



COMPREHENSIVE ANNUAL FINANCIAL REPORT YEAR ENDING JUNE 30, 2017

Celebrating 40 Years!



CITY OF LA CAÑADA FLINTRIDGE, CALIFORNIA
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2017



Prepared by the City of La Cañada Flintridge Finance Department
Mark R. Alexander, City Manager

CITY OF LA CAÑADA FLINTRIDGE
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2017

Table of Contents

	<i>Page(s)</i>
INTRODUCTORY SECTION	
Letter of Transmittal.....	i
Directory of City Officials.....	ix
Map	x
GFOA Certificate of Achievement.....	xi
Organization Chart.....	xii
FINANCIAL SECTION	
Independent Auditor's Report	1
Management's Discussion and Analysis (Required Supplementary Information - Unaudited) ..	5
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	15
Statement of Activities	16
Fund Financial Statements:	
Balance Sheet – Governmental Funds	17
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position.....	19
Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) of Governmental Funds.....	21
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) of Governmental Funds to the Statement of Activities.....	23
Notes to the Financial Statements.....	25
Required Supplementary Information (Unaudited):	
Schedule of the City's Proportionate Share of the Net Pension Liability	53
Schedule of Pension Contributions.....	54
Schedule of Funding Progress – Other Postemployment Benefits.....	55
Budgetary Comparison Schedule – General Fund	56
Note to Required Supplementary Information.....	57
Other Supplementary Information:	
Budgetary Comparison Schedule – Sewer AD04-1 Debt Service Fund.....	59
Budgetary Comparison Schedule – City Capital Projects Fund	60
Description of Nonmajor Governmental Funds.....	61
Combining and Individual Fund Statements and Schedules:	
Combining Balance Sheet – Nonmajor Governmental Funds.....	63
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) – Nonmajor Governmental Funds.....	68

CITY OF LA CAÑADA FLINTRIDGE
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2017

FINANCIAL SECTION (Continued)

Nonmajor Budgetary Comparison Schedules:

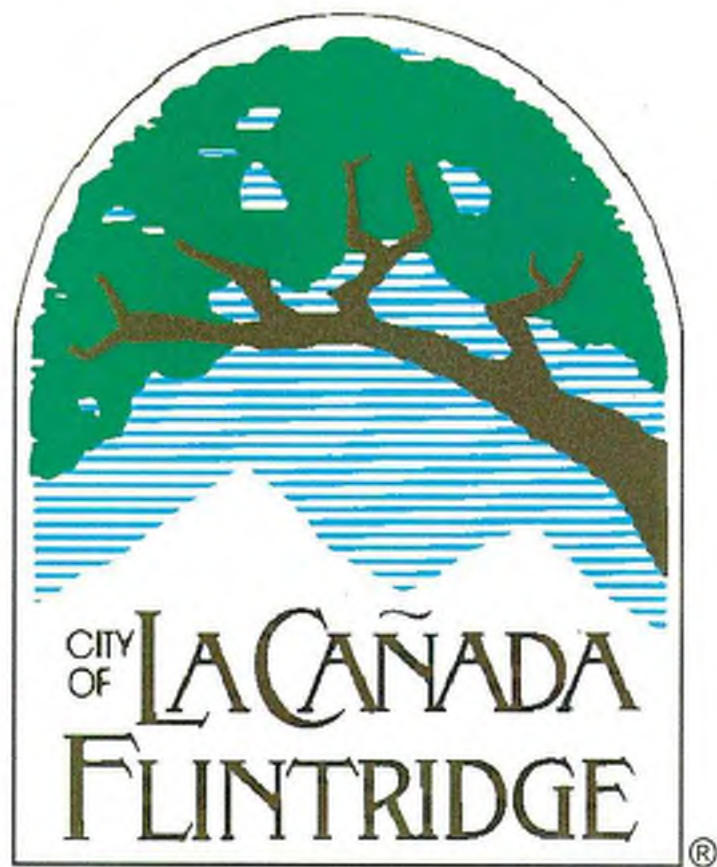
Traffic Safety Special Revenue Fund	73
State Gasoline Tax Special Revenue Fund	74
Bonds and Grants Special Revenue Fund.....	75
TDA Special Revenue Fund	76
Proposition C Transit Tax Special Revenue Fund	77
Proposition A Transit Tax Special Revenue Fund	78
Community Development Block Grant Special Revenue Fund	79
State/ Federal Law Enforcement Supplemental Funds Special Revenue Fund	80
AQMD Trust Special Revenue Fund	81
Property Acquisition Special Revenue Fund.....	82
Sanitation Special Revenue Fund	83
Sewer Redemption AD98-1 Special Revenue Fund	84
Sewer Redemption AD02-1 Special Revenue Fund	85
Sewer Redemption AD04-1 Special Revenue Fund	86
Measure R Special Revenue Fund.....	87
Sewer AD98-1 Debt Service Fund.....	88
Sewer AD02-1 Debt Service Fund.....	89
Sewer Improvement AD04-1 Capital Projects Fund.....	90

STATISTICAL SECTION (Unaudited)

Net Position by Component.....	92
Changes in Net Position	94
Fund Balances of Governmental Funds.....	96
Changes in Fund Balances of Governmental Funds	98
Assessed Value and Estimated Actual Value of Taxable Property	100
Direct and Overlapping Property Tax Rates.....	101
Principal Property Tax Payers.....	102
Property Tax Levies and Collections	103
Ratios of Outstanding Debt by Type	104
Direct and Overlapping Debt.....	105
Legal Debt Margin Information	106
Pledged – Revenue Coverage	108
Demographic and Economic Statistics	109
Principal Employers	110
Full-Time and Part-Time City Employees by Function.....	111
Operating Indicators by Function	112
Capital Asset Statistics by Function	113

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INTRODUCTORY SECTION



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CITY COUNCIL

Michael T. Davitt, Mayor
Terry Walker, Mayor Pro Tem
Gregory C. Brown
Jonathan C. Curtis
Leonard Pieroni

February 26, 2018

Honorable Mayor, Members of the City Council and Citizens of the City of La Cañada Flintridge, California:

The Comprehensive Annual Financial Report (CAFR) of the City of La Cañada Flintridge, California, for the fiscal year ended June 30, 2017 is submitted herewith. This report was prepared in accordance with Generally Accepted Accounting Principles (GAAP) as set forth in pronouncements of the Governmental Accounting Standards Board (GASB).

This report consists of management's representations concerning the finances of the City of La Cañada Flintridge. Consequently, management assumes full responsibility for completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's internal control framework is designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. We assert that, to the best of our knowledge and belief, this report is complete and reliable in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the various funds and account groups. All disclosures necessary to enable the reader to gain an understanding of the City's activities have been included.

Moss, Levy & Hartzheim LLP, a firm of licensed certified public accountants, has audited the City's basic financial statements. The goal of the independent audit is to provide reasonable assurance that the basic financial statements for the fiscal year ended June 30, 2017 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. Moss, Levy & Hartzheim LLP concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of La Cañada Flintridge's financial statements, for the fiscal year ended June 30, 2017, are fairly presented in conformity with GAAP. The auditor's report is presented as the first component of the financial section.

GAAP⁵ requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of "Management's Discussion and Analysis" (MD&A). This letter is designed to complement the MD&A and should be read in conjunction with it. The City of La Cañada Flintridge's MD&A can be found immediately following the independent auditor's report.

The financial reporting entity (the City) includes all funds of the City of La Cañada Flintridge, as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable. As demonstrated by the statements and schedules included

in the financial section of this report, the City continues to meet its responsibility for sound financial management.

Profile of the City of La Cañada Flintridge

The City of La Cañada Flintridge was incorporated on November 30, 1976 as a "General Law" city with a Council-Manager form of government. A five-member City Council is elected at-large to serve staggered four-year terms. In March of each year, the City Council selects one of its members to serve as Mayor, and one to serve as Mayor Pro Tem. The City Council is responsible for, among other things, establishing the City's policies and priorities, passing ordinances, and adopting the budget, as well as appointing the City Manager, City Treasurer, City Attorney, and the members of City commissions and committees. The City Manager is responsible for carrying out the policies and ordinances of the City Council and for overseeing the day-to-day operations of the City.

The City provides a full range of services including land use and zoning review; the construction and maintenance of streets, parks, and other infrastructure; recreational activities and cultural events; oversees contractual services provided by Los Angeles County or other private vendors including law enforcement, fire protection, animal control, road maintenance, traffic signal maintenance, legal services, building and safety inspection, recreation programs, human services, parks and landscape maintenance.

The annual budget serves as the foundation of the City of La Cañada Flintridge's financial planning and control. All departments and contractors submit requests for appropriations to the City Manager. These requests, in conjunction with revenue trend analysis, are the starting point for developing a preliminary budget, which is presented to the City Council for consideration and review. Budget hearings are held and the City Council adopts the final fiscal year budget effective July 1. Budget appropriations are prepared by fund, department, and program. Budget to actual comparisons are provided in this report for each individual governmental fund type. In addition, the City maintains extensive budgetary controls. The objective of these controls is to ensure compliance with legal provisions embodied in the budget approved by the City Council. The City Council approves operating appropriations at the department and fund level and may amend or supplement the budget during the fiscal year by motion; the City Manager may make minor administrative adjustments. The level of budgetary control (i.e., the level at which expenditures cannot legally exceed appropriated amounts) is at the fund level. Operating appropriations lapse at the end of each fiscal year unless they are encumbered at year-end or are re-appropriated through the formal budget process.

The voters of California, during a special election in 1979, approved Article XIII-B of the California State Constitution. Informally known as the "Gann Initiative," Article XIII-B provides limits regarding the total amount of appropriations in any fiscal year from the "proceeds of taxes."

The State Legislature, in 1980, added Section 9710 to the Government Code providing that the governing body of each local jurisdiction must establish, by resolution, an appropriations limit for the following year. The appropriations limit for any fiscal year is equal to the previous year's limit, adjusted for city or county population changes, whichever is greater, and the change in California per capita income or the growth in non-residential assessed valuation due to new construction within the City, whichever is greater.

The Appropriations Limit and the City's Appropriations Subject to the Limit for the FY 2016-17 amounted to \$20,389,073 and \$10,430,400 respectively. The City's appropriations consistently remain far below the appropriations limit and are not expected to approach it in the near future.

Factors Affecting Financial Condition

Information presented is perhaps best understood when considered from the broader perspective of the environment within which the City of La Cañada Flintridge operates.

Local economy

The City is located in the northern portion of the Los Angeles County basin, nestled against the foothills of the San Gabriel Mountains, approximately 13 miles north of downtown Los Angeles. The City encompasses 8.5 square miles. Neighboring cities include Glendale, Pasadena, and the unincorporated communities of La Crescenta and Altadena. In addition, the northern City boundary borders the Angeles National Forest.

The City prides itself on being a semi-rural community with tree-lined streets, custom residential estate development, abundant streams, waterways, and undeveloped hillside properties acquired by the City to remain as permanent open-space dedicated as recreational trails and wildlife nature preserves.

The State of California estimated the City's population to be 20,497 as of 2016, a slight decrease of 0.3% from the previous year. Per capita personal income in 2016 was \$71,898, an increase of 0.6% from 2015. The median age of La Cañada Flintridge residents in 2016 was 44.7 as compared to 45.1 in 2015.

The City has approximately 7,050 housing units. The median sales price of a single family residential home in 2016 was \$1,550,000, an increase of 3.3% over the median sales price of \$1,500,000 in 2015.

The local economy remains stable despite the uncertain regional and statewide economic climate. The unemployment rate among the City's residents was estimated at 2.7% in 2016, lower than the 2015 figure of 3.5%. Major employers located in the City's largely residential community include: NASA's Jet Propulsion Laboratory, the La Cañada Unified School District, La Cañada Flintridge Country Club, Ross Stores, Inc., Trader Joe's, and Gelsons. The City's largest private employer is Ralph's Grocery Company.

Property tax, local retail sales tax, and development-related fees continue to be among the City's major revenue sources. The economic outlook for the community is one of cautious optimism given the uncertainty of California's economy and the real estate market. While the City is somewhat dependent on a strong economy and stable fiscal situation at the State level, it has avoided an over-dependence on State or Federal subventions. This, combined with the City's history of maintaining strong reserves and a conservative approach toward spending, has provided a measure of stability in the City's fiscal environment.

Long-term financial planning

During FY 2016-17, the City performed a five-year General Fund financial projection as a planning tool to assist in guiding the annual budget process. In addition, the City adopted a Five-Year Capital Improvement Plan (CIP) to serve as a primary long-term financial planning tool to assist in guiding future capital investments in roads, parks, trails, and other capital assets and infrastructure. Specific projects included within the CIP, which spans the timeframe from FY 2016-17 to FY 2020-21, include the annual Citywide Street Resurfacing Program, the Foothill "Link" (which includes a bikeway and

wall landscaping) project, repair of the Owl Trail, Padres Trail Basin Drainage Improvements, and the construction of soundwalls along the Route 210 Freeway.

Cash and investment management policies and practices

In accordance with State Government Code and the City's Investment Policy, which is adopted annually by the City Council, the City Treasurer is responsible for investing available cash. The cash management system of the City is designed to invest public funds in a manner that provides an optimal combination of security and investment return while meeting the City's daily cash flow demands. The criteria for selecting investments are, in order of priority: (a) safety (b) liquidity and (c) yield. The City Treasurer presents a monthly report of investments to the City Council. All interest income is apportioned to the City's individual funds on a pro rata basis. The yield on the entire investment portfolio for the year was 1.26%.

Idle cash during the year is invested in two investment pools: (1) the California Local Agency Investment Fund (LAIF) pool, administered by the State Treasurer; and (2) the California Asset Management Program (CAMP), which is a California Joint Powers Authority that provides investment services to California public agencies. The average yield for the year in LAIF was 0.76%; in CAMP, the average yield was 0.79%.

The City's longer-term investments include securities; specifically, corporate notes, obligations of agencies of the U.S. Government, and obligations of U.S. Government sponsored enterprises. These investments are laddered with maturities up to five years. For the year, the yield on the City's securities holdings was 1.31%.

Investment returns, as measured in the financial statements, include changes in the fair market value of the City's securities. Increases and decreases in the fair market value of investments do not necessarily represent trends that will continue. While the City of La Cañada Flintridge intends to hold these investments to maturity, the sale of individual securities prior to maturity, for purposes of portfolio optimization, may be appropriate from time-to-time.

Risk management

The City is a member of the California Joint Powers Insurance Authority (CJPIA). The CJPIA is a consortium of approximately 117 cities and other public agencies throughout California established under the provisions of California Government Code Section 6500. The CJPIA provides risk coverage for its members through self-insurance, the pooling of risks, and purchase of excess insurance. This coverage extends to workers compensation, property, general liability, errors and omissions and vehicle liability. The CJPIA is governed by a Board consisting of one representative appointed by each member agency. The Board elects officers that meet monthly to supervise and conduct affairs. The Board maintains a staff, headed by a general manager, to implement the policies of the Board. The City continues to participate in the voluntary CJPIA Risk Management Evaluation program, ADA Transition Plan Implementation, reviewing all facilities and operational policies for safety and compliance with applicable laws.

Major initiatives, current year projects

Planning & Development

The number of discretionary Planning cases reviewed exceeded the 2009 low point of 215 cases and reached 237 cases during FY 2016-17. The commercial vacancy rate, including retail and office units, displayed a slight increase from July 2016 to June 2017. The adjusted commercial vacancy rate for July 2016 was at 2.0% which gradually increased to 2.6% as of June 2017, still remaining at a very low vacancy rate.

The City continued its efforts to enhance customer service. During FY 2016-17, this included continued expansion of Building & Safety counter hours to provide residents and others additional opportunities to complete their required permitting and plan checks as efficiently as possible. In addition, a part-time City Permit Technician was hired to help expedite permits at the counter.

The City continued its "Mills Act" program for residents interested in preserving their historic residences. The Mills Act reduces the amount of property taxes collected on contracted properties in return for preserving the properties in accordance with state and federal regulations. Houses are considered on an individual basis and must meet standards established by the Federal Government. Two houses were approved for contracts during FY 2016-17. In 2015, the City Council increased the limit for foregone taxes from \$10,000 to \$20,000, and, in so doing, increased potential project participation.

The City's Community Development Block Grant (CDBG) program continued during the year. The amount of overall funding declined as the federal government continues to reduce the CDBG's program's budget. The City has two program areas: residential rehabilitation and sewer connection subsidies. Both programs provide grants to lower income households of up to \$15,000 and \$12,000, respectively. During the 2016-17 Fiscal year the program was able to help two households with rehabilitation and three households with sewer connections. In total, over \$60,000 was spent locally on the program.

The department has worked closely with a consultant in the drafting of the Zoning Code update. Two study sessions were held with the Planning Commission to obtain policy direction on certain issues. Staff participates in semi-monthly meetings with the consultant and City Attorney's office as they refine the draft document. Staff anticipates that the update will be complete in 2018. In addition, staff worked with educational stakeholders in their efforts to expand the campuses of Flintridge Sacred Heart Academy (FSHA) and Flintridge Preparatory School.

Infrastructure Improvements/Public Works

The City's Public Works Department was very active during the fiscal year in carrying out its responsibilities for the maintenance, planning, design, and construction of capital projects. Among the notable construction projects completed during FY 2016-17 were the Cerro Negro Trail Repair Phase 2, Cherry Canyon Trails Signage, Winery Channel Veneer Wall and Ocean View Slope Repair. Additionally, 3.13 lane miles of streets resurfacing, citywide concrete sidewalk and curb/gutter repairs, and storm drain refurbishments were completed.

In 2017 the City purchased an existing office building to become a new City Hall and agreed to the sale of the existing (old) City Hall building. Rehabilitation of the new facility is underway with a goal move-in date of January 2019.

Public Safety

The City Council continued to emphasize public safety services as a major priority. Through contract services with the Los Angeles County Sheriff's Department, the City maintained its safe and low-crime environment through sustained levels of service delivery as well as increased burglary suppression patrols. In addition, the City has continued to work with both the County of Los Angeles Fire Department and Sheriff's Department to maintain residential and commercial evacuation plans and notification of brush and vegetation clearance requirements. In addition, the City hosted a "State of the Stations" workshop to increase communication with residents, and continued to emphasize its disaster-preparedness activities by maintaining the City's mass notification system "Alert LCF." The City implemented new technology to assist the Sheriff's Department with the deployment of a mobile Automated License Plate Reader in a patrol car. The City also created two Public Service Announcement videos showing how to assemble an emergency kit and on burglary prevention tips. These PSAs are being broadcast on the City's cable channel and are available on the City's website. Finally, the City continues to recruit and train individuals for the City's Volunteer Emergency Response Team (VERT). Looking ahead to FY 2017-18, the City will continue to partner with the Fire Department to train additional volunteers.

Transportation

During FY 2016-17, the City continued to work closely with the cities of Burbank, Glendale, Pasadena, and South Pasadena through the five-member Arroyo Verdugo Subregion, primarily on transportation issues. Three of those cities (Burbank, Glendale and La Cañada Flintridge), along with the unincorporated area of the County (La Crescenta-Montrose) share the Metro "Arroyo Verdugo Cities" Subregional Measure R Highway Operational Improvement Funds on a per capita basis.

The City of La Cañada Flintridge has spent and will continue to spend its allocation of Measure R funds on the design and construction of soundwalls along the I-210 freeway. The City's initial 5-year allocation of these funds was \$4.588 million, which was fully committed to the design and construction of soundwalls. Construction began in FY 2013-14 and was completed in October, 2014. During FY2014-15, the City requested that the Los Angeles County Metropolitan Transportation Authority (Metro) also allocate additional, accelerated Measure R funds so that the City could continue the soundwall project. An additional \$1.8 million was programmed by Metro for this project. The City and Metro entered into a formal funding agreement for these funds at the close of the last fiscal year on April 5, 2016. Construction is expected to be completed by 2019.

In addition, members of the City Council and City staff continued to attend many regional transportation meetings regarding the proposed extension of the SR-710 Freeway. The City Council, in Resolution 10-12, opposed this extension. The Draft Environmental Impact Report (DEIR/DEIS) for the proposed SR-710 Freeway extension project was released by Metro and Caltrans in February of 2015. The "5-Cities Alliance" (comprised of the cities of Glendale, Pasadena, Sierra Madre, South Pasadena and La Cañada Flintridge) jointly hired an attorney and consultants for the analysis of and comments on the DEIR/DEIS. The City also wrote its own comment letter using its special legal counsel regarding issues particular to La Cañada Flintridge. Also, a policy group was formed in FY2014-15, called the "C-3" (Connected Cities and Communities). This group enabled the elected officials of the 5-City Alliance, along with additional cities and non-profits, to advocate our opposition to the proposed SR-710 "tunnel" alternative as well as research ideas for a better solution to regional traffic congestion. During FY 2016-17, Metro essentially "defunded" any prospects for development of an SR-710 tunnel, effectively terminating the project.

Also during FY 2016-17, the City continued to operate fixed route transit shuttle services under contract with the City of Glendale. The City extended its contractual arrangement for Dial-A-Ride service for seniors and the disabled. The "Summer Beach Bus," a recreational transit program with daily trips to the Santa Monica Pier, has significantly grown in popularity. The City continued to operate the "LCF Express Shuttle (Route 33)" and its fixed-route line "Routes 33/34", which has allowed for better service during peak usage times. The Route 34 schedule was aligned with the hours for both JPL and La Cañada High School during arrival, departure times, and the lunch hour. The increased service during the lunch hour allows shuttle users easier access to the shops and restaurants along Foothill Blvd. The City was able to offer an elevated level of service after it took delivery of a new 35-foot CNG Shuttle Bus at the start of the 2016-17 Fiscal Year. Additionally, the City updated its shuttle stop signage with a new look, including Stop Number, which is compatible with bus tracking apps. The new signs were installed in the downtown area of Foothill Blvd.

The City continued operation of its first electric vehicle charging station at the City's Park and Ride Lot. The station is dual-port and allows for two vehicles to charge at the same time. The City was able to use AQMD funding for the purchase and installation of the unit.

Recreation and Open Space

The City continued its efforts to enhance recreational opportunities for the residents and families of the community. La Cañada Flintridge is attractive to families seeking to take advantage of the excellent public school system and safe neighborhoods. In order to accommodate the demand from families for recreational facilities and sports play fields, the City Council has actively pursued the acquisition of open space and the identification of potential sites for parks, sports play fields, and trails.

With the focus on providing improved recreational facilities, the City continued to maintain and/or improve the LCHS Tennis Courts, FIS Tennis Courts, and City Skate Park. The City's remotely operated "CalSense System" was upgraded into a cloud based module. With this module, staff is able to control field lights and irrigation remotely using any internet enabled device. This will allow the City to be more responsive to the scheduling needs of users while being better able to manage the field's usage during down times.

With respect to trails, the City continued to improve and maintain the trail system for recreational use. A centerpiece of this effort during FY 2016-17 was the conclusion of the Cherry Canyon Trail Signs Project. This project makes Cherry Canyon more accessible to a greater number of users by providing updated "way-finding" signage that clarifies the direction of routes and intersections within the complex web of trails in the canyon. Further, the City laid the groundwork for the physical repair of several trail segments, including segments on the Owl Trail and the Cerro Negro trail, to address structural issues arising from recent erosion.

Lanternman Auditorium

The City continued to manage the Lanternman Auditorium through a Joint Use Agreement with the La Cañada Unified School District. The Lanternman Auditorium has been a successful joint use venture providing local community groups with the opportunity to utilize this significant, school district-owned community resource under the City's management and operation. The City continued its efforts to renovate the Auditorium in order to improve the overall experience for users. Use of the facility has expanded greatly. During FY 2016-17, the City continued the installation of an LED lighting system adding capacity to remotely control the lighting installed in the previous fiscal year. The newly automated lighting greatly enhances the stage effects available for productions held in

the Auditorium while reducing staff costs to users by automating the process. In addition, the City began to make accessibility improvement, with the replacement of one set of entry doors with an ADA compliant set of doors.

Youth Council

In FY 2016-17, the City Council voted to expand the City's Youth Council from a five-member advisory group to a nine member advisory council. With the implemented change, each of the four high schools within the City will appoint one member to the group, while the other five seats remain at-large seats appointed by the City Council. The Youth Council was involved in helping with the Mayor's Hike at Cherry Canyon, assisted the Trails Council by researching native animals and plant species to place information at each trail marker, hosted a financial literacy workshop for high school students and their families with Chase Bank of La Canada, and partnered with La Canada Gracie Barra to host a self-defense class. In addition, the Youth Council created a guide for future events to integrate anti-bullying efforts. The Youth Council kicked off this project with a 5K charity run in 2015-16 to raise awareness for LGBTQ youth. The Youth Council finalized the Youth Master Plan to help future members better understand their roles. The Master Plan included an event guide to share best practices for successful events.

Other Information

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellent in Financial Reporting to the City of La Cañada Flintridge for its comprehensive annual financial report for the fiscal year ended June 30, 2016. In order to be awarded a Certificate of Achievement, a government 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 that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

The preparation of this report could not have been accomplished without the dedicated services of the entire City staff. I would like to express my appreciation to all employees who assisted and contributed to the preparation of this report, particularly to the members of the Finance Department. Due credit should also be given to the Mayor and members of the City Council for their support and direction to staff in the planning and conducting of the operations of the City to ensure that services and programs continue to be provided to residents in a manner that is responsive, efficient, and in the best interests of the citizens of La Cañada Flintridge.

Respectfully submitted,



Mark R. Alexander
City Manager

DIRECTORY OF CITY OFFICIALS

CITY COUNCIL

Michael T. Davitt, Mayor

Terry Walker, Mayor Pro Tem

Gregory C. Brown, Councilmember

Jonathan C. Curtis, Councilmember

Leonard Pieroni, Councilmember

CITY MANAGEMENT STAFF

Mark R. Alexander, City Manager

Mark W. Steres, City Attorney

Jeffrey Wang, City Treasurer

Rebekka G. Hosken, Director of Finance

Tania Moreno, City Clerk

Carl Alameda, Director of Administrative Services

Jesus Armas, Interim Director of Public Works

Robert J. Stanley, Director of Community Development

Location Map





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

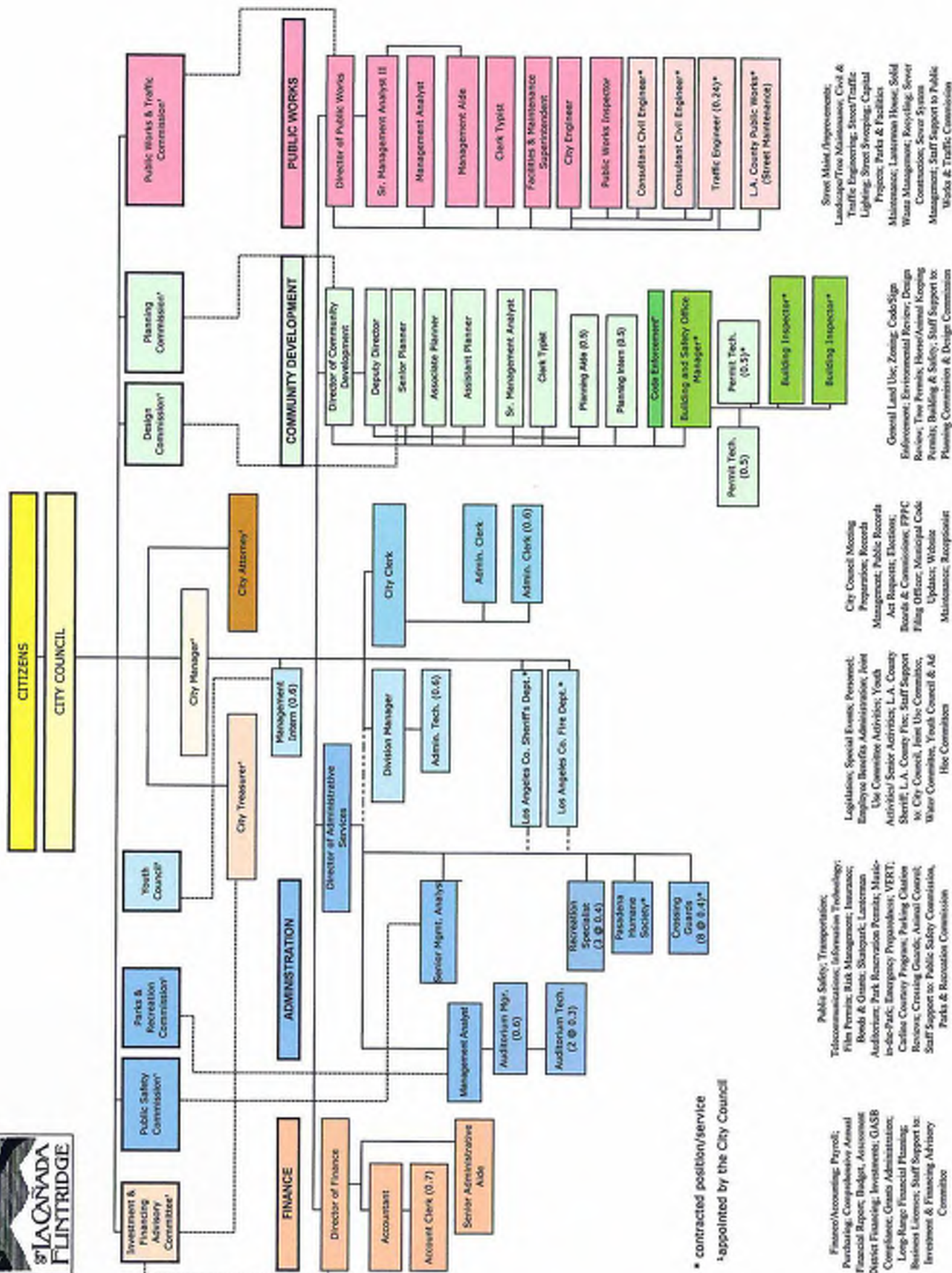
**City of LaCanada Flintridge
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

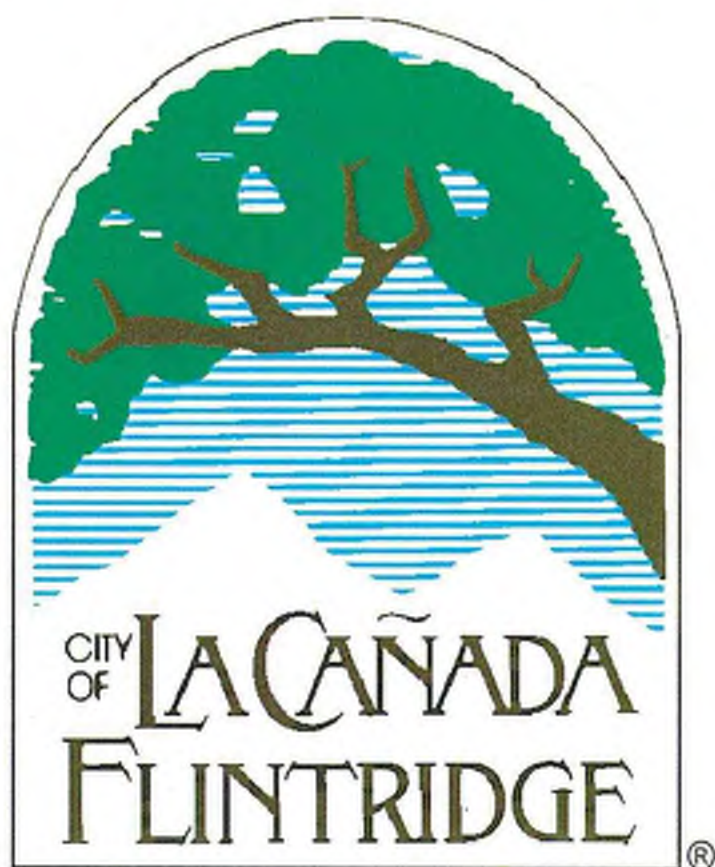
June 30, 2016

Christopher P. Morrill

Executive Director/CEO



FINANCIAL SECTION



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MOSS, LEVY & HARTZHEIM LLP

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of La Cañada Flintridge
La Cañada Flintridge, California

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2017, and the respective changes in financial position for the fiscal 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, schedule of the city's proportionate share of the net pension liability, schedule of pension contributions, schedule of funding progress-other postemployment benefits, and budgetary comparison information on pages 5 through 13 and 53 through 57 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, major capital projects and debt service fund budgetary comparison 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, and major capital projects and debt service fund budgetary comparison 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements and schedules, and major capital projects and debt service fund budgetary comparison 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 26, 2018, 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.

Moss, Levy & Hartzheim

Moss, Levy & Hartzheim, LLP
Culver City, California
February 26, 2018



**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2017
(Unaudited)**

As management, we offer this overview and analysis of the City of La Cañada Flintridge's (City) financial activities for the fiscal year ended June 30, 2017. Please consider the narrative presented here in conjunction with information furnished in our letter of transmittal as well as the accompanying basic financial statements.

Financial Highlights

The City's assets and deferred outflow of resources exceeded liabilities and deferred inflow of resources by \$81,698,927 (*net position*) at the close of this fiscal year. Of this amount, \$56,486,096, 69.1%, is net invested in capital assets, \$16,433,593, 20.1%, is restricted for projects and programs, with \$8,779,238, 10.8%, being unrestricted (*unrestricted net position*), which is available and may be used to meet ongoing obligations.

- The City's total net position decreased by \$3,139,518 (3.7%); this decrease resulted from negative operating results, which consisted of a combination of a \$140,407 (1.2%) increase in assets and deferred outflows and an increase of \$3,279,925 (9.1%) in liabilities and deferred inflows. This is primarily the result of the purchase of a new \$11.1 million city hall facility.
- For the current fiscal year, the City's governmental funds reported combined ending fund balances of \$28,908,259, a decrease of \$4,603,196 (13.7%) from the previous fiscal year.
- The General Fund balance at the end of the fiscal year is \$13,068,036, a decrease of \$5,036,993 (27.8%) over the previous fiscal year. The unassigned portion of that fund balance is \$4,970,216, which is 38.0% of total fund balance and 39.1% of FY 2016-17 General Fund expenditures. Of the remaining fund balance, \$1,408,352 (10.8%) of total fund balance is nonspendable, \$5,580,000 (42.7%) is committed, and \$1,109,468 (8.49%) is assigned.

Overview of the Financial Statements

The City's basic financial statements comprise three components: 1) government-wide financial statements: the *statement of net position* and the *statement of activities*; 2) individual fund financial statements; and 3) notes to the financial statements. In addition, this report also contains Required and Other Supplementary Information.

Government-wide Financial Statements. These statements include only the City itself (*known as the primary government*) that are presented using the *accrual basis of accounting*, in a manner similar to a private-sector business. The City has one component unit; however, this entity did not have any activity during the current fiscal year.

The *statement of net position* presents *all* assets and liabilities of the City, with the difference between the two reported as *net position*. Over time, changes in net position may serve as a useful indicator of the City's financial position. However, other factors will need to be considered (e.g., changes in revenue base and the condition of infrastructure) in order to assess the City's overall financial health.

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

The *statement of activities* presents the City functions that are principally supported by taxes and intergovernmental revenues (*government activities*). The City does not engage in other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The City's governmental activities include general government, community development, public safety, and public works. Public works includes highways and streets as well as parks and facilities maintenance.

Fund Financial Statements. A *fund* is a grouping of related accounts used to account for resources, which are segregated for specific activities. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Funds can be divided into three categories: governmental funds, proprietary funds and fiduciary funds. The City uses only governmental funds.

Governmental funds. These funds are used to account for, essentially, the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare information for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and statement of revenues, expenditures, and changes in fund balances provide a reconciliation to assist in the comparison between *governmental funds* and *government-wide statements*. The basic financial statements and related notes can be found on pages 15-51 of this report.

The City maintains twenty-two individual governmental funds. Information is presented separately in the governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balances (deficits) for the General Fund, Sewer Debt Service Fund for AD04-1, City Capital Projects Fund, and the Sewer Improvement Capital Projects Fund for AD02-1, all of which are considered to be major funds. Data from the other eighteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining and individual fund statements and schedules* elsewhere in this report. The combining statements and schedules are on pages 63-72.

Reconciliation of the differences between the *government-wide statements* and the information presented for *governmental funds* is provided, which describes the relationship between the two presentations. See pages 19 and 23 for detail.

The City adopts an annual appropriated budget for its General Fund and all other major funds. Budgetary comparison schedules have been provided to demonstrate compliance with this budget. See pages 56-57 and 59-60 for detail.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 25-51 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's schedule of proportionate share of the net pension liability, schedule of pension contributions, schedule of funding progress for OPEB and budgetary comparison schedule for its General Fund. Required supplementary information can be found on pages 53-57 of this report.

Other supplementary information concerning budgetary comparisons of the City's debt service and capital projects funds, as well as a description of nonmajor governmental funds, can be found on pages 59-62.

The combining statements and schedules referred to earlier in connection with nonmajor governmental funds is presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 63-90 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At June 30, 2017, the City's assets and deferred outflows exceeded liabilities and deferred inflows by \$81,698,927.

**Table 1
NET POSITION**

	2017	2016	Increase/ (Decrease)	Percentage Change (%)
Current and Other Assets	\$ 33,797,639	\$ 39,201,009	\$ (5,403,370)	-13.8%
Capital Assets, Net of Depreciation	86,211,270	81,209,248	5,002,022	6.2%
Total Assets	120,008,909	120,410,257	(401,348)	-0.3%
Deferred Outflows	905,716	363,961	541,755	148.8%
Long-Term Liabilities Outstanding	31,079,584	27,132,302	3,947,282	14.5%
Other Liabilities	7,862,957	8,393,379	(530,422)	-6.3%
Total Liabilities	38,942,541	35,525,681	3,416,860	9.6%
Deferred Inflows	273,157	410,092	(136,935)	-33.4%
Net Position:				
Net Investment in Capital Assets	56,486,096	54,616,632	1,869,464	3.4%
Restricted	16,433,593	16,362,080	71,513	0.4%
Unrestricted	8,779,238	13,859,733	(5,080,495)	-36.7%
Total Net Position	\$ 81,698,927	\$ 84,838,445	\$ (3,139,518)	-3.7%

As shown in Table 1, net position from governmental activities decreased by \$3,139,518 (3.7%). On the asset side, the decrease of \$401,348 (-0.3%) was due primarily to an increase in the

"Current and other assets" category, the result of a decrease of \$4.5 million (23.1%) in cash and investments compared to the prior fiscal year.

Total liabilities increased \$3,416,860 (9.6%) from 2016, the result of a \$3,947,282 (14.5%) increase in long-term liabilities, offset in part by a \$530,422 (6.3%) decrease in other (i.e., current) liabilities. In recent years long-term liabilities have been reduced by ongoing payment of the principal for three loans from the State Water Resource Control Board for Sewer Assessment Districts AD98-1, AD02-1 and AD04-1. A new \$5.5 million note toward purchase of a new city hall facility resulted in the increase in 2017.

Governmental Activities. The City's overall governmental activities, as reflected on the government-wide Statement of Activities, had negative operating results in 2017, with expenses exceeding revenues, and thus decreasing net position, by \$3,139,518. Table 2 summarizes 2017 revenues and expenses, compares these revenue and expenses to 2016, and shows the year-over-year change in net position.

Revenues in 2017 totaled \$16,047,427 a decrease of \$5,008,968 (23.8%), from 2016. That decrease was driven by lower revenues from sales tax, other taxes, other revenues, charges for services, and use of money and property, which all together dropped \$992,395 from the previous year. Most significant, the City booked a \$4.8 million loss on the disposal of capital assets related to the transfer of freeway soundwalls to CalTrans. Revenues were higher in 2017 in several General Revenue categories, including property taxes, which increased \$258,318 (5.5%), property tax in lieu which increased \$127,078 (5.7%), and operating grants and contributions which increased \$319,571 (19.4%) over the previous year.

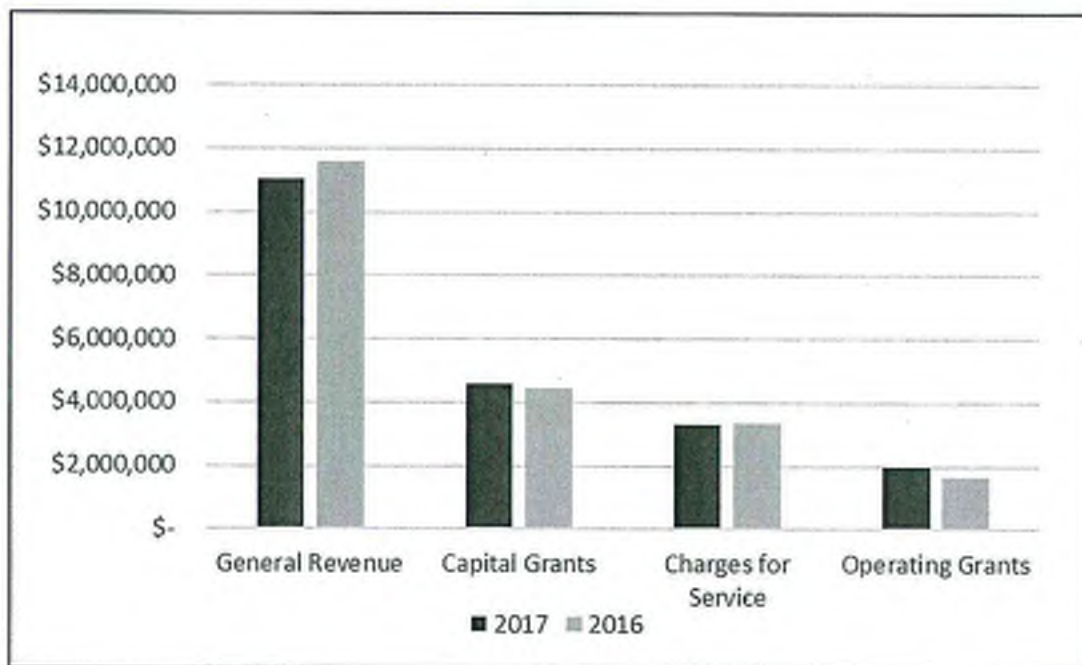
Overall expenses in 2017 totaled \$19,186,945, an increase of \$876,332 (4.8%) from 2016. While expenses increased across several program areas, the largest increase was in general government, which increased \$1,045,069 (20.5%) over the prior year. The increase in general government expenses was driven primarily by a \$492,000 increase in Los Angeles County contract services for planning and building functions, a \$175,000 increase in Los Angeles County contract services for public safety operations, and a \$93,000 increase in insurance premiums.

Table 2
CHANGE IN NET POSITION
Governmental Activities

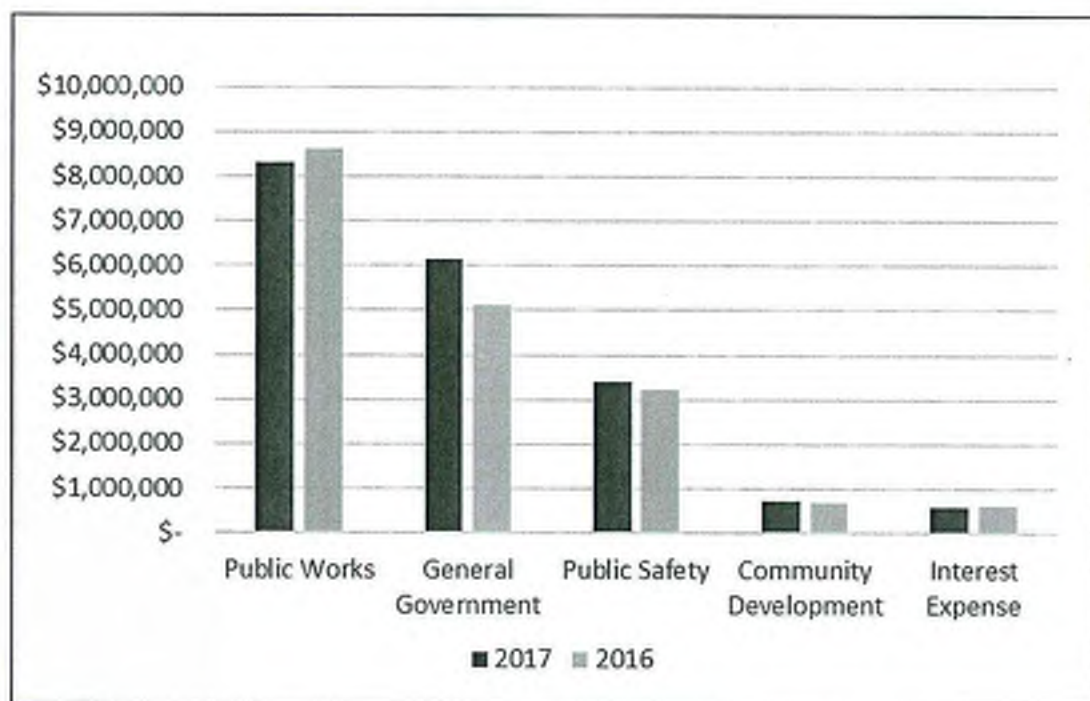
	2017	2016	Increase/ (Decrease)	Percentage Change (%)
Program Revenues:				
Charges for Services	\$ 3,319,626	\$ 3,351,314	\$ (31,688)	-0.9%
Operating Grants & Contributions	1,963,976	1,644,405	319,571	19.4%
Capital Grants & Contributions	4,562,967	4,462,995	99,972	2.2%
General Revenues:				
Property Taxes	4,920,152	4,661,834	258,318	5.5%
Property Tax In Lieu	2,365,435	2,238,357	127,078	5.7%
Other Taxes	1,119,421	1,163,405	(43,984)	-3.8%
State Shared Revenues - Unrestricted				
Sales Tax	2,629,347	2,922,948	(293,601)	-10.0%
Motor Vehicle	9,209	8,308	901	10.8%
Use of Money and Property	(83,298)	384,346	(467,644)	-121.7%
Other	63,005	218,483	(155,478)	-71.2%
Loss on Disposal of Capital Assets	(4,822,413)	-	(4,822,413)	-100.0%
Total Revenues	\$ 16,047,427	\$ 21,056,395	\$ (5,008,968)	-23.8%
Expenses				
General Government	\$ 6,151,267	\$ 5,106,198	\$ 1,045,069	20.5%
Public Safety	3,415,773	3,235,107	180,666	5.6%
Community Development	739,459	709,933	29,526	4.2%
Public Works	8,304,487	8,629,125	(324,638)	-3.8%
Interest Expense	575,959	630,250	(54,291)	-8.6%
Total Expenses	\$19,186,945	\$18,310,613	\$876,332	4.8%
Change in Net Position	\$ (3,139,518)	\$ 2,745,782	\$ (5,885,300)	-214.3%
Net Position, Beginning of Fiscal Year	84,838,445	82,091,209		
Prior Period Adjustments	-	1,454		
Net Position, Beginning of Fiscal Year as Restated	84,838,445	82,092,663		
Net Position, End of Fiscal Year	\$ 81,698,927	\$ 84,838,445		

Figure 1 and Figure 2 below illustrate program and general revenues by source and expenses by category, respectively, for governmental activities.

**Figure 1
Revenue by Source**



**Figure 2
Expenses by Category**



Financial Analysis of the City's Governmental Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the City's *governmental funds* is to provide information on near-term sources, uses, and balances of *spendable* resources. This information is useful in assessing the City's financing requirements. In particular, *unassigned fund balance* may serve as a measure of the net resources available for spending.

At June 30, 2017, the City's *governmental funds* reported combined fund balances of \$28,908,259, a decrease of \$4,603,196 (13.7%) from the prior fiscal year. The fund balance in the General Fund, at \$13.1 million, accounted for 45.2% of the combined fund balances across all governmental funds. The fund with the next largest amount of ending fund balance was the Sewer AD04-1 Debt Service Fund of \$6.9 million, all of which is for loan repayments to the State Water Resources Control Board (SWRCB).

Total revenue in all governmental funds for the fiscal year ended June 30, 2017, was \$21,086,442, which is \$69,258 higher (<1%) than the \$21,017,184 received in 2016. Decreases in the use of money and property (interest earned) category and other revenue sources were the primary driver reducing revenue from 2016. Revenue from sales taxes was also lower, although this was offset by increases in revenue from operating grants and contributions which increased by \$319,571 (19.4%).

Expenditures across all governmental funds in 2017 totaled \$31,269,638, which is \$11,409,757 (57.5%) higher than 2016 expenditures. A primary driver for the increase was the \$11.3 million purchase of a new city hall facility. Other increases occurred in general government (14.4% increase), public safety (5.6% increase), community development (4.2% increase), and public works (3.1% increase).

General Fund Financial and Budgetary Highlights

The General Fund is the chief operating fund of the City. At June 30, 2017, the fund balance reported in the General Fund was \$13,068,036, which is \$5,036,993 (27.8%) less than in 2016. The unassigned portion of that fund balance was \$4,970,216, accounting for 38.0% of total fund balance. As a measure of liquidity, it is useful to compare total and unassigned fund balance to annual General Fund expenditures. In 2017, total ending fund balance represented 102.9% of 2017 expenditures, and unassigned fund balance represented 39.1% of expenditures.

General fund revenue for the fiscal year totaled \$14,450,191, which exceeded the final revenue budget of \$13,807,400 by \$642,791. Actual revenue exceeded the budgeted amount in each revenue category with the exception of the "use of money and property" and "fines, forfeitures, and penalties" categories. Particularly favorable budget-to-actual results occurred with respect to Property Tax (within the "Taxes" category) and Building Permit and Plan Check (within the "Charges for services" category) revenues. General Fund expenditures totaled \$12,696,599, which was less than the \$13,343,375 final expenditure budget by \$646,776. Moderate savings relative to budgeted expectations across nearly all categories – general government, public safety, public works, and capital outlay – accounted for these favorable budget-to-actual results. The sole exception was in the community development category with expenses \$21,173 (3.3%) above budget.

Capital Assets and Debt Administration

Capital Assets. As of June 30, 2017, the City's investment in capital assets for its governmental activities totaled \$86,055,879 (net of accumulated depreciation). Capital assets include land and easements, buildings, equipment and vehicles, park facilities, infrastructure and sewer improvements. Overall, capital assets increased by \$5,021,445 (6.2%) from 2016, with the total increase in assets of \$6.9 million being offset by accumulated depreciation of \$1.9 million. The increase in assets was driven by \$2.4 million increase in land and easements, as well as a \$7.9 million increase in construction in progress; these were offset by a \$4.9 million decrease in infrastructure. More information about capital asset activity can be found on page 38. Table 3 compares the capital asset balances in each category for this and the previous fiscal year.

Table 3
Capital Assets

Asset Type	2017	2016	Increase/ (Decrease)	Percentage Change (%)
Land and Easements	\$ 12,563,322	\$ 10,192,144	\$ 2,371,178	23.3%
Buildings and Improvements	3,891,804	2,905,033	986,771	34.0%
Equipment and Vehicles	2,220,690	1,628,010	592,680	36.4%
Infrastructure	81,381,409	86,287,207	(4,905,798)	-5.7%
Construction in Progress	8,263,059	373,947	7,889,112	2109.7%
Total Capital Assets	108,320,284	101,386,341	6,933,943	6.8%
Accumulated Depreciation	(22,264,405)	(20,351,907)	(1,912,498)	9.4%
Capital Assets, Net of Depreciation	\$ 86,055,879	\$ 81,034,434	\$ 5,021,445	6.2%

Long-term Liabilities. At fiscal year-end, the City's outstanding long-term liabilities totaled \$33,862,236, an increase of \$4,044,234 (13.6%) over 2016. While the City has continued to make debt service payments on three sewer assessment district loans to the State Water Resources Control Board (SWRCB), the reduction in principal there was offset by the addition of a note payable of \$5.6 million for purchase of the new City Hall facility. The current 30-month note is interest-free; the exact nature and terms of longer-term financing is yet to be determined.

The City's long-term liability for pension liability increased by \$748,999 in FY17, almost entirely due to poor performance for CalPERS investments on behalf of the City. The City's long-term liability for Other Post Employment Benefits (OPEB), which for the City consist solely of obligations for current and future retiree health benefits, increased by \$197,359. More detailed information on long-term liabilities can be found on pages 39-41. Table 4 below provides a summary of the changes in the City's long-term liabilities.

**Table 4
Long-Term Liabilities**

	2017	2016	Increase/ (Decrease)	Percentage Change (%)
SWRCB Loan AD 98-1	\$ 1,253,373	\$ 1,671,167	\$ (417,794)	-25.0%
SWRCB Loan AD 02-1	6,396,948	7,114,562	(717,614)	-10.1%
SWRCB Loan AD 04-1	16,339,462	17,632,073	(1,292,611)	-7.3%
City Hall Purchase	5,580,000	-	5,580,000	100.0%
Employee Leave Benefits	349,606	403,711	(54,105)	-13.4%
OPEB	1,196,387	999,028	197,359	19.8%
Net Pension Liability	2,746,460	1,997,461	748,999	37.5%
Long-Term Obligations	\$ 33,862,236	\$ 29,818,002	\$ 4,044,234	13.6%

Economic Factors and Next Year's Budgets and Rates

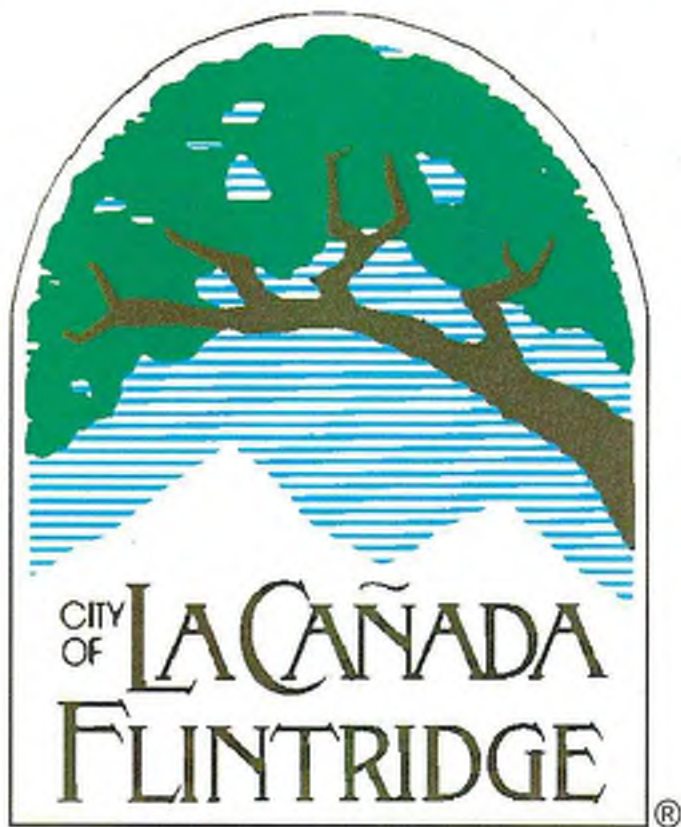
The City's fiscal year 2017-17 budget takes into account historical trends to project revenues. Expenditures were estimated based upon program and project needs. Given continuing economic uncertainty, the City has continued to budget conservatively. As of June 30, 2017, the General Fund balance was \$13,068,036, which totaled 102.9% of FY 2016-17 expenditures.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in them. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Rebekka G. Hosken, Director of Finance, 1327 Foothill Boulevard, La Cañada Flintridge, California 91011-2137.

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BASIC FINANCIAL STATEMENTS



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GOVERNMENT-WIDE FINANCIAL STATEMENTS



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CITY OF LA CAÑADA FLINTRIDGE
Statement of Net Position
June 30, 2017

	Governmental Activities
Assets:	
Current assets:	
Cash and investments	\$ 31,998,020
Accounts receivable	1,672,373
Interest receivable	106,103
Prepays	21,143
Total current assets	33,797,639
Noncurrent assets:	
Loans receivable	155,391
Capital assets:	
Not being depreciated	20,826,381
Being depreciated (net of accumulated depreciation)	65,229,498
Total noncurrent assets	86,211,270
Total assets	120,008,909
Deferred outflow of resources:	
Deferred outflows related to pension	905,716
Liabilities:	
Current liabilities:	
Accounts payable and accrued liabilities	2,501,759
Deposits payable	2,181,023
Unearned revenue	110,081
Interest payable	287,442
Long-term liabilities, due within one year	2,782,652
Total current liabilities	7,862,957
Noncurrent liabilities:	
Long-term liabilities, due in more than one year	31,079,584
Total liabilities	38,942,541
Deferred inflow of resources:	
Deferred inflows related to pension	273,157
Net position:	
Net investment in capital assets	56,486,096
Restricted for:	
Transit	1,399,958
Air quality improvements	217,154
Sewer improvements and sanitation	1,278,749
Debt service	11,644,627
Capital projects	1,893,105
Unrestricted	8,779,238
Total net position	\$ 81,698,927

See Accompanying Notes to Financial Statements.

CITY OF LA CAÑADA FLINTRIDGE
Statement of Activities
For the Fiscal Year Ended June 30, 2017

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities:					
General government	\$ 6,151,267	\$ 54,997	\$ 26,345	\$ -	\$ (6,069,925)
Public safety	3,415,773	101,740	130,811	-	(3,183,222)
Community development	739,459	207,502	1,772,470	-	1,240,513
Public works	8,304,487	2,955,387	34,350	4,562,967	(751,783)
Interest	575,959	-	-	-	(575,959)
Total governmental activities	\$ 19,186,945	\$ 3,319,626	\$ 1,963,976	\$ 4,562,967	(9,340,376)
General revenues:					
Taxes:					
Property					4,920,152
Property tax in-lieu					2,365,435
Franchise					603,955
Real property transfer					315,222
Business operations					200,244
State shared revenues - unrestricted:					
Sales tax					2,629,347
Motor vehicle					9,209
Use of money and property					(83,298)
Other					63,005
Special item - loss on disposal of capital assets					(4,822,413)
Total general revenues and special item					6,200,858
Change in net position					(3,139,518)
Net position, beginning of fiscal year					84,838,445
Net position, end of fiscal year					\$ 81,698,927

See Accompanying Notes to Financial Statements.

FUND FINANCIAL STATEMENTS



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CITY OF LA CAÑADA FLINTRIDGE
Balance Sheet
Governmental Funds
June 30, 2017

Assets:	General	Sewer AD04-1 Debt Service	City Capital Projects	Sewer Improvement AD02-1 Capital Projects
Cash and investments	\$ 14,861,789	\$ 6,917,552	\$ 1,469,781	\$ -
Receivables:				
Accounts	920,587	-	588,768	-
Interest	106,103	-	-	-
Loans receivable	155,391	-	-	-
Due from other funds	115,572	-	-	-
Advances to other funds	1,231,818	-	-	-
Prepaid items	21,143	-	-	-
Total assets	\$ 17,412,403	\$ 6,917,552	\$ 2,058,549	\$ -
Liabilities:				
Accounts payable and accrued liabilities	\$ 1,982,881	\$ -	\$ 202,580	\$ -
Deposits payable	2,181,023	-	-	-
Due to other funds	-	-	-	-
Unearned revenue	110,081	-	-	-
Advances from other funds	-	-	-	995,104
Total liabilities	4,273,985	-	202,580	995,104
Deferred inflows of resources:				
Unavailable revenues	70,382	-	147,176	-
Total deferred inflows of resources	70,382	-	147,176	-
Fund balances:				
Nonspendable:				
Prepays	21,143	-	-	-
Advances to other funds	1,231,818	-	-	-
Loans	155,391	-	-	-
Restricted:				
Transit	-	-	-	-
Air quality improvements	-	-	-	-
Sewer improvements	-	-	-	-
Debt service	-	6,917,552	-	-
Property acquisition	-	-	-	-
Capital projects	-	-	1,708,793	-
Committed:				
Property acquisition	5,580,000	-	-	-
Assigned:				
Tree Fund	137,124	-	-	-
DAE	5,419	-	-	-
Potential SR-710 expenses	500,000	-	-	-
Other postemployment benefits	466,925	-	-	-
Unassigned	4,970,216	-	-	(995,104)
Total fund balances (deficits)	13,068,036	6,917,552	1,708,793	(995,104)
Total liabilities, deferred inflows of resources, and fund balances	\$ 17,412,403	\$ 6,917,552	\$ 2,058,549	\$ -

(Continued)

CITY OF LA CAÑADA FLINTRIDGE
Balance Sheet
Governmental Funds
June 30, 2017
(Continued)

	Total Nonmajor Governmental Funds	Total Governmental Funds
Assets:		
Cash and investments	\$ 8,748,898	\$ 31,998,020
Receivables:		
Accounts	163,018	1,672,373
Interest	-	106,103
Loans receivable	-	155,391
Due from other funds	-	115,572
Advances to other funds	-	1,231,818
Prepaid items	-	21,143
Total assets	<u>\$ 8,911,916</u>	<u>\$ 35,300,420</u>
Liabilities:		
Accounts payable and accrued liabilities	\$ 316,298	\$ 2,501,759
Deposits payable	-	2,181,023
Due to other funds	115,572	115,572
Unearned revenue	-	110,081
Advances from other funds	236,714	1,231,818
Total liabilities	<u>668,584</u>	<u>6,140,253</u>
Deferred inflows of resources:		
Unavailable revenues	34,350	251,908
Total deferred inflows of resources	<u>34,350</u>	<u>251,908</u>
Fund balances:		
Nonspendable:		
Prepays	-	21,143
Advances to other funds	-	1,231,818
Loans	-	155,391
Restricted:		
Transit	1,399,958	1,399,958
Air quality improvements	217,154	217,154
Sewer improvements	1,278,749	1,278,749
Debt service	5,014,517	11,932,069
Property acquisition	295,818	295,818
Capital projects	2,786	1,711,579
Committed:		
Property acquisition		5,580,000
Assigned:		
Tree Fund	-	137,124
DAE		5,419
Potential SR-710 expenses	-	500,000
Other postemployment benefits	-	466,925
Unassigned	-	3,975,112
Total fund balances (deficits)	<u>8,208,982</u>	<u>28,908,259</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 8,911,916</u>	<u>\$ 35,300,420</u>

See Accompanying Notes to Financial Statements.

CITY OF LA CAÑADA FLINTRIDGE
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2017

Fund balances for governmental funds \$ 28,908,259

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

Capital assets used in governmental activities are not financial resources and therefore not reported in the governmental funds balance sheet.

Capital assets	\$ 108,320,284	
Accumulated depreciation	<u>(22,264,405)</u>	86,055,879

Under the modified accrual basis of accounting, revenue cannot be recognized until it is available to liquidate liabilities of the current period. It is recorded as deferred inflow of resources. Under accrual accounting, revenue must be recognized as soon as it is earned, regardless of its availability.

Grant reimbursements	\$ 191,395	
Investment income	44,262	
Charges for services	8,052	
Sales taxes	<u>8,199</u>	251,908

Interest payable and long-term liabilities, including, loans, employee leave benefits, and net OPEB obligation, are not due and payable in the current period and therefore are not reported in the governmental funds balance sheet.

Loans payable	(29,569,783)	
Employee leave benefits	(349,606)	
Net OPEB obligation	(1,196,387)	
Interest payable	(287,442)	
Net pension liability	<u>(2,746,460)</u>	(34,149,678)

Deferred outflows and inflows of resources relating to pensions: In governmental funds, deferred outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions are reported.

City's pension contributions subsequent to measurement date	\$ 308,223	
Differences between expected and actual experience	10,197	
Differences between projected and actual earnings on pension plan investments	502,132	
Changes in employer's proportion	85,164	
Changes of assumptions	(96,477)	
Differences between expected and actual experience	(2,337)	
Differences between employer's contributions and employer's proportionate share of contributions	(108,530)	
Changes in employer's proportion	<u>(65,813)</u>	<u>632,559</u>

Net position of governmental activities		<u>\$ 81,698,927</u>
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See Accompanying Notes to Financial Statements.

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CITY OF LA CAÑADA FLINTRIDGE
Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)
of Governmental Funds
For the Fiscal Year Ended June 30, 2017

	General	Sewer AD04-1 Debt Service	City Capital Projects	Sewer Improvement AD02-1 Capital Projects
Revenues:				
Taxes	\$ 11,164,604	\$ -	\$ -	\$ -
Assessments	-	-	-	-
Fines, forfeitures and penalties	69,593	-	-	-
From other agencies	41,651	-	790,783	-
Charges for services	3,182,503	-	-	-
Use of money and property	(76,745)	100,155	-	-
Other revenue	68,585	-	-	-
Total revenues	<u>14,450,191</u>	<u>100,155</u>	<u>790,783</u>	<u>-</u>
Expenditures:				
Current:				
General government	5,689,992	-	-	-
Public safety	3,235,659	-	-	-
Community development	669,223	-	-	-
Public works	2,992,734	1,300	-	-
Capital outlay	108,991	-	2,220,585	-
Debt service:				
Principal retirement	-	1,292,614	-	-
Interest and other charges	-	405,537	-	-
Total expenditures	<u>12,696,599</u>	<u>1,699,451</u>	<u>2,220,585</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,753,592</u>	<u>(1,599,296)</u>	<u>(1,429,802)</u>	<u>-</u>
Other financing sources (uses):				
Transfers in	130,439	1,818,039	1,526,738	-
Transfers out	(6,921,024)	-	-	-
Proceeds from long-term promissory note	-	-	-	-
Total other financing sources (uses)	<u>(6,790,585)</u>	<u>1,818,039</u>	<u>1,526,738</u>	<u>-</u>
Net change in fund balances	<u>(5,036,993)</u>	<u>218,743</u>	<u>96,936</u>	<u>-</u>
Fund balances (deficits), beginning of fiscal year	18,105,029	6,698,809	1,611,857	(995,104)
Fund balances (deficits), end of fiscal year	<u>\$ 13,068,036</u>	<u>\$ 6,917,552</u>	<u>\$ 1,708,793</u>	<u>\$ (995,104)</u>

(Continued)

CITY OF LA CAÑADA FLINTRIDGE
Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)
of Governmental Funds
For the Fiscal Year Ended June 30, 2017
(Continued)

	<u>Total Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:		
Taxes	\$ 5,500	\$ 11,170,104
Assessments	3,570,647	3,570,647
Fines, forfeitures and penalties	50,722	120,315
From other agencies	1,888,559	2,720,993
Charges for services	100,830	3,283,333
Use of money and property	129,055	152,465
Other revenue	-	68,585
	<u>5,745,313</u>	<u>21,086,442</u>
Expenditures:		
Current:		
General government	-	5,689,992
Public safety	177,846	3,413,505
Community development	61,455	730,678
Public works	1,057,399	4,051,433
Capital outlay	12,026,097	14,355,673
Debt service:		
Principal retirement	1,135,405	2,428,019
Interest and other charges	194,801	600,338
	<u>14,653,003</u>	<u>31,269,638</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,907,690)</u>	<u>(10,183,196)</u>
Other financing sources (uses):		
Transfers in	7,187,413	10,662,629
Transfers out	(3,741,605)	(10,662,629)
Proceeds from long-term promissory note	5,580,000	5,580,000
	<u>9,025,808</u>	<u>5,580,000</u>
Net change in fund balances	118,118	(4,603,196)
Fund balances (deficits), beginning of fiscal year	<u>8,090,864</u>	<u>33,511,455</u>
Fund balances (deficits), end of fiscal year	<u>\$ 8,208,982</u>	<u>\$ 28,908,259</u>

See Accompanying Notes to Financial Statements.

CITY OF LA CAÑADA FLINTRIDGE
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances (Deficits) of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2017

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

Net change in fund balances - total governmental funds: \$ (4,603,196)

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The amount by which depreciation exceeded capital outlay in the current fiscal year is as

Capital outlay	\$ 14,355,673	
Depreciation expense	<u>(2,256,956)</u>	12,098,717

Capital outlay expenditures that were determined to be repair and maintenance costs are not capitalized. Repairs and maintenance costs (2,254,859)

Loss on disposal of infrastructure assets provided to CalTrans (4,822,413)

Governmental funds report interest in the fiscal year it is paid; however, in the statement of activities interest is recorded in the fiscal year it is incurred.

Prior year accrual	\$ 311,821	
Current year accrual	<u>(287,442)</u>	24,379

Certain revenues in the governmental fund are deferred inflows of resources because they are not collected within the prescribed time after fiscal year-end. However the revenues are recorded on the accrual basis used in government-wide statements.

Grant reimbursements	\$ (82,273)	
Investment income	(12,133)	
Charges for services	8,052	
Sales taxes	<u>(130,248)</u>	(216,602)

The issuance of long-term debt provides current financial resources to governmental funds while repayment of principal consumes current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. In addition, governmental funds report employee leave and other postemployment benefits in the period taken; however, in the statement of activities, such benefits are recorded in

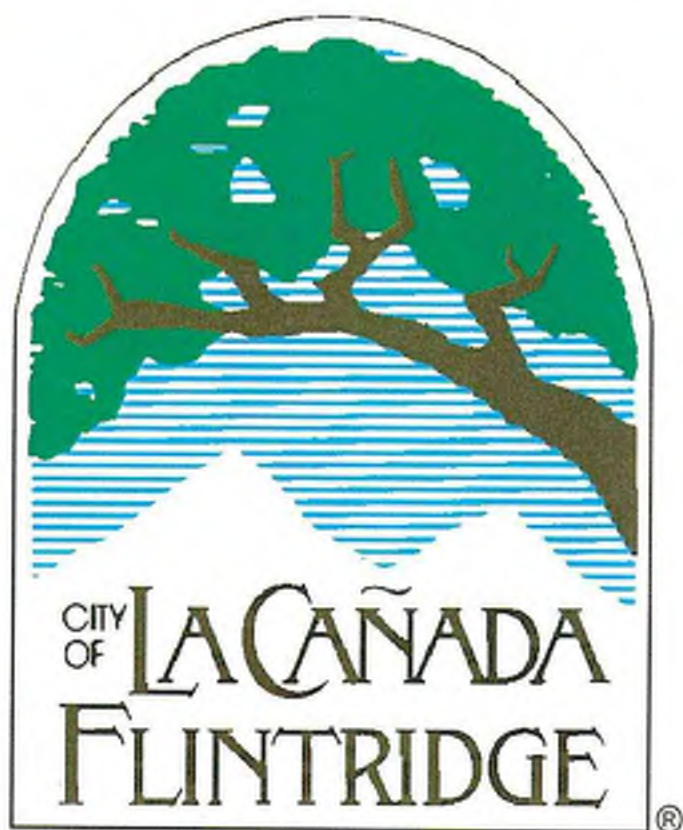
Proceeds long term promissory note	\$ (5,580,000)	
Loan principal payments	2,428,019	
Change in employee leave benefits, net	54,105	
Change in OPEB obligation, net	<u>(197,359)</u>	(3,295,235)

In governmental funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and actual employer contributions was: (70,309)

Change in net position of governmental activities \$ (3,139,518)

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NOTES TO FINANCIAL STATEMENTS



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CITY OF LA CAÑADA FLINTRIDGE
Notes to the Financial Statements
June 30, 2017

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting Entity

The City of La Cañada Flintridge (City) was incorporated November 30, 1976 under the general laws of the State of California and enjoys all rights and privileges pertaining to such "general law" cities. The City operates under a Council-Manager form of government and provides or contracts for the following services: public safety (police and fire), highway and streets, cultural and recreation, public improvements, planning and zoning, and general administrative services.

The City of La Cañada Flintridge and the La Cañada Flintridge Public Improvement Corporation (Corporation) comprise the reporting entity. Although part of the City, the Corporation is a legally separate entity, the City Council of La Cañada Flintridge acts as the governing body of the Corporation, and has a continuing accountability for fiscal matters. Fiscal dependency was considered on the basis of budget adoption, taxing authority, and funding. The Corporation is, in substance, part of the City's operations and so its financial data is blended in the accompanying financial statements.

Blended Component Units

The La Cañada Flintridge Public Improvement Corporation was incorporated on October 25, 1991 to finance the acquisition of public facilities by issuing Certificates of Participation. The Corporation's financial data and transactions are blended in the debt service funds. There was no activity for the Corporation during the fiscal year ended June 30, 2017. The Corporation did not issue separate financial statements.

(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 non-fiduciary activities of the primary government and its component units.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. 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 and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The fund financial statements provide information about the City's funds. Separate financial statements are provided for governmental funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

CITY OF LA CAÑADA FLINTRIDGE
Notes to the Financial Statements
June 30, 2017

The City reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the City. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund.

Sewer AD04-1 Debt Service Fund - This fund is to account for the payment of interest and principal on the debt of Assessment District 04-1.

City Capital Projects Fund - This fund is to account for City capital improvements.

Sewer Improvement AD02-1 Capital Projects Fund - This fund is to account for sewer capital improvements under Assessment District 02-1.

Additionally, the City reports the following fund types:

Special Revenue Funds - Special Revenue Funds are used to account for the revenues derived from specific revenue sources, which are restricted by law or administrative regulation for specified purposes.

Debt Service Funds - Debt Service Funds are used to account for the accumulation of resources for, and the payment of, long-term liabilities, including principal, interest and related costs.

Capital Projects Funds - The Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

(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. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Non-exchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year for which all eligibility requirements have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be 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 to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, except for principal and interest on long-term liabilities, claims and judgments and employee leave benefits, which are recognized as expenditures when they are due and payable.

Property taxes, franchise taxes, licenses, intergovernmental revenue, charges for services, 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. All other revenue items are considered to be measurable and available only when cash is received by the government.

Amounts reported as program revenues include 1) charges to members, 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. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then use unrestricted resources as needed.

(d) *Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity*

1. Cash and Investments

All investments are stated at fair value (the value at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale).

The City pools cash and investments of all funds. Each fund's share in this pool is displayed in the accompanying financial statements as *cash and investments*. Investment income earned by the pooled investments is allocated to the various funds based on each fund's average cash and investment balance, except for investment income associated with funds not legally required to receive pooled investment income, which has been assigned to and recorded as revenue of the General Fund, as provided by California Government Code Section 53647.

2. Interfund 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). All other outstanding balances between funds are reported as "due to/from other funds."

3. Capital Assets

Capital assets, which include land, intangible assets (e.g., easements and rights of way), buildings, improvements, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported 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 and a useful life of more than one year. Assets are recorded at actual historical cost or estimated historical cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement should be reported at acquisition value rather than fair value. 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.

Capital assets of the primary government are depreciated using the straight line method over the following estimated useful lives:

Vehicles	7 – 15 years
Equipment	5 – 30 years
Buildings and building improvements	10 – 50 years
Infrastructure	20 – 60 years

Intangible assets are not depreciated as they have indefinite useful lives.

4. Employee Leave Benefits

Full-time City employees earn twelve sick days per year and, depending on length of employment, ten to twenty vacation days per year. In addition, full-time, FLSA "exempt" employees earn, depending on their classification, eight to twelve and one-half administrative leave days per year. Employees can accumulate up to a maximum of twice their normal entitlement of earned but unused vacation, up to twenty days of administrative leave, and an unlimited number of sick leave days. Upon termination, the City is obligated to compensate employees for all earned but unused vacation and administrative leave time. Employees are not compensated for sick leave earned but unused upon termination. The balance of unpaid vacation and administrative leave time at June 30, 2017 is recorded as a long-term liability. Payments for employee leave benefits are made from the General Fund.

5. Deferred Inflows and Outflows of Resources

Pursuant to GASB Statement No. 65 the City recognizes deferred inflows and outflows of resources. A deferred inflow or outflow of resources is defined as a resource or consumption of net position by the government that is applicable to a future reporting period. Refer to Note 3(d) for a detailed listing of the deferred inflows and outflows of resources that the City has recognized.

6. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) Plans and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported as fair value.

7. Claims and Judgments

The City records a liability for claims, judgments and litigation when it is probable that a liability has been incurred at year-end and the probable amount of loss (net of any insurance coverage) can be reasonably estimated. Claims and judgments are paid out of the General Fund.

8. Net Position and Fund Balances

In the government-wide financial statements, net position is classified in the following categories:

Net Investment in Capital Assets: This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted Net Position: This component of net position represents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position: This component of net position represents the net position that do not meet the definition of "restricted" or "net investment in capital assets."

In the fund financial statements, governmental funds are classified in the following categories:

Nonspendable Fund Balance – includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example: inventories, prepaid amounts, and long-term notes receivable.

Restricted Fund Balance – includes amounts that are restricted for specific purposes stipulated by external resources providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

Committed Fund Balance – includes amounts that can only be used for the specific purposes determined by a formal action of the City's highest level of decision-making authority, the City Council. Commitments may be changed or lifted only by the City taking the same formal action that imposed the constraint originally (for example: resolution).

Assigned Fund Balance – includes amounts intended to be used by the City for specific purposes that are neither restricted nor committed. Intent is expressed by (a) City Council or (b) a body (a budget, finance committee, or management (City Wide Leadership team, which consists of City Manager and Executive Department Heads)) to which the assigned amounts are to be used for specific purposes. Assigned amounts also include all residual amounts in governmental funds (except negative amounts) other than the General Fund that are not classified as nonspendable, restricted, or committed.

Unassigned Fund Balance – the residual classification for the General Fund and includes all amounts not contained in the other classifications. Governmental funds report residual negative balances as unassigned fund balance.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned, and unassigned.

9. Property Taxes

Under California law, the property tax rate is limited to 1% of full cash value as defined by law plus other increases approved by the voters. Property taxes are levied by the County Tax Assessor and shared among local taxing authorities. The County of Los Angeles collects and distributes property taxes on the basis of each taxing authority's tax rate percentage.

As a "No Property Tax City," La Cañada Flintridge's city tax rate is zero. However, under state legislation (AB 1197), the City began receiving a share of property tax revenue in 1990.

Property taxes are levied during July of each fiscal year and are due on November 1 and February 1. Property taxes become delinquent after December 10 and April 10 for the first and second installments, respectively. The lien date is January 1. The City accrues as property tax revenue only those taxes which are received within 60 days after year-end in the fund financial statements.

10. Future Accounting Pronouncements

GASB Statements listed below will be implemented in future financial statements.

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Statement No. 75	"Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions"	The provisions of this statement are effective for fiscal years beginning after June 15, 2017.
Statement No. 81	"Irrevocable Split-Interest Agreements"	The provisions of this statement are effective for fiscal years beginning after December 15, 2016.
Statement No. 82	"Pension Issues-in amendment of GASB Statements No. 67, No. 68, and No. 73"	The provisions of this statement are effective for fiscal years beginning December 15, 2017.
Statement No. 83	"Certain Asset Retirement Obligations"	The provisions of this statement are effective for fiscal years beginning June 15, 2018.
Statement No. 84	"Fiduciary Activities"	The provisions of this statement are effective for fiscal years beginning December 15, 2018.
Statement No. 85	"Omnibus 2017"	The provisions of this statement are effective for fiscal years beginning June 15, 2017.
Statement No. 86	"Certain Debt Extinguishment Issues"	The provisions of this statement are effective for fiscal years beginning June 15, 2017.
Statement No. 87	"Leases"	The provisions of this statement are effective for fiscal years beginning December 15, 2019.

(2) **STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

(a) Excess of Expenditures over Appropriations

The following funds had expenditures in excess of appropriations for the fiscal year ended June 30, 2017:

<u>Fund</u>	<u>Type of Fund</u>	<u>Amount over Budget</u>
Nonmajor Fund:		
Property Acquisition	Special Revenue	\$ 59,182

The City has instituted a Monthly Financial Report and all line items nearing budgeted amounts are highlighted and discussed over the course of the fiscal year in order to reduce the magnitude and number of budget overages each fiscal year. The City did not adopt a budget for the Sewer Improvement AD02-1 Capital Projects Fund. Accordingly, such budgetary information is not included as supplementary information. The Capital Acquisition fund did not budget the long term portion of acquiring a new city hall which was funded via a long term promissory note.

(b) Deficit Fund Balance

The following fund had a deficit fund balance as of June 30, 2017:

<u>Fund</u>	<u>Type of Fund</u>	<u>Deficit Amount</u>
Major Fund:		
Sewer Improvement AD02-1	Capital Projects	\$ (995,104)

The Sewer Improvement AD02-1 Capital Projects Fund deficit will be eliminated through future sewer assessment revenue.

(3) DETAILED NOTES ON ALL FUNDS

(a) Cash and Investments

Cash and investments as of June 30, 2017 are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and investments	<u>\$ 31,998,020</u>
Total cash and investments	<u>\$ 31,998,020</u>

Cash and investments as of June 30, 2017 consist of the following:

Cash on hand	\$ 500
Deposits with financial institutions	1,111,253
Investments	<u>30,886,267</u>
Total cash and investments	<u>\$ 31,998,020</u>

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

The City's Investment Policy is reviewed and adopted by the City Council each year. The table below identifies the allowable investment types authorized by the California Government Code and the City's adopted Investment Policy (the "Investment Policy"). The table also identifies certain restrictions related to interest rate risk and concentration of credit risk. The Investment Policy restricts the Treasurer to invest in only the types of investments listed herein, which is more restrictive than the Government Code.

Investment Types Authorized Investment By State Law	Authorized by Investment Policy	Maximum Maturity		Maximum Percentages of Portfolio		Maximum Investment	
		CGC	City	CGC	City	CGC	City
		Local Agency Bonds	No	5 years	5 years	None	None
Federal Agency and U.S- Government Sponsored Enterprise Obligations	Yes	5 years	5 years	None	None	None	35%**
U.S. Treasury Securities	Yes	5 years	5 years	None	None	None	None
Certificates of Deposit	Yes	5 years	5 years	30%	15%	None	None
Time Deposits	Yes	5 years	1 year	None	15%	None	None
Bankers' Acceptances	Yes	180 days	180 days	40%	20%	30%	10%
Commercial Paper	Yes	270 days	270 days	25%	25%	10%	\$1 million*
Medium Term Notes	Yes	5 years	5 years	30%	30%	None	\$1 million*
Mutual Funds	Yes	N/A	N/A	20%	20%	10%	10%
Money Market							
Mutual Funds	Yes	N/A	N/A	20%	20%	None	None
Mortgage Pass- Through Securities	No	5 years	5 years	20%	None	None	None
County Pooled Investment Funds	No	N/A	N/A	None	None	None	None
JPA Pools (other investment pools)	Yes	N/A	N/A	None	25%	None	None
Local Agency Investment Fund (LAIF)	Yes	N/A	N/A	None	50%	None	\$50 million
Repurchase Agreements	Yes	1 year	30 days	None	10%	None	None
Reverse Repurchase Agreements	No	92 days	92 days	20% of base value	20% of base value	None	None

* Total par value of a single issuer.

** Maximum investment limit of 35% for Federal Agency Issues in one issuer applies if obligations are not backed by the full faith and credit of the U.S. Government at time of acquisition.

Disclosures Relating to Interest Rate Risk

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

Information about the sensitivity of the fair values of the City investments to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

Investment Type	Fair Value	Remaining Maturity (in Months)		
		12 Months or Less	13 - 24 Months	25 - 60 Months
Money market funds	\$ 3,372,886	\$ 3,372,886	\$ -	\$ -
LAIF	8,000,000	8,000,000	-	-
Federal agency securities	13,929,523	2,029,948	2,001,550	9,898,025
Corporate medium term notes	5,583,858	2,011,797	1,008,658	2,563,403
Total	\$ 30,886,267	\$ 15,414,631	\$ 3,010,208	\$ 12,461,428

Disclosures Relating to Credit Risk

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

Investment Type	Fair Value	Minimum Legal Rating	Ratings as of Year End			
			AAA	AA+	AA, AA-, A+, A-	Not Rated
Money market funds	\$ 3,372,886	N/A	\$ 3,372,886	\$ -	\$ -	\$ -
LAIF	8,000,000	N/A	-	-	-	8,000,000
Federal agency securities	13,929,523	N/A	-	13,929,523	-	-
Corporate medium term notes	5,583,858	A	518,254	498,188	4,567,416	-
Total	\$ 30,886,267		\$ 3,891,140	\$ 14,427,711	\$ 4,567,416	\$ 8,000,000

Concentration of Credit Risk

The investment policy of the City contains limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. Investments (other than external investment pools) in any one issuer that represent 5% or more of total City's investments are as follows:

Issuer	Investment Type	Reported Amount	Maturity	Interest Rate
Federal Home Loan Mortgage	Federal agency securities	\$ 4,021,856	2018-2022	1.125%-4.875%
Federal National Mortgage Association	Federal agency securities	3,969,259	2018 - 2021	1.125%-1.5%
Federal Farm Credit Bank	Federal agency securities	2,932,823	2021	1.54%-1.68%

Custodial Credit Risk

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 its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its

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

As of June 30, 2017, \$906,657 of the City's deposits with financial institutions in excess of federal depository insurance limits was held in collateralized accounts.

Fair Value Measurements

The City categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. These principles recognize a three-tiered fair value hierarchy, as follows

- Level 1: Investments reflect prices quoted in active markets;
- Level 2: Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered active; and
- Level 3: Investments reflect prices based on unobservable sources.

The City has the following recurring fair value measurements as of June 30, 2017:

Investments by Fair Value	Total	Fair Value Measurement Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities				
Federal Agency Securities	\$ 13,929,523	\$ -	\$ 13,929,523	\$ -
Corporate Medium-Term Notes	5,583,858	-	5,583,858	-
Total investments measured at fair value	19,513,381	\$ -	\$ 19,513,381	\$ -
Investments measured at amortized cost				
Money Market Funds	3,372,886			
LAIF	8,000,000			
Total pooled and directed investments	\$ 30,886,267			

Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. The City's LAIF balance at June 30, 2017 was \$8,000,000.

The total amount invested by all public agencies in LAIF as of June 30, 2017 was \$22.7 billion. LAIF is part of the California Pooled Money Investment Account (PMIA), which at June 30, 2017 has a balance of \$78.3 billion (42.96% was invested in government securities). The average maturity of PMIA investments was 194 days as of June 30, 2017.

(b) Interfund Receivables, Payables and Transfers

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

Due to/Due from other funds:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
<u>Major Fund:</u>		
General Fund	\$ 115,572	\$ -
<u>Nonmajor Special Revenue Funds:</u>		
Traffic Safety Fund	-	4,887
TDA Fund	-	13,098
Community Development Block Grant Fund	-	20,409
Sewer Redemption AD98-1 Fund	-	9,761
Sewer Redemption AD02-1 Fund	-	27,356
Sewer Redemption AD04-1 Fund	-	40,061
Total	<u>\$ 115,572</u>	<u>\$ 115,572</u>

The purpose of Due to/Due from is to eliminate negative cash balances at fiscal year-end in various funds.

Advances to/from other funds:

	<u>Advances To Other Funds</u>	<u>Advances From Other Funds</u>
<u>Major Funds:</u>		
General Fund	\$ 1,231,818	\$ -
Sewer Improvement AD02-1 Capital Projects Fund	-	995,104
<u>Nonmajor Fund:</u>		
Sewer Improvement AD98-1 Debt Service Fund	-	236,714
Total	<u>\$ 1,231,818</u>	<u>\$ 1,231,818</u>

The State of California loaned funds to the City for the purpose of constructing sewer lines in Assessment District 98-1. During construction, the General Fund advanced funds to Sewer AD 98-1 Debt Service Fund, which was the City's matching share according to the agreement with the State. The advances are payable at an annual interest rate of 7%. At June 30, 2017, the outstanding balance is \$236,714.

The General Fund advanced funds to the Sewer Improvement AD02-1 Capital Projects Fund to eliminate negative cash balances at year-end. There are no current repayment terms and the outstanding balance is \$995,104 at June 30, 2017.

Transfers In/Transfers Out:

Transfers In	Transfers Out		
	General Fund	Nonmajor Funds	Total
General Fund	\$ -	\$ 130,439	\$ 130,439
Sewer AD04-1 Debt Service Fund	-	1,818,039	1,818,039
City Capital Projects Fund	1,253,675	273,063	1,526,738
Nonmajor Funds	5,667,349	1,520,064	7,187,413
Total	\$ 6,921,024	\$ 3,741,605	\$ 10,662,629

Interfund transfers were primarily used to fund debt service payments in the Sewer AD98-1, Sewer AD02-1 and Sewer AD04-1. Transfers to the General Fund were primarily used to partially reimburse personnel costs for employees providing services to non-General Fund activities. Transfers from the General Fund were primarily used to assist or fully fund major capital or maintenance projects (i.e., street resurfacing, road and catch basin repairs, trail projects and the acquisition of a new city hall).

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Capital Assets

A summary of changes in capital asset activity for the fiscal year ended June 30, 2016 is as follows:

	Balance July 1, 2016	Increases	Decreases	Transfers	Balance June 30, 2017
Governmental activities:					
Capital assets, not being depreciated:					
Land and easements	\$ 10,192,144	\$ 2,371,178	\$ -	\$ -	\$ 12,563,322
Construction in progress	373,947	8,223,604	-	(334,492)	8,263,059
Total capital assets, not being depreciated	10,566,091	10,594,782	-	(334,492)	20,826,381
Capital assets, being depreciated:					
Buildings	2,598,422	913,352	-	-	3,511,774
Improvements other than Buildings	306,611	-	-	73,419	380,030
Equipment	1,151,731	25,369	-	-	1,177,100
Vehicles	476,279	567,311	-	-	1,043,590
Infrastructure	86,287,207	-	(5,166,871)	261,073	81,381,409
Total capital assets, being depreciated	90,820,250	1,506,032	(5,166,871)	334,492	87,493,903
Less accumulated depreciation:					
Buildings	(2,046,597)	(54,284)	-	-	(2,100,881)
Improvements other than Buildings	(204,408)	(120,558)	-	-	(324,966)
Equipment	(989,947)	(48,309)	-	-	(1,038,256)
Vehicles	(326,458)	(105,062)	-	-	(431,520)
Infrastructure	(16,784,497)	(1,928,743)	344,458	-	(18,368,782)
Total accumulated depreciation	(20,351,907)	(2,256,956)	344,458	-	(22,264,405)
Total capital assets, being depreciated, net	70,468,343	(750,924)	(4,822,413)	334,492	65,229,498
Governmental activities capital assets, net	\$ 81,034,434	\$ 9,843,858	\$ (4,822,413)	\$ -	\$ 86,055,879

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

Governmental activities:	
General government	\$ 247,712
Public safety	2,268
Community development	8,781
Public works	1,998,195
Total	\$ 2,256,956

(c) Deferred Inflows/Outflows of Resources

Unavailable revenues are deferred in accordance with GASB Statements No. 23 and No. 65. The City has unavailable revenues relating to investment accrued interest income on bonds, sales tax receivable, and intergovernmental receivables. The balance of unavailable revenues reported as deferred inflows of resources at June 30, 2017, was \$251,908. For information about deferred inflows and outflows related to pensions, see note 4(b)2.

(d) Long-term Liabilities

The following is a summary of changes in long-term liabilities for the fiscal year ended June 30, 2017:

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017	Due Within One Year
Loans Payable	\$ 26,417,802	\$ -	\$ 2,428,019	\$ 23,989,783	\$ 2,474,972
Promissory Note	-	5,580,000	-	5,580,000	-
Employee Leave Benefits	403,711	253,575	307,680	349,606	307,680
OPEB (Note 4(c))	999,028	287,280	89,921	1,196,387	-
Net Pension Liability	1,997,461	1,034,476	285,477	2,746,460	-
Total	\$ 29,818,002	\$ 7,155,331	\$ 3,111,097	\$ 33,862,236	\$ 2,782,652

Loans Payable

The State of California has loaned funds, through its State Revolving Fund, to the City for the purpose of constructing sewer lines in Assessment District 98-1. These funds have been advanced to the Sewer Improvement Capital Projects Fund. The loan amount \$8,355,829, which bears interest at zero percent, is comprised of a federal share (83.333% or \$6,963,163) and a state share (16.667% or \$1,392,666). During construction, the City paid the matching share, which is the City's contribution in order to participate in the zero interest loan programs. Repayment of the loan in equal annual installments of \$417,791 over 20 years commenced during FY 2000-01, upon completion of construction.

\$ 1,253,373

The annual requirements to amortize the outstanding State Loan for Sewer Assessment District 98-1 as of June 30, 2017, are as follows:

Fiscal year ending June 30,	Principal
2018	\$ 417,791
2019	417,791
2020	417,791
Totals	<u>\$ 1,253,373</u>

The State of California made an obligation to loan the City up to \$13,596,030 for the purpose of constructing sewer lines in Assessment District 02-1. During fiscal year 2008-2009, the interest rate was reduced from 2.4% to 1.4% and a 1% service charge was added to the loan. To date, the City has drawn \$13,970,937 (which includes accretion of \$374,907) on this loan, and no further draws will be made. Repayment of the loan in installments ranging from \$535,928 to \$867,554 over 20 years commenced during FY 2005-2006, upon completion of construction. Principal and interest payments are due March 31 of each year.

\$6,396,948

The annual requirements to amortize the outstanding State Loan for Sewer Assessment District 02-1 as of June 30, 2017, are as follows:

Fiscal year ending June 30,	Principal	Interest
2018	\$ 734,837	\$ 153,527
2019	752,473	135,890
2020	770,533	117,831
2021	789,025	99,339
2022	807,963	80,402
2023-2025	2,542,117	122,986
Totals	<u>\$ 6,396,948</u>	<u>\$ 709,975</u>

The State of California made an obligation to loan the City up to \$26,447,628 for the purpose of constructing sewer lines in Assessment District 04-1 and to advance refund \$18,930,000 of 2004A Revenue Bonds. During fiscal year 2008-2009, the interest rate was reduced from 2.3% to 1.3% and a 1% service charge was added to the loan. To date, the City has drawn \$26,937,047 (which includes accretion of \$489,419) on this loan, and no further draws will be made. Repayment of the loan in installments ranging from \$996,775 to \$1,659,973 over 20 years commenced during FY 2008-2009, upon completion of construction. Principal and interest payments are due October 31 of each year.

\$16,339,462

The annual requirements to amortize the outstanding State Loan for Sewer Assessment District 04-1 as of June 30, 2017, are as follows:

Fiscal year ending June 30,	Principal	Interest
2018	\$ 1,322,344	\$ 375,807
2019	1,352,758	345,394
2020	1,383,872	314,280
2021	1,415,701	282,451
2022	1,448,262	249,890
2023-2027	7,756,552	734,210
2028	1,659,973	38,179
Totals	<u>\$ 16,339,462</u>	<u>\$ 2,340,211</u>

Total Loans Payable \$23,989,783

On February 22, 2017, the City entered into an agreement for \$11.2 million to purchase property for a new City Hall from La Canada Properties, Inc. The City financed \$5,580,000 of the purchase via a promissory note with no interest and the entire principal amount due and payable on August 22, 2019.

\$5,580,000

Employee Leave Benefits

Employee leave benefits are payable to employees upon termination. The City's policies relating to the payment of these benefits are discussed in Note (1). (d).4.

\$ 349,606

(e) Fund Balances for Governmental Funds

As prescribed by GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, governmental funds report fund balance in classifications based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. Fund balances at June 30, 2017, for the governmental funds are nonspendable, restricted, assigned, and unassigned for the following purposes:

Nonspendable Fund Balance – amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash. At June 30, 2017, the City had nonspendable fund balance of prepaids of \$21,143, advances to other funds of \$1,231,818, and loans of \$155,391.

Restricted Fund Balance – includes amounts that are restricted for specific purposes stipulated by external resources providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers. At June 30, 2017, the City had restricted fund balances of: \$1,399,958 for transit related activities, \$217,154 for air quality improvements, \$1,278,749 for sewer

improvements, \$11,932,069 for debt service, \$295,818 for property acquisition, and \$1,711,579 for capital projects.

Committed Fund Balance – includes amounts that can only be used for the specific purposes determined by a formal action of the City's highest level of decision-making authority, the City Council. Commitments may be changed or lifted only by the City taking the same formal action that imposed the constraint originally (for example: resolution). At June 30, 2017, the City had a committed fund balance of \$5,580,000 for property acquisition.

Assigned Fund Balance – includes amounts intended to be used by the City for specific purposes that are neither restricted nor committed. Intent is expressed by (a) City Council or (b) a body (a budget, finance committee, or management (City Wide Leadership team, which consists of City Manager and Executive Department Heads)) to which the assigned amounts are to be used for specific purposes. Assigned amounts also include all residual amounts in governmental funds (except negative amounts) other than the General Fund that are not classified as nonspendable, restricted, or committed. At June 30, 2017, the City had assigned fund balances of: \$137,124 for the Tree Fund, \$5,419 for DAE, \$500,000 for potential SR-710 expenditures, and \$466,925 for OPEB.

Unassigned Fund Balance – the residual classification for the General Fund and includes all amounts not contained in the other classifications. Governmental funds report residual negative balances as unassigned fund balance. At June 30, 2017, the City had an unassigned fund balance of \$3,975,112.

(4) OTHER INFORMATION

(a) Risk Management

The City is a member of the California Joint Powers Insurance Authority (CJPIA). The following disclosures are regarding the risk pool:

Liability, Property, and Workers' Compensation Protection

1. Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

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

2. Self-Insurance Programs of the Authority

Each member pays an annual contribution at the beginning of the coverage period. A retrospective adjustment is then conducted annually thereafter, for coverage years 2012-13 and prior. Coverage years 2013-14 and forward are not subject to routine annual retrospective adjustment. The total funding requirement for self-insurance programs is based on an actuarial analysis. Costs are allocated to individual agencies based on payroll and claims history, relative to other members of the risk-sharing pool.

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

For 2016-17, the Authority's pooled retention is \$2 million per occurrence, with reinsurance to \$20 million, and excess insurance to \$50 million. The Authority's reinsurance contracts are subject to the following additional pooled retentions: (a) \$2.5 million annual aggregate deductible in the \$3 million in excess of \$2 million layer, (b) \$3 million annual aggregate deductible in the \$5 million in excess of \$10 million layer. There is a third annual aggregate deductible in the amount of \$2.5 million in the \$5 million in excess of \$5 million layer, however it is fully covered under a separate policy and therefore not retained by the Authority. The overall coverage limit for each member including all layers of coverage is \$50 million per occurrence. Costs of covered claims for subsidence losses have a sub-limit of \$30 million per occurrence

Workers' Compensation – 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 layer

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

3. Purchased Insurance

Pollution Legal Liability Insurance - The City 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. 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 participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. The City's property is currently insured according to a schedule of covered property

submitted by the City to the Authority. The City's property currently has all-risk property insurance protection in the amount of \$15,407,994. There is a \$5,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$2,500 deductible. Premiums for the coverage are paid annually and are not subject to retrospective adjustments.

Earthquake and Flood Insurance – The City purchases earthquake and flood insurance on a portion of its property. The earthquake insurance is part of the property protection insurance program of the Authority. City of La Cañada Flintridge property currently has earthquake protection in the amount of \$0. There is a deductible of 5% per unit of value with a minimum deductible of \$100,000. Premiums for the coverage are paid annually and are not subject to retrospective adjustments.

Crime Insurance - The City purchases 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.

Special Event Tenant User Liability Insurance - The City further protects against liability damages by requiring tenant users of certain property to purchase low-cost tenant user liability insurance for certain activities on agency property. The insurance premium is paid by the tenant user and is paid to the City according to a schedule. The City then pays for the insurance. The insurance is arranged by the Authority.

4. Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2016-17.

(b) Employee Retirement System Pension Plans

1. General Information about the Pension Plans

Plan Description

All qualified employees are eligible to participate in the City's Miscellaneous Employee Pension Plan, cost-sharing multiple employer defined benefit pension plan administered by the California Public Employees Retirement System (CalPERS). Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available report that include a full description of the pension plans 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 to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is the Optional Settlement 2W Death

Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan's provisions and benefits in effect at June 30, 2017, are summarized as follows:

	Miscellaneous Classic	Miscellaneous Pepra
Benefit formula	2%.0 @55	2%.0 @62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	55	62
Monthly benefits, as a % of eligible compensation	2.0%	2.0%
Required employee contribution rates	7.000%	6.250%
Required employer contribution rates	8.880%	6.555%

Contributions

Section 20814 (c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employees 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. Funding contributions for the Plan are determined annually on an actuarial basis of June 30 by CalPERS. 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 City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the fiscal year ended June 30, 2017, the contributions recognized as part of pension expense for the Plan were as follow:

Contributions - employer	<u>Miscellaneous</u> \$ 285,477
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2. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows or Resources Related to Pensions

As of June 30, 2017, the City reported net pension liabilities for its proportionate share of the net position liability of the Plan as follows:

Miscellaneous	Proportionate Share of <u>Net Pension Liability</u> \$ 2,746,460
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The City's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2016, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

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

	<u>Miscellaneous</u>
Proportion – June 30, 2015	0.029101%
Proportion – June 30, 2016	<u>0.031740%</u>
Change - Increase	<u>0.002639%</u>

For the fiscal year ended June 30, 2017, the City recognized pension expense of \$378,532. At June 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 308,223	\$ -
Changes of assumptions		(96,477)
Net differences between projected and actual earnings on plan investments	502,132	
Differences between the employer's contributions and the employer's proportionate share of contributions		(108,530)
Differences between expected and actual experience	10,197	(2,337)
Changes in employer's proportion	85,164	(65,813)
Total	<u>\$ 905,716</u>	<u>\$ (273,157)</u>

\$308,223 reported as deferred outflows of resources related to contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and will be recognized as pension expense as follows:

<u>Fiscal year ending June 30,</u>	<u>Deferred Outflows (Inflows) of Resources</u>
2018	\$ (11,578)
2019	(17,351)
2020	223,208
2021	<u>130,057</u>
Totals	<u>\$ 324,336</u>

Actuarial Assumptions

The total pension liabilities in the June 30, 2015 actuarial valuations were determined using the following actuarial assumptions:

Valuation date	June 30, 2015
Measurement date	June 30, 2016
Actuarial cost method	Entry age normal cost method
Actuarial assumptions	
Discount rate	7.65%
Inflation	2.75%
Payroll growth	Varies by entry age and service
Projected salary increase	3.30 % - 14.2% (1)
Investment rate of return	7.50% (2)
Mortality	Data for all Funds (3)

(1) Depending on age, service, and type of employment
(2) Net of pension plan investment expenses, including inflation
(3) The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 experience study report.

All other actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience study for the fiscal years 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.

Discount Rate

The discount rate used to measure the total pension liability was 7.65%. 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. The tests revealed the assets would not run out. Therefore, the current 7.65% discount rate is appropriate, and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.65% is applied to all plans in the Public Employees Retirement Fund. The cash flows used in the testing were developed assuming that both members and employers make their contributions on time and as scheduled in all future years. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

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

In determining the long-term expected rate of return, staff took into account both short-term and long-term market return expectations as well as the expected pension (PERF) fund cash flows. Taking into account historical returns of all Public Employees Retirement Funds' asset classes (which includes the agent plan and two cost-sharing plans or PERF A, B, and C funds), expected compound (geometric) returns were

calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each PERF fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 – 10 (a)	Real Return Years 11+ (b)
Global Equity	51.00%	5.25%	5.71%
Global Fixed Income	20.00%	0.99%	2.43%
Inflation Sensitive	6.00%	0.45%	3.36%
Private Equity	10.00%	6.83%	6.95%
Real Estate	10.00%	4.50%	5.13%
Infrastructure and Forestland	2.00%	4.50%	5.09%
Liquidity	1.00%	(0.55%)	(1.05%)
Total	100.00%		

(a) An expected inflation of 2.50% used for this period.

(b) An expected inflation of 3.00% used for this period.

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

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

	Miscellaneous
1.0% Decrease Net Pension Liability	6.65% \$ 4,481,268
Current Discount Rate Net Pension Liability	7.65% \$ 2,746,460
1.0% Increase Net Pension Liability	8.65% \$ 1,312,728

Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

(c) Other Postemployment Benefits

Plan Description

The City administers a single-employer defined benefit postemployment healthcare plan (Plan). The Plan provides healthcare benefits to all eligible retirees who retire from the City. Benefit provisions are established and may be amended by the City Council. Under the program, the City pays 100% of the health insurance premium for eligible retirees hired on or after July 1, 1998. The employee-retiree may elect to receive spouse and/or dependent coverage with premiums paid by the employee-retiree. For employees hired prior to July 1, 1998, the retiree, as well as the retiree's spouse and dependents, are eligible for coverage with all premiums paid by the City. As of June 30, 2017, the City was providing retiree health benefits to thirteen (13) retirees. Generally, the General Fund is used to pay the retiree health contributions.

Funding Policy

Contribution requirements for the City are established and may be amended by the City Council. The City pays for retiree health benefits on a "pay-as-you-go" basis. Employees are not required to make contributions for retiree health benefits. For fiscal year 2016-17, the City contributed \$89,921, or 31% of the annual OPEB cost, to the Plan.

Annual OPEB cost and Net OPEB Obligation

Based on an actuarial study of the City's retiree health liabilities as of July 1, 2015, the City's Annual Required Contribution (ARC) for fiscal year 2016-17 is \$237,039. The ARC, as determined in accordance with the parameter of GASB Statement 45, 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 fund excess) over a period not to exceed thirty (30) years.

The following table shows the components of the City's annual OPEB cost for the fiscal year, the amount actually contributed to the Plan, and changes in the City's net OPEB obligation to the Plan:

Annual required contribution	\$	237,039
Interest on net OPEB obligation		102,363
Adjustment to annual required contribution		<u>(52,122)</u>
Annual OPEB Cost		287,280
Contribution made		<u>(89,921)</u>
Increase in net OPEB obligation		197,359
Net OPEB obligation – beginning of fiscal year		<u>999,028</u>
Net OPEB obligation – end of fiscal year	\$	<u><u>1,196,387</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 years 2015, 2016, and 2017, are as follows:

<u>Fiscal Year</u>	<u>Annual OPEB Cost</u>	<u>Annual OPEB Cost Contributed</u>	<u>OPEB Obligation</u>
June 30, 2015	\$ 178,763	43.0%	\$ 852,031
June 29, 2016	233,000	36.9%	999,028
June 30, 2017	287,280	31.3%	1,196,387

Funded Status and Funding Progress

As of July 1, 2015, the most recent actuarial valuation date, the funded status of the Plan was as follows:

Actuarial accrued liability (AAL)	\$	3,563,309
Actuarial value of plan assets		-
Unfunded actuarial accrued liability (UAAL)	\$	<u>(3,563,309)</u>
Funded ratio (actuarial value of plan assets/AAL)		0.0%
Annual covered payroll (active plan members)	\$	2,467,539
UAAL as a percentage of annual covered payroll		144.41%

Actuarial Methods and Assumptions

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 contribution of the employer are subject to continual revision as actual results are compared with past expectation and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and 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 include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2015 actuarial valuation, the entry age normal cost method was used. The actuarial assumptions included a 4.50% investment rate of return; an inflation rate of 2.75%; a payroll increase of 2.75%, an annual healthcare cost trend rate of 4.0%; and a 0% allowance of retirees who will waive benefits at retirement (it is assumed that 100% of retirees will elect to receive the City's retiree benefits). The Plan's unfunded actuarial accrued liability is being amortized as a level of percentage of expected payroll over 30 years and the amortization period is closed.

(5) COMMITMENTS AND CONTINGENCIES

The City is occasionally a defendant in lawsuits which have arisen in the normal course of business. Damages are alleged in some of these actions and their outcome cannot be predicted with certainty. However, in the opinion of the City Attorney, the outcome of these actions will not have a material adverse effect on the financial position of the City.

The City participates in several federal and state grant programs. The programs are subject to examination by the granters and the amount, if any, of expenses which may be disallowed by the granting agency cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

(6) SUBSEQUENT EVENTS

On July 5, 2017, the City entered into an agreement to sell the real property located at 1327 Foothill Boulevard in the City to Knight Insurance Services, Inc., for a purchase price of \$3,300,000.

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**REQUIRED
SUPPLEMENTARY INFORMATION**



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CITY OF LA CAÑADA FLINTRIDGE
Notes to the Financial Statements
June 30, 2017

Cost Sharing Multiple-Employer Defined Benefit Pension Plan
Last 10 Fiscal Years (*)

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

	Measurement Date June 30 2014	Measurement Date June 30 2015	Measurement Date June 30 2016
Plan's proportion of the net pension liability	0.03089%	0.02910%	0.03174%
Plan's proportionate share of the net pension liability	\$ 1,921,972	\$ 1,997,461	\$ 2,746,460
Plan's covered employee payroll	\$ 2,318,764	\$ 2,358,312	\$ 2,467,539
Plan's proportionate share of the net pension liability as a percentage of it's covered employee payroll	82.89%	84.70%	111.30%
Plan's fiduciary net position	\$24,607,502,515	\$24,907,305,871	\$24,705,532,291
Plan's total pension liability	\$30,829,966,631	\$31,771,217,402	\$33,358,627,624
Plan's fiduciary net position as a percentage of the total pension liability	79.82%	78.40%	74.06%

Notes to Schedule

Change in Benefit Terms: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2016 as they have minimal cost impact. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a Golden Handshakes).

Change in Assumptions: Discount rate was changed from 7.50% to 7.65% for the June 30, 2015 Measurement Date.

* Fiscal year 2015 was the 1st year of implementation, therefore, only three years are shown.

CITY OF LA CAÑADA FLINTRIDGE
Notes to the Financial Statements
June 30, 2017

Cost Sharing Multiple-Employer Defined Benefit Pension Plan
Last 10 Fiscal Years (*)

SCHEDULE OF PENSION CONTRIBUTIONS

	Measurement Date June 30 2014	Measurement Date June 30 2015	Measurement Date June 30 2016
Actuarially determined contribution (a)	\$ 262,412	\$ 285,477	\$ 308,223
Contribution in relation to the actuarially determined contribution (b)	(262,412)	(285,477)	(308,223)
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Covered employee payroll (d)	\$ 2,358,312	\$ 2,467,539	\$ 2,485,697
Contributions as a percentage of covered employee payroll	11.13%	11.57%	12.40%

- (a) - Historical information is required only for measurement periods for which GASB 68 is applicable.
- (b) - Employers are assumed to make contributions equal to the actuarially determined contributions. However some employers may choose to make additional contributions towards their unfunded liability. Employers contributions for such plans exceed the actuarially determined contributions.
- (d) - Covered employee payroll represented above is based on pensionable earnings provided by the employer. However, GASB 68 defines covered employee payroll as the total payroll of employee's pension plan. Accordingly, if pensionable earnings are different than total earnings for covered employees, the employer should display in the disclosure footnotes the payroll based on total earnings for the covered group and recalculate the required payroll related ratios.

Notes to Schedule

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal year 2016-17 were from June 30, 2014 public agency valuations.

Amortization method	Level percent of payroll
Average remaining period	19 years as of the valuation date
Asset valuation method	Market value of assets
Actuarial assumptions	
Discount rate	7.50%
Inflation	2.75%
Payroll growth	3.00%
Individual salary growth	A merit scale varying in duration of employment coupled with an assumed annual inflation growth of 2.75% and an annual production growth of 0.25%.
Retirement age	The probabilities of retirement based on the 2014 CalPERS experience study for the period 1997 to 2011.
Mortality	The probabilities of mortality are based on CalPERS specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB.

* Fiscal year 2015 was the 1st year of implementation, therefore, only three years are shown.

CITY OF LA CAÑADA FLINTRIDGE
Notes to the Financial Statements
June 30, 2017

SCHEDULE OF FUNDING PROGRESS - OTHER POSTEMPLOYMENT BENEFITS

Actuarial Valuation Date	Actuarial Asset Value	Actuarial Accrued Liability (AAL) Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
11/20/2008	\$ -	\$2,233,842	\$ 2,233,842	0.0%	\$2,102,156	106.26%
11/01/2011	-	\$2,851,039	\$ 2,851,039	0.0%	\$2,114,308	134.85%
07/01/2015	-	\$3,563,309	\$ 3,563,309	0.0%	\$2,467,539	144.41%

CITY OF LA CAÑADA FLINTRIDGE
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 10,429,500	\$ 10,543,250	\$ 11,164,604	\$ 621,354
Fines, forfeitures and penalties	82,025	82,025	69,593	(12,432)
From other agencies	26,625	39,050	41,651	2,601
Charges for services	2,777,275	2,742,350	3,182,503	440,153
Use of money and property	327,250	341,125	(76,745)	(417,870)
Other revenue	64,425	59,600	68,585	8,985
Total revenues	<u>13,707,100</u>	<u>13,807,400</u>	<u>14,450,191</u>	<u>642,791</u>
Expenditures:				
Current:				
General government	5,791,675	5,794,675	5,689,992	104,683
Public safety	3,417,550	3,408,650	3,235,659	172,991
Community development	648,050	648,050	669,223	(21,173)
Public works	3,183,350	3,257,725	2,992,734	264,991
Capital outlay	233,100	234,275	108,991	125,284
Total expenditures	<u>13,273,725</u>	<u>13,343,375</u>	<u>12,696,599</u>	<u>646,776</u>
Excess of revenues over expenditures	<u>433,375</u>	<u>464,025</u>	<u>1,753,592</u>	<u>1,289,567</u>
Other financing sources (uses):				
Transfers in	193,575	373,725	130,439	(243,286)
Transfers out	(7,980,475)	(7,183,075)	(6,921,024)	262,051
Total other financing sources (uses)	<u>(7,786,900)</u>	<u>(6,809,350)</u>	<u>(6,790,585)</u>	<u>18,765</u>
Net change in fund balances	<u>(7,353,525)</u>	<u>(6,345,325)</u>	<u>(5,036,993)</u>	<u>1,308,332</u>
Fund balance, beginning of fiscal year	<u>18,105,029</u>	<u>18,105,029</u>	<u>18,105,029</u>	<u>-</u>
Fund balance, end of fiscal year	<u>\$ 10,751,504</u>	<u>\$ 11,759,704</u>	<u>\$ 13,068,036</u>	<u>\$ 1,308,332</u>

See Accompanying Note to Required Supplementary Information.

CITY OF LA CAÑADA FLINTRIDGE
Notes to the Financial Statements
June 30, 2017

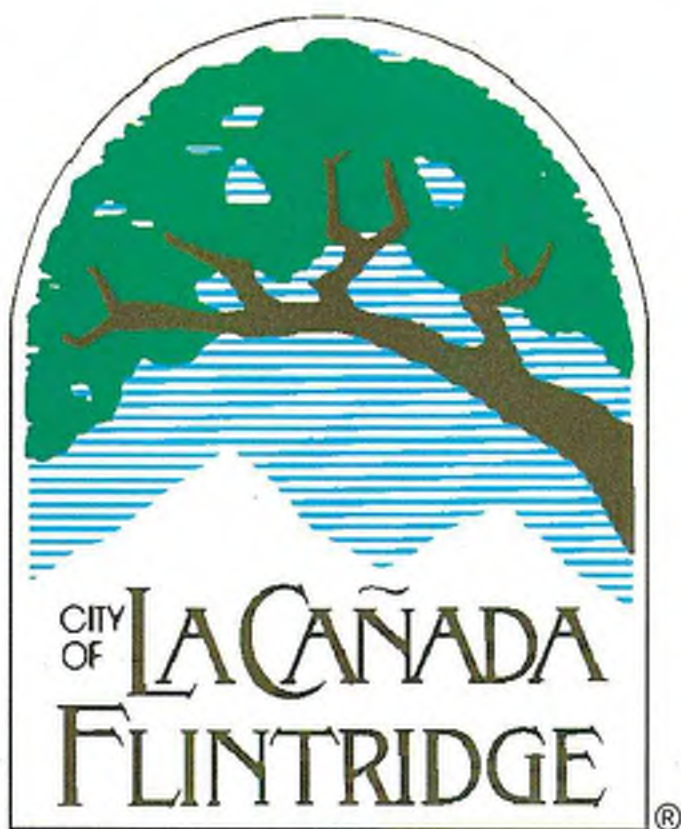
(1) BUDGETARY INFORMATION

(a) General Budget Policies:

The City adopts an annual budget prepared on the modified accrual basis of accounting for the General Fund and Special Revenue Funds. The budget is adopted on a basis which does not differ materially from generally accepted accounting principles accepted in the United States of America (US GAAP). The City Manager prepares and submits to the City Council the annual budget of the City and administers it after adoption. The City Manager is authorized to transfer budgeted amounts between the accounts of any department within a fund; however, any revisions that alter the total appropriations of any fund must be approved by the City Council. The level of budgetary control is the fund level.

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OTHER SUPPLEMENTARY INFORMATION



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CITY OF LA CAÑADA FLINTRIDGE
Budgetary Comparison Schedule
Sewer AD04-1 Debt Service Fund
For the Fiscal Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ 102,000	\$ 102,000	\$ 100,155	\$ (1,845)
Total revenues	102,000	102,000	100,155	(1,845)
Expenditures:				
Current:				
Public works	1,250	1,250	1,300	(50)
Debt service:				
Principal retirement	1,292,600	1,292,600	1,292,614	(14)
Interest and other charges	405,550	405,550	405,537	13
Total expenditures	1,699,400	1,699,400	1,699,451	(51)
Excess (deficiency) of revenues over (under) expenditures	(1,597,400)	(1,597,400)	(1,599,296)	(1,896)
Other financing sources:				
Transfers in	1,817,750	1,817,750	1,818,039	289
Net change in fund balance	220,350	220,350	218,743	(1,607)
Fund balance, beginning of fiscal year	6,698,809	6,698,809	6,698,809	-
Fund balance, end of fiscal year	<u>\$ 6,919,159</u>	<u>\$ 6,919,159</u>	<u>\$ 6,917,552</u>	<u>\$ (1,607)</u>

CITY OF LA CAÑADA FLINTRIDGE
Budgetary Comparison Schedule
City Capital Projects Fund
For the Fiscal Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Revenues:				
From other agencies	\$ 1,044,375	\$ 1,399,975	\$ 790,783	\$ (609,192)
Total revenues	1,044,375	1,399,975	790,783	(609,192)
Expenditures:				
Capital outlay	4,800,200	4,233,025	2,220,585	2,012,440
Total expenditures	4,800,200	4,233,025	2,220,585	2,012,440
Excess (deficiency) of revenues over (under) expenditures	(3,755,825)	(2,833,050)	(1,429,802)	1,403,248
Other financing sources (uses):				
Transfers in	1,642,800	1,642,800	1,526,738	(116,062)
Total other financing sources (uses)	1,642,800	1,642,800	1,526,738	(116,062)
Net change in fund balance	(2,113,025)	(1,190,250)	96,936	1,287,186
Fund balance, beginning of fiscal year	1,611,857	1,611,857	1,611,857	-
Fund balance (deficit), end of fiscal year	<u>\$ (501,168)</u>	<u>\$ 421,607</u>	<u>\$ 1,708,793</u>	<u>\$ 1,287,186</u>

DESCRIPTION OF NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes.

Traffic Safety Fund - To account for the revenues received and expenditures made for traffic safety enforcement.

State Gasoline Tax Fund - To account for revenues received and expenditures made for general street improvement and maintenance. The revenues consist of the City's share of state gasoline taxes collected under Sections 2103, 2105, 2106, 2107, 2107.5 of the Street and Highway Code.

Bonds and Grants Fund - To account for monies received for Metro transit grants and other general grants.

TDA Fund - To account for funds received from the State, under SB821, for bikeways and pedestrian facilities.

Proposition C Transit Tax Fund - To account for receipt and disbursement of funds derived from the 1990-91 one-half cent sales tax imposed by Proposition C to finance transit or transit-related projects in Los Angeles County.

Proposition A Transit Tax Fund - To account for the receipt and disbursement of funds from the Los Angeles Metropolitan Transportation Authority derived from the one-half cent sales tax imposed by the Proposition A to finance public transportation projects.

Community Development Block Grant Fund - To account for revenues received and expenditures made for the federal Community Development Block Grant. Funds are used to assist low and moderate income residents and to remove blight.

State/ Federal Law Enforcement Supplemental Funds - To account for monies received from the State of California and/ or the federal government to be used for policing activities in accordance with law enforcement activities.

Air Quality Improvement (AQMD Trust) Fund - To account for the revenues and expenditures made for air quality improvements projects. The revenues consist of funds received from the South Coast Air Quality Management District (SCAQMD) in accordance with AB2766.

Property Acquisition Fund - To account for monies set aside for the future acquisition of property. Revenues may be derived from various sources, including donations.

Sanitation Fund - To account for activities of Sanitation Districts #28 and #34 related to the acquisition and installation of a community sewer system.

Sewer Redemption AD98-1 Fund - To account for funds related to Assessment District 98-1 for sewer assessment.

Sewer Redemption AD02-1 Fund - To account for funds related to Assessment District 02-1 for sewer assessment.

CITY OF LA CAÑADA FLINTRIDGE
Notes to the Financial Statements
June 30, 2017

Sewer Redemption AD04-1 Fund – To account for funds related to Assessment District 04-1 for sewer assessment.

Measure R Fund – To account for receipt and disbursement of funds derived from the 2008 one-half cent sales tax imposed by Measure to finance transportation-related projects and improvements in Los Angeles County.

DEBT SERVICE FUND

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, long-term liabilities, including principal, interest and related costs.

Sewer AD98-1 Debt Service Fund – To account for payment of interest and principal on the debt of Assessment District 98-1.

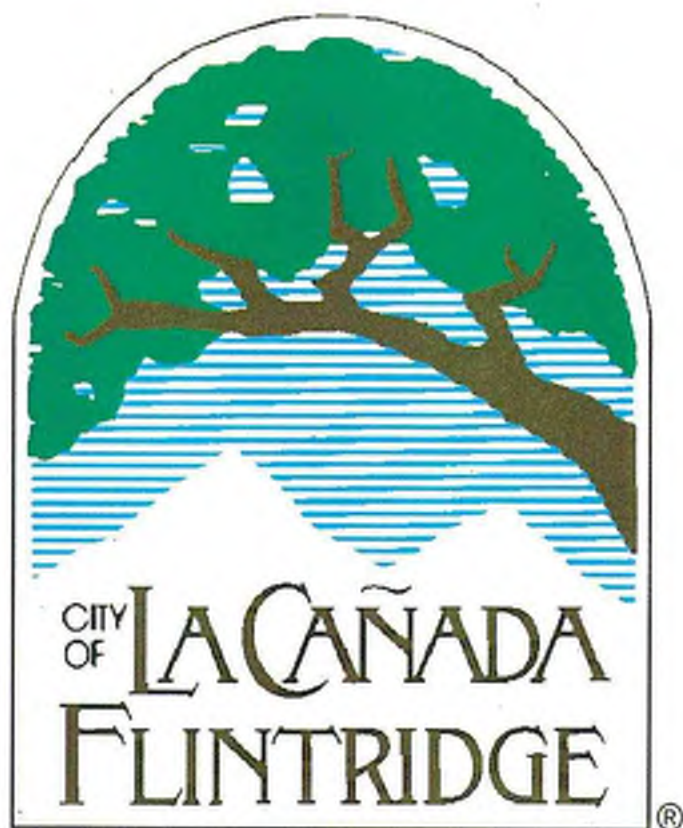
Sewer AD02-1 Debt Service Fund – To account for payment of interest and principal on the debt of Assessment District 02-1.

CAPITAL PROJECTS FUND

Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major capital facilities financed by governmental funds.

Sewer Improvement AD04-1 Capital Projects Fund – To account for sewer capital improvements under Assessment District 04-1.

**COMBINING AND INDIVIDUAL
FUND STATEMENTS
AND SCHEDULES**



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CITY OF LA CAÑADA FLINTRIDGE
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2017

	Special Revenue Funds			
	Traffic Safety	State Gasoline Tax	Bonds and Grants	TDA
Assets:				
Cash and investments	\$ -	\$ 151,616	\$ 2,786	\$ -
Accounts receivable	4,887	-	34,350	13,098
Total assets	\$ 4,887	\$ 151,616	\$ 37,136	\$ 13,098
Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ 151,616	\$ -	\$ -
Due to other funds	4,887	-	-	13,098
Advances from other funds	-	-	-	-
Total liabilities	4,887	151,616	-	13,098
Deferred inflows of resources:				
Unavailable revenues	-	-	34,350	-
Total deferred inflows of resources	-	-	34,350	-
Fund balances:				
Restricted:				
Transit	-	-	-	-
Air quality improvements	-	-	-	-
Sewer improvements	-	-	-	-
Debt service reserve	-	-	-	-
Property acquisition	-	-	-	-
Capital projects	-	-	2,786	-
Unassigned	-	-	-	-
Total fund balances	-	-	2,786	-
Total liabilities, deferred inflows of resources, and fund balances	\$ 4,887	\$ 151,616	\$ 37,136	\$ 13,098

(Continued)

CITY OF LA CAÑADA FLINTRIDGE
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2017
(continued)

	Special Revenue Funds			State/ Federal Law
	Proposition C Transit Tax	Proposition A Transit Tax	Community Development Block Grant	Enforcement Supplemental Funds
Assets:				
Cash and investments	\$ 571,500	\$ 312,254	\$ -	\$ 29,641
Accounts receivable	-	-	22,729	-
Total assets	\$ 571,500	\$ 312,254	\$ 22,729	\$ 29,641
Liabilities:				
Accounts payable and accrued liabilities:	\$ 36,457	\$ 73,253	\$ 2,320	\$ 29,641
Due to other funds	-	-	20,409	-
Advances from other funds	-	-	-	-
Total liabilities	36,457	73,253	22,729	29,641
Deferred inflows of resources:				
Unavailable revenues	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund balances:				
Restricted:				
Transit	535,043	239,001	-	-
Air quality improvements	-	-	-	-
Sewer improvements	-	-	-	-
Debt service reserve	-	-	-	-
Property acquisition	-	-	-	-
Capital projects	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	535,043	239,001	-	-
Total liabilities, deferred inflows of resources, and fund balances	\$ 571,500	\$ 312,254	\$ 22,729	\$ 29,641

(Continued)

CITY OF LA CAÑADA FLINTRIDGE
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2017
(continued)

	Special Revenue Funds			
	AQMD Trust	Property Acquisition	Sanitation	Sewer Redemption AD98-1
Assets:				
Cash and investments	\$ 211,767	\$ 315,715	\$ -	\$ -
Accounts receivable	6,673	-	-	9,761
Total assets	\$ 218,440	\$ 315,715	\$ -	\$ 9,761
Liabilities:				
Accounts payable and accrued liabilities	\$ 1,286	\$ 19,897	\$ -	\$ -
Due to other funds	-	-	-	9,761
Advances from other funds	-	-	-	-
Total liabilities	1,286	19,897	-	9,761
Deferred inflows of resources:				
Unavailable revenues	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund balances:				
Restricted:				
Transit	-	-	-	-
Air quality improvements	217,154	-	-	-
Sewer improvements	-	-	-	-
Debt service reserve	-	-	-	-
Property acquisition	-	295,818	-	-
Capital projects	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	217,154	295,818	-	-
Total liabilities, deferred inflows of resources, and fund balances	\$ 218,440	\$ 315,715	\$ -	\$ 9,761

(Continued)

CITY OF LA CAÑADA FLINTRIDGE
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2017
(continued)

	<u>Special Revenue Funds</u>			<u>Debt Service Fund</u>
	Sewer Redemption AD02-1	Sewer Redemption AD04-1	Measure R	Sewer AD98-1
Assets:				
Cash and investments	\$ -	\$ -	\$ 625,914	\$ 1,135,206
Accounts receivable	27,356	40,061	-	-
Total assets	<u>\$ 27,356</u>	<u>\$ 40,061</u>	<u>\$ 625,914</u>	<u>\$ 1,135,206</u>
Liabilities:				
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -	\$ -
Due to other funds	27,356	40,061	-	-
Advances from other funds	-	-	-	236,714
Total liabilities	<u>27,356</u>	<u>40,061</u>	<u>-</u>	<u>236,714</u>
Deferred inflows of resources:				
Unavailable revenues	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Restricted:				
Transit	-	-	625,914	-
Air quality improvements	-	-	-	-
Sewer improvements	-	-	-	-
Debt service reserve	-	-	-	898,492
Property acquisition	-	-	-	-
Capital projects	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>-</u>	<u>-</u>	<u>625,914</u>	<u>898,492</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 27,356</u>	<u>\$ 40,061</u>	<u>\$ 625,914</u>	<u>\$ 1,135,206</u>

(Continued)

CITY OF LA CAÑADA FLINTRIDGE
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2017
(continued)

	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	
	<u>Sewer AD02-1</u>	<u>Sewer Improvement AD04-1</u>	<u>Nonmajor Governmental Funds</u>
Assets:			
Cash and investments	\$ 4,116,025	\$ 1,276,474	\$ 8,748,898
Accounts receivable	-	4,103	163,018
Total assets	<u>\$ 4,116,025</u>	<u>\$ 1,280,577</u>	<u>\$ 8,911,916</u>
Liabilities:			
Accounts payable and accrued liabilities	\$ -	\$ 1,828	\$ 316,298
Due to other funds	-	-	115,572
Advances from other funds	-	-	236,714
Total liabilities	<u>-</u>	<u>1,828</u>	<u>668,584</u>
Deferred inflows of resources:			
Unavailable revenues	-	-	34,350
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>34,350</u>
Fund balances:			
Restricted:			
Transit	-	-	1,399,958
Air quality improvements	-	-	217,154
Sewer improvements	-	1,278,749	1,278,749
Debt service reserve	4,116,025	-	5,014,517
Property acquisition	-	-	295,818
Capital projects	-	-	2,786
Unassigned	-	-	-
Total fund balances	<u>4,116,025</u>	<u>1,278,749</u>	<u>8,208,982</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 4,116,025</u>	<u>\$ 1,280,577</u>	<u>\$ 8,911,916</u>

CITY OF LA CAÑADA FLINTRIDGE
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances (Deficits)
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2017

	Special Revenue Funds			
	Traffic Safety	State Gasoline Tax	Bonds and Grants	TDA
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Assessments	-	-	-	-
Fines, forfeitures and penalties	43,512	-	-	-
From other agencies	-	393,970	342,297	13,098
Charges for services	-	-	-	-
Use of money and property	-	1,475	-	-
Total revenues	43,512	395,445	342,297	13,098
Expenditures:				
Current:				
Public safety	-	-	-	-
Public works	-	549,545	33,150	-
Community development	-	-	-	-
Capital outlay	-	-	343,497	13,098
Debt service:				
Principal retirement	-	-	-	-
Interest and other charges	-	-	-	-
Total expenditures	-	549,545	376,647	13,098
Excess (deficiency) of revenues over (under) expenditures	43,512	(154,100)	(34,350)	-
Other financing sources (uses):				
Transfers in	-	154,100	-	-
Transfers out	(47,796)	-	-	-
Proceeds from long-term promissory note	-	-	-	-
Total other financing sources (uses)	(47,796)	154,100	-	-
Net changes in fund balances	(4,284)	-	(34,350)	-
Fund balances (deficits), beginning of fiscal year	4,284	-	37,136	-
Fund balances (deficits), end of fiscal year	\$ -	\$ -	\$ 2,786	\$ -

(Continued)

CITY OF LA CAÑADA FLINTRIDGE
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances (Deficits)
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2017
(Continued)

	Special Revenue Funds			
	Proposition C Transit Tax	Proposition A Transit Tax	Community Development Block Grant	State/ Federal Law Enforcement Supplemental Funds
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Assessments	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-
From other agencies	312,603	375,749	61,456	129,324
Charges for services	-	-	-	-
Use of money and property	5,753	5,803	-	1,487
Total revenues	318,356	381,552	61,456	130,811
Expenditures:				
Current:				
Public safety	-	-	-	177,846
Public works	148,366	270,132	-	-
Community development	-	-	61,455	-
Capital outlay	123,872	68,111	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and other charges	-	-	-	-
Total expenditures	272,238	338,243	61,455	177,846
Excess (deficiency) of revenues over (under) expenditures	46,118	43,309	1	(47,035)
Other financing sources (uses):				
Transfers in	-	-	(10)	13,259
Transfers out	-	(26,541)	-	-
Proceeds from long-term promissory note	-	-	-	-
Total other financing sources (uses)	-	(26,541)	(10)	13,259
Net changes in fund balances	46,118	16,768	(9)	(33,776)
Fund balances (deficits), beginning of fiscal year	488,925	222,233	9	33,776
Fund balances (deficits), end of fiscal year	<u>\$ 535,043</u>	<u>\$ 239,001</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

CITY OF LA CAÑADA FLINTRIDGE
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances (Deficits)
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2017
(Continued)

	<u>Special Revenue Funds</u>			
	<u>AQMD Trust</u>	<u>Property Acquisition</u>	<u>Sanitation</u>	<u>Sewer Redemption AD98-1</u>
Revenues:				
Taxes	\$ -	\$ -	\$ 5,500	\$ -
Assessments	-	-	-	549,018
Fines, forfeitures and penalties	-	-	-	1,063
From other agencies	26,250	-	-	-
Charges for services	-	-	-	26,385
Use of money and property	3,411	-	-	464
Total revenues	<u>29,661</u>	<u>-</u>	<u>5,500</u>	<u>576,930</u>
Expenditures:				
Current:				
Public safety	-	-	-	-
Public works	1,287	-	5,500	11,631
Community development	-	-	-	-
Capital outlay	37,495	11,284,182	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and other charges	-	-	-	-
Total expenditures	<u>38,782</u>	<u>11,284,182</u>	<u>5,500</u>	<u>11,631</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(9,121)</u>	<u>(11,284,182)</u>	<u>-</u>	<u>565,299</u>
Other financing sources (uses):				
Transfers in	-	5,500,000	-	-
Transfers out	-	-	-	(565,299)
Proceeds from long-term promissory note	-	5,580,000	-	-
Total other financing sources (uses)	<u>-</u>	<u>11,080,000</u>	<u>-</u>	<u>(565,299)</u>
Net changes in fund balances	<u>(9,121)</u>	<u>(204,182)</u>	<u>-</u>	<u>-</u>
Fund balances (deficits), beginning of fiscal year	<u>226,275</u>	<u>500,000</u>	<u>-</u>	<u>-</u>
Fund balances (deficits), end of fiscal year	<u>\$ 217,154</u>	<u>\$ 295,818</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

CITY OF LA CAÑADA FLINTRIDGE
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances (Deficits)
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2017
(Continued)

	<u>Special Revenue Funds</u>			<u>Debt Service Fund</u>
	<u>Sewer Redemption AD02-1</u>	<u>Sewer Redemption AD04-1</u>	<u>Measure R</u>	<u>Sewer AD98-1</u>
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Assessments	965,083	1,813,478	-	-
Fines, forfeitures and penalties	3,112	3,035	-	-
From other agencies	-	-	233,812	-
Charges for services	36,255	38,190	-	-
Use of money and property	785	1,256	9,891	15,862
Total revenues	<u>1,005,235</u>	<u>1,855,959</u>	<u>243,703</u>	<u>15,862</u>
Expenditures:				
Current:				
Public safety	-	-	-	-
Public works	15,250	17,038	-	-
Community development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	417,791
Interest and other charges	-	-	-	24,051
Total expenditures	<u>15,250</u>	<u>17,038</u>	<u>-</u>	<u>441,842</u>
Excess (deficiency) of revenues over (under) expenditures	<u>989,985</u>	<u>1,838,921</u>	<u>243,703</u>	<u>(425,980)</u>
Other financing sources (uses):				
Transfers in	-	-	-	550,950
Transfers out	(989,985)	(1,838,921)	(273,063)	-
Proceeds from long-term promissory note	-	-	-	-
Total other financing sources (uses)	<u>(989,985)</u>	<u>(1,838,921)</u>	<u>(273,063)</u>	<u>550,950</u>
Net changes in fund balances	<u>-</u>	<u>-</u>	<u>(29,360)</u>	<u>124,970</u>
Fund balances (deficits), beginning of fiscal year	<u>-</u>	<u>-</u>	<u>655,274</u>	<u>773,522</u>
Fund balances (deficits), end of fiscal year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 625,914</u>	<u>\$ 898,492</u>

(Continued)

CITY OF LA CAÑADA FLINTRIDGE
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances (Deficits)
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2017
(Continued)

	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Sewer AD02-1</u>	<u>Sewer Improvement AD04-1</u>	
Revenues:			
Taxes	\$ -	\$ -	\$ 5,500
Assessments	-	243,068	3,570,647
Fines, forfeitures and penalties	-	-	50,722
From other agencies	-	-	1,888,559
Charges for services	-	-	100,830
Use of money and property	64,407	18,461	129,055
Total revenues	<u>64,407</u>	<u>261,529</u>	<u>5,745,313</u>
Expenditures:			
Current:			
Public safety	-	-	177,846
Public works	-	5,500	1,057,399
Community development	-	-	61,455
Capital outlay	-	155,842	12,026,097
Debt service:			
Principal retirement	717,614	-	1,135,405
Interest and other charges	170,750	-	194,801
Total expenditures	<u>888,364</u>	<u>161,342</u>	<u>14,653,003</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(823,957)</u>	<u>100,187</u>	<u>(8,907,690)</u>
Other financing sources (uses):			
Transfers in	969,114	-	7,187,413
Transfers out	-	-	(3,741,605)
Proceeds from long-term promissory note	-	-	5,580,000
Total other financing sources (uses)	<u>969,114</u>	<u>-</u>	<u>9,025,808</u>
Net changes in fund balances	145,157	100,187	118,118
Fund balances (deficits), beginning of fiscal year	<u>3,970,868</u>	<u>1,178,562</u>	<u>8,090,864</u>
Fund balances (deficits), end of fiscal year	<u>\$ 4,116,025</u>	<u>\$ 1,278,749</u>	<u>\$ 8,208,982</u>

**NON MAJOR FUND
BUDGETARY COMPARISON SCHEDULE**



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CITY OF LA CAÑADA FLINTRIDGE
Budgetary Comparison Schedule
Nonmajor Traffic Safety Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Fines, forfeitures and penalties	\$ 100,000	\$ 43,512	\$ (56,488)
Total revenues	<u>100,000</u>	<u>43,512</u>	<u>(56,488)</u>
Excess (deficiency) of revenues over (under) expenditures	100,000	43,512	(56,488)
Other Financing (Uses):			
Transfers out	<u>(100,000)</u>	<u>(47,796)</u>	<u>52,204</u>
Net change in fund balance	-	(4,284)	(4,284)
Fund balance (deficit), beginning of fiscal year	<u>4,284</u>	<u>4,284</u>	<u>-</u>
Fund balance (deficit), end of fiscal year	<u>\$ 4,284</u>	<u>\$ -</u>	<u>\$ (4,284)</u>

CITY OF LA CAÑADA FLINTRIDGE
Budgetary Comparison Schedule
Nonmajor State Gasoline Tax Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
From other agencies	\$ 428,350	\$ 393,970	\$ (34,380)
Use of money and property	<u>1,000</u>	<u>1,475</u>	<u>475</u>
Total revenues	<u>429,350</u>	<u>395,445</u>	<u>(33,905)</u>
Expenditures:			
Current:			
Public works	<u>583,450</u>	<u>549,545</u>	<u>33,905</u>
Total expenditures	<u>583,450</u>	<u>549,545</u>	<u>33,905</u>
Excess (deficiency) of revenues over (under) expenditures	(154,100)	(154,100)	-
Other Financing Sources:			
Transfers in	<u>154,100</u>	<u>154,100</u>	<u>-</u>
Net change in fund balance	-	-	-
Fund balance, beginning of fiscal year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of fiscal year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF LA CAÑADA FLINTRIDGE
Budgetary Comparison Schedule
Nonmajor Bonds and Grants Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
From other agencies	\$ 33,150	\$ 342,297	\$ 309,147
Total revenues	<u>33,150</u>	<u>342,297</u>	<u>(309,147)</u>
Expenditures:			
Current:			
Public works	33,150	33,150	-
Capital outlay	<u>-</u>	<u>343,497</u>	<u>(343,497)</u>
Total expenditures	<u>33,150</u>	<u>376,647</u>	<u>(343,497)</u>
Net change in fund balance	-	(34,350)	(34,350)
Fund balance, beginning of fiscal year	<u>37,136</u>	<u>37,136</u>	<u>-</u>
Fund balance, end of fiscal year	<u>\$ 37,136</u>	<u>\$ 2,786</u>	<u>\$ (34,350)</u>

CITY OF LA CAÑADA FLINTRIDGE
Budgetary Comparison Schedule
Nonmajor TDA Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
From other agencies	\$ 13,100	\$ 13,098	\$ (2)
Total revenues	<u>13,100</u>	<u>13,098</u>	<u>(2)</u>
Expenditures:			
Capital outlay	<u>13,100</u>	<u>13,098</u>	<u>2</u>
Total expenditures	<u>13,100</u>	<u>13,098</u>	<u>2</u>
Net change in fund balance	-	-	-
Fund balance, beginning of fiscal year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of fiscal year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF LA CAÑADA FLINTRIDGE
Budgetary Comparison Schedule
Nonmajor Proposition C Transit Tax Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
From other agencies	\$ 656,450	\$ 312,603	\$ (343,847)
Use of money and property	<u>7,500</u>	<u>5,753</u>	<u>(1,747)</u>
Total revenues	<u>663,950</u>	<u>318,356</u>	<u>(345,594)</u>
Expenditures:			
Current:			
Public works	152,475	148,366	4,109
Capital outlay	<u>496,350</u>	<u>123,872</u>	<u>372,478</u>
Total expenditures	<u>648,825</u>	<u>272,238</u>	<u>376,587</u>
Excess (deficiency) of revenues over (under) expenditures	15,125	46,118	30,993
Other Financing (Uses):			
Transfers out	<u>(60,000)</u>	<u>-</u>	<u>60,000</u>
Net change in fund balance	(44,875)	46,118	90,993
Fund balance, beginning of fiscal year	<u>488,925</u>	<u>488,925</u>	<u>-</u>
Fund balance, end of fiscal year	<u>\$ 444,050</u>	<u>\$ 535,043</u>	<u>\$ 90,993</u>

CITY OF LA CAÑADA FLINTRIDGE
Budgetary Comparison Schedule
Nonmajor Proposition A Transit Tax Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
From other agencies	\$ 377,300	\$ 375,749	\$ (1,551)
Use of money and property	<u>5,000</u>	<u>5,803</u>	<u>803</u>
Total revenues	<u>382,300</u>	<u>381,552</u>	<u>(748)</u>
Expenditures:			
Current:			
Public works	298,025	270,132	27,893
Capital outlay	<u>104,525</u>	<u>68,111</u>	<u>36,414</u>
Total expenditures	<u>402,550</u>	<u>338,243</u>	<u>64,307</u>
Excess (deficiency) of revenues over (under) expenditures	(20,250)	43,309	63,559
Other Financing (Uses):			
Transfers out	<u>(26,025)</u>	<u>(26,541)</u>	<u>(516)</u>
Net change in fund balance	(46,275)	16,768	63,043
Fund balance, beginning of fiscal year	<u>222,233</u>	<u>222,233</u>	<u>-</u>
Fund balance, end of fiscal year	<u>\$ 175,958</u>	<u>\$ 239,001</u>	<u>\$ 63,043</u>

CITY OF LA CAÑADA FLINTRIDGE
Budgetary Comparison Schedule
Nonmajor Community Development Block Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
From other agencies	\$ 63,800	\$ 61,456	\$ (2,344)
Total revenues	<u>63,800</u>	<u>61,456</u>	<u>(2,344)</u>
Expenditures:			
Current:			
Community development	<u>63,800</u>	<u>61,455</u>	<u>2,345</u>
Total expenditures	<u>63,800</u>	<u>61,455</u>	<u>2,345</u>
Excess (deficiency) of revenues over (under) expenditures	-	1	(1)
Other Financing (Uses):			
Transfers in	<u>-</u>	<u>(10)</u>	<u>(10)</u>
Net change in fund balance	-	(9)	(11)
Fund balance (deficit), beginning of fiscal year	<u>9</u>	<u>9</u>	<u>-</u>
Fund balance (deficit), end of fiscal year	<u>\$ 9</u>	<u>\$ -</u>	<u>\$ (11)</u>

CITY OF LA CAÑADA FLINTRIDGE
Budgetary Comparison Schedule
Nonmajor State/ Federal Law Enforcement Supplemental Funds Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
From other agencies	\$ 100,000	\$ 129,324	\$ 29,324
Use of money and property	500	1,487	987
 Total revenues	 <u>100,500</u>	 <u>130,811</u>	 <u>30,311</u>
Expenditures:			
Current:			
Public safety	<u>179,650</u>	<u>177,846</u>	<u>1,804</u>
 Total expenditures	 <u>179,650</u>	 <u>177,846</u>	 <u>1,804</u>
 Excess (deficiency) of revenues over (under) expenditures	 (79,150)	 (47,035)	 32,115
Other Financing Sources:			
Transfers in	<u>79,150</u>	<u>13,259</u>	<u>(65,891)</u>
 Net change in fund balance	 -	 (33,776)	 (33,776)
 Fund balance, beginning of fiscal year	 <u>33,776</u>	 <u>33,776</u>	 <u>-</u>
 Fund balance, end of fiscal year	 <u>\$ 33,776</u>	 <u>\$ -</u>	 <u>\$ (33,776)</u>

CITY OF LA CAÑADA FLINTRIDGE
Budgetary Comparison Schedule
Nonmajor AQMD Trust Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
From other agencies	\$ 46,050	\$ 26,250	\$ (19,800)
Use of money and property	<u>2,975</u>	<u>3,411</u>	<u>436</u>
Total revenues	<u>49,025</u>	<u>29,661</u>	<u>(19,364)</u>
Expenditures:			
Current:			
Public works	36,275	1,287	34,988
Capital outlay	<u>36,300</u>	<u>37,495</u>	<u>(1,195)</u>
Total expenditures	<u>72,575</u>	<u>38,782</u>	<u>33,793</u>
Net change in fund balance	(23,550)	(9,121)	14,429
Fund balance, beginning of fiscal year	<u>226,275</u>	<u>226,275</u>	<u>-</u>
Fund balance, end of fiscal year	<u>\$ 202,725</u>	<u>\$ 217,154</u>	<u>\$ 14,429</u>

CITY OF LA CAÑADA FLINTRIDGE
 Budgetary Comparison Schedule
 Nonmajor Property Acquisition Special Revenue Fund
 For the Fiscal Year Ended June 30, 2017

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Taxes	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:			
Current:			
Capital Outlay	11,225,000	11,284,182	(59,182)
Total expenditures	<u>11,225,000</u>	<u>11,284,182</u>	<u>(59,182)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(11,225,000)</u>	<u>(11,284,182)</u>	<u>(59,182)</u>
Other financing sources:			
Transfers in	5,500,000	5,500,000	-
Proceeds from long-term promissory note	<u>-</u>	<u>5,580,000</u>	<u>5,580,000</u>
Total other financing sources	<u>5,500,000</u>	<u>11,080,000</u>	<u>5,580,000</u>
Net change in fund balance	(5,725,000)	(204,182)	5,520,818
Fund balance, beginning of fiscal year	<u>500,000</u>	<u>500,000</u>	<u>-</u>
Fund balance, end of fiscal year	<u>\$ (5,225,000)</u>	<u>\$ 295,818</u>	<u>\$ 5,520,818</u>

CITY OF LA CAÑADA FLINTRIDGE
Budgetary Comparison Schedule
Nonmajor Sanitation Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Taxes	\$ 2,000	\$ 5,500	\$ 3,500
Total revenues	<u>2,000</u>	<u>5,500</u>	<u>3,500</u>
Expenditures:			
Current:			
Public works	<u>2,000</u>	<u>5,500</u>	<u>(3,500)</u>
Total expenditures	<u>2,000</u>	<u>5,500</u>	<u>(3,500)</u>
Net change in fund balance	-	-	-
Fund balance, beginning of fiscal year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of fiscal year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

CITY OF LA CAÑADA FLINTRIDGE
Budgetary Comparison Schedule
Nonmajor Sewer Redemption AD98-1 Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Assessments	\$ 540,500	\$ 549,018	\$ 8,518
Fines, forfeitures, and penalties	325	1,063	738
Charges for services	25,975	26,385	410
Use of money and property	<u>25</u>	<u>464</u>	<u>439</u>
Total revenues	<u>566,825</u>	<u>576,930</u>	<u>10,105</u>
Expenditures:			
Current:			
Public works	<u>13,000</u>	<u>11,631</u>	<u>1,369</u>
Total expenditures	<u>13,000</u>	<u>11,631</u>	<u>1,369</u>
Excess (deficiency) of revenues over (under) expenditures	553,825	565,299	11,474
Other financing (uses):			
Transfers out	<u>(553,825)</u>	<u>(565,299)</u>	<u>(11,474)</u>
Net change in fund balance	-	-	-
Fund balance, beginning of fiscal year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of fiscal year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF LA CAÑADA FLINTRIDGE
Budgetary Comparison Schedule
Nonmajor Sewer Redemption AD02-1 Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Assessments	\$ 944,000	\$ 965,083	\$ 21,083
Fines, forfeitures and penalties	500	3,112	2,612
Charges for services	36,250	36,255	5
Use of money and property	200	785	585
	<u>980,950</u>	<u>1,005,235</u>	<u>24,285</u>
Total revenues			
Expenditures:			
Current:			
Public works	16,500	15,250	1,250
	<u>16,500</u>	<u>15,250</u>	<u>1,250</u>
Total expenditures			
Excess (deficiency) of revenues over (under) expenditures	964,450	989,985	25,535
Other financing (uses):			
Transfers out	(964,450)	(989,985)	(25,535)
Net change in fund balance	-	-	-
Fund balance, beginning of fiscal year	-	-	-
Fund balance, end of fiscal year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF LA CAÑADA FLINTRIDGE
Budgetary Comparison Schedule
Nonmajor Sewer Redemption AD04-1 Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Assessments	\$ 1,815,000	\$ 1,813,478	\$ (1,522)
Fines, forfeitures and penalties	2,000	3,035	1,035
Charges for services	38,000	38,190	190
Use of money and property	750	1,256	506
	<u>1,855,750</u>	<u>1,855,959</u>	<u>209</u>
Total revenues			
Expenditures:			
Current:			
Public works	19,175	17,038	2,137
	<u>19,175</u>	<u>17,038</u>	<u>2,137</u>
Total expenditures			
	<u>19,175</u>	<u>17,038</u>	<u>2,137</u>
Excess (deficiency) of revenues over (under) expenditures	1,836,575	1,838,921	2,346
Other financing (uses):			
Transfers out	<u>(1,836,575)</u>	<u>(1,838,921)</u>	<u>(2,346)</u>
Net change in fund balance	-	-	-
Fund balance, beginning of fiscal year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit), end of fiscal year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF LA CAÑADA FLINTRIDGE
Budgetary Comparison Schedule
Nonmajor Measure R Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
From other agencies	\$ 234,700	\$ 233,812	\$ (888)
Use of money and property	6,000	9,891	3,891
Total revenues	<u>240,700</u>	<u>243,703</u>	<u>3,003</u>
Expenditures:			
Current:			
Public works	80,000	-	80,000
Total expenditures	<u>80,000</u>	<u>-</u>	<u>80,000</u>
Excess (deficiency) of revenues over (under) expenditures	160,700	243,703	83,003
Other financing (uses):			
Transfers out	(329,125)	(273,063)	56,062
Net change in fund balance	<u>(168,425)</u>	<u>(29,360)</u>	<u>139,065</u>
Fund balance, beginning of fiscal year	655,274	655,274	-
Fund balance, end of fiscal year	<u>\$ 486,849</u>	<u>\$ 625,914</u>	<u>\$ 139,065</u>

CITY OF LA CAÑADA FLINTRIDGE
Budgetary Comparison Schedule
Nonmajor Sewer AD98-1 Debt Service Funds
For the Fiscal Year Ended June 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Use of money and property	\$ 16,725	\$ 15,862	\$ (863)
Total revenues	<u>16,725</u>	<u>15,862</u>	<u>(863)</u>
Expenditures:			
Debt service:			
Principal retirement	417,800	417,791	9
Interest and other charges	<u>24,050</u>	<u>24,051</u>	<u>(1)</u>
Total expenditures	<u>441,850</u>	<u>441,842</u>	<u>8</u>
Excess (deficiency) of revenues over (under) expenditures	(425,125)	(425,980)	(855)
Other financing sources:			
Transfers in	<u>540,850</u>	<u>550,950</u>	<u>10,100</u>
Net change in fund balance	115,725	124,970	9,245
Fund balance, beginning of fiscal year	<u>773,522</u>	<u>773,522</u>	<u>-</u>
Fund balance, end of fiscal year	<u>\$ 889,247</u>	<u>\$ 898,492</u>	<u>\$ 9,245</u>

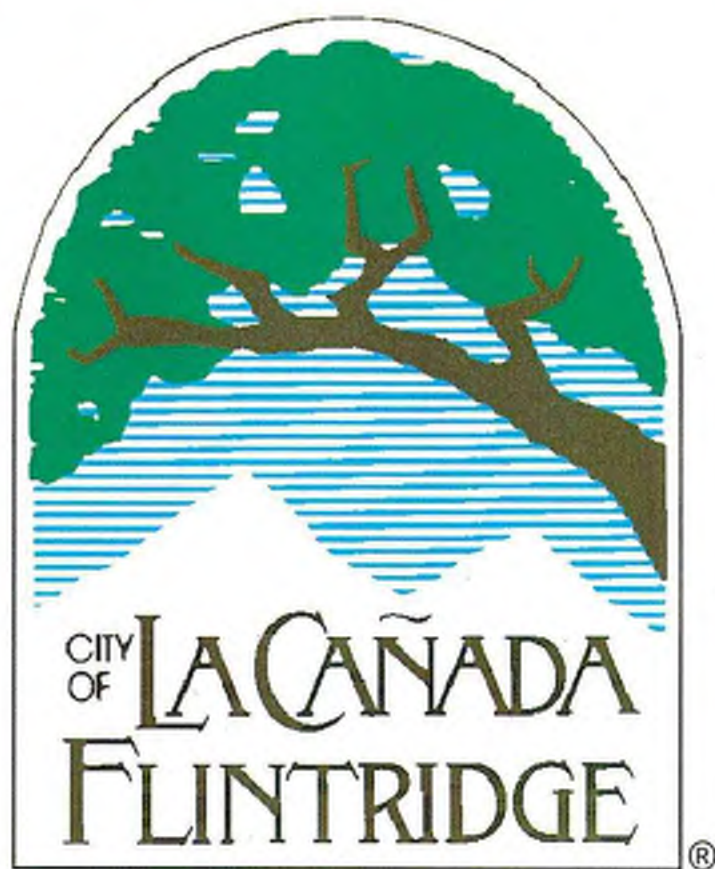
CITY OF LA CAÑADA FLINTRIDGE
Budgetary Comparison Schedule
Sewer AD02-1 Debt Service Fund
For the Fiscal Year Ended June 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Use of money and property	\$ 69,000	\$ 64,407	\$ (4,593)
Total revenues	<u>69,000</u>	<u>64,407</u>	<u>(4,593)</u>
Expenditures:			
Debt service:			
Principal retirement	717,625	717,614	11
Interest and other charges	<u>170,750</u>	<u>170,750</u>	<u>-</u>
Total expenditures	<u>888,375</u>	<u>888,364</u>	<u>11</u>
Excess (deficiency) of revenues over (under) expenditures	(819,375)	(823,957)	(4,582)
Other financing sources:			
Transfers in	<u>944,700</u>	<u>969,114</u>	<u>24,414</u>
Net change in fund balance	125,325	145,157	19,832
Fund balance, beginning of fiscal year	<u>3,970,868</u>	<u>3,970,868</u>	<u>-</u>
Fund balance, end of fiscal year	<u>\$ 4,096,193</u>	<u>\$ 4,116,025</u>	<u>\$ 19,832</u>

CITY OF LA CAÑADA FLINTRIDGE
Budgetary Comparison Schedule
Nonmajor Sewer Improvement AD04-1 Capital Projects Fund
For the Fiscal Year Ended June 30, 2017

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Assessments	\$ 213,000	\$ 243,068	\$ 30,068
Use of money and property	<u>18,500</u>	<u>18,461</u>	<u>(39)</u>
Total revenues	<u>231,500</u>	<u>261,529</u>	<u>30,029</u>
Expenditures:			
Current:			
Public works	8,000	5,500	2,500
Capital outlay	<u>185,000</u>	<u>155,842</u>	<u>29,158</u>
Total expenditures	<u>193,000</u>	<u>161,342</u>	<u>31,658</u>
Net change in fund balance	38,500	100,187	61,687
Fund balance, beginning of fiscal year	<u>1,178,562</u>	<u>1,178,562</u>	<u>-</u>
Fund balance, end of fiscal year	<u>\$ 1,217,062</u>	<u>\$ 1,278,749</u>	<u>\$ 61,687</u>

STATISTICAL SECTION



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CITY OF LA CAÑADA FLINTRIDGE
Comprehensive Annual Financial Report
Year Ended June 30, 2017

STATISTICAL SECTION

This part of the City of La Canada Flintridge 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 government's overall financial health.

Table of Contents

	<i>Page(s)</i>
Financial Trends <i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time</i>	92-99
Revenue Capacity <i>These schedules contain trend information to help the reader assess the government's most significant current local revenue source, the property tax</i>	100-103
Debt Capacity <i>These schedules contain present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future</i>	104-108
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place</i>	109-110
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs</i>	111-113

CITY OF LA CAÑADA FLINTRIDGE
 Net Position by Component
 Last Ten Fiscal Years
 (accrual basis of accounting)

	Fiscal Year				
	2008	2009	2010	2011	2012*
Governmental Activities:					
Net Investment in capital assets	\$ 29,502,221	\$ 35,712,505	\$ 41,662,180	\$ 42,188,872	\$ 44,923,413
Restricted	3,239,362	3,137,305	943,332	3,238,118	2,776,665
Unrestricted	24,225,242	19,884,989	20,657,589	21,632,219	19,977,083
Total Primary Government Net Position	\$ 56,966,825	\$ 58,734,799	\$ 63,263,101	\$ 67,059,209	\$ 67,677,161

*As restated

CITY OF LA CAÑADA FLINTRIDGE
 Net Position by Component
 Last Ten Fiscal Years
 (accrual basis of accounting)

	Fiscal Year				
	2013	2014*	2015	2016	2017
Governmental Activities:					
Net Investment in capital assets	\$ 47,058,948	\$ 50,863,970	\$ 53,125,809	\$ 54,616,632	\$ 56,486,096
Restricted	12,370,867	13,075,427	15,871,777	16,362,080	16,433,593
Unrestricted	12,094,832	13,230,914	13,093,623	13,859,733	8,779,238
Total Primary Government Net Position	<u>\$ 71,524,647</u>	<u>\$ 77,170,311</u>	<u>\$ 82,091,209</u>	<u>\$ 84,838,445</u>	<u>\$ 81,698,927</u>

*As restated

CITY OF LA CANADA FLINTRIDGE
 Changes in Net Position
 Last Ten Fiscal Years
 (accrual basis of accounting)

	Fiscal Year				
	2008	2009	2010	2011	2012
Expenses:					
Governmental activities:					
General government	\$ 4,413,937	\$ 4,562,526	\$ 4,501,141	\$ 4,608,775	\$ 4,562,241
Public safety	2,725,220	2,778,377	2,698,414	2,755,392	2,751,585
Community development	514,436	702,378	570,532	581,731	703,459
Public works	5,757,155	6,987,256	6,334,317	6,865,791	8,139,289
Interest	1,412,970	1,593,344	444,635	1,068,045	828,662
Total Governmental Activities Expenses	14,823,718	16,623,881	14,549,039	15,879,734	16,985,236
Program Revenues:					
Governmental activities:					
Charges for services:					
Public Works	5,674,823	1,501,522	1,852,828	2,440,310	2,334,541
Other activities	723,082	695,925	606,623	313,829	326,581
Operating grants and contributions	1,083,422	195,814	144,367	528,793	281,051
Capital grants and contributions	2,924,793	6,091,740	7,240,503	7,023,119	5,708,601
Total Governmental Activities	10,406,120	8,485,001	9,844,321	10,306,051	8,650,774
Program Revenues	10,406,120	8,485,001	9,844,321	10,306,051	8,650,774
Net Revenues (Expenses):					
Governmental activities	(4,417,598)	(8,138,880)	(4,704,718)	(5,573,683)	(8,334,462)
General Revenues and Other Changes in Net Position:					
Governmental activities:					
Taxes:					
Property taxes	3,406,404	3,728,130	3,726,677	3,722,303	3,815,640
Other taxes	1,005,377	2,741,304	2,767,275	2,790,998	2,856,157
State shared revenues - unrestricted:					
Sales tax	2,150,477	2,044,470	1,900,346	2,104,425	2,245,895
Motor vehicle	1,734,093	73,428	63,376	98,921	10,690
Use of money and property	1,819,178	1,217,381	745,945	585,214	647,624
Other	-	102,141	29,401	67,930	46,639
Special Item - Loss on Capital Assets Disposal	-	-	-	-	-
Total Primary Government	10,115,529	9,906,854	9,233,020	9,369,791	9,622,645
Changes in Net Position					
Governmental Activities	\$ 5,697,931	\$ 1,767,974	\$ 4,528,302	\$ 3,796,108	\$ 1,288,183

CITY OF LA CANADA FLINTRIDGE
 Changes in Net Position
 Last Ten Fiscal Years
 (accrual basis of accounting)

	Fiscal year				
	2013	2014	2015	2016	2017
Expenses:					
Governmental activities:					
General government	\$ 4,503,048	\$ 2,353,045	\$ 4,609,131	\$ 5,106,198	\$ 6,151,267
Public safety	2,930,154	3,055,234	3,124,207	3,235,107	3,415,773
Community development	626,181	2,471,285	725,922	709,933	739,459
Public works	7,143,608	6,622,919	7,419,030	8,629,125	8,304,487
Interest	779,056	732,084	681,519	630,250	575,959
Total Governmental Activities Expenses	15,982,047	15,234,567	16,559,809	18,310,613	19,186,945
Program Revenues:					
Governmental activities:					
Charges for services:					
Public Works	2,226,595	2,632,444	2,820,796	2,931,464	2,955,387
Other activities	414,562	482,132	478,925	419,850	364,239
Operating grants and contributions	1,611,041	2,134,470	1,780,052	1,644,405	1,963,976
Capital grants and contributions	6,063,026	7,846,376	5,624,691	4,462,995	4,562,967
Total Governmental Activities Program Revenues	10,315,224	13,095,422	10,704,464	9,458,714	9,846,569
Net Revenues (Expenses):					
Governmental activities	(5,666,823)	(2,139,145)	(5,855,345)	(8,851,899)	(9,340,376)
General Revenues and Other Changes in Net Position:					
Governmental activities:					
Taxes:					
Property taxes	3,992,151	4,229,162	4,429,351	4,661,834	4,920,152
Other taxes	2,950,944	3,084,333	3,312,466	3,401,762	3,484,856
State shared revenues - unrestricted:					
Sales tax	2,539,880	2,669,216	2,707,738	2,922,948	2,629,347
Motor vehicle	11,077	9,167	8,855	8,308	9,209
Use of money and property	(49,207)	111,490	81,254	384,346	(83,298)
Other	69,464	119,782	236,579	218,483	63,005
Special Item - Loss on Capital Assets Disposal	-	-	-	-	(4,822,413)
Total Primary Government	9,514,309	10,223,150	10,776,243	11,597,681	6,200,858
Changes in Net Position					
Governmental Activities	\$ 3,847,486	\$ 8,084,005	\$ 4,920,898	\$ 2,745,782	\$ (3,139,518)

Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year				
	2008	2009	2010	2011	2012*
General Fund:					
Reserved	\$ 1,428,923	\$ 3,064,994	\$ 2,171,341	\$ -	\$ -
Unreserved	14,034,956	10,781,252	11,595,078	-	-
Nonspendable	-	-	-	2,086,661	2,092,915
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	176,572	240,674
Unassigned	-	-	-	12,734,288	12,336,577
Total General Fund	<u>\$ 15,463,879</u>	<u>\$ 13,846,246</u>	<u>\$ 13,766,419</u>	<u>\$ 14,997,521</u>	<u>\$ 14,670,166</u>
All Other Governmental Funds:					
Reserved	\$ 8,325,728	\$ 6,601,767	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special revenue funds	1,656,416	1,610,752	943,332	-	-
Debt service funds	197,623	(63,127)	7,571,436	-	-
Capital projects funds	2,286,959	2,553,743	1,303,423	-	-
Nonspendable	-	-	-	-	-
Restricted	-	-	-	11,909,759	12,067,715
Assigned	-	-	-	-	-
Unassigned	-	-	-	(1,066,484)	(995,104)
Total All Other Governmental Funds	<u>\$ 12,466,726</u>	<u>\$ 10,703,135</u>	<u>\$ 9,818,191</u>	<u>\$ 10,843,275</u>	<u>\$ 11,072,611</u>

*As restated

CITY OF LA CAÑADA FLINTRIDGE
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year				
	2013	2014*	2015	2016	2017
General Fund:					
Reserved	\$	\$	\$	\$	\$
Unreserved					
Nonspendable	1,965,471	1,880,376	1,660,587	1,531,938	1,408,352
Restricted		1,734	2,300	4,244	-
Committed	-	-	-	-	5,580,000
Assigned	301,575	880,605	915,025	1,040,122	1,109,468
Unassigned	11,629,691	13,539,816	14,570,723	15,528,725	4,970,216
Total General Fund	<u>\$ 13,896,737</u>	<u>\$ 16,302,531</u>	<u>\$ 17,148,635</u>	<u>\$ 18,105,029</u>	<u>\$ 13,068,036</u>
All Other Governmental Funds:					
Reserved	\$	\$	\$	\$	\$
Unreserved, reported in:					
Special revenue funds					
Debt service funds					
Capital projects funds					
Nonspendable	-	-	-	-	-
Restricted	12,751,117	13,365,027	16,204,258	16,401,530	16,835,327
Assigned	-	-	-	-	-
Unassigned	(1,304,344)	(1,002,600)	(1,000,195)	(995,104)	(995,104)
Total All Other Governmental Funds	<u>\$ 11,446,773</u>	<u>\$ 12,362,427</u>	<u>\$ 15,204,063</u>	<u>\$ 15,406,426</u>	<u>\$ 15,840,223</u>

*As restated

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year				
	2008	2009	2010	2011	2012*
Revenues:					
Taxes	\$ 6,562,258	\$ 8,513,904	\$ 8,394,299	\$ 8,617,725	\$ 8,917,692
Assessments	3,778,375	3,907,178	3,980,660	3,998,046	3,615,874
Fines, forfeitures and penalties	247,869	318,331	338,464	215,166	192,844
From other agencies	5,077,471	2,401,574	3,449,620	3,510,964	2,589,411
Charges for services	2,912,207	1,931,346	2,138,952	2,538,972	2,468,283
Use of money and property	1,819,178	1,217,381	745,945	585,214	638,100
Other	124,241	102,141	29,401	67,930	46,639
Total Revenues	20,521,599	18,391,855	19,077,341	19,534,017	18,468,843
Expenditures					
Current:					
General government	4,419,121	4,461,723	4,204,602	4,350,230	4,284,650
Public safety	2,716,975	2,769,997	2,687,284	2,741,144	2,742,367
Community development	486,164	684,497	552,302	559,782	688,057
Public works	9,318,558	6,027,041	5,988,005	4,441,350	4,548,065
Capital outlay	5,799,081	3,711,108	3,541,243	2,121,309	3,243,691
Debt service:					
Principal retirement	5,065,821	5,993,265	2,165,865	2,167,978	2,208,855
Interest and fiscal charges	785,167	999,047	902,811	896,038	850,177
Total Expenditures	28,590,887	24,646,678	20,042,112	17,277,831	18,566,862
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,069,288)	(6,254,823)	(964,771)	2,256,186	(98,019)
Other financing sources (uses):					
Proceeds from loan	4,602,305.00	2,873,602.00	-	-	-
Issuance of debt	-	-	-	-	-
Transfers in	10,525,848	7,894,106	6,704,983	5,608,379	6,104,229
Transfers out	(10,525,848)	(7,894,106)	(6,704,983)	(5,608,379)	(6,104,229)
Proceeds from long-term note	-	-	-	-	-
Total Other Financing Sources (Uses)	4,602,305	2,873,602	-	-	-
Net Change in Fund Balances	\$ (3,466,983)	\$ (3,381,221)	\$ (964,771)	\$ 2,256,186	\$ (98,019)
Debt service as a percentage of noncapital expenditures	25.7%	33.4%	18.6%	20.2%	20.0%

*As restated

CITY OF LA CAÑADA FLINTRIDGE
 Changes in Fund Balances of Governmental Funds
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

	Fiscal Year				
	2013	2014*	2015	2016	2017
Revenues:					
Taxes	\$ 9,409,326	\$ 9,988,959	\$ 10,493,566	\$ 10,879,338	\$ 11,170,104
Assessments	3,542,856	3,599,761	3,624,741	3,604,045	3,570,647
Fines, forfeitures and penalties	217,886	284,375	276,650	191,742	120,315
From other agencies	3,413,166	4,909,647	4,566,257	2,245,419	2,720,993
Charges for services	2,500,380	2,914,147	3,109,570	3,248,307	3,283,333
Use of money and property	138,042	380,624	325,730	623,850	152,465
Other	74,689	157,973	204,712	224,483	68,585
Total Revenues	19,296,345	22,235,486	22,601,226	21,017,184	21,086,442
Expenditures					
Current:					
General government	4,963,199	2,124,153	4,505,532	4,970,335	5,689,992
Public safety	2,925,247	3,050,327	3,121,322	3,232,839	3,413,505
Community development	617,924	2,465,201	724,584	702,561	730,678
Public works	4,126,559	4,107,535	4,021,412	3,931,211	4,051,433
Capital outlay	4,008,934	4,118,831	3,498,753	3,987,586	14,355,673
Debt service:					
Principal retirement	2,250,687	2,293,497	2,337,305	2,382,139	2,428,019
Interest and fiscal charges	803,012	754,494	704,578	653,210	600,338
Total Expenditures	19,695,562	18,914,038	18,913,486	19,859,881	31,269,638
Excess (Deficiency) of Revenues Over (Under) Expenditures	(399,217)	3,321,448	3,687,740	1,157,303	(10,183,196)
Other financing sources (uses):					
Proceeds from loan	-	-	-	-	-
Issuance of debt	-	-	-	-	-
Transfers in	5,230,113	5,126,058	6,677,868	6,117,742	10,662,629
Transfers out	(5,230,113)	(5,126,058)	(6,677,868)	(6,117,742)	(10,662,629)
Proceeds from long-term note	-	-	-	-	5,580,000
Total Other Financing Sources (Uses)	-	-	-	-	5,580,000
Net Change in Fund Balances	\$ (399,217)	\$ 3,321,448	\$ 3,687,740	\$ 1,157,303	\$ (4,603,196)
Debt service as a percentage of noncapital expenditures	19.5%	20.6%	19.7%	19.1%	17.9%

*As restated

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30	City		Taxable Assessed Value	Total Direct Rate
	Secured	Unsecured		
2008	4,960,513,489	28,112,991	4,988,626,480	0.06686
2009	5,284,600,979	31,850,140	5,316,451,119	0.06687
2010	5,447,575,235	32,880,486	5,480,455,721	0.07936
2011	5,434,019,882	32,324,640	5,466,344,522	0.06688
2012	5,605,686,121	35,940,867	5,641,626,988	0.06689
2013	5,828,710,840	37,005,753	5,865,716,593	0.06689
2014	6,092,337,982	36,564,674	6,128,902,656	0.06690
2015	6,414,320,719	36,486,841	6,450,807,560	0.06690
2016	6,776,711,070	39,013,224	6,815,724,294	0.06691
2017	7,165,642,080	37,031,646	7,202,673,726	0.06692

NOTE:

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

Source: HdL Coren & Cone

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
City Direct Rates:	\$ 1.0000	\$ 1.0000	\$ 1.0000	\$ 1.0000	\$ 1.0000	\$ 1.0000	\$ 1.0000	\$ 1.0000	\$ 1.0000	\$ 1.0000
Overlapping Rates:										
Glendale Unified	0.0474	0.0456	0.0460	0.0354	0.0455	0.0440	0.0392	0.0597	0.0506	0.0570
Glendale Community College	0.0241	0.0212	0.0237	0.0234	0.0245	0.0247	0.0234	0.0222	0.0212	0.0212
Pasadena Unified	0.0549	0.0638	0.1084	0.1020	0.1112	0.1140	0.1035	0.1060	0.1117	0.1067
Pasadena Community College	0.0197	0.0174	0.0230	0.0199	0.0195	0.0183	0.0190	0.0103	0.0087	0.0089
La Cañada Unified	0.0563	0.0647	0.0704	0.0733	0.0709	0.0697	0.0572	0.0648	0.0617	0.0611
Metropolitan Water District	0.0045	0.0043	0.0043	0.0037	0.0037	0.0035	0.0035	0.0035	0.0035	0.0035
Total Direct & Overlapping Tax Rate	\$ 1.2069	\$ 1.2170	\$ 1.2758	\$ 1.2577	\$ 1.2754	\$ 1.2742	\$ 1.2558	\$ 1.2665	\$ 1.2575	\$ 1.2583
City's Share of 1% Levy Per Prop 13	0.06705	0.06705	0.06705	0.06705	0.06705	0.06705	0.06705	0.06705	0.06705	0.06703
Total Direct Rate	0.06686	0.06687	0.07936	0.06688	0.05889	0.06689	0.06690	0.06690	0.06691	0.06692

NOTES:

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

Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all city property owners.

City's Share of 1% Levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the city.

Total Direct Rate is the weighted average of all individual direct rates applied by the City.

Source: HdL Coren & Cone

Principal Property Tax Payers
Current Year and Nine Years Ago

Taxpayer	2017		2008	
	Assessed Value	Percent of Total Assessed Value	Assessed Value	Percent of Total Assessed Value
La Cañada Retail LLC	\$ 42,866,033	0.60%	\$	
ROIC California LLC	31,903,060	0.44%		
Von's Companies Inc.			12,763,143	0.26%
Valley Water Company	17,408,710	0.24%	12,222,270	0.25%
B K La Cañada Property LLC	17,316,178	0.24%		
Vincent Dundee III Company Trust	11,428,654	0.16%		
University of Southern California	11,100,929	0.15%		
Caltech Employees Federal Credit Uni	10,113,890	0.14%		
La Canada Holdings	9,655,464	0.13%		
GTR Realty LLC	9,523,888	0.13%		
Seung Choon Lim Company Trust	9,471,381	0.13%		
La Cañada Properties Inc.			11,390,120	0.23%
Frankel Family Trust			8,588,268	0.17%
Dundee Family Trust			10,098,000	0.20%
Saint Francis High School			8,955,988	0.18%
Gordon & Dona Crawford Trust			8,535,669	0.17%
Dollinger La Cañada Associates			7,649,260	0.15%
Bradford Cornell & Mary D.Series			7,344,000	0.15%
Dewitt K. McCluggage Co. Trust			6,993,944	0.14%
Total	\$ 170,788,187	2.37%	\$ 94,540,662	1.90%

NOTE: The amounts shown above include assessed value data for the City only

Source: HdL Coren & Cone

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2008	3,344,874	3,301,404	98.70%	167,521	3,468,925	103.71%
2009	3,819,570	3,450,805	90.35%	172,325	3,623,130	94.86%
2010	3,901,295	3,543,777	90.84%	177,900	3,721,677	95.40%
2011	3,857,590	3,547,138	91.95%	170,165	3,717,303	96.36%
2012	4,065,825	3,538,118	87.02%	277,522	3,815,640	93.85%
2013	4,015,699	3,896,529	97.03%	95,622	3,992,151	99.41%
2014	4,204,925	4,093,050	97.34%	91,345	4,184,395	99.51%
2015	4,466,959	4,334,164	97.03%	95,187	4,429,351	99.16%
2016	4,742,086	4,567,142	96.31%	94,692	4,661,834	98.31%
2017	5,031,830	4,756,351	94.53%	163,802	4,920,152	97.78%

NOTE: The amounts presented include City property taxes only. Also, the City does not receive property tax data distinguishing amounts collected that were levied in a previous year.

Source: Los Angeles County Auditor Controller's Office

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30	Governmental Activities					Percentage of Personal Income	Debt Per Capita
	Certificates of Participation	Revenue Bonds	Loans Payable	Capital Lease Obligation	Total Governmental Activities		
2008	825,000	3,160,000	40,817,513	9,048	44,811,561	0.035	2,119
2009	-	-	42,224,128	-	42,224,128	0.033	1,999
2010	-	-	40,058,263	-	40,058,263	0.032	1,895
2011	-	-	37,890,286	-	37,890,286	0.025	1,782
2012	-	-	35,681,429	-	35,681,429	0.023	1,755
2013	-	-	33,430,743	-	33,430,743	0.022	1,635
2014	-	-	31,137,246	-	31,137,246	0.020	1,516
2015	-	-	28,799,941	-	28,799,941	0.018	1,402
2016	-	-	26,417,802	-	26,417,802	0.018	1,285
2017	-	-	29,569,783	-	29,569,783	0.020	1,443

NOTE:

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

Direct and Overlapping Debt
June 30, 2017

City Assessed Valuation		\$ 7,202,673,726	
	Percentage Applicable	Gross Outstanding Debt 6/30/17	Estimated Share of Overlapping Debt ¹
Foothill MWD 1113 DS	0.666%	\$ 36,281,674	\$ 241,567
Glendale CCD DS 2002 Series C	1.816%	7,114,431	129,180
Glendale CCD DS Refunding Bond 02, 05 S-A	1.816%	712,797	12,943
Glendale CCD DS 2002 Series 2011	1.816%	3,854,170	69,982
Glendale CCD DS 2002 Series 2013	1.816%	13,995,000	254,114
Glendale CCD DS 2014 Refunding Bonds	1.816%	147,860,000	2,684,771
Pasadena CCD DS 2002, 2006 Series D	8.389%	5,265,000	441,691
Pasadena CCD DS 2002, 2009 Series E (BABS)	8.389%	25,295,000	2,122,044
Pasadena CCD DS 2014 Refunding Series A	8.389%	16,680,000	1,399,316
Pasadena CCD DS 2016 Refunding Series A	8.389%	33,390,000	2,801,148
Glendale USD DS 2009 Ref Bonds	1.816%	11,070,000	201,004
Glendale USD DS 2010 Ref Bonds	1.816%	20,400,000	370,413
Glendale USD DS 2010 Ref Bonds Series B	1.816%	17,150,000	311,401
Glendale USD DS 2011 Refunding Bonds	1.816%	2,413,601	43,825
Glendale USD DS 2011 SR A 1 CREB	1.816%	4,300,000	78,077
Glendale USD DS 2012 Ref Bonds	1.816%	84,210,000	1,529,045
Glendale USD DS 2015 Refunding Bonds Series A	1.816%	101,850,563	1,849,353
Glendale USD DS 2011 Series C	1.816%	70,000,000	1,271,026
La Cañada Unified SD 1995 SD	97.110%	1,932,476	1,876,626
La Cañada Unified SD DS 1999 Series A	97.110%	1,830,000	1,777,111
La Cañada USD DS 2004 Series B	97.110%	3,595,000	3,491,101
La Cañada USD DS 2004 Series C	97.110%	4,075,000	3,957,229
La Cañada USD DS 2011 Refund Bond	97.110%	11,195,000	10,871,455
Total overlapping debt		\$ 624,469,712	\$ 37,784,423
City direct debt		26,417,802	26,417,802
Total direct and overlapping debt		\$ 650,887,514	\$ 64,202,225

1) 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.

Source: HdL Coren & Cone

Legal Debt Margin Information
Last Ten Fiscal Years

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Assessed valuation	\$ 4,988,626,480	\$ 5,316,451,119	\$ 5,480,455,721	\$ 5,466,344,522	\$ 5,641,626,988
Debt limit percentage	15%	15%	15%	15%	15%
Debt limit	748,293,972	797,467,668	822,068,358	819,951,678	846,244,048
Total net debt applicable to limit: General obligation bonds	-	-	-	-	-
Legal debt margin	<u>\$ 748,293,972</u>	<u>\$ 797,467,668</u>	<u>\$ 822,068,358</u>	<u>\$ 819,951,678</u>	<u>\$ 846,244,048</u>
Total debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%	0.0%

Sources:
City Finance Department
Los Angeles County Assessor's Office

CITY OF LA CAÑADA FLINTRIDGE

Legal Debt Margin Information
Last Ten Fiscal Years
(Continued)

	2013	2014	2015	2016	2017
Assessed valuation	\$ 5,865,716,593	\$ 6,128,902,656	\$ 6,450,807,560	\$ 6,815,724,294	\$ 7,202,673,726
Debt limit percentage	15%	15%	15%	15%	15%
Debt limit	879,857,489	919,335,398	967,621,134	1,022,358,644	1,080,401,059
Total net debt applicable to limit: General obligation bonds	-	-	-	-	-
Legal debt margin	<u>\$ 879,857,489</u>	<u>\$ 919,335,398</u>	<u>\$ 967,621,134</u>	<u>\$ 1,022,358,644</u>	<u>\$ 1,080,401,059</u>
Total debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%	0.0%

Sources:
City Finance Department
Los Angeles County Assessor's Office

Pledged-Revenue Coverage
Last Ten Fiscal Years

Fiscal Year Ended June 30	Revenue Bonds Series 2004A			
	Assessments Revenue	Debt Service		Coverage
		Principal	Interest	
2008	\$ 2,187,754	\$ 4,115,000	\$ 272,921	0.50
2009	2,328,766	3,160,000	123,733	0.71
2010	2,277,277	-	-	-
2011	2,270,065	-	-	-
2012	1,895,189	-	-	-
2013	1,827,502	-	-	-
2014	1,857,939	-	-	-
2015	1,849,036	-	-	-
2016	1,863,603	-	-	-
2017	1,813,478	-	-	-

NOTE:

The City paid off Revenue Bonds Series 2004A in September 2008. Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Demographic and Economic Statistics
Last Ten Calendar Years

<u>Calendar Year</u>	<u>Population</u>	<u>Personal Income (in thousands)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2007	21,147	1,265,211	59,829	1.9%
2008	21,121	1,269,322	60,098	2.8%
2009	21,139	1,252,639	59,257	4.5%
2010	21,261	1,512,019	71,117	4.9%
2011	20,335	1,522,278	74,860	4.8%
2012	20,441	1,505,561	73,654	3.5%
2013	20,535	1,529,632	74,489	2.9%
2014	20,544	1,562,227	76,043	4.4%
2015	20,556	1,469,384	71,482	3.5%
2016	20,497	1,473,705	71,898	2.7%

Source: HdL Coren & Cone

Principal Employers (1)
Current Year and Nine Years Ago

Employer	2017		2008	
	Number of Employees	Percent of Total Employment	Number of Employees	Percent of Total Employment
Ralph's Grocery Co.	100	3.23%	102	3.55%
Ross Dress for Less Inc	100	3.23%	71	2.47%
Sprouts Farmers Market	88	2.84%		
Dilbeck Realtors G M A C	86	2.78%	101	3.52%
Allen Lund Company Inc	83	2.68%	63	2.20%
La Cañada Flintridge Country Club			75	2.61%
Trader Joe's	78	2.52%	63	2.20%
T J Maxx	77	2.49%	63	2.20%
Gelson's Market	73	2.36%		
Los Gringos Locos LLC	56	1.81%		
Hill Street Café	49	1.58%	46	1.60%
Mc Donald's	48	1.55%	46	1.60%
Panera Bread	47	1.52%		
Sport Chalet Inc			252	8.78%
Von's			50	1.74%
United Artists Theater D B A UA			60	2.09%
Total Employees	3,095		2,870	

(1) Private sector employers only

"Total Employment" as used above represents the total employment of all private employers located within City limits.

Only readily available data presented

Source: City of La Cañada Flintridge Business License Division

Full-time and Part-time City Employees
by Function
Last Ten Fiscal Years

Function	Full-Time and Part-time Employees as of June 30									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General government	26	25	24	24	23	25	24	24	27	27
Public safety	1	1	1	1	1	1	1	1	1	-
Community development	7	7	9	9	9	8	9	8	7	8
Public works	10	10	8	9	9	9	9	9	8	7
Total	44	43	42	43	42	43	43	42	43	42

Source: City of La Cañada Flintridge

Operating Indicators
by Function
Last Ten Fiscal Years

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Police:										
Arrests	402	375	279	248	228	276	387	292	344	156
Parking citations issued	1,967	1,898	1,138	1,143	1,262	1,235	451	1,159	602	445
Fire:										
Number of emergency call	1,139	1,185	1,227	1,206	1,172	1,237	1,211	1,396	2,115	1,495
Inspections	1,366	1,457	1,456	1,661	1,353	963	226	254	361	321
Public works:										
Street resurfacing (miles)	3.00	3.02	6.27	1.50	5.36	2.60	2.67	2.73	2.81	3.13
Parks and recreation:										
Number of facility rentals	13	13	13	14	14	14	15	15	15	15

Only readily available data presented

Source: City of La Cañada Flintridge

Capital Asset Statistics
by Function
Last Ten Fiscal Years

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Police:										
Stations (1)	0	0	0	0	0	0	0	0	0	0
Fire:										
Fire stations (1)	0	0	0	0	0	0	0	0	0	0
Public works:										
Streets (miles)	111	111	111	111	111	111	111	111	111	111
Streetlights	70	70	70	81	82	84	84	84	84	84
Traffic signals	18	18	18	18	18	18	18	18	18	18
Parks and recreation:										
Parks	4	4	4	5	5	6	6	6	6	6
Community centers	1	1	1	1	1	1	1	1	1	1

(1) The City contracts for both fire and police services, and thus does not own any fire or police stations

Only readily available data presented

Source: City of La Cañada Flintridge