



CITY COUNCIL AGENDA REPORT



DEPARTMENT: Administrative Services

MEETING DATE: February 7, 2017

PREPARED BY: Buffy Bullis, Administrative Services Director

AGENDA LOCATION: AR-1

TITLE: Fiscal Year 2015-2016 Comprehensive Annual Financial Report

OBJECTIVE: To receive and file the Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2016

BACKGROUND: Each year, the City undergoes an 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 prepare consolidated financial statements. Major funds are grouped together, financial activities are summarized, and extensive footnote documentation is prepared.

Once the audit is complete, Staff develops a CAFR. The CAFR is the public document that summarizes accomplishments, financial results, and statistical data for the fiscal year. Financial Management Principle XII requires the results of financial decision making to be reported at a public meeting.

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.

AR-1

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 15, 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 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 taxes, 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 20. 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.

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.

Below is a summary of the financial activities and condition of the City as of June 30, 2016. This information is also found in the Management's Discussion and Analysis (M D & A) section of the CAFR (located on pages 5 through 14).

THE CITY AS A WHOLE

The City's combined net position increased \$11.13 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, 2016

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$ 53.17	\$ 41.01	\$ 51.04	\$ 13.53	\$ 104.21	\$ 54.54
Capital assets	102.52	98.13	13.84	13.14	116.36	111.27
TOTAL ASSETS	155.69	139.14	64.88	26.67	220.57	165.81
Deferred outflows	6.07	4.90	.46	.48	6.53	5.38
Long term liabilities						
Outstanding	128.25	110.50	46.18	7.04	174.43	117.54
Other liabilities	7.98	12.92	2.12	1.66	10.10	14.58
TOTAL LIABILITIES	136.23	123.42	48.30	8.70	184.53	132.12
Deferred inflows	7.20	14.49	.57	.92	7.77	15.41
Net Investment in Capital Assets	81.21	77.22	12.50	13.14	93.71	90.36
Restricted	34.32	20.50	-	-	34.32	20.50
Unrestricted	(97.21)	(91.59)	3.97	4.39	(93.24)	(87.20)
TOTAL NET POSITION	\$ 18.32	\$ 6.13	\$ 16.47	\$ 17.53	\$ 34.79	\$ 23.66

TABLE 2

CHANGES IN NET POSITION
(IN MILLIONS)

As of June 30, 2016

	Governmental Activities		Business Type Activities		Total	
	2016	2015	2016	2015	2016	2015
REVENUES:						
Program Revenues:						
Charges for services	\$ 8.83	\$ 7.14	\$ 9.41	\$ 8.98	\$ 18.24	\$ 16.12
Operating grants and contributions	8.18	8.58	.02	.03	8.20	8.61
Capital grants and contributions	8.10	12.18	-	-	8.10	12.18
General Revenues:						
Property Taxes	20.52	19.03	-	-	20.52	19.03
Sales Tax	9.45	8.06	-	-	9.45	8.06
Franchise Taxes	.63	.60	-	-	.63	.60
Other Taxes	1.07	1.24	-	-	1.07	1.24
Motor Vehicle In-Lieu	.02	.01	-	-	.02	.01
Use of Money & Property	.65	.53	.12	.07	.77	.60
Other Revenues	3.43	2.97	.04	.02	3.47	2.99
TOTAL REVENUES	60.88	60.34	9.59	9.10	70.47	69.44
EXPENSES:						
General Government	6.18	6.32	-	-	6.18	6.32
Public Safety	30.00	30.05	-	-	30.00	30.05
Community Development	3.85	3.51	-	-	3.85	3.51
Community Services	4.08	4.34	-	-	4.08	4.34
Public Works	5.45	6.00	-	-	5.45	6.00
Interest on Long-term Debt	2.00	2.00	-	-	2.00	2.00
Water	-	-	6.26	6.33	6.26	6.33
Sewer	-	-	.83	1.00	.83	1.00
Storm Drain	-	-	.22	.67	.22	.67
Street Sweeping	-	-	.11	.20	.11	.20
Waste Management	-	-	.36	.56	.36	.56
TOTAL EXPENSES	51.56	52.22	7.78	8.76	59.34	60.98
Increase (Decrease) in Net Position before transfers	9.32	8.12	1.81	.34	11.13	8.46
Transfers	2.87	1.91	(2.87)	(1.91)	-	-
Increase (Decrease) in Net Position	12.19	10.03	(1.06)	(1.57)	11.13	8.46
Net Position at Beginning of Year	6.13	66.06	17.53	26.46	23.66	92.52
Restatements of Net Position	-	(69.96)	-	(7.36)	-	(77.32)
NET POSITION AT END OF YEAR	\$ 18.32	\$ 6.13	\$16.47	\$ 17.53	\$ 34.79	\$ 23.66

Compared to the prior year, the net position of the City's governmental activities increased by 198.86 percent, or \$12.19 million. This overall increase is partially due to an increase in revenues of \$.54 million over the prior year and a decrease in expenses of \$.66 million over the prior year, creating a much larger gap between revenues and expenditures for the year. In addition, transfers increased by \$.96 million over the prior year. Overall, both governmental and business-type activities were \$11.13 million more than expenses during the year. This positive increase is mainly attributable to the receipt of grant revenues for the Station Square Project, as well as an increase in other tax revenue throughout the City.

The City's net position of \$34.79 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, \$93.71 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, \$34.32 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 \$93.24 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. During fiscal year 2015-2016, the public works program recognized \$3.79 million more in revenues than expenses in the Statement of Activities. This is the result of the City receiving grant reimbursements for Station Square Project costs that were capitalized as Construction in Progress assets. The expensing of these capitalized assets will be recognized each year as depreciation is recorded over their useful lives.

Governmental Activities (In Millions)		
	Total Cost of Services	Net Cost of Services
General Government	\$ 6.18	\$ 4.48
Public Safety	30.00	20.40
Community Development	3.85	.81
Community Services	4.08	2.55
Public Works	5.45	(3.79)
Interest on Long-Term Debt	2.00	2.00
Total	<u>\$ 51.56</u>	<u>\$ 26.45</u>

THE CITY'S FUNDS

On pages 20-21, the Governmental Funds Balance Sheet is shown. The combined fund balance of \$39.61 million increased by \$24.95 million over the prior year. This net increase is due to the following increases and decreases among the City's funds:

- An increase of \$3.80 million in the General Fund, due to a general increase in most revenues and transfers. The General Fund is discussed in further detail in the section titled "General Fund Budgetary Highlights" below.
- An increase of \$13.33 million in the Proposition C and Measure R Projects Fund, a new fund established during the year. This increase is the result of the issuance of bonds that will be used for capital projects.
- A net increase of \$5.61 million in the Capital Improvement Fund. This increase is due to grant timing factors. Grant expenditures from the previous year were reimbursed during the current year, resulting in an excess of revenues over expenditures.
- An increase of \$.32 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 \$.32 million is due to prior year expenditures being reimbursed by the grantor during the current year.
- All other funds contributed minor increases and decreases to the overall total during the year.

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 \$42.19 million (including transfers) were \$2.93 million more than final budgeted revenues of \$39.26 million. This difference was due to the following:

- The City experienced an increase in several of its key revenue streams, including property tax, sales tax, and transient occupancy tax revenue over the prior year. This resulted in \$.54 million more in tax revenue than budgeted.
- Charges for Services revenue was \$.44 million more than budgeted.
- Intergovernmental revenue was \$.87 million more than budgeted.
- Only one revenue source, Fines and Forfeitures, came in slightly lower than budget.

The General Fund actual expenditures of \$38.38 million (including transfers) were \$.11 million less than the final budget of \$38.49 million. This variance was due to the following:

- While the City realized savings in many departments, several departments incurred overages, including Police Patrol and Communication Crime Analysis. Other departments incurred minor overages. These overages were partly offset by an increase in revenues in several of these departments, as well as significant cost savings in several departments and programs, including the City Attorney, the Library, and Canyon Park. These budget savings were achieved through staffing vacancies and other cost saving measures implemented by the City's operating departments.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2016, the City had \$116.36 million in land, buildings, equipment, and infrastructure capital assets. (See Table 3). This amount represents a net increase (including additions, deletions, and adjustments) of \$5.09 million. Capital assets increased by \$4.39 million in governmental activities and increased by \$.70 million in business-type activities. Normal depreciation of existing assets resulted in a decrease in some asset categories, such as Structures and Improvements and Infrastructure. Construction in Progress; however, increased by \$7.42 million during the year. This increase is due to construction activity related to the City's Station Square Project and the Monrovia Renewal Project.

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, 2016

	Governmental Activities		Business Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	\$ 32.82	\$ 32.82	\$.44	\$.44	\$ 33.26	\$ 33.26
Construction in Progress	21.27	14.88	1.03	-	22.30	14.88
Structures and Improvements	16.92	17.60	2.24	2.30	19.16	19.90
Furniture and Equipment	4.48	3.64	.06	.06	4.54	3.70
Infrastructure	27.03	29.19	10.07	10.34	37.10	39.53
Total	<u>\$ 102.52</u>	<u>\$ 98.13</u>	<u>\$ 13.84</u>	<u>\$ 13.14</u>	<u>\$ 116.36</u>	<u>\$ 111.27</u>

Debt

At year-end, the City's governmental activities had \$50.31 million in bonds, leases, compensated absences, and claims and judgments, compared to \$40.64 million in the prior year, an increase of \$9.67 million. The net increase of \$9.67 million was mainly due to the issuance of new bonds for the Monrovia Renewal Project. These increases were offset by decreases in pension obligation bonds, capitalized leases, and claims and judgments. The decreases in pension obligation bonds and capitalized leases are the result of the normal payment of principal and interest during the year. The decrease in claims and judgments is due to a change in methodology of insurance coverage for the City 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, 2016

	Governmental Activities		Business Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Compensated Absences	\$ 2.12	\$ 2.08	\$.12	\$.15	\$ 2.24	\$ 2.23
Pension Obligation Bonds	11.42	11.81	-	-	11.42	11.81
Capitalized Leases	.41	.47	-	-	.41	.47
Claims & Judgments	1.97	5.79	-	-	1.97	5.79
Revenue Bonds	33.10	20.16	36.77	-	69.87	20.16
Unamortized Bond Premium (Discount)	1.29	.33	2.76	-	4.05	.33
TOTALS	<u>\$ 50.31</u>	<u>\$ 40.64</u>	<u>\$ 39.65</u>	<u>\$.15</u>	<u>\$ 89.96</u>	<u>\$ 40.79</u>

The City's business-type activities debt increased \$39.50 million, from \$.15 million to \$39.65 million. This large increase is due to the issuance of water and sewer bonds for the Monrovia Renewal Project. For detailed information, please see page 65 in the Notes to the Financial Statements.

Auditor's Reports

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 20, 2016, 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. Councilmember Crudgington and Councilmember Shevlin were appointed by the City Council to serve on the committee.

An audit committee serves as a means for a governing body to provide independent review and oversight of the government's financial reporting processes and internal controls. An 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, an 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.

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 Officer's Association (GFOA) financial reporting award for the last 22 years. Once again, the Finance Department has submitted the City's 2015-2016 CAFR for consideration in the national award program.

The 2015-2016 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 2015-2016 CAFR.

FISCAL IMPACT: There is no fiscal impact associated with receiving and filing the 2015-2016 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 2015-2016 Comprehensive Annual Financial Report.



CITY of
MONROVIA
CALIFORNIA



Comprehensive Annual Financial Report
(CAFR)



FISCAL YEAR ENDING JUNE 30, 2016

City of Monrovia



Monrovia, CA

Comprehensive Annual Financial Report

Prepared By:
Department of Finance

Mark D. Alvarado
Administrative Services Director

Buffy J. Bullis
Deputy Administrative Services Director

Fiscal Year Ended June 30, 2016



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CITY OF MONROVIA, CALIFORNIA
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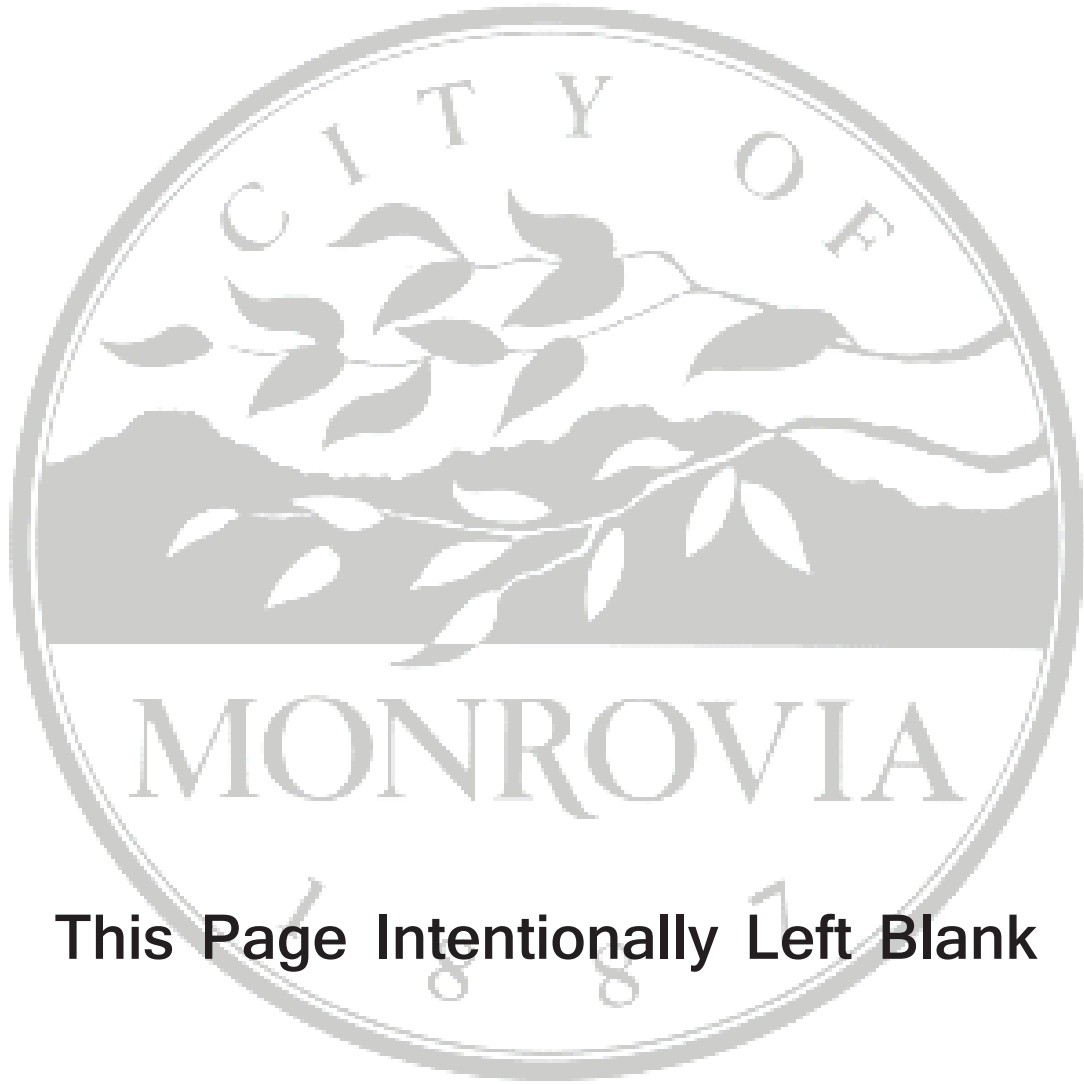
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INTRODUCTORY SECTION



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Administrative Services

December 20, 2016

Honorable Mayor and City Council
City of Monrovia
Monrovia, California

It is with great pleasure that we present to you the City of Monrovia's Comprehensive Annual Financial Report (CAFR) for the 2015-16 fiscal year. The report complies with the most current Governmental Accounting Standards Board (GASB) Statements. The 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.

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.

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 Redevelopment 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 project area of the Agency. AB x1 26 abolished redevelopment agencies as of February 1, 2012. The Successor Agency to the former Redevelopment Agency (“Successor Agency”) was formed on January 11, 2012. This was done to allow the Successor Agency time to take over all the duties and responsibilities of the former Redevelopment Agency. The City Council serves as the Successor Agency's Board Members. As such, it is deemed to be financially accountable. Therefore, all former Redevelopment Agency and Successor Agency financial activities are blended with the City's financial statements.

The Monrovia Housing Authority was established on October 5, 2004. The creation of the 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 so that the City could continue to provide affordable housing opportunities for residents.

The Monrovia Financing Authority was established on February 6, 1996. The creation of the authority was to facilitate the proper completion of a loan refinancing with the State Department of Water Resources. The bylaws of the 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., a nonprofit public benefit corporation, was created on November 22, 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. It also serves as a mechanism to help secure funding for improvements to all the City's 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 approximately 240 full time employees. Being the third oldest incorporated city in California has meant many older homes are nestled in the foothills. Historic preservation is a very high priority in our community. Monrovia is one of the leading cities in granting historic preservation status. We have granted approximately 130 historic preservation designations throughout the community.

Economic Condition and Outlook

Although the focus of this Comprehensive Annual Financial Report is the economic condition of the City at June 30, 2016, the financial implications of the loss of Redevelopment and the ever present potential pension cost increases are a critical element of our future economic outlook. The “Major Initiatives for the Future” section will address these issues.

The City of Monrovia's economy is led by manufacturing/building/construction and retail/wholesale. The first area accounts for 30% of the business types, while retail/wholesale account for 49%. The sales tax generated from all industries accounts for almost 37% of all General Fund revenues (excluding transfers in).

Over the last thirty years, Monrovia has continuously tried to position itself to be a self sustaining, well diversified 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 affluent, middle, and lower income owners and renters. Proper land use decisions, in conjunction with numerous redevelopment projects, have allowed Monrovia to weather any economic downturns.

Assessed valuation of citywide property has always been a solid benchmark reflecting the state of our local economy. For 2015-16, county wide assessed valuation increased by 5.95%. This was the fifth straight year of growth in excess of 2% after a couple of years of minimal growth due to the recession. For our City, property tax revenue was up approximately 5.69%. The secured property tax growth for 2016-17 is estimated to be 4%. This growth rate coincides with what our history shows as the long term average growth. Because we are a more established built out City, 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 more steady and consistent, in spite of housing upturns or downturns.

After the economic downturn from 2008 thru 2012, the City has repositioned itself to regain all of the lost sales tax growth from those years. Our low point of sales tax was 2009-10, when we collected \$7.2 million. Our projection for 2016-17 is \$10.1 million. Before the recession, our high was \$9 million in 2007-08. So we have now recouped our lost growth and reaching for new highs in sales tax revenues. That being said, our strong growth the last five years is a combination of some pent up desire of buying, along with the return of stronger consumer confidence in the economy. We will forecast continued growth in the 3-5% range going forward.

As California continues to go through its re-evolution due to the economic changes caused by the loss of businesses, demographic changes, and tax laws that effect future revenue growth, Monrovia has gone through many of the same population and economic trends noted above. Monrovia's diversified business base has enabled the City to benefit from economic expansion. Demographic changes are addressed through employee hiring processes, program modification and cooperative efforts between the School District, Chamber of Commerce, and the City.

The City has adopted a balanced budget for the 2016-17 fiscal year. Every year, based on economic changes, mid year adjustments are made to revenues and expenditures. Every quarter, the City Council will make any necessary adjustments to reflect any revenue and expenditure projection changes, but will still retain 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 must continue to look at setting aside reserves for building and infrastructure needs.

Major Accomplishments for the Year:

Our 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 us are:

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

During the 2015-16 fiscal year, the first year of a two year budget cycle, the City Council undertook a process of adopting these four key strategic goals to support our overall thematic objective of *Renewal*.

A primary focal point of our strategic goals has been the development and implementation of capital infrastructure improvements. These include road upgrades, sidewalk / curb / gutter enhancements, water & sewer line repairs, water system production improvements, and City facility / equipment upgrades.

The City continues on developing and implementing a comprehensive Citywide CIP plan. During the 2015-16 fiscal year, 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. The first construction contracts were awarded for the new the budget year.

The City's current purchasing policy was just recently updated. The City Council approved staff authority for purchasing thresholds from \$5,000 - \$15,000 to now \$25,000. The benefits of the new purchasing process include simplifying the procurement process throughout the City by creating one purchasing system instead of the four that were in place. In addition, the program modifications will enhance citywide staff understanding of purchasing processes while reducing non-essential administrative activities.

A survey of ten (10) surrounding cities determined that the average purchasing threshold delegated to staff was \$32,000. The most common purchasing threshold of the surveyed cities was \$25,000. In addition to being in line with survey results, it was important that our independent auditors indicated that \$25,000 was a reasonable and conservative threshold for a city the size of Monrovia. In addition, the proposed \$25,000 staff purchasing authority level is now consistent with the threshold previously adopted by the City Council in April 2015 for the Uniform Construction Cost Accounting Procedures ("UCCAP") program.

We also established a formal reserve fund policy. This policy establishes target levels of reserves for various City funds, as recommended by the Government Finance Officers Association (GFOA). The policy requires that the City work towards establishing a minimum "Savings Account" for each specific fund identified, which would allow the City to better address any significant swings in cash flows due to economic cycles and unanticipated emergencies. The reserve policy includes the following components:

- For our General Fund, the reserve level is 20% (10% working capital fund + 10% emergency contingency).
- For our Enterprise Funds and our Facilities Fund, the reserve levels are 30% of the budgeted operating expenditures.
- For our Fleet Replacement Fund, the reserve level are 30% of the estimated replacement value of all fleet inventory.
- For our Retirement (Pension Cost Reserve) Fund, the reserve level is \$1,000,000. The Retirement Fund provides a reserve to offset unanticipated fluctuations in the PERS rates, which can cause the City's annual pension costs to increase or decrease dramatically from one year to the next.

The Successor Agency initiated the sale of two more former redevelopment properties. Developers were selected and purchase contracts were drawn up. Sales were finalized, and approved by the State, during the current fiscal year.

The City secured \$16 million in public improvements from the Metropolitan Transit Authority (MTA) in the 2012-13 fiscal year. These funds, paired with other Federal and State grants, totaled \$25 million that was available to do on-site and off-site improvements around the Metro Gold Line light rail stop, what we call Station Square. A contract with the IBI Group for engineering services, project management, and construction were approved in the 2014, and this year the construction improvements

were completed. The improvements around the light rail stop include a walking trail, open space for gatherings and children's play, a bus turnaround facility, and possibly some retail components in the future.

In addition to this, Metro finished construction on a parking structure adjacent to the light rail stop. Passenger service on this light rail segment, which extends from the east end of Pasadena to Azusa, began in March, 2016.

Major Initiatives for the Future:

In an effort to address all of the City Council directed objectives, the Fiscal Year 2016-17 budget presents spending plans focusing on the execution of significant capital infrastructure and facility improvements, enhancing public safety initiatives (including expansion of community oriented policing activities), 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.

In addition to the *Monrovia Renewal* program, the City also incorporated a "base" CIP plan in the FY 2016-17 budget that proposes \$1.567 million in expenditures to execute 22 separate capital improvement projects and capital outlay expenditures. Some of these proposed projects include a parking study for our Station Square transit oriented development area, an in-depth study of our sewer catch basin system, repairs to our hillside wilderness preserve fire access roads, a new integrated permitting system for our development services operations, and multiple police department operational module and machine upgrades.

With the opening of the Gold Line light rail in March of this year, our focus going forward will be on creating residential housing in and around the Station Square area, along with retail opportunities for people getting on or off the train. A 168 unit residential rental project, adjacent to the parking structure, is under construction. Four eating and drinking establishments are scheduled to open for business around the area in the next 12 to 18 months.

The City continues to work with developers interested in other potential land sites in and around the area. The elimination of Redevelopment in 2011 was a blow to our long term economic development plan, but it has not stopped us. Land sale proceeds from key development sites owned by the former Redevelopment Agency are still part of our long term plan to help stimulate residential and commercial development in the south end of town. This will go hand in hand with the extension of the Gold Line light rail. Even without Redevelopment, we are committed to bringing new projects to this area.

The City and the Successor Agency will focus on finding strong development companies who can build residential and/or commercial development projects that will compliment the "transit oriented development" area. While our ability to provide any type of significant financial assistance to these types of development projects is gone, it is important that we create a strong public/private partnership to assist with these long term plans.

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 2015 in order to outline a roadmap to success for upcoming years. In addition, the City also has a list of City Council Priorities, with Fiscal Responsibility being the top priority. A complete list of the strategic goals and priorities is shown on page xi.

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.

Financial Policies

Financial policies that have directly affected the City's financial statements include the City Council priority number one, which is Fiscal Responsibility. 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. Both employee and employer contributions are put into a trust vehicle. Employee contributions can not be accessed until they separate employment from Monrovia. Vesting does not occur until the employee retires directly from Monrovia.

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. The City still has an unfunded liability for the old retiree medical plan.

All City employees are paying the employee portion of pension costs. 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, 2016

Debt outstanding of the City of Monrovia includes:

- 2015 Hillside Wilderness Preserve Lease Revenue Bonds, for \$5,880,000
- 2007 Library Lease Revenue Bonds, for \$13,620,000
- 2010 Pension Obligation Bonds, for \$11,420,000
- 2016 Lease Revenue Bonds, for \$13,600,000
- 2016 Water and Sewer Lease Revenue Bonds, for \$36,770,000

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

- 2007 Tax Allocation Bonds, for \$3,955,000
- 2011 Tax Allocation Bonds, for \$5,975,000
- 2012 Subordinate Tax Allocation Refunding Bonds, for \$11,015,000
- 2013A Subordinate Tax Allocation Refunding Bonds, for \$9,865,000
- 2013B Subordinate Tax Allocation Refunding Bonds, for \$3,150,000
- 2015A Tax Allocation Refunding Bonds, for \$18,985,000
- 2015B Tax Allocation Refunding Bonds, for \$3,865,000
- 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, 2015. 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 we are submitting it 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 Finance Department, in particular Michie Hernandez and Buffy Bullis. Along with their excellent accounting staff, the department coordinated the closing the books for the fiscal year, ensuring timely and accurate reporting. They also were instrumental in putting this document together.

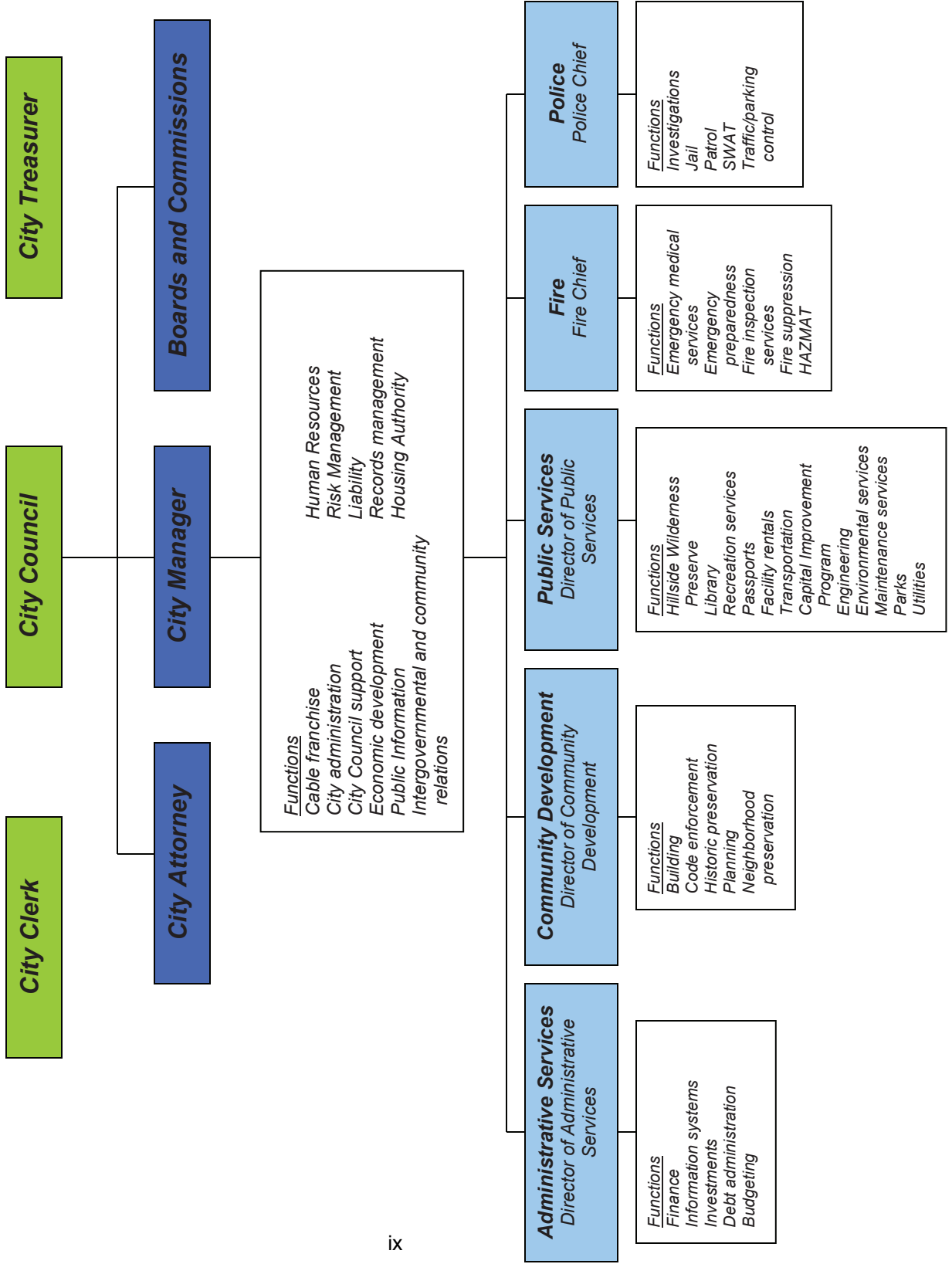
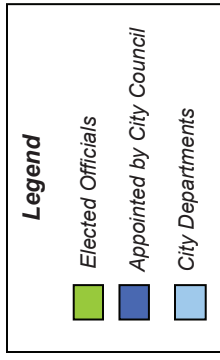
Lastly, a special thank you goes to the Mayor, City Council, and City Manager for their support in planning, conducting, and improving the financial operations of the City in a progressive and professional manner.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'M. Alvarado', with a stylized flourish at the end.

Mark D. Alvarado, CPA
Administrative Services Director/Asst. City Manager

City of Monrovia Organizational Chart



City of Monrovia

Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2016

CITY COUNCIL

**Tom Adams, Mayor
Alexander C. Blackburn, Mayor Pro Tem**

**Larry J. Spicer
Councilmember**

**Gloria Crudginton
Councilmember**

**Becky A. Shevlin
Councilmember**

ELECTED OFFICIALS

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

MANAGEMENT TEAM

Oliver Chi, City Manager

Mark D. Alvarado, Administrative Services Director/Assistant City Manager

Tina Cherry, Director of Public Services

Brad Dover, Fire Chief

James Hunt, Chief of Police

Craig Jimenez, Director of Community Development

Submitted By:

***Department of Finance
June 2016***



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, 2015

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**

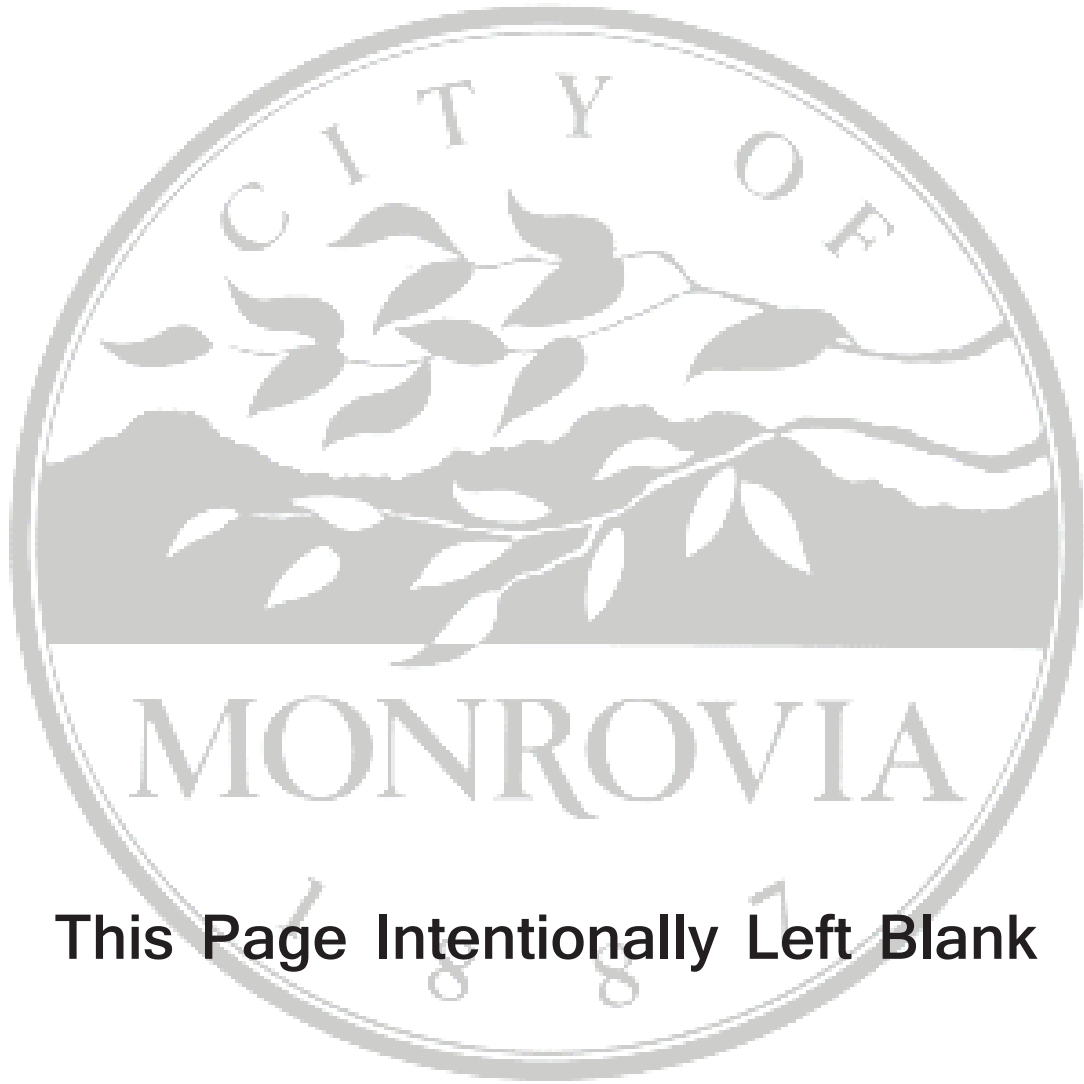
Public involvement is encouraged in budgeting and financial planning. The City Council shall make all non-routine or non-administrative financial decisions in public at regularly scheduled meetings, and the results of such decision-making shall be reported in a timely manner through Comprehensive Annual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



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**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, 2016, 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, 2016, 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 information as listed in the table of contents, 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

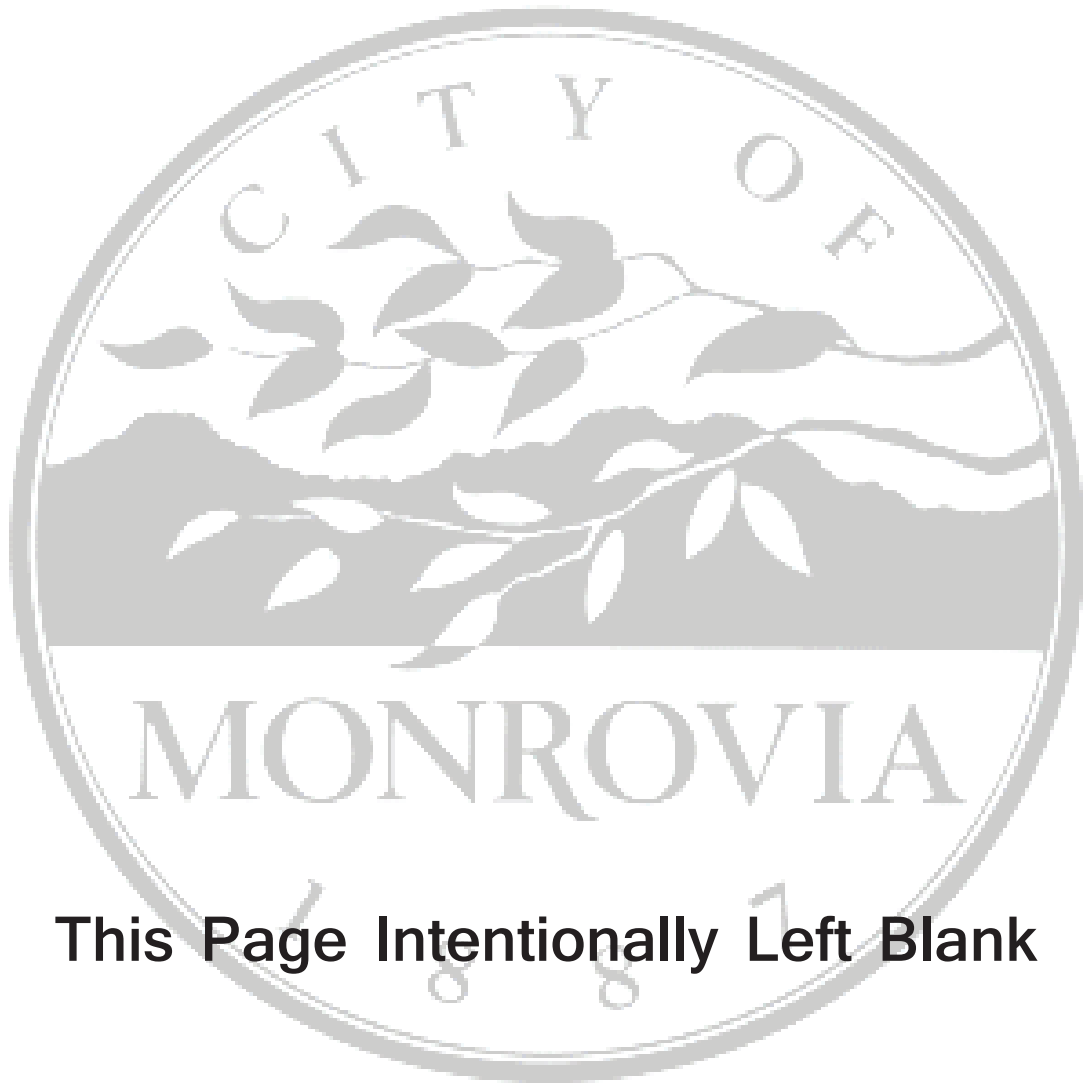
To the Honorable Mayor and Members of the City Council
City of Monrovia, California

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2016 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

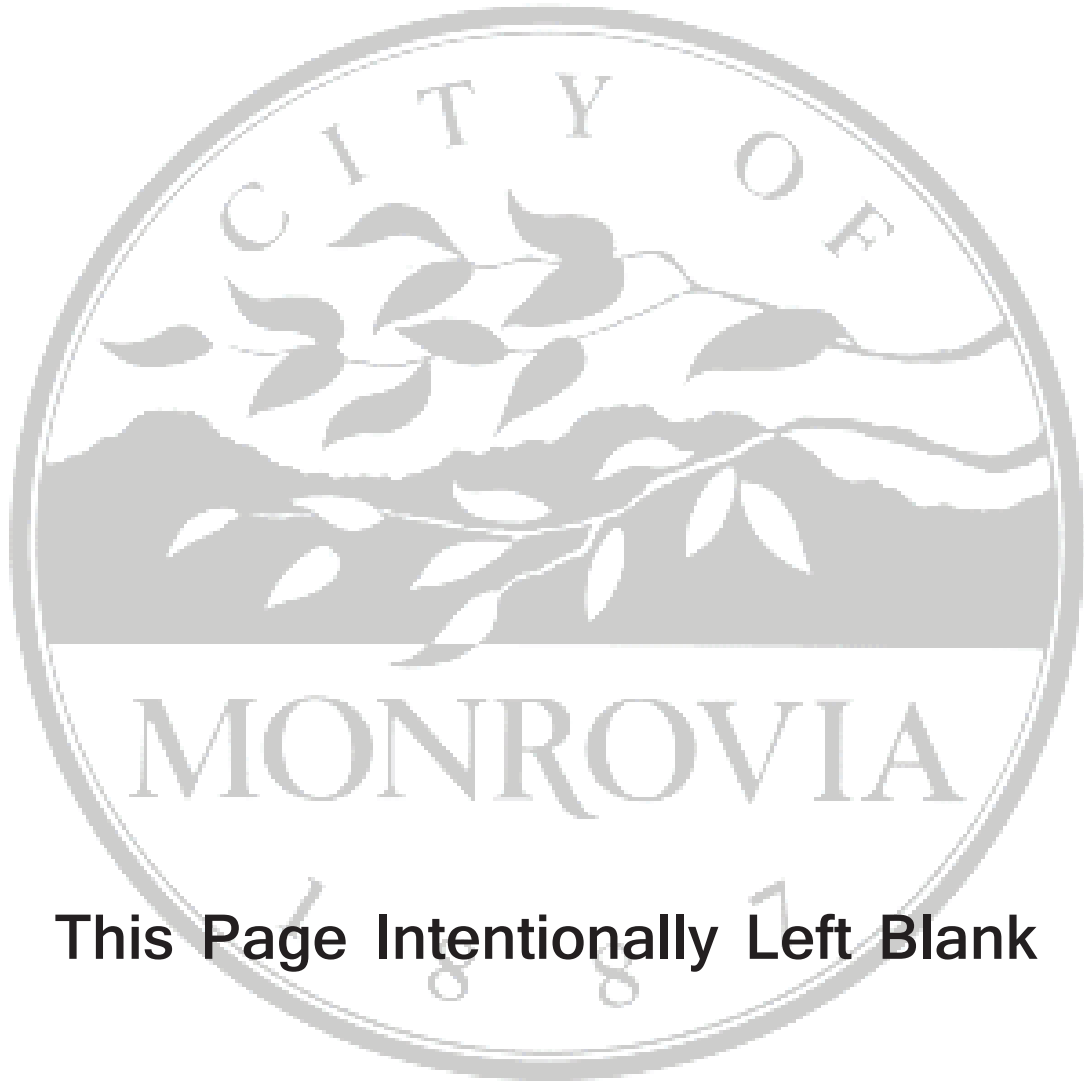
Lance, Soll & Lughard, LLP

Brea, California
December 20, 2016



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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, 2016. 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 2015-2016 by \$34.79 million (net position). Of this amount, the City had \$93.71 million invested in capital assets, \$34.32 million in restricted net position, and (\$93.24) million in unrestricted net position. This reflects a net increase over the prior year of \$11.13 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 \$12.19 million more than the \$51.56 million expenses recorded by the City for its governmental activities. For the City's business-type activities, revenues were \$1.06 million less than the \$10.65 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 increased by \$1.03 million over the prior year, or 1.48 percent. Additionally, expenditures decreased by \$1.64 million over the prior year, or 2.68 percent. The analysis of these changes is also discussed under the section titled "THE CITY AS A WHOLE."
- In the General Fund, the net increase in fund balance was \$3.80 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 increased by \$49.17 million. The analysis of this increase is discussed under the section titled "CAPITAL ASSETS AND DEBT ADMINISTRATION."
- The City's total capital assets increased by \$5.09 million, or 4.57 percent. The analysis of this increase is discussed under the section titled "CAPITAL ASSETS AND DEBT ADMINISTRATION."
- During the year, 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 15-17) 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 19. 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 15. 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 increased \$11.13 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, 2016

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$ 53.17	\$ 41.01	\$ 51.04	\$ 13.53	\$ 104.21	\$ 54.54
Capital assets	<u>102.52</u>	<u>98.13</u>	<u>13.84</u>	<u>13.14</u>	<u>116.36</u>	<u>111.27</u>
TOTAL ASSETS	<u>155.69</u>	<u>139.14</u>	<u>64.88</u>	<u>26.67</u>	<u>220.57</u>	<u>165.81</u>
Deferred outflows	<u>6.07</u>	<u>4.90</u>	<u>.46</u>	<u>.48</u>	<u>6.53</u>	<u>5.38</u>
Long term liabilities						
Outstanding	128.25	110.50	46.18	7.04	174.43	117.54
Other liabilities	<u>7.98</u>	<u>12.92</u>	<u>2.12</u>	<u>1.66</u>	<u>10.10</u>	<u>14.58</u>
TOTAL LIABILITIES	<u>136.23</u>	<u>123.42</u>	<u>48.30</u>	<u>8.70</u>	<u>184.53</u>	<u>132.12</u>
Deferred inflows	<u>7.20</u>	<u>14.49</u>	<u>.57</u>	<u>.92</u>	<u>7.77</u>	<u>15.41</u>
Net Investment in Capital Assets	81.21	77.22	12.50	13.14	93.71	90.36
Restricted	34.32	20.50	-	-	34.32	20.50
Unrestricted	<u>(97.21)</u>	<u>(91.59)</u>	<u>3.97</u>	<u>4.39</u>	<u>(93.24)</u>	<u>(87.20)</u>
TOTAL NET POSITION	<u>\$ 18.32</u>	<u>\$ 6.13</u>	<u>\$ 16.47</u>	<u>\$ 17.53</u>	<u>\$ 34.79</u>	<u>\$ 23.66</u>

TABLE 2
CHANGES IN NET POSITION
(IN MILLIONS)

As of June 30, 2016

	Governmental Activities		Business Type Activities		Total	
	2016	2015	2016	2015	2016	2015
REVENUES:						
Program Revenues:						
Charges for services	\$ 8.83	\$ 7.14	\$ 9.41	\$ 8.98	\$ 18.24	\$ 16.12
Operating grants and contributions	8.18	8.58	.02	.03	8.20	8.61
Capital grants and contributions	8.10	12.18	-	-	8.10	12.18
General Revenues:						
Property Taxes	20.52	19.03	-	-	20.52	19.03
Sales Tax	9.45	8.06	-	-	9.45	8.06
Franchise Taxes	.63	.60	-	-	.63	.60
Other Taxes	1.07	1.24	-	-	1.07	1.24
Motor Vehicle In-Lieu	.02	.01	-	-	.02	.01
Use of Money & Property	.65	.53	.12	.07	.77	.60
Other Revenues	3.43	2.97	.04	.02	3.47	2.99
TOTAL REVENUES	60.88	60.34	9.59	9.10	70.47	69.44
EXPENSES:						
General Government	6.18	6.32	-	-	6.18	6.32
Public Safety	30.00	30.05	-	-	30.00	30.05
Community Development	3.85	3.51	-	-	3.85	3.51
Community Services	4.08	4.34	-	-	4.08	4.34
Public Works	5.45	6.00	-	-	5.45	6.00
Interest on Long-term Debt	2.00	2.00	-	-	2.00	2.00
Water	-	-	6.26	6.33	6.26	6.33
Sewer	-	-	.83	1.00	.83	1.00
Storm Drain	-	-	.22	.67	.22	.67
Street Sweeping	-	-	.11	.20	.11	.20
Waste Management	-	-	.36	.56	.36	.56
TOTAL EXPENSES	51.56	52.22	7.78	8.76	59.34	60.98
Increase (Decrease) in Net Position before transfers	9.32	8.12	1.81	.34	11.13	8.46
Transfers	2.87	1.91	(2.87)	(1.91)	-	-
Increase (Decrease) in Net Position	12.19	10.03	(1.06)	(1.57)	11.13	8.46
Net Position at Beginning of Year	6.13	66.06	17.53	26.46	23.66	92.52
Restatements of Net Position	-	(69.96)	-	(7.36)	-	(77.32)
NET POSITION AT END OF YEAR	\$ 18.32	\$ 6.13	\$16.47	\$ 17.53	\$ 34.79	\$ 23.66

Compared to the prior year, the net position of the City's governmental activities increased by 198.86 percent, or \$12.19 million. This overall increase is partially due to an increase in revenues of \$.54 million over the prior year and a decrease in expenses of \$.66 million over the prior year, creating a much larger gap between revenues and expenditures for the year. In addition, transfers increased by \$.96 million over the prior year. Overall, both governmental and business-type activities were \$11.13 million more than expenses during the year. This positive increase is mainly attributable to the receipt of grant revenues for the Station Square project, as well as an increase in other tax revenue throughout the City.

The City's net position of \$34.79 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, \$93.71 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, \$34.32 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 \$93.24 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. During fiscal year 2015-2016, the public works program recognized \$3.79 million more in revenues than expenses in the Statement of Activities. This is the result of the City receiving grant reimbursements for Station Square Project costs that were capitalized as Construction in Progress assets. The expensing of these capitalized assets will be recognized each year as depreciation is recorded over their useful lives.

Governmental Activities
(In Millions)

	Total Cost of Services	Net Cost of Services
General Government	\$ 6.18	\$ 4.48
Public Safety	30.00	20.40
Community Development	3.85	.81
Community Services	4.08	2.55
Public Works	5.45	(3.79)
Interest on Long-Term Debt	2.00	2.00
Total	\$ 51.56	\$ 26.45

THE CITY'S FUNDS

On pages 20-21, the Governmental Funds Balance Sheet is shown. The combined fund balance of \$39.61 million increased by \$24.95 million over the prior year. This net increase is due to the following increases and decreases among the City's funds:

- An increase of \$3.80 million in the General Fund, due to a general increase in most revenues and transfers. The General Fund is discussed in further detail in the section titled "General Fund Budgetary Highlights" below.
- An increase of \$13.33 million in the Proposition C and Measure R Projects Fund, a new fund established during the year. This increase is the result of the issuance of bonds that will be used for capital projects.
- A net increase of \$5.61 million in the Capital Improvement Fund. This increase is due to grant timing factors. Grant expenditures from the previous year were reimbursed during the current year, resulting in an excess of revenues over expenditures.
- An increase of \$.32 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 \$.32 million is due to prior year expenditures being reimbursed by the grantor during the current year.
- All other funds contributed minor increases and decreases to the overall total during the year.

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 \$42.19 million (including transfers) were \$2.93 million more than final budgeted revenues of \$39.26 million. This difference was due to the following:

- The City experienced an increase in several of its key revenue streams, including property tax, sales tax, and transient occupancy tax revenue over the prior year. This resulted in \$.54 million more in tax revenue than budgeted.
- Charges for Services revenue was \$.44 million more than budgeted.
- Intergovernmental revenue was \$.87 more than budgeted.
- Only one revenue source, Fines and Forfeitures, came in slightly lower than budget.

The General Fund actual expenditures of \$38.38 million (including transfers) were \$.11 million less than the final budget of \$38.49 million. This variance was due to the following:

- While the City realized savings in many departments, several departments incurred overages, including Police Patrol and Communication Crime Analysis. Other departments incurred minor overages. These overages were partly offset by an increase in revenues in several of these departments, as well as significant cost savings in several departments and programs, including the City Attorney, the Library, and Canyon Park. These budget savings were achieved through staffing vacancies and other cost saving measures implemented by the City's operating departments.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2016, the City had \$116.36 million in land, buildings, equipment, and infrastructure capital assets. (See Table 3). This amount represents a net increase (including additions, deletions, and adjustments) of \$5.09 million. Capital assets increased by \$4.39 million in governmental activities and increased by \$.70 million in business-type activities. Normal depreciation of existing assets resulted in a decrease in some asset categories, such as Structures and Improvements and Infrastructure. Construction in Progress; however, increased by \$7.42 million during the year. This increase is due to construction activity related to the City's Station Square Project and the Monrovia Renewal Project.

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, 2016

	Governmental Activities		Business Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	\$ 32.82	\$ 32.82	\$.44	\$.44	\$ 33.26	\$ 33.26
Construction in Progress	21.27	14.88	1.03	-	22.30	14.88
Structures and Improvements	16.92	17.60	2.24	2.30	19.16	19.90
Furniture and Equipment	4.48	3.64	.06	.06	4.54	3.70
Infrastructure	27.03	29.19	10.07	10.34	37.10	39.53
Total	<u>\$ 102.52</u>	<u>\$ 98.13</u>	<u>\$ 13.84</u>	<u>\$ 13.14</u>	<u>\$ 116.36</u>	<u>\$ 111.27</u>

Debt

At year-end, the City's governmental activities had \$50.31 million in bonds, leases, compensated absences, and claims and judgments, compared to \$40.64 million in the prior year, an increase of \$9.67 million. The net increase of \$9.67 million was mainly due to the issuance of new bonds for the Monrovia Renewal Project. These increases were offset by decreases in pension obligation bonds, capitalized leases, and claims and judgments. The decreases in pension obligation bonds and capitalized leases are the result of the normal payment of principal and interest during the year. The decrease in claims and judgments is due to a change in methodology of insurance coverage for the City during the year. Please see the Notes to the Financial Statements for detailed information (pages 53-64).

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

For the year ended June 30, 2016

	Governmental Activities		Business Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Compensated Absences	\$ 2.12	\$ 2.08	\$.12	\$.15	\$ 2.24	\$ 2.23
Pension Obligation Bonds	11.42	11.81	-	-	11.42	11.81
Capitalized Leases	.41	.47	-	-	.41	.47
Claims & Judgments	1.97	5.79	-	-	1.97	5.79
Revenue Bonds	33.10	20.16	36.77	-	69.87	20.16
Unamortized Bond Premium (Discount)	1.29	.33	2.76	-	4.05	.33
TOTALS	<u>\$ 50.31</u>	<u>\$ 40.64</u>	<u>\$ 39.65</u>	<u>\$.15</u>	<u>\$ 89.96</u>	<u>\$ 40.79</u>

The City's business-type activities debt increased \$39.50 million, from \$.15 million to \$39.65 million. This large increase is due to the issuance of water and sewer bonds 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 2016-2017, management looked at the following economic factors:

- The effects of steady growth in the overall economy.
- The impact on revenues resulting from the steady growth in housing market activity (e.g., increase in home sale activity and increase 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 4 percent over the prior year. This growth is attributed to growth in the overall economy and in consumer spending.
- Secured Property Tax revenues will continue to experience steady growth in 2016-2017. This growth is partly due to the increase in assessed valuation of single-family homes.
- Transient Occupancy (Hotel) Tax revenues will increase by approximately 3 percent. With most hotels showing strong occupancy rates, and tourism activity within California on the rise, hotel tax revenue is expected to increase during the 2016-2017 fiscal year.
- 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.

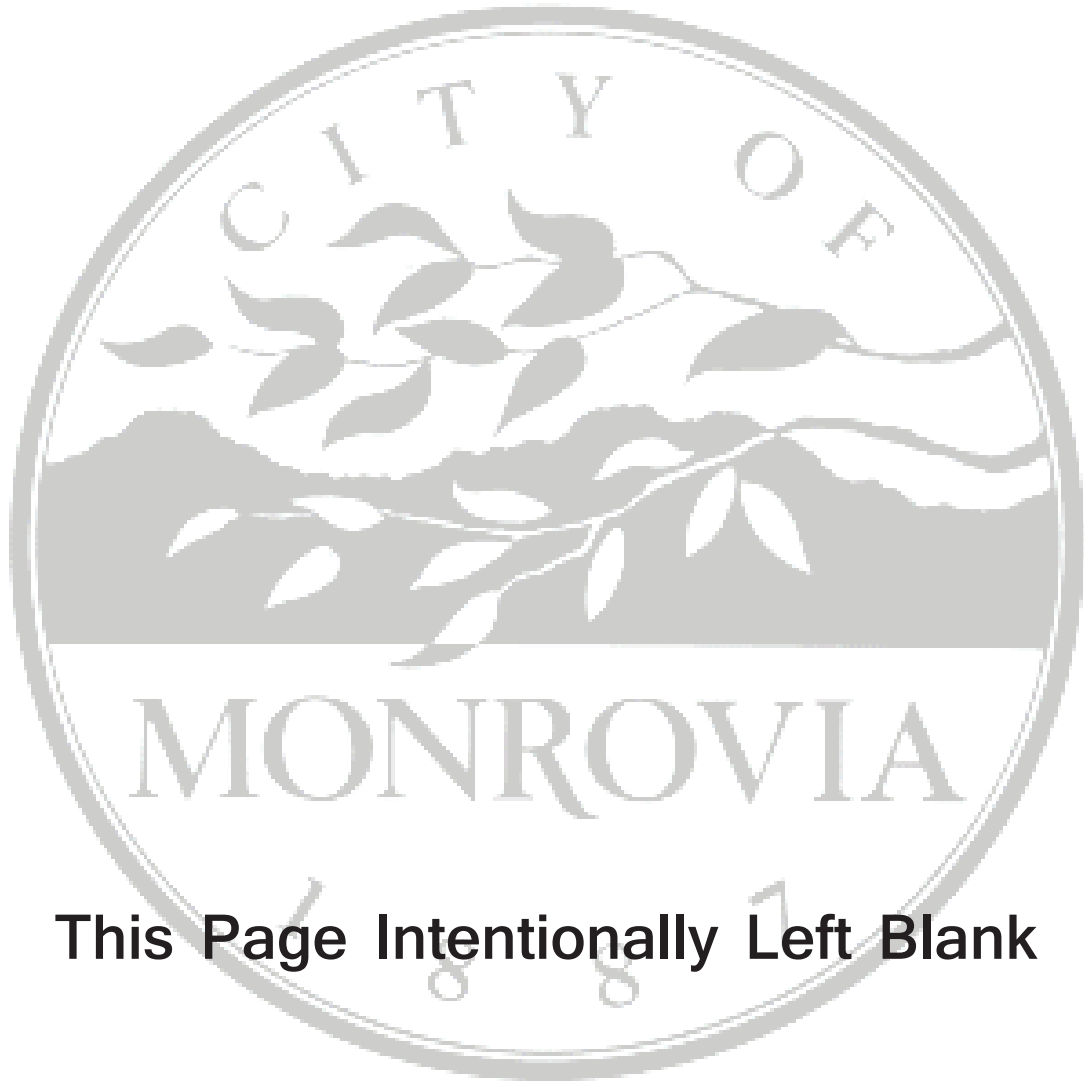
The Operating Budget for Fiscal Year 2016-2017 is a well-balanced budget that reflects the City's commitment to foster steady, controlled growth and provide the highest level of service to the community within the City's financial constraint and is consistent with the City Council's list of objectives. 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.

**GOVERNMENT-
WIDE FINANCIAL
STATEMENTS**



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CITY OF MONROVIA

STATEMENT OF NET POSITION
JUNE 30, 2016

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and investments	\$ 24,817,250	\$ 23,417,109	\$ 48,234,359
Receivables:			
Accounts	1,414,602	1,402,712	2,817,314
Taxes	3,897,237	-	3,897,237
Notes and loans	1,277,418	-	1,277,418
Accrued interest	66,517	-	66,517
Deferred loans	1,663,518	-	1,663,518
Grants	1,714,179	-	1,714,179
Internal balances	(51,076)	51,076	-
Advances to Successor Agency	2,551,385	-	2,551,385
Prepaid costs	2,057,421	130,580	2,188,001
Inventories	1,670	-	1,670
Land held for resale	3,139,259	-	3,139,259
Restricted assets:			
Cash and investments	1,130,492	-	1,130,492
Cash with fiscal agent	9,493,223	26,042,206	35,535,429
Capital assets not being depreciated	54,092,131	1,464,394	55,556,525
Capital assets, net of depreciation	48,429,068	12,371,119	60,800,187
Total Assets	155,694,294	64,879,196	220,573,490
Deferred Outflows of Resources:			
Deferred charge on refunding	54,706	-	54,706
Deferred pension related items	6,015,036	455,834	6,470,870
Total Deferred Outflows of Resources	6,069,742	455,834	6,525,576
Liabilities:			
Accounts payable	2,568,246	987,723	3,555,969
Accrued liabilities	471,508	10,667	482,175
Accrued interest	274,062	390,883	664,945
Unearned revenue	325,589	22,891	348,480
Deposits payable	119,312	222,234	341,546
Due to other governments	192,177	-	192,177
Noncurrent liabilities:			
Due within one year	4,070,410	487,643	4,558,053
Due in more than one year	46,238,541	39,168,885	85,407,426
OPEB Obligation	14,265,963	-	14,265,963
Net pension liability	67,709,081	7,006,889	74,715,970
Total Liabilities	136,234,889	48,297,815	184,532,704
Deferred Inflows of Resources:			
Deferred pension related items	7,201,535	567,941	7,769,476
Total Deferred Inflows of Resources	7,201,535	567,941	7,769,476
Net Position:			
Net investment in capital assets	81,209,749	12,500,944	93,710,693
Restricted for:			
Housing	6,489,031	-	6,489,031
Public safety	916,119	-	916,119
Public works	361,180	-	361,180
Capital projects	16,388,881	-	16,388,881
Debt service	1,988,459	-	1,988,459
Retirement	2,880,287	-	2,880,287
Transportation	4,329,410	-	4,329,410
Air quality	341,307	-	341,307
Street maintenance	194,961	-	194,961
Library	333,567	-	333,567
Memorial Trust			
Expendable	30,169	-	30,169
Nonexpendable	70,000	-	70,000
Unrestricted	(97,205,508)	3,968,330	(93,237,178)
Total Net Position	\$ 18,327,612	\$ 16,469,274	\$ 34,796,886

CITY OF MONROVIA

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2016

	Expenses	Program Revenues		
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants
Functions/Programs				
Primary Government:				
Governmental Activities:				
General government	\$ 6,180,431	\$ 1,695,935	\$ -	\$ 6,195
Public safety	30,004,707	2,669,686	6,937,517	-
Community development	3,852,738	2,396,273	645,813	-
Community services	4,076,224	1,460,641	64,618	-
Public works	5,446,094	611,954	531,193	8,092,843
Interest on long-term debt	1,998,044	-	-	-
Total Governmental Activities	51,558,238	8,834,489	8,179,141	8,099,038
Business-Type Activities:				
Water	6,259,232	6,332,222	-	-
Sewer	833,572	1,162,961	-	-
Storm Drain	224,510	286,604	-	-
Street Sweeping	105,187	211,107	-	-
Waste Management	359,475	1,417,668	22,048	-
Total Business-Type Activities	7,781,976	9,410,562	22,048	-
Total Primary Government	\$ 59,340,214	\$ 18,245,051	\$ 8,201,189	\$ 8,099,038

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

Transfers

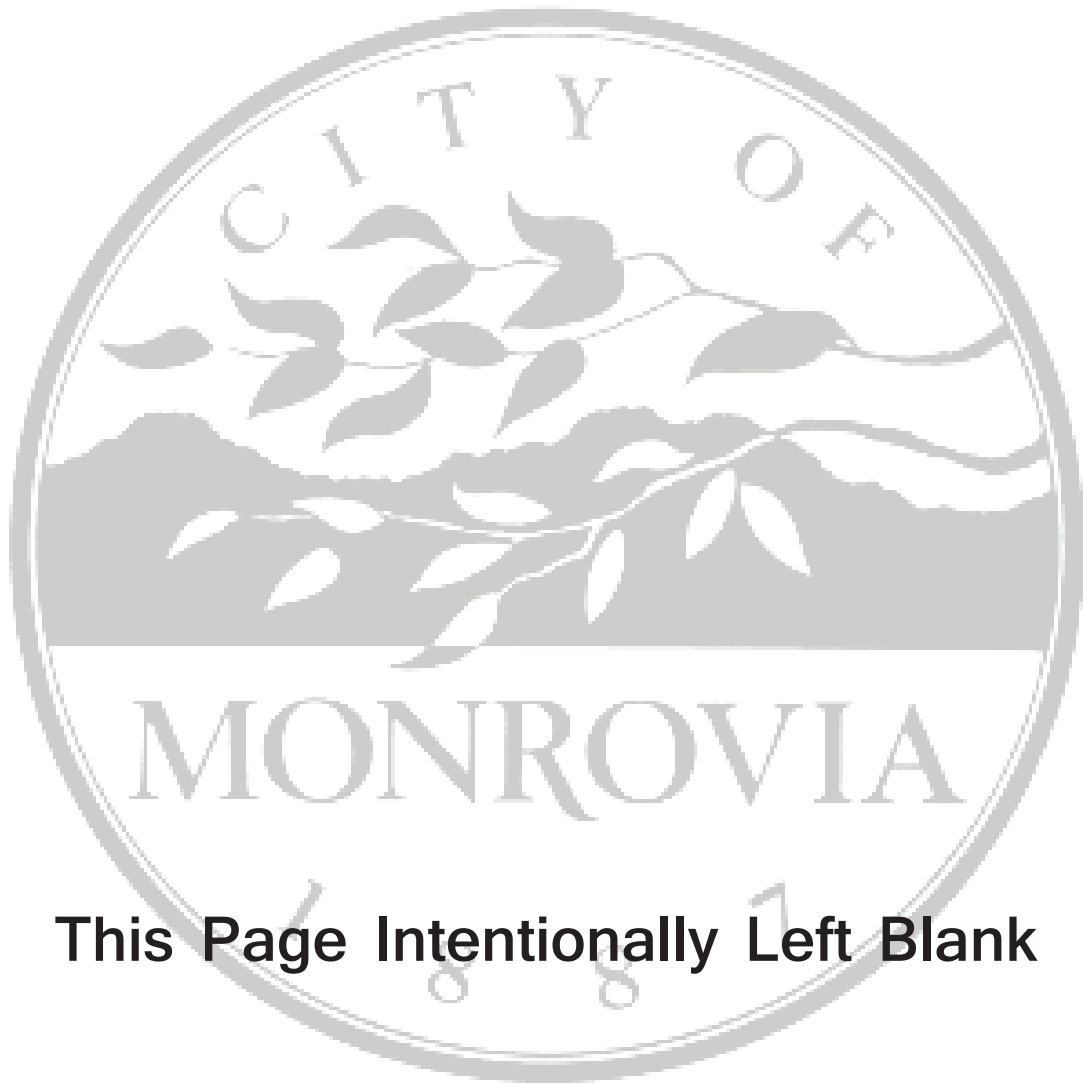
Total General Revenues and Transfers

Change in Net Position

Net Position at Beginning of Year

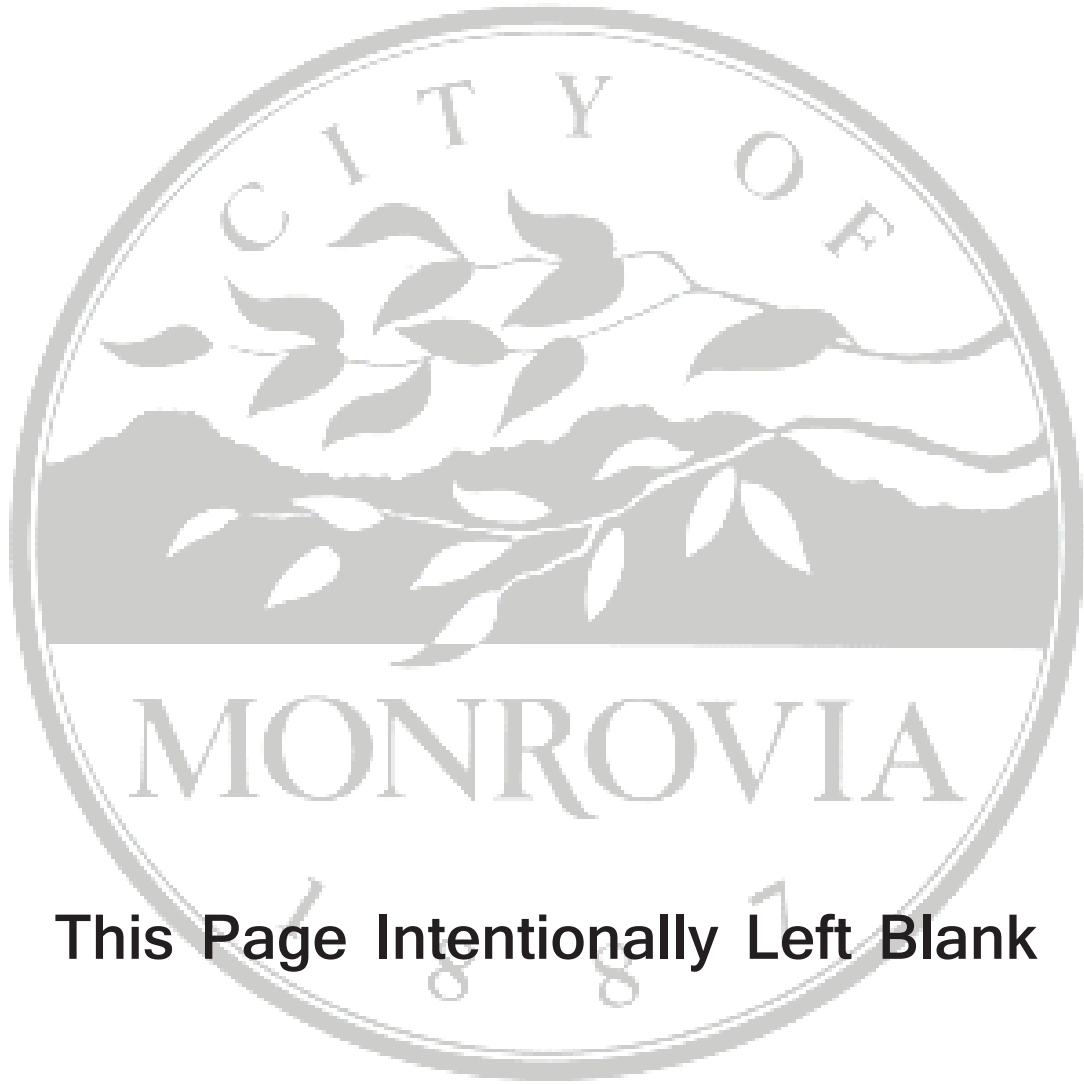
Net Position at End of Year

Net (Expenses) Revenues and Changes in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (4,478,301)	\$ -	\$ (4,478,301)
(20,397,504)	-	(20,397,504)
(810,652)	-	(810,652)
(2,550,965)	-	(2,550,965)
3,789,896	-	3,789,896
(1,998,044)	-	(1,998,044)
(26,445,570)	-	(26,445,570)
-	72,990	72,990
-	329,389	329,389
-	62,094	62,094
-	105,920	105,920
-	1,080,241	1,080,241
-	1,650,634	1,650,634
(26,445,570)	1,650,634	(24,794,936)
20,521,090	-	20,521,090
1,891,098	-	1,891,098
9,451,394	-	9,451,394
632,425	-	632,425
777,899	-	777,899
1,068,417	-	1,068,417
24,576	-	24,576
652,691	118,106	770,797
755,084	35,765	790,849
2,865,417	(2,865,417)	-
38,640,091	(2,711,546)	35,928,545
12,194,521	(1,060,912)	11,133,609
6,133,091	17,530,186	23,663,277
\$ 18,327,612	\$ 16,469,274	\$ 34,796,886



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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.

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

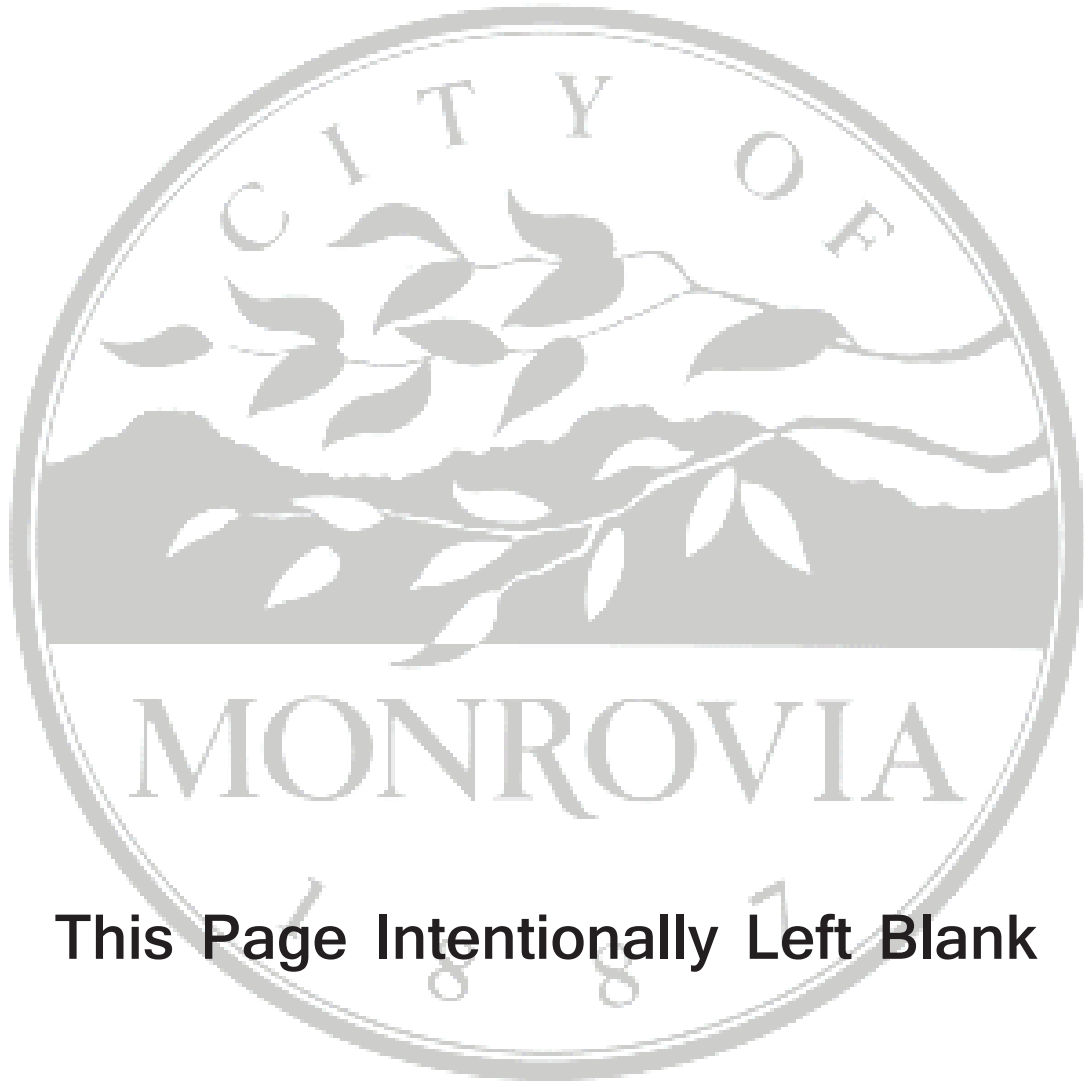
**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2016**

	General	Special Revenue Funds		Capital Projects Funds	
		Gang Violence and Drug Abuse Grants	Monrovia Housing Authority	Proposition C and Measure R Projects	Capital Improvement
Assets:					
Pooled cash and investments	\$ 4,022,651	\$ -	\$ 685,930	\$ 3,931,898	\$ 568,825
Receivables:					
Accounts	689,908	-	-	-	185,045
Taxes	3,696,421	-	-	-	-
Notes and loans	31,705	-	1,245,713	-	-
Accrued interest	66,517	-	-	-	-
Deferred loans	-	-	1,663,518	-	-
Grants	75,043	1,222,940	-	-	160,216
Prepaid costs	301,640	-	-	-	1,744,796
Due from other funds	541,462	-	-	-	-
Advances to Successor Agency of the former RDA	-	-	2,551,385	-	-
Land held for resale	353,790	-	347,036	-	2,438,433
Restricted assets:					
Cash and investments	-	-	-	-	328,315
Cash and investments with fiscal agents	-	-	-	9,493,208	-
Total Assets	\$ 9,779,137	\$ 1,222,940	\$ 6,493,582	\$ 13,425,106	\$ 5,425,630
Liabilities, Deferred Inflows of Resources, and Fund Balances:					
Liabilities:					
Accounts payable	\$ 639,087	\$ 798,844	\$ 2,409	\$ 89,536	\$ 381,176
Accrued liabilities	438,939	-	2,142	-	-
Unearned revenues	42,934	143,055	-	-	139,600
Deposits payable	119,312	-	-	-	-
Due to other governments	-	-	-	-	188,642
Due to other funds	-	151,188	-	-	-
Advances from other funds	92,896	-	-	-	-
Total Liabilities	1,333,168	1,093,087	4,551	89,536	709,418
Deferred Inflows of Resources:					
Unavailable revenues	778,887	594,073	2,459,231	-	345,501
Total Deferred Inflows of Resources	778,887	594,073	2,459,231	-	345,501
Fund Balances:					
Nonspendable:					
Prepaid costs	301,640	-	-	-	1,744,796
Land held for resale	353,790	-	-	-	-
Permanent fund principal	-	-	-	-	-
Restricted for:					
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Capital Projects	-	-	-	13,335,570	2,625,915
Debt service	-	-	-	-	-
Retirement	-	-	-	-	-
Transportation	-	-	-	-	-
Air quality	-	-	-	-	-
Street repair and maintenance	-	-	-	-	-
Library	-	-	-	-	-
Housing	-	-	4,029,800	-	-
Assigned to:					
Special Programs	1,381,407	-	-	-	-
Unassigned	5,630,245	(464,220)	-	-	-
Total Fund Balances	7,667,082	(464,220)	4,029,800	13,335,570	4,370,711
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 9,779,137	\$ 1,222,940	\$ 6,493,582	\$ 13,425,106	\$ 5,425,630

CITY OF MONROVIA

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2016**

	Other Governmental Funds	Total Governmental Funds
Assets:		
Pooled cash and investments	\$ 9,859,360	\$ 19,068,664
Receivables:		
Accounts	460,725	1,335,678
Taxes	200,816	3,897,237
Notes and loans	-	1,277,418
Accrued interest	-	66,517
Deferred loans	-	1,663,518
Grants	255,980	1,714,179
Prepaid costs	-	2,046,436
Due from other funds	-	541,462
Advances to Successor Agency of the former RDA	-	2,551,385
Land held for resale	-	3,139,259
Restricted assets:		
Cash and investments	802,177	1,130,492
Cash and investments with fiscal agents	15	9,493,223
Total Assets	\$ 11,579,073	\$ 47,925,468
Liabilities, Deferred Inflows of Resources, and Fund Balances:		
Liabilities:		
Accounts payable	\$ 289,786	\$ 2,200,838
Accrued liabilities	14,653	455,734
Unearned revenues	-	325,589
Deposits payable	-	119,312
Due to other governments	3,535	192,177
Due to other funds	234,699	385,887
Advances from other funds	150,937	243,833
Total Liabilities	693,610	3,923,370
Deferred Inflows of Resources:		
Unavailable revenues	210,634	4,388,326
Total Deferred Inflows of Resources	210,634	4,388,326
Fund Balances:		
Nonspendable:		
Prepaid costs	-	2,046,436
Land held for resale	-	353,790
Permanent fund principal	100,169	100,169
Restricted for:		
Public safety	233,746	233,746
Public works	359,978	359,978
Capital Projects	-	15,961,485
Debt service	1,988,459	1,988,459
Retirement	2,880,287	2,880,287
Transportation	4,299,081	4,299,081
Air quality	341,307	341,307
Street repair and maintenance	186,053	186,053
Library	333,567	333,567
Housing	-	4,029,800
Assigned to:		
Special Programs	-	1,381,407
Unassigned	(47,818)	5,118,207
Total Fund Balances	10,674,829	39,613,772
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 11,579,073	\$ 47,925,468



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CITY OF MONROVIA

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2016**

Fund balances of governmental funds		\$ 39,613,772
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.		97,515,723
Deferred charge on refunding have not been included in the governmental fund activity.		54,706
Deferred outflows related to pension items:		
Miscellaneous pension contributions subsequent to measurement date	\$ 2,225,614	
Safety pension contributions subsequent to measurement date	3,515,143	
Safety adjustment due to differences in proportion	<u>67,492</u>	5,808,249
Long-term debt and compensated absences that have not been included in the governmental fund activity:		
Bonds payable	(44,520,000)	
Unamortized bond premiums/discounts	(1,287,706)	
Compensated Absences	<u>(2,015,695)</u>	(47,823,401)
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.		(14,265,963)
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	(27,884,395)	
Safety net pension liability	<u>(36,861,305)</u>	(64,745,700)
Accrued interest payable for the current portion of interest due on bonds has not been reported in the governmental funds.		(274,062)
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.		4,388,326
Deferred inflows related to pension items:		
Miscellaneous change in assumptions	(811,639)	
Miscellaneous net differences between projected and actual experience	(744,528)	
Miscellaneous net differences between projected and actual earnings	(315,113)	
Safety change in assumptions	(1,641,246)	
Safety net differences between projected and actual experience	(356,842)	
Safety net differences between projected and actual earnings	(831,794)	
Safety adjustment due to difference in proportions	(240,946)	
Safety adjustment due to difference in proportion contribution	<u>(2,024,696)</u>	(6,966,804)
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>5,022,766</u>
Net Position of governmental activities		<u>\$ 18,327,612</u>

CITY OF MONROVIA

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

	General	Special Revenue Funds		Capital Projects Funds	
		Gang Violence and Drug Abuse Grants	Monrovia Housing Authority	Proposition C and Measure R Projects	Capital Improvement
Revenues:					
Taxes	\$ 25,043,636	\$ -	\$ -	\$ -	\$ 82,510
Assessments	-	-	-	-	-
Licenses and permits	1,408,368	-	-	-	-
Intergovernmental	1,659,869	6,959,586	-	-	11,761,127
Charges for services	3,197,813	-	-	-	-
Use of money and property	360,966	2,268	22,523	7,882	1,273
Fines and forfeitures	263,280	-	-	-	-
Contributions	101,972	-	-	-	-
Miscellaneous and other revenue	768,948	16,147	220,358	-	-
Total Revenues	32,804,852	6,978,001	242,881	7,882	11,844,910
Expenditures:					
Current:					
General government	4,652,829	-	-	-	-
Public safety	23,919,610	6,660,449	-	-	-
Community development	2,516,810	-	111,414	-	-
Parks and recreation	4,187,587	-	-	-	-
Public works	1,251,487	-	-	-	11,416
Capital outlay	-	-	-	162,976	6,225,544
Debt service:					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	368	-	-	-	-
Total Expenditures	36,528,691	6,660,449	111,414	162,976	6,236,960
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,723,839)	317,552	131,467	(155,094)	5,607,950
Other Financing Sources (Uses):					
Transfers in	9,026,377	-	12,391	-	-
Transfers out	(1,853,922)	-	(23,991)	-	-
Lease revenue issued	-	-	-	13,490,664	-
Bond premium	-	-	-	-	-
Total Other Financing Sources (Uses)	7,172,455	-	(11,600)	13,490,664	-
Extraordinary gain/(loss)	353,790	-	(353,790)	-	-
Net Change in Fund Balances	3,802,406	317,552	(233,923)	13,335,570	5,607,950
Fund Balances, Beginning of Year	3,864,676	(781,772)	4,263,723	-	(1,237,239)
Fund Balances, End of Year	\$ 7,667,082	\$ (464,220)	\$ 4,029,800	\$ 13,335,570	\$ 4,370,711

CITY OF MONROVIA

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

	Other Governmental Funds	Total Governmental Funds
Revenues:		
Taxes	\$ 9,216,177	\$ 34,342,323
Assessments	1,332,814	1,332,814
Licenses and permits	-	1,408,368
Intergovernmental	2,271,876	22,652,458
Charges for services	217,367	3,415,180
Use of money and property	68,508	463,420
Fines and forfeitures	636,504	899,784
Contributions	-	101,972
Miscellaneous and other revenue	-	1,005,453
Total Revenues	13,743,246	65,621,772
Expenditures:		
Current:		
General government	146,980	4,799,809
Public safety	1,405,878	31,985,937
Community development	1,510,052	4,138,276
Parks and recreation	46,884	4,234,471
Public works	2,664,025	3,926,928
Capital outlay	25,265	6,413,785
Debt service:		
Principal retirement	1,045,000	1,045,000
Interest and fiscal charges	1,884,031	1,884,399
Total Expenditures	8,728,115	58,428,605
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,015,131	7,193,167
Other Financing Sources (Uses):		
Transfers in	4,557,240	13,596,008
Transfers out	(8,503,487)	(10,381,400)
Lease revenue issued	109,336	13,600,000
Bond premium	938,901	938,901
Total Other Financing Sources (Uses)	(2,898,010)	17,753,509
Extraordinary gain/(loss)	-	-
Net Change in Fund Balances	2,117,121	24,946,676
Fund Balances, Beginning of Year	8,557,708	14,667,096
Fund Balances, End of Year	\$ 10,674,829	\$ 39,613,772

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, 2016**

Net change in fund balances - total governmental funds \$ 24,946,676

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	\$ 6,494,347	
Depreciation	<u>(3,304,121)</u>	3,190,226

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	1,045,000	
2016 Lease Revenue Bond debt issuance	(13,600,000)	
2016 Lease Revenue Bond premium	(938,901)	
Amortization of bond premiums/discounts	(16,010)	
Amortization of deferred charge	<u>(464)</u>	(13,510,375)

Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period. (51,713)

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. (75,696)

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. (1,952,945)

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. 1,541,390

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. (4,781,226)

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. 2,888,184

Change in net position of governmental activities \$ 12,194,521

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, 2016

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	\$ 14,726,152	\$ 5,082,472	\$ 3,608,485	\$ 23,417,109	\$ 5,748,586
Receivables:					
Accounts	967,567	188,564	246,581	1,402,712	78,924
Prepaid costs	93,117	37,463	-	130,580	10,985
Due from other funds	580,353	246,523	173,260	1,000,136	-
Inventories	-	-	-	-	1,670
Restricted:					
Cash with fiscal agent	18,838,704	7,203,502	-	26,042,206	-
Total Current Assets	35,205,893	12,758,524	4,028,326	51,992,743	5,840,165
Noncurrent:					
Advances to other funds	241,561	95,168	-	336,729	-
Capital assets - net of accumulated depreciation	9,833,290	3,630,941	371,282	13,835,513	5,005,476
Total Noncurrent Assets	10,074,851	3,726,109	371,282	14,172,242	5,005,476
Total Assets	45,280,744	16,484,633	4,399,608	66,164,985	10,845,641
Deferred Outflows of Resources:					
Deferred pension related items	364,507	41,295	50,032	455,834	206,787
Total Deferred Outflows of Resources	364,507	41,295	50,032	455,834	206,787
Total Assets and Deferred Outflows of Resources	\$ 45,645,251	\$ 16,525,928	\$ 4,449,640	\$ 66,620,819	\$ 11,052,428
Liabilities, Deferred Inflows of Resources, and Net Position:					
Liabilities:					
Current:					
Accounts payable	\$ 849,300	\$ 108,451	\$ 29,972	\$ 987,723	\$ 367,408
Accrued liabilities	10,667	-	-	10,667	15,774
Accrued interest	278,746	112,137	-	390,883	-
Unearned revenues	-	-	22,891	22,891	-
Deposits payable	93,200	-	129,034	222,234	-
Due to other funds	-	-	1,155,711	1,155,711	-
Accrued compensated absences	83,131	4,512	-	87,643	74,911
Accrued claims and judgments	-	-	-	-	1,158,891
Bonds, notes, and capital leases	285,000	115,000	-	400,000	135,308
Total Current Liabilities	1,600,044	340,100	1,337,608	3,277,752	1,752,292
Noncurrent:					
Advances from other funds	-	-	46,448	46,448	46,448
Accrued compensated absences	32,329	1,755	-	34,084	29,132
Accrued claims and judgments	-	-	-	-	815,986
Bonds, notes, and capital leases	27,907,229	11,227,572	-	39,134,801	271,322
Net pension liability	5,381,874	643,462	981,553	7,006,889	2,963,381
Total Noncurrent Liabilities	33,321,432	11,872,789	1,028,001	46,222,222	4,126,269
Total Liabilities	34,921,476	12,212,889	2,365,609	49,499,974	5,878,561
Deferred Inflows of Resources:					
Deferred pension related items	423,029	53,935	90,977	567,941	234,731
Total Deferred Inflows of Resources	423,029	53,935	90,977	567,941	234,731
Net Position:					
Net investment in capital assets	8,933,087	3,196,575	371,282	12,500,944	4,598,846
Unrestricted	1,367,659	1,062,529	1,621,772	4,051,960	340,290
Total Net Position	10,300,746	4,259,104	1,993,054	16,552,904	4,939,136
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 45,645,251	\$ 16,525,928	\$ 4,449,640	\$ 66,620,819	\$ 11,052,428
Reconciliation of Net Position to the Statement of Net Position					
Net Position per Statement of Net Position - Proprietary Funds				\$ 16,552,904	
Prior years' accumulated adjustment to reflect the consolidation of internal service funds activities related to the enterprise funds				(443,190)	
Current years' adjustments to reflect the consolidation of internal service activities related to enterprise funds				359,560	
Net Position per Statement of Net Position				\$ 16,469,274	

CITY OF MONROVIA

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2016

	Business-Type Activities - Enterprise Funds				Governmental Activities- Internal Service Funds
	Water	Sewer	Other Enterprise Funds	Totals	
Operating Revenues:					
Sales and service charges	\$ 6,332,222	\$ 1,162,961	\$ 1,915,379	\$ 9,410,562	\$ 482,679
Interdepartmental charges	-	-	-	-	7,910,012
Miscellaneous	24,420	-	11,345	35,765	183,689
Total Operating Revenues	6,356,642	1,162,961	1,926,724	9,446,327	8,576,380
Operating Expenses:					
Salaries and employee benefits	1,693,426	202,725	207,271	2,103,422	899,787
Professional and contract services	1,592,923	26,394	275,356	1,894,673	423,760
Maintenance and supplies	990,181	248,494	185,945	1,424,620	1,810,535
Utilities	1,424,204	-	-	1,424,204	644,663
Repairs and replacements	140,189	25,721	2,245	168,155	390,265
Claims expense	-	-	-	-	175,344
Depreciation expense	235,726	112,112	18,155	365,993	612,994
Other operating expense	-	-	-	-	10,547
Claims expense/(recovery)	-	-	-	-	12,888
Total Operating Expenses	6,076,649	615,446	688,972	7,381,067	4,980,783
Operating Income (Loss)	279,993	547,515	1,237,752	2,065,260	3,595,597
Nonoperating Revenues (Expenses):					
Intergovernmental	-	-	22,048	22,048	-
Interest revenue	70,532	17,863	29,711	118,106	46,796
Interest expense	(542,143)	(218,126)	(200)	(760,469)	(45,458)
Total Nonoperating Revenues (Expenses)	(471,611)	(200,263)	51,559	(620,315)	1,338
Income (Loss) Before Transfers	(191,618)	347,252	1,289,311	1,444,945	3,596,935
Transfers in	-	-	30,000	30,000	206,818
Transfers out	(1,322,910)	(233,395)	(1,339,112)	(2,895,417)	(556,009)
Changes in Net Position	(1,514,528)	113,857	(19,801)	(1,420,472)	3,247,744
Net Position:					
Beginning of Year	11,815,274	4,145,247	2,012,855	17,973,376	1,691,392
End of Fiscal Year	\$ 10,300,746	\$ 4,259,104	\$ 1,993,054	\$ 16,552,904	\$ 4,939,136
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				\$ (1,420,472)	
Adjustment to reflect the consolidation of current fiscal year internal service funds activities related to enterprise funds				359,560	
Changes in Net Position of Business-Type Activities per Statement of Activities				\$ (1,060,912)	

CITY OF MONROVIA

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 YEAR ENDED JUNE 30, 2016

	Business-Type Activities - Enterprise Funds				Governmental Activities- Internal Service Funds
	Water	Sewer	Other Enterprise Funds	Totals	
Cash Flows from Operating Activities:					
Cash received from customers and users	\$ 6,158,420	\$ 1,077,208	\$ 1,976,993	\$ 9,212,621	\$ -
Cash received from/(paid to) interfund service provided	-	-	-	-	8,585,588
Cash paid to suppliers for goods and services	(3,080,641)	(257,290)	(674,530)	(4,012,461)	(2,603,685)
Cash paid to employees for services	(3,323,675)	(226,845)	(305,528)	(3,856,048)	(1,736,522)
Cash received from (payments to) others	-	-	-	-	(4,006,710)
Net Cash Provided by Operating Activities	(245,896)	593,073	996,935	1,344,112	238,671
Cash Flows from Non-Capital Financing Activities:					
Cash transfers out	(1,322,910)	(233,395)	(1,339,112)	(2,895,417)	(556,009)
Cash transfers in	-	-	30,000	30,000	206,818
Cash given for interfund receivables	-	-	(25,198)	(25,198)	-
Repayment received from/(paid to) other funds	(295,843)	(46,743)	388,974	46,388	-
Cash paid for advances to other funds	-	-	(23,222)	(23,222)	(23,222)
Repayments received for advance to other funds	120,779	47,583	-	168,362	-
Intergovernmental	-	-	22,048	22,048	-
Net Cash Provided by (Used in) Non-Capital Financing Activities	(1,497,974)	(232,555)	(946,510)	(2,677,039)	(372,413)
Cash Flows from Capital and Related Financing Activities:					
Proceeds from capital debt	-	-	-	-	70,990
Bond issuance proceeds	26,220,000	10,550,000	-	36,770,000	-
Bond premium	1,994,381	801,485	-	2,795,866	-
Amortization of bond premium	(22,152)	(8,913)	-	(31,065)	-
Acquisition and construction of capital assets	(656,685)	(402,828)	-	(1,059,513)	(1,828,262)
Principal paid on capital debt	-	-	-	-	(137,688)
Interest paid on capital debt	(263,397)	(105,989)	(200)	(369,586)	(45,458)
Proceeds from sales of capital assets	-	-	-	-	13,001
Net Cash Used in Capital and Related Financing Activities	27,272,147	10,833,755	(200)	38,105,702	(1,927,417)
Cash Flows from Investing Activities:					
Interest received	70,532	17,863	29,711	118,106	46,796
Net Cash Provided by Net Cash Provided by Investing Activities	70,532	17,863	29,711	118,106	46,796
Net Increase (Decrease) in Cash and Cash Equivalents	25,598,809	11,212,136	79,936	36,890,881	(2,014,363)
Cash and Cash Equivalents at Beginning of Year	7,966,047	1,073,838	3,528,549	12,568,434	7,762,949
Cash and Cash Equivalents at End of Year	\$ 33,564,856	\$ 12,285,974	\$ 3,608,485	\$ 49,459,315	\$ 5,748,586
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities:					
Operating income	\$ 279,993	\$ 547,515	\$ 1,237,752	\$ 2,065,260	\$ 3,595,597
Adjustments to reconcile operating income net cash provided by (used in) operating activities:					
Depreciation	235,726	112,112	18,155	365,993	612,994
(Increase) decrease in accounts receivable	(266,522)	(85,753)	46,312	(305,963)	9,208
(Increase) decrease in inventories	-	-	-	-	(126)
(Increase) decrease in prepaid expense	(91,207)	(37,463)	-	(128,670)	6,688
(Increase) decrease in deferred pension related outflows	3,459	12,366	11,852	27,677	17,828
Increase (decrease) in accounts payable	(266,141)	80,782	(210,984)	(396,343)	14,313
Increase (decrease) in unearned revenue	-	-	3,739	3,739	-
Increase (decrease) in deposits payable	68,300	-	218	68,518	-
Increase (decrease) in claims and judgments	-	-	-	-	(3,818,478)
Increase (decrease) in compensated absences	(13,225)	(1,067)	(15,760)	(30,052)	(31,191)
Increase (decrease) in accrued liabilities	10,667	-	-	10,667	15,774
Increase (decrease) in net pension liability	68,394	(4,226)	(49,774)	14,394	(25,790)
Increase (decrease) in deferred pension related inflows	(275,340)	(31,193)	(44,575)	(351,108)	(158,146)
Total Adjustments	(525,889)	45,558	(240,817)	(721,148)	(3,356,926)
Net Cash Provided by Operating Activities	\$ (245,896)	\$ 593,073	\$ 996,935	\$ 1,344,112	\$ 238,671
Non-Cash Activity in Investing and Financing Activities:					
Amortization of premiums/(discounts)	\$ 22,151	\$ 8,914	\$ -	\$ -	\$ -

See Notes to Financial Statements

CITY OF MONROVIA

STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 JUNE 30, 2016

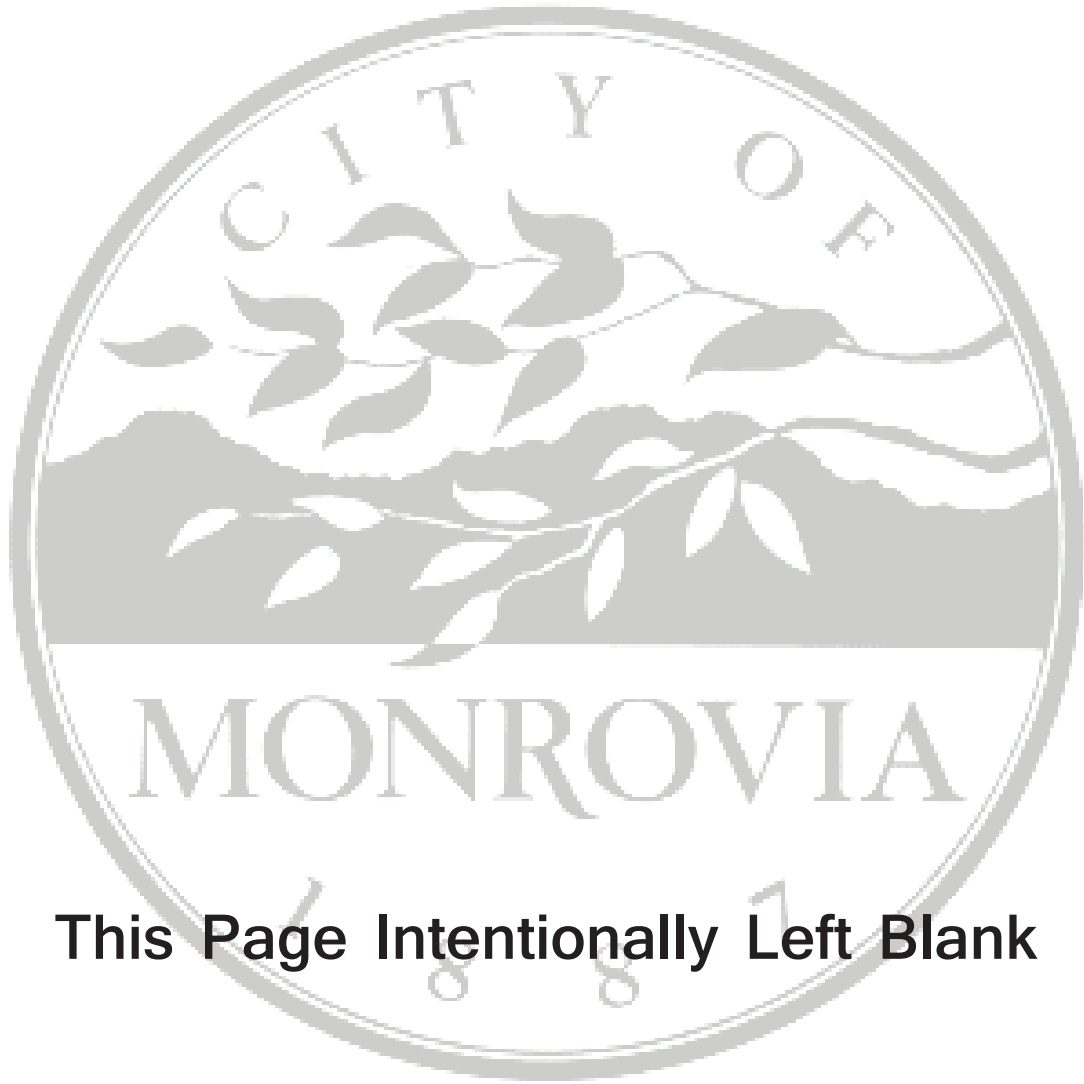
	<u>Agency Funds</u>	<u>Private- Purpose Trust Funds</u>
Assets:		
Pooled cash and investments	\$ 1,577,978	\$ 7,644,873
Receivables:		
Accounts	21,039	29,787
Notes and loans	-	2,106,030
Prepaid costs	-	328,431
Land held for resale	-	5,674,434
Restricted assets:		
Cash and investments with fiscal agents	-	3,252,651
Capital assets:		
Capital assets, not being depreciated	-	400,638
Capital assets, net of accumulated depreciation	-	1,677,471
Total Assets	<u>\$ 1,599,017</u>	<u>21,114,315</u>
Deferred Outflows of Resources:		
Deferred charge on refunding		1,260,798
Total Deferred Outflows of Resources		<u>1,260,798</u>
Liabilities:		
Accounts payable	\$ 30,659	4,114
Accrued interest	-	665,645
Deposits payable	1,568,358	-
Advances from City	-	2,551,385
Long-term liabilities:		
Due in one year	-	3,855,000
Due in more than one year	-	59,163,786
Total Liabilities	<u>\$ 1,599,017</u>	<u>66,239,930</u>
Net Position:		
Held in trust for educational material		172,884
Held in trust for other purposes		(44,037,701)
Total Net Position		<u>\$ (43,864,817)</u>

CITY OF MONROVIA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 YEAR ENDED JUNE 30, 2016

	<u>Private-Purpose Trust Funds</u>
Additions:	
Taxes	\$ 4,217,748
Interest, rental income and change in fair value of investments	418,444
Total Additions	<u>4,636,192</u>
Deductions:	
Administrative expenses	330,587
Contractual services	35,818
Interest expense	3,157,793
Depreciation expense	47,071
Loss on sale of property	1,667,976
Total Deductions	<u>5,239,245</u>
Changes in Net Position	(603,053)
Net Position:	
Net Position - Beginning of the Year	<u>(43,261,764)</u>
Net Position - End of the Year	<u>\$ (43,864,817)</u>

**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 2015-2016, there was no material financial activity for the Foundation; therefore, financial data has not been presented in the City's financial statements.

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.

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 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.

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)
 JUNE 30, 2016

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 fair market 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.

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 \$185,989 in the governmental funds related to the General and Gang Violence and Drug Abuse Grant Funds; there is \$139,600 reported in the Capital Improvement Fund for which services have not been rendered; there is also \$22,891 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)
JUNE 30, 2016

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, 2014

Measurement Date (MD) June 30, 2015

Measurement Period (MP) July 1, 2014 to June 30, 2015

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.

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. The City did not have any committed fund balance as of June 30, 2016.

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. As of June 30, 2016, \$1,381,407 has been assigned in the General Fund for special programs.

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, 2015, the City implemented the following Governmental Accounting Standards Board (GASB) standards:

GASB Statement No. 72 - Fair Value Measurement and Application, during the year ended June 30, 2016. The changes resulting from this implementation are reflected in Note 3.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

II. STEWARDSHIP

Note 2: Deficit Fund Balances

The following funds contained deficit fund balances:

Fund	Amount
Gang Violence and Drug Abuse Grants Major Special Revenue Fund	\$ 464,220
Nonmajor Special Revenue Funds:	
Community Development Block Grant	5,647
Asset Forfeiture	4,091
Police Grants	26,989
Fire Grants	10,802
Capital Projects Funds:	
Hillside Acquisition	289
Internal Service Funds:	
Central Services	592,620
Workers' Compensation Insurance	861,207

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, 2016, cash and investments were reported in the accompanying financial statements as follows:

Governmental activities	\$ 35,440,965
Business-type activities	49,459,315
Fiduciary funds	<u>12,475,502</u>
Total cash and investments	<u>\$ 97,375,782</u>
Deposits with financial institutions	\$ (882,700)
Petty Cash	8,452
Investments	58,331,458
Investments held with fiscal agents	<u>39,918,572</u>
Total cash and investments	<u>\$ 97,375,782</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.

Note 3: Cash and Investments (Continued)

Deposits

At June 30, 2016, the carrying amount of the City's deposits was -\$882,700 and the bank balance was \$628,591. The \$1,511,291 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)
 JUNE 30, 2016

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, 2016, 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	Legal Rating	Aaa	Not Rated
Local Agency Investment Fund	\$ 39,533,193	N/A	\$ -	\$ 39,533,193
Money Market Funds				
Federal Home Loan Mortgage Corp.	8,021,660	N/A	8,021,660	-
Federal Home Loan Bank	2,001,150	N/A	2,001,150	-
Federal Farm Credit Banks	2,005,660	N/A	2,005,660	-
Federal National Mortgage Assn	5,007,380	N/A	5,007,380	-
Certificates of Deposit	1,762,415	N/A	-	1,762,415
Money Market Mutual Funds	39,918,572	N/A	-	39,918,572
	\$ 98,250,030		\$ 17,035,850	\$ 81,214,180

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

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, 2016, 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, 2016, 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	8.16%
Federal National Mortgage Assoc.	5.10%

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)
 JUNE 30, 2016

Note 3: Cash and Investments (Continued)

As of June 30, 2016, 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	\$ 39,533,193	\$ -	\$ 39,533,193
US Treasury Securities	-	-	-
Federal Home Loan Bank	-	2,001,150	2,001,150
Federal Home Loan Mortgage Corp.	-	8,021,660	8,021,660
Federal National Mortgage Assoc.	-	5,007,380	5,007,380
Federal Farm Credit Bank	-	2,005,660	2,005,660
Certificates of Deposit	-	1,762,415	1,762,415
Money Market Mutual Funds	39,918,572	-	39,918,572
	<u>\$ 79,451,765</u>	<u>\$ 18,798,265</u>	<u>\$ 98,250,030</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, 2016:

Investment Type	Totals	Level	
		1	2
U.S. Treasury Securities	\$ 17,035,850	\$ 17,035,850	\$ -
Certificates of Deposit	1,762,415	-	1,762,415
Local Agency Investment Fund (LAIF)	39,533,193	-	39,533,193
Held by Fiscal Agent:	-	-	-
Money Market Mutual Funds	39,918,572	-	39,918,572
Total Investments	<u>\$ 98,250,030</u>	<u>\$ 17,035,850</u>	<u>\$ 81,214,180</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, 2016, the balance was:

\$ 180,088

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, 2016 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, 2016, the balance was:

765,625

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, 2016, the balance was:

31,705

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, 2016, was:

1,663,518

Total Loans and Deferred Loans Receivable: \$ 2,940,936

CITY OF MONROVIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 5: Capital Assets

Capital asset activity for the year ended June 30, 2016, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 32,824,327	\$ -	\$ -	\$ 32,824,327
Construction-in-progress	14,877,070	6,390,734	-	21,267,804
Total Capital Assets Not Being Depreciated	47,701,397	6,390,734	-	54,092,131
Capital Assets, Being Depreciated:				
Structures & Improvements	27,240,154	-	-	27,240,154
Equipment, Furniture and Vehicles	12,306,897	1,920,738	(389,006)	13,838,629
Infrastructure	71,154,073	11,137	-	71,165,210
Total Capital Assets Being Depreciated	110,701,124	1,931,875	(389,006)	112,243,993
Less Accumulated Depreciation				
Structures & Improvements	9,644,201	672,786	-	10,316,987
Equipment, Furniture and Vehicles	8,667,064	1,070,217	(376,005)	9,361,276
Infrastructure	41,962,550	2,174,112	-	44,136,662
Total Accumulated Depreciation	60,273,815	3,917,115	(376,005)	63,814,925
Total Capital Assets Being Depreciated, Net	50,427,309	(1,985,240)	(13,001)	48,429,068
Governmental Activities Capital Assets, Net	<u>\$ 98,128,706</u>	<u>\$ 4,405,494</u>	<u>\$ (13,001)</u>	<u>\$ 102,521,199</u>

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

Governmental Activities	
General government	\$ 11,161
Public Safety	528,091
Community development	144,770
Community services	348,230
Public works	2,271,869
Internal Services Funds	612,994
Total Governmental Activities	<u><u>\$ 3,917,115</u></u>

CITY OF MONROVIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2016

Note 5: Capital Assets (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
Capital assets, not being depreciated:				
Land	\$ 438,232	\$ -	\$ -	\$ 438,232
Construction-in-Progress	-	1,026,162	-	1,026,162
Total Capital Assets Not Being Depreciated	438,232	1,026,162	-	1,464,394
Capital assets, being depreciated:				
Structures & Improvements	3,277,298	-	-	3,277,298
Equipment, furniture and vehicles	1,464,144	33,351	-	1,497,495
Infrastructure	16,199,405	-	-	16,199,405
Total Capital assets, being depreciated:	20,940,847	33,351	-	20,974,198
Less Accumulated Depreciation				
Structures & improvements	977,182	55,714	-	1,032,896
Machinery, Equipment & Vehicles	1,400,458	39,807	-	1,440,265
Infrastructure	5,859,446	270,472	-	6,129,918
Total Accumulated Depreciation:	8,237,086	365,993	-	8,603,079
Total Capital Assets, Being Depreciated, Net	12,703,761	(332,642)	-	12,371,119
Business-type Activities Capital Assets, Net	\$ 13,141,993	\$ 693,520	\$ -	\$ 13,835,513

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

Business-Type Activities:	
Water	\$ 235,726
Sewer	112,112
Storm drain	18,155
Total Business-Type Activities	\$ 365,993

CITY OF MONROVIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2016

Note 6: Interfund Receivables, Payables and Transfers

The composition of interfund balances as of June 30, 2016, was as follows:

a. Due To/From Other Funds

Receivable Fund	Payable Fund	Totals
General Fund	Gang Violence and Drug Abuse Grants	\$ 151,188
	NonMajor Governmental Funds	234,699
	NonMajor Business Type	155,575
		<u>541,462</u>
Water Fund	NonMajor Business-type Funds	580,353
Sewer Fund	NonMajor Business-type Funds	246,523
Non Major Business Type	NonMajor Business-type Funds	173,260

Funds were advanced from the Sewer and NonMajor Business Type Funds to various funds to pay for the Corporate Yard renovation. The amounts loaned from the General Fund to the NonMajor Governmental Funds was to eliminate negative cash balances as of June 30, 2016.

b. Interfund Transfers

Fund	Transfers In:					Totals
	General	Monrovia Housing Authority	Nonmajor Governmental Funds	Nonmajor Business-Type Funds	Internal Service Funds	
Transfers Out:						
Major Governmental Funds:						
General Fund	\$ -	\$ -	\$ 1,853,922	\$ -	\$ -	\$ 1,853,922
Housing Authority	23,991	-	-	-	-	23,991
Major Business Type Funds:						
Water Fund	1,322,910	-	-	-	-	1,322,910
Sewer Fund	233,395	-	-	-	-	233,395
Nonmajor Governmental Funds	6,010,960	12,391	2,273,318	-	206,818	8,503,487
Nonmajor Business-Type Funds	879,112	-	430,000	30,000	-	1,339,112
Internal Service Funds	556,009	-	-	-	-	556,009
Totals	<u>\$ 9,026,377</u>	<u>\$ 12,391</u>	<u>\$ 4,557,240</u>	<u>\$ 30,000</u>	<u>\$ 206,818</u>	<u>\$ 13,832,826</u>

The General Fund received \$9,026,377 for retirement costs, overhead and administrative charges. The Housing Authority received \$12,391 for general overhead and administrative charges. The non-major governmental funds received \$4,557,240 from various funds to cover retirement costs, for general overhead and administrative charges, and for general support for various projects and operational costs. The non-major business type funds received \$30,000 in support for street sweeping costs. The internal service type funds received \$206,818 for retirement costs and general overhead and administrative charges.

CITY OF MONROVIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2016

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	\$ 66,641
	Non-major Governmental Funds	108,278
	Non-major Enterprise Funds	33,321
	Internal Service Funds	33,321
		241,561
Sewer	General Fund	26,255
	Non-major Governmental Funds	42,659
	Non-major Enterprise Funds	13,127
	Internal Service Funds	13,127
		95,168
		\$ 336,729

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, 2016, due from the Private Purpose Trust Fund Successor Agency.

CITY OF MONROVIA

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016**

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, 2016:

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016	Due Within One Year
<u>Lease revenue bonds:</u>					
2007 Library Bonds	\$ 13,980,000	\$ -	\$ 360,000	\$ 13,620,000	\$ 380,000
2015 Hillside Refunding Bonds	6,180,000	-	300,000	5,880,000	265,000
2016 Lease Revenue Bonds	-	13,600,000	-	13,600,000	155,000
<u>Pension obligation bonds:</u>					
2010 Pension Obligation Bonds	11,805,000	-	385,000	11,420,000	450,000
<u>Other long term liabilities:</u>					
Leases Payable	473,328	70,990	137,688	406,630	135,308
Compensated Absences	2,075,233	1,490,087	1,445,582	2,119,738	1,526,211
Claims and judgment	5,793,355	-	3,818,478	1,974,877	1,158,891
	<u>\$ 40,306,916</u>	<u>\$ 15,161,077</u>	<u>\$ 6,446,748</u>	49,021,245	<u>\$ 4,070,410</u>
			Net unamortized bond premium (discount)	1,287,706	
				<u>\$ 50,308,951</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. The bonds maturing on December 1, 2027, are subject to mandatory redemption by lot in the principal amounts ranging from \$485,000 to \$605,000, without premium, on December 1 of each year, commencing on December 1, 2022. The bonds maturing on December 1, 2032, are subject to mandatory redemption by lot in the principal amounts ranging from \$630,000 to \$755,000, without premium, on December 1, of each year, commencing on December 1, 2028. The bonds maturing on December 1, 2037, are subject to mandatory redemption by lot in the principal amounts ranging from \$790,000 to \$960,000, without premium, on December 1 of each year, commencing on December 1, 2033.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

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,	2007 Library Lease Revenue Bond	
	Principal	Interest
2017	\$ 380,000	\$ 623,899
2018	395,000	606,461
2019	415,000	589,274
2020	430,000	572,159
2021	445,000	554,166
2022 - 2026	2,540,000	2,454,544
2027 - 2031	3,165,000	1,811,925
2032 - 2036	3,975,000	978,769
2037 - 2038	1,875,000	94,875
Total	<u>\$ 13,620,000</u>	<u>\$ 8,286,072</u>

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.

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.

CITY OF MONROVIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2016

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,	2015 Hillside Lease Revenue Refunding Bonds	
	Principal	Interest
2017	\$ 265,000	\$ 230,194
2018	275,000	222,094
2019	285,000	212,269
2020	295,000	200,669
2021	305,000	187,144
2022 - 2026	1,765,000	684,969
2027 - 2031	2,205,000	257,272
2032	485,000	7,881
Total	<u>\$ 5,880,000</u>	<u>\$ 2,002,492</u>

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, California 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.

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
2017	\$ 155,000	\$ 630,058
2018	265,000	524,531
2019	275,000	516,431
2020	280,000	508,106
2021	290,000	498,106
2022 - 2026	1,630,000	2,298,756
2027 - 2031	2,040,000	1,890,081
2032 - 2036	2,410,000	1,517,834
2037 - 2041	2,820,000	1,101,931
2042 - 2046	3,435,000	446,125
Total	<u>\$ 13,600,000</u>	<u>\$ 9,931,959</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

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

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
2017	\$ 450,000	\$ 726,575
2018	520,000	699,575
2019	595,000	668,375
2020	675,000	632,675
2021	760,000	592,175
2022 - 2026	5,355,000	2,139,250
2027 - 2028	3,065,000	309,719
Total	<u>\$ 11,420,000</u>	<u>\$ 5,768,344</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 8: Governmental Activities Long-Term Debt (Continued)**c. Lease Payable**

1. Internal Service Fund Capital Leases

- i. During January 2013, the City entered into a vehicle lease agreement for a 2013 Ford Edge for the Police Department. Interest on the Ford Edge accrues at 1.95% for a period of 3 years commencing on March 2013. At June 30, 2016, the lease had been paid in full.
- ii. During May 2013, the City entered into a vehicle lease agreement for a 2013 Ford Explorer for the Police Department. Interest on the Ford Explorer accrues at 1.95% for a period of 3 years commencing on May 2013. At June 30, 2016, the lease had been paid in full.
- iii. 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:

<u>Year Ending June 30,</u>	<u>Total</u>
2017	\$ 6,570
2018	<u>5,934</u>
Total Minimum Lease Payments	12,504
Less Amount Representing Interest	<u>(1,886)</u>
Present Value of Net Minimum Lease Payments	<u>\$ 10,618</u>

- iv. 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:

<u>Year Ending June 30,</u>	<u>Total</u>
2017	\$ 14,943
2018	<u>13,577</u>
Total Minimum Lease Payments	28,520
Less Amount Representing Interest	<u>(4,303)</u>
Present Value of Net Minimum Lease Payments	<u>\$ 24,217</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2016

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

- v. 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
2017	\$ 12,973
2018	12,973
2019	<u>12,757</u>
Total Minimum Lease Payments	38,703
Less Amount Representing Interest	<u>(11,977)</u>
Present Value of Net Minimum Lease Payments	<u>\$ 26,726</u>

- vi. 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
2017	\$ 6,207
2018	6,207
2019	<u>2,737</u>
Total Minimum Lease Payments	15,151
Less Amount Representing Interest	<u>(2,284)</u>
Present Value of Net Minimum Lease Payments	<u>\$ 12,867</u>

CITY OF MONROVIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2016

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

- vii. 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
2017	\$ 13,103
2018	13,103
2019	13,103
2020	<u>7,995</u>
Total Minimum Lease Payments	47,304
Less Amount Representing Interest	<u>(17,272)</u>
Present Value of Net Minimum Lease Payments	<u>\$ 30,032</u>

- viii. 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
2017	\$ 5,999
2018	5,999
2019	5,999
2020	<u>2,500</u>
Total Minimum Lease Payments	20,497
Less Amount Representing Interest	<u>(6,345)</u>
Present Value of Net Minimum Lease Payments	<u>\$ 14,152</u>

CITY OF MONROVIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2016

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

- ix. 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
2017	\$ 6,535
2018	6,535
2019	<u>6,552</u>
Total Minimum Lease Payments	19,622
Less Amount Representing Interest	<u>(6,074)</u>
Present Value of Net Minimum Lease Payments	<u>\$ 13,548</u>

- x. 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
2017	\$ 7,301
2018	7,301
2019	7,301
2020	<u>1,704</u>
Total Minimum Lease Payments	23,607
Less Amount Representing Interest	<u>(7,308)</u>
Present Value of Net Minimum Lease Payments	<u>\$ 16,299</u>

CITY OF MONROVIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2016

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

- xi. 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
2017	\$ 13,001
2018	13,001
2019	8,687
2020	<u>2,128</u>
Total Minimum Lease Payments	36,817
Less Amount Representing Interest	<u>(9,218)</u>
Present Value of Net Minimum Lease Payments	<u>\$ 27,599</u>

- xii. 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
2017	\$ 11,993
2018	11,993
2019	7,564
2020	<u>1,500</u>
Total Minimum Lease Payments	33,050
Less Amount Representing Interest	<u>(8,061)</u>
Present Value of Net Minimum Lease Payments	<u>\$ 24,989</u>

CITY OF MONROVIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2016

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

xiii. 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
2017	\$ 15,247
2018	15,247
2019	15,247
2020	<u>3,727</u>
Total Minimum Lease Payments	49,468
Less Amount Representing Interest	<u>(15,311)</u>
Present Value of Net Minimum Lease Payments	<u>\$ 34,157</u>

xiv. 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
2017	\$ 21,416
2018	21,416
2019	21,416
2020	<u>5,736</u>
Total Minimum Lease Payments	69,984
Less Amount Representing Interest	<u>(21,673)</u>
Present Value of Net Minimum Lease Payments	<u>\$ 48,311</u>

CITY OF MONROVIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2016

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

xv. 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
2017	\$ 7,496
2018	7,496
2019	7,496
2020	<u>1,894</u>
Total Minimum Lease Payments	24,382
Less Amount Representing Interest	<u>(7,549)</u>
Present Value of Net Minimum Lease Payments	<u><u>\$ 16,833</u></u>

xvi. 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
2017	\$ 18,743
2018	18,743
2019	<u>10,161</u>
Total Minimum Lease Payments	47,647
Less Amount Representing Interest	<u>(7,224)</u>
Present Value of Net Minimum Lease Payments	<u><u>\$ 40,423</u></u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

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

xvii. 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
2017	\$ 6,601
2018	6,601
2019	6,601
2020	1,359
Total Minimum Lease Payments	21,162
Less Amount Representing Interest	(4,407)
Present Value of Net Minimum Lease Payments	<u>\$ 16,755</u>

xviii. 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
2017	\$ 15,939
2018	15,939
2019	15,939
2020	15,939
2021	14,354
Total Minimum Lease Payments	78,110
Less Amount Representing Interest	(29,006)
Present Value of Net Minimum Lease Payments	<u>\$ 49,104</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, 2016, is \$2,119,738.

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)
JUNE 30, 2016

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, 2016:

	Balance July 1, 2015	Additions	Deletions	Balance July 30, 2016	Due Within One Year
<u>Lease revenue bonds:</u>					
2016 Water and Sewer Revenue Bonds	\$ -	\$ 36,770,000	\$ -	\$ 36,770,000	\$ 400,000
<u>Other long term liabilities</u>					
Compensated Absences	151,779	129,530	159,582	121,727	87,643
Total	<u>\$ 151,779</u>	<u>\$ 36,899,530</u>	<u>\$ 159,582</u>	<u>\$ 36,891,727</u>	<u>\$ 487,643</u>
				Net unamortized bond premium (discount)	
				2,764,801	
				<u>\$ 39,656,528</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
2017	\$ 400,000	\$ 1,731,608
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 - 2026	4,325,000	6,316,488
2027 - 2031	5,455,000	5,153,188
2032 - 2036	6,570,000	4,068,650
2037 - 2041	7,735,000	2,848,856
2042 - 2046	9,375,000	1,152,775
Total	<u>\$ 36,770,000</u>	<u>\$ 26,897,417</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2016

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, 2016, was \$121,727. 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, 2016, 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	30.91%	30.91%

*Closed to new entrants

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2016

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	22.38%	12.93%	12.93%

*Closed to new entrants

Employees Covered

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

	<u>Miscellaneous Plans</u>
Inactive employees or beneficiaries currently receiving benefits	231
Inactive employees entitled to but not yet receiving benefits	505
Active employees	137
	<u>873</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, 2016, the contributions recognized as a reduction to the net pension liability was \$2,546,716 and \$2,674,702 for the miscellaneous and safety plans, respectively.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

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, 2015 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2014 total pension liability. The June 30, 2015 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, 2014 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

GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50 percent used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65 percent used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

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 a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.65 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long-term expected discount rate of 7.65 percent is applied to all plans in the Public Employees Retirement Fund. 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)
JUNE 30, 2016

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

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.50 percent investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65 percent. Using this lower discount rate has resulted in a slightly higher total pension liability and net pension liability. This difference was deemed immaterial to the agent multiple-employer plan. Refer to the sensitivity of the net pension liability for changes in the discount rate.

CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least the 2017-18 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as we have changed our methodology.

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, 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 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 equivalent 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. These geometric rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (1)	Real Return Years 11+ (2)
Global Equity	51.0%	5.25%	5.71%
Global Fixed Income	19.0	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	2.0	(0.55)	(1.05)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2016

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, 2016, the City reported net pension liabilities of each as follows:

Net Pension Liability	
Miscellaneous agent	\$ 37,854,665
Safety cost-sharing proportionate share	36,861,305
Total Net Pension Liability:	<u>\$ 74,715,970</u>

For the Safety proportionate share of the net pension liability, it is measured as of June 30, 2015, 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, 2014 rolled forward to June 30, 2015 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, 2014 and June 30, 2015 is as follows:

	Safety Classic	Safety Fire PEPRA	Safety Police PEPRA	Total Plans
Proportion - June 30, 2014	0.42717%	0.00000%	0.00000%	0.42717%
Proportion - June 30, 2015	0.53703%	0.00000%	0.00000%	0.53703%
Change - Increase (Decrease)	0.10986%	0.00000%	0.00000%	0.10986%

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

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: 6/30/2014 (Valuation Date) (1)	\$ 107,522,595	\$ 70,578,785	\$ 36,943,810
Changes Recognized for the Measurement Period:			
Service Cost	1,785,034	-	1,785,034
Interest on the Total Pension Liability	7,805,621	-	7,805,621
Changes of Benefit Terms	-	-	-
Difference between Expected and Actual	(1,771,353)	-	(1,771,353)
Changes of Assumptions	(1,931,021)	-	(1,931,021)
Contribution from the Employer	-	2,546,716	(2,546,716)
Contributions from Employees	-	924,253	(924,253)
Net Investment Income (2)	-	1,585,632	(1,585,632)
Benefit Payments including Refunds of Employee Contributions	(5,356,957)	(5,356,957)	-
Administrative Expense	-	(79,175)	79,175
Net Changes During 2014-15	<u>531,324</u>	<u>(379,531)</u>	<u>910,855</u>
Balance at: 6/30/2015 (Measurement Date) (1)	<u>\$ 108,053,919</u>	<u>\$ 70,199,254</u>	<u>\$ 37,854,665</u>

Note: Contributions from the Employer (City) has been adjusted from the GASB 68 report to reflect the actual contributions for the year ended June 30, 2015.

- (1) The fiduciary net position includes receivables for employee service buybacks, deficiency reserves, fiduciary self-insurance and OPEB expense. This may differ from the plan assets reported in the funding actuarial valuation report.
(2) Net of administrative expenses.

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%
\$ 111,893,568	\$ 74,715,970	\$ 43,917,470

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)
JUNE 30, 2016

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 2014-15 measurement period is 3.8 years for safety cost-sharing and 2.2 years for miscellaneous agent, which was obtained by dividing the total service years of 467,023 safety and 1,308 miscellaneous (the sum of remaining service lifetimes of the active employees) by 122,410 safety and 583 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, 2016, the City recognized pension expense of \$1,275,867 and \$3,110,976 for the miscellaneous and safety plans, respectively. At June 30, 2016, 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	\$ 2,888,235	\$ -
Change in Assumptions	-	1,053,284
Net Difference between Projected and Actual Experience	-	966,193
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	654,475
Total Miscellaneous	<u>\$ 2,888,235</u>	<u>\$ 2,673,952</u>

CITY OF MONROVIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2016

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

Safety Cost-Sharing Multiple-Employer	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 3,515,143	\$ -
Change in Assumptions	-	1,641,246
Net Difference between Projected and Actual Experience	-	356,842
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	831,794
Adjustment due to Difference in Proportions	67,492	240,946
Adjustment due to Difference in Proportions contribution	-	2,024,696
Total Safety	<u>\$ 3,582,635</u>	<u>\$ 5,095,524</u>
Total Plans	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 6,403,378	\$ -
Change in Assumptions	-	2,694,530
Net Difference between Projected and Actual Experience	-	1,323,035
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	1,486,269
Adjustment due to Difference in Proportions	67,492	240,946
Adjustment due to Difference in Proportions contribution	-	2,024,696
Total Safety	<u>\$ 6,470,870</u>	<u>\$ 7,769,476</u>

\$6,470,870 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

<u>Measurement Period ended June 30:</u>	<u>Deferred Outflows/(Inflows) of Resources</u>
2016	\$ (4,404,626)
2017	(2,980,832)
2018	(2,084,421)
2019	1,767,895

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

Pension Plan Fiduciary Net Position

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

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 \$32,816 (3.75% of current year covered payroll) and employees contributed \$32,816 (3.75% of current year covered payroll). The total covered payroll of employees participating in the plan for the year ended June 30, 2016, was \$875,057.

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, 2014, plan membership consisted of 105 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 \$666,942 was made from the General Fund during the 2015-2016 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, 2014, 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)
 JUNE 30, 2016

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

Annual required contribution (ARC)	\$ 3,099,000
Interest on net OPEB obligation	123,210
Adjustment to ARC	<u>(602,323)</u>
Annual OPEB cost	2,619,887
Contributions made	<u>666,942</u>
(Decrease) increase in Net OPEB obligation	1,952,945
Net OPEB obligation (asset) - beginning of year	<u>12,313,018</u>
Net OPEB obligation (asset) - end of year	<u><u>\$ 14,265,963</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 2015-16 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)
6/30/2014	\$ 2,543	\$ 513	20.17%	\$ 10,408
6/30/2015	2,458	554	22.54%	12,313
6/30/2016	2,620	667	25.46%	14,265

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	1/1/2010	\$ -	\$ 28,308	\$ 28,308	0.0%	\$ 16,464	171.9%	4.25%	13.40%
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%

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, 2014, actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a 4.00% investment rate of return, which is the expected long-term investment return on City investments, a 3% general inflation assumption, an annual aggregate payroll increase rate of 3.25%, and an annual pre-Medicare medical cost trend of 7.5% (HMO) and 7.8% (PPO) for 2016 decreasing to 5.0% after 5 years (the post-Medicare medical cost trend starts 0.4% higher for 2016). 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, 2016, 23 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 ICMA Retirement Corporation to account for the funds. The funds are invested with the assistance of Wells Fargo Insurance Services Investment Advisors, Inc. As of June 30, 2016, the plan assets were \$953,721.96.

Note 13: Risk Management Insurance Pool

a. Independent Cities Risk Management Authority (Authority)

The City became members of the California Joint Powers Insurance Authority 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, 2016, total estimated claims payable for workers' compensation and general liability were \$1,843,195 and \$131,682, respectively.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

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, 2014 through 2016, were as follows:

Year Ended June 30,	Balance July 1,	Claims Increases	Claims Decreases	Balance June 30,	Due Within One Year
2014	\$ 4,956,404	\$ 972,720	\$ (506,673)	\$ 5,422,451	\$ 530,233
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

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 116 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 2015-16 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 x/s \$2 million layer, and (b) \$3 million annual aggregate deductible in the \$5 million x/s \$10 million layer. There is a third annual aggregate deductible in the amount of \$2.5 million in the \$5 million x/s \$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 2015-16, 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 a 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 \$59,597,142. There is a \$5,000 deductible per occurrence except for non-emergency vehicle insurance, which has a \$1,000 deductible. Premiums for the coverage are paid annually and are not subject to retrospective adjustments.

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. Premiums are paid annually and are not subject to retrospective adjustments.

CITY OF MONROVIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

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, 2016:

<u>Project Name</u>	<u>Contract Amount</u>	<u>Remaining Commitments</u>
Monrovia Renewal Water Improvements	\$ 435,120	\$ 435,120
Monrovia Renewal Sidewalk Services	309,116	309,116
Main San Gabriel Basin Water Rights	348,500	348,500
Total Construction Commitments	<u>\$ 1,092,736</u>	<u>\$ 1,092,736</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.

Note 16: Extraordinary Gain/Loss

During fiscal year 2014-2015, a Low-Mod Housing loan to the General Fund for \$467,831 was reversed, based on the State Controller's Asset Transfer Review Report, dated December 31, 2014. Due to laws enacted because of the dissolution of redevelopment agencies, the City was not able to transfer the land back until the current fiscal year to the General Fund. The City setup an allowance for adjustment to market value in the amount of \$114,041. This results in an extraordinary gain to the City and loss to the Housing Successor in the amount of \$353,790.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2016

Note 17: 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	\$ 7,471,989
Cash and investments with fiscal agent	<u>3,252,651</u>
	<u>\$ 10,724,640</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2016

Note 17: 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, 2016, the balance including interest was: \$ 365,821

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, 2016, 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, 2016, the balance of the loan outstanding, less sales tax generated back to the City of \$13,061, was: 87,574

CITY OF MONROVIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2016

Note 17: 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, 2016, the balance of the loan outstanding, including the deferred interest amount of \$87,760, was:

	1,562,760
Total Loans Receivable:	\$ 2,106,030

c. Capital Assets

An analysis of capital assets as of June 30, 2016, 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:				
Machinery and equipment	628,990	47,071	-	676,061
Vehicles	7,145	-	-	7,145
Total Accumulated Depreciation	636,135	47,071	-	683,206
Total Capital Assets, Being Depreciated, Net	1,724,542	(47,071)	-	1,677,471
Governmental Activities Capital Assets, Net	\$ 2,125,180	\$ (47,071)	\$ -	\$ 2,078,109

CITY OF MONROVIA

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016**

Note 17: 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, 2016.

	Balance July 1, 2015	Additions	Repayments	Balance June 30, 2016	Due Within One Year
Fiduciary Activities					
Successor Agency of the Former RDA					
<u>Tax allocation bonds:</u>					
2006A Tax Allocation Refunding Bonds	\$ 18,775,000	\$ -	\$ 18,775,000	\$ -	\$ -
2006B Tax Allocation Bonds	3,400,000	-	3,400,000	-	-
2007 Tax Allocation Bonds	4,200,000	-	245,000	3,955,000	255,000
2011 Housing Tax Allocation Bonds	6,415,000	-	440,000	5,975,000	455,000
2012 Subordinate Tax Allocation Refunding Bonds	11,710,000	-	695,000	11,015,000	725,000
2013A Subordinate Tax Allocation Refunding Bonds	10,890,000	-	1,025,000	9,865,000	1,045,000
2013B Subordinate Tax Allocation Refunding Bonds	3,515,000	-	365,000	3,150,000	380,000
2015A Tax Allocation Refunding Bond	-	19,770,000	785,000	18,985,000	965,000
2015B Tax Allocation Refunding Bond	-	3,890,000	25,000	3,865,000	30,000
<u>Other long term liabilities:</u>					
Due to Other Governments	5,281,167	-	-	5,281,167	-
Total	\$ 64,186,167	\$ 23,660,000	\$ 25,755,000	62,091,167	\$ 3,855,000
			Unamortized Premiums/(Discounts)	927,619	
			Total Long-term Debt	\$ 63,018,786	

A description of the individual issues of bonds of the Successor Agency of the Former Redevelopment Agency outstanding as of June 30, 2016, follows:

2006 A Taxable Tax Allocation Refunding Bonds

On May 11, 2006, the Agency issued Central Redevelopment Project Area No. 1 Tax Allocation Refunding bonds in the amount of \$23,450,000. The proceeds of the bonds were used to pay off the loan agreement with Zions First National Bank in the amount of \$3,675,000 and the Agency's \$20,585,000 Subordinate Taxable Tax Allocation Refunding Bonds, Issue of 1998A currently outstanding in the principal amount of \$17,775,000 with a loss on defeasance of \$1,048,613 which will be amortized over the life of the 2006A Tax Allocation Refunding Bonds.

The 2006A Bonds are subject to mandatory redemption from sinking account payments, in part by lot, on May 1, 2017, for the 2023 Term Bonds and May 1, 2024, for the 2028 Term Bonds and on each May 1 thereafter at a redemption price equal to the principal amount thereof plus accrued interest to the redemption date, without premium.

The bonds mature between 2007 and 2016, with principal payments ranging from \$495,000 to \$665,000 and interest rates from 5.380% to 5.820%. Term bonds in the amount of \$5,960,000 mature on May 1, 2023, and bear interest of 6.150%. Term bonds in the amount of \$12,150,000 mature on May 1, 2028, and bear interest of 6.280%.

This bond was refunded during the current year with the issuance of the 2015A and 2015B Tax Allocation Refunding Bonds.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2016

Note 17: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)

2006 B Tax Allocation Bonds

On May 11, 2006, the Agency issued Central Redevelopment Project Area No. 1 Tax Allocation bonds in the amount of \$3,400,000 for the purpose of providing moneys to finance the Redevelopment Plan. The Term Bond of \$3,400,000 matures on May 1, 2036, bearing interest of 4.750%.

This bond was refunded during the current year with the issuance of the 2015A and 2015B Tax Allocation Refunding Bonds.

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. The balance outstanding at June 30, less unamortized original issue discount and the remaining debt service payments are as follows:

Year Ending June 30,	2007 Taxable Tax Allocation Bonds	
	Principal	Interest
2017	\$ 255,000	\$ 227,253
2018	270,000	213,738
2019	285,000	198,213
2020	300,000	181,826
2021	320,000	164,576
2022 - 2026	1,905,000	523,878
2027 - 2031	490,000	121,283
2032 - 2036	115,000	19,899
2037	15,000	891
Total	<u>\$ 3,955,000</u>	<u>\$ 1,651,557</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 17: 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%. The balance outstanding at June 30, less outstanding original discount and the remaining debt service payments are as follows:

Year Ending June 30,	2011 Housing Tax Allocation Bonds	
	Principal	Interest
2017	\$ 455,000	\$ 368,963
2018	480,000	346,213
2019	505,000	321,013
2020	535,000	293,238
2021	565,000	262,475
2022 - 2026	2,110,000	813,000
2026 - 2031	825,000	393,990
2032 - 2036	500,000	71,070
Totals	<u>\$ 5,975,000</u>	<u>\$ 2,869,962</u>

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:

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 17: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)

Year Ending June 30,	2012 Subordinate Tax Allocation Refunding Bonds	
	Principal	Interest
2017	\$ 725,000	\$ 463,963
2018	755,000	434,363
2019	785,000	403,563
2020	815,000	371,563
2021	845,000	341,531
2022 - 2026	4,735,000	1,173,700
2027 - 2031	1,890,000	237,250
2032 - 2036	380,000	70,750
2037	85,000	2,125
Totals	<u>\$ 11,015,000</u>	<u>\$ 3,498,808</u>

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
2017	\$ 1,045,000	\$ 450,900
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 - 2024	4,145,000	317,625
Totals	<u>\$ 9,865,000</u>	<u>\$ 2,072,150</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 17: 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
2017	\$ 380,000	\$ 118,366
2018	385,000	107,518
2019	400,000	94,743
2020	415,000	79,546
2021	430,000	62,750
2022 - 2024	1,140,000	71,963
Totals	<u>\$ 3,150,000</u>	<u>\$ 534,886</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2016

Note 17: 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
2017	\$ 965,000	\$ 640,011
2018	990,000	620,711
2019	1,000,000	600,911
2020	1,030,000	575,911
2021	1,065,000	549,131
2022 - 2026	12,900,000	1,943,081
2027	1,035,000	62,600
Totals	<u>\$ 18,985,000</u>	<u>\$ 4,992,356</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 2015B 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:

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2016

Note 17: Successor Agency Trust For Assets of Former Redevelopment Agency (Continued)

Year Ending June 30,	2015B Taxable Tax Allocation Refunding Bonds	
	Principal	Interest
2017	\$ 30,000	\$ 132,645
2018	30,000	131,745
2019	30,000	130,545
2020	35,000	129,345
2021	35,000	127,945
2022 - 2026	280,000	621,795
2027 - 2031	2,405,000	505,750
2032 - 2036	1,020,000	60,725
Totals	<u>\$ 3,865,000</u>	<u>\$ 1,840,495</u>

e. Due to Other Governments

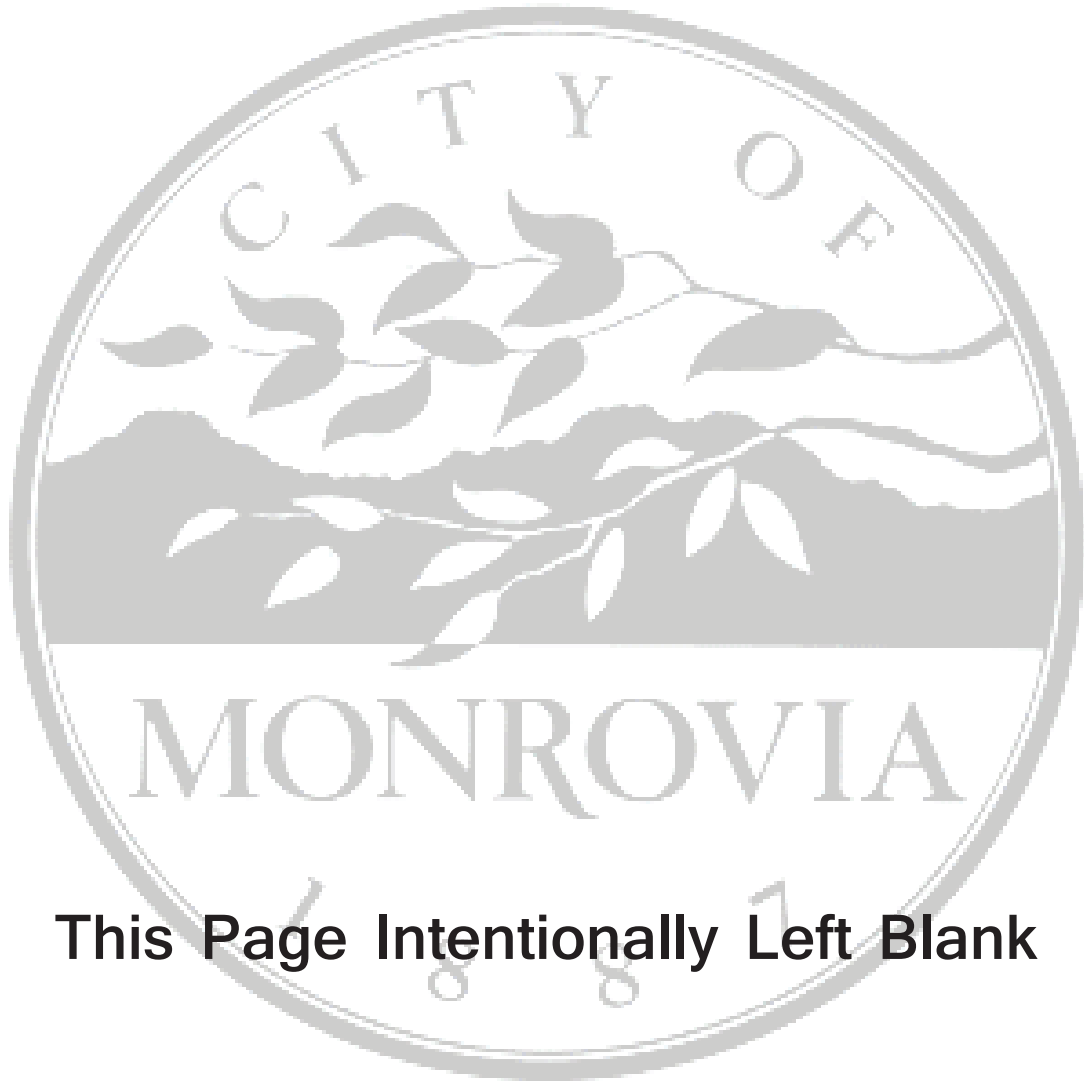
In an agreement dated July 24, 1990, between the Agency, the City of Monrovia, the Flood Control District of Los Angeles County (District) and the County of Los Angeles (County), the Agency agreed to pay to the County and District a portion of tax increment revenue received. The Agency is entitled to 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, 2016, 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 \$79,551,381 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 \$4,217,748 and the debt service obligation on the bonds was \$5,608,512.

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.



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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)**

	2016	2015
Total Pension Liability		
Service cost	\$ 1,785,034	\$ 1,945,825
Interest on total pension liability	7,805,621	7,606,239
Differences between expected and actual experience	(1,771,353)	-
Changes in assumptions	(1,931,021)	-
Benefit payments, including refunds of employee contributions	(5,356,957)	(4,946,152)
Net change in total pension liability	531,324	4,605,912
Total pension liability - beginning	107,522,595	102,916,683
Total pension liability - ending (a)	\$ 108,053,919	\$ 107,522,595
 Plan Fiduciary Net Position		
Contributions - employer	\$ 2,546,716	\$ 2,375,009
Contributions - employee	924,253	911,780
Difference in projected and actual earnings	(3,734,084)	-
Net investment income	5,319,716	10,617,828
Benefit payments	(5,356,957)	(4,946,152)
Administration Expense	(79,175)	-
Net change in plan fiduciary net position	(379,531)	8,958,465
Plan fiduciary net position - beginning	70,578,785	61,620,320
Plan fiduciary net position - ending (b)	\$ 70,199,254	\$ 70,578,785
 Net pension liability - ending (a)-(b)	 \$ 37,854,665	 \$ 36,943,810
 Plan fiduciary net position as a percentage of the total pension liability	 64.97%	 65.64%
 Covered-employee payroll	 \$ 8,746,943	 \$ 9,433,771
 Net pension liability as a percentage of covered-employee payroll	 432.78%	 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, 2014 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions: The discount rate was changed from 7.5 percent (net of administration expense) to 7.65 percent.

(1) Fiscal Year 2015 was the first year of implementation, therefore two 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>2016</u>	<u>2015</u>
MISCELLANEOUS CLASSIC:		
Actuarially Determined Contribution	\$ 2,454,498	\$ 2,360,528
Contribution in Relation to the Actuarially Determined Contributions	<u>(2,454,498)</u>	<u>(2,360,528)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>
 Covered-Employee Payroll	 \$ 7,430,056	 \$ 8,058,826
 Contributions as a Percentage of Covered-Employee Payroll	 33.03%	 29.29%
MISCELLANEOUS CLASSIC:		
Actuarially Determined Contribution	\$ 433,737	\$ 186,188
Contribution in Relation to the Actuarially Determined Contributions	<u>(433,737)</u>	<u>(186,188)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>
 Covered-Employee Payroll	 \$ 1,392,194	 \$ 688,117
 Contributions as a Percentage of Covered-Employee Payroll	 31.15%	 27.06%

(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 two years are shown.

Note to Schedule:

Valuation Date:	June 30, 2013
Methods and assumptions used to determine contribution rates:	
Single and Agent Employers	Entry age normal
Amortization method	Level Percent of Payroll
Assets valuation method	Market 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>2016</u>	<u>2015</u>
SAFETY CLASSIC:		
Proportion of the Net Pension Liability	0.53704%	0.49830%
Proportionate Share of the Net Pension Liability	\$ 36,862,123	\$ 31,006,504
Covered-Employee Payroll	\$ 7,473,575	\$ 9,306,810
Proportionate Share of the Net Pension Liability as Percentage of Covered-Employee Payroll	493.23%	333.16%
PEPRA SAFETY POLICE PLAN:		
Proportion of the Net Pension Liability	0.00000%	
Proportionate Share of the Net Pension Liability	\$ (537)	
Covered-Employee Payroll	\$ 387,619	
Proportionate Share of the Net Pension Liability as Percentage of Covered-Employee Payroll	-0.14%	
SAFETY PEPRA:		
Proportion of the Net Pension Liability	0.00000%	
Proportionate Share of the Net Pension Liability	\$ (281)	
Covered-Employee Payroll	\$ 148,161	
Proportionate Share of the Net Pension Liability as Percentage of Covered-Employee Payroll	-0.19%	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	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, 2014 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions: The discount rate was changed from 7.5 percent (net of administration expense) to 7.65 percent.

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore two 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>2016</u>	<u>2015</u>
SAFETY CLASSIC:		
Actuarially Determined Contribution	\$ 3,407,303	\$ 2,601,155
Contribution in Relation to the Actuarially Determined Contributions	<u>(3,407,303)</u>	<u>(2,601,155)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>
Covered-Employee Payroll	\$ 7,382,545	\$ 7,473,575
Contributions as a Percentage of Covered-Employee Payroll	46.15%	34.80%
SAFETY FIRE PEPR A:		
Actuarially Determined Contribution	\$ 71,388	\$ 54,048
Contribution in Relation to the Actuarially Determined Contributions	<u>(71,388)</u>	<u>(54,048)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>
Covered-Employee Payroll	\$ 515,112	\$ 387,619
Contributions as a Percentage of Covered-Employee Payroll	13.86%	13.94%
SAFETY POLICE PEPR A:		
Actuarially Determined Contribution	\$ 36,452	\$ 19,499
Contribution in Relation to the Actuarially Determined Contributions	<u>(36,452)</u>	<u>(19,499)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>
Covered-Employee Payroll	\$ 263,859	\$ 148,161
Contributions as a Percentage of Covered-Employee Payroll	13.81%	13.16%

(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 two years are shown.

Note to Schedule:

Valuation Date:	June 30, 2013
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	2.75%
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, 2016**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 3,864,676	\$ 3,864,676	\$ 3,864,676	\$ -
Resources (Inflows):				
Taxes	23,564,837	24,497,705	25,043,636	545,931
Licenses and permits	731,005	871,005	1,408,368	537,363
Intergovernmental	777,545	789,980	1,659,869	869,889
Charges for services	3,052,632	2,756,283	3,197,813	441,530
Use of money and property	395,380	345,380	360,966	15,586
Fines and forfeitures	317,600	317,600	263,280	(54,320)
Contributions	89,925	89,925	101,972	12,047
Miscellaneous	612,095	612,095	768,948	156,853
Transfers in	8,977,182	8,977,182	9,026,377	49,195
Extraordinary gain	-	-	353,790	353,790
Amounts Available for Appropriations	42,382,877	43,121,831	46,049,695	2,927,864
Charges to Appropriations (Outflow):				
General government				
City Council	221,276	220,116	167,395	52,721
City Manager	626,618	615,428	588,947	26,481
Community Relations	94,742	94,162	66,139	28,023
City Clerk	464,639	485,551	497,791	(12,240)
City Clerk Elections	1,822	1,322	1,117	205
Passport Program	81,952	125,987	125,396	591
City Treasurer	17,099	15,667	15,447	220
City Attorney	477,000	477,000	330,167	146,833
Finance Administration	202,327	205,427	242,861	(37,434)
Finance Operations	901,168	966,573	879,997	86,576
Human Resources	308,451	365,702	330,125	35,577
Non-departmental	1,650,368	1,268,998	1,407,447	(138,449)
Public safety				
Emergency Services	40,134	40,134	40,525	(391)
Police Administration	445,105	452,305	470,738	(18,433)
Police Services	1,871,206	1,900,961	1,925,330	(24,369)
Police Patrol	7,185,562	7,223,981	7,619,801	(395,820)
Communication Crime Analysis	1,244,408	1,249,839	1,434,780	(184,941)
Community Policing	482,618	469,642	429,883	39,759
Animal License	176,806	176,806	171,798	5,008
Fire Administration	505,185	581,685	590,793	(9,108)
Fire Suppression	8,529,274	8,714,610	8,780,838	(66,228)
Prevention	240,871	242,678	257,924	(15,246)
Emergency Medical Services	382,577	382,577	364,244	18,333
Emergency Preparedness	15,324	15,324	15,079	245
Detectives	1,768,891	1,805,471	1,817,877	(12,406)
Community development				
Community Development Admin/Econ Dev	333,475	333,475	419,636	(86,161)
Building	984,123	1,252,141	1,255,723	(3,582)
Business License	127,579	130,115	140,441	(10,326)
Planning	651,397	685,717	701,010	(15,293)
Parks and recreation				
Community Services Administration	845,762	877,266	829,780	47,486
Senior Program	16,733	16,733	29,338	(12,605)
PR - Recreation Services 621	16,560	16,560	9,289	7,271
Library	1,771,675	1,824,414	1,743,476	80,938
Youth Center	1,000	1,000	-	1,000
Historical Museum	62,412	62,412	65,404	(2,992)
Community Center Operations	414,897	414,897	433,162	(18,265)
Concerts in the Park	15,060	15,060	21,535	(6,475)
Contract Classes	80,215	80,215	83,659	(3,444)
Urban Park Rental Programs	6,988	6,988	4,042	2,946
Monrovia Reads and Play	35,098	35,098	31,270	3,828
Library Reference	180,369	180,369	175,090	5,279
Children's Library	88,863	88,863	88,851	12
Library Circulation	21,000	21,000	21,000	-
Public Relations	70,750	74,750	71,614	3,136
Special Activities	26,766	36,766	64,792	(28,026)
Youth Sports	113,202	113,202	141,161	(27,959)
Wilderness Management Program	151,066	84,734	74,039	10,695
Canyon Park	410,965	410,965	300,085	110,880
Public works				
Public Works Administration	260,379	259,587	200,403	59,184
Engineering	316,176	391,176	421,751	(30,575)
Parks Maintenance	647,296	673,052	629,333	43,719
Capital outlay	580	580	-	580
Debt service:				
Interest and fiscal charges	500	500	368	132
Transfers out	2,279,934	2,299,934	1,853,922	446,012
Total Charges to Appropriations	37,866,243	38,485,515	38,382,613	102,902
Budgetary Fund Balance, June 30	\$ 4,516,634	\$ 4,636,316	\$ 7,667,082	\$ 3,030,766

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
GANG VIOLENCE AND DRUG ABUSE GRANTS
YEAR ENDED JUNE 30, 2016**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (781,772)	\$ (781,772)	\$ (781,772)	\$ -
Resources (Inflows):				
Intergovernmental	10,246,842	10,246,842	6,959,586	(3,287,256)
Use of money and property	2,000	2,000	2,268	268
Miscellaneous	-	-	16,147	16,147
Amounts Available for Appropriations	9,467,070	9,467,070	6,196,229	(3,270,841)
Charges to Appropriations (Outflow):				
Public safety	10,246,842	10,246,843	6,660,449	3,586,394
Total Charges to Appropriations	10,246,842	10,246,843	6,660,449	3,586,394
Budgetary Fund Balance, June 30	\$ (779,772)	\$ (779,773)	\$ (464,220)	\$ 315,553

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
MONROVIA HOUSING AUTHORITY
YEAR ENDED JUNE 30, 2016**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 4,263,723	\$ 4,263,723	\$ 4,263,723	\$ -
Resources (Inflows):				
Use of money and property	17,000	17,000	22,523	5,523
Miscellaneous	2,500	2,500	220,358	217,858
Transfers in	112,635	112,635	12,391	(100,244)
Amounts Available for Appropriations	4,395,858	4,395,858	4,518,995	123,137
Charges to Appropriations (Outflow):				
Community development	130,346	136,046	111,414	24,632
Transfers out	-	-	23,991	(23,991)
Extraordinary loss	-	-	353,790	(353,790)
Total Charges to Appropriations	130,346	136,046	489,195	(353,149)
Budgetary Fund Balance, June 30	\$ 4,265,512	\$ 4,259,812	\$ 4,029,800	\$ (230,012)

CITY OF MONROVIA

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2016**

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.

The Bikeway Special Revenue Fund did not have a legally adopted budget.

CITY OF MONROVIA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)
JUNE 30, 2016

Expenditures Exceeding Appropriations

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

<u>Fund</u>	<u>Appropriation</u>	<u>Actual</u>	<u>Excess</u>
General Fund:			
General government			
City clerk elections	\$ 485,551	\$ 497,791	\$ (12,240)
Finance administration	205,427	242,861	(37,434)
Non-departmental	1,285,558	1,411,363	(125,805)
Public safety			
Emergency services	40,134	40,525	(391)
Police administration	452,305	470,738	(18,433)
Police services	1,900,961	1,925,330	(24,369)
Police patrol	7,223,981	7,619,531	(395,550)
Communication crime analysis	1,249,839	1,434,780	(184,941)
Fire Administration	581,685	590,793	(9,108)
Fire suppression	8,714,610	8,780,838	(66,228)
Prevention	242,678	257,924	(15,246)
Detectives	1,805,471	1,817,877	(12,406)
Community development			
Community development admin	333,475	419,636	(86,161)
Building	1,252,141	1,255,723	(3,582)
Business License	130,115	140,441	(10,326)
Planning	685,717	701,010	(15,293)
Parks and recreation			
Senior Program	16,733	29,338	(12,605)
Community Center operations	414,897	433,162	(18,265)
Historical museum	62,412	65,404	(2,992)
Concerts in the park	15,060	21,535	(6,475)
Public relations	80,215	83,659	(3,444)
Special activities	36,766	64,792	(28,026)
Youth sports	113,202	141,161	(27,959)
Public works			
Engineering	391,176	421,751	(30,575)
Monrovia Housing Authority Fund	136,046	489,195	(353,149)

NON MAJOR GOVERNMENTAL FUNDS

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

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.

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, 2016

Special Revenue Funds

	<u>Retirement</u>	<u>Proposition A</u>	<u>Proposition C</u>	<u>AB 2766</u>
Assets:				
Pooled cash and investments	\$ 2,736,804	\$ 9,553	\$ 1,956,904	\$ 336,201
Receivables:				
Accounts	-	270,735	-	12,798
Taxes	143,483	-	-	-
Grants	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
Total Assets	<u>\$ 2,880,287</u>	<u>\$ 280,288</u>	<u>\$ 1,956,904</u>	<u>\$ 348,999</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ 60,603	\$ -	\$ 7,692
Accrued liabilities	-	-	465	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Total Liabilities	<u>-</u>	<u>60,603</u>	<u>465</u>	<u>7,692</u>
Deferred Inflows of Resources:				
Unavailable revenues	-	30,329	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>30,329</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Nonspendable:				
Permanent fund principal	-	-	-	-
Restricted for:				
Public safety	-	-	-	-
Public works	-	-	-	-
Debt service	-	-	-	-
Retirement	2,880,287	-	-	-
Transportation	-	189,356	1,956,439	-
Air Quality	-	-	-	341,307
Street Repair and Maintenance	-	-	-	-
Library	-	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>2,880,287</u>	<u>189,356</u>	<u>1,956,439</u>	<u>341,307</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,880,287</u>	<u>\$ 280,288</u>	<u>\$ 1,956,904</u>	<u>\$ 348,999</u>

CITY OF MONROVIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016

(CONTINUED)

	<u>Special Revenue Funds</u>			
	<u>Traffic Safety</u>	<u>State Gasoline Tax</u>	<u>Bikeway</u>	<u>Library Grant</u>
Assets:				
Pooled cash and investments	\$ 146,427	\$ -	\$ -	\$ 94,899
Receivables:				
Accounts	53,944	-	17,258	-
Taxes	-	-	-	-
Grants	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 200,371	\$ -	\$ 17,258	\$ 94,899
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 25,570	\$ -	\$ -	\$ -
Accrued liabilities	486	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	17,258	-
Advances from other funds	-	-	-	-
Total Liabilities	26,056	-	17,258	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable:				
Permanent fund principal	-	-	-	-
Restricted for:				
Public safety	174,315	-	-	-
Public works	-	-	-	-
Debt service	-	-	-	-
Retirement	-	-	-	-
Transportation	-	-	-	-
Air Quality	-	-	-	-
Street Repair and Maintenance	-	-	-	-
Library	-	-	-	94,899
Unassigned	-	-	-	-
Total Fund Balances	174,315	-	-	94,899
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 200,371	\$ -	\$ 17,258	\$ 94,899

CITY OF MONROVIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016

	Special Revenue Funds			
	Fire Hazmat	Community Development Block Grant	Asset Forfeiture	Police Grants
Assets:				
Pooled cash and investments	\$ 60,997	\$ -	\$ 98	\$ -
Receivables:				
Accounts	92,647	-	10,464	134
Taxes	-	-	-	-
Grants	-	166,721	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 153,644	\$ 166,721	\$ 10,562	\$ 134
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 10	\$ 167	\$ -	\$ -
Accrued liabilities	5,903	-	4,092	-
Due to other governments	-	-	-	-
Due to other funds	-	172,201	10,561	27,123
Advances from other funds	-	-	-	-
Total Liabilities	5,913	172,368	14,653	27,123
Deferred Inflows of Resources:				
Unavailable revenues	88,300	-	-	-
Total Deferred Inflows of Resources	88,300	-	-	-
Fund Balances:				
Nonspendable:				
Permanent fund principal	-	-	-	-
Restricted for:				
Public safety	59,431	-	-	-
Public works	-	-	-	-
Debt service	-	-	-	-
Retirement	-	-	-	-
Transportation	-	-	-	-
Air Quality	-	-	-	-
Street Repair and Maintenance	-	-	-	-
Library	-	-	-	-
Unassigned	-	(5,647)	(4,091)	(26,989)
Total Fund Balances	59,431	(5,647)	(4,091)	(26,989)
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 153,644	\$ 166,721	\$ 10,562	\$ 134

CITY OF MONROVIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016

(CONTINUED)

	Special Revenue Funds			
	Lighting and Landscaping Assessment District	Park Maint. Assessment District	Business Improvement District	Fire Grants
Assets:				
Pooled cash and investments	\$ 391,572	\$ 85,754	\$ 29,883	\$ -
Receivables:				
Accounts	975	-	227	-
Taxes	18,923	4,162	-	-
Grants	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 411,470	\$ 89,916	\$ 30,110	\$ -
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 109,403	\$ 357	\$ 2,500	\$ -
Accrued liabilities	-	-	-	-
Due to other governments	-	-	-	3,535
Due to other funds	-	-	-	7,267
Advances from other funds	34,832	23,224	-	-
Total Liabilities	144,235	23,581	2,500	10,802
Deferred Inflows of Resources:				
Unavailable revenues	975	-	227	-
Total Deferred Inflows of Resources	975	-	227	-
Fund Balances:				
Nonspendable:				
Permanent fund principal	-	-	-	-
Restricted for:				
Public safety	-	-	-	-
Public works	266,260	66,335	27,383	-
Debt service	-	-	-	-
Retirement	-	-	-	-
Transportation	-	-	-	-
Air Quality	-	-	-	-
Street Repair and Maintenance	-	-	-	-
Library	-	-	-	-
Unassigned	-	-	-	(10,802)
Total Fund Balances	266,260	66,335	27,383	(10,802)
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 411,470	\$ 89,916	\$ 30,110	\$ -

CITY OF MONROVIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016

	Special Revenue Funds	Capital Projects Funds		
	Measure R	Street Maintenance	Hillside Acquisition Capital Project	Library Bond Construction Project
Assets:				
Pooled cash and investments	\$ 2,153,689	\$ 365,723	\$ -	\$ 238,668
Receivables:				
Accounts	-	1,543	-	-
Taxes	-	-	-	-
Grants	-	7,364	81,895	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 2,153,689	\$ 374,630	\$ 81,895	\$ 238,668
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 403	\$ 83,081	\$ -	\$ -
Accrued liabilities	-	3,707	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	289	-
Advances from other funds	-	92,881	-	-
Total Liabilities	403	179,669	289	-
Deferred Inflows of Resources:				
Unavailable revenues	-	8,908	81,895	-
Total Deferred Inflows of Resources	-	8,908	81,895	-
Fund Balances:				
Nonspendable:				
Permanent fund principal	-	-	-	-
Restricted for:				
Public safety	-	-	-	-
Public works	-	-	-	-
Debt service	-	-	-	-
Retirement	-	-	-	-
Transportation	2,153,286	-	-	-
Air Quality	-	-	-	-
Street Repair and Maintenance	-	186,053	-	-
Library	-	-	-	238,668
Unassigned	-	-	(289)	-
Total Fund Balances	2,153,286	186,053	(289)	238,668
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 2,153,689	\$ 374,630	\$ 81,895	\$ 238,668

CITY OF MONROVIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016

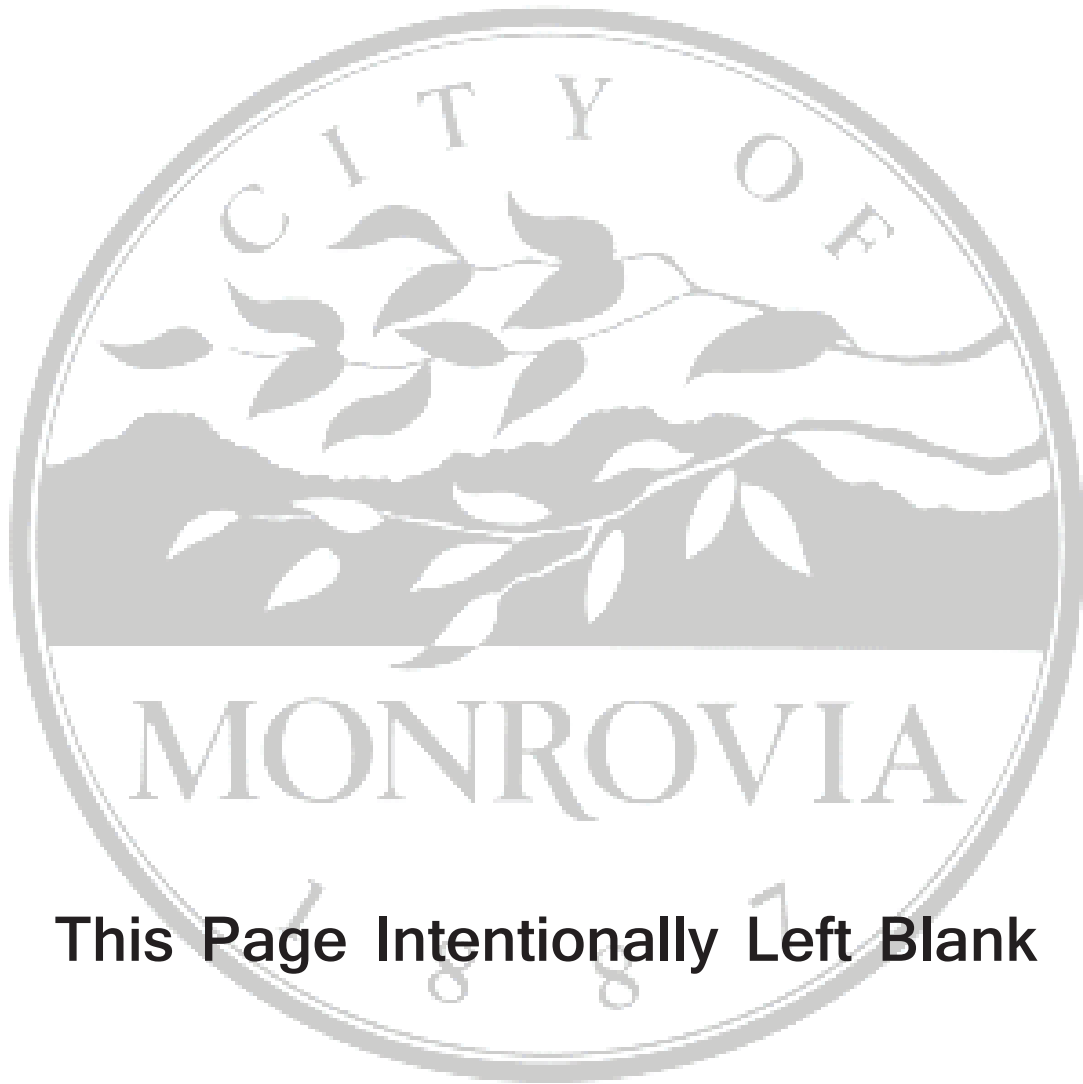
(CONTINUED)

	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	\$ 296,483	\$ 843,165	\$ 11,226	\$ 1,145
Receivables:				
Accounts	-	-	-	-
Taxes	14,254	19,994	-	-
Grants	-	-	-	-
Restricted assets:				
Cash and investments	-	-	-	802,177
Cash and investments with fiscal agents	5	-	10	-
Total Assets	\$ 310,742	\$ 863,159	\$ 11,236	\$ 803,322
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
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	310,742	863,159	11,236	803,322
Retirement	-	-	-	-
Transportation	-	-	-	-
Air Quality	-	-	-	-
Street Repair and Maintenance	-	-	-	-
Library	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	310,742	863,159	11,236	803,322
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 310,742	\$ 863,159	\$ 11,236	\$ 803,322

CITY OF MONROVIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016

	Permanent Funds	Total Nonmajor Governmental Funds
	Miller Memorial Trust Fund	
Assets:		
Pooled cash and investments	\$ 100,169	\$ 9,859,360
Receivables:		
Accounts	-	460,725
Taxes	-	200,816
Grants	-	255,980
Restricted assets:		
Cash and investments	-	802,177
Cash and investments with fiscal agents	-	15
Total Assets	\$ 100,169	\$ 11,579,073
Liabilities, Deferred Inflows of Resources, and Fund Balances:		
Liabilities:		
Accounts payable	\$ -	\$ 289,786
Accrued liabilities	-	14,653
Due to other governments	-	3,535
Due to other funds	-	234,699
Advances from other funds	-	150,937
Total Liabilities	-	693,610
Deferred Inflows of Resources:		
Unavailable revenues	-	210,634
Total Deferred Inflows of Resources	-	210,634
Fund Balances:		
Nonspendable:		
Permanent fund principal	100,169	100,169
Restricted for:		
Public safety	-	233,746
Public works	-	359,978
Debt service	-	1,988,459
Retirement	-	2,880,287
Transportation	-	4,299,081
Air Quality	-	341,307
Street Repair and Maintenance	-	186,053
Library	-	333,567
Unassigned	-	(47,818)
Total Fund Balances	100,169	10,674,829
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 100,169	\$ 11,579,073



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CITY OF MONROVIA

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

	Special Revenue Funds			
	Retirement	Proposition A	Proposition C	AB 2766
Revenues:				
Taxes	\$ 5,959,025	\$ 670,783	\$ -	\$ -
Assessments	-	-	-	-
Intergovernmental	-	346,344	557,787	47,961
Charges for services	-	37,557	-	4,323
Use of money and property	14,102	1,607	13,568	2,625
Fines and forfeitures	-	-	-	-
Total Revenues	5,973,127	1,056,291	571,355	54,909
Expenditures:				
Current:				
General government	146,918	-	-	-
Public safety	-	-	-	-
Community development	-	1,077,872	-	-
Parks and recreation	-	-	-	-
Public works	-	-	44,450	52,571
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	146,918	1,077,872	44,450	52,571
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,826,209	(21,581)	526,905	2,338
Other Financing Sources (Uses):				
Transfers in	1,700,000	-	-	-
Transfers out	(6,960,435)	-	-	-
Lease revenue bonds issued	-	-	-	-
Bond premium	-	-	-	-
Total Other Financing Sources (Uses)	(5,260,435)	-	-	-
Net Change in Fund Balances	565,774	(21,581)	526,905	2,338
Fund Balances, Beginning of Year	2,314,513	210,937	1,429,534	338,969
Fund Balances, End of Year	\$ 2,880,287	\$ 189,356	\$ 1,956,439	\$ 341,307

CITY OF MONROVIA

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

(CONTINUED)

	Special Revenue Funds			
	Traffic Safety	State Gasoline Tax	Bikeway	Library Grant
Revenues:				
Taxes	\$ -	\$ 809,602	\$ 17,258	\$ -
Assessments	-	-	-	-
Intergovernmental	-	-	-	35,771
Charges for services	-	-	-	-
Use of money and property	1,057	-	-	872
Fines and forfeitures	618,011	-	-	-
Total Revenues	619,068	809,602	17,258	36,643
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	506,682	-	-	-
Community development	-	-	-	-
Parks and recreation	-	-	-	46,884
Public works	-	-	17,258	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	506,682	-	17,258	46,884
Excess (Deficiency) of Revenues Over (Under) Expenditures	112,386	809,602	-	(10,241)
Other Financing Sources (Uses):				
Transfers in	31,650	-	-	20,678
Transfers out	(91,115)	(809,602)	-	-
Lease revenue bonds issued	-	-	-	-
Bond premium	-	-	-	-
Total Other Financing Sources (Uses)	(59,465)	(809,602)	-	20,678
Net Change in Fund Balances	52,921	-	-	10,437
Fund Balances, Beginning of Year	121,394	-	-	84,462
Fund Balances, End of Year	\$ 174,315	\$ -	\$ -	\$ 94,899

CITY OF MONROVIA

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

	<u>Special Revenue Funds</u>			
	<u>Fire Hazmat</u>	<u>Community Development Block Grant</u>	<u>Asset Forfeiture</u>	<u>Police Grants</u>
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Assessments	-	-	-	-
Intergovernmental	-	237,661	63,450	114,618
Charges for services	149,585	-	5,902	-
Use of money and property	323	-	-	-
Fines and forfeitures	-	-	18,493	-
Total Revenues	149,908	237,661	87,845	114,618
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	108,640	-	229,754	109,689
Community development	-	341,405	-	-
Parks and recreation	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	4,929
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	108,640	341,405	229,754	114,618
Excess (Deficiency) of Revenues Over (Under) Expenditures	41,268	(103,744)	(141,909)	-
Other Financing Sources (Uses):				
Transfers in	13,954	104,481	137,818	-
Transfers out	(18,492)	-	-	-
Lease revenue bonds issued	-	-	-	-
Bond premium	-	-	-	-
Total Other Financing Sources (Uses)	(4,538)	104,481	137,818	-
Net Change in Fund Balances	36,730	737	(4,091)	-
Fund Balances, Beginning of Year	22,701	(6,384)	-	(26,989)
Fund Balances, End of Year	\$ 59,431	\$ (5,647)	\$ (4,091)	\$ (26,989)

CITY OF MONROVIA

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

(CONTINUED)

	Special Revenue Funds			
	Lighting and Landscaping Assessment District	Park Maint. Assessment District	Business Improvement District	Fire Grants
Revenues:				
Taxes	\$ -	\$ -	\$ 4,500	\$ -
Assessments	1,037,577	209,768	85,469	-
Intergovernmental	-	-	-	450,000
Charges for services	-	-	20,000	-
Use of money and property	2,468	713	242	-
Fines and forfeitures	-	-	-	-
Total Revenues	1,040,045	210,481	110,211	450,000
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	451,113
Community development	-	-	90,485	-
Parks and recreation	-	-	-	-
Public works	1,125,374	235,954	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	151	99	-	-
Total Expenditures	1,125,525	236,053	90,485	451,113
Excess (Deficiency) of Revenues Over (Under) Expenditures	(85,480)	(25,572)	19,726	(1,113)
Other Financing Sources (Uses):				
Transfers in	255,435	34,729	13	-
Transfers out	(201,471)	(49,360)	(10,838)	-
Lease revenue bonds issued	-	-	-	-
Bond premium	-	-	-	-
Total Other Financing Sources (Uses)	53,964	(14,631)	(10,825)	-
Net Change in Fund Balances	(31,516)	(40,203)	8,901	(1,113)
Fund Balances, Beginning of Year	297,776	106,538	18,482	(9,689)
Fund Balances, End of Year	\$ 266,260	\$ 66,335	\$ 27,383	\$ (10,802)

CITY OF MONROVIA

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

	Special Revenue Funds			
	Capital Projects Funds			
	Measure R	Street Maintenance	Hillside Acquisition Capital Project	Library Bond Construction Project
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Assessments	-	-	-	-
Intergovernmental	417,550	734	-	-
Charges for services	-	-	-	-
Use of money and property	15,360	3,092	-	1,963
Fines and forfeitures	-	-	-	-
Total Revenues	432,910	3,826	-	1,963
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community development	-	-	290	-
Parks and recreation	-	-	-	-
Public works	12,075	1,176,343	-	-
Capital outlay	-	-	-	20,336
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	400	-	-
Total Expenditures	12,075	1,176,743	290	20,336
Excess (Deficiency) of Revenues Over (Under) Expenditures	420,835	(1,172,917)	(290)	(18,373)
Other Financing Sources (Uses):				
Transfers in	-	1,122,376	-	-
Transfers out	(12,750)	(267,331)	-	-
Lease revenue bonds issued	-	-	-	-
Bond premium	-	-	-	-
Total Other Financing Sources (Uses)	(12,750)	855,045	-	-
Net Change in Fund Balances	408,085	(317,872)	(290)	(18,373)
Fund Balances, Beginning of Year	1,745,201	503,925	1	257,041
Fund Balances, End of Year	\$ 2,153,286	\$ 186,053	\$ (289)	\$ 238,668

CITY OF MONROVIA

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

(CONTINUED)

	Debt Service Funds			
	Hillside Acquisition Debt Service	Library Bond Debt Service	Pension Obligation Bond Debt Service	Prop C and Measure R
Revenues:				
Taxes	\$ 728,976	\$ 1,026,033	\$ -	\$ -
Assessments	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Use of money and property	1,439	5,981	1,024	1,300
Fines and forfeitures	-	-	-	-
Total Revenues	730,415	1,032,014	1,024	1,300
Expenditures:				
Current:				
General government	-	62	-	-
Public safety	-	-	-	-
Community development	-	-	-	-
Parks and recreation	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	300,000	360,000	385,000	-
Interest and fiscal charges	242,243	643,817	751,106	246,215
Total Expenditures	542,243	1,003,879	1,136,106	246,215
Excess (Deficiency) of Revenues Over (Under) Expenditures	188,172	28,135	(1,135,082)	(244,915)
Other Financing Sources (Uses):				
Transfers in	-	-	1,136,106	-
Transfers out	(82,093)	-	-	-
Lease revenue bonds issued	-	-	-	109,336
Bond premium	-	-	-	938,901
Total Other Financing Sources (Uses)	(82,093)	-	1,136,106	1,048,237
Net Change in Fund Balances	106,079	28,135	1,024	803,322
Fund Balances, Beginning of Year	204,663	835,024	10,212	-
Fund Balances, End of Year	\$ 310,742	\$ 863,159	\$ 11,236	\$ 803,322

CITY OF MONROVIA

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

	<u>Permanent Fund</u>	
	<u>Miller Memorial Trust Fund</u>	<u>Total Nonmajor Governmental Funds</u>
Revenues:		
Taxes	\$ -	\$ 9,216,177
Assessments	-	1,332,814
Intergovernmental	-	2,271,876
Charges for services	-	217,367
Use of money and property	772	68,508
Fines and forfeitures	-	636,504
Total Revenues	772	13,743,246
Expenditures:		
Current:		
General government	-	146,980
Public safety	-	1,405,878
Community development	-	1,510,052
Parks and recreation	-	46,884
Public works	-	2,664,025
Capital outlay	-	25,265
Debt service:		
Principal retirement	-	1,045,000
Interest and fiscal charges	-	1,884,031
Total Expenditures	-	8,728,115
Excess (Deficiency) of Revenues Over (Under) Expenditures	772	5,015,131
Other Financing Sources (Uses):		
Transfers in	-	4,557,240
Transfers out	-	(8,503,487)
Lease revenue bonds issued	-	109,336
Bond premium	-	938,901
Total Other Financing Sources (Uses)	-	(2,898,010)
Net Change in Fund Balances	772	2,117,121
Fund Balances, Beginning of Year	99,397	8,557,708
Fund Balances, End of Year	\$ 100,169	\$ 10,674,829

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
RETIREMENT
YEAR ENDED JUNE 30, 2016**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 2,314,513	\$ 2,314,513	\$ 2,314,513	\$ -
Resources (Inflows):				
Taxes	4,959,194	5,065,608	5,959,025	893,417
Use of money and property	5,000	5,000	14,102	9,102
Transfers in	1,700,000	1,700,000	1,700,000	-
Amounts Available for Appropriations	8,978,707	9,085,121	9,987,640	902,519
Charges to Appropriations (Outflow):				
General government	150,000	150,000	146,918	3,082
Transfers out	7,134,121	7,134,121	6,960,435	173,686
Total Charges to Appropriations	7,284,121	7,284,121	7,107,353	176,768
Budgetary Fund Balance, June 30	\$ 1,694,586	\$ 1,801,000	\$ 2,880,287	\$ 1,079,287

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
PROPOSITION A
YEAR ENDED JUNE 30, 2016**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 210,937	\$ 210,937	\$ 210,937	\$ -
Resources (Inflows):				
Taxes	682,380	682,380	670,783	(11,597)
Intergovernmental	417,948	417,948	346,344	(71,604)
Charges for services	45,000	45,000	37,557	(7,443)
Use of money and property	3,000	3,000	1,607	(1,393)
Amounts Available for Appropriations	1,359,265	1,359,265	1,267,228	(92,037)
Charges to Appropriations (Outflow):				
Community development	1,204,829	1,204,829	1,077,872	126,957
Capital outlay	360,000	360,000	-	360,000
Total Charges to Appropriations	1,564,829	1,564,829	1,077,872	486,957
Budgetary Fund Balance, June 30	\$ (205,564)	\$ (205,564)	\$ 189,356	\$ 394,920

CITY OF MONROVIA

BUDGETARY COMPARISON SCHEDULE
 PROPOSITION C
 YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,429,534	\$ 1,429,534	\$ 1,429,534	\$ -
Resources (Inflows):				
Intergovernmental	561,000	561,000	557,787	(3,213)
Use of money and property	8,000	8,000	13,568	5,568
Amounts Available for Appropriations	1,998,534	1,998,534	2,000,889	2,355
Charges to Appropriations (Outflow):				
Public works	78,964	78,964	44,450	34,514
Total Charges to Appropriations	78,964	78,964	44,450	34,514
Budgetary Fund Balance, June 30	\$ 1,919,570	\$ 1,919,570	\$ 1,956,439	\$ 36,869

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
TRAFFIC SAFETY
YEAR ENDED JUNE 30, 2016**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 121,394	\$ 121,394	\$ 121,394	\$ -
Resources (Inflows):				
Use of money and property	-	-	1,057	1,057
Fines and forfeitures	470,000	510,000	618,011	108,011
Transfers in	29,915	29,915	31,650	1,735
Amounts Available for Appropriations	621,309	661,309	772,112	110,803
Charges to Appropriations (Outflow):				
Public safety	317,862	452,778	506,682	(53,904)
Parks and recreation	45,711	1,000	-	1,000
Transfers out	65,443	65,443	91,115	(25,672)
Total Charges to Appropriations	429,016	519,221	597,797	(78,576)
Budgetary Fund Balance, June 30	\$ 192,293	\$ 142,088	\$ 174,315	\$ 32,227

CITY OF MONROVIA

BUDGETARY COMPARISON SCHEDULE

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YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 338,969	\$ 338,969	\$ 338,969	\$ -
Resources (Inflows):				
Intergovernmental	47,000	47,000	47,961	961
Charges for services	8,000	8,000	4,323	(3,677)
Use of money and property	1,500	1,500	2,625	1,125
Amounts Available for Appropriations	395,469	395,469	393,878	(1,591)
Charges to Appropriations (Outflow):				
Public works	59,886	59,886	52,571	7,315
Total Charges to Appropriations	59,886	59,886	52,571	7,315
Budgetary Fund Balance, June 30	\$ 335,583	\$ 335,583	\$ 341,307	\$ 5,724

CITY OF MONROVIA

BUDGETARY COMPARISON SCHEDULE
 STATE GASOLINE TAX
 YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Taxes	850,438	836,643	809,602	(27,041)
Amounts Available for Appropriations	850,438	836,643	809,602	(27,041)
Charges to Appropriations (Outflow):				
Transfers out	850,438	850,438	809,602	40,836
Total Charges to Appropriations	850,438	850,438	809,602	40,836
Budgetary Fund Balance, June 30	\$ -	\$ (13,795)	\$ -	\$ 13,795

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
LIBRARY GRANT
YEAR ENDED JUNE 30, 2016**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 84,462	\$ 84,462	\$ 84,462	\$ -
Resources (Inflows):				
Intergovernmental	25,000	25,000	35,771	10,771
Use of money and property	300	300	872	572
Transfers in	11,017	11,017	20,678	9,661
Amounts Available for Appropriations	120,779	120,779	141,783	21,004
Charges to Appropriations (Outflow):				
Parks and recreation	35,685	35,685	46,884	(11,199)
Total Charges to Appropriations	35,685	35,685	46,884	(11,199)
Budgetary Fund Balance, June 30	\$ 85,094	\$ 85,094	\$ 94,899	\$ 9,805

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
FIRE HAZMAT
YEAR ENDED JUNE 30, 2016**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 22,701	\$ 22,701	\$ 22,701	\$ -
Resources (Inflows):				
Charges for services	172,000	137,000	149,585	12,585
Use of money and property	-	-	323	323
Transfers in	28,014	28,014	13,954	(14,060)
Amounts Available for Appropriations	222,715	187,715	186,563	(1,152)
Charges to Appropriations (Outflow):				
Public safety	165,857	130,857	108,640	22,217
Transfers out	29,854	29,854	18,492	11,362
Total Charges to Appropriations	195,711	160,711	127,132	33,579
Budgetary Fund Balance, June 30	\$ 27,004	\$ 27,004	\$ 59,431	\$ 32,427

CITY OF MONROVIA

BUDGETARY COMPARISON SCHEDULE
 COMMUNITY DEVELOPMENT BLOCK GRANT
 YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (6,384)	\$ (6,384)	\$ (6,384)	\$ -
Resources (Inflows):				
Intergovernmental	236,926	236,926	237,661	735
Transfers in	99,743	99,743	104,481	4,738
Amounts Available for Appropriations	330,285	330,285	335,758	5,473
Charges to Appropriations (Outflow):				
Community development	341,816	341,816	341,405	411
Total Charges to Appropriations	341,816	341,816	341,405	411
Budgetary Fund Balance, June 30	\$ (11,531)	\$ (11,531)	\$ (5,647)	\$ 5,884

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
ASSET FORFEITURE
YEAR ENDED JUNE 30, 2016**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	80,000	60,000	63,450	3,450
Charges for services	6,000	6,000	5,902	(98)
Fines and forfeitures	17,000	17,000	18,493	1,493
Transfers in	125,475	145,475	137,818	(7,657)
Amounts Available for Appropriations	228,475	228,475	225,663	(2,812)
Charges to Appropriations (Outflow):				
Public safety	214,270	214,270	229,754	(15,484)
Total Charges to Appropriations	214,270	214,270	229,754	(15,484)
Budgetary Fund Balance, June 30	\$ 14,205	\$ 14,205	\$ (4,091)	\$ (18,296)

CITY OF MONROVIA

BUDGETARY COMPARISON SCHEDULE
 POLICE GRANTS
 YEAR ENDED JUNE 30, 2016

	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	315,909	315,909	114,618	(201,291)
Amounts Available for Appropriations	288,920	288,920	87,629	(201,291)
Charges to Appropriations (Outflow):				
Public safety	123,003	123,003	109,689	13,314
Capital outlay	-	-	4,929	(4,929)
Total Charges to Appropriations	123,003	123,003	114,618	8,385
Budgetary Fund Balance, June 30	\$ 165,917	\$ 165,917	\$ (26,989)	\$ (192,906)

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
LIGHTING AND LANDSCAPING ASSESSMENT
YEAR ENDED JUNE 30, 2016**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 297,776	\$ 297,776	\$ 297,776	\$ -
Resources (Inflows):				
Assessments	1,054,257	1,054,257	1,037,577	(16,680)
Intergovernmental	30,000	30,000	-	(30,000)
Use of money and property	1,500	1,500	2,468	968
Miscellaneous	10,000	10,000	-	(10,000)
Transfers in	270,560	357,560	255,435	(102,125)
Amounts Available for Appropriations	1,664,093	1,751,093	1,593,256	(157,837)
Charges to Appropriations (Outflow):				
Public works	1,272,235	1,359,235	1,125,374	233,861
Debt service:				
Interest and fiscal charges	200	200	151	49
Transfers out	229,002	229,002	201,471	27,531
Total Charges to Appropriations	1,501,437	1,588,437	1,326,996	261,441
Budgetary Fund Balance, June 30	\$ 162,656	\$ 162,656	\$ 266,260	\$ 103,604

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
 PARK MAINTENANCE ASSESSMENT DISTRICT
 YEAR ENDED JUNE 30, 2016**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 106,538	\$ 106,538	\$ 106,538	\$ -
Resources (Inflows):				
Assessments	222,464	222,464	209,768	(12,696)
Use of money and property	500	500	713	213
Transfers in	37,432	37,432	34,729	(2,703)
Amounts Available for Appropriations	366,934	366,934	351,748	(15,186)
Charges to Appropriations (Outflow):				
Public works	239,323	239,323	235,954	3,369
Debt service:				
Interest and fiscal charges	150	150	99	51
Transfers out	57,437	57,437	49,360	8,077
Total Charges to Appropriations	296,910	296,910	285,413	11,497
Budgetary Fund Balance, June 30	\$ 70,024	\$ 70,024	\$ 66,335	\$ (3,689)

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
BUSINESS IMPROVEMENT DISTRICT
YEAR ENDED JUNE 30, 2016**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 18,482	\$ 18,482	\$ 18,482	\$ -
Resources (Inflows):				
Taxes	18,000	18,000	4,500	(13,500)
Assessments	86,560	86,560	85,469	(1,091)
Charges for services	-	-	20,000	20,000
Use of money and property	100	100	242	142
Transfers in	-	-	13	13
Amounts Available for Appropriations	123,142	123,142	128,706	5,564
Charges to Appropriations (Outflow):				
Community development	78,300	78,300	90,485	(12,185)
Transfers out	6,696	6,696	10,838	(4,142)
Total Charges to Appropriations	84,996	84,996	101,323	(16,327)
Budgetary Fund Balance, June 30	\$ 38,146	\$ 38,146	\$ 27,383	\$ (10,763)

CITY OF MONROVIA

BUDGETARY COMPARISON SCHEDULE
 FIRE GRANTS
 YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (9,689)	\$ (9,689)	\$ (9,689)	\$ -
Resources (Inflows):				
Intergovernmental	118,954	118,954	450,000	331,046
Amounts Available for Appropriations	109,265	109,265	440,311	331,046
Charges to Appropriations (Outflow):				
Public safety	-	-	451,113	(451,113)
Total Charges to Appropriations	-	-	451,113	(451,113)
Budgetary Fund Balance, June 30	\$ 109,265	\$ 109,265	\$ (10,802)	\$ (120,067)

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
MEASURE R
YEAR ENDED JUNE 30, 2016**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,745,201	\$ 1,745,201	\$ 1,745,201	\$ -
Resources (Inflows):				
Intergovernmental	422,280	422,280	417,550	(4,730)
Use of money and property	8,000	8,000	15,360	7,360
Amounts Available for Appropriations	2,175,481	2,175,481	2,178,111	2,630
Charges to Appropriations (Outflow):				
Public works	-	14,000	12,075	1,925
Transfers out	75,000	75,000	12,750	62,250
Total Charges to Appropriations	75,000	89,000	24,825	64,175
Budgetary Fund Balance, June 30	\$ 2,100,481	\$ 2,086,481	\$ 2,153,286	\$ 66,805

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
STREET MAINTENANCE
YEAR ENDED JUNE 30, 2016**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 503,925	\$ 503,925	\$ 503,925	\$ -
Resources (Inflows):				
Intergovernmental	72,571	72,571	734	(71,837)
Use of money and property	5,000	5,000	3,092	(1,908)
Transfers in	893,637	893,637	1,122,376	228,739
Amounts Available for Appropriations	1,475,133	1,475,133	1,630,127	154,994
Charges to Appropriations (Outflow):				
Public works	1,328,729	1,323,729	1,176,343	147,386
Debt service:				
Interest and fiscal charges	500	500	400	100
Transfers out	249,947	249,947	267,331	(17,384)
Total Charges to Appropriations	1,579,176	1,574,176	1,444,074	130,102
Budgetary Fund Balance, June 30	\$ (104,043)	\$ (99,043)	\$ 186,053	\$ 285,096

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
CAPITAL IMPROVEMENTS
YEAR ENDED JUNE 30, 2016**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	<u>\$(1,237,239)</u>	<u>\$ (1,237,239)</u>	<u>\$(1,237,239)</u>	<u>\$ -</u>
Resources (Inflows):				
Taxes	15,000	15,000	82,510	67,510
Intergovernmental	1,019,676	12,780,076	11,761,127	(1,018,949)
Use of money and property	-	-	1,273	1,273
Amounts Available for Appropriations	<u>(202,563)</u>	<u>11,557,837</u>	<u>10,607,671</u>	<u>(950,166)</u>
Charges to Appropriations (Outflow):				
Public works	62,757	65,357	11,416	53,941
Capital outlay	1,047,150	7,222,250	6,225,544	996,706
Total Charges to Appropriations	<u>1,109,907</u>	<u>7,287,607</u>	<u>6,236,960</u>	<u>1,050,647</u>
Budgetary Fund Balance, June 30	<u>\$(1,312,470)</u>	<u>\$ 4,270,230</u>	<u>\$ 4,370,711</u>	<u>\$ 100,481</u>

CITY OF MONROVIA

BUDGETARY COMPARISON SCHEDULE
 LIBRARY BOND CONSTRUCTION PROJECT
 YEAR ENDED JUNE 30, 2016

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 257,041	\$ 257,041	\$ 257,041	\$ -
Resources (Inflows):				
Use of money and property	1,500	1,500	1,963	463
Amounts Available for Appropriations	258,541	258,541	259,004	463
Charges to Appropriations (Outflow):				
Capital outlay	46,000	121,000	20,336	100,664
Total Charges to Appropriations	46,000	121,000	20,336	100,664
Budgetary Fund Balance, June 30	\$ 212,541	\$ 137,541	\$ 238,668	\$ 101,127

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
HILLSIDE ACQUISITION CAPITAL PROJECTS
YEAR ENDED JUNE 30, 2016**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1	\$ 1	\$ 1	\$ -
Amounts Available for Appropriations	1	1	1	-
Charges to Appropriation (Outflow):				
Community development	42,000	67,000	290	66,710
Total Charges to Appropriations	42,000	67,000	290	66,710
Budgetary Fund Balance, June 30	\$ (41,999)	\$ (66,999)	\$ (289)	\$ 66,710

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
PROPOSITION C AND MEASURE R PROJECTS
YEAR ENDED JUNE 30, 2016**

	<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	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Use of money and property	-	-	7,882	7,882
Refunding bonds issued	-	-	13,490,664	13,490,664
Amounts Available for Appropriations	-	-	13,498,546	13,498,546
Charges to Appropriation (Outflow):				
Capital outlay	-	163,000	162,976	24
Total Charges to Appropriations	-	163,000	162,976	24
Budgetary Fund Balance, June 30	\$ -	\$ (163,000)	\$ 13,335,570	\$ 13,498,570

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
HILLSIDE ACQUISITION DEBT SERVICE
YEAR ENDED JUNE 30, 2016**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 204,663	\$ 204,663	\$ 204,663	\$ -
Resources (Inflows):				
Taxes	758,000	758,000	728,976	(29,024)
Use of money and property	1,500	1,500	1,439	(61)
Amounts Available for Appropriations	964,163	964,163	935,078	(29,085)
Charges to Appropriations (Outflow):				
Debt service:				
Principal retirement	300,000	300,000	300,000	-
Interest and fiscal charges	242,569	242,569	242,243	326
Transfers out	83,000	83,000	82,093	907
Total Charges to Appropriations	625,569	625,569	624,336	1,233
Budgetary Fund Balance, June 30	\$ 338,594	\$ 338,594	\$ 310,742	\$ (27,852)

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
LIBRARY BOND DEBT SERVICE
YEAR ENDED JUNE 30, 2016**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 835,024	\$ 835,024	\$ 835,024	\$ -
Resources (Inflows):				
Taxes	1,050,000	1,050,000	1,026,033	(23,967)
Use of money and property	3,000	3,000	5,981	2,981
Amounts Available for Appropriations	1,888,024	1,888,024	1,867,038	(20,986)
Charges to Appropriations (Outflow):				
General government	-	-	62	(62)
Debt service:				
Principal retirement	360,000	360,000	360,000	-
Interest and fiscal charges	644,549	644,549	643,817	732
Total Charges to Appropriations	1,004,549	1,004,549	1,003,879	670
Budgetary Fund Balance, June 30	\$ 883,475	\$ 883,475	\$ 863,159	\$ (20,316)

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
PENSION OBLIGATION BOND DEBT SERVICE
YEAR ENDED JUNE 30, 2016**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 10,212	\$ 10,212	\$ 10,212	\$ -
Resources (Inflows):				
Use of money and property	6,000	6,000	1,024	(4,976)
Transfers in	1,134,675	1,134,675	1,136,106	1,431
Amounts Available for Appropriations	1,150,887	1,150,887	1,147,342	(3,545)
Charges to Appropriations (Outflow):				
Debt service:				
Principal retirement	385,000	385,000	385,000	-
Interest and fiscal charges	751,000	751,000	751,106	(106)
Total Charges to Appropriations	1,136,000	1,136,000	1,136,106	(106)
Budgetary Fund Balance, June 30	\$ 14,887	\$ 14,887	\$ 11,236	\$ (3,651)

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
PROPOSITION C AND MEASURE R DEBT SERVICE
YEAR ENDED JUNE 30, 2016**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Use of money and property	-	1,000	1,300	300
Lease revenue bonds issued	-	109,000	109,336	336
Bond premium	-	940,000	938,901	(1,099)
Amounts Available for Appropriations	-	1,050,000	1,049,537	(463)
Charges to Appropriation (Outflow):				
Debt service:				
Interest and fiscal charges	-	250,000	246,215	3,785
Total Charges to Appropriations	-	250,000	246,215	3,785
Budgetary Fund Balance, June 30	\$ -	\$ 800,000	\$ 803,322	\$ 3,322

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
MILLER MEMORIAL TRUST
YEAR ENDED JUNE 30, 2016**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 99,397	\$ 99,397	\$ 99,397	\$ -
Resources (Inflows):				
Use of money and property	600	600	772	172
Amounts Available for Appropriations	99,997	99,997	100,169	172
Budgetary Fund Balance, June 30	\$ 99,997	\$ 99,997	\$ 100,169	\$ 172

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, 2016

	<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	\$ 1,546,436	\$ 252,801	\$ 1,809,248	\$ 3,608,485
Receivables:				
Accounts	27,295	26,502	192,784	246,581
Due from other funds	-	57,159	116,101	173,260
Total Current Assets	1,573,731	336,462	2,118,133	4,028,326
Noncurrent:				
Capital assets - net of accumulated depreciation	371,282	-	-	371,282
Total Noncurrent Assets	371,282	-	-	371,282
Total Assets	1,945,013	336,462	2,118,133	4,399,608
Deferred Outflows of Resources:				
Deferred pension related items	519	-	49,513	50,032
Total Deferred Outflows of Resources	519	-	49,513	50,032
Total Assets and Deferred Outflows of Resources	\$ 1,945,532	\$ 336,462	\$ 2,167,646	\$ 4,449,640
Liabilities, Deferred Inflows of Resources, and Net Position:				
Liabilities:				
Current:				
Accounts payable	\$ 12,715	\$ 13,827	\$ 3,430	\$ 29,972
Unearned revenues	-	-	22,891	22,891
Deposits payable	-	-	129,034	129,034
Due to other funds	1,155,711	-	-	1,155,711
Total Current Liabilities	1,168,426	13,827	155,355	1,337,608
Noncurrent:				
Advances from other funds	23,224	-	23,224	46,448
Net pension liability	131,030	-	850,523	981,553
Total Noncurrent Liabilities	154,254	-	873,747	1,028,001
Total Liabilities	1,322,680	13,827	1,029,102	2,365,609
Deferred Inflows of Resources:				
Deferred pension related items	17,616	-	73,361	90,977
Total Deferred Inflows of Resources	17,616	-	73,361	90,977
Net Position:				
Net investment in capital assets	371,282	-	-	371,282
Unrestricted	233,954	322,635	1,065,183	1,621,772
Total Net Position	605,236	322,635	1,065,183	1,993,054
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 1,945,532	\$ 336,462	\$ 2,167,646	\$ 4,449,640

CITY OF MONROVIA

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
NON-MAJOR PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2016

	Business-Type Activities - Enterprise Funds			Totals
	Storm Drain	Street Sweeping	Waste Management	
Operating Revenues:				
Sales and service charges	\$ 286,604	\$ 211,107	\$ 1,417,668	\$ 1,915,379
Miscellaneous	1,170	-	10,175	11,345
Total Operating Revenues	287,774	211,107	1,427,843	1,926,724
Operating Expenses:				
Salaries and employee benefits	2,918	1,488	202,865	207,271
Professional and contract services	155,525	95,619	24,212	275,356
Maintenance and supplies	45,567	8,080	132,298	185,945
Repairs and replacements	2,245	-	-	2,245
Depreciation expense	18,155	-	-	18,155
Total Operating Expenses	224,410	105,187	359,375	688,972
Operating Income (Loss)	63,364	105,920	1,068,468	1,237,752
Nonoperating Revenues (Expenses):				
Intergovernmental	-	-	22,048	22,048
Interest revenue	11,781	2,063	15,867	29,711
Interest expense	(100)	-	(100)	(200)
Total Nonoperating Revenues (Expenses)	11,681	2,063	37,815	51,559
Income (Loss) Before Transfers	75,045	107,983	1,106,283	1,289,311
Transfers in	-	30,000	-	30,000
Transfers out	(48,255)	(38,340)	(1,252,517)	(1,339,112)
Changes in Net Position	26,790	99,643	(146,234)	(19,801)
Net Position:				
Beginning of Year	578,446	222,992	1,211,417	2,012,855
End of Fiscal Year	\$ 605,236	\$ 322,635	\$ 1,065,183	\$ 1,993,054

CITY OF MONROVIA

COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2016

	<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	\$ 285,671	\$ 210,492	\$ 1,480,830	\$ 1,976,993
Cash paid to suppliers for goods and services	(327,674)	(129,805)	(217,051)	(674,530)
Cash paid to employees for services	(5,884)	(56,054)	(243,590)	(305,528)
Net Cash Provided by Operating Activities	(47,887)	24,633	1,020,189	996,935
Cash Flows from Non-Capital Financing Activities:				
Cash transfers out	(48,255)	(38,340)	(1,252,517)	(1,339,112)
Cash transfers in	-	30,000	-	30,000
Repayment received (paid) from other funds	388,974	-	-	388,974
Cash paid for advances to other funds	(11,611)	-	(11,611)	(23,222)
Cash given for interfund receivables	-	(7,659)	(17,539)	(25,198)
Intergovernmental	-	-	22,048	22,048
Net Cash Provided by (Used in) Non-Capital Financing Activities	329,108	(15,999)	(1,259,619)	(946,510)
Cash Flows from Capital and Related Financing Activities:				
Interest paid on capital debt	(100)	-	(100)	(200)
Net Cash Used in Capital and Related Financing Activities	(100)	-	(100)	(200)
Cash Flows from Investing Activities:				
Interest received	11,781	2,063	15,867	29,711
Net Cash Provided by Investing Activities	11,781	2,063	15,867	29,711
Net Increase in Cash and Cash Equivalents	292,902	10,697	(223,663)	79,936
Cash and Cash Equivalents at Beginning of Year	1,253,534	242,104	2,032,911	3,528,549
Cash and Cash Equivalents at End of Year	\$ 1,546,436	\$ 252,801	\$ 1,809,248	\$ 3,608,485
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:				
Operating income	\$ 63,364	\$ 105,920	\$ 1,068,468	\$ 1,237,752
Adjustments to reconcile operating income net cash provided (used) by operating activities:				
Depreciation	18,155	-	-	18,155
(Increase) decrease in accounts receivable	(2,103)	(615)	49,030	46,312
(Increase) decrease in deferred pension related outflows	6,082	3,813	1,957	11,852
Increase (decrease) in accounts payable	(124,337)	(26,106)	(60,541)	(210,984)
Increase (decrease) in unearned revenue	-	-	3,739	3,739
Increase (decrease) in deposits payable	-	-	218	218
Increase (decrease) in compensated absences	(2,676)	-	(13,084)	(15,760)
Increase (decrease) in accrued liabilities	-	-	-	-
Increase (decrease) in net pension liability	(5,980)	(51,597)	7,803	(49,774)
Increase (decrease) in deferred pension related inflows	(392)	(6,782)	(37,401)	(44,575)
Total Adjustments	(111,251)	(81,287)	(48,279)	(240,817)
Net Cash Provided by Operating Activities	\$ (47,887)	\$ 24,633	\$ 1,020,189	\$ 996,935

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, 2016

	Governmental Activities - Internal Service Funds			
	Facilities Maintenance	Equipment Pool	Central Services	Liability Insurance
Assets and Deferred Outflows:				
Assets:				
Current:				
Cash and investments	\$ 563,855	\$ 2,103,105	\$ 502,748	\$ 1,033,340
Receivables:				
Accounts	4,876	57,459	15,834	755
Prepaid costs	-	-	8,940	2,045
Inventories	-	-	1,670	-
Total Current Assets	568,731	2,160,564	529,192	1,036,140
Noncurrent:				
Capital assets - net of accumulated depreciation	1,836,546	3,031,055	137,875	-
Total Noncurrent Assets	1,836,546	3,031,055	137,875	-
Total Assets	2,405,277	5,191,619	667,067	1,036,140
Deferred Outflows of Resources:				
Deferred pension related items	63,218	6,561	104,037	19,238
Total Deferred Outflows of Resources	63,218	6,561	104,037	19,238
Total Assets and Deferred Outflows of Resources	\$ 2,468,495	\$ 5,198,180	\$ 771,104	\$ 1,055,378
Liabilities, Deferred Inflows of Resources, and Net Position:				
Liabilities:				
Current:				
Accounts payable	\$ 109,250	\$ 155,352	\$ 29,060	\$ 27,656
Accrued liabilities	11,813	3,961	-	-
Accrued compensated absences	5,555	154	69,202	-
Accrued claims and judgments	-	-	-	120,657
Bonds, notes, and capital leases	-	135,308	-	-
Total Current Liabilities	126,618	294,775	98,262	148,313
Noncurrent:				
Advances from other funds	46,448	-	-	-
Accrued compensated absences	2,160	60	26,912	-
Accrued claims and judgments	-	-	-	11,025
Bonds, notes, and capital leases	-	271,322	-	-
Net pension liability	1,088,278	7,854	1,167,422	386,679
Total Noncurrent Liabilities	1,136,886	279,236	1,194,334	397,704
Total Liabilities	1,263,504	574,011	1,292,596	546,017
Deferred Inflows of Resources:				
Deferred pension related items	95,986	-	71,128	36,459
Total Deferred Inflows of Resources	95,986	-	71,128	36,459
Net Position:				
Net investment in capital assets	1,836,546	2,624,425	137,875	-
Unrestricted	(727,541)	1,999,744	(730,495)	472,902
Total Net Position	1,109,005	4,624,169	(592,620)	472,902
Total Liabilities and Net Position	\$ 2,468,495	\$ 5,198,180	\$ 771,104	\$ 1,055,378

CITY OF MONROVIA

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2016

	Governmental Activities - Internal Service Funds		
	Workers' Compensation Insurance	Unemployment Insurance	Totals
Assets and Deferred Outflows:			
Assets:			
Current:			
Cash and investments	\$ 1,358,651	\$ 186,887	\$ 5,748,586
Receivables:			
Accounts	-	-	78,924
Prepaid costs	-	-	10,985
Inventories	-	-	1,670
Total Current Assets	1,358,651	186,887	5,840,165
Noncurrent:			
Capital assets - net of accumulated depreciation	-	-	5,005,476
Total Noncurrent Assets	-	-	5,005,476
Total Assets	1,358,651	186,887	10,845,641
Deferred Outflows of Resources:			
Deferred pension related items	13,733	-	206,787
Total Deferred Outflows of Resources	13,733	-	206,787
Total Assets and Deferred Outflows of Resources	\$ 1,372,384	\$ 186,887	\$ 11,052,428
Liabilities, Deferred Inflows of Resources, and Net Position:			
Liabilities:			
Current:			
Accounts payable	\$ 46,090	\$ -	\$ 367,408
Accrued liabilities	-	-	15,774
Accrued compensated absences	-	-	74,911
Accrued claims and judgments	1,038,234	-	1,158,891
Bonds, notes, and capital leases	-	-	135,308
Total Current Liabilities	1,084,324	-	1,752,292
Noncurrent:			
Advances from other funds	-	-	46,448
Accrued compensated absences	-	-	29,132
Accrued claims and judgments	804,961	-	815,986
Bonds, notes, and capital leases	-	-	271,322
Net pension liability	313,148	-	2,963,381
Total Noncurrent Liabilities	1,118,109	-	4,126,269
Total Liabilities	2,202,433	-	5,878,561
Deferred Inflows of Resources:			
Deferred pension related items	31,158	-	234,731
Total Deferred Inflows of Resources	31,158	-	234,731
Net Position:			
Net investment in capital assets	-	-	4,598,846
Unrestricted	(861,207)	186,887	340,290
Total Net Position	(861,207)	186,887	4,939,136
Total Liabilities and Net Position	\$ 1,372,384	\$ 186,887	\$ 11,052,428

CITY OF MONROVIA

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2016

	Governmental Activities - Internal Service Funds			
	Facilities Maintenance	Equipment Pool	Central Services	Liability Insurance
Operating Revenues:				
Sales and service charges	\$ 16,400	\$ 466,279	\$ -	\$ -
Interdepartmental charges	1,800,000	1,501,738	1,132,514	1,500,000
Miscellaneous	29,512	4,747	45,598	58,042
Total Operating Revenues	1,845,912	1,972,764	1,178,112	1,558,042
Operating Expenses:				
Salaries and employee benefits	269,765	39,514	443,700	86,463
Professional and contract services	85,574	122,297	126,251	66,605
Maintenance and Supplies	792,615	579,118	411,508	10,512
Utilities	393,402	7,852	243,409	-
Repairs and replacements	46,041	342,221	2,003	-
Insurance	-	-	-	175,344
Depreciation expense	78,451	524,259	10,284	-
Other operating expense	10,547	-	-	-
Claims expense	-	-	-	-
Total Operating Expenses	1,676,395	1,615,261	1,237,155	338,924
Operating Income	169,517	357,503	(59,043)	1,219,118
Nonoperating Revenues (Expenses):				
Interest revenue	4,959	20,672	4,527	5,483
Interest expense	(202)	(45,256)	-	-
Total Nonoperating Revenue (Expenses)	4,757	(24,584)	4,527	5,483
Income (Loss) Before Transfers	174,274	332,919	(54,516)	1,224,601
Transfers in	63,218	6,561	104,037	19,254
Transfers out	(298,272)	(95,379)	(162,358)	-
Changes in Net Position	(60,780)	244,101	(112,837)	1,243,855
Net Position:				
Beginning of Year	1,169,785	4,380,068	(479,783)	(770,953)
End of Fiscal Year	\$ 1,109,005	\$ 4,624,169	\$ (592,620)	\$ 472,902

CITY OF MONROVIA

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2016

	Governmental Activities - Internal Service Funds		
	Workers' Compensation Insurance	Unemployment Insurance	Totals
Operating Revenues:			
Sales and service charges	\$ -	\$ -	\$ 482,679
Interdepartmental charges	1,874,746	101,014	7,910,012
Miscellaneous	45,790	-	183,689
Total Operating Revenues	1,920,536	101,014	8,576,380
Operating Expenses:			
Salaries and employee benefits	60,345	-	899,787
Professional and contract services	23,033	-	423,760
Maintenance and Supplies	16,782	-	1,810,535
Utilities	-	-	644,663
Repairs and replacements	-	-	390,265
Insurance	-	-	175,344
Depreciation expense	-	-	612,994
Other operating expense	-	-	10,547
Claims expense	-	12,888	12,888
Total Operating Expenses	100,160	12,888	4,980,783
Operating Income	1,820,376	88,126	3,595,597
Nonoperating Revenues (Expenses):			
Interest revenue	9,783	1,372	46,796
Interest expense	-	-	(45,458)
Total Nonoperating Revenue (Expenses)	9,783	1,372	1,338
Income (Loss) Before Transfers	1,830,159	89,498	3,596,935
Transfers in	13,748	-	206,818
Transfers out	-	-	(556,009)
Changes in Net Position	1,843,907	89,498	3,247,744
Net Position:			
Beginning of Year	(2,705,114)	97,389	1,691,392
End of Fiscal Year	\$ (861,207)	\$ 186,887	\$ 4,939,136

CITY OF MONROVIA

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2016

	<u>Governmental Activities - Internal Service Funds</u>			
	<u>Facilities Maintenance</u>	<u>Equipment Pool</u>	<u>Central Services</u>	<u>Liability Insurance</u>
Cash Flows from Operating Activities:				
Cash received from interfund service provided	\$ 1,843,436	\$ 1,968,780	\$ 1,162,278	\$ 1,589,544
Cash paid to suppliers for goods and services	(916,349)	(1,046,167)	(524,040)	(113,832)
Cash paid to employees for services	(712,994)	(41,898)	(760,791)	(97,203)
Cash paid for insurance claims	-	-	-	(1,616,479)
Net Cash Provided by Operating Activities	214,093	880,715	(122,553)	(237,970)
Cash Flows from Non-Capital Financing Activities:				
Cash transfers out	(298,272)	(95,379)	(162,358)	-
Cash transfers in	63,218	6,561	104,037	19,254
Cash paid for advances to other funds	(23,222)	-	-	-
Net Cash Provided by (Used in) Non-Capital Financing Activities	(258,276)	(88,818)	(58,321)	19,254
Cash Flows from Capital and Related Financing Activities:				
Proceeds from capital debt	-	70,990	-	-
Acquisition and construction of capital assets	(19,840)	(1,698,644)	(109,778)	-
Principal paid on capital debt	-	(137,688)	-	-
Interest paid on capital debt	(202)	(45,256)	-	-
Proceeds from sales of capital assets	-	13,001	-	-
Net Cash Used in Capital and Related Financing Activities	(20,042)	(1,797,597)	(109,778)	-
Cash Flows from Investing Activities:				
Interest received	4,959	20,672	4,527	5,483
Net Cash Provided by Investing Activities	4,959	20,672	4,527	5,483
Net Increase in Cash and Cash Equivalents	(59,266)	(985,028)	(286,125)	(213,233)
Cash and Cash Equivalents at Beginning of Year	623,121	3,088,133	788,873	1,246,573
Cash and Cash Equivalents at End of Year	\$ 563,855	\$ 2,103,105	\$ 502,748	\$ 1,033,340
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities:				
Operating income	\$ 169,517	\$ 357,503	\$ (59,043)	\$ 1,219,118
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:				
Depreciation	78,451	524,259	10,284	-
(Increase) decrease in accounts receivable	(2,476)	(3,984)	(15,834)	31,502
(Increase) decrease in inventories	-	-	(126)	-
(Increase) decrease in prepaid expense	-	-	8,733	(2,045)
(Increase) decrease in deferred pension related outflows	17,810	(6,561)	(7,820)	5,076
Increase (decrease) in accounts payable	7,881	(2,531)	7,115	(34,670)
Increase (decrease) in claims and judgments	-	-	-	(1,441,135)
Increase (decrease) in compensated absences	(15,802)	214	(15,603)	-
Increase (decrease) in accrued liabilities	11,813	3,961	-	-
Increase (decrease) in net pension liability	(5,348)	7,854	28,328	(1,284)
Increase (decrease) in deferred pension related inflows	(47,753)	-	(78,587)	(14,532)
Total Adjustments	44,576	523,212	(63,510)	(1,457,088)
Net Cash Provided by Operating Activities	\$ 214,093	\$ 880,715	\$ (122,553)	\$ (237,970)

CITY OF MONROVIA

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2016

	Governmental Activities - Internal Service Funds		
	Workers' Compensation Insurance	Unemployment Insurance	Totals
Cash Flows from Operating Activities:			
Cash received from interfund service provided	\$ 1,920,536	\$ 101,014	\$ 8,585,588
Cash paid to suppliers for goods and services	6,077	(9,374)	(2,603,685)
Cash paid to employees for services	(68,012)	(55,624)	(1,736,522)
Cash paid for insurance claims	(2,377,343)	(12,888)	(4,006,710)
Net Cash Provided by Operating Activities	(518,742)	23,128	238,671
Cash Flows from Non-Capital Financing Activities:			
Cash transfers out	-	-	(556,009)
Cash transfers in	13,748	-	206,818
Cash paid for advances to other funds	-	-	(23,222)
Net Cash Provided by (Used in) Non-Capital Financing Activities	13,748	-	(372,413)
Cash Flows from Capital and Related Financing Activities:			
Proceeds from capital debt	-	-	70,990
Acquisition and construction of capital assets	-	-	(1,828,262)
Principal paid on capital debt	-	-	(137,688)
Interest paid on capital debt	-	-	(45,458)
Proceeds from sales of capital assets	-	-	13,001
Net Cash Used in Capital and Related Financing Activities	-	-	(1,927,417)
Cash Flows from Investing Activities:			
Interest received	9,783	1,372	46,796
Net Cash Provided by Investing Activities	9,783	1,372	46,796
Net Increase in Cash and Cash Equivalents	(495,211)	24,500	(2,014,363)
Cash and Cash Equivalents at Beginning of Year	1,853,862	162,387	7,762,949
Cash and Cash Equivalents at End of Year	\$ 1,358,651	\$ 186,887	\$ 5,748,586
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities:			
Operating income	\$ 1,820,376	\$ 88,126	\$ 3,595,597
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:			
Depreciation	-	-	612,994
(Increase) decrease in accounts receivable	-	-	9,208
(Increase) decrease in inventories	-	-	(126)
(Increase) decrease in prepaid expense	-	-	6,688
(Increase) decrease in deferred pension related outflows	5,548	3,775	17,828
Increase (decrease) in accounts payable	45,892	(9,374)	14,313
Increase (decrease) in claims and judgments	(2,377,343)	-	(3,818,478)
Increase (decrease) in compensated absences	-	-	(31,191)
Increase (decrease) in accrued liabilities	-	-	15,774
Increase (decrease) in net pension liability	(2,841)	(52,499)	(25,790)
Increase (decrease) in deferred pension related inflows	(10,374)	(6,900)	(158,146)
Total Adjustments	(2,339,118)	(64,998)	(3,356,926)
Net Cash Provided by Operating Activities	\$ (518,742)	\$ 23,128	\$ 238,671

CITY OF MONROVIA

COMBINING STATEMENT OF CHANGES IN POSITION AND LIABILITIES
 ALL AGENCY FUNDS
 YEAR ENDED JUNE 30, 2016

	<u>Balance 7/1/2015</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 6/30/2016</u>
<u>Deposit</u>				
Assets:				
Pooled cash and investments	\$ 1,119,506	\$ 804,883	\$ 346,411	\$ 1,577,978
Receivables:				
Accounts	17,613	32,402	28,976	21,039
Total Assets	<u>\$ 1,137,119</u>	<u>\$ 837,285</u>	<u>\$ 375,387</u>	<u>\$ 1,599,017</u>
Liabilities:				
Accounts payable	\$ 26,750	\$ 348,403	\$ 344,494	\$ 30,659
Deposits payable	1,110,369	798,155	340,166	1,568,358
Total Liabilities	<u>\$ 1,137,119</u>	<u>\$ 1,146,558</u>	<u>\$ 684,660</u>	<u>\$ 1,599,017</u>

CITY OF MONROVIA

COMBINING STATEMENT OF FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUNDS
JUNE 30, 2016

	Private-Purpose Trust Funds		Total
	Bartle Memorial Trust	Successor Agency of the Former RDA	
Assets:			
Pooled cash and investments	\$ 172,884	\$ 7,471,989	\$ 7,644,873
Receivables:			
Accounts	-	29,787	29,787
Notes and loans	-	2,106,030	2,106,030
Prepaid costs	-	328,431	328,431
Land held for resale	-	5,674,434	5,674,434
Restricted assets:			
Cash and investments with fiscal agents	-	3,252,651	3,252,651
Capital assets:			
Capital assets, not being depreciated	-	400,638	400,638
Capital assets, net of accumulated depreciation	-	1,677,471	1,677,471
Total Assets	172,884	20,941,431	21,114,315
Deferred Outflows of Resources:			
Deferred charge on refunding	-	1,260,798	1,260,798
Total Deferred Outflows of Resources	-	1,260,798	1,260,798
Liabilities:			
Accounts payable	-	4,114	4,114
Accrued interest	-	665,645	665,645
Advances from City	-	2,551,385	2,551,385
Long-term liabilities:			
Due in one year	-	3,855,000	3,855,000
Due in more than one year	-	59,163,786	59,163,786
Total Liabilities	-	66,239,930	66,239,930
Net Position:			
Held in trust for educational material	172,884	-	172,884
Held in trust for other purposes	-	(44,037,701)	(44,037,701)
Total Net Position	\$ 172,884	\$ (44,037,701)	\$ (43,864,817)

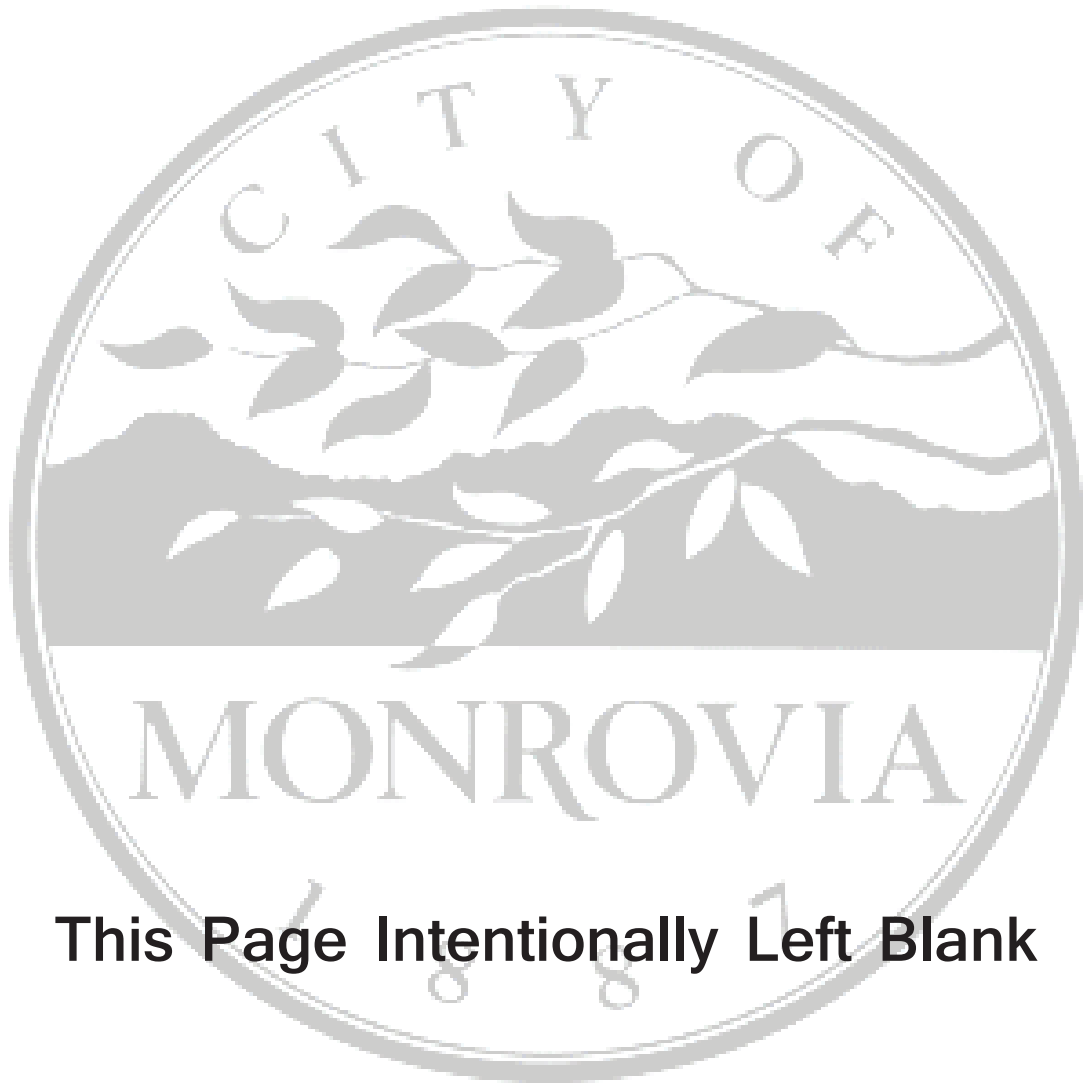
CITY OF MONROVIA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PRIVATE PURPOSE TRUST FUNDS
JUNE 30, 2016

	Private-Purpose Trust Funds		Total
	Bartle Memorial Trust	Successor Agency of the Former RDA	
Additions:			
Taxes	\$ -	\$ 4,217,748	\$ 4,217,748
Interest, rental income and change in fair value of investments	1,384	417,060	418,444
Total Additions	1,384	4,634,808	4,636,192
Deductions:			
Administrative expenses	50,000	280,587	330,587
Contractual services	-	35,818	35,818
Interest expense	-	3,157,793	3,157,793
Depreciation expense	-	47,071	47,071
Loss on sale of property	-	1,667,976	1,667,976
Total Deductions	50,000	5,189,245	5,239,245
Changes in Net Position	(48,616)	(554,437)	(603,053)
Net Position:			
Net Position - Beginning of the Year	221,500	(43,483,264)	(43,261,764)
Net Position - End of the Year	\$ 172,884	\$ (44,037,701)	\$ (43,864,817)



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									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Government activities										
Invested in capital assets	\$ 75,499,986	\$ 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
Restricted	43,580,496	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
Unrestricted	(66,784,438)	(27,606,155)	(45,869,176)	(52,443,982)	(52,872,687)	(9,861,300)	(4,895,026)	(9,261,092)	(80,246,943)	(97,205,508)
Total governmental activities net position	\$ 52,296,044	\$ 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
Business-type activities										
Invested in capital assets	\$ 13,686,029	\$ 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
Unrestricted	9,472,816	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
Total business-type activities net position	\$ 23,158,845	\$ 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
Primary government										
Invested in capital assets	\$ 89,186,015	\$ 68,977,065	\$ 82,836,581	\$ 80,886,214	\$ 78,100,612	\$ 79,472,622	\$ 74,973,672	\$ 79,666,622	\$ 90,359,746	\$ 93,710,693
Restricted	43,580,496	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
Unrestricted	(57,311,622)	(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)
Total primary government activities net position	\$ 75,454,889	\$ 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

CITY OF MONROVIA

**Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)**

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Governmental Activities:										
General government	\$ 7,115,642	\$ 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
Public safety	22,593,957	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
Community development	4,498,747	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
Community services	3,940,230	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
Public works	5,573,412	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
Interest on long-term debt	3,816,111	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
Total Governmental Activities Expenses	47,538,099	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
Business-Type Activities:										
Water	5,915,352	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
Sewer	704,328	814,118	558,679	626,710	505,299	516,031	534,252	593,907	1,001,746	833,572
Storm drain	278,523	308,701	337,220	283,385	157,376	163,520	165,401	233,390	668,254	224,510
Street sweeping	234,935	236,553	242,852	243,356	209,676	191,631	188,954	170,970	203,009	105,187
Waste management	332,997	345,245	335,789	306,124	361,184	395,355	382,775	471,767	556,717	359,475
Total Business-Type Activities Expenses	7,466,135	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
Total Primary Government Expenses	\$ 55,004,234	\$ 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
Program Revenues										
Governmental Activities:										
Charges for services:										
General government	\$ 423,435	\$ 388,079	\$ 670,353	\$ 633,045	\$ 760,926	\$ 840,773	\$ 1,019,838	\$ 764,184	\$ 1,759,640	\$ 1,695,935
Public safety	2,299,621	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
Community development	978,031	1,168,694	1,188,330	884,580	748,759	1,149,759	810,331	1,229,953	1,176,169	2,396,273
Community services	274,882	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
Public works	1,480,154	1,064,853	422,130	692,979	645,727	950,929	656,766	1,675,944	487,529	611,954
Operating Contributions	2,957,773	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
Capital Contributions and Grants	7,458,547	(443,727)	3,254,503	732,032	1,984,287	1,102,849	594,847	1,670,949	12,176,977	8,099,038
Total Governmental Activities Program Revenues	15,872,443	14,033,762	18,228,295	15,810,756	17,018,487	16,966,675	14,591,970	17,898,925	27,899,996	25,112,668
Business-Type Activities:										
Charges for services:										
Water	7,002,185	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
Sewer	719,721	761,157	783,411	786,965	801,761	754,965	806,441	830,442	804,775	1,162,961
Storm drain	279,861	281,228	278,474	281,369	281,368	270,447	283,667	293,483	284,044	286,604
Street sweeping	201,908	206,727	204,048	205,677	206,267	197,904	207,598	214,807	208,687	211,107
Waste management	353,723	350,952	482,549	614,354	724,046	621,036	1,158,018	1,210,551	1,703,832	1,417,668
Operating Contributions	-	-	-	-	-	-	-	-	-	22,048
Total Business-Type Activities Program Revenues	8,557,398	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
Total Primary Government Program Revenues	\$ 24,429,841	\$ 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
Net (Expense)/Revenue										
Governmental Activities	(31,665,656)	(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)
Business-Type Activities	1,091,263	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
Total Primary Government Net Expense	(30,574,393)	(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)

CITY OF MONROVIA

Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes:										
Property taxes, levied for general purpose	\$ 20,438,899	\$ 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
Transient occupancy taxes	705,596	964,056	1,040,912	1,042,888	1,179,277	1,329,193	1,454,318	1,562,880	1,760,129	1,891,098
Sales taxes	6,895,605	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
Franchise taxes	812,583	806,372	855,836	722,647	779,315	910,643	614,151	633,585	599,709	632,425
Business licenses taxes	617,047	602,776	572,204	560,715	536,630	565,086	547,403	560,606	555,227	777,899
Other taxes	2,027,875	977,743	883,353	877,189	1,225,930	1,359,121	1,170,525	1,524,077	1,243,543	1,068,417
Intergovernmental, unrestricted:										
Motor Vehicle in Lieu	226,372	174,229	133,794	118,377	204,959	32,482	21,328	40,217	7,315	24,576
Use of money and property	6,594,048	3,295,342	1,995,135	1,349,593	1,739,933	326,883	887,077	466,012	529,050	652,691
Gain on the sale of capital asset	-	172,529	206,427	186,364	202,375	-	-	-	-	-
Other	2,217,914	224,366	191,984	306,457	356,988	800,116	861,699	876,193	664,172	755,084
Extraordinary gain/(loss) on dissolution of RDA	(325,360)	(225,536)	-	1,604,677	1,672,983	57,343,847	1,965,337	1,816,446	1,906,149	2,865,417
Transfers	40,210,579	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
Total Governmental Activities	538,180	464,889	195,828	42,682	42,695	21,990	17,610	51,600	67,451	118,106
Business-Type Activities:	20,082	34,568	57,723	54,193	75,317	5,056,182	56,869	59,367	20,498	35,765
Use of money and property						(5,000,000)	-	-	-	-
Other						(1,551,374)	(1,965,337)	(1,816,446)	(1,906,149)	(2,865,417)
Extraordinary gain/(loss) on dissolution of RDA	325,360	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)
Transfers	883,632	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)
Total Business-Type Activities	41,094,211	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
Total Primary Government	8,544,923	(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
Governmental Activities	1,974,895	1,770,425	464,611	(380,391)	186,556	(103,188)	663,386	534,421	(1,570,374)	(1,060,912)
Business-Type Activities	10,519,818	(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
Total Primary Government	\$ 10,519,818	\$ (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

CITY OF MONROVIA

Fund Balances of Governmental Funds
Last Nine Fiscal Years
(Modified Accrual Basis Of Accounting)

	2008	2009	2010	Fiscal Year 2011	2012	2013	2014	2015	2016
General Fund									
Nonspendable	\$ 4,377	\$ 472,208	\$ 482,208	\$ 11,608,580	\$ 47,018	\$ 8,345	\$ 29,501	\$ 16,580	\$ 655,430
Restricted	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-
Assigned	5,230,447	4,657,846	3,358,028	-	-	-	403,427	400,985	1,381,407
Unassigned	-	-	-	(8,392,252)	(8,874,464)	4,663,689	1,900,256	3,447,111	5,630,245
Total General Fund	\$ 5,234,824	\$ 5,130,054	\$ 3,840,236	\$ 3,216,328	\$ (8,827,446)	\$ 4,672,034	\$ 2,333,184	\$ 3,864,676	\$ 7,667,082
All Other Governmental Funds									
Nonspendable	\$ 33,884,856	\$ 52,569,460	\$ 51,961,844	\$ 54,350,505	\$ 6,716,200	\$ 6,239,140	\$ 6,239,525	\$ 6,240,041	\$ 1,844,965
Restricted	13,373,728	10,640,201	9,992,057	7,390,273	7,084,203	8,040,307	8,975,398	9,062,884	30,613,763
Committed	7,717,836	173,207	39,990	-	-	-	-	-	-
Assigned	4,339,652	458,624	-	-	-	-	-	-	-
Unassigned	(4,283,748)	(16,990,443)	(19,260,373)	(18,529,307)	(2,777,578)	(314,408)	(1,459,158)	(4,500,505)	(512,038)
Total all other Governmental Funds	\$ 55,032,324	\$ 46,851,049	\$ 42,733,518	\$ 43,211,471	\$ 11,022,825	\$ 13,965,039	\$ 13,755,765	\$ 10,802,420	\$ 31,946,690
Total Governmental Funds	\$ 60,267,148	\$ 51,981,103	\$ 46,573,754	\$ 46,427,799	\$ 2,195,379	\$ 18,637,073	\$ 16,088,949	\$ 14,667,096	\$ 39,613,772

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.

* Ten years of data is required to be presented; however, only nine years of data is available.

CITY OF MONROVIA

Changes in Fund Balances Of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis Of Accounting)

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues:										
Taxes	\$ 31,309,491	\$ 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
Assessments	1,240,391	1,274,277	1,270,527	1,277,803	1,285,649	1,285,599	1,316,592	1,345,317	1,331,082	1,332,814
Licenses and permits	807,651	808,099	857,144	572,193	599,797	667,484	662,042	619,092	678,952	1,408,368
Intergovernmental	5,861,651	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
Contributions from property owners	-	-	4,755,251	-	-	-	352,200	-	-	-
Charges for services	2,522,054	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
Use of money and property	2,458,402	2,890,722	1,877,342	1,308,050	1,445,079	732,911	361,853	318,481	365,701	463,420
Fines and forfeitures	841,599	948,984	811,432	718,426	761,557	749,832	830,025	802,348	827,608	899,784
Contributions	344,521	300,610	147,993	168,958	124,415	107,729	303,213	65,642	87,701	101,972
Miscellaneous and Other Revenue	1,091,232	568,534	750,292	935,978	824,767	816,058	18,584,884	1,218,364	1,019,591	1,005,453
Total revenues	46,476,992	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
Expenditures:										
Current:										
General government	6,949,652	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
Public safety	21,783,082	26,281,927	28,576,229	28,446,086	28,814,981	29,887,298	28,996,950	30,590,384	29,269,028	31,985,937
Community development	4,088,412	4,490,541	5,181,007	3,233,906	6,052,290	2,982,448	3,103,061	3,420,012	3,394,160	4,138,276
Parks & Recreation	3,552,755	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
Public works	3,837,347	4,697,897	3,851,359	3,841,395	3,340,885	3,118,867	3,464,568	3,396,830	3,663,889	3,926,928
Capital outlay	9,316,143	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
Debt service:										
Principal retirement	2,517,983	2,667,672	3,126,281	3,586,985	3,816,239	1,099,696	780,000	845,000	920,000	1,045,000
Interest and fiscal charges	3,476,802	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
Bond issuance costs	421,892	-	228,618	-	582,117	-	-	-	-	-
Pass-through agreement payments	-	2,421,339	2,463,947	2,657,620	2,940,925	-	-	-	-	-
Total expenditures	55,944,048	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
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,467,056)	(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
Other financing sources (uses):										
Transfers in	29,642,794	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
Transfers out	(29,825,745)	(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)
Long-term debt issued	19,500,000	15,850,000	12,000,000	-	20,750,000	-	-	-	6,180,000	-
Proceeds on sale of capital asset	-	-	-	(508,805)	-	-	-	-	-	-
Capital leases	-	10,240	-	-	-	-	-	-	-	-
Notes and loans issued	-	3,010,240	-	-	-	-	-	-	-	-
Original bond discount	(81,390)	-	(150,000)	-	(308,205)	-	-	-	-	-
Bond premium	-	-	-	-	-	-	-	-	-	938,901
Lease revenue bond issued	-	-	-	-	-	-	-	-	(6,690,000)	13,600,000
Total other financing sources (uses)	19,235,659	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
Extraordinary gain/(loss) on dissolution of redevelopment agency										
Net change in fund balances / net assets	\$ 9,768,603	\$ 10,695,493	\$ (8,285,681)	\$ (5,407,349)	\$ 43,934	\$ (44,232,418)	\$ 16,587,296	\$ (2,392,810)	\$ (1,421,852)	\$ 24,946,676
Debt service as a percentage of noncapital expenditures *	13.04%	14.02%	14.66%	16.54%	14.22%	10.45%	5.96%	5.69%	6.21%	5.64%

* 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
Based on this methodology, this percentage for past years has been restated.

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
2007	2,497,602	461,248	526,748	3,485,598	1.00	\$3,485,598	100.0%
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	4,252,097	1.00	\$4,252,097	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%

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		Total Direct Rate	Los Angeles County ⁽¹⁾	Metropolitan Water District Bonds	School District Bonds	Community College ⁽³⁾	Flood Control Bonds	Voter Approved Pension Override		
	Basic Tax Levy										
2007	1.0000		1.0000	0.000660	0.0047	0.065280	0.003560	0.000050	0.128519	1.202769	\$423.58
2008	1.0000		1.0000	0.000000	0.0045	0.063262	0.016112	0.000000	0.128519	1.212393	\$485.58
2009	1.0000		1.0000	0.000000	0.0043	0.050125	0.024408	0.000000	0.128519	1.207352	\$455.91
2010	1.0000		1.0000	0.000000	0.0043	0.065210	0.023974	0.000000	0.128519	1.222003	\$519.24
2011	1.0000		1.0000	0.000000	0.0037	0.072329	0.025159	0.000000	0.128519	1.229707	\$557.60
2012	1.0000		1.0000	0.000000	0.0037	0.092323	0.024466	0.000000	0.128519	1.249008	\$557.43
2013	1.0000		1.0000	0.000000	0.0035	0.089063	0.025903	0.000000	0.128519	1.246985	\$569.47
2014	1.0000		1.0000	0.000000	0.0035	0.089187	0.022263	0.000000	0.128519	1.243469	\$572.55
2015	1.0000		1.0000	0.000000	0.0035	0.084945	0.016412	0.000000	0.128519	1.233376	\$558.42
2016	1.0000		1.0000	0.000000	0.0035	0.086800	0.024062	0.000000	0.128519	1.242881	\$564.47

(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	2016			2007		
	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	\$ 61,319,841	1	1.26%			0.00%
Foothill Technology Center LLC	46,993,020	2	0.97%	32,296,160	2	0.93%
Meile Investments LLC	43,632,721	3	0.90%			0.00%
Huntington Oaks Delaware Partners LLC	42,842,057	4	0.88%	33,204,585	1	0.95%
Monrovia Technology Campus LLC	28,761,253	5	0.59%	16,581,451	5	0.48%
PI Properties No 46 LLC	20,909,587	6	0.43%			0.00%
S and F Huntington Crossing LLC	17,544,529	7	0.36%	15,429,606	6	0.44%
BRE HV Properties LLC	17,482,477	8	0.36%			0.00%
723 EHD LLC	17,449,119	9	0.36%			0.00%
Nationwide Monrovia Mkt Plc LLC	17,397,154	10	0.36%	15,300,000	7	0.44%
1024 Royal Oaks LP			-	22,700,000	3	0.65%
Home Depot USA Inc			-	16,618,042	4	0.48%
Realty Associates Fund VI LP			-	15,293,879	8	0.44%
Showprop Monrovia LLC			-	14,508,506	9	0.42%
MDS Pealty II LLC			-	13,479,300	10	0.39%
Total	\$ 314,331,758		6.46%	\$ 195,411,529		5.61%

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	6,687,823	97.0%	N/A	6,687,823	97.0%

Sources:

* Includes 1% secured levy; does not include direct assessments or tax override. The amount presented is net of adjustments.

CITY OF MONROVIA

Ratios of Outstanding Debt by Type,
Last Five Fiscal Years

Fiscal Year	Government Activities				Business Type Activities		Total Primary Government	Resources Available for Principal	Net General Bonded Debt	Estimated Value of Taxable Property ^B	General Bonded Debt Ratio	Percentage of Personal Income ^A	Per Capita ^A
	Bonds ^D	Notes	Loans	Leases	Due to Other Gov'ts	Bonds							
2012	34,826,331	-	-	177,896	-	-	35,004,227	38,376	34,965,852	3,259,734,454	1.07%	2.98%	948
2013	34,049,905	-	-	133,919	-	-	34,183,824	8	34,183,816	3,347,777,998	1.02%	2.87%	920
2014	33,208,479	-	-	143,809	-	-	33,352,288	8	33,352,280	3,445,725,570	0.97%	2.78%	897
2015	32,297,795	-	-	473,328	-	-	32,771,123	4	32,771,119	3,642,003,553	0.90%	2.55%	873
2016	44,520,000	-	-	406,630	-	-	81,696,630	795,921	80,900,709	3,850,377,301	2.10%	6.36%	2,184

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.

D Amounts presented are net of related premiums, discounts and adjustments.

CITY OF MONROVIA

**Direct and Overlapping Governmental Activities Debt
As of June 30, 2016**

City Assessed Valuation	\$3,927,950,499
Successor Agency Incremental Valuation	<u>\$934,722,226</u>
	<u><u>\$4,862,672,725</u></u>

	<u>Percent Applicable to City</u>	<u>Outstanding Debt 6/30/16</u>	<u>Estimated Share of Overlapping Debt</u>
<u>Overlapping Debt:</u>			
Metropolitan Water District*	0.382%	44,916,916	\$ 171,529
El Monte School District	0.083%	118,012,423	97,924
El Monte Union High School District	0.043%	140,639,462	60,853
Citrus Community College District	19.486%	96,907,553	18,883,883
Pasadena Area Community College District	0.022%	84,630,000	18,347
Rio Hondo Community College District	0.005%	158,962,824	8,540
Arcadia Unified School District	0.092%	187,723,308	171,794
Duarte Unified School District	1.321%	53,463,568	706,089
Monrovia Unified School District	86.892%	65,259,829	<u>56,705,637</u>
Total Overlapping Debt:			<u>76,824,596</u>
 <u>Direct Debt</u>			
City Direct Debt			44,926,630
Successor Agency Direct Debt			<u>56,810,000</u>
Total City & Successor Agency Direct Debt			<u>101,736,630</u>
Total Direct and Overlapping Debt			<u>\$ 178,561,226</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
(dollars in thousands)

Legal Debt Margin Calculation for Fiscal Year 2016

Assessed value	4,862,672,725
Conversion percentage	25% *
Adjusted assessed value	1,215,668,181
Debt limit percentage	15% *
Debt limit	182,350,227
Total net debt applicable to limit:	
General obligation bonds	-
Legal debt margin	<u><u>\$ 182,350,227</u></u>

<u>Fiscal Year</u>	<u>Debt Limit</u> *	<u>Total Net Debt Applicable to Limit</u>	<u>Legal Debt Limit A</u> *	<u>Total Net Debt Applicable to the Limit as a Percentage of Debt Limit</u>
2007	130,710	-	130,710	0.00%
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%

* 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	
2012	639	3	636	575	69	1
2013	673	3	670	605	31	1
2014	-	-	-	-	-	- A
2015	-	-	-	-	-	- A
2016	-	-	-	-	-	- A

2007 Library Lease Revenue Bonds

Fiscal Year	Taxes	Less: Expenditures	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2012	1,022	2	1,021	305	699	1.02
2013	1,021	2	1,019	320	686	1.01
	1,033	2	1,031	330	672	1.03
2015	1,026	2	1,024	345	656	1.02
2016	1,026	2	1,024	360	641	1.02

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

2016 Measure R and Proposition C Street Improvement Lease Revenue Bonds

Fiscal Year	Taxes	Less: Expenditures	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2016	-	-	-	-	-	-

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.

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)
2007	38,932	1,046,441	26,879	4.4%
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	37,406	N/A *	N/A *	3.9%

Sources: (1) State of California Department of Finance
 (2) State of California Economic Development Department
 (3) HDL Coren & Cone

* Information for 2016 not yet available.

Data for 2015 has been restated based on updated figures.

CITY OF MONROVIA

Principal Employers
Current Year and Nine Years Ago

Employer**	2015-2016			2006-07 *		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Monrovia School District	726	1	3.54%			
The Home Depot	280	2	1.37%			
Trader Joe's Company	267	3	1.30%			
Ducommon Aerostructures Inc.	263 #	4	1.28%			
Sierra Autocars	246	5	1.20%			
Monrovia Memorial Hospital	209	6	1.02%			
Starr Surgical	191	7	0.93%			
Vinyl Technology	185	8	0.90%			
San Gabriel Valley Newspaper	177	9	0.86%			
Exelis, Inc.	177	10	0.86%			
	<u>2,721</u>		<u>13.27%</u>	<u>0</u>		<u>0.00%</u>

* Information not available.

** 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

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
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 #	32.75	36.00	33.75	28.75	26.50	26.50	27.90	26.90	25.90	27.00
Community Development										
Administration	2.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Planning	5.75	7.25	7.00	7.00	6.00	6.00	6.00	6.00	6.00	5.00
Inspection	6.50	7.50	7.00	3.00	3.00	3.00	3.00	3.00	4.00	5.00
Housing Services/Code Enforcement	4.50	4.50	4.00	4.00	3.00	3.00	4.00	4.00	4.00	6.00
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	38.00	33.00	36.00	35.00	35.00	35.00	35.00	38.00
Investigation/Crime Prevention	19.00	19.00	19.00	19.00	16.00	11.00	11.00	11.00	11.00	12.00
Police Services	18.00	18.00	18.00	17.00	16.00	14.00	14.00	12.00	12.00	13.00
Dispatch	5.00	6.00	7.00	6.00	7.00	7.00	7.00	8.00	8.00	8.00
Other PD Support	6.00	8.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Fire										
Administration	2.00	2.50	2.00	2.00	1.75	1.75	2.00	2.00	2.00	2.50
Fire Suppression (including Paramedics)	40.00	40.00	40.00	40.00	42.00	42.00	42.00	42.00	42.00	41.00
Fire Prevention/Inspection	1.00	2.00	1.00	1.00	0.00	0.00	0.00	1.00	1.00	2.50
Public Works										
Admin/Engineering	11.00	11.00	9.00	7.00	7.00	7.00	7.00	6.00	7.00	6.00
Maintenance	48.00	49.00	44.00	41.00	41.00	41.00	41.00	41.00	40.00	34.00
Mechanic	2.00	0.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	3.00
Community Services										
Administration	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Recreation	8.00	10.00	8.00	7.00	5.50	5.50	6.00	6.00	6.00	6.00
Library	10.25	10.25	8.50	11.00	11.00	11.00	11.50	10.75	9.00	11.00
Total Authorized Personnel *	263.75	275.00	260.25	239.75	234.75	226.75	230.40	227.65	225.90	232.00

* Total Authorized Personnel - excludes part-time Council members.

** Police Department data was restated for the 2012, 2013, and 2014 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

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**

Function/Program	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Community development										
Number of:										
Business licenses (A)	2,552	2,549	2,301	2,358	2,271	2,272	2,217	2,216	2,220	2,805
Plan checks (B)	264	286	240	179	182	194	309	425	341	372
NPDES inspections	20	12	12	9	2	2	-	-	-	-
Code violations (calendar basis)	1,692	1,650	1,514	1,280	1,000	1,123	990	979	819	680
Police										
Number of:										
Part 1 Crimes	1,271	1,257	1,094	1,273	1,006	1,015	944	857	679	839
Parking & non-moving violations	11,320	11,163	8,526	8,847	8,542	8,565	8,931	7,610	11,119	13,162
Traffic (moving) violations	6,340	4,825	5,557	4,646	5,241	4,733	5,289	4,470	3,873	3,081
Incident & crime reports	6,107	5,754	5,642	5,669	4,744	4,652	4,652	4,121	3,696	3,918
Public works										
Miles of:										
Street resurfacing/repair	3	3	-	-	4	2	2	1	-	-
Street Sweeping (C)	212	212	212	212	212	212	212	212	212	212
Number of:										
Street signals maintained (intersections)	46	35	36	36	36	36	36	36	37	37
Trees pruned per year (C)	2,784	2,485	1,623	968	842	1,284	965	900	1,340	2,577
Square feet graffiti removed (C)	64,194	84,945	89,641	98,665	32,040	27,236	26,740	21,910	23,750	18,636
Recreation & community services										
Number of enrollees:										
Aquatics (D)	3,766	3,800	4,100	3,900	N/A	N/A	N/A	N/A	N/A	N/A
Community services/seniors	1,800	1,700	1,550	1,325	1,310	1,275	1,205	1,175	1,025	216
Day camp	375	430	425	438	425	300	250	225	235	216
Park program	6,100	6,200	5,800	6,200	8,400	8,650	8,900	8,500	8,100	1,044
Classes	6,500	6,200	6,490	6,540	6,390	6,450	6,250	5,950	5,900	2,130
Special events	4,200	4,500	5,250	5,850	6,250	6,350	6,425	6,550	6,800	14,300

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**

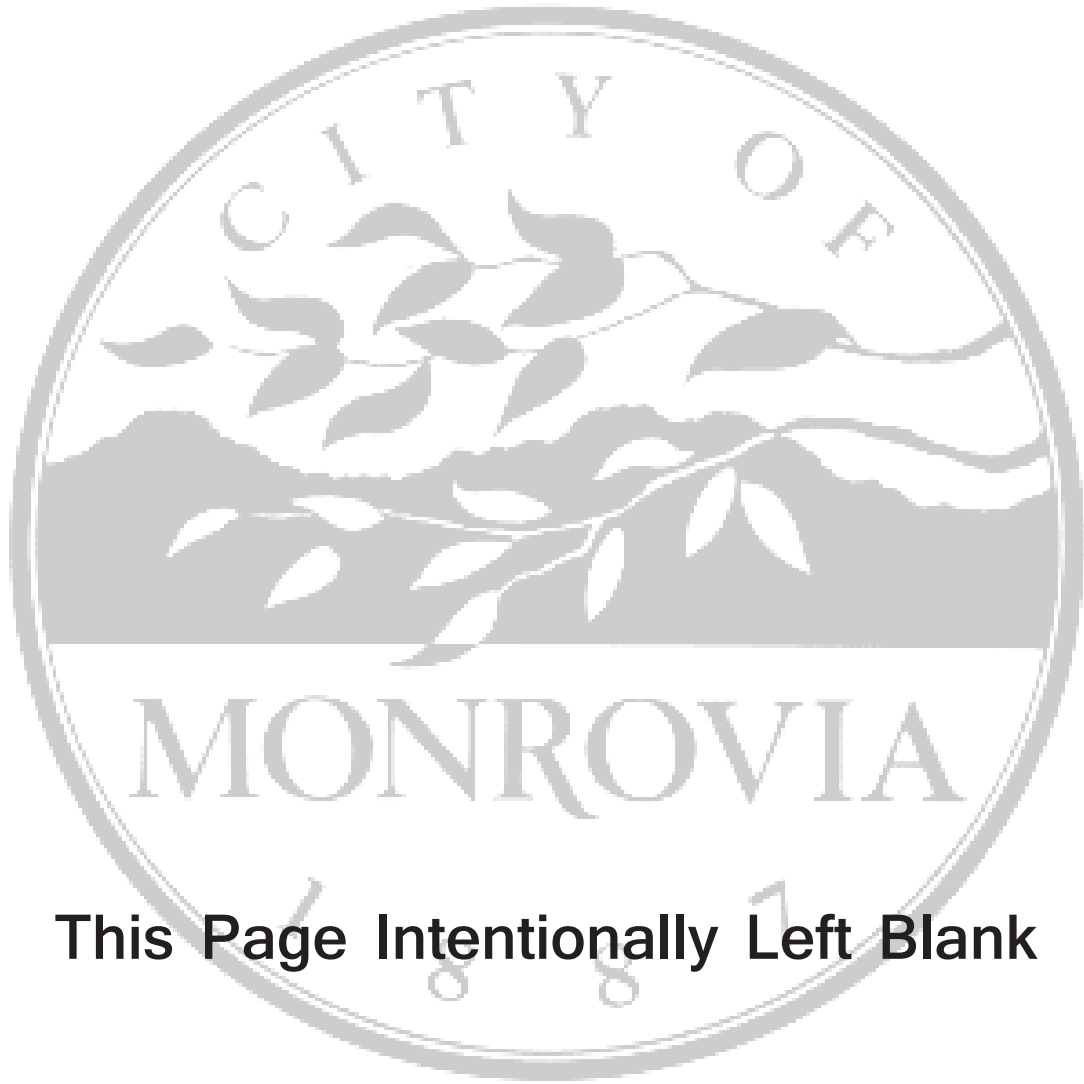
<u>Function/Program</u>	<u>Fiscal Year</u>									
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Community development										
Code enforcement vehicles	3	4	3	3	4	4	4	4	3	3
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol vehicles	15	14	14	14	13	13	13	14	15	
Other vehicles	27	30	30	27	24	24	22	23	23	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	1,390	1,376	1,376	1,376	1,376	1,376	1,376
Traffic signals	46	46	47	47	48	48	48	48	49	49
Public works vehicles	47	47	47	48	45	45	45	45	45	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	7	8	8
Community service vehicles	3	1	2	3	4	4	4	5	6	6

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, 2016 - June 30, 2017

NAME OF COMPANY	POLICY NO.	EXPIRATION DATE	TYPE OF COVERAGE	COVERAGE LIMITS
California Joint Powers Insurance Authority	No policy number	07/01/17	Liability	\$50,000,000 combined single limit per occurrence per member LIMITS PER MEMBER (Subsidence) \$30,000,000 Per Occurrence Per Member \$10,000,000 Annual Aggregate Per Member
Brit Syndicate (Lloyds 2987)	E/B26444.15	07/01/17	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	07/01/17	Workers' Compensation and Employer's Liability coverage	Statutory Benefits and \$10,000,000 Employer's Liability
XL Catlin Travelers	B128410009W16	07/01/17	All Risk Property Insurance	All-Risk (required) \$500 Million per occurrence (shared limits) \$10 Million annual aggregate for flood (per member limits) Deductible: \$5,000 per occurrence Premium: \$0.021 / per \$100 of Insured Values Coverage is written at replacement cost. Vehicles Physical Damage (comprehensive & collision) (optional) Deductible: \$1,000 per occurrence (collision), licensed vehicles other than Fire and Ambulance Deductible: \$1,000 per occurrence (comprehensive), licensed vehicles other than Fire and Ambulance Premium: \$0.553/ per \$100 of Insured Values Deductible: \$5,000 per occurrence (collision), Fire and Ambulance vehicles Deductible: \$1,000 per occurrence (comprehensive), Fire and Ambulance vehicles Premium: \$0.244 / per \$100 of Insured Values Coverage is written at stated value. Mechanical Breakdown (formerly Boiler
National Union Fire Insurance Company of Pittsburg, PA (CHARTIS)	01-330-98-06	07/01/17	Crime Insurance	\$1,000,000/per member
Tokio Marine Specialty Insurance Company	PPK1197283	7/1/2017 Period: July 13, 2015 to July 1, 2017, three-year policy (*Note: policy term is 07/01/14-07/01/17; however, the City's coverage was effective 07/01/15.)	Pollution and Remediation Legal Liability Program	10,000,000 Per member
Evanston Insurance Company	SEP41017	01/01/2016 - 01/01/2017	Special Events Coverage Program	\$1,000,000 per occurrence \$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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