801	185,761	48,040
City Manager	835,239	835,239	860,878	(25,639)
Community Relations	-	-	387	(387)
City Clerk	455,331	455,331	409,928	45,403
City Treasurer	17,298	17,298	17,965	(667)
City Attorney	400,000	400,000	374,053	25,947
Finance Administration	359,836	378,697	405,856	(27,159)
Finance Operations	1,231,704	1,226,704	1,082,549	144,155
Human Resources	1,067,410	1,068,416	945,195	123,221
Non-departmental	1,423,470	1,293,470	1,315,925	(22,455)
Public safety				
Police Administration	515,483	515,483	550,132	(34,649)
Police Services	2,153,916	2,146,916	2,138,176	8,740
Police Patrol	7,540,519	7,623,982	8,186,330	(562,348)
Communication Crime Analysis	1,428,918	1,479,319	1,599,245	(119,926)
Community Policing	643,020	643,020	647,035	(4,015)
Animal License	179,271	179,271	179,448	(177)
Fire Administration	521,686	521,686	569,656	(47,970)
Fire Suppression	9,553,741	9,606,455	9,445,228	161,227
Prevention	236,844	238,344	255,147	(16,803)
Emergency Medical Services	393,827	393,827	382,568	11,259
Emergency Preparedness	7,824	7,824	9,259	(1,435)
Detectives	2,062,186	2,075,740	1,932,916	142,824
Community development				
Community Development Admin/Econ Dev	499,598	499,598	496,771	2,827
Building	1,040,720	1,040,720	1,145,628	(104,908)
Business License	178,087	178,087	182,265	(4,178)
Planning	932,774	932,774	850,500	82,274
Code Enforcement	386,631	392,631	280,437	112,194
Parks and recreation				
Community Services Administration	902,573	903,573	1,048,017	(144,444)
Senior Program	19,160	19,160	41,040	(21,880)
PR - Recreation Services 621	16,579	16,579	11,809	4,770
Library	2,130,209	2,131,709	2,358,668	(226,959)
Historical Museum	68,495	68,495	67,230	1,265
Community Center Operations	438,510	438,510	466,976	(28,466)
Concerts in the Park	15,290	40,290	45,096	(4,806)
Contract Classes	85,549	85,549	66,713	18,836
Urban Park Rental Programs	6,722	6,722	8,149	(1,427)
Monrovia Reads and Play	32,268	32,268	18,019	14,249
Library Reference	185,862	185,862	174,011	11,851
Children's Library	94,644	94,644	91,495	3,149
Library Circulation	23,016	23,016	23,016	-
Public Relations	83,750	76,602	99,051	(22,449)
Special Activities	38,821	38,821	77,081	(38,260)
Youth Sports	101,480	101,480	170,170	(68,690)
Wilderness Management Program	78,310	78,310	109,113	(30,803)
Canyon Park	411,249	411,209	306,690	104,519
Public works				
Public Works Administration	317,328	317,828	355,878	(38,050)
Engineering	360,303	361,803	405,261	(43,458)
Parks Maintenance	697,894	698,495	688,864	9,631
Capital outlay	375,000	220,000	361,785	(141,785)
Debt service:				
Interest and fiscal charges	500	500	350	150
Transfers out	2,938,415	2,438,415	2,006,228	432,187
Total Charges to Appropriations	43,715,061	43,174,473	43,449,948	(275,475)
Budgetary Fund Balance, June 30	\$ 6,071,714	\$ 7,194,365	\$ 6,234,745	\$ (959,620)

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
GANG VIOLENCE AND DRUG ABUSE GRANTS
YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (464,220)	\$ (464,220)	\$ (464,220)	\$ -
Resources (Inflows):				
Intergovernmental	9,016,945	9,016,945	6,854,351	(2,162,594)
Use of money and property	2,500	2,500	1,268	(1,232)
Miscellaneous	-	-	892	892
Amounts Available for Appropriations	8,555,225	8,555,225	6,392,291	(2,162,934)
Charges to Appropriations (Outflow):				
Public safety	9,016,945	9,016,945	6,700,260	2,316,685
Total Charges to Appropriations	9,016,945	9,016,945	6,700,260	2,316,685
Budgetary Fund Balance, June 30	\$ (461,720)	\$ (461,720)	\$ (307,969)	\$ 153,751

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
MONROVIA HOUSING AUTHORITY
YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 4,029,800	\$ 4,029,800	\$ 4,029,800	\$ -
Resources (Inflows):				
Use of money and property	17,000	17,000	42,648	25,648
Miscellaneous	2,500	2,500	7,633	5,133
Transfers in	111,319	111,319	110,212	(1,107)
Proceeds from sale of capital asset	-	-	642,973	642,973
Amounts Available for Appropriations	4,160,619	4,160,619	4,833,266	672,647
Charges to Appropriations (Outflow):				
General government	-	-	-	-
Community development	139,908	139,908	122,064	17,844
Transfers out	-	-	21,973	(21,973)
Total Charges to Appropriations	139,908	139,908	144,037	(4,129)
Budgetary Fund Balance, June 30	\$ 4,020,711	\$ 4,020,711	\$ 4,689,229	\$ 668,518

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
RETIREMENT
YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 2,880,287	\$ 2,880,287	\$ 2,880,287	\$ -
Resources (Inflows):				
Taxes	5,265,416	6,120,650	6,255,354	134,704
Use of money and property	9,000	9,000	975	(8,025)
Transfers in	2,300,000	1,800,000	1,800,000	-
Amounts Available for Appropriations	10,454,703	10,809,937	10,936,616	126,679
Charges to Appropriations (Outflow):				
General government	150,000	150,000	158,040	(8,040)
Transfers out	8,335,091	8,335,091	8,170,261	164,830
Total Charges to Appropriations	8,485,091	8,485,091	8,328,301	156,790
Budgetary Fund Balance, June 30	\$ 1,969,612	\$ 2,324,846	\$ 2,608,315	\$ 283,469

CITY OF MONROVIA

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2017**

General Budget Policies

The City's budget is prepared under the direction of the City Manager. Revenues are budgeted based on source. The budget control level established is at the "fund level", with sub-classifications by function, department and object of expenditure.

The City Council approves total budgeted appropriations and any amendments to total appropriations during the year. This "appropriated budget" covers substantially all City expenditures, with the exception of debt service and capital projects that constitute legally authorized "non-appropriated budget." All annual appropriations lapse at year-end. There were no significant non-budgeted financial activities. The budgetary information shown for revenues and expenditures represents the original adopted budget adjusted for any changes made by the City Council or City Manager. Supplemental budgetary appropriations were necessary during the year. The effects of these amendments were not material.

Although the appropriated budget is classified by departments and objects of expenditure, the City Manager is authorized to transfer budgeted amounts between departments and object categories, and also between programs. Council approval is required only for transfers between funds, or for an increase in total appropriations.

Budgets for the General and Special Revenue Funds are adopted on a basis substantially consistent with generally accepted accounting principles (GAAP). Accordingly, actual revenues and expenditures can be compared with related budgeted amounts without any significant reconciling items.

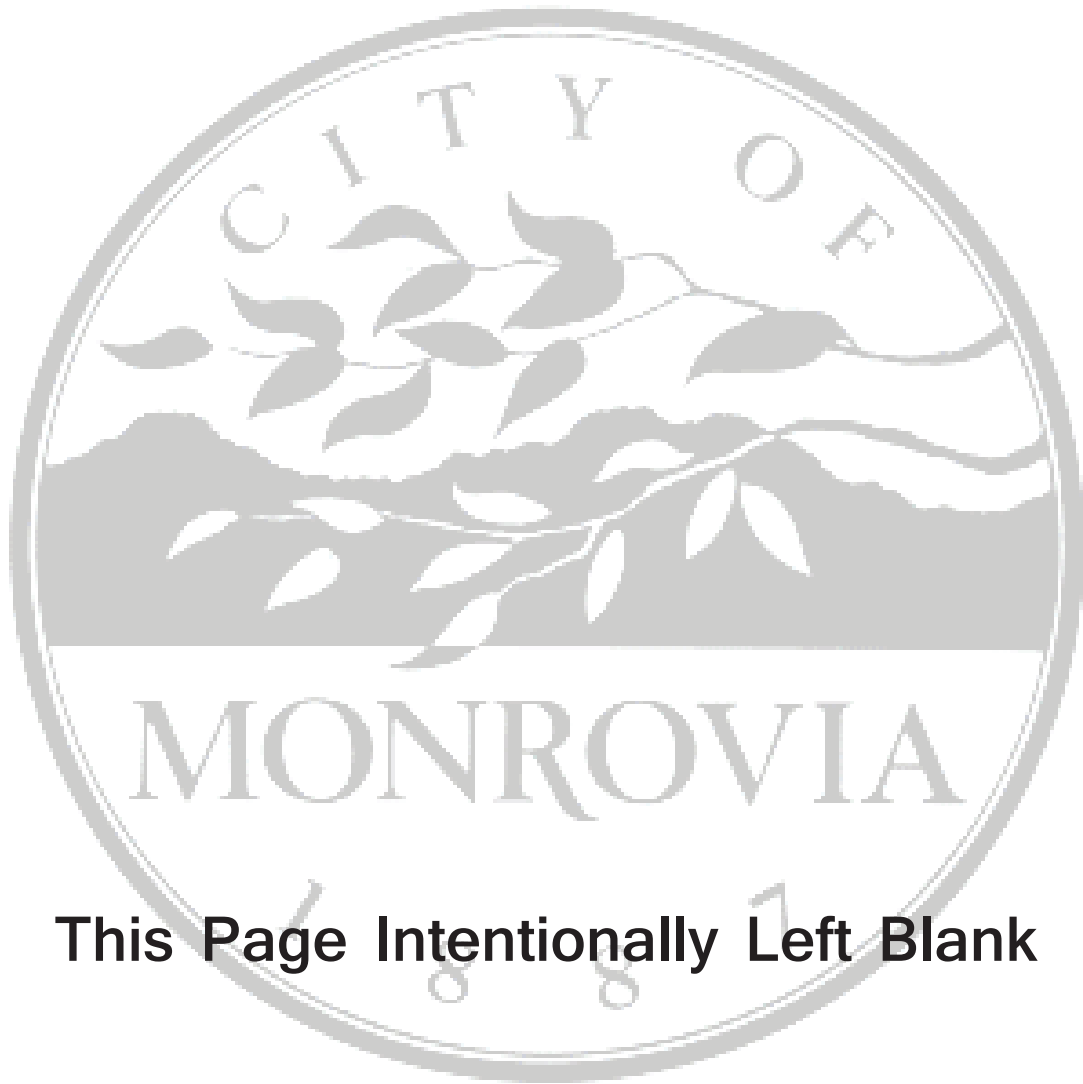
CITY OF MONROVIA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
YEAR ENDED JUNE 30, 2017

Expenditures Exceeding Appropriations

Excesses of expenditures over appropriations by department in individual funds are as follows:

Fund	Appropriation	Actual	Excess
General Fund:			
General government			
City manager	\$ 835,239	\$ 860,878	\$ (25,639)
Community relations	-	387	(387)
City treasurer	17,298	17,965	(667)
Finance administration	378,697	405,856	(27,159)
Non-departmental	1,293,470	1,315,925	(22,455)
Public safety			
Police administration	515,483	550,132	(34,649)
Police patrol	7,623,982	8,186,330	(562,348)
Communication crime analysis	1,479,319	1,599,245	(119,926)
Community Policing	643,020	647,035	(4,015)
Animal License	179,271	179,448	(177)
Fire Administration	521,686	569,656	(47,970)
Prevention	238,344	255,147	(16,803)
Emergency preparedness	7,824	9,259	(1,435)
Community development			
Building	1,040,720	1,145,628	(104,908)
Business License	178,087	182,265	(4,178)
Parks and recreation			
Community services administration	903,573	1,048,017	(144,444)
Senior Program	19,160	41,040	(21,880)
Library	2,131,709	2,358,668	(226,959)
Community Center operations	438,510	466,976	(28,466)
Urban park rental programs	6,722	8,149	(1,427)
Concerts in the park	40,290	45,096	(4,806)
Public relations	76,602	99,051	(22,449)
Special activities	38,821	77,081	(38,260)
Youth sports	101,480	170,170	(68,690)
Wilderness Management Program	78,310	109,113	(30,803)
Public works			
Public works administration	317,828	355,878	(38,050)
Engineering	361,803	405,261	(43,458)
Capital outlay	220,000	361,785	(141,785)
Retirement Fund	150,000	158,040	(8,040)



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NON MAJOR GOVERNMENTAL FUNDS

The following funds have been classified as non-major governmental funds in the accompanying financial statements.

Proposition A Fund - To account for ½ cent transportation sales tax, which became effective July 1982.

Proposition C Fund - To account for ½ cent transportation sales tax, which became effective November 1990.

AB 2766 Fund - To account for funds used to implement air quality improvement pursuant to South Coast Air Quality Management District (SCAQMD).

Traffic Safety Fund - To account for fines and forfeitures received under Section 1463 of the Penal Code. Expenditures must be used exclusively for traffic control devices, traffic law enforcement, and traffic accident prevention.

State Gasoline Tax Fund - To account for State gasoline taxes received by the City. These funds are transferred to the Street Maintenance Fund and used for street repair, reconstruction, and maintenance.

Bikeway Fund - To account for costs under SB821 related to State Bikeway monies which are used for the development of bicycle and pedestrian facilities. (There was no activity in the Bikeway Fund during FY 2014-15).

Library Grant Fund - To account for state funds provided under SB555, which supplement, but not supplant, local revenues appropriated for public library expenditures. In addition, this fund is also used to account for other library grant funds received by the City.

Fire Hazmat Fund - To account for state mandated hazardous materials information collection and reporting. Expenditures included inspection of businesses for compliance with regulations.

Community Development Block Grant (CDBG) Fund - To account for CDBG funds received from the Department of Housing and Urban Development (HUD) administered by the County of Los Angeles. All expenditures are restricted for target area projects and programs.

Asset Forfeiture Fund - To account for coordinated drug enforcement efforts within the San Gabriel Valley. Expenditures incurred are restricted to targeting, investigating and prosecuting individuals who engage in high level drug-trafficking enterprises, and to seize all assets derived therefrom.

NON MAJOR GOVERNMENTAL FUNDS

(Continued)

Police Grants Fund - To account for law enforcement grant funds received from local, state, and federal agencies.

Lighting and Landscaping Assessment District Fund - To account for the costs associated with the City's street lighting and street tree maintenance programs. These costs are deemed to benefit all property owners who are assessed their proportionate share of the costs. The City's landscape maintenance is not billed to all property owners, but only those who specifically receive benefits from the districts. Assessments are placed on the property tax bill and collected and remitted by the County of Los Angeles.

Park Maintenance Assessment District Fund - To account for the costs associated with the City's park maintenance program.

Business Improvement District Fund - To account for special assessment collected from the Business Improvement District to be spent on promotional activities.

Fire Grants Fund – To account for fire related grant funds received from local, state, and federal agencies.

Measure R Fund- To account for ½ cent transportation sales tax, which became effective July 2009.

Street Maintenance Fund - This fund serves as the main repository for all revenues supporting street maintenance activities. Financing for street related projects is provided by monies transferred in from the State Gasoline Tax and Capital Improvement Funds.

Hillside Acquisition Capital Project Fund - This fund accounts for the costs associated with the acquisition of all land designated for the Wilderness Preserve (Hillside open space).

Library Bond Construction Project Fund – To account for the costs associated with the construction of the new City of Monrovia Public Library. Funds were made available through the passage of a bond measure passed in 2007.

Hillside Acquisition Debt Service Fund - This fund was created to account for the annual receipt of property taxes collected for the Hillside Wilderness Preserve and all costs associated with the issuance of bonds, including the receipt of proceeds, the costs of issuance, and the annual debt service payments.

Library Bond Debt Service Fund - This fund was created to account for the annual receipt of property taxes, all costs associated with the issuance of bonds, including the receipt of proceeds, the costs of issuance, and the annual debt service payments related to the 2007 bond measure passed to fund the construction of a new library.

Pension Obligation Bond Debt Service Fund – This fund was created to accumulate funds for the payment of debt service on the 2010 Pension Obligation Bonds. Funds are transferred in from the Retirement Fund.

NON MAJOR GOVERNMENTAL FUNDS

(Continued)

Proposition C and Measure R Debt Service - To account for the payment of annual debt service on the 2016 Measure R and Proposition C Street Improvement Bonds. The Bonds were issued to finance the Monrovia Renewal Improvement Program project expenses. The debt service is paid with Proposition C and Measure R local revenues.

Miller Memorial Trust Fund - This fund accounts for the Joseph H. Miller Trust for which only interest earnings may be expended for library books.

CITY OF MONROVIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017

	<u>Special Revenue Funds</u>		
	<u>Proposition A</u>	<u>Proposition C</u>	<u>AB 2766</u>
Assets:			
Pooled cash and investments	\$ 95,026	\$ 1,942,529	\$ 370,350
Receivables:			
Accounts	238,790	-	12,183
Taxes	-	-	-
Grants	-	-	-
Prepaid costs	-	-	-
Restricted assets:			
Cash and investments	-	-	-
Cash and investments with fiscal agents	-	-	-
Total Assets	<u>\$ 333,816</u>	<u>\$ 1,942,529</u>	<u>\$ 382,533</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable	\$ 70,543	\$ 770,562	\$ 1,208
Accrued liabilities	-	562	-
Unearned revenues	-	-	-
Due to other governments	-	-	-
Due to other funds	-	-	-
Advances from other funds	-	-	-
Total Liabilities	<u>70,543</u>	<u>771,124</u>	<u>1,208</u>
Deferred Inflows of Resources:			
Unavailable revenues	208,394	-	-
Total Deferred Inflows of Resources	<u>208,394</u>	<u>-</u>	<u>-</u>
Fund Balances:			
Nonspendable:			
Permanent fund principal	-	-	-
Restricted for:			
Public safety	-	-	-
Public works	-	-	-
Debt service	-	-	-
Transportation	54,879	1,171,405	-
Air Quality	-	-	381,325
Library	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>54,879</u>	<u>1,171,405</u>	<u>381,325</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 333,816</u>	<u>\$ 1,942,529</u>	<u>\$ 382,533</u>

CITY OF MONROVIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017

(CONTINUED)

	Special Revenue Funds			
	Traffic Safety	State Gasoline Tax	Bikeway	Library Grant
Assets:				
Pooled cash and investments	\$ 89,340	\$ -	\$ -	\$ 94,273
Receivables:				
Accounts	82,945	-	495	-
Taxes	-	-	-	-
Grants	-	-	-	-
Prepaid costs	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 172,285	\$ -	\$ 495	\$ 94,273
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 27,009	\$ -	\$ -	\$ -
Accrued liabilities	2,235	-	-	-
Unearned revenues	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	495	-
Advances from other funds	-	-	-	-
Total Liabilities	29,244	-	495	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable:				
Permanent fund principal	-	-	-	-
Restricted for:				
Public safety	143,041	-	-	-
Public works	-	-	-	-
Debt service	-	-	-	-
Transportation	-	-	-	-
Air Quality	-	-	-	-
Library	-	-	-	94,273
Unassigned	-	-	-	-
Total Fund Balances	143,041	-	-	94,273
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 172,285	\$ -	\$ 495	\$ 94,273

CITY OF MONROVIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017

	Special Revenue Funds			
	Fire Hazmat	Community Development Block Grant	Asset Forfeiture	Police Grants
Assets:				
Pooled cash and investments	\$ 80,118	\$ -	\$ -	\$ -
Receivables:				
Accounts	99,917	-	9,920	-
Taxes	-	-	-	39,416
Grants	-	33,384	-	144,095
Prepaid costs	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 180,035	\$ 33,384	\$ 9,920	\$ 183,511
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 657	\$ 10,292	\$ 135	\$ 52
Accrued liabilities	2,127	-	3,531	-
Unearned revenues	-	-	-	89,417
Due to other governments	-	-	-	-
Due to other funds	-	23,336	37,931	99,139
Advances from other funds	-	-	-	-
Total Liabilities	2,784	33,628	41,597	188,608
Deferred Inflows of Resources:				
Unavailable revenues	94,923	-	-	51,981
Total Deferred Inflows of Resources	94,923	-	-	51,981
Fund Balances:				
Nonspendable:				
Permanent fund principal	-	-	-	-
Restricted for:				
Public safety	82,328	-	-	-
Public works	-	-	-	-
Debt service	-	-	-	-
Transportation	-	-	-	-
Air Quality	-	-	-	-
Library	-	-	-	-
Unassigned	-	(244)	(31,677)	(57,078)
Total Fund Balances	82,328	(244)	(31,677)	(57,078)
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 180,035	\$ 33,384	\$ 9,920	\$ 183,511

CITY OF MONROVIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017

(CONTINUED)

	Special Revenue Funds			
	Lighting and Landscaping Assessment District	Park Maint. Assessment District	Business Improvement District	Fire Grants
Assets:				
Pooled cash and investments	\$ 395,312	\$ 41,466	\$ 65,485	\$ -
Receivables:				
Accounts	975	-	227	-
Taxes	26,862	5,691	-	-
Grants	-	-	-	11,394
Prepaid costs	-	-	2,950	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 423,149	\$ 47,157	\$ 68,662	\$ 11,394
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 97,904	\$ 110	\$ 433	\$ -
Accrued liabilities	3,414	2,111	-	-
Unearned revenues	-	-	-	-
Due to other governments	-	-	-	3,535
Due to other funds	-	-	-	18,661
Advances from other funds	17,415	11,613	-	-
Total Liabilities	118,733	13,834	433	22,196
Deferred Inflows of Resources:				
Unavailable revenues	975	-	227	11,394
Total Deferred Inflows of Resources	975	-	227	11,394
Fund Balances:				
Nonspendable:				
Permanent fund principal	-	-	-	-
Restricted for:				
Public safety	-	-	-	-
Public works	303,441	33,323	68,002	-
Debt service	-	-	-	-
Transportation	-	-	-	-
Air Quality	-	-	-	-
Library	-	-	-	-
Unassigned	-	-	-	(22,196)
Total Fund Balances	303,441	33,323	68,002	(22,196)
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 423,149	\$ 47,157	\$ 68,662	\$ 11,394

CITY OF MONROVIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017

	Special	Capital Projects Funds			
	Revenue				
	Funds	Measure R	Street Maintenance	Hillside Acquisition Capital Project	Library Bond Construction Project
Assets:					
Pooled cash and investments	\$ 1,845,541	\$ -	\$ -	\$ -	\$ 969,716
Receivables:					
Accounts	-	1,543	-	-	-
Taxes	-	-	-	-	-
Grants	-	2,966	81,895	-	-
Prepaid costs	-	-	12,432	-	-
Restricted assets:					
Cash and investments	-	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-	-
Total Assets	\$ 1,845,541	\$ 4,509	\$ 94,327	\$ 969,716	
Liabilities, Deferred Inflows of Resources, and Fund Balances:					
Liabilities:					
Accounts payable	\$ 20,671	\$ 61,949	\$ -	\$ -	\$ 7,795
Accrued liabilities	-	11,677	-	-	-
Unearned revenues	-	-	-	-	-
Due to other governments	-	-	-	-	-
Due to other funds	-	134,019	363,977	-	-
Advances from other funds	-	46,435	-	-	-
Total Liabilities	20,671	254,080	363,977	7,795	
Deferred Inflows of Resources:					
Unavailable revenues	-	4,509	81,895	-	-
Total Deferred Inflows of Resources	-	4,509	81,895	-	-
Fund Balances:					
Nonspendable:					
Permanent fund principal	-	-	-	-	-
Restricted for:					
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Debt service	-	-	-	-	-
Transportation	1,824,870	-	-	-	-
Air Quality	-	-	-	-	-
Library	-	-	-	-	961,921
Unassigned	-	(254,080)	(351,545)	-	-
Total Fund Balances	1,824,870	(254,080)	(351,545)	961,921	
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 1,845,541	\$ 4,509	\$ 94,327	\$ 969,716	

CITY OF MONROVIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017

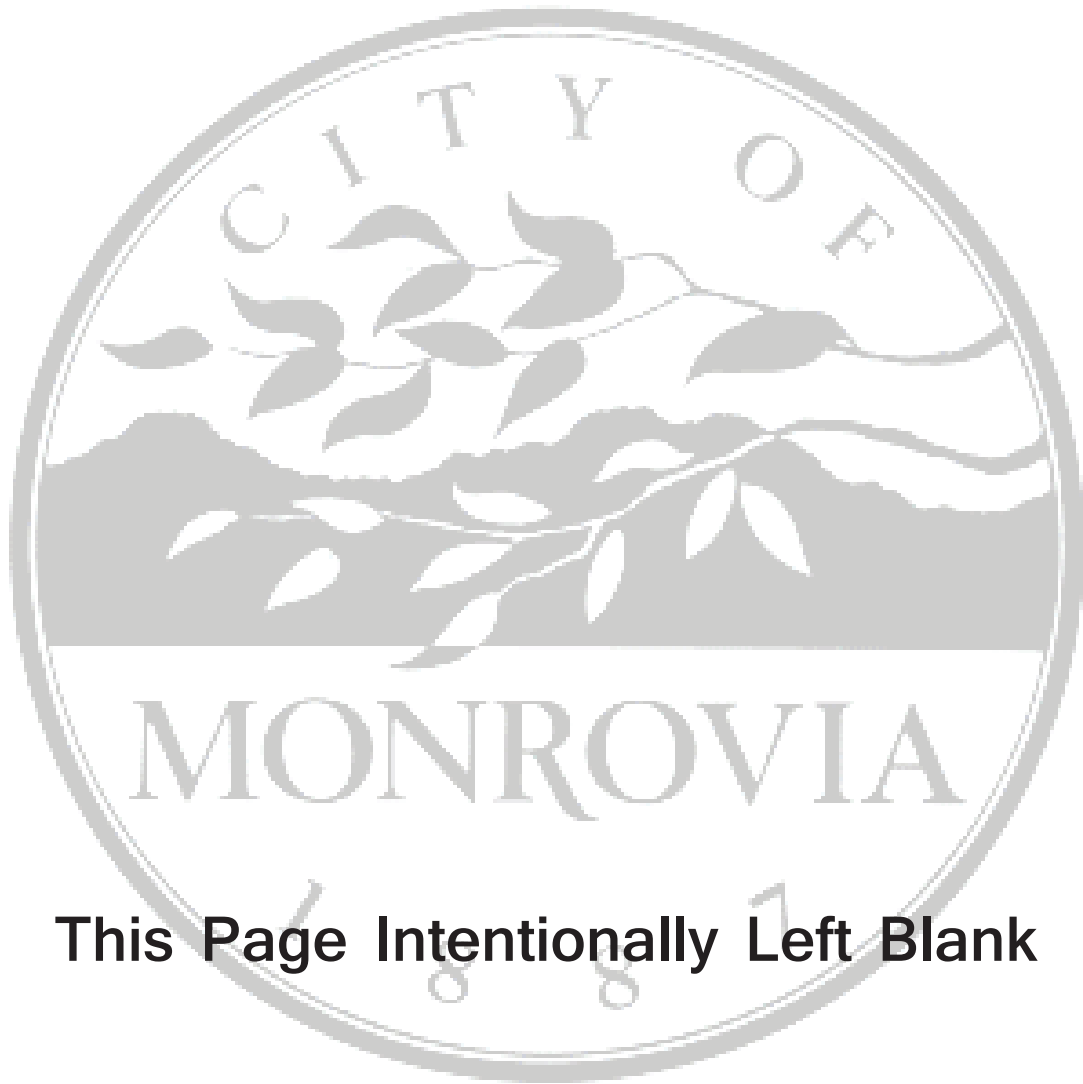
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	Debt Service Funds			
	Hillside Acquisition Debt Service	Library Bond Debt Service	Pension Obligation Bond Debt Service	Prop C and Measure R
Assets:				
Pooled cash and investments	\$ 40,177	\$ 222,075	\$ 12,438	\$ 7,929
Receivables:				
Accounts	-	-	-	-
Taxes	20,467	28,556	-	-
Grants	-	-	-	-
Prepaid costs	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	796,042
Cash and investments with fiscal agents	10	22,516	13	-
Total Assets	\$ 60,654	\$ 273,147	\$ 12,451	\$ 803,971
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Total Liabilities	-	-	-	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable:				
Permanent fund principal	-	-	-	-
Restricted for:				
Public safety	-	-	-	-
Public works	-	-	-	-
Debt service	60,654	273,147	12,451	803,971
Transportation	-	-	-	-
Air Quality	-	-	-	-
Library	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	60,654	273,147	12,451	803,971
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 60,654	\$ 273,147	\$ 12,451	\$ 803,971

CITY OF MONROVIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017

	Permanent Funds	Total Nonmajor Governmental Funds
	Miller Memorial Trust Fund	
Assets:		
Pooled cash and investments	\$ 100,530	\$ 6,372,305
Receivables:		
Accounts	-	446,995
Taxes	-	120,992
Grants	-	273,734
Prepaid costs	-	15,382
Restricted assets:		
Cash and investments	-	796,042
Cash and investments with fiscal agents	-	22,539
Total Assets	\$ 100,530	\$ 8,047,989
Liabilities, Deferred Inflows of Resources, and Fund Balances:		
Liabilities:		
Accounts payable	\$ -	\$ 1,069,320
Accrued liabilities	-	25,657
Unearned revenues	-	89,417
Due to other governments	-	3,535
Due to other funds	-	677,558
Advances from other funds	-	75,463
Total Liabilities	-	1,940,950
Deferred Inflows of Resources:		
Unavailable revenues	-	454,298
Total Deferred Inflows of Resources	-	454,298
Fund Balances:		
Nonspendable:		
Permanent fund principal	100,530	100,530
Restricted for:		
Public safety	-	225,369
Public works	-	404,766
Debt service	-	1,150,223
Transportation	-	3,051,154
Air Quality	-	381,325
Library	-	1,056,194
Unassigned	-	(716,820)
Total Fund Balances	100,530	5,652,741
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 100,530	\$ 8,047,989



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CITY OF MONROVIA

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2017**

Special Revenue Funds

	Proposition A	Proposition C	AB 2766
Revenues:			
Taxes	\$ 682,561	\$ -	\$ -
Assessments	-	-	-
Intergovernmental	145,874	567,790	48,257
Charges for services	30,056	-	4,392
Use of money and property	4,911	6,355	1,321
Fines and forfeitures	-	-	-
Contributions	-	-	-
Total Revenues	863,402	574,145	53,970
Expenditures:			
Current:			
Public safety	-	-	-
Community development	997,879	-	-
Parks and recreation	-	-	-
Public works	-	929,889	13,952
Capital outlay	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total Expenditures	997,879	929,889	13,952
Excess (Deficiency) of Revenues Over (Under) Expenditures	(134,477)	(355,744)	40,018
Other Financing Sources (Uses):			
Transfers in	-	-	-
Transfers out	-	(429,290)	-
Lease revenue bonds issued	-	-	-
Bond premium	-	-	-
Payment to refunded bond escrow agent	-	-	-
Total Other Financing Sources (Uses)	-	(429,290)	-
Net Change in Fund Balances	(134,477)	(785,034)	40,018
Fund Balances, Beginning of Year	189,356	1,956,439	341,307
Fund Balances, End of Year	\$ 54,879	\$ 1,171,405	\$ 381,325

CITY OF MONROVIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2017

(CONTINUED)

	Special Revenue Funds			
	Traffic Safety	State Gasoline Tax	Bikeway	Library Grant
Revenues:				
Taxes	\$ -	\$ 712,215	\$ 100,000	\$ -
Assessments	-	-	-	-
Intergovernmental	-	-	-	31,478
Charges for services	-	-	-	-
Use of money and property	620	-	-	349
Fines and forfeitures	523,935	-	-	-
Contributions	-	-	-	59
Total Revenues	524,555	712,215	100,000	31,886
Expenditures:				
Current:				
Public safety	499,861	-	-	-
Community development	-	-	-	-
Parks and recreation	-	-	-	42,512
Public works	-	-	-	-
Capital outlay	3,786	-	100,000	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	503,647	-	100,000	42,512
Excess (Deficiency) of Revenues Over (Under) Expenditures	20,908	712,215	-	(10,626)
Other Financing Sources (Uses):				
Transfers in	38,020	-	-	10,000
Transfers out	(90,202)	(712,215)	-	-
Lease revenue bonds issued	-	-	-	-
Bond premium	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Total Other Financing Sources (Uses)	(52,182)	(712,215)	-	10,000
Net Change in Fund Balances	(31,274)	-	-	(626)
Fund Balances, Beginning of Year	174,315	-	-	94,899
Fund Balances, End of Year	\$ 143,041	\$ -	\$ -	\$ 94,273

CITY OF MONROVIA

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2017**

	Special Revenue Funds			
	Fire Hazmat	Community Development Block Grant	Asset Forfeiture	Police Grants
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Assessments	-	-	-	-
Intergovernmental	-	205,673	63,671	327,459
Charges for services	192,583	-	5,700	-
Use of money and property	250	-	-	-
Fines and forfeitures	-	-	24,840	-
Contributions	-	-	-	-
Total Revenues	192,833	205,673	94,211	327,459
Expenditures:				
Current:				
Public safety	172,874	-	256,291	345,548
Community development	-	218,845	-	-
Parks and recreation	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	12,000
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	172,874	218,845	256,291	357,548
Excess (Deficiency) of Revenues Over (Under) Expenditures	19,959	(13,172)	(162,080)	(30,089)
Other Financing Sources (Uses):				
Transfers in	34,055	18,575	134,494	-
Transfers out	(31,117)	-	-	-
Lease revenue bonds issued	-	-	-	-
Bond premium	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Total Other Financing Sources (Uses)	2,938	18,575	134,494	-
Net Change in Fund Balances	22,897	5,403	(27,586)	(30,089)
Fund Balances, Beginning of Year	59,431	(5,647)	(4,091)	(26,989)
Fund Balances, End of Year	\$ 82,328	\$ (244)	\$ (31,677)	\$ (57,078)

CITY OF MONROVIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2017

(CONTINUED)

	Special Revenue Funds			
	Lighting and Landscaping Assessment District	Park Maint. Assessment District	Business Improvement District	Fire Grants
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Assessments	1,041,243	216,549	79,590	-
Intergovernmental	-	-	-	-
Charges for services	-	-	12,618	-
Use of money and property	614	-	302	-
Fines and forfeitures	-	-	-	-
Contributions	-	-	-	-
Total Revenues	1,041,857	216,549	92,510	-
Expenditures:				
Current:				
Public safety	-	-	-	7,114
Community development	-	-	46,354	-
Parks and recreation	-	-	-	-
Public works	1,060,929	257,095	-	-
Capital outlay	-	-	-	4,280
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	131	87	-	-
Total Expenditures	1,061,060	257,182	46,354	11,394
Excess (Deficiency) of Revenues Over (Under) Expenditures	(19,203)	(40,633)	46,156	(11,394)
Other Financing Sources (Uses):				
Transfers in	204,914	43,614	-	-
Transfers out	(148,530)	(35,993)	(5,537)	-
Lease revenue bonds issued	-	-	-	-
Bond premium	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Total Other Financing Sources (Uses)	56,384	7,621	(5,537)	-
Net Change in Fund Balances	37,181	(33,012)	40,619	(11,394)
Fund Balances, Beginning of Year	266,260	66,335	27,383	(10,802)
Fund Balances, End of Year	\$ 303,441	\$ 33,323	\$ 68,002	\$ (22,196)

CITY OF MONROVIA

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2017**

	Special Revenue Funds	Capital Projects Funds		
	Measure R	Street Maintenance	Hillside Acquisition Capital Project	Library Bond Construction Project
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Assessments	-	-	-	-
Intergovernmental	424,727	5,296	-	-
Charges for services	-	-	-	-
Use of money and property	4,548	219	-	-
Fines and forfeitures	-	-	-	-
Contributions	-	-	-	-
Total Revenues	429,275	5,515	-	-
Expenditures:				
Current:				
Public safety	-	-	-	-
Community development	-	-	79,439	-
Parks and recreation	-	-	-	-
Public works	105,454	1,078,008	-	-
Capital outlay	222,947	158,352	671,817	76,747
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	349	-	-
Total Expenditures	328,401	1,236,709	751,256	76,747
Excess (Deficiency) of Revenues Over (Under) Expenditures	100,874	(1,231,194)	(751,256)	(76,747)
Other Financing Sources (Uses):				
Transfers in	-	993,369	400,000	800,000
Transfers out	(429,290)	(202,308)	-	-
Lease revenue bonds issued	-	-	-	-
Bond premium	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Total Other Financing Sources (Uses)	(429,290)	791,061	400,000	800,000
Net Change in Fund Balances	(328,416)	(440,133)	(351,256)	723,253
Fund Balances, Beginning of Year	2,153,286	186,053	(289)	238,668
Fund Balances, End of Year	\$ 1,824,870	\$ (254,080)	\$ (351,545)	\$ 961,921

CITY OF MONROVIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2017

(CONTINUED)

	Debt Service Funds			
	Hillside Acquisition Debt Service	Library Bond Debt Service	Pension Obligation Bond Debt Service	Prop C and Measure R
Revenues:				
Taxes	\$ 732,875	\$ 1,031,453	\$ -	\$ -
Assessments	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Use of money and property	1,460	3,216	1,215	1,791
Fines and forfeitures	-	-	-	-
Contributions	-	-	-	-
Total Revenues	734,335	1,034,669	1,215	1,791
Expenditures:				
Current:				
Public safety	-	-	-	-
Community development	-	-	-	-
Parks and recreation	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	265,000	380,000	450,000	155,000
Interest and fiscal charges	236,423	886,982	728,006	634,310
Total Expenditures	501,423	1,266,982	1,178,006	789,310
Excess (Deficiency) of Revenues Over (Under) Expenditures	232,912	(232,313)	(1,176,791)	(787,519)
Other Financing Sources (Uses):				
Transfers in	-	-	1,178,006	788,168
Transfers out	(483,000)	(800,000)	-	-
Lease revenue bonds issued	-	13,865,000	-	-
Bond premium	-	215,563	-	-
Payment to refunded bond escrow agent	-	(13,638,262)	-	-
Total Other Financing Sources (Uses)	(483,000)	(357,699)	1,178,006	788,168
Net Change in Fund Balances	(250,088)	(590,012)	1,215	649
Fund Balances, Beginning of Year	310,742	863,159	11,236	803,322
Fund Balances, End of Year	\$ 60,654	\$ 273,147	\$ 12,451	\$ 803,971

CITY OF MONROVIA

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2017**

	<u>Permanent Fund</u>	
	<u>Miller Memorial Trust Fund</u>	<u>Total Nonmajor Governmental Funds</u>
Revenues:		
Taxes	\$ -	\$ 3,259,104
Assessments	-	1,337,382
Intergovernmental	-	1,820,225
Charges for services	-	245,349
Use of money and property	361	27,532
Fines and forfeitures	-	548,775
Contributions	-	59
Total Revenues	361	7,238,426
Expenditures:		
Current:		
Public safety	-	1,281,688
Community development	-	1,342,517
Parks and recreation	-	42,512
Public works	-	3,445,327
Capital outlay	-	1,249,929
Debt service:		
Principal retirement	-	1,250,000
Interest and fiscal charges	-	2,486,288
Total Expenditures	-	11,098,261
Excess (Deficiency) of Revenues Over (Under) Expenditures	361	(3,859,835)
Other Financing Sources (Uses):		
Transfers in	-	4,643,215
Transfers out	-	(3,367,482)
Lease revenue bonds issued	-	13,865,000
Bond premium	-	215,563
Payment to refunded bond escrow agent	-	(13,638,262)
Total Other Financing Sources (Uses)	-	1,718,034
Net Change in Fund Balances	361	(2,141,801)
Fund Balances, Beginning of Year	100,169	7,794,542
Fund Balances, End of Year	\$ 100,530	\$ 5,652,741

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
PROPOSITION A
YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 189,356	\$ 189,356	\$ 189,356	\$ -
Resources (Inflows):				
Taxes	671,058	671,058	682,561	11,503
Intergovernmental	417,948	417,948	145,874	(272,074)
Charges for services	45,000	45,000	30,056	(14,944)
Use of money and property	3,000	3,000	4,911	1,911
Amounts Available for Appropriations	1,326,362	1,326,362	1,052,758	(273,604)
Charges to Appropriations (Outflow):				
Community development	1,047,361	1,047,361	997,879	49,482
Total Charges to Appropriations	1,047,361	1,047,361	997,879	49,482
Budgetary Fund Balance, June 30	\$ 279,001	\$ 279,001	\$ 54,879	\$ (224,122)

CITY OF MONROVIA

BUDGETARY COMPARISON SCHEDULE
 PROPOSITION C
 YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,956,439	\$ 1,956,439	\$ 1,956,439	\$ -
Resources (Inflows):				
Intergovernmental	556,625	556,625	567,790	11,165
Use of money and property	8,500	8,500	6,355	(2,145)
Amounts Available for Appropriations	2,521,564	2,521,564	2,530,584	9,020
Charges to Appropriations (Outflow):				
Public works	92,319	962,319	929,889	32,430
Transfers out	667,529	667,529	429,290	238,239
Total Charges to Appropriations	759,848	1,629,848	1,359,179	270,669
Budgetary Fund Balance, June 30	\$ 1,761,716	\$ 891,716	\$ 1,171,405	\$ 279,689

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
TRAFFIC SAFETY
YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 174,315	\$ 174,315	\$ 174,315	\$ -
Resources (Inflows):				
Use of money and property	500	500	620	120
Fines and forfeitures	550,000	550,000	523,935	(26,065)
Transfers in	39,193	39,193	38,020	(1,173)
Amounts Available for Appropriations	764,008	764,008	736,890	(27,118)
Charges to Appropriations (Outflow):				
Public safety	557,334	482,334	499,861	(17,527)
Capital outlay	30,000	63,792	3,786	60,006
Transfers out	86,269	86,269	90,202	(3,933)
Total Charges to Appropriations	673,603	632,395	593,849	38,546
Budgetary Fund Balance, June 30	\$ 90,405	\$ 131,613	\$ 143,041	\$ 11,428

CITY OF MONROVIA

BUDGETARY COMPARISON SCHEDULE

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YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 341,307	\$ 341,307	\$ 341,307	\$ -
Resources (Inflows):				
Intergovernmental	47,000	47,000	48,257	1,257
Charges for services	8,000	8,000	4,392	(3,608)
Use of money and property	2,000	2,000	1,321	(679)
Amounts Available for Appropriations	398,307	398,307	395,277	(3,030)
Charges to Appropriations (Outflow):				
Public works	29,886	44,931	13,952	30,979
Total Charges to Appropriations	29,886	44,931	13,952	30,979
Budgetary Fund Balance, June 30	\$ 368,421	\$ 353,376	\$ 381,325	\$ 27,949

CITY OF MONROVIA

BUDGETARY COMPARISON SCHEDULE
 STATE GASOLINE TAX
 YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Taxes	773,603	773,603	712,215	(61,388)
Amounts Available for Appropriations	773,603	773,603	712,215	(61,388)
Charges to Appropriations (Outflow):				
Transfers out	773,603	773,603	712,215	61,388
Total Charges to Appropriations	773,603	773,603	712,215	61,388
Budgetary Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -

CITY OF MONROVIA

BUDGETARY COMPARISON SCHEDULE
 BIKEWAY
 YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Taxes	-	100,000	100,000	-
Amounts Available for Appropriation	-	100,000	100,000	-
Charges to Appropriation (Outflow):				
Capital outlay	-	100,000	100,000	-
Total Charges to Appropriations	-	100,000	100,000	-
Budgetary Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
LIBRARY GRANT
YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 94,899	\$ 94,899	\$ 94,899	\$ -
Resources (Inflows):				
Intergovernmental	25,000	25,000	31,478	6,478
Use of money and property	500	500	349	(151)
Contributions	-	-	59	59
Transfers in	11,017	11,017	10,000	(1,017)
Amounts Available for Appropriations	131,416	131,416	136,785	5,369
Charges to Appropriations (Outflow):				
Parks and recreation	36,106	36,106	42,512	(6,406)
Total Charges to Appropriations	36,106	36,106	42,512	(6,406)
Budgetary Fund Balance, June 30	\$ 95,310	\$ 95,310	\$ 94,273	\$ (1,037)

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
FIRE HAZMAT
YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 59,431	\$ 59,431	\$ 59,431	\$ -
Resources (Inflows):				
Charges for services	164,000	164,000	192,583	28,583
Use of money and property	100	100	250	150
Transfers in	32,827	32,827	34,055	1,228
Amounts Available for Appropriations	256,358	256,358	286,319	29,961
Charges to Appropriations (Outflow):				
Public safety	180,779	180,779	172,874	7,905
Transfers out	32,223	32,223	31,117	1,106
Total Charges to Appropriations	213,002	213,002	203,991	9,011
Budgetary Fund Balance, June 30	\$ 43,356	\$ 43,356	\$ 82,328	\$ 38,972

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
COMMUNITY DEVELOPMENT BLOCK GRANT
YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (5,647)	\$ (5,647)	\$ (5,647)	\$ -
Resources (Inflows):				
Intergovernmental	217,790	221,886	205,673	(16,213)
Transfers in	-	-	18,575	18,575
Amounts Available for Appropriations	212,143	216,239	218,601	2,362
Charges to Appropriations (Outflow):				
Community development	217,790	221,886	218,845	3,041
Total Charges to Appropriations	217,790	221,886	218,845	3,041
Budgetary Fund Balance, June 30	\$ (5,647)	\$ (5,647)	\$ (244)	\$ 5,403

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
ASSET FORFEITURE
YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (4,091)	\$ (4,091)	\$ (4,091)	\$ -
Resources (Inflows):				
Intergovernmental	80,000	80,000	63,671	(16,329)
Charges for services	6,000	6,000	5,700	(300)
Fines and forfeitures	17,000	17,000	24,840	7,840
Transfers in	135,056	135,056	134,494	(562)
Amounts Available for Appropriations	233,965	233,965	224,614	(9,351)
Charges to Appropriations (Outflow):				
Public safety	242,112	242,112	256,291	(14,179)
Total Charges to Appropriations	242,112	242,112	256,291	(14,179)
Budgetary Fund Balance, June 30	\$ (8,147)	\$ (8,147)	\$ (31,677)	\$ (23,530)

CITY OF MONROVIA

BUDGETARY COMPARISON SCHEDULE
 POLICE GRANTS
 YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (26,989)	\$ (26,989)	\$ (26,989)	\$ -
Resources (Inflows):				
Intergovernmental	100,000	100,000	327,459	227,459
Amounts Available for Appropriations	73,011	73,011	300,470	227,459
Charges to Appropriations (Outflow):				
Public safety	123,003	123,003	345,548	(222,545)
Capital outlay	-	-	12,000	(12,000)
Total Charges to Appropriations	123,003	123,003	357,548	(234,545)
Budgetary Fund Balance, June 30	\$ (49,992)	\$ (49,992)	\$ (57,078)	\$ (7,086)

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
LIGHTING AND LANDSCAPING ASSESSMENT
YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 266,260	\$ 266,260	\$ 266,260	\$ -
Resources (Inflows):				
Assessments	1,054,257	1,054,257	1,041,243	(13,014)
Use of money and property	2,500	2,500	614	(1,886)
Miscellaneous	10,000	10,000	-	(10,000)
Transfers in	266,792	266,792	204,914	(61,878)
Amounts Available for Appropriations	1,599,809	1,599,809	1,513,031	(86,778)
Charges to Appropriations (Outflow):				
Public works	1,168,420	1,168,420	1,060,929	107,491
Debt service:				
Interest and fiscal charges	200	200	131	69
Transfers out	222,226	222,226	148,530	73,696
Total Charges to Appropriations	1,390,846	1,390,846	1,209,590	181,256
Budgetary Fund Balance, June 30	\$ 208,963	\$ 208,963	\$ 303,441	\$ 94,478

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
 PARK MAINTENANCE ASSESSMENT DISTRICT
 YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 66,335	\$ 66,335	\$ 66,335	\$ -
Resources (Inflows):				
Assessments	229,137	229,137	216,549	(12,588)
Use of money and property	600	600	-	(600)
Transfers in	46,365	46,365	43,614	(2,751)
Amounts Available for Appropriations	342,437	342,437	326,498	(15,939)
Charges to Appropriations (Outflow):				
Public works	273,675	273,675	257,095	16,580
Debt service:				
Interest and fiscal charges	150	150	87	63
Transfers out	47,753	47,753	35,993	11,760
Total Charges to Appropriations	321,578	321,578	293,175	28,403
Budgetary Fund Balance, June 30	\$ 20,859	\$ 20,859	\$ 33,323	\$ 12,464

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
BUSINESS IMPROVEMENT DISTRICT
YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 27,383	\$ 27,383	\$ 27,383	\$ -
Resources (Inflows):				
Taxes	18,000	18,000	-	(18,000)
Assessments	86,560	86,560	79,590	(6,970)
Charges for services	-	-	12,618	12,618
Use of money and property	200	200	302	102
Amounts Available for Appropriations	132,143	132,143	119,893	(12,250)
Charges to Appropriations (Outflow):				
Community development	78,300	78,300	46,354	31,946
Transfers out	6,696	6,696	5,537	1,159
Total Charges to Appropriations	84,996	84,996	51,891	33,105
Budgetary Fund Balance, June 30	\$ 47,147	\$ 47,147	\$ 68,002	\$ 20,855

CITY OF MONROVIA

BUDGETARY COMPARISON SCHEDULE
 FIRE GRANTS
 YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (10,802)	\$ (10,802)	\$ (10,802)	\$ -
Resources (Inflows):				
Intergovernmental	35,000	35,000	-	(35,000)
Amounts Available for Appropriations	24,198	24,198	(10,802)	(35,000)
Charges to Appropriations (Outflow):				
Public safety	-	-	7,114	(7,114)
Capital outlay	35,000	35,000	4,280	30,720
Total Charges to Appropriations	35,000	35,000	11,394	23,606
Budgetary Fund Balance, June 30	\$ (10,802)	\$ (10,802)	\$ (22,196)	\$ (11,394)

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
MEASURE R
YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 2,153,286	\$ 2,153,286	\$ 2,153,286	\$ -
Resources (Inflows):				
Intergovernmental	417,474	417,474	424,727	7,253
Use of money and property	9,000	9,000	4,548	(4,452)
Amounts Available for Appropriations	2,579,760	2,579,760	2,582,561	2,801
Charges to Appropriations (Outflow):				
Public works	-	25,000	105,454	(80,454)
Capital outlay	-	407,162	222,947	184,215
Transfers out	865,029	865,029	429,290	435,739
Total Charges to Appropriations	865,029	1,297,191	757,691	539,500
Budgetary Fund Balance, June 30	\$ 1,714,731	\$ 1,282,569	\$ 1,824,870	\$ 542,301

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
STREET MAINTENANCE
YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 186,053	\$ 186,053	\$ 186,053	\$ -
Resources (Inflows):				
Intergovernmental	653,838	653,838	5,296	(648,542)
Use of money and property	7,000	7,000	219	(6,781)
Transfers in	1,593,250	1,593,250	993,369	(599,881)
Amounts Available for Appropriations	2,440,141	2,440,141	1,184,937	(1,255,204)
Charges to Appropriations (Outflow):				
Public works	1,815,748	1,923,086	1,078,008	845,078
Capital outlay	550,000	93,979	158,352	(64,373)
Debt service:				
Interest and fiscal charges	500	500	349	151
Transfers out	257,816	257,816	202,308	55,508
Total Charges to Appropriations	2,624,064	2,275,381	1,439,017	836,364
Budgetary Fund Balance, June 30	\$ (183,923)	\$ 164,760	\$ (254,080)	\$ (418,840)

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
CAPITAL IMPROVEMENTS
YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 4,370,711	\$ 4,370,711	\$ 4,370,711	\$ -
Resources (Inflows):				
Taxes	35,000	35,000	13,263	(21,737)
Intergovernmental	3,068,919	3,068,919	8,988	(3,059,931)
Use of money and property	100	100	4,681	4,581
Miscellaneous	-	-	290,895	290,895
Amounts Available for Appropriations	7,474,730	7,474,730	4,688,538	(2,786,192)
Charges to Appropriations (Outflow):				
Capital outlay	3,200,782	3,200,782	1,233,504	1,967,278
Total Charges to Appropriations	3,200,782	3,200,782	1,233,504	1,967,278
Budgetary Fund Balance, June 30	\$ 4,273,948	\$ 4,273,948	\$ 3,455,034	\$ (818,914)

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
LIBRARY BOND CONSTRUCTION PROJECT
YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 238,668	\$ 238,668	\$ 238,668	\$ -
Resources (Inflows):				
Use of money and property	1,500	1,500	-	(1,500)
Transfers in	-	800,000	800,000	-
Amounts Available for Appropriations	240,168	1,040,168	1,038,668	(1,500)
Charges to Appropriations (Outflow):				
Capital outlay	50,000	106,360	76,747	29,613
Total Charges to Appropriations	50,000	106,360	76,747	29,613
Budgetary Fund Balance, June 30	\$ 190,168	\$ 933,808	\$ 961,921	\$ 28,113

CITY OF MONROVIA

BUDGETARY COMPARISON SCHEDULE
HILLSIDE ACQUISITION CAPITAL PROJECTS
YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (289)	\$ (289)	\$ (289)	\$ -
Resources (Inflows):				
Transfers in	-	400,000	400,000	-
Amounts Available for Appropriations	(289)	399,711	399,711	-
Charges to Appropriation (Outflow):				
Community development	-	30,000	79,439	(49,439)
Capital outlay	65,000	301,300	671,817	(370,517)
Total Charges to Appropriations	65,000	331,300	751,256	(419,956)
Budgetary Fund Balance, June 30	\$ (65,289)	\$ 68,411	\$ (351,545)	\$ (419,956)

CITY OF MONROVIA

BUDGETARY COMPARISON SCHEDULE
 PROPOSITION C AND MEASURE R PROJECTS
 YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 13,335,570	\$ 13,335,570	\$ 13,335,570	\$ -
Resources (Inflows):				
Use of money and property	10,000	10,000	27,873	17,873
Amounts Available for Appropriations	13,345,570	13,345,570	13,363,443	17,873
Charges to Appropriation (Outflow):				
Capital outlay	629,847	4,443,900	4,444,021	(121)
Total Charges to Appropriations	629,847	4,443,900	4,444,021	(121)
Budgetary Fund Balance, June 30	\$ 12,715,723	\$ 8,901,670	\$ 8,919,422	\$ 17,752

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
HILLSIDE ACQUISITION DEBT SERVICE
YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 310,742	\$ 310,742	\$ 310,742	\$ -
Resources (Inflows):				
Taxes	769,000	734,000	732,875	(1,125)
Use of money and property	1,500	1,500	1,460	(40)
Amounts Available for Appropriations	1,081,242	1,046,242	1,045,077	(1,165)
Charges to Appropriations (Outflow):				
Debt service:				
Principal retirement	265,000	265,000	265,000	-
Interest and fiscal charges	235,594	235,594	236,423	(829)
Transfers out	83,000	483,000	483,000	-
Total Charges to Appropriations	583,594	983,594	984,423	(829)
Budgetary Fund Balance, June 30	\$ 497,648	\$ 62,648	\$ 60,654	\$ (1,994)

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
LIBRARY BOND DEBT SERVICE
YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 863,159	\$ 863,159	\$ 863,159	\$ -
Resources (Inflows):				
Taxes	1,060,000	1,030,000	1,031,453	1,453
Use of money and property	4,000	4,000	3,216	(784)
Refunding bonds issued	-	-	13,865,000	13,865,000
Bond premium	-	-	215,563	215,563
Amounts Available for Appropriations	1,927,159	1,897,159	15,978,391	14,081,232
Charges to Appropriations (Outflow):				
Debt service:				
Principal retirement	380,000	380,000	380,000	-
Interest and fiscal charges	627,899	627,899	886,982	(259,083)
Transfers out	-	800,000	800,000	-
Payment to refunded bond escrow agent	-	-	13,638,262	(13,638,262)
Total Charges to Appropriations	1,007,899	1,807,899	15,705,244	(13,897,345)
Budgetary Fund Balance, June 30	\$ 919,260	\$ 89,260	\$ 273,147	\$ 183,887

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
PENSION OBLIGATION BOND DEBT SERVICE
YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 11,236	\$ 11,236	\$ 11,236	\$ -
Resources (Inflows):				
Use of money and property	1,000	1,000	1,215	215
Transfers in	1,176,575	1,176,575	1,178,006	1,431
Amounts Available for Appropriations	1,188,811	1,188,811	1,190,457	1,646
Charges to Appropriations (Outflow):				
Debt service:				
Principal retirement	450,000	450,000	450,000	-
Interest and fiscal charges	727,900	727,900	728,006	(106)
Total Charges to Appropriations	1,177,900	1,177,900	1,178,006	(106)
Budgetary Fund Balance, June 30	\$ 10,911	\$ 10,911	\$ 12,451	\$ 1,540

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
PROPOSITION C AND MEASURE R DEBT SERVICE
YEAR ENDED JUNE 30, 2017**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 803,322	\$ 803,322	\$ 803,322	\$ -
Resources (Inflows):				
Use of money and property	3,000	3,000	1,791	(1,209)
Transfers in	882,558	882,558	788,168	(94,390)
Amounts Available for Appropriations	<u>1,688,880</u>	<u>1,688,880</u>	<u>1,593,281</u>	<u>(95,599)</u>
Charges to Appropriation (Outflow):				
Debt service:				
Principal retirement	155,000	155,000	155,000	-
Interest and fiscal charges	604,276	604,276	634,310	(30,034)
Total Charges to Appropriations	<u>759,276</u>	<u>759,276</u>	<u>789,310</u>	<u>(30,034)</u>
Budgetary Fund Balance, June 30	<u>\$ 929,604</u>	<u>\$ 929,604</u>	<u>\$ 803,971</u>	<u>\$ (125,633)</u>

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
MILLER MEMORIAL TRUST
YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 100,169	\$ 100,169	\$ 100,169	\$ -
Resources (Inflows):				
Use of money and property	600	600	361	(239)
Amounts Available for Appropriations	100,769	100,769	100,530	(239)
Budgetary Fund Balance, June 30	\$ 100,769	\$ 100,769	\$ 100,530	\$ (239)

NON MAJOR PROPRIETARY FUNDS

Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is to ensure that the costs of providing goods or services to the general public, on a continuing basis, be financed or recovered primarily through user charges. Funds included are:

Storm Drain Fund - Established in fiscal year 1993-94 to implement and administer the mandated cleanup of the storm drain system as required under federal regulations (NPDES - National Pollution Discharge Elimination System Act). Also, to account for routine maintenance costs associated with debris and catch basin facilities.

Street Sweeping Fund - To account for citywide street sweeping services provided to all areas of the community. City owned parking lots are swept as part of this activity. All costs of providing this service are accounted for in this fund, including contracted services, administration, billing, and overhead.

Waste Management Fund - To account for the State mandated AB939 Solid Waste Management program and other waste management activities. This fund tracks all costs associated with the preparation, adoption, and implementation of a comprehensive waste management program.

CITY OF MONROVIA

COMBINING STATEMENT OF NET POSITION
NON-MAJOR PROPRIETARY FUNDS
JUNE 30, 2017

	<u>Business-Type Activities - Enterprise Funds</u>			
Assets and Deferred Outflows of Resources:	<u>Storm Drain</u>	<u>Street Sweeping</u>	<u>Waste Management</u>	<u>Totals</u>
Assets:				
Current:				
Cash and investments	\$ 344,657	\$ 280,145	\$ 1,737,523	\$ 2,362,325
Receivables:				
Accounts	20,303	29,312	129,403	179,018
Total Current Assets	364,960	309,457	1,866,926	2,541,343
Noncurrent:				
Capital assets - net of accumulated depreciation	435,428	68,804	23,683	527,915
Total Noncurrent Assets	435,428	68,804	23,683	527,915
Total Assets	800,388	378,261	1,890,609	3,069,258
Deferred Outflows of Resources:				
Deferred pension related items	-	-	132,426	132,426
Total Deferred Outflows of Resources	-	-	132,426	132,426
Total Assets and Deferred Outflows of Resources	\$ 800,388	\$ 378,261	\$ 2,023,035	\$ 3,201,684
Liabilities, Deferred Inflows of Resources, and Net Position:				
Liabilities:				
Current:				
Accounts payable	\$ 54,494	\$ 14,927	\$ 30,595	\$ 100,016
Unearned revenues	-	-	40,161	40,161
Deposits payable	-	-	130,184	130,184
Accrued compensated absences	-	-	4,627	4,627
Total Current Liabilities	54,494	14,927	205,567	274,988
Noncurrent:				
Advances from other funds	11,613	-	11,613	23,226
Accrued compensated absences	-	-	1,508	1,508
Net pension liability	-	-	763,028	763,028
Total Noncurrent Liabilities	11,613	-	776,149	787,762
Total Liabilities	66,107	14,927	981,716	1,062,750
Deferred Inflows of Resources:				
Deferred pension related items	-	-	19,563	19,563
Total Deferred Inflows of Resources	-	-	19,563	19,563
Net Position:				
Net investment in capital assets	435,428	68,804	23,683	527,915
Unrestricted	298,853	294,530	998,073	1,591,456
Total Net Position	734,281	363,334	1,021,756	2,119,371
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 800,388	\$ 378,261	\$ 2,023,035	\$ 3,201,684

CITY OF MONROVIA

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
NON-MAJOR PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2017

	Business-Type Activities - Enterprise Funds			
	Storm Drain	Street Sweeping	Waste Management	Totals
Operating Revenues:				
Sales and service charges	\$ 286,994	\$ 211,563	\$ 2,250,525	\$ 2,749,082
Miscellaneous	148,127	-	80	148,207
Total Operating Revenues	435,121	211,563	2,250,605	2,897,289
Operating Expenses:				
Salaries and employee benefits	-	569	79,730	80,299
Professional and contract services	321,876	156,083	74,911	552,870
Maintenance and supplies	16,941	7,512	58,030	82,483
Repairs and replacements	1,063	-	-	1,063
Depreciation expense	19,704	1,764	817	22,285
Total Operating Expenses	359,584	165,928	213,488	739,000
Operating Income (Loss)	75,537	45,635	2,037,117	2,158,289
Nonoperating Revenues (Expenses):				
Intergovernmental	-	-	17,634	17,634
Interest revenue	9,558	963	4,914	15,435
Interest expense	(87)	-	(87)	(174)
Total Nonoperating Revenues (Expenses)	9,471	963	22,461	32,895
Income (Loss) Before Transfers	85,008	46,598	2,059,578	2,191,184
Transfers in	130,000	30,000	-	160,000
Transfers out	(85,963)	(35,899)	(2,103,005)	(2,224,867)
Changes in Net Position	129,045	40,699	(43,427)	126,317
Net Position:				
Beginning of Year	605,236	322,635	1,065,183	1,993,054
End of Fiscal Year	\$ 734,281	\$ 363,334	\$ 1,021,756	\$ 2,119,371

CITY OF MONROVIA

COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2017

	<u>Business-Type Activities - Enterprise Funds</u>			
	<u>Storm Drain</u>	<u>Street Sweeping</u>	<u>Waste Management</u>	<u>Totals</u>
Cash Flows from Operating Activities:				
Cash received from customers and users	\$ 442,113	\$ 208,753	\$ 2,332,406	\$ 2,983,272
Cash paid to suppliers for goods and services	(298,101)	(162,495)	(105,776)	(566,372)
Cash paid to employees for services	(148,127)	(569)	(297,801)	(446,497)
Net Cash Provided by Operating Activities	(4,115)	45,689	1,928,829	1,970,403
Cash Flows from Non-Capital Financing Activities:				
Cash transfers out	(85,963)	(35,899)	(2,103,005)	(2,224,867)
Cash transfers in	130,000	30,000	-	160,000
Repayment received (paid) from other funds	(1,155,711)	-	-	(1,155,711)
Cash paid for advances to other funds	(11,611)	-	(11,611)	(23,222)
Cash given for interfund receivables	-	57,159	116,101	173,260
Intergovernmental	-	-	17,634	17,634
Net Cash Provided by (Used in) Non-Capital Financing Activities	(1,123,285)	51,260	(1,980,881)	(3,052,906)
Cash Flows from Capital and Related Financing Activities:				
Acquisition and construction of capital assets	(83,850)	(70,568)	(24,500)	(178,918)
Interest paid on advances	(87)	-	(87)	(174)
Net Cash Used in Capital and Related Financing Activities	(83,937)	(70,568)	(24,587)	(179,092)
Cash Flows from Investing Activities:				
Interest received	9,558	963	4,914	15,435
Net Cash Provided by Investing Activities	9,558	963	4,914	15,435
Net Increase in Cash and Cash Equivalents	(1,201,779)	27,344	(71,725)	(1,246,160)
Cash and Cash Equivalents at Beginning of Year	1,546,436	252,801	1,809,248	3,608,485
Cash and Cash Equivalents at End of Year	\$ 344,657	\$ 280,145	\$ 1,737,523	\$ 2,362,325
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:				
Operating income	\$ 75,537	\$ 45,635	\$ 2,037,117	\$ 2,158,289
Adjustments to reconcile operating income net cash provided (used) by operating activities:				
Depreciation	19,704	1,764	817	22,285
(Increase) decrease in accounts receivable	6,992	(2,810)	63,381	67,563
(Increase) decrease in deferred pension related outflows	519	-	(82,913)	(82,394)
Increase (decrease) in accounts payable	41,779	1,100	27,165	70,044
Increase (decrease) in unearned revenue	-	-	17,270	17,270
Increase (decrease) in deposits payable	-	-	1,150	1,150
Increase (decrease) in compensated absences	-	-	6,135	6,135
Increase (decrease) in net pension liability	(131,030)	-	(87,495)	(218,525)
Increase (decrease) in deferred pension related inflows	(17,616)	-	(53,798)	(71,414)
Total Adjustments	(79,652)	54	(108,288)	(187,886)
Net Cash Provided by Operating Activities	\$ (4,115)	\$ 45,689	\$ 1,928,829	\$ 1,970,403

INTERNAL SERVICE FUNDS

Established to finance and account for goods and services provided by one City department to other City departments on a cost-reimbursement basis. Such reimbursements are accounted for as quasi external interfund transactions. Accordingly, they are treated as operating revenues of the Internal Service Fund, and as current operating expenditures or operating expenses, as appropriate, of the fund(s) receiving the service. The fee charged is designed to accumulate the total costs (including depreciation and overhead) of providing the service. Funds included are:

Facilities Maintenance Fund - This fund serves as a cost center for facility maintenance activities and as a depreciation reserve to meet large cyclical and capital replacement expenses.

Equipment Pool Fund - To account for the costs of operating a central maintenance and refueling facility and to provide for replacement of automotive and motorized equipment used by other City departments. In addition, this fund accounts for the operating costs of maintaining fire equipment and accumulates monies for the replacement of depreciated fire rolling stock and specialized equipment.

Central Services Fund - To account for information systems services and the centralized purchasing of materials and supplies, including reprographic services provided to various other operating departments. This fund also accumulates monies for the maintenance and replacement of the City-wide telephone system.

Liability Insurance Fund - To account for the costs to operate a City-wide general and automobile liability program.

Workers' Compensation Insurance Fund - To account for the costs to operate a City-wide self-insured workers' compensation program.

Unemployment Insurance Fund - To account for the costs to operate a City-wide self-insured unemployment insurance program.

CITY OF MONROVIA

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2017

	Governmental Activities - Internal Service Funds			
	Facilities Maintenance	Equipment Pool	Central Services	Liability Insurance
Assets and Deferred Outflows:				
Assets:				
Current:				
Cash and investments	\$ 532,502	\$ 2,266,944	\$ 262,088	\$ -
Receivables:				
Accounts	77,230	62,665	-	-
Prepaid costs	-	-	6,106	1,267,328
Inventories	-	-	2,250	-
Total Current Assets	609,732	2,329,609	270,444	1,267,328
Noncurrent:				
Capital assets - net of accumulated depreciation	1,879,723	2,748,179	134,877	-
Total Noncurrent Assets	1,879,723	2,748,179	134,877	-
Total Assets	2,489,455	5,077,788	405,321	1,267,328
Deferred Outflows of Resources:				
Deferred pension related items	174,182	7,967	143,715	-
Total Deferred Outflows of Resources	174,182	7,967	143,715	-
Total Assets and Deferred Outflows of Resources	\$ 2,663,637	\$ 5,085,755	\$ 549,036	\$ 1,267,328
Liabilities, Deferred Inflows of Resources, and Net Position:				
Liabilities:				
Current:				
Accounts payable	\$ 170,387	\$ 117,695	\$ 33,651	\$ 8,693
Accrued liabilities	4,139	1,399	2,882	-
Due to other funds	-	-	-	275,206
Accrued compensated absences	9,191	-	10,304	-
Accrued claims and judgments	-	-	-	150,547
Bonds, notes, and capital leases	-	133,609	-	-
Total Current Liabilities	183,717	252,703	46,837	434,446
Noncurrent:				
Advances from other funds	23,226	-	-	-
Accrued compensated absences	2,994	-	3,356	-
Accrued claims and judgments	-	-	-	13,756
Bonds, notes, and capital leases	-	137,712	-	-
Net pension liability	1,003,619	45,910	828,075	-
Total Noncurrent Liabilities	1,029,839	183,622	831,431	13,756
Total Liabilities	1,213,556	436,325	878,268	448,202
Deferred Inflows of Resources:				
Deferred pension related items	25,732	1,177	21,231	-
Total Deferred Inflows of Resources	25,732	1,177	21,231	-
Net Position:				
Net investment in capital assets	1,879,723	2,476,858	134,877	-
Unrestricted	(455,374)	2,171,395	(485,340)	819,126
Total Net Position	1,424,349	4,648,253	(350,463)	819,126
Total Liabilities and Net Position	\$ 2,663,637	\$ 5,085,755	\$ 549,036	\$ 1,267,328

CITY OF MONROVIA

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2017

	Governmental Activities - Internal Service Funds		
	Workers' Compensation Insurance	Unemployment Insurance	Totals
Assets and Deferred Outflows:			
Assets:			
Current:			
Cash and investments	\$ -	\$ 217,900	\$ 3,279,434
Receivables:			
Accounts	-	-	139,895
Prepaid costs	895,609	-	2,169,043
Inventories	-	-	2,250
Total Current Assets	895,609	217,900	5,590,622
Noncurrent:			
Capital assets - net of accumulated depreciation	-	-	4,762,779
Total Noncurrent Assets	-	-	4,762,779
Total Assets	895,609	217,900	10,353,401
Deferred Outflows of Resources:			
Deferred pension related items	-	-	325,864
Total Deferred Outflows of Resources	-	-	325,864
Total Assets and Deferred Outflows of Resources	\$ 895,609	\$ 217,900	\$ 10,679,265
Liabilities, Deferred Inflows of Resources, and Net Position:			
Liabilities:			
Current:			
Accounts payable	\$ 22,294	\$ 6,519	\$ 359,239
Accrued liabilities	-	-	8,420
Due to other funds	545,863	-	821,069
Accrued compensated absences	-	-	19,495
Accrued claims and judgments	694,581	-	845,128
Bonds, notes, and capital leases	-	-	133,609
Total Current Liabilities	1,262,738	6,519	2,186,960
Noncurrent:			
Advances from other funds	-	-	23,226
Accrued compensated absences	-	-	6,350
Accrued claims and judgments	538,520	-	552,276
Bonds, notes, and capital leases	-	-	137,712
Net pension liability	-	-	1,877,604
Total Noncurrent Liabilities	538,520	-	2,597,168
Total Liabilities	1,801,258	6,519	4,784,128
Deferred Inflows of Resources:			
Deferred pension related items	-	-	48,140
Total Deferred Inflows of Resources	-	-	48,140
Net Position:			
Net investment in capital assets	-	-	4,491,458
Unrestricted	(905,649)	211,381	1,355,539
Total Net Position	(905,649)	211,381	5,846,997
Total Liabilities and Net Position	\$ 895,609	\$ 217,900	\$ 10,679,265

CITY OF MONROVIA

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2017

	Governmental Activities - Internal Service Funds			
	Facilities Maintenance	Equipment Pool	Central Services	Liability Insurance
Operating Revenues:				
Sales and service charges	\$ 25,598	\$ 164,829	\$ -	\$ -
Interdepartmental charges	1,900,000	1,993,469	1,245,584	1,400,000
Miscellaneous	79,794	245	359,651	445,022
Total Operating Revenues	2,005,392	2,158,543	1,605,235	1,845,022
Operating Expenses:				
Salaries and employee benefits	104,891	53,340	272,099	-
Professional and contract services	229,082	93,369	283,634	1,236,417
Maintenance and Supplies	616,430	727,236	413,701	3,388
Utilities	384,785	7,467	276,646	-
Repairs and replacements	103,664	484,309	1,243	-
Insurance	-	-	-	87,970
Depreciation expense	75,488	590,789	17,021	-
Other operating expense	8,950	-	-	-
Claims expense	-	-	-	171,156
Total Operating Expenses	1,523,290	1,956,510	1,264,344	1,498,931
Operating Income	482,102	202,033	340,891	346,091
Nonoperating Revenues (Expenses):				
Interest revenue	2,203	7,892	489	133
Interest expense	(176)	(48,557)	-	-
Contributions	100	-	-	-
Gain (loss) on disposal of capital assets	-	28,969	-	-
Total Nonoperating Revenue (Expenses)	2,127	(11,696)	489	133
Income (Loss) Before Transfers	484,229	190,337	341,380	346,224
Transfers in	85,134	3,895	70,243	-
Transfers out	(254,019)	(170,148)	(169,466)	-
Changes in Net Position	315,344	24,084	242,157	346,224
Net Position:				
Beginning of Year	1,109,005	4,624,169	(592,620)	472,902
End of Fiscal Year	\$ 1,424,349	\$ 4,648,253	\$ (350,463)	\$ 819,126

CITY OF MONROVIA

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2017

	Governmental Activities - Internal Service Funds		
	Workers' Compensation Insurance	Unemployment Insurance	Totals
Operating Revenues:			
Sales and service charges	\$ -	\$ -	\$ 190,427
Interdepartmental charges	959,034	50,836	7,548,923
Miscellaneous	401,934	-	1,286,646
Total Operating Revenues	1,360,968	50,836	9,025,996
Operating Expenses:			
Salaries and employee benefits	-	-	430,330
Professional and contract services	926,059	-	2,768,561
Maintenance and Supplies	3,413	-	1,764,168
Utilities	-	-	668,898
Repairs and replacements	-	-	589,216
Insurance	-	-	87,970
Depreciation expense	-	-	683,298
Other operating expense	-	-	8,950
Claims expense	475,938	27,214	674,308
Total Operating Expenses	1,405,410	27,214	7,675,699
Operating Income	(44,442)	23,622	1,350,297
Nonoperating Revenues (Expenses):			
Interest revenue	-	872	11,589
Interest expense	-	-	(48,733)
Contributions	-	-	100
Gain (loss) on disposal of capital assets	-	-	28,969
Total Nonoperating Revenue (Expenses)	-	872	(8,075)
Income (Loss) Before Transfers	(44,442)	24,494	1,342,222
Transfers in	-	-	159,272
Transfers out	-	-	(593,633)
Changes in Net Position	(44,442)	24,494	907,861
Net Position:			
Beginning of Year	(861,207)	186,887	4,939,136
End of Fiscal Year	\$ (905,649)	\$ 211,381	\$ 5,846,997

CITY OF MONROVIA

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2017

	Governmental Activities - Internal Service Funds			
	Facilities Maintenance	Equipment Pool	Central Services	Liability Insurance
Cash Flows from Operating Activities:				
Cash received from interfund service provided	\$ 1,933,038	\$ 2,153,337	\$ 1,621,069	\$ 1,845,777
Cash paid to suppliers for goods and services	(888,039)	(1,342,571)	(691,733)	(2,524,051)
Cash received/refunded by suppliers for goods and services	-	-	-	-
Cash paid to employees for services	(767,707)	(25,756)	(1,057,239)	(403,900)
Cash paid for insurance claims	-	-	-	(226,505)
Net Cash Provided by Operating Activities	277,292	785,010	(127,903)	(1,308,679)
Cash Flows from Non-Capital Financing Activities:				
Cash transfers out	(254,019)	(170,148)	(169,466)	-
Cash transfers in	85,134	3,895	70,243	-
Repayment received from (paid to) other funds	-	-	-	275,206
Cash paid for advances to other funds	(23,222)	-	-	-
Net Cash Provided by (Used in) Non-Capital Financing Activities	(192,107)	(166,253)	(99,223)	275,206
Cash Flows from Capital and Related Financing Activities:				
Acquisition and construction of capital assets	(118,665)	(289,377)	(14,023)	-
Principal paid on capital debt	-	(135,309)	-	-
Interest paid on capital debt	(76)	(67,093)	-	-
Proceeds from sales of capital assets	-	28,969	-	-
Net Cash Used in Capital and Related Financing Activities	(118,741)	(462,810)	(14,023)	-
Cash Flows from Investing Activities:				
Interest received	2,203	7,892	489	133
Net Cash Provided by Investing Activities	2,203	7,892	489	133
Net Increase in Cash and Cash Equivalents	(31,353)	163,839	(240,660)	(1,033,340)
Cash and Cash Equivalents at Beginning of Year	563,855	2,103,105	502,748	1,033,340
Cash and Cash Equivalents at End of Year	\$ 532,502	\$ 2,266,944	\$ 262,088	\$ -
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities:				
Operating income	\$ 482,102	\$ 202,033	\$ 340,891	\$ 346,091
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:				
Depreciation	75,488	590,789	17,021	-
(Increase) decrease in accounts receivable	(72,354)	(5,206)	15,834	755
(Increase) decrease in inventories	-	-	(580)	-
(Increase) decrease in prepaid expense	-	-	2,834	(1,265,283)
(Increase) decrease in deferred pension related outflows	(110,964)	(1,406)	(39,678)	19,238
Increase (decrease) in accounts payable	61,137	(37,657)	4,591	(18,963)
Increase (decrease) in claims and judgments	-	-	-	32,621
Increase (decrease) in compensated absences	4,470	(214)	(82,454)	-
Increase (decrease) in accrued liabilities	(7,674)	(2,562)	2,882	-
Increase (decrease) in net pension liability	(84,659)	38,056	(339,347)	(386,679)
Increase (decrease) in deferred pension related inflows	(70,254)	1,177	(49,897)	(36,459)
Total Adjustments	(204,810)	582,977	(468,794)	(1,654,770)
Net Cash Provided by Operating Activities	\$ 277,292	\$ 785,010	\$ (127,903)	\$ (1,308,679)
Non-Cash Activity in Investing and Financing Activities:				
Retired assets	\$ -	\$ 18,536	\$ -	\$ -

CITY OF MONROVIA

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2017**

	Governmental Activities - Internal Service Funds		
	Workers' Compensation Insurance	Unemployment Insurance	Totals
Cash Flows from Operating Activities:			
Cash received from interfund service provided	\$ 1,360,968	\$ 50,836	\$ 8,965,025
Cash paid to suppliers for goods and services	(1,848,877)	-	(7,295,271)
Cash received/refunded by suppliers for goods and services	-	6,519	6,519
Cash paid to employees for services	(330,573)	-	(2,585,175)
Cash paid for insurance claims	(1,086,032)	(27,214)	(1,339,751)
Net Cash Provided by Operating Activities	(1,904,514)	30,141	(2,248,653)
Cash Flows from Non-Capital Financing Activities:			
Cash transfers out	-	-	(593,633)
Cash transfers in	-	-	159,272
Repayment received from (paid to) other funds	545,863	-	821,069
Cash paid for advances to other funds	-	-	(23,222)
Net Cash Provided by (Used in) Non-Capital Financing Activities	545,863	-	363,486
Cash Flows from Capital and Related Financing Activities:			
Acquisition and construction of capital assets	-	-	(422,065)
Principal paid on capital debt	-	-	(135,309)
Interest paid on capital debt	-	-	(67,169)
Proceeds from sales of capital assets	-	-	28,969
Net Cash Used in Capital and Related Financing Activities	-	-	(595,574)
Cash Flows from Investing Activities:			
Interest received	-	872	11,589
Net Cash Provided by Investing Activities	-	872	11,589
Net Increase in Cash and Cash Equivalents	(1,358,651)	31,013	(2,469,152)
Cash and Cash Equivalents at Beginning of Year	1,358,651	186,887	5,748,586
Cash and Cash Equivalents at End of Year	\$ -	\$ 217,900	\$ 3,279,434
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities:			
Operating income	\$ (44,442)	\$ 23,622	\$ 1,350,297
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:			
Depreciation	-	-	683,298
(Increase) decrease in accounts receivable	-	-	(60,971)
(Increase) decrease in inventories	-	-	(580)
(Increase) decrease in prepaid expense	(895,609)	-	(2,158,058)
(Increase) decrease in deferred pension related outflows	13,733	-	(119,077)
Increase (decrease) in accounts payable	(23,796)	6,519	(8,169)
Increase (decrease) in claims and judgments	(610,094)	-	(577,473)
Increase (decrease) in compensated absences	-	-	(78,198)
Increase (decrease) in accrued liabilities	-	-	(7,354)
Increase (decrease) in net pension liability	(313,148)	-	(1,085,777)
Increase (decrease) in deferred pension related inflows	(31,158)	-	(186,591)
Total Adjustments	(1,860,072)	6,519	(3,598,950)
Net Cash Provided by Operating Activities	\$ (1,904,514)	\$ 30,141	\$ (2,248,653)
Non-Cash Activity in Investing and Financing Activities:			
Retired assets	\$ -	\$ -	\$ 18,536

CITY OF MONROVIA

COMBINING STATEMENT OF CHANGES IN POSITION AND LIABILITIES
 AGENCY FUND
 YEAR ENDED JUNE 30, 2017

	<u>Balance 7/1/2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 6/30/2017</u>
Deposit				
Assets:				
Pooled cash and investments	\$ 1,577,978	\$ 624,073	\$ 249,004	\$ 1,953,047
Receivables:				
Accounts	21,039	-	21,039	-
Total Assets	<u>\$ 1,599,017</u>	<u>\$ 624,073</u>	<u>\$ 270,043</u>	<u>\$ 1,953,047</u>
Liabilities:				
Accounts payable	\$ 30,659	\$ 256,022	\$ 277,293	\$ 9,388
Deposits payable	1,568,358	653,531	278,230	1,943,659
Total Liabilities	<u>\$ 1,599,017</u>	<u>\$ 909,553</u>	<u>\$ 555,523</u>	<u>\$ 1,953,047</u>

CITY OF MONROVIA

COMBINING STATEMENT OF FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUNDS
JUNE 30, 2017

	Private-Purpose Trust Funds		Total
	Bartle Memorial Trust	Successor Agency of the Former RDA	
Assets:			
Pooled cash and investments	\$ 123,227	\$ 3,549,313	\$ 3,672,540
Receivables:			
Accounts	-	11,350	11,350
Notes and loans	-	2,093,298	2,093,298
Prepaid costs	-	352,659	352,659
Land held for resale	-	5,674,434	5,674,434
Restricted assets:			
Cash and investments with fiscal agents	-	2,078,490	2,078,490
Capital assets:			
Capital assets, not being depreciated	-	400,638	400,638
Capital assets, net of accumulated depreciation	-	1,630,400	1,630,400
Total Assets	123,227	15,790,582	15,913,809
Deferred Outflows of Resources:			
Deferred charge on refunding	-	2,161,459	2,161,459
Total Deferred Outflows of Resources	-	2,161,459	2,161,459
Liabilities:			
Accounts payable	-	-	-
Accrued interest	-	555,750	555,750
Long-term liabilities:			
Due in one year	-	3,890,000	3,890,000
Due in more than one year	-	51,431,049	51,431,049
Advances from City	-	2,551,385	2,551,385
Total Liabilities	-	58,428,184	58,428,184
Net Position:			
Held in trust for educational material	123,227	-	123,227
Held in trust for other purposes	-	(40,476,143)	(40,476,143)
Total Net Position	\$ 123,227	\$ (40,476,143)	\$ (40,352,916)

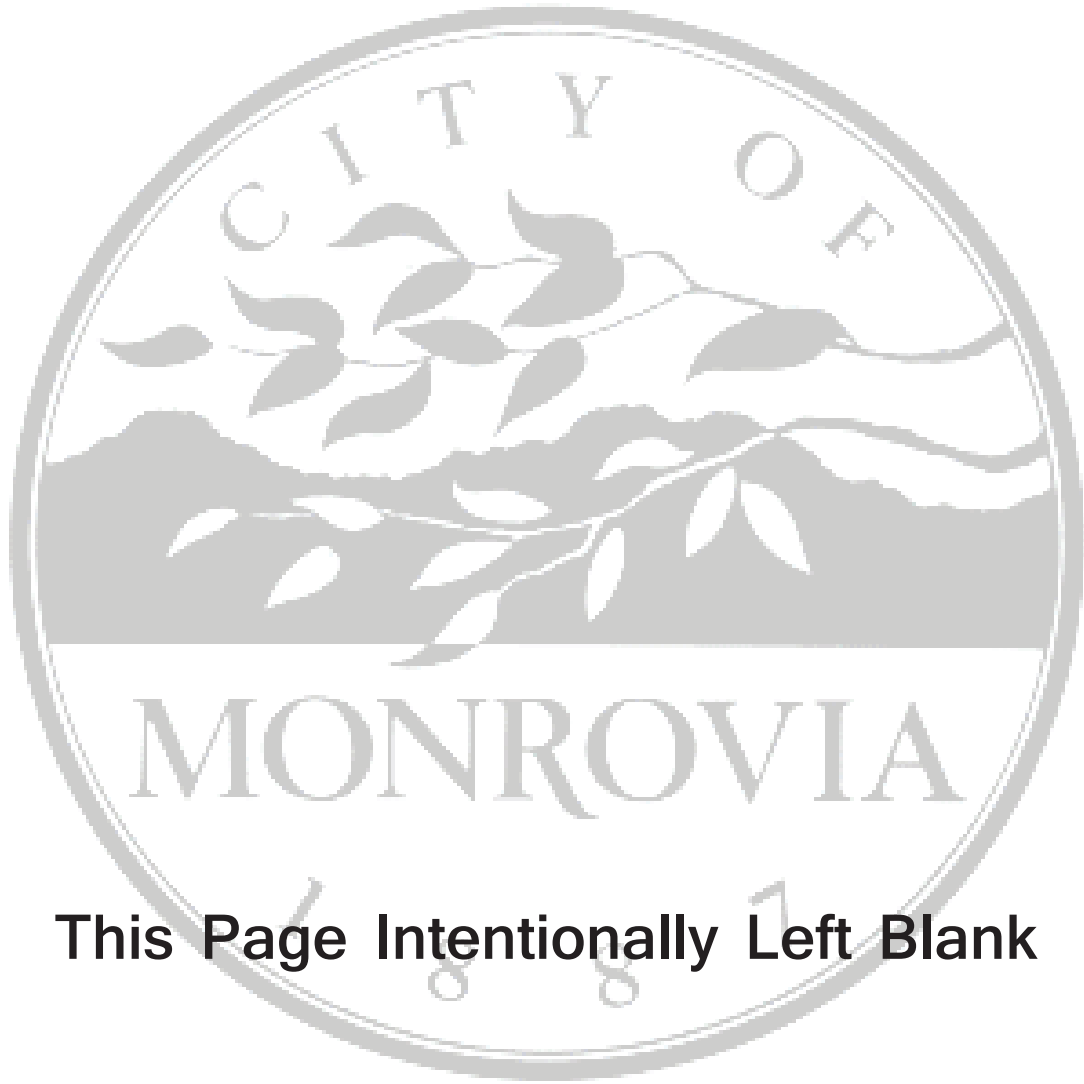
CITY OF MONROVIA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUNDS
YEAR ENDED JUNE 30, 2017

	Private-Purpose Trust Funds		Total
	Bartle Memorial Trust	Successor Agency of the Former RDA	
Additions:			
Taxes	\$ -	\$ 6,437,291	\$ 6,437,291
Interest, rental income and change in fair value of investments	343	6,310	6,653
Total Additions	343	6,443,601	6,443,944
Deductions:			
Administrative expenses	50,000	250,000	300,000
Contractual services	-	50,453	50,453
Interest expense	-	2,534,519	2,534,519
Depreciation expense	-	47,071	47,071
Total Deductions	50,000	2,882,043	2,932,043
Changes in Net Position	(49,657)	3,561,558	3,511,901
Net Position:			
Net Position - Beginning of the Year	172,884	(44,037,701)	(43,864,817)
Net Position - End of the Year	\$ 123,227	\$ (40,476,143)	\$ (40,352,916)



STATISTICAL SECTION



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Statistical Section

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

Contents

Financial Trends

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

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

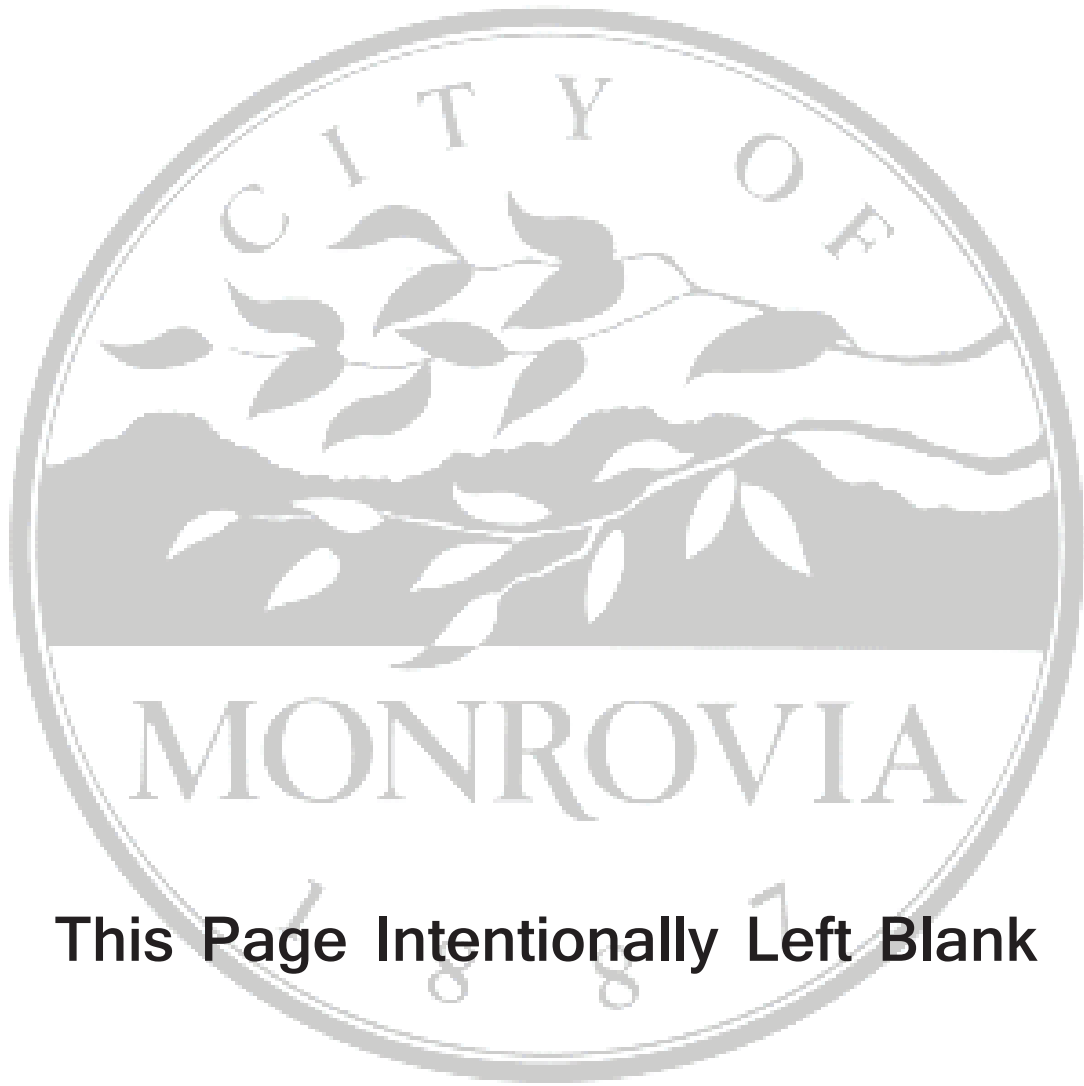
Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.

Operating Information

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

Sources: *Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City has presented five years of financial information for the financial schedules.*



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CITY OF MONROVIA

Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Government activities										
Invested in capital assets	\$ 54,003,281	\$ 68,177,822	\$ 66,534,992	\$ 63,914,874	\$ 65,485,637	\$ 61,277,653	\$ 66,232,669	\$ 77,217,753	\$ 81,209,749	\$ 76,531,083
Restricted	20,900,217	11,977,766	10,017,948	7,488,490	10,814,928	8,138,803	9,085,685	9,162,281	34,323,371	26,041,561
Unrestricted	(27,606,155)	(45,869,176)	(52,443,982)	(52,872,687)	(9,861,300)	(4,895,026)	(9,261,092)	(80,245,943)	(97,205,508)	(91,784,614)
Total governmental activities net position	\$ 47,297,343	\$ 34,286,412	\$ 24,108,958	\$ 18,530,677	\$ 66,439,265	\$ 64,521,430	\$ 66,057,262	\$ 6,133,091	\$ 18,327,612	\$ 10,788,030
Business-type activities										
Invested in capital assets	\$ 14,973,784	\$ 14,658,759	\$ 14,353,222	\$ 14,185,738	\$ 13,986,985	\$ 13,696,019	\$ 13,433,953	\$ 13,141,993	\$ 12,500,944	\$ 20,761,074
Unrestricted	9,970,720	10,750,356	10,832,956	11,186,996	11,282,561	12,236,913	13,033,400	4,388,193	3,968,330	(3,145,671)
Total business-type activities net position	\$ 24,944,504	\$ 25,409,115	\$ 25,186,178	\$ 25,372,734	\$ 25,269,546	\$ 25,932,932	\$ 26,467,353	\$ 17,530,186	\$ 16,469,274	\$ 17,615,403
Primary government										
Invested in capital assets	\$ 68,977,065	\$ 82,836,581	\$ 80,888,214	\$ 78,100,612	\$ 79,472,622	\$ 74,973,672	\$ 79,666,622	\$ 90,359,746	\$ 93,710,693	\$ 97,292,157
Restricted	20,900,217	11,977,766	10,017,948	7,488,490	10,814,928	8,138,803	9,074,278	9,162,281	34,323,371	26,041,561
Unrestricted	(17,635,435)	(35,118,820)	(41,611,026)	(41,685,691)	(1,421,261)	(7,341,887)	(3,783,715)	(75,858,750)	(93,237,178)	(94,930,285)
Total primary government activities net position	\$ 72,241,847	\$ 59,695,527	\$ 49,295,136	\$ 43,903,411	\$ 91,708,811	\$ 90,454,362	\$ 92,524,615	\$ 23,663,277	\$ 34,796,886	\$ 28,403,433

CITY OF MONROVIA

**Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses										
Governmental Activities:										
General government	\$ 7,645,494	\$ 14,690,887	\$ 11,323,045	\$ 7,806,619	\$ 11,537,671	\$ 6,031,358	\$ 6,194,416	\$ 6,316,049	\$ 6,180,431	\$ 8,838,995
Public safety	27,014,096	30,237,704	29,668,311	31,992,332	29,263,648	29,076,271	29,145,200	30,045,252	30,004,707	35,428,713
Community development	4,821,992	5,637,545	3,566,623	3,735,340	2,998,784	1,884,561	2,524,932	3,508,963	3,852,738	4,845,457
Community services	3,541,063	4,328,972	4,221,050	4,044,492	3,927,271	3,823,053	4,239,048	4,342,038	4,076,224	5,555,789
Public works	7,573,848	6,726,065	6,578,725	5,674,632	4,398,366	5,759,850	5,530,663	6,002,679	5,446,094	6,437,941
Interest on long-term debt	5,312,018	6,601,294	6,340,492	7,212,599	4,082,349	2,022,347	1,824,755	2,000,926	1,998,044	2,034,772
Total Governmental Activities Expenses	55,908,511	68,222,467	61,698,246	60,466,014	56,208,089	48,597,440	49,459,014	52,215,907	51,558,238	63,141,667
Business-Type Activities:										
Water	4,994,390	5,481,405	5,547,930	5,227,978	5,248,403	5,213,823	5,864,409	6,330,266	6,259,232	6,102,765
Sewer	814,118	558,679	626,710	505,299	516,031	534,252	593,907	1,001,746	833,572	972,083
Storm drain	308,701	337,220	283,385	157,376	163,520	165,401	233,390	668,254	224,510	359,671
Street sweeping	236,563	242,852	243,356	209,676	191,631	188,964	170,970	203,009	105,187	165,928
Waste management	345,245	335,789	306,124	361,184	396,355	382,775	471,767	558,717	359,475	213,575
Total Business-Type Activities Expenses	6,699,007	6,955,945	7,007,505	6,461,513	6,514,940	6,485,205	7,334,443	8,759,992	7,781,976	7,814,022
Total Primary Government Expenses	\$ 62,607,518	\$ 75,178,412	\$ 68,705,751	\$ 66,927,527	\$ 62,723,029	\$ 55,082,645	\$ 56,793,457	\$ 60,975,899	\$ 59,340,214	\$ 70,955,689
Program Revenues										
Governmental Activities:										
Charges for services:										
General government	\$ 388,079	\$ 670,353	\$ 633,045	\$ 760,926	\$ 840,773	\$ 1,019,838	\$ 764,184	\$ 1,759,640	\$ 1,695,935	\$ 925,206
Public safety	2,329,643	2,116,014	2,079,848	2,062,508	2,760,237	2,108,552	2,276,149	2,226,628	2,669,686	2,489,660
Community development	1,168,694	1,188,330	884,580	748,759	1,149,759	810,331	1,229,953	1,176,169	2,396,273	1,573,065
Community services	1,447,181	1,457,362	1,481,477	1,476,370	1,448,002	1,469,001	1,490,209	1,491,755	1,460,641	1,295,987
Public works	1,084,853	422,130	692,979	645,727	950,929	656,766	1,675,944	487,529	611,954	669,384
Operating Contributions	8,079,039	9,119,603	9,306,795	9,459,910	8,714,126	7,932,635	8,791,537	8,580,298	8,179,141	7,644,823
Capital Contributions and Grants	(443,727)	3,254,503	732,032	1,864,287	1,102,849	594,847	1,670,949	12,176,977	8,099,038	1,049,515
Total Governmental Activities Program Revenues	14,033,762	18,228,295	15,810,756	17,018,487	16,966,675	14,591,970	17,898,925	27,898,996	25,112,668	15,647,640
Business-Type Activities:										
Charges for services:										
Water	6,144,375	6,719,182	6,246,551	6,189,598	6,040,602	6,583,725	7,025,060	6,006,480	6,332,222	7,624,310
Sewer	761,157	783,411	786,965	801,761	754,965	806,441	830,442	804,775	1,162,961	1,499,794
Storm drain	281,228	278,474	281,369	281,368	270,447	283,667	293,483	284,044	286,604	286,994
Street sweeping	206,727	204,048	205,677	206,267	197,904	207,598	214,807	208,687	211,107	211,563
Waste management	350,952	482,549	614,354	724,046	621,036	1,158,018	1,210,551	1,703,832	1,439,716	2,268,159
Total Business-Type Activities Program Revenues	7,744,439	8,467,664	8,134,916	8,203,040	7,884,954	9,039,449	9,574,343	9,007,818	9,432,610	11,890,820
Total Primary Government Program Revenues	\$ 21,778,201	\$ 26,695,959	\$ 23,945,672	\$ 25,221,527	\$ 24,851,629	\$ 23,631,419	\$ 27,473,268	\$ 36,906,814	\$ 34,545,278	\$ 27,538,460
Net (Expense)/Revenue										
Governmental Activities	(41,874,749)	(49,994,172)	(45,887,490)	(43,447,527)	(39,241,414)	(34,005,470)	(31,560,089)	(24,316,911)	(26,445,570)	(47,494,027)
Business-Type Activities	1,045,432	1,511,719	1,127,411	1,741,527	1,370,014	2,554,244	2,239,900	247,826	1,650,634	4,076,798
Total Primary Government Net Expense	(40,829,317)	(48,482,453)	(44,760,079)	(41,706,000)	(37,871,400)	(31,451,226)	(29,320,189)	(24,069,085)	(24,794,936)	(43,417,229)

CITY OF MONROVIA

Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Property taxes, levied for general purpose	\$ 22,435,934	\$ 23,167,560	\$ 22,536,516	\$ 23,430,213	\$ 21,693,992	\$ 17,889,530	\$ 18,470,835	\$ 19,026,069	\$ 20,521,090	\$ 19,505,335
Transient occupancy taxes	964,066	1,040,912	1,042,888	1,179,277	1,329,193	1,454,318	1,562,880	1,760,129	1,891,098	1,945,275
Sales taxes	7,010,354	6,635,741	6,404,613	6,636,440	10,368,693	7,149,117	7,300,385	8,056,915	9,451,394	10,735,607
Franchise taxes	806,372	855,836	722,647	779,315	910,643	614,151	633,585	599,709	632,425	616,374
Business licenses taxes	602,776	572,204	560,715	536,630	565,086	547,403	560,606	555,227	777,899	767,457
Other taxes	977,743	883,353	877,189	1,225,930	1,359,121	1,170,525	1,524,077	1,243,543	1,068,417	1,156,792
Intergovernmental, unrestricted:										
Motor Vehicle In Lieu	174,229	133,794	118,377	204,959	32,482	21,328	40,217	7,315	24,576	16,813
Use of money and property	3,295,342	1,995,135	1,349,593	1,739,933	326,883	887,077	466,012	529,050	652,691	611,746
Gain on the sale of capital asset	172,529	206,427	186,364	202,375	-	-	-	-	-	405,466
Other	224,366	191,984	306,457	356,988	800,116	861,699	876,193	664,172	755,084	454,039
Extraordinary gain/(loss) on dissolution of RDA										
Transfers	(225,536)	1,300,659	1,604,677	1,672,983	57,343,847	1,965,337	1,816,446	1,906,149	2,865,417	3,739,541
Total Governmental Activities	36,438,165	36,983,605	35,710,036	37,965,043	96,281,430	32,560,485	33,251,236	34,348,278	38,640,091	39,954,445
Business-Type Activities:										
Use of money and property	464,889	195,628	42,682	42,695	21,990	17,610	51,600	67,451	118,106	199,193
Other	34,568	57,723	54,193	75,317	5,056,182	56,869	59,367	20,498	35,765	218,800
Extraordinary gain/(loss) on dissolution of RDA										
Transfers	225,536	(1,300,659)	(1,604,677)	(1,672,983)	(1,551,374)	(1,965,337)	(1,816,446)	(1,906,149)	(2,865,417)	(3,739,541)
Total Business-Type Activities	724,993	(1,047,108)	(1,507,802)	(1,554,971)	(1,473,202)	(1,890,858)	(1,705,479)	(1,818,200)	(2,711,546)	(3,321,548)
Total Primary Government	37,163,158	35,936,497	34,202,234	36,410,072	94,808,228	30,669,627	31,545,757	32,530,078	35,928,545	36,632,897
Changes in Net Position										
Governmental Activities	(5,436,584)	(13,010,567)	(10,116,660)	(5,482,484)	57,040,016	(1,444,985)	1,691,147	10,031,367	12,194,521	(7,539,582)
Business-Type Activities	1,770,425	464,611	(380,391)	186,556	(103,188)	663,386	534,421	(1,570,374)	(1,060,912)	755,250
Total Primary Government	\$ (3,666,159)	\$ (12,545,956)	\$ (10,497,051)	\$ (5,295,928)	\$ 56,936,828	\$ (781,599)	\$ 2,225,568	\$ 8,460,993	\$ 11,133,609	\$ (6,784,332)

* Data updated to include additional Operating Contribution actuals for FY15-16.

CITY OF MONROVIA

Fund Balances of Governmental Funds
Last Nine Fiscal Years
(Modified Accrual Basis Of Accounting)

	2009	2010	2011	2012	Fiscal Year 2013	2014	2015	2016	2017
General Fund									
Nonspendable	472,208	482,208	11,608,580	47,018	8,345	29,501	16,580	655,430	414,053
Restricted	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-
Assigned	4,657,846	3,358,028	-	-	-	403,427	400,985	1,381,407	1,352,351
Unassigned	-	-	(8,392,252)	(8,874,464)	4,663,689	1,900,256	3,447,111	5,630,245	4,468,341
Total General Fund	5,130,054	3,840,236	3,216,328	(8,827,446)	4,672,034	2,333,184	3,864,676	7,667,082	6,234,745
All Other Governmental Funds									
Nonspendable	52,569,460	51,961,844	54,350,505	6,716,200	6,239,140	6,239,525	6,240,041	1,844,965	100,530
Restricted	10,640,201	9,992,057	7,390,273	7,084,203	8,040,307	8,975,398	9,062,884	30,613,763	25,941,031
Committed	173,207	39,990	-	-	-	-	-	-	-
Assigned	458,624	-	-	-	-	-	-	-	-
Unassigned	(16,990,443)	(19,260,373)	(18,529,307)	(2,777,578)	(314,408)	(1,459,158)	(4,500,505)	(512,038)	(1,024,789)
Total all other Governmental Funds	46,851,049	42,733,518	43,211,471	11,022,825	13,965,039	13,755,765	10,802,420	31,946,690	25,016,772
Total Governmental Funds	51,981,103	46,573,754	46,427,799	2,195,379	18,637,073	16,088,949	14,667,096	39,613,772	31,251,517

In compliance with GASB 54, Funds Balances are now classified into: Nonspendable, Restricted, Committed, Assigned, and Unassigned. Information for prior years was re-classified accordingly.

CITY OF MONROVIA

Changes in Fund Balances Of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis Of Accounting)

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues:										
Taxes	\$ 35,209,099	\$ 35,647,317	\$ 34,474,443	\$ 36,610,546	\$ 33,376,194	\$ 29,100,054	\$ 30,023,985	\$ 30,944,861	\$ 34,342,323	\$ 34,681,015
Assessments	1,274,277	1,270,527	1,277,803	1,287,649	1,285,599	1,316,592	1,345,317	1,331,082	1,332,814	1,337,382
Licenses and permits	808,099	857,144	572,193	599,797	667,484	682,042	619,092	678,952	1,408,368	804,006
Intergovernmental	10,848,006	9,875,592	10,818,625	11,504,520	11,111,951	9,103,423	9,567,142	19,764,461	22,652,458	9,590,737
Contributions from property owners		4,755,251				352,200				
Charges for services	2,106,873	2,135,036	1,958,137	1,885,962	2,041,373	2,393,370	2,591,961	2,548,793	3,415,180	2,854,162
Use of money and property	2,890,722	1,877,342	1,308,050	1,445,079	732,911	361,853	318,481	365,701	463,420	526,960
Fines and forfeitures	948,984	811,432	718,426	761,557	749,832	830,025	802,348	827,608	899,784	830,631
Contributions	300,610	147,993	168,958	124,415	107,729	303,213	65,642	87,701	101,972	93,227
Miscellaneous and Other Revenue	568,534	750,292	935,978	824,767	816,058	18,584,884	1,218,364	1,019,591	1,005,453	860,319
Total revenues	54,955,204	58,127,926	52,232,613	55,044,292	50,889,131	63,027,656	46,552,332	57,568,750	65,621,772	51,578,439
Expenditures:										
Current:										
General government	7,503,544	8,036,273	6,664,997	18,063,602	9,772,566	4,371,898	4,344,835	4,401,812	4,799,809	5,756,537
Public safety	26,281,927	28,576,229	28,446,086	28,814,981	29,887,298	28,996,950	30,594,384	29,269,028	31,985,937	33,877,088
Community development	4,490,541	5,181,007	3,233,906	6,052,290	2,992,448	3,103,061	3,420,012	3,394,160	4,138,276	4,420,182
Parks & Recreation	3,287,028	3,823,784	3,797,647	3,844,360	3,862,009	3,925,833	4,037,963	3,948,728	4,234,471	5,224,856
Public works	4,697,897	3,851,359	3,841,395	3,340,885	3,118,867	3,464,568	3,396,830	3,663,869	3,926,928	4,895,330
Capital outlay	5,011,834	17,191,124	561,431	3,102,769	685,793	1,975,268	2,488,254	13,438,030	6,413,785	7,289,239
Debt service:										
Principal retirement	2,667,672	3,126,281	3,586,985	3,816,239	1,099,696	780,000	845,000	920,000	1,045,000	1,250,000
Interest and fiscal charges	5,348,496	6,035,211	6,056,375	6,691,324	4,539,494	2,014,731	1,818,875	2,037,302	1,884,399	2,486,638
Bond issuance costs	-	228,618	-	582,117	-	-	-	-	-	-
Pass-through agreement payments	2,421,339	2,463,947	2,657,620	2,940,925	-	-	-	-	-	-
Total expenditures	61,710,278	78,513,833	58,846,442	77,249,492	55,958,171	48,632,309	50,946,153	61,072,949	58,428,605	65,199,870
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,755,074)	(20,385,907)	(6,613,829)	(22,205,200)	(5,069,040)	14,395,347	(4,393,821)	(3,504,199)	7,193,167	(13,621,431)
Other financing sources (uses):										
Transfers in	30,010,253	19,422,167	11,529,520	13,232,148	10,400,936	11,569,340	11,144,426	11,781,633	13,596,008	17,739,846
Transfers out	(31,430,166)	(19,171,941)	(9,814,235)	(11,424,809)	(8,640,368)	(9,377,391)	(9,143,415)	(9,709,362)	(10,381,400)	(13,565,944)
Long-term debt issued	15,850,000	12,000,000	-	20,750,000	-	-	-	6,180,000	-	13,865,973
Proceeds on sale of capital asset	-	-	(508,805)	-	-	-	-	-	-	-
Capital leases	-	-	-	-	-	-	-	-	-	-
Notes and loans issued	10,240	-	-	-	-	-	-	-	-	-
Original bond discount	3,010,240	(150,000)	-	(308,205)	-	-	-	-	-	-
Bond premium	-	-	-	-	-	-	-	520,076	938,901	215,563
Refunded bonds/bonds issued	-	-	-	-	-	-	-	(6,690,000)	13,600,000	(13,638,262)
Total other financing sources (uses)	17,450,567	12,100,226	1,206,480	22,249,134	1,760,568	2,191,949	2,001,011	2,082,347	17,753,509	5,259,176
Extraordinary gain/(loss) on dissolution of redevelopment agency net assets										
					(40,923,946)					
Net change in fund balances /	\$ 10,695,493	\$ (8,285,681)	\$ (5,407,349)	\$ 43,934	\$ (44,232,418)	\$ 16,567,296	\$ (2,392,810)	\$ (1,421,852)	\$ 24,946,676	\$ (6,362,255)
Debt service as a percentage of noncapital expenditures *	14.02%	14.66%	16.54%	14.22%	10.45%	5.96%	5.69%	6.21%	5.64%	6.50%

* This percentage is computed as: Debt Service divided by Non-Capital Expenditures
Debt Service = Principal Retirement + Interest & Fiscal Charges
Non-Capital Expenditures = Total Expenditures - Capital Outlay

CITY OF MONROVIA

**Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years**
(in thousands of dollars)

Fiscal Year	Residential Property	Commercial Property	Other Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Taxable Assessed Value as a Percentage of Actual Taxable Value
2008	2,725,071	512,382	548,247	3,785,700	1.00	\$3,785,700	100.0%
2009	2,894,684	542,187	567,222	4,004,093	1.00	\$4,004,093	100.0%
2010	2,863,598	588,407	574,856	4,026,861	1.00	\$4,026,861	100.0%
2011	2,912,716	615,345	534,151	4,062,212	1.00	\$4,062,212	100.0%
2012	2,964,174	636,146	529,200	4,129,520	1.00	\$4,129,520	100.0%
2013	3,035,166	670,932	545,999	4,252,098	1.00	\$4,252,098	100.0%
2014	3,135,799	685,473	548,944	4,370,216	1.00	\$4,370,216	100.0%
2015	3,341,727	699,352	548,676	4,589,755	1.00	\$4,589,755	100.0%
2016	3,545,820	757,368	559,485	4,862,673	1.00	\$4,862,673	100.0%
2017	3,749,944	773,702	567,210	5,090,855	1.00	\$5,090,855	100.0%

Source: HDL Coren & Cone.

CITY OF MONROVIA

**Direct and Overlapping Property Tax Rates,
Last Ten Fiscal Years**
(rate per \$100 of assessed value)

Fiscal Year	City Direct Rates			Overlapping Rates							Total Tax Rate	Direct Assessments ⁽²⁾
	General Basic Tax Levy	Total Direct Rate	Los Angeles County ⁽¹⁾	Metropolitan Water District Bonds	School District Bonds	Community College ⁽³⁾	Flood Control Bonds	Approved Pension Override	Voter			
2008	1.0000	1.0000	0.000000	0.0045	0.063262	0.016112	0.000000	0.128519	0.128519	1.212393	\$485.58	
2009	1.0000	1.0000	0.000000	0.0043	0.050125	0.024408	0.000000	0.128519	0.128519	1.207352	\$455.91	
2010	1.0000	1.0000	0.000000	0.0043	0.065210	0.023974	0.000000	0.128519	0.128519	1.222003	\$519.24	
2011	1.0000	1.0000	0.000000	0.0037	0.072329	0.025159	0.000000	0.128519	0.128519	1.229707	\$557.60	
2012	1.0000	1.0000	0.000000	0.0037	0.092323	0.024466	0.000000	0.128519	0.128519	1.249008	\$557.43	
2013	1.0000	1.0000	0.000000	0.0035	0.089063	0.025903	0.000000	0.128519	0.128519	1.246985	\$569.47	
2014	1.0000	1.0000	0.000000	0.0035	0.089187	0.022263	0.000000	0.128519	0.128519	1.243469	\$572.55	
2015	1.0000	1.0000	0.000000	0.0035	0.084945	0.016412	0.000000	0.128519	0.128519	1.233376	\$558.42	
2016	1.0000	1.0000	0.000000	0.0035	0.086800	0.024062	0.000000	0.128519	0.128519	1.242881	\$564.47	
2017	1.0000	1.0000	0.000000	0.0035	0.085357	0.022290	0.000000	0.128519	0.128519	1.239666	\$569.93	

(1) Includes County School Services.

(2) Estimated flat rate per household includes Flood Control District, Sanitation District, City Lighting and Landscape Maintenance Districts, Park Maintenance District, Mosquito Abatement District, L.A. County Park Maintenance District, Water District surcharges from the Metro Water District and Upper San Gabriel District, City's Wilderness Preserve Taxes, Wilderness Preserve Maintenance, Library Bond Tax and Trauma and Emergency Services.

(3) Assessment commenced in the year 2004.

Source: County of Los Angeles Auditor-Controller and HDL Coren and Cone.

CITY OF MONROVIA

Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	2017			2008		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
South Myrtle Monrovia MM LLC	\$ 62,254,966	1	1.22%	\$ -		-
Foothill Technology Center LLC	49,313,250	2	0.97%	40,018,481	1	1.06%
Meile Investments LLC	44,172,744	3	0.87%	-		-
Huntington Oaks Delaware Partners LLC	40,954,775	4	0.80%	33,868,659	2	0.89%
Monrovia Technology Campus LLC	29,199,860	5	0.57%	16,913,079	4	0.45%
PI Properties No 46 LLC	21,228,454	6	0.42%	-		-
Spirit Master Funding X LLC	18,790,000	7	0.37%	-		-
City of Hope	17,910,935	8	0.35%	-		-
723 EHD LLC	17,715,217	9	0.35%	-		-
Nationwide Monrovia Mkt Plc LLC	17,662,459	10	0.35%	15,605,999	7	0.41%
ASP Realty Inc	-		-	17,940,780	3	0.47%
Home Depot USA Inc	-		-	16,234,540	5	0.43%
S and F Huntington Crossing LLC	-		-	15,738,197	6	0.42%
Realty Associates Fund VI LP	-		-	15,599,753	8	0.41%
Showprop Monrovia LLC	-		-	14,871,355	9	0.39%
Macerich Huntington Oaks Holdings	-		-	13,748,878	10	0.36%
Total	<u>\$ 319,202,660</u>		<u>6.27%</u>	<u>\$ 200,539,721</u>		<u>5.30%</u>

Source: HDL Coren & Cone.

CITY OF MONROVIA

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 the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2007	5,181,404	5,173,342	99.8%	-	5,173,342	99.8%
2008	5,757,919	5,402,084	93.8%	5,339	5,407,423	93.9%
2009	6,258,106	5,602,232	89.5%	-	5,602,232	89.5%
2010	6,064,889	5,482,403	90.4%	-	5,482,403	90.4%
2011	5,922,673	5,477,853	92.5%	-	5,477,853	92.5%
2012	6,027,860	5,609,873	93.1%	-	5,609,873	93.1%
2013	6,031,266	5,851,552	97.0%	-	5,851,552	97.0%
2014	6,148,107	6,096,992	99.2%	-	6,096,992	99.2%
2015	6,501,077	6,389,453	98.3%	-	6,389,453	98.3%
2016	6,893,249	6,797,062 #	98.6%	N/A	6,797,062	98.6%
2017	7,198,323	6,997,335	97.2%	-	6,997,335	97.2%

Sources:

City of Monrovia Finance Department, County of Los Angeles Office of Auditor-Controller.

* Includes 1% secured levy; does not include direct assessments or tax override. The amount presented is net of adjustments.

Data for FY15-16 updated for actuals.

CITY OF MONROVIA

Ratios of Outstanding Debt by Type,
Last Five Fiscal Years

Fiscal Year	Government Activities				Business-Type Activities			Total Primary Government	Estimated Value of Taxable Property ^B	General Bonded Debt Ratio	Percentage of Personal Income ^A	Per Capita ^A
	Bonds	C Notes	Loans	Leases	Net Unamortized Bond Premium (Discount)	Total Government Activities	Total Business-Type Activities					
2013	34,049,905	-	-	133,919	(190,095)	33,993,729	-	33,993,729	3,347,777,998	1.02%	2.86%	915
2014	33,208,479	-	-	143,809	(186,521)	33,165,767	-	33,165,767	3,445,725,570	0.96%	2.77%	892
2015	32,297,795	-	-	473,328	332,795	33,103,918	-	33,103,918	3,642,003,553	0.91%	2.58%	882
2016	44,520,000	-	-	406,630	1,287,706	46,214,336	36,770,000	85,749,137	3,850,377,301	2.23%	6.72%*	2,226*
2017	43,895,000	-	-	271,321	1,514,778	45,681,099	36,370,000	84,722,704	4,043,388,130	2.10%	6.64%	2,200

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

A See Demographic and Economic Statistics schedule for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

B Estimated value excludes unsecured property.

C Amounts presented are net of related premiums, discounts and adjustments.

* Data from 2016 has been restated based on updated figures.

CITY OF MONROVIA

**Direct and Overlapping Governmental Activities Debt
As of June 30, 2017**

City Assessed Valuation	\$4,118,785,238
Successor Agency Incremental Valuation	<u>\$972,070,217</u>
	<u>\$5,090,855,455</u>

	<u>Percent Applicable to City</u>	<u>Outstanding Debt 6/30/17</u>	<u>Estimated Share of Overlapping Debt</u>
<u>Overlapping Debt:</u>			
Metropolitan Water District*	0.381%	36,281,674	138,211
El Monte School District	0.080%	173,335,931	138,966
El Monte Union High School District	0.042%	80,671,836	33,690
Citrus Community College District	19.415%	94,282,553	18,305,221
Pasadena Area Community College District	0.023%	80,630,000	18,634
Rio Hondo Community College District	0.005%	153,807,824	7,966
Arcadia Unified School District	0.100%	223,178,429	223,580
Duarte Unified School District	1.276%	70,664,187	901,965
Monrovia Unified School District	86.836%	63,893,092	<u>55,482,392</u>
Total Overlapping Debt:			<u>75,250,625</u>
 <u>Direct Debt</u>			
City Direct Debt			<u>45,681,099</u>
 Total Direct and Overlapping Debt			<u>120,931,724</u>

Note:

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

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. The percentage of overlapping debt applicable is estimated by using taxable assessed values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value. The City's Direct Debt does not include Business Type Activities debt.

Source: HDL Coren & Cone and Los Angeles County Assessor.

CITY OF MONROVIA

**Legal Debt Margin Information
Last Ten Fiscal Years**

Legal Debt Margin Calculation for Fiscal Year 2017

Assessed value	5,090,855,455
Conversion percentage	25% *
Adjusted assessed value	1,272,713,864
Debt limit percentage	15% *
Debt limit	190,907,080
Total net debt applicable to limit:	
General obligation bonds	-
Legal debt margin	<u><u>\$ 190,907,080</u></u>

(dollars in thousands)

Fiscal Year	Debt Limit *	Total Net Debt Applicable to Limit	Legal Debt Limit A *	Total Net Debt Applicable to the Limit as a Percentage of Debt Limit
2008	141,964	-	141,964	0.00%
2009	150,153	-	150,153	0.00%
2010	151,007	-	151,007	0.00%
2011	152,333	-	152,333	0.00%
2012	154,857	-	154,857	0.00%
2013	159,454	-	159,454	0.00%
2014	163,883	-	163,883	0.00%
2015	172,116	-	172,116	0.00%
2016	182,350	-	182,350	0.00%
2017	190,907	-	190,907	0.00%

* 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 amount 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. Based on this methodology, prior years' figures were restated accordingly.

CITY OF MONROVIA

**Pledged-Revenue Coverage
Last Five Fiscal Years
(in thousands)**

1993 A Lease Revenue Bonds						
Fiscal Year	Use of Money & Property	Less: Expenditures	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2013	673	3	670	605	31	1
2014	-	-	-	-	-	- A
2015	-	-	-	-	-	- A
2016	-	-	-	-	-	- A
2017	-	-	-	-	-	- A

2015 Hillside Lease Revenue Bonds						
Fiscal Year	Taxes	Less: Expenditures	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2015	729	163	566	245	311	1.02 B
2016	729	82	647	300	237	1.20 B
2017	733	83	650	265	230	1.31 B

2016 Measure R and Proposition C Street Improvement Lease Revenue Bonds						
Fiscal Year	Revenues	Less: Expenditures	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2016	-	-	-	-	-	-
2017	790	1	789	155	630	1.01

2017 Library Lease Revenue Bonds						
Fiscal Year	Taxes	Less: Expenditures	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2017	1,039	4	1,034	380	586	1.07 C

Notes: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

- A The 1993A Lease Revenue Refunding Bonds matured and were paid off in FY12-13.
- B The 2002 Hillside Lease Revenue Bonds were refinanced with the 2015 Hillside Lease Revenue Refunding Bonds during FY 14-15. Please see Notes to the Financial Statements for additional information.
- C The 2007 Library Lease Revenue Bonds were refinanced with the 2017 Library Lease Revenue Refunding Bonds during FY 16-17. Please see Notes to the Financial Statements for additional information.

CITY OF MONROVIA

**Demographic and Economic Statistics
Last Ten Calendar Years**

Calendar Year	Population (1)	Personal Income (3) (thousands of dollars)	Per Capita Personal Income	Unemployment Rate (2)
2008	39,040	1,057,682	27,092	6.5%
2009	39,384	1,040,654	26,423	10.2%
2010	39,984	1,152,219	28,817	10.8%
2011	36,727	1,156,386	31,486	11.2%
2012	36,943	1,174,972	31,805	9.8%
2013	37,162	1,189,370	32,005	9.0%
2014	37,179	1,197,721	32,215	6.4%
2015	37,531	1,283,929	34,209	6.4%
2016	38,514 #	1,276,561	33,145	4.0% #
2017	38,514	N/A *	N/A *	3.3%

Sources: (1) State of California Department of Finance
 (2) State of California Economic Development Department
 (3) HDL Coren & Cone

* Information for 2017 not yet available.

Data for 2016 has been restated based on updated figures.

CITY OF MONROVIA

**Principal Employers
Current Year and Nine Years Ago**

<u>Employer**</u>	<u>2016-2017</u>			<u>2007-08</u>		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Monrovia School District	728	1	3.52%	646	1	3.09%
Trader Joe's Company	296	2	1.43%			
Monrovia Memorial Hospital	220 #	3	1.06%			
Vinyl Technology	215	4	1.04%			
Starr Surgical	210	5	1.01%			
The Home Depot #6629	209	6	1.01%	519	2	2.48%
Ducommon Aerostructures	205	7	0.99%	463	3	2.22%
Sierra Autocars	195	8	0.94%			
Harris Corporation	190	9	0.92%			
San Gabriel Valley Newspaper	162	10	0.78%			
Worley Parsons				449	4	2.15%
Sun Microsystems				315	5	1.51%
City of Monrovia				280	6	1.34%
TCP Acquisition Inc				250	7	1.20%
ITT Corp				196	8	0.94%
Green Dot Corporation				187	9	0.89%
California Business Bureau				165	10	0.79%
	<u>2,630</u>		<u>12.71%</u>	<u>3,470</u>		<u>16.60%</u>

** Does not include employers who are not required to obtain a business license with the City, such as the following types of employers: (a) utility companies, (b) financial institutions, and (c) insurance companies.

Information is estimated.

Source: City of Monrovia Business Services Department and Monrovia Unified School District

CITY OF MONROVIA

**Full-Time-Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years**

Fiscal Years:	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Function/Program										
General government										
City Council	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Administration #	36.00	33.75	28.75	26.50	26.50	27.90	26.90	25.90	27.00	30.50
Community Development										
Administration	2.00	2.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Planning	7.25	7.00	7.00	6.00	6.00	6.00	6.00	6.00	5.00	7.00
Inspection	7.50	7.00	3.00	3.00	3.00	3.00	3.00	4.00	5.00	4.00
Housing Services/Code Enforcement	4.50	4.00	4.00	3.00	3.00	4.00	4.00	4.00	6.00	7.00
Police **										
Administration	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Patrol	38.00	38.00	33.00	36.00	35.00	35.00	35.00	35.00	36.00	34.00
Investigation/Crime Prevention	19.00	19.00	19.00	16.00	11.00	11.00	11.00	11.00	12.00	14.00
Police Services	18.00	18.00	17.00	16.00	14.00	14.00	12.00	12.00	13.00	13.00
Dispatch	6.00	7.00	6.00	7.00	7.00	7.00	8.00	8.00	8.00	8.00
Other PD Support	8.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Fire										
Administration	2.50	2.00	2.00	1.75	1.75	2.00	2.00	2.00	2.50	2.50
Fire Suppression (including Paramedics)	40.00	40.00	40.00	42.00	42.00	42.00	42.00	42.00	41.00	41.00
Fire Prevention/Inspection	2.00	1.00	1.00	0.00	0.00	0.00	1.00	1.00	2.50	2.50
Public Works										
Admin/Engineering	11.00	9.00	7.00	7.00	7.00	7.00	6.00	7.00	6.00	6.00
Maintenance	49.00	44.00	41.00	41.00	41.00	41.00	41.00	40.00	34.00	34.00
Mechanic	0.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	3.00	3.00
Community Services										
Administration	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.00
Recreation	10.00	8.00	7.00	5.50	5.50	6.00	6.00	6.00	6.00	6.00
Library	10.25	8.50	11.00	11.00	11.00	11.50	10.75	9.00	11.00	11.00
Total Authorized Personnel*	275.00	260.25	239.75	234.75	226.75	230.40	227.65	225.90	230.00	234.50

* Total Authorized Personnel - excludes part-time Council members.

** Police Department data was restated for the 2012, 2013, 2014, and 2016 years. Also, Animal Control services were out-sourced during FY13-14. As a result, 2 Animal Control Officer positions were not included in the numbers above for FY13-14 and future years.

Administration total for 2013 was restated.

Note: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time equivalent employment is calculated by dividing total labor hours by 2080.

Source: City of Monrovia Annual Budget

CITY OF MONROVIA

**Operating Indicators by Function/Program
Last Ten Fiscal Years**

<u>Function/Program</u>	Fiscal Year									
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Community development										
Number of:										
Business licenses (A)	2,549	2,301	2,358	2,271	2,272	2,217	2,216	2,220	2,805	2,885
Plan checks (B)	286	240	179	182	194	309	425	341	372	285
NPDES inspections	12	12	9	2	2	-	-	-	-	3.00
Code violations (calendar basis)	1,650	1,514	1,280	1,000	1,123	990	979	819	680	1,141
Police										
Number of:										
Part 1 Crimes	1,257	1,094	1,273	1,006	1,015	944	857	679	839	892
Parking & non-moving violations	11,163	8,526	8,847	8,542	8,565	8,931	7,610	11,119	13,162	8,397
Traffic (moving) violations	4,825	5,557	4,646	5,241	4,733	5,289	4,470	3,873	3,081	2,713
Incident & crime reports	5,754	5,642	5,669	4,744	4,652	4,652	4,121	3,696	3,918	3,939
Public works										
Miles of:										
Street resurfacing/repair	3	-	-	4	2	2	1	-	-	30
Street Sweeping (C)	212	212	212	212	212	212	212	212	212	212
Number of:										
Street signals maintained (intersections)	35	36	36	36	36	36	36	37	37	37
Trees pruned per year (C)	2,485	1,623	968	842	1,284	965	900	1,340	2,577	1,979
Square feet graffiti removed (C)	84,945	89,641	98,665	32,040	27,236	26,740	21,910	23,750	18,636	17,885
Recreation & community services										
Number of enrollees:										
Aquatics (D)	3,800	4,100	3,900	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Community services/seniors	1,700	1,550	1,325	1,310	1,275	1,205	1,175	1,025	415	568
Day camp	430	425	438	425	300	250	225	235	216	196
Park program	6,200	5,800	6,200	8,400	8,650	8,900	8,500	8,100	1,044	2,900
Classes	6,200	6,490	6,540	6,390	6,450	6,250	5,950	5,900	2,130	1,759
Special events	4,500	5,250	5,850	6,250	6,350	6,425	6,550	6,800	14,300	16,000

N/A - Data not available

(A) - Includes new & renewal licenses, excludes temporary licenses

(B) - Excludes temporary plan checks.

(C) - Estimated data presented for prior fiscal years.

(D) - City of Monrovia no longer provides Aquatics/Swim programs

Sources: Various City departments.

CITY OF MONROVIA

**Capital Asset Statistics by Function/Program
Last Ten Fiscal Years**

<u>Function/Program</u>	<u>Fiscal Year</u>									
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Community development										
Code enforcement vehicles	4	3	3	4	4	4	4	3	3	3
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol vehicles	14	14	14	13	13	13	14	15	15	15
Other vehicles	30	30	27	24	24	22	23	23	22	22
Public works										
Streets (miles)	90	90	90	90	90	90	90	90	90	90
Street lights (city-owned)	1,390	1,390	1,390	1,376	1,376	1,376	1,376	1,376	1,376	1,376
Traffic signals	46	47	47	48	48	48	48	49	49	49
Public works vehicles	47	47	48	45	45	45	45	45	47	47
Recreation & community service										
Youth centers	1	1	1	1	1	1	1	1	1	1
Community centers	1	1	1	1	1	1	1	1	1	1
Parks	7	7	7	7	7	7	7	8	8	8
Community service vehicles	1	2	3	4	4	4	5	6	6	7

Notes: No capital asset indicators are available for the general government.

Sources: Various City departments.

CITY OF MONROVIA
SCHEDULE OF INSURANCE IN FORCE
 July 1, 2017 - June 30, 2018

NAME OF COMPANY	POLICY NO.	EXPIRATION DATE	TYPE OF COVERAGE	COVERAGE LIMITS
California Joint Powers Insurance Authority	No policy number	06/30/18	Liability	\$50,000,000 combined single limit per occurrence per member LIMITS PER MEMBER (Subsidence) \$40,000,000 Per Occurrence Per Member \$10,000,000 Annual Aggregate Per Member
California Joint Powers Insurance Authority	No policy number	06/30/18	Cyber Liability	\$1,000,000 Limit Each Claim and in the Aggregate for the Policy Period Per
California Joint Powers Insurance Authority	No policy number	06/30/18	Workers' Compensation and Employer's Liability coverage	Statutory Benefits and \$10,000,000 Employer's Liability
California Joint Powers Insurance Authority	No policy number	06/30/18	All Risk Property Insurance	All-Risk (required) \$500 Million per occurrence (shared limits) \$10 Million annual aggregate for flood (per member limits) Deductible: \$10,000 per occurrence Coverage is written at replacement cost.
California Joint Powers Insurance Authority	No policy number	06/30/18	All Risk Property Insurance	Vehicles Physical Damage (comprehensive & collision) (optional) Deductible: \$2,500 per occurrence (collision), licensed vehicles other than Fire and Ambulance Deductible: \$2,500 per occurrence (comprehensive), licensed vehicles other than Fire and Ambulance
National Union Fire Insurance Company of Pittsburg, PA (CHARTIS)	01-330-98-06	06/30/18	Crime Insurance	Deductible: \$10,000 per occurrence (collision), Fire and Ambulance vehicles Deductible: \$2,500 per occurrence (comprehensive), Fire and Ambulance vehicles
Tokio Marine Specialty Insurance Company	PPK1197283	06/30/2018	Pollution and Remediation Legal Liability Program	Mechanical Breakdown (formerly Boiler & Machinery) (optional) Objects and equipment as defined by the policy Limits: \$100 Million per occurrence (shared limits) Deductible: \$1,000 per occurrence Coverage is written at replacement cost.
Evanston Insurance Company	SEP41017	1/1/2018	Special Events Coverage Program	\$1,000,000/per member \$1,000,000 or \$2,000,000 aggregate per event \$5,000 medical expense limit Additional limits are available, subject to underwriter approval.



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