COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDING JUNE 30, 2018
CITY OF LA CAÑADA FLINTRIDGE, CALIFORNIA
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2018

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

## Introductory Section

- Letter of Transmittal ........................................... i-viii
- Directory of City Officials ..................................... ix
- Map ................................................................. x
- GFOA Certificate of Achievement ............................... xi
- Organization Chart ................................................ xii

## Financial Section

- Independent Auditor’s Report .................................. 1-4
- 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 .................. 55
  - Schedule of Pension Contributions ........................ 56
  - Schedule of Changes in the Net OPEB Liability and Related Ratios .......................... 57
  - Budgetary Comparison Schedule – General Fund .................. 58
  - Note to Required Supplementary Information .............. 59
- Other Supplementary Information:
  - Budgetary Comparison Schedule – Sewer AD04-1 Debt Service Fund .................. 61
  - Sewer AD02-1 Debt Service Fund .......................... 62
  - Budgetary Comparison Schedule – City Capital Projects Fund .......................... 63
- Description of Nonmajor Governmental Funds .................. 64
- Combining and Individual Fund Statements and Schedules:
  - Combining Balance Sheet – Nonmajor Governmental Funds .................. 67
  - Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) – Nonmajor Governmental Funds .................. 73
FINANCIAL SECTION (Continued)

Nonmajor Budgetary Comparison Schedules:
  Traffic Safety Special Revenue Fund .......................................... 79
  State Gasoline Tax Special Revenue Fund ........................................ 80
  Bonds and Grants Special Revenue Fund .......................................... 81
  TDA Special Revenue Fund .......................................................... 82
  Proposition C Transit Tax Special Revenue Fund ............................... 83
  Proposition A Transit Tax Special Revenue Fund ............................... 84
  Community Development Block Grant Special Revenue Fund ................. 85
  State/ Federal Law Enforcement Supplemental Funds Special Revenue Fund 86
  AQMD Trust Special Revenue Fund ................................................. 87
  Sanitation Special Revenue Fund .................................................. 88
  Sewer Redemption AD98-1 Special Revenue Fund ............................... 89
  Sewer Redemption AD02-1 Special Revenue Fund ................................ 90
  Sewer Redemption AD04-1 Special Revenue Fund ............................... 91
  Measure R Special Revenue Fund .................................................. 92
  Measure M Special Revenue Fund .................................................. 93
  Sewer AD98-1 Debt Service Fund ................................................. 94
  Property Acquisition Capital Projects Fund ..................................... 95
  Sewer Improvement AD04-1 Capital Projects Fund ............................. 96

STATISTICAL SECTION (Unaudited)

  Net Position by Component .......................................................... 98
  Changes in Net Position ................................................................... 100
  Fund Balances of Governmental Funds ............................................. 102
  Changes in Fund Balances of Governmental Funds ............................. 104
  Assessed Value and Estimated Actual Value of Taxable Property .......... 106
  Direct and Overlapping Property Tax Rates ...................................... 107
  Principal Property Tax Payers ....................................................... 108
  Property Tax Levies and Collections .............................................. 109
  Ratios of Outstanding Debt by Type ............................................... 110
  Direct and Overlapping Debt .......................................................... 111
  Legal Debt Margin Information ..................................................... 112
  Pledged – Revenue Coverage ......................................................... 114
  Demographic and Economic Statistics .............................................. 115
  Principal Employers ......................................................................... 116
  Full-Time and Part-Time City Employees by Function ....................... 117
  Operating Indicators by Function ................................................... 118
  Capital Asset Statistics by Function ................................................ 119
INTRODUCTORY SECTION
January 29, 2019

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, 2018 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, 2018 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, 2018, are fairly presented in conformity with GAAP. The auditor’s report is presented as the first component of the financial section.

GAAP 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 FY 2017-18 amounted to $20,389,073 and $19,430,400 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 20,638 as of 2017, a slight increase of under one percent from the previous year. Per capita personal income in 2017 was $74,018, an increase of nearly 2.9 percent from 2016. The median age of La Cañada Flintridge residents in 2017 was 44.4 as compared to 44.7 in 2016.

The City has approximately 7,050 housing units. The median sales price of a single-family residential home in 2017 was $1,650,000, an increase of 6.1% over the median sales price of $1,550,000 in 2016.

The local economy remains stable despite the uncertain regional and statewide economic climate. The unemployment rate among the City's residents was estimated at 7.7% 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 Gelson's. The City's largest private employers are Ralph's Grocery Company and Ross Dress for Less clothing store.

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 2017-18, the City prepared 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 2017-18 to FY 2021-22, include the annual Citywide Street Resurfacing Program, the Foothill “Link” (which includes a bikeway and wall landscaping) project, the Knight Way-Gould project to improve intersection safety near a local school, miscellaneous bridge repairs, repair of the Owl Trail, Cherry Canyon trails upgrades and improvements, and the construction of sound walls 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 1.60%.

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 1.38%; in CAMP, the average yield was 1.46%.

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 1.65%.

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 reached 242 cases during FY 2017-18. The commercial vacancy rate, including retail and office units, increased from July 2017 to June 2018. The adjusted commercial vacancy rate for July 2017 was at 2.8% which increased to 4.6% as of June 2018, still a low vacancy rate. Target opened a new retail store in the Town Center in the Fall of 2018.

The City continued its efforts to enhance customer service. During FY 2017-18, this included the configuration of a new permit tracking system to be fully implemented in FY 2018-19. This system will streamline plan
review, permit issuance and will allow applicants to pay online via credit card, an added convenience for the customer.

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 2017-18. In 2015, the City Council increased the limit for foregone taxes from $10,000 to $20,000, and, in so doing, increased potential program participation.

The City’s Community Development Block Grant (CDBG) program continued during the year. 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 2017-18 fiscal year, the program was able to help three households with rehabilitation and two households with sewer connections. In total, close to $70,000 was spent locally on the program.

The department has worked closely with a consultant in the drafting of the Zoning Code update. 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 2019. In addition, staff worked with educational and other community stakeholders in their efforts to expand the campuses of Flintridge Sacred Heart Academy (FSHA), Flintridge Preparatory School, as well as the YMCA.

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 2017-18 were the Owl Trail Repairs and Miscellaneous Bridge Repairs, with substantial work also completed on the Knight Way and Gould Avenue Improvements. Additionally, the City completed the resurfacing of 2.38 miles of streets, city-wide concrete sidewalk and curb/gutter repairs, and additional ADA ramps.

In 2017 the City purchased an existing office building to become the new City Hall and agreed to the sale of the existing (old) City Hall building. Rehabilitation of the new facility is underway with a target move-in date of February 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 “AlertLCF.” The City implemented new technology to assist the Sheriff’s Department, including the deployment of an additional mobile Automated License Plate Reader in a patrol car, and a partnership with Ring.com to provide residential home security devices at a reduced cost. 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 2018-19, the City will continue to partner with the Fire
Department to train additional volunteers. The City will continue the Ring.com program and expand its reach to commercial properties within the City.

Transportation

During FY 2017-18, 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 sound walls along the I-210 freeway. The City’s initial five-year allocation of these funds was $4.588 million, which was fully committed to the design and construction of sound walls. Construction began in FY 2013-14 and was completed in October 2014. During FY 2014-15, 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 sound wall 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 in April 2016. Construction is expected to be completed by 2021.

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 2015.

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 continue to offer an elevated level of service with a new 35-foot CNG Shuttle Bus received 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. Looking forward to FY 2018-19, the City will work on expanding transit options within the City, including potential services in the Town Center, home of the new City Hall.

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. Additional charging stations are planned at various locations in the future.

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 allows the City to be more responsive to the scheduling needs of users while being better able to manage the fields’ usage during down times.

With respect to trails, the City continued to improve and maintain the trail system for recreational use. 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.

Lanterman Auditorium

The City continued to manage the Lanterman Auditorium through a Joint Use Agreement with the La Cañada Unified School District. The Lanterman 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 2017-18, the City completed the multi-year project of the installation of an LED lighting system, which has allowed for their remote control by staff. 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 improvements, with the replacement of one set of entry doors with an ADA compliant set of doors.

Youth Council

In FY 2017-18, the City continued with the format of a nine-member City Youth Council. With the expanded Youth Council, each of the four high schools within the City appoint one member to the group, while the other five seats remain at-large 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 Cañada, and partnered with La Cañada 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 to raise awareness for LGBTQ youth. The Youth Council finalized the Youth Master Plan to help future members better understand their roles and 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, 2017. 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,

[Signature]

Mark R. Alexander
City Manager
DIRECTORY OF CITY OFFICIALS

CITY COUNCIL

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

CITY MANAGEMENT STAFF

Mark R. Alexander, City Manager
Adrian Guerra, City Attorney
Jeffrey Wang, City Treasurer
Rebekka G. Hosken, Director of Finance
Carl Alameda, Director of Administrative Services
Patrick DeChellis, Director of Public Works
Susan Koleda, Director of Community Development
Certificate of Achievement for Excellence in Financial Reporting

Presented to
City of La Canada Flintridge
California

For its Comprehensive Annual Financial Report for the Fiscal Year Ended

June 30, 2017

Christopher P. Morell
Executive Director/CEO
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, 2018, 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, 2018, 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.

Emphasis of Matter

As discussed in Note 1 to the financial statements, effective July 1, 2017, the City adopted provisions of Governmental Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions. Our opinion is not modified with respect to this matter.

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 changes in net OPEB liability and related ratios, and budgetary comparison information on pages 5 through 13 and 55 through 58 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 January 29, 2019, 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, LLP
Culver City, California
January 29, 2019
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2018
(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, 2018. 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 $81,720,366 (net position) at the close of this fiscal year. Of this amount, $57,934,638 (70.9%) is net invested in capital assets, $16,925,230 (20.7%) is restricted for projects and programs, with $6,860,498 (8.3%) being unrestricted (unrestricted net position), which is available and may be used to meet ongoing obligations.

- The City’s total net position increased by $21,439 (<1%); this resulted from positive operating results, which consisted of a combination of a $1,350,565 (1.1%) increase in assets and deferred outflows, and an increase of $1,329,126 (3.3%) in liabilities and deferred inflows. The net position would have seen a greater increase but was negatively impacted by the GASB 75 accounting disclosure, which increased the City’s OPEB liability by over $2.9 million.

- For the current fiscal year, the City’s governmental funds reported combined ending fund balances of $30,942,880, an increase of $2,034,621 (7.0%) over the previous fiscal year.

- The General Fund balance at the end of the fiscal year is $13,920,795, an increase of $852,759 (6.5%) over the previous fiscal year. The unassigned portion of that fund balance is $5,845,399, which is 42% of total fund balance and 38.1% of FY 2017-18 General Fund expenditures. Of the remaining fund balance, $1,274,852 (9.2%) is nonspendable, $5,580,000 (40%) is committed to the purchase of a new city hall, and $1,220,544 (8.8%) 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 15-53 of this report.

The City maintains twenty-three 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 AD02-1, 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 67-77.

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 58 and 61-63 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 25-53 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 proportinate 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 55-59 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 61-65.

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 67-96 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, 2018, the City’s assets and deferred outflows exceeded liabilities and deferred inflows by $81,720,366. Note: All 2017 amounts are before the restatement of OPEB liabilities per GASB 75.

<table>
<thead>
<tr>
<th>Table 1</th>
<th>NET POSITION</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2018</td>
</tr>
<tr>
<td>Current and Other Assets</td>
<td>$36,048,746</td>
</tr>
<tr>
<td>Noncurrent Assets</td>
<td>85,029,449</td>
</tr>
<tr>
<td>Total Assets</td>
<td>121,078,195</td>
</tr>
<tr>
<td>Deferred Outflows</td>
<td>1,186,995</td>
</tr>
<tr>
<td>Long-Term Liabilities Outstanding</td>
<td>26,596,506</td>
</tr>
<tr>
<td>Other Liabilities</td>
<td>13,614,036</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>40,210,542</td>
</tr>
<tr>
<td>Deferred Inflows</td>
<td>334,282</td>
</tr>
</tbody>
</table>

Net Position:

| Net Investment in Capital Assets | 57,934,638 | 56,486,096 | 1,448,542 | 2.6% |
| Restricted | 16,925,230 | 16,433,593 | 491,637 | 3.0% |
| Unrestricted | 6,860,498 | 8,779,238 | (1,918,740) | -21.9% |

| Total Net Position | $81,720,366 | $81,698,927 | $21,439 | 0.0% |

*Prior to restatement of OPEB liabilities per GASB 75.
As shown in Table 1, net position from governmental activities increased by $21,439 (<1%). Total Assets increased by $1,069,286 (0.9%) due to the addition of several completed capital projects and renovation costs associated with the new city hall project.

Total liabilities increased $1,268,001 (3.3%) from 2017, the result of a $4,483,078 (14.4%) decrease in long-term liabilities, offset by a $5,751,079 (73.1%) increase in other (i.e., current) liabilities, including pension and other post-employment benefits. 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 an increase in 2017; this note is due for payment in 2019.

**Governmental Activities.** The City’s overall governmental activities, as reflected on the government-wide Statement of Activities, had positive operating results in 2018, with revenues exceeding expenses by $2,941,966. However, a restatement to the City’s other post-employment benefits liability from prior years per implementation of a new pronouncement, GASB 75, reduced the prior year net position by $2,920,527, offsetting all but $21,439 of this year’s gains (see Note (c) on Other Post Employment Benefits on pages 48-53). Table 2 below summarizes 2018 revenues and expenses, compares these revenue and expenses to 2017, and shows the year-over-year change in net position.

Revenues in 2018 totaled $21,818,725, an increase of $5,771,298 (36%) over 2017. That increase is in part the result of the 2017 booking of a $4.8 million loss on the disposal of capital assets related to the transfer of freeway sound walls to CalTrans. Revenues were higher in 2018 in several General Revenue categories, including property taxes which increased $351,680 (7.1%), property tax in lieu which increased $128,966 (5.5%), charges for services which increased $396,337 (11.9%), and operating grants and contributions which increased $84,267 (4.3%) over the previous year.

Overall expenses in 2018 totaled $18,876,759, a decrease of $310,186 (1.6%) from 2017. Expenses decreased in the areas of General Government, Public Works, and Interest Expense. The largest increase in expenses was in Community Development, which increased $109,022 (14.7%) over the prior year, due primarily to an increase in costs for salaries and benefits (up 15.9% from 2017) and contributions to community groups (up 13.2% from 2017).
<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
<th>Increase/Decrease</th>
<th>Percentage Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Program Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charges for Services</td>
<td>$3,715,963</td>
<td>$3,319,626</td>
<td>$396,337</td>
<td>11.9%</td>
</tr>
<tr>
<td>Operating Grants &amp; Contributions</td>
<td>2,048,243</td>
<td>1,963,976</td>
<td>84,267</td>
<td>4.3%</td>
</tr>
<tr>
<td>Capital Grants &amp; Contributions</td>
<td>4,114,364</td>
<td>4,562,967</td>
<td>(448,603)</td>
<td>-9.8%</td>
</tr>
<tr>
<td><strong>General Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property Taxes</td>
<td>5,271,832</td>
<td>4,920,152</td>
<td>351,680</td>
<td>7.1%</td>
</tr>
<tr>
<td>Property Tax in Lieu</td>
<td>2,494,401</td>
<td>2,365,435</td>
<td>128,966</td>
<td>5.5%</td>
</tr>
<tr>
<td>Other Taxes</td>
<td>1,148,818</td>
<td>1,119,421</td>
<td>29,397</td>
<td>2.6%</td>
</tr>
<tr>
<td>State Shared Revenues - Unrestricted</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales Tax</td>
<td>2,649,512</td>
<td>2,629,347</td>
<td>20,165</td>
<td>0.8%</td>
</tr>
<tr>
<td>Motor Vehicle</td>
<td>10,789</td>
<td>9,209</td>
<td>1,580</td>
<td>17.2%</td>
</tr>
<tr>
<td>Use of Money and Property</td>
<td>16,456</td>
<td>(83,298)</td>
<td>99,754</td>
<td>119.8%</td>
</tr>
<tr>
<td>Other</td>
<td>348,347</td>
<td>63,005</td>
<td>285,342</td>
<td>452.9%</td>
</tr>
<tr>
<td>Loss on Disposal of Capital Assets</td>
<td></td>
<td>(4,822,413)</td>
<td>4,822,413</td>
<td>100.0%</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$21,818,725</td>
<td>$16,047,427</td>
<td>$5,771,298</td>
<td>36.0%</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Government</td>
<td>$5,816,415</td>
<td>$6,151,267</td>
<td>(334,852)</td>
<td>-5.4%</td>
</tr>
<tr>
<td>Public Safety</td>
<td>3,650,220</td>
<td>3,415,773</td>
<td>234,447</td>
<td>6.9%</td>
</tr>
<tr>
<td>Community Development</td>
<td>848,481</td>
<td>739,459</td>
<td>109,022</td>
<td>14.7%</td>
</tr>
<tr>
<td>Public Works</td>
<td>8,040,300</td>
<td>8,304,487</td>
<td>(264,187)</td>
<td>-3.2%</td>
</tr>
<tr>
<td>Interest Expense</td>
<td>521,343</td>
<td>575,959</td>
<td>(54,616)</td>
<td>-9.5%</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>$18,876,759</td>
<td>$19,186,945</td>
<td>($310,186)</td>
<td>-1.6%</td>
</tr>
<tr>
<td><strong>Change in Net Position</strong></td>
<td>$2,941,966</td>
<td>($3,139,518)</td>
<td>$6,081,484</td>
<td>193.7%</td>
</tr>
<tr>
<td>Net Position, Beginning of Fiscal Year</td>
<td>81,698,927</td>
<td>84,838,445</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restatement</td>
<td>(2,920,527)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Position, Beginning of Fiscal Year as Restated</td>
<td>78,778,400</td>
<td>84,838,445</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net Position, End of Fiscal Year</strong></td>
<td>$81,720,366</td>
<td>$81,698,927</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
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, 2018, the City’s governmental funds reported combined fund balances of $30,942,880, an increase of $2,034,621 (7.0%) over the prior fiscal year. The fund balance in the General Fund, at $13.9 million, accounted for 45.0% 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 $7.2 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, 2018, was $21,938,603 which is $852,161 higher (4.0%) than the $21,086,442 received in 2017. Increases occurred in all revenue categories except revenues from Other Agencies, which decreased by $373,197 (13.7%) from last year due to a reduction in STAR School and capital projects-related revenues.

Expenditures across all governmental funds in 2018 totaled $19,903,982, which is $11,365,656 (36.3%) less than 2016 expenditures, a return to normal after unusually high expenditures last year with the purchase of the new city hall. Other increases occurred in safety (<1%), community development (8.7% increase), and public works (4.9% increase).

General Fund Financial and Budgetary Highlights

The General Fund is the chief operating fund of the City. At June 30, 2018, the fund balance reported in the General Fund was $13,920,795, which is $852,759 (6.5%) greater than in 2017. The unassigned portion of that fund balance was $5,845,399, accounting for 42.0% 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 2018, total ending fund balance represented 109.2% of 2018 expenditures, and unassigned fund balance represented 45.9% of expenditures.

General fund revenue for the fiscal year totaled $15,629,848, which exceeded the final revenue budget of $14,327,075 by $1,302,773 (9.1%). Actual revenue exceeded the budgeted amount in each revenue category with the exception of the “use of money and property” category, which came in below budget by $394,097 (-9.6%). This was primarily the result of market fluctuations, dropping interest rates, and the City’s reduction in available cash while funding construction of the new city hall project. 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 $12,746,550, which was less than the $13,866,800 final expenditure budget by $1,120,250 (8.1%). 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 $34,860 (5.0%) above the final budget.

Capital Assets and Debt Administration

Capital Assets. As of June 30, 2018, the City’s investment in capital assets for its governmental activities totaled $85,029,449 (net of accumulated depreciation). Capital assets include land and easements, buildings, equipment and vehicles, park facilities, infrastructure and sewer improvements. Overall, capital
assets decreased by $1,026,430 (1.2%) from 2017, with a total increase in assets of $1.1 million being offset by accumulated depreciation of $2.2 million. The increase in assets was driven primarily by a $992,699 increase in Construction in Progress (capital projects). Information about capital asset activity can be found on page 38. Table 3 below compares the capital asset balances in each category for this and the previous fiscal year.

Table 3
Capital Assets

<table>
<thead>
<tr>
<th>Asset Type</th>
<th>2018</th>
<th>2017</th>
<th>Increase/Decrease</th>
<th>Percentage Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land and Easements</td>
<td>$12,563,322</td>
<td>$12,563,322</td>
<td>$ -</td>
<td>0.0%</td>
</tr>
<tr>
<td>Buildings and Improvements</td>
<td>3,986,253</td>
<td>3,891,804</td>
<td>94,449</td>
<td>2.4%</td>
</tr>
<tr>
<td>Equipment and Vehicles</td>
<td>2,244,584</td>
<td>2,220,690</td>
<td>23,894</td>
<td>1.1%</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>81,412,851</td>
<td>81,381,409</td>
<td>31,442</td>
<td>0.0%</td>
</tr>
<tr>
<td>Construction in Progress</td>
<td>9,255,758</td>
<td>8,263,059</td>
<td>992,699</td>
<td>12.0%</td>
</tr>
<tr>
<td><strong>Total Capital Assets</strong></td>
<td>109,462,768</td>
<td>108,320,284</td>
<td>1,142,484</td>
<td>1.1%</td>
</tr>
<tr>
<td>Accumulated Depreciation</td>
<td>(24,433,319)</td>
<td>(22,264,405)</td>
<td>(2,168,914)</td>
<td>9.7%</td>
</tr>
<tr>
<td>Capital Assets, Net of Depreciation</td>
<td>$85,029,449</td>
<td>$86,055,879</td>
<td>$(1,026,430)</td>
<td>-1.2%</td>
</tr>
</tbody>
</table>

Long-term Liabilities. As Table 4 below shows, at fiscal year-end, the City’s outstanding long-term liabilities (including amounts due within the next 12 months of $8,377,320) totaled $34,973,826, a decrease of $1,808,937 (4.9%) from 2017. The City has continued to make debt service payments on three sewer assessment district loans to the State Water Resources Control Board (SWRCB), resulting in a reduction in principal. In addition, the City saw a small decrease of $26,481 in the liability for employee leave benefits.

The City’s long-term liability for pension liability increased by $524,433 in FY18, almost entirely due to changes in CalPERS actuarial assumptions. 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 $168,083. 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

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
<th>Increase/Decrease</th>
<th>Percentage Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>SWRCB Loan AD 98-1</td>
<td>$835,582</td>
<td>$1,253,373</td>
<td>($417,791)</td>
<td>-33.3%</td>
</tr>
<tr>
<td>SWRCB Loan AD 02-1</td>
<td>5,662,111</td>
<td>6,396,948</td>
<td>(734,837)</td>
<td>-11.5%</td>
</tr>
<tr>
<td>SWRCB Loan AD 04-1</td>
<td>15,017,118</td>
<td>16,339,462</td>
<td>(1,322,344)</td>
<td>-8.1%</td>
</tr>
<tr>
<td>City Hall Purchase</td>
<td>5,580,000</td>
<td>5,580,000</td>
<td>-</td>
<td>0.0%</td>
</tr>
<tr>
<td>Employee Leave Benefits</td>
<td>323,125</td>
<td>349,606</td>
<td>(26,481)</td>
<td>-7.6%</td>
</tr>
<tr>
<td>OPEB*</td>
<td>4,284,997</td>
<td>4,116,914</td>
<td>168,083</td>
<td>4.1%</td>
</tr>
<tr>
<td>Net Pension Liability</td>
<td>3,270,893</td>
<td>2,746,460</td>
<td>524,433</td>
<td>19.1%</td>
</tr>
<tr>
<td><strong>Long-Term Obligations</strong></td>
<td><strong>$34,973,826</strong></td>
<td><strong>$36,782,763</strong></td>
<td><strong>($1,808,937)</strong></td>
<td><strong>-4.9%</strong></td>
</tr>
</tbody>
</table>

*2017 figure is an adjusted rollback balance at 6/30/17 per GASB 75 guidelines.

Economic Factors and Next Year’s Budgets and Rates

The City’s fiscal year 2018-19 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, 2018, the General Fund balance was $13,920,795, which totaled 109.2% of FY 2017-18 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, City of La Cañada Flintridge, One Civic Center Drive, La Cañada Flintridge, California 91011-2137.
BASIC FINANCIAL STATEMENTS
GOVERNMENT-WIDE
FINANCIAL STATEMENTS
CITY OF LA CAÑADA FLINTRIDGE  
Statement of Net Position  
June 30, 2018

<table>
<thead>
<tr>
<th>Assets:</th>
<th>Governmental Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and investments</td>
<td>$34,525,512</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>1,222,025</td>
</tr>
<tr>
<td>Interest receivable</td>
<td>143,821</td>
</tr>
<tr>
<td>Prepaids</td>
<td>21,421</td>
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<tr>
<td>Loans receivable</td>
<td>135,967</td>
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<tr>
<td>Capital assets:</td>
<td></td>
</tr>
<tr>
<td>Not being depreciated</td>
<td>21,819,080</td>
</tr>
<tr>
<td>Being depreciated (net of accumulated depreciation)</td>
<td>63,210,369</td>
</tr>
<tr>
<td>Total assets</td>
<td>121,078,195</td>
</tr>
</tbody>
</table>

Deferred outflow of resources:
 Deferred outflows related to pension | 1,186,995 |

Total deferred outflows of resources | 1,186,995 |

| Liabilities: | |
| Accounts payable and accrued liabilities | 2,427,819 |
| Deposits payable | 2,426,893 |
| Unearned revenue | 119,124 |
| Interest payable | 262,880 |
| Pension liability | 3,270,893 |
| Other post employment benefits liability | 4,284,997 |
| Long-term debt | |
| Due within one year | 8,377,320 |
| Due in more than one year | 19,040,616 |
| Total liabilities | 40,210,542 |

Deferred inflow of resources:
 Deferred inflows related to pension | 289,115 |
 Deferred inflows related to OPEB | 45,167 |

Total deferred inflow of resources | 334,282 |

| Net position: | |
| Net investment in capital assets | 57,934,638 |
| Restricted for: | |
| Transit | 1,296,573 |
| Air quality improvements | 246,038 |
| Sewer improvements and sanitation | 1,313,565 |
| Debt service | 12,193,983 |
| Capital projects | 1,875,071 |
| Unrestricted | 6,860,498 |
| Total net position | $81,720,366 |

See Accompanying Notes to Financial Statements.
CITY OF LA CAÑADA FLINTRIDGE
Statement of Activities
For the Fiscal Year Ended June 30, 2018

<table>
<thead>
<tr>
<th>Functions/Programs</th>
<th>Expenses</th>
<th>Charges for Services</th>
<th>Operating Grants and Contributions</th>
<th>Capital Grants and Contributions</th>
<th>Net (Expense) Revenue and Change in Net Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>General government</td>
<td>$5,816,415</td>
<td>$83,806</td>
<td>$-</td>
<td>$-</td>
<td>$ (5,732,609)</td>
</tr>
<tr>
<td>Public safety</td>
<td>3,650,220</td>
<td>129,288</td>
<td>140,495</td>
<td>-</td>
<td>(3,380,437)</td>
</tr>
<tr>
<td>Community development</td>
<td>848,481</td>
<td>177,698</td>
<td>-</td>
<td>-</td>
<td>(670,783)</td>
</tr>
<tr>
<td>Public works</td>
<td>8,040,300</td>
<td>3,325,171</td>
<td>1,907,748</td>
<td>4,114,364</td>
<td>1,306,983</td>
</tr>
<tr>
<td>Interest</td>
<td>521,343</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(521,343)</td>
</tr>
<tr>
<td><strong>Total governmental activities</strong></td>
<td><strong>$18,876,759</strong></td>
<td><strong>$3,715,963</strong></td>
<td><strong>$2,048,243</strong></td>
<td><strong>$4,114,364</strong></td>
<td><strong>(8,998,189)</strong></td>
</tr>
</tbody>
</table>

General revenues:
Taxes:
  Property
  Property tax in-lieu
  Franchise
  Real property transfer
  Business operations
State shared revenues - unrestricted:
  Sales tax
  Motor vehicle
  Use of money and property
  Other
Total general revenues
Change in net position
Net position, beginning of fiscal year as originally stated
Restatement
Net position, beginning of fiscal year, as restated
Net position, end of fiscal year

$ 81,720,366

See Accompanying Notes to Financial Statements.
FUND FINANCIAL STATEMENTS
CITY OF LA CAÑADA FLINTRIDGE
Balance Sheet
Governmental Funds
June 30, 2018

<table>
<thead>
<tr>
<th>Assets:</th>
<th>General</th>
<th>Sewer AD04-1 Debt Service</th>
<th>Sewer AD02-1 Debt Service</th>
<th>City Capital Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and investments</td>
<td>$ 16,105,409</td>
<td>$ 7,161,033</td>
<td>$ 4,267,774</td>
<td>$ 1,835,360</td>
</tr>
<tr>
<td>Receivables:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts</td>
<td>941,414</td>
<td></td>
<td></td>
<td>114,119</td>
</tr>
<tr>
<td>Interest</td>
<td>143,821</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans receivable</td>
<td>135,967</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Due from other funds</td>
<td>69,898</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advances to other funds</td>
<td>1,117,464</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prepaid items</td>
<td>21,421</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total assets</td>
<td>$ 18,535,394</td>
<td>$ 7,161,033</td>
<td>$ 4,267,774</td>
<td>$ 1,949,479</td>
</tr>
</tbody>
</table>

| Liabilities: | | | | |
| Accounts payable and accrued liabilities | $ 1,998,870 | $ | $ | $ 106,884 |
| Deposits payable | 2,426,893 | | | |
| Due to other funds | | | | |
| Unearned revenue | 119,124 | | | |
| Advances from other funds | | | | |
| Total liabilities | 4,544,887 | | | 106,884 |

| Deferred inflows of resources: | | | | |
| Unavailable revenues | 69,712 | | | |
| Total deferred inflows of resources | 69,712 | | | |

| Fund balances: | | | | |
| Nonspendable: | | | | |
| Prepaids | 21,421 | | | |
| Advances to other funds | 1,117,464 | | | |
| Loans | 135,967 | | | |
| Restricted: | | | | |
| Transit | | | | |
| Air quality improvements | | | | |
| Sewer improvements | | | | |
| Debt service | | 7,161,033 | 4,267,774 | |
| Capital projects | | | | |
| Committed: | | | | |
| Property acquisition | 5,580,000 | | | |
| Assigned: | | | | |
| Tree Fund | 171,922 | | | |
| Potential SR-710 expenses | 500,000 | | | |
| DAE | 9,297 | | | |
| Other postemployment benefits | 539,325 | | | |
| Unassigned | 5,845,399 | | | |
| Total fund balances (deficits) | 13,920,795 | 7,161,033 | 4,267,774 | |

| Total liabilities, deferred inflows of resources, and fund balances | $ 18,535,394 | $ 7,161,033 | $ 4,267,774 | $ 1,949,479 |

(Continued)

See Accompanying Notes to Financial Statements.
CITY OF LA CAÑADA FLINTRIDGE
Balance Sheet
Governmental Funds
June 30, 2018

<table>
<thead>
<tr>
<th>Assets:</th>
<th>Sewer Improvement AD02-1</th>
<th>Total Nonmajor Governmental Funds</th>
<th>Total Governmental Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Investments</td>
<td>$</td>
<td>5,155,936</td>
<td>$ 34,525,512</td>
</tr>
<tr>
<td>Receivables:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts</td>
<td>-</td>
<td>166,492</td>
<td>1,222,025</td>
</tr>
<tr>
<td>Interest</td>
<td>-</td>
<td>-</td>
<td>143,821</td>
</tr>
<tr>
<td>Loans receivable</td>
<td>-</td>
<td>-</td>
<td>135,967</td>
</tr>
<tr>
<td>Due from other funds</td>
<td>-</td>
<td>-</td>
<td>69,898</td>
</tr>
<tr>
<td>Advances to other funds</td>
<td>-</td>
<td>-</td>
<td>1,117,464</td>
</tr>
<tr>
<td>Prepaid items</td>
<td>-</td>
<td>-</td>
<td>21,421</td>
</tr>
<tr>
<td>Total assets</td>
<td>$</td>
<td>5,322,428</td>
<td>$ 37,236,108</td>
</tr>
</tbody>
</table>

| Liabilities:                           |                          |                                  |                          |
| Accounts payable and accrued liabilities| $                        | 322,065                          | 2,427,819                |
| Deposits payable                       | -                        | -                                | 2,426,893                |
| Due to other funds                     | -                        | 69,898                           | 69,898                   |
| Unearned revenue                       | -                        | -                                | 119,124                  |
| Advances from other funds              | 995,104                  | 122,360                          | 1,117,464                |
| Total liabilities                      | 995,104                  | 514,323                          | 6,161,198                |

Deferred inflows of resources:
Unavailable revenues                   |                               | 5,704                            | 132,030                  |
Total deferred inflows of resources     |                               | 5,704                            | 132,030                  |

Fund balances:
Nonspendable:
Prepads                                 | -                          | -                                | 21,421                   |
Advances to other funds                  | -                          | -                                | 1,117,464                |
Loans                                    | -                          | -                                | 135,967                  |
Restricted:
Transit                                  | -                          | 1,296,573                        | 1,296,573                |
Air quality improvements                  | -                          | 246,038                          | 246,038                  |
Sewer improvements                       | -                          | 1,313,565                        | 1,313,565                |
Debt service                             | -                          | 1,028,056                        | 12,456,863              |
Capital projects                         | -                          | 26,772                           | 1,812,753               |
Committed:
Property acquisition                     | -                          | 891,397                          | 6,471,397               |
Assigned:
Tree Fund                                | -                          | -                                | 171,922                  |
Potential SR-710 expenses                 | -                          | -                                | 500,000                  |
DAE                                      | -                          | -                                | 9,297                   |
Other postemployment benefits            | -                          | -                                | 539,325                 |
Unassigned                                | (995,104)                 | -                                | 4,850,295               |
Total fund balances (deficits)            | (995,104)                 | 4,802,401                        | 30,942,880              |
Total liabilities, deferred inflows of resources, and fund balances | $                         | 5,322,428                        | $ 37,236,108            |

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, 2018

Fund balances for governmental funds $ 30,942,880

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.

<table>
<thead>
<tr>
<th>Capital assets</th>
<th>$ 109,462,768</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accumulated depreciation</td>
<td>(24,433,319)</td>
</tr>
</tbody>
</table>

85,029,449

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 $ 67,252
Investment income 39,480
Charges for services 25,298

132,030

Other post employment related debt are not due and payable in the current period and accordingly are not reported as fund liabilities. (4,284,997)

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

<table>
<thead>
<tr>
<th>Loans payable</th>
<th>$ (27,094,811)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee leave benefits</td>
<td>(323,125)</td>
</tr>
<tr>
<td>Interest payable</td>
<td>(262,880)</td>
</tr>
</tbody>
</table>

(27,680,816)

Pension related debt is not due and payable in the current period and accordingly are not reported as fund liabilities. Deferred outflows of resources and deferred inflows of resources related to pensions are only reported in the Statement of Net Position as these liabilities are not due and payable in the current period.

<table>
<thead>
<tr>
<th>Net pension liability</th>
<th>$ (3,270,893)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deferred outflows of resources related to pensions</td>
<td>1,186,995</td>
</tr>
<tr>
<td>Deferred inflows of resources related to pensions</td>
<td>(289,115)</td>
</tr>
<tr>
<td>Deferred inflows of resources related to OPEB</td>
<td>(45,167)</td>
</tr>
</tbody>
</table>

(2,418,180)

Net position of governmental activities $ 81,720,366

See Accompanying Notes to Financial Statements.
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, 2018

<table>
<thead>
<tr>
<th>Revenues:</th>
<th>General</th>
<th>Sewer AD04-1 Debt Service</th>
<th>Sewer AD02-1 Debt Service</th>
<th>City Capital Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Taxes</td>
<td>$11,572,763</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>Assessments</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Fines, forfeitures and penalties</td>
<td>122,881</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>From other agencies</td>
<td>35,510</td>
<td>-</td>
<td>-</td>
<td>258,620</td>
</tr>
<tr>
<td>Charges for services</td>
<td>3,529,310</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Use of money and property</td>
<td>15,028</td>
<td>120,994</td>
<td>79,976</td>
<td>-</td>
</tr>
<tr>
<td>Other revenue</td>
<td>354,556</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>15,629,848</td>
<td>120,994</td>
<td>79,976</td>
<td>258,620</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenditures:</th>
<th>Current:</th>
<th>Debt service:</th>
<th>Other financing sources (uses):</th>
</tr>
</thead>
<tbody>
<tr>
<td>General government</td>
<td>5,348,823</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public safety</td>
<td>3,255,969</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community development</td>
<td>732,910</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public works</td>
<td>3,138,309</td>
<td>1,350</td>
<td></td>
</tr>
<tr>
<td>Capital outlay</td>
<td>270,539</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debt service:</td>
<td>-</td>
<td>1,322,344</td>
<td>734,837</td>
</tr>
<tr>
<td>Principal retirement</td>
<td>-</td>
<td>375,808</td>
<td>153,526</td>
</tr>
<tr>
<td>Interest and other charges</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>12,746,550</td>
<td>1,699,502</td>
<td>888,363</td>
</tr>
</tbody>
</table>

| Excess (deficiency)     | of revenues over     | (under) expenditures |
| (under) expenditures    | 2,883,298 | (1,578,508) | (808,387) | (1,660,766) |

| Other financing sources (uses): |
| Transfer in              | 113,737 | 1,821,989 | 960,136 | 1,737,954 |
| Transfer out             | (2,144,276) | - | - | - |
| **Total other financing sources (uses):** | (2,030,539) | 1,821,989 | 960,136 | 1,737,954 |

| Net change in fund balances | 822,759 | 243,481 | 151,749 | 77,188 |
| Fund balances (deficits), beginning of fiscal year | 13,068,036 | 6,917,552 | 4,116,025 | 1,708,793 |
| Fund balances (deficits), end of fiscal year | $13,920,795 | $7,161,033 | $4,267,774 | $1,785,981 |

See Accompanying Notes to Financial Statements.
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, 2018

<table>
<thead>
<tr>
<th></th>
<th>Sewer Improvement AD02-1</th>
<th>Total Nonmajor Governmental Funds</th>
<th>Total Governmental Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Capital Projects</td>
<td>Funds</td>
<td>Funds</td>
</tr>
<tr>
<td>Revenues:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes</td>
<td>$</td>
<td>5,500</td>
<td>11,578,263</td>
</tr>
<tr>
<td>Assessments</td>
<td></td>
<td>3,571,619</td>
<td>3,571,619</td>
</tr>
<tr>
<td>Fines, forfeitures and penalties</td>
<td></td>
<td>35,313</td>
<td>158,194</td>
</tr>
<tr>
<td>From other agencies</td>
<td></td>
<td>2,053,866</td>
<td>2,347,796</td>
</tr>
<tr>
<td>Charges for services</td>
<td></td>
<td>99,945</td>
<td>3,629,255</td>
</tr>
<tr>
<td>Use of money and property</td>
<td></td>
<td>82,922</td>
<td>298,920</td>
</tr>
<tr>
<td>Other revenue</td>
<td></td>
<td>-</td>
<td>354,556</td>
</tr>
<tr>
<td>Total revenues</td>
<td></td>
<td>5,849,165</td>
<td>21,038,603</td>
</tr>
<tr>
<td>Expenditures:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General government</td>
<td></td>
<td>-</td>
<td>5,348,823</td>
</tr>
<tr>
<td>Public safety</td>
<td></td>
<td>186,346</td>
<td>3,442,315</td>
</tr>
<tr>
<td>Community development</td>
<td></td>
<td>61,405</td>
<td>794,315</td>
</tr>
<tr>
<td>Public works</td>
<td></td>
<td>1,111,423</td>
<td>4,251,082</td>
</tr>
<tr>
<td>Capital outlay</td>
<td></td>
<td>856,645</td>
<td>3,046,570</td>
</tr>
<tr>
<td>Debt service:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principal retirement</td>
<td></td>
<td>417,791</td>
<td>2,474,972</td>
</tr>
<tr>
<td>Interest and other charges</td>
<td></td>
<td>16,571</td>
<td>545,905</td>
</tr>
<tr>
<td>Total expenditures</td>
<td></td>
<td>2,050,181</td>
<td>19,903,982</td>
</tr>
<tr>
<td>Excess (deficiency)</td>
<td></td>
<td>-</td>
<td>3,198,984</td>
</tr>
<tr>
<td>of revenues over</td>
<td></td>
<td>-</td>
<td>2,034,621</td>
</tr>
<tr>
<td>(under) expenditures</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other financing sources (uses):</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers in</td>
<td></td>
<td>1,948,846</td>
<td>6,582,662</td>
</tr>
<tr>
<td>Transfers out</td>
<td></td>
<td>(4,438,386)</td>
<td>(6,582,662)</td>
</tr>
<tr>
<td>Total other financing sources</td>
<td></td>
<td>(2,489,540)</td>
<td>-</td>
</tr>
<tr>
<td>(uses)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net change in fund balances</td>
<td></td>
<td>709,444</td>
<td>2,034,621</td>
</tr>
<tr>
<td>Fund balances (deficits),</td>
<td></td>
<td>(995,104)</td>
<td>28,908,259</td>
</tr>
<tr>
<td>beginning of fiscal year</td>
<td></td>
<td>4,092,957</td>
<td></td>
</tr>
<tr>
<td>Fund balances (deficits),</td>
<td>$ (995,104)</td>
<td>$ 4,802,401</td>
<td>$ 30,942,880</td>
</tr>
<tr>
<td>end of fiscal year</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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, 2018

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

Net change in fund balances - total governmental funds: $ 2,034,621

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
capital outlay exceeded depreciation in the current fiscal year is as follows:

Capital outlay $ 3,046,570
Depreciation expense (2,168,914) 877,656

Capital outlay expenditures that were determined to be repair and maintenance
costs are not capitalized. Repairs and maintenance costs expensed totaled
(1,904,086)

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 $ 287,442
Current year accrual (262,880) 24,562

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 recognized on the accrual basis used in
government-wide statements.

Grant reimbursements $ (124,143)
Investment income (4,782)
Charges for services 17,246
Sales taxes (8,199) (119,878)

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
in the period taken; however, in the statement of activities, such benefits are
recorded in the fiscal year incurred.

Loan principal payments $ 2,474,972
Change in employee leave benefits, net 26,481 2,501,453

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:

(259,112)

Other post employment benefits reported in the governmental funds includes
cash payments made for benefits for current retired employees. In the
statement of activities, OPEB expense includes the change in the OPEB
liability.

(213,250)

Change in net position of governmental activities $ 2,941,966

See Accompanying Notes to Financial Statements.
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NOTES TO FINANCIAL STATEMENTS
(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Reporting Entity

The City of La Cañada Flintridge (City) was incorporated December 8, 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) and the La Cañada Local Financing Authority (LFA) comprise the reporting entity. Although part of the City, the Corporation and LFA are legally separate entities, the City Council of La Cañada Flintridge acts as the governing body for both and has a continuing accountability for fiscal matters. Fiscal dependency was considered on the basis of budget adoption, taxing authority, and funding. The Corporation and LFA are, 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 in 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, 2018. The Corporation did not issue separate financial statements.

The La Cañada Flintridge Local Financing Authority was incorporated in 2004 to finance the acquisition of public facilities by levying assessments on private property. The LFA's financial data and transactions are blended in the 2004 sewer district funds. These was no activity for the LFA during the fiscal year ended June 30, 2018. The LFA 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.
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.

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

**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 are recorded at fair value at the date of donation. 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:

<table>
<thead>
<tr>
<th>Asset Type</th>
<th>Useful Life</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vehicles</td>
<td>7 – 15 years</td>
</tr>
<tr>
<td>Equipment</td>
<td>5 – 30 years</td>
</tr>
<tr>
<td>Buildings and building improvements</td>
<td>10 – 50 years</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>20 – 60 years</td>
</tr>
</tbody>
</table>

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, 2018 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

In addition to assets, the Statement of Net Position and Governmental Fund Balance Sheet will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has one item that qualifies for reporting in this category. They are deferred outflows related to the net pension obligation reported in the government-wide statement of net position. These outflows are the results of contributions made after the measurement period, which are expensed in the following year, and of adjustments to difference in proportions which are deferred and amortized over the expected average remaining service life time.

In addition to liabilities, the Statement of Net Position and Governmental Fund Balance Sheet will sometimes report a separate section for deferred inflows of resources. The separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has three items, which qualifies for reporting in this category. Under the modified accrual basis of accounting, the government reports unavailable revenue from grants, investment income, charges for services and sales taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In addition, the City has deferred inflows in relation to the net pension obligation and the net OPEB obligation reported in the government-wide statements of net position. These inflows are the results of the net difference between project and actual earnings on pension plan investments, difference between actual contributions and plan’s share of contributions, and adjustment due to differences in proportions. These amounts are deferred and amortized over the expected remaining service life.
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. Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City’s plan (OPEB Plan) and additions to/deductions from the OPEB Plan’s fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with benefit terms.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

- Valuation Date: June 30, 2018
- Measurement Date: June 30, 2018
- Measurement Period: July 1, 2017 to June 30, 2018

8. 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.

9. 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_ – all other amounts. In other funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned. Only the General Fund shows a positive 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.

10. **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.
11. New Accounting Pronouncements

GASB 75 – Accounting and Financial Reporting for Postemployment Benefits Other than Pensions, contains provisions that address accounting and financial reporting by state and local governments for postemployment benefits other than pensions effective for periods beginning after June 15, 2017. GASB 75 establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expenses/expenditures for other postemployment benefits (OPEB) provided to the employees of state and local governments.

As required by GASB 75, the City recorded a prior period adjustment for the opening OPEB liability, deferred outflows of resources and the previous Net OPEB liability calculated under GASB 45 as follows:

Governmental Activities Net Position - June 30, 2017, as originally stated $ 81,698,927

Beginning OPEB liability under GASB #75 (4,116,914)

Net OPEB liability under GASB #45, as originally stated 1,196,387

Governmental Activities Net Position - June 30, 2017, as restated $ 78,778,400

12. Future Accounting Pronouncements

GASB Statement No. 83 “Certain Asset Retirement Obligations” - The provisions of this statement are effective for fiscal years beginning after June 15, 2018.

GASB Statement No. 84 “Fiduciary Activities” – The provisions of this statement are effective for fiscal years beginning after December 15, 2018.

GASB Statement No. 87 “Leases” – The provisions of this statement are effective for fiscal years beginning after December 15, 2019.

GASB Statement No. 88 “Certain Disclosures related to Debt, including Direct Borrowings and Direct Placements” – The provisions of this statement are effective for fiscal years beginning after June 15, 2018.

GASB Statement No. 89 “Accounting for Interest Cost incurred before the End of a Construction Period” – The provisions of this statement are effective for fiscal years beginning after December 15, 2019.

GASB Statement No. 90 “Majority Equity Interests” – The provisions of this statement are effective for fiscal years beginning after December 15, 2018.

(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, 2018:
CITY OF LA CAÑADA FLINTRIDGE
Notes to the Financial Statements
June 30, 2018

<table>
<thead>
<tr>
<th>Fund</th>
<th>Type of Fund</th>
<th>Amount over Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major Fund</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sewer AD04-1 Debt Service</td>
<td>Debt Service</td>
<td>$ 27</td>
</tr>
</tbody>
</table>

Nonmajor Funds

<table>
<thead>
<tr>
<th>Fund</th>
<th>Type of Fund</th>
<th>Amount over Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>TDA</td>
<td>Special Revenue</td>
<td>6</td>
</tr>
<tr>
<td>Proposition C Transit Tax</td>
<td>Special Revenue</td>
<td>22,092</td>
</tr>
<tr>
<td>Community Development Block Grant</td>
<td>Special Revenue</td>
<td>3,180</td>
</tr>
<tr>
<td>Sewer Improvement AD04-1</td>
<td>Capital Projects</td>
<td>53,453</td>
</tr>
</tbody>
</table>

The City provides quarterly financial reports to all departments which highlights items nearing or over budget. Departments also have the capability to run financial reports throughout the year. Items of note are 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 required supplementary information.

(b) Deficit Fund Balance

The following fund had a deficit fund balance as of June 30, 2018:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Type of Fund</th>
<th>Deficit Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major Fund:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sewer Improvement AD02-1</td>
<td>Capital Projects</td>
<td>$(995,104)</td>
</tr>
</tbody>
</table>

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, 2018 are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and investments $ 34,525,512

Total cash and investments $ 34,525,512

Cash and investments as of June 30, 2018 consist of the following:

Cash on hand $ 500
 Deposits with financial institutions 971,482
 Investments 33,553,530

Total cash and investments $ 34,525,512
**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.

<table>
<thead>
<tr>
<th>Investment Types Authorized by State Law</th>
<th>Authorized by Investment Policy</th>
<th>Maximum Maturity</th>
<th>Maximum Percentages of Portfolio</th>
<th>Maximum Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Agency Bonds</td>
<td>No</td>
<td>5 years</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Federal Agency and U.S.-</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government Sponsored</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Enterprise Obligations</td>
<td>Yes</td>
<td>5 years</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>U.S. Treasury Securities</td>
<td>Yes</td>
<td>5 years</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Certificates of Deposit</td>
<td>Yes</td>
<td>5 years</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Time Deposits</td>
<td>Yes</td>
<td>5 years</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Bankers' Acceptances</td>
<td>Yes</td>
<td>180 days</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Commercial Paper</td>
<td>Yes</td>
<td>270 days</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Medium Term Notes</td>
<td>Yes</td>
<td>5 years</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Mutual Funds</td>
<td>Yes</td>
<td>N/A</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Money Market</td>
<td>Yes</td>
<td>N/A</td>
<td>20%</td>
<td>10%</td>
</tr>
<tr>
<td>Mutual Funds</td>
<td>Yes</td>
<td>N/A</td>
<td>20%</td>
<td>10%</td>
</tr>
<tr>
<td>Mortgage Pass-Through Securities</td>
<td>No</td>
<td>5 years</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>County Pooled Investment Funds</td>
<td>No</td>
<td>N/A</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>JPA Pools (other investment pools)</td>
<td>Yes</td>
<td>N/A</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Local Agency Investment Fund (LAIF)</td>
<td>Yes</td>
<td>N/A</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Repurchase Agreements</td>
<td>Yes</td>
<td>1 year</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Reverse Repurchase Agreements</td>
<td>No</td>
<td>92 days</td>
<td>None</td>
<td>None</td>
</tr>
</tbody>
</table>

* 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:

<table>
<thead>
<tr>
<th>Investment Type</th>
<th>Fair Value</th>
<th>12 Months or Less</th>
<th>13 - 24 Months</th>
<th>25 - 60 Months</th>
</tr>
</thead>
<tbody>
<tr>
<td>Money market funds</td>
<td>$7,512,601</td>
<td>$7,512,601</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>LAIF</td>
<td>6,400,000</td>
<td>6,400,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Federal agency securities</td>
<td>14,641,335</td>
<td>1,994,381</td>
<td>1,964,538</td>
<td>10,682,416</td>
</tr>
<tr>
<td>Corporate medium term notes</td>
<td>4,999,594</td>
<td>996,443</td>
<td>1,519,821</td>
<td>2,483,330</td>
</tr>
<tr>
<td>Total</td>
<td>$33,553,530</td>
<td>$16,903,425</td>
<td>$3,484,359</td>
<td>$13,165,746</td>
</tr>
</tbody>
</table>

**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.

<table>
<thead>
<tr>
<th>Investment Type</th>
<th>Fair Value</th>
<th>Legal Rating</th>
<th>AAA</th>
<th>AA+</th>
<th>AA, AA-, A+, A-, Not Rated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Money market funds</td>
<td>$7,512,601</td>
<td>N/A</td>
<td>$7,512,601</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>LAIF</td>
<td>6,400,000</td>
<td>N/A</td>
<td>-</td>
<td>-</td>
<td>6,400,000</td>
</tr>
<tr>
<td>Federal agency securities</td>
<td>14,641,335</td>
<td>N/A</td>
<td>-</td>
<td>14,641,335</td>
<td>-</td>
</tr>
<tr>
<td>Corporate medium term notes</td>
<td>4,999,594</td>
<td>A</td>
<td>503,286</td>
<td>-</td>
<td>4,496,308</td>
</tr>
<tr>
<td>Total</td>
<td>$33,553,530</td>
<td>$8,015,887</td>
<td>$14,641,335</td>
<td>$4,496,308</td>
<td>$6,400,000</td>
</tr>
</tbody>
</table>

**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:

<table>
<thead>
<tr>
<th>Issuer</th>
<th>Investment Type</th>
<th>Reported Amount</th>
<th>Maturity</th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Home Loan Mortgage</td>
<td>Federal agency securities</td>
<td>$3,920,625</td>
<td>2020-2023</td>
<td>1.125%-2.875%</td>
</tr>
<tr>
<td>Federal National Mortgage Association</td>
<td>Federal agency securities</td>
<td>$4,878,114</td>
<td>2019-2023</td>
<td>1.125%-2.000%</td>
</tr>
<tr>
<td>Federal Farm Credit Bank</td>
<td>Federal agency securities</td>
<td>$2,891,106</td>
<td>2021-2022</td>
<td>1.340%-1.680%</td>
</tr>
</tbody>
</table>
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, 2018, $822,962 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, 2018:

<table>
<thead>
<tr>
<th>Investments by Fair Value</th>
<th>Total</th>
<th>Fair Value Measurement Using</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Quoted Prices in Active Markets for Identical Assets (Level 1)</td>
</tr>
<tr>
<td>Debt Securities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal Agency Securities</td>
<td>$14,641,335</td>
<td>$</td>
</tr>
<tr>
<td>Corporate Medium-Term Notes</td>
<td>4,999,594</td>
<td>-</td>
</tr>
<tr>
<td>Total investments measured at fair value</td>
<td>$19,640,929</td>
<td>-</td>
</tr>
<tr>
<td>Investments measured at amortized cost</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Money Market Funds</td>
<td>7,512,601</td>
<td>-</td>
</tr>
<tr>
<td>LAIF</td>
<td>6,400,000</td>
<td>-</td>
</tr>
<tr>
<td>Total pooled and directed investments</td>
<td>$33,553,530</td>
<td>-</td>
</tr>
</tbody>
</table>
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, 2018 was $6,400,000.

The total amount invested by all public agencies in LAIF as of June 30, 2018 was $22.5 billion. LAIF is part of the California Pooled Money Investment Account (PMIA), which at June 30, 2018 has a balance of $89.4 billion (47.60% was invested in government securities). The average maturity of PMIA investments was 193 days as of June 30, 2018.

(b) Interfund Receivables, Payables and Transfers

The composition of interfund balances as of June 30, 2018, is as follows:

<table>
<thead>
<tr>
<th>Due to/from other funds:</th>
<th>Due From Other Funds</th>
<th>Due To Other Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Major Fund:</strong> General Fund</td>
<td>$ 69,898</td>
<td>$ -</td>
</tr>
<tr>
<td><strong>Nonmajor Special Revenue Funds:</strong> Traffic Safety Fund</td>
<td>-</td>
<td>1,770</td>
</tr>
<tr>
<td>Community Development Block Grant Fund</td>
<td>-</td>
<td>4,278</td>
</tr>
<tr>
<td>Sewer Redemption AD98-1 Fund</td>
<td>-</td>
<td>10,130</td>
</tr>
<tr>
<td>Sewer Redemption AD02-1 Fund</td>
<td>-</td>
<td>18,506</td>
</tr>
<tr>
<td>Sewer Redemption AD04-1 Fund</td>
<td>-</td>
<td>35,214</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 69,898</strong></td>
<td><strong>$ 69,898</strong></td>
</tr>
</tbody>
</table>

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:

<table>
<thead>
<tr>
<th>Advances To Other Funds</th>
<th>Advances From Other Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Major Funds:</strong> General Fund</td>
<td>$ 1,117,464</td>
</tr>
<tr>
<td>Sewer Improvement AD02-1 Capital Projects Fund</td>
<td>-</td>
</tr>
<tr>
<td><strong>Nonmajor Fund:</strong> Sewer Improvement AD98-1 Debt Service Fund</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 1,117,464</strong></td>
</tr>
</tbody>
</table>

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, 2018 the outstanding balance is $122,360.

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, 2018.

Transfers In/Transfers Out:

<table>
<thead>
<tr>
<th>Transfers In</th>
<th>General Fund</th>
<th>Nonmajor Funds</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>$</td>
<td>$113,737</td>
<td>$113,737</td>
</tr>
<tr>
<td>Sewer AD04-1 Debt Service Fund</td>
<td>-</td>
<td>1,821,989</td>
<td>1,821,989</td>
</tr>
<tr>
<td>Sewer AD02-1 Debt Service Fund</td>
<td>-</td>
<td>960,136</td>
<td>960,136</td>
</tr>
<tr>
<td>City Capital Projects Fund</td>
<td>739,700</td>
<td>998,254</td>
<td>1,737,954</td>
</tr>
<tr>
<td>Nonmajor Funds</td>
<td>1,404,576</td>
<td>544,270</td>
<td>1,948,846</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$2,144,276</strong></td>
<td><strong>$4,438,386</strong></td>
<td><strong>$6,582,662</strong></td>
</tr>
</tbody>
</table>

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).
Capital Assets

A summary of changes in capital asset activity for the fiscal year ended June 30, 2018 is as follows:

<table>
<thead>
<tr>
<th></th>
<th>Balance July 1, 2017</th>
<th>Increases</th>
<th>Decreases</th>
<th>Balance June 30, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governmental activities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital assets, not being depreciated:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land and easements</td>
<td>$12,563,322</td>
<td>-</td>
<td>-</td>
<td>$12,563,322</td>
</tr>
<tr>
<td>Construction in progress</td>
<td>8,263,059</td>
<td>1,011,924</td>
<td>(19,225)</td>
<td>9,255,758</td>
</tr>
<tr>
<td>Total capital assets, not being depreciated</td>
<td>20,826,381</td>
<td>1,011,924</td>
<td>(19,225)</td>
<td>21,819,080</td>
</tr>
<tr>
<td>Capital assets, being depreciated:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings</td>
<td>3,511,774</td>
<td>-</td>
<td>-</td>
<td>3,511,774</td>
</tr>
<tr>
<td>Improvements other than Buildings</td>
<td>380,030</td>
<td>94,449</td>
<td>-</td>
<td>474,479</td>
</tr>
<tr>
<td>Equipment</td>
<td>1,177,100</td>
<td>23,894</td>
<td>-</td>
<td>1,200,994</td>
</tr>
<tr>
<td>Vehicles</td>
<td>1,043,590</td>
<td>-</td>
<td>-</td>
<td>1,043,590</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>81,381,409</td>
<td>31,442</td>
<td>-</td>
<td>81,412,851</td>
</tr>
<tr>
<td>Total capital assets, being depreciated</td>
<td>87,493,903</td>
<td>149,785</td>
<td>-</td>
<td>87,643,688</td>
</tr>
<tr>
<td>Less accumulated depreciation:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings</td>
<td>(2,100,881)</td>
<td>(54,284)</td>
<td>-</td>
<td>(2,155,165)</td>
</tr>
<tr>
<td>Improvements other than Buildings</td>
<td>(324,966)</td>
<td>(27,799)</td>
<td>-</td>
<td>(352,765)</td>
</tr>
<tr>
<td>Equipment</td>
<td>(1,038,256)</td>
<td>(51,977)</td>
<td>-</td>
<td>(1,090,233)</td>
</tr>
<tr>
<td>Vehicles</td>
<td>(431,520)</td>
<td>(105,062)</td>
<td>-</td>
<td>(536,582)</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>(18,368,782)</td>
<td>(1,929,792)</td>
<td>-</td>
<td>(20,298,574)</td>
</tr>
<tr>
<td>Total accumulated depreciation</td>
<td>(22,264,405)</td>
<td>(2,168,914)</td>
<td>-</td>
<td>(24,433,319)</td>
</tr>
<tr>
<td>Total capital assets, being depreciated, net</td>
<td>65,229,498</td>
<td>(2,019,129)</td>
<td>-</td>
<td>63,210,369</td>
</tr>
<tr>
<td>Governmental activities capital assets, net</td>
<td>$ 86,055,879</td>
<td>$ (1,007,205)</td>
<td>$ (19,225)</td>
<td>$ 85,029,449</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Governmental activities:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>General government</td>
<td>$148,248</td>
</tr>
<tr>
<td>Public safety</td>
<td>2,268</td>
</tr>
<tr>
<td>Community development</td>
<td>10,189</td>
</tr>
<tr>
<td>Public works</td>
<td>2,008,209</td>
</tr>
<tr>
<td>Total</td>
<td>$2,168,914</td>
</tr>
</tbody>
</table>
(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, 2018, was $132,030. 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, 2018:

<table>
<thead>
<tr>
<th></th>
<th>Balance July 1, 2017</th>
<th>Additions</th>
<th>Deletions</th>
<th>Balance June 30, 2018</th>
<th>Due Within One Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans Payable</td>
<td>$23,989,783</td>
<td>$</td>
<td>$2,474,972</td>
<td>$21,514,811</td>
<td>$2,523,023</td>
</tr>
<tr>
<td>Promissory Note</td>
<td>5,580,000</td>
<td>-</td>
<td>-</td>
<td>5,580,000</td>
<td>5,580,000</td>
</tr>
<tr>
<td>Employee Leave Benefits</td>
<td>349,606</td>
<td>247,816</td>
<td>274,297</td>
<td>323,125</td>
<td>274,297</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$29,919,389</strong></td>
<td><strong>$247,816</strong></td>
<td><strong>$2,749,269</strong></td>
<td><strong>$27,417,936</strong></td>
<td><strong>$8,377,320</strong></td>
</tr>
</tbody>
</table>

Loans and Notes 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. The outstanding balance as of June 30, 2018 is $835,582.

The annual requirements to amortize the outstanding State Loan for Sewer Assessment District 98-1 as of June 30, 2018, are as follows:

<table>
<thead>
<tr>
<th>Fiscal year ending</th>
<th>Principal</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 30,</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>$417,791</td>
</tr>
<tr>
<td>2020</td>
<td>417,791</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>$835,582</strong></td>
</tr>
</tbody>
</table>
CITY OF LA CAÑADA FLINTRIDGE
Notes to the Financial Statements
June 30, 2018

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. The outstanding balance as of June 30, 2018 is $5,662,111.

The annual requirements to amortize the outstanding State Loan for Sewer Assessment District 02-1 as of June 30, 2018, are as follows:

<table>
<thead>
<tr>
<th>Fiscal year ending</th>
<th>Principal</th>
<th>Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 30,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>$752,473</td>
<td>$135,890</td>
</tr>
<tr>
<td>2020</td>
<td>770,533</td>
<td>117,831</td>
</tr>
<tr>
<td>2021</td>
<td>789,025</td>
<td>99,339</td>
</tr>
<tr>
<td>2022</td>
<td>807,963</td>
<td>80,402</td>
</tr>
<tr>
<td>2023</td>
<td>827,353</td>
<td>61,011</td>
</tr>
<tr>
<td>2024-2025</td>
<td>1,714,764</td>
<td>61,975</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>$5,662,111</strong></td>
<td><strong>$566,448</strong></td>
</tr>
</tbody>
</table>

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. The outstanding balance as of June 30, 2018 is $15,017,115.

The annual requirements to amortize the outstanding State Loan for Sewer Assessment District 04-1 as of June 30, 2018, are as follows:

<table>
<thead>
<tr>
<th>Fiscal year ending</th>
<th>Principal</th>
<th>Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 30,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>$1,352,758</td>
<td>$345,394</td>
</tr>
<tr>
<td>2020</td>
<td>1,383,872</td>
<td>314,280</td>
</tr>
<tr>
<td>2021</td>
<td>1,415,701</td>
<td>282,451</td>
</tr>
<tr>
<td>2022</td>
<td>1,448,262</td>
<td>249,890</td>
</tr>
<tr>
<td>2023</td>
<td>1,481,572</td>
<td>216,580</td>
</tr>
<tr>
<td>2024-2028</td>
<td>7,934,953</td>
<td>555,809</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>$15,017,118</strong></td>
<td><strong>$1,964,404</strong></td>
</tr>
</tbody>
</table>

On February 22, 2017, the City entered into an agreement for $11.2 million to purchase property for a new City Hall from La Cañada 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.
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.

(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, 2018, 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, 2018, the City had nonspendable fund balance of prepaids of $21,421, advances to other funds of $1,117,464, and loans of $135,967.

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, 2018, the City had restricted fund balances of: $1,296,573 for transit related activities, $246,038 for air quality improvements, $1,313,565 for sewer improvements, $12,456,863 for debt service, and $1,812,753 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, 2018, the City had a committed fund balance of $6,471,397 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, 2018, the City had assigned fund balances of: $171,922 for the Tree Fund, $9,297 for DAE, and $539,325 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, 2018, the City had an unassigned fund balance of $5,350,295.
(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 116 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

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.

The overall coverage limit for each member, including all layers of coverage, is $50 million per occurrence. Subsidence losses have a sub-limit of $40 million per occurrence. The coverage structure includes retained risk that is pooled among members, reinsurance, and excess insurance. More detailed information about the various layers of coverage is available on the following website: https://cjpiia.org/protection/coverage-programs.
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 form $100,000 to statutory limits are distributed based on the outcome of cost allocation within the first and second loss layer

For 2017-18, 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 an aggregate limit of $50 million for the 3-year period from July 1, 2017 through July 1, 2020. 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 $15,472,131. There is a $10,000 deductible per occurrence except for non-emergency vehicle insurance which has a $5,000 deductible.

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 $7,707,600. 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.

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 2017-18.

(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, 2018, are summarized as follows:

<table>
<thead>
<tr>
<th>Benefit formula</th>
<th>Miscellaneous Classic</th>
<th>Miscellaneous PEPRA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefit vesting schedule</td>
<td>5 years service</td>
<td>5 years service</td>
</tr>
<tr>
<td>Benefit payments</td>
<td>monthly for life</td>
<td>monthly for life</td>
</tr>
<tr>
<td>Retirement age</td>
<td>55</td>
<td>62</td>
</tr>
<tr>
<td>Monthly benefits, as a % of eligible compensation</td>
<td>2.0%</td>
<td>2.0%</td>
</tr>
<tr>
<td>Required employee contribution rates</td>
<td>7.0%</td>
<td>6.250%</td>
</tr>
<tr>
<td>Required employer contribution rates</td>
<td>8.921%</td>
<td>6.533%</td>
</tr>
</tbody>
</table>
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, 2018, the contributions recognized as part of pension expense for the Plan were as follow:

| Contributions - employer | Miscellaneous | $ 308,223 |

2. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows or Resources Related to Pensions

As of June 30, 2018, the District reported net pension liabilities for its proportionate share of the net position liability of the Plan as follows:

| Proportionate Share of Net Pension Liability | Miscellaneous | $ 3,270,893 |

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, 2017, 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, 2016 rolled forward to June 30, 2017 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, 2016 and 2017 was as follows:

| Proportion – June 30, 2016 | Miscellaneous | 0.031740% |
| Proportion – June 30, 2017 | | 0.032982% |
| Change - Increase | | 0.001242% |

For the fiscal year ended June 30, 2018, the City recognized pension expense of $592,883. At June 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:
Deferred Outflows of Resources | Deferred Inflows of Resources
---|---
Pension contributions subsequent to measurement date | $333,771
Changes of assumptions | $601,836
Net differences between projected and actual earnings on plan investments | 136,111
Differences between the employer’s contributions and the employer’s proportionate share of contributions | (144,482)
Differences between expected and actual experience | 4,851
Changes in employer’s proportion | 110,426
Total | $1,186,995

$333,771 was 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, 2019. 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:

<table>
<thead>
<tr>
<th>Fiscal year ending June 30,</th>
<th>Deferred Outflows (Inflows) of Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>$91,379</td>
</tr>
<tr>
<td>2020</td>
<td>$345,418</td>
</tr>
<tr>
<td>2021</td>
<td>$208,122</td>
</tr>
<tr>
<td>2022</td>
<td>$(80,810)</td>
</tr>
<tr>
<td>Totals</td>
<td>$564,109</td>
</tr>
</tbody>
</table>

Actuarial Assumptions

The total pension liabilities in the June 30, 2016 actuarial valuations were determined using the following actuarial assumptions:

- **Valuation date**: June 30, 2016
- **Measurement date**: June 30, 2017
- **Actuarial cost method**: Entry age normal cost method
- **Discount rate**: 7.15%
- **Inflation**: 2.75%
- **Payroll growth**: Varies by entry age and service
- **Investment rate of return**: 7.50% (1)
- **Mortality**: Data for all Funds (2)

(1) Net of pension plan investment and administrative expenses, including inflation
(2) 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, 2016 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.

Changes of Assumptions

In fiscal year 2016-17, the financial reporting discount rate for PERF C was lowered from 7.65 percent to 7.15 percent. Deferred outflows of resources for changes of assumptions presented in the Schedule of Collective Pension Amounts represents the unamortized portion of this assumption change.

Discount Rate

The discount rate used to measure the total pension liability was 7.15% and reflects the long-term expected rate of return for the Plan net of investment expenses and without reduction for administrative expenses. To determine whether the municipal bond rate should be used in the calculation of the discount rate for the public agency plans (including PERF C), the amortization and smoothing periods adopted by the Board in 2013 were used. For the Plan, the crossover test was performed for both a miscellaneous agent plan and a safety agent plan selected as being more at risk of failing the crossover test and resulting in a discount rate that would be different from the long-term expected rate of return on pension investments. Based on the testing of the plans, the tests revealed the assets would not run out. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for PERF C. The crossover test results can be found on the CalPERS’ website.

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 the short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds’ asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded 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 to equal the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The expected rate of return by asset class can be found in CalPERS Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2017.
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.

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>New Strategic Allocation</th>
<th>Real Return Years 1 - 10 (a)</th>
<th>Real Return Years 11+ (b)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Equity</td>
<td>47.00%</td>
<td>4.90%</td>
<td>5.38%</td>
</tr>
<tr>
<td>Global Fixed Income</td>
<td>19.00%</td>
<td>0.80%</td>
<td>2.27%</td>
</tr>
<tr>
<td>Inflation Sensitive</td>
<td>6.00%</td>
<td>0.60%</td>
<td>1.39%</td>
</tr>
<tr>
<td>Private Equity</td>
<td>12.00%</td>
<td>6.60%</td>
<td>6.63%</td>
</tr>
<tr>
<td>Real Estate</td>
<td>11.00%</td>
<td>2.80%</td>
<td>5.21%</td>
</tr>
<tr>
<td>Infrastructure and Forestland</td>
<td>3.00%</td>
<td>3.90%</td>
<td>5.36%</td>
</tr>
<tr>
<td>Liquidity</td>
<td>2.00%</td>
<td>(0.40%)</td>
<td>(0.90%)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100.00%</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(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 7.15%, 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 (6.15%) or 1 percentage-point higher (8.15%) than the current rate:

<table>
<thead>
<tr>
<th>Percentage Change</th>
<th>Net Pension Liability</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.0% Decrease</td>
<td>6.15%</td>
</tr>
<tr>
<td></td>
<td>$ 5,234,718</td>
</tr>
<tr>
<td>Current Discount Rate</td>
<td>7.15%</td>
</tr>
<tr>
<td></td>
<td>$ 3,270,893</td>
</tr>
<tr>
<td>1.0% Increase</td>
<td>8.15%</td>
</tr>
<tr>
<td></td>
<td>$ 1,627,8533</td>
</tr>
</tbody>
</table>

**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 (OPEB)**

**Plan Description**

The City administers a single-employer defined benefit postemployment healthcare plan (Plan). The Plan provides retiree health benefits to eligible retirees under healthcare plans administered by CalPERS. The Public Employees Medical and Hospital Care Act (PEMCHA) governs healthcare provided to employees and retirees under CalPERS healthcare plans. Eligibility for the direct subsidy requires retirement from the City (on or after age 50 with at least 5 years of total CalPERS service) and commencement of the employer’s pension within 120 days. The City provides a contribution based on the employee’s date of hire. For full-time employees hired prior to July 1, 1998, the City will pay the cost of coverage for the retiree plus one dependent. For full-time employees hired on or after July 1, 1998 but hired before July 1, 2014, the City will pay the
CITY OF LA CAÑADA FLINTRIDGE
Notes to the Financial Statements
June 30, 2018

cost of retiree only coverage. For employees hired on or after July 1, 2014, the City will pay the
cost of retiree only coverage subject to a maximum monthly stipend of $600 in addition to the
PEMCHA minimum ($128 per month in 2017, $133 per month in 2018, $136 per month in 2019,
and indexed in future years). The monthly stipend is prorated by service as follows:

<table>
<thead>
<tr>
<th>Years of City Service</th>
<th>City Paid Stipend*</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-5</td>
<td>25%</td>
</tr>
<tr>
<td>5-10</td>
<td>50%</td>
</tr>
<tr>
<td>10-15</td>
<td>75%</td>
</tr>
<tr>
<td>15 or more</td>
<td>100%</td>
</tr>
</tbody>
</table>

*The City paid stipend schedule applies for both service and disability retirements.

As of the June 30, 2018 actuarial valuation, the following current and former employees were
covered by the benefit terms under the Plan:

Active employees                                      27
Inactive employees or beneficiaries currently receiving benefits 13
Inactive employees entitled to, but not yet receiving benefits   1
Total                                                  41

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. For fiscal year 2017-18, the
City contributed $106,202, or 33% of the annual OPEB cost, to the Plan.

Net OPEB Liability

The City’s net OPEB liability was measured as of June 30, 2018 and the total OPEB liability used
to calculate the net OPEB liability was determined by an actuarial valuation date June 30, 2018
utilizing the following actuarial methods and assumptions:

- *Discount Rate* – 3.50% per annum. Based on blended of asset expected rate of return and
  3.50% using the average of 3 – 20 year municipal bond rate indices: S&P Municipal
  Bond 20 Year High Grade Rate Index, Bond Buyer 20-Bond GO index, and the Fidelity
  GO AA 20 Year Bond Index.
- *Inflation* – 2.75% per annum
- *Payroll Increases* – 3.00% per annum, in aggregate
- *Salary Increases* – For cost method purposes the merit increases from the CalPERS
  pension plan valuation will be used.
- *Pre-retirement Turnover* – According to the termination rates under the most recent
  CalPERS pension plan valuation the sample rates for Miscellaneous employees are as
  follows:
CITY OF LA CAÑADA FLINTRIDGE
Notes to the Financial Statements
June 30, 2018

<table>
<thead>
<tr>
<th>Years of Service</th>
<th>Entry Age</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>20</td>
</tr>
<tr>
<td>0</td>
<td>17.42%</td>
</tr>
<tr>
<td>5</td>
<td>8.68%</td>
</tr>
<tr>
<td>10</td>
<td>6.68%</td>
</tr>
<tr>
<td>15</td>
<td>5.03%</td>
</tr>
<tr>
<td>20</td>
<td>3.70%</td>
</tr>
<tr>
<td>25</td>
<td>2.29%</td>
</tr>
<tr>
<td>30</td>
<td>0.05%</td>
</tr>
</tbody>
</table>

- **Pre-retirement Mortality** — According to the pre-retirement mortality rates under the most recent CalPERS pension plan valuation. Sample deaths per 1,000 employees are applicable to Miscellaneous and Safety employees as follows:

<table>
<thead>
<tr>
<th>Age</th>
<th>Males</th>
<th>Females</th>
</tr>
</thead>
<tbody>
<tr>
<td>25</td>
<td>0.4</td>
<td>0.2</td>
</tr>
<tr>
<td>30</td>
<td>0.5</td>
<td>0.3</td>
</tr>
<tr>
<td>35</td>
<td>0.6</td>
<td>0.4</td>
</tr>
<tr>
<td>40</td>
<td>0.8</td>
<td>0.5</td>
</tr>
<tr>
<td>45</td>
<td>1.1</td>
<td>0.7</td>
</tr>
<tr>
<td>50</td>
<td>1.6</td>
<td>1.0</td>
</tr>
<tr>
<td>55</td>
<td>2.3</td>
<td>1.4</td>
</tr>
<tr>
<td>60</td>
<td>3.1</td>
<td>1.8</td>
</tr>
</tbody>
</table>

- **Post-retirement Mortality** — According to the post-retirement mortality rates under the most recent CalPERS pension plan valuation, sample deaths per 1,000 employees applicable to Miscellaneous and Safety retirees as follows:

<table>
<thead>
<tr>
<th>Age</th>
<th>Males</th>
<th>Females</th>
</tr>
</thead>
<tbody>
<tr>
<td>55</td>
<td>6.00</td>
<td>4.2</td>
</tr>
<tr>
<td>60</td>
<td>7.10</td>
<td>4.4</td>
</tr>
<tr>
<td>65</td>
<td>8.30</td>
<td>5.9</td>
</tr>
<tr>
<td>70</td>
<td>13.10</td>
<td>9.9</td>
</tr>
<tr>
<td>75</td>
<td>22.10</td>
<td>17.2</td>
</tr>
<tr>
<td>80</td>
<td>39.00</td>
<td>29.0</td>
</tr>
<tr>
<td>85</td>
<td>69.70</td>
<td>52.4</td>
</tr>
<tr>
<td>90</td>
<td>129.70</td>
<td>98.9</td>
</tr>
</tbody>
</table>

- **Retirement Rates** — According to the retirement rates under the most recent CalPERS pension plan valuation. For Miscellaneous Tier one it was 2.0% @55 and for Miscellaneous Tier 2 it was 2.0% @62.

- **Participation Rates** — 100% of eligible active employees are assumed to elect medical coverage at retirement. Future retirees are assumed to elect similar coverage as current retirees. Actual plan coverage is used for current retirees.

- **Spouse Coverage** — 80% of future retirees are assumed to elect coverage for their spouse. Male spouses are assumed to be 3 years older than female spouses. Actual spouse coverage and spouse ages are used for current retirees.

- **Claim Cost Development** — The valuation claim costs are based on the premiums paid for medical insurance coverage. The City participates in CalPERS, a community rated plan. Past valuations assumed the City was exempt from the valuation of any medical plan.
implicit rate subsidy. An implicit rate subsidy can exist when the non-Medicare rates for retirees are the same as for active employees. Since non-Medicare eligible retirees are typically much older than active employees, their actual medical costs are typically higher than for active employees. The current valuation contains an estimate of the implicit rate subsidy.

- **Medical Trend Rates** – Medical costs are adjusted in future years by the following trends:

<table>
<thead>
<tr>
<th>Year</th>
<th>PPO</th>
<th>HMO</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>Actual</td>
<td>Actual</td>
</tr>
<tr>
<td>2018</td>
<td>Actual</td>
<td>Actual</td>
</tr>
<tr>
<td>2020</td>
<td>6.5%</td>
<td>6.0%</td>
</tr>
<tr>
<td>2021</td>
<td>6.0%</td>
<td>5.5%</td>
</tr>
<tr>
<td>2022</td>
<td>5.5%</td>
<td>5.0%</td>
</tr>
<tr>
<td>2023+</td>
<td>5.0%</td>
<td>5.0%</td>
</tr>
</tbody>
</table>

- **Medicare Participation** – 100%

- **City-Paid Stipend** – The City-paid stipend is assumed to remain constant in all future years.

- **Actuarial Cost Method** – The actuarial cost method used to determine the allocation of the retiree health actuarial liability to the past (accrued), current and future periods is the Entry Age Normal (EAN) cost method. The EAN cost method is a projected benefit cost method which means the “cost” is based on the projected benefit expected to be paid at retirement. The EAN normal cost equals the level annual amounts of contribution from the employee’s date of hire (entry date) to their retirement date that is sufficient to fund the projected benefit. The normal cost is calculated to remain level as a percentage of pay. The EAN actuarial liability or total OPEB liability equals the present value of all future benefits for retired and current employees and their beneficiaries less the portion expected to be funded by future normal costs. All eligible employees and participating retirees and spouses as of the valuation date listed in the data provided by the City were included in the valuation in accordance with the provisions of the Plan.

- **Actuarial Value of Assets** – As of the valuation date, there were no reported GASB eligible assets.
Changes in the OPEB Liability

The changes in the net OPEB liability for the Plan are as follows:

<table>
<thead>
<tr>
<th>Changes in Net OPEB Liability as of June 30, 2017</th>
<th>Total OPEB Liability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at June 30, 2017**</td>
<td>$ 4,116,914</td>
</tr>
<tr>
<td>Service Cost</td>
<td>189,882</td>
</tr>
<tr>
<td>Interest</td>
<td>144,626</td>
</tr>
<tr>
<td>Change of assumptions</td>
<td>(60,223)</td>
</tr>
<tr>
<td>Benefit Payments</td>
<td>(106,202)</td>
</tr>
<tr>
<td>Net Change during 2017-18</td>
<td>168,083</td>
</tr>
<tr>
<td>Balance at June 30, 2018***</td>
<td>$ 4,284,997</td>
</tr>
</tbody>
</table>

Notes:


*** As of Measurement date June 30, 2018.

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

The following presents the Net OPEB liability of the City, calculated using the discount rate of 3.50% as well as what the Net OPEB Liability would be if it were calculated using a discount rate that is one percentage point lower (2.50%) or one-percentage point higher (4.50%) than the current rate:

<table>
<thead>
<tr>
<th>Current Discount Rate</th>
<th>1% Decrease (2.50%)</th>
<th>1% Increase (4.50%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net OPEB Liability</td>
<td>$ 4,948,711</td>
<td>$ 4,284,997</td>
</tr>
</tbody>
</table>

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the net OEB liability of the City if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate for measurement period ended June 30, 2018:

<table>
<thead>
<tr>
<th>Current Health Care Cost Trend Rates</th>
<th>1% Decrease 5.00% HMO/5.50% decreasing to 4.00% HMO/4.00% PPO</th>
<th>1% Increase 7.00% HMO/7.50% PPO decreasing to 6.00% HMO/6.00% PPO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net OPEB Liability</td>
<td>$ 3,668,440</td>
<td>$ 4,284,997</td>
</tr>
</tbody>
</table>
Recognition of Deferred Outflows and Deferred Inflows of Resources

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systemically over time.

Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The recognition period is four years.

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2018, the City recognized OPEB expenses of $319,452. As of the fiscal year ended June 30, 2018, the City reported deferred inflows of resources for the differences between Expected and Actual Experience in measurement of the Total OPEB Liability of $45,167. The City will recognize in expense in FY 2019 of $15,056, FY 2020 of $15,056 and FY 2021 of $15,055.

(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 November 6, 2018, the City Council revised the General Fund reserve fund balance policy. The Council established a reserve policy of 50% of budgeted revenues. For FY 2018 – 2019, budgeted operating revenues total $14.4 million which sets the unrestricted fund balance reserve level at $7.1 million. In addition, the Council set additional reserve balances for an economic stabilization reserve of $1.0 million, a disaster reserve of $1.5 million and an OPEB reserve of $0.5 million for a total reserve target of $10.2 million for FY 2018 - 2019.
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REQUIRED
SUPPLEMENTARY INFORMATION
CITY OF LA CANADA FLINTRIDGE  
Required Supplementary Information  
June 30, 2018

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

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

<table>
<thead>
<tr>
<th>Measurement Date</th>
<th>Measurement Date</th>
<th>Measurement Date</th>
<th>Measurement Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 30 2014</td>
<td>June 30 2015</td>
<td>June 30 2016</td>
<td>June 30 2017</td>
</tr>
<tr>
<td>City's proportion of the net pension liability</td>
<td>0.030890%</td>
<td>0.029101%</td>
<td>0.031740%</td>
</tr>
<tr>
<td>City's proportionate share of the net pension liability</td>
<td>$1,921,972</td>
<td>$1,997,461</td>
<td>$2,746,460</td>
</tr>
<tr>
<td>City's covered payroll</td>
<td>$2,318,764</td>
<td>$2,358,312</td>
<td>$2,467,539</td>
</tr>
<tr>
<td>City's proportionate share of the net pension liability as a percentage of it's covered payroll</td>
<td>82.89%</td>
<td>84.70%</td>
<td>111.30%</td>
</tr>
<tr>
<td>Plan's fiduciary net position</td>
<td>$24,607,502,515</td>
<td>$24,907,305,871</td>
<td>$24,705,532,291</td>
</tr>
<tr>
<td>Plan's total pension liability</td>
<td>$30,829,966,631</td>
<td>$31,771,217,402</td>
<td>$33,358,627,624</td>
</tr>
<tr>
<td>Plan's fiduciary net position as a percentage of the total pension liability</td>
<td>79.82%</td>
<td>78.40%</td>
<td>74.06%</td>
</tr>
</tbody>
</table>

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 7.15% for the June 30, 2017 Measurement Date.

* Fiscal year 2015 was the 1st year of implementation, therefore, only four years are shown.
Cost Sharing Multiple-Employer Defined Benefit Pension Plan
Last 10 Fiscal Years (*)

SCHEDULE OF PENSION CONTRIBUTIONS

<table>
<thead>
<tr>
<th></th>
<th>Measurement Date</th>
<th>Measurement Date</th>
<th>Measurement Date</th>
<th>Measurement Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>June 30 2014</td>
<td>June 30 2015</td>
<td>June 30 2016</td>
<td>June 30 2017</td>
</tr>
<tr>
<td>Actuarially determined contribution (a)</td>
<td>$262,412</td>
<td>$285,477</td>
<td>$308,223</td>
<td>$333,771</td>
</tr>
<tr>
<td>Contribution in relation to the actuarially determined contribution (b)</td>
<td>$262,412</td>
<td>$285,477</td>
<td>$308,223</td>
<td>$333,771</td>
</tr>
<tr>
<td>Contribution deficiency (excess)</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>Covered payroll (d)</td>
<td>$2,318,764</td>
<td>$2,358,312</td>
<td>$2,467,539</td>
<td>$2,485,697</td>
</tr>
<tr>
<td>Contributions as a percentage of covered payroll</td>
<td>11.32%</td>
<td>12.11%</td>
<td>12.49%</td>
<td>13.43%</td>
</tr>
</tbody>
</table>

(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 payroll represented above is based on pensionable earnings provided by the employer. However, GASB 68 defines covered payroll as the total payroll of the 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 2017-18 were from June 30, 2015 public agency valuations.

Amortization method | Level percent of payroll
Average remaining period | 18 years as of the valuation date
Asset valuation method | Market value of assets
Actuarial assumptions
Discount rate | 7.15%
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 four years are shown.
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years*

<table>
<thead>
<tr>
<th>Measurement Period</th>
<th>06/30/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total OPEB Liability</td>
<td></td>
</tr>
<tr>
<td>Service Cost</td>
<td>$ 189,882</td>
</tr>
<tr>
<td>Interest on the total OPEB liability</td>
<td>144,626</td>
</tr>
<tr>
<td>Changes in assumptions</td>
<td>(60,223)</td>
</tr>
<tr>
<td>Benefit payments, including refunds of member contributions</td>
<td>(106,202)</td>
</tr>
<tr>
<td>Net change in total OPEB liability</td>
<td>168,083</td>
</tr>
<tr>
<td>Total OPEB liability - beginning</td>
<td>4,116,914</td>
</tr>
<tr>
<td>Total OPEB liability - ending (a)</td>
<td>$ 4,284,997</td>
</tr>
</tbody>
</table>

Plan Fiduciary Net Position

| Contribution - employer | $ 106,202 |
| Benefit payments | (106,202) |

Net change in plan fiduciary net position | - |
Plan fiduciary net position - beginning | - |
Plan fiduciary net position - ending (b) | - |

Net OPEB liability - ending (a) - (b) | $ 4,284,997 |

Plan fiduciary net position as a percentage of the total OPEB liability | 0.00% |
Covered-employee payroll | $ 2,385,402 |
Net OPEB liability as a percentage of covered-employee payroll | 179.63% |

* Fiscal year 2018 was the 1st year of implementation, therefore, only one year is shown.
# CITY OF LA CANADA FLINTRIDGE

Budgetary Comparison Schedule

General Fund

For the Fiscal Year Ended June 30, 2018

<table>
<thead>
<tr>
<th>Revenues:</th>
<th>Budgeted Amounts</th>
<th>Variance Positive (Negative)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Original</td>
<td>Final</td>
</tr>
<tr>
<td>Taxes</td>
<td>$10,772,525</td>
<td>$10,726,325</td>
</tr>
<tr>
<td>Fines, forfeitures and penalties</td>
<td>80,250</td>
<td>74,500</td>
</tr>
<tr>
<td>From other agencies</td>
<td>21,175</td>
<td>21,175</td>
</tr>
<tr>
<td>Charges for services</td>
<td>2,919,400</td>
<td>2,990,300</td>
</tr>
<tr>
<td>Use of money and property</td>
<td>409,125</td>
<td>409,125</td>
</tr>
<tr>
<td>Other revenue</td>
<td>51,675</td>
<td>105,650</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td><strong>14,254,150</strong></td>
<td><strong>14,327,075</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenditures:</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Current:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General government</td>
<td>5,788,650</td>
<td>5,762,775</td>
</tr>
<tr>
<td>Public safety</td>
<td>3,638,350</td>
<td>3,677,250</td>
</tr>
<tr>
<td>Community development</td>
<td>686,000</td>
<td>698,050</td>
</tr>
<tr>
<td>Public works</td>
<td>3,351,850</td>
<td>3,400,725</td>
</tr>
<tr>
<td>Capital outlay</td>
<td>285,000</td>
<td>328,000</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td><strong>13,749,850</strong></td>
<td><strong>13,866,800</strong></td>
</tr>
</tbody>
</table>

**Excess of revenues over expenditures**

<table>
<thead>
<tr>
<th></th>
<th>Original</th>
<th>Final</th>
<th>Actual</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>504,300</td>
<td>460,275</td>
<td>2,883,298</td>
<td>2,423,023</td>
</tr>
</tbody>
</table>

| Other financing sources (uses): | | |
| Transfers in | 361,575 | 361,575 | 113,737 | (247,838) |
| Transfers out | (2,364,100) | (2,364,100) | (2,144,276) | 219,824 |
| **Total other financing sources (uses)** | **(2,002,525)** | **(2,002,525)** | **(2,030,539)** | **(28,014)** |

| Net change in fund balance | (1,498,225) | (1,542,250) | 852,759 | 2,395,009 |

| Fund balance, beginning of fiscal year | 13,068,036 | 13,068,036 | 13,068,036 | - |

| Fund balance, end of fiscal year | $11,569,811 | $11,525,786 | $13,920,795 | $2,395,009 |

See Accompanying Note to Required Supplementary Information.
(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 accounting principles generally 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.
OTHER SUPPLEMENTARY INFORMATION
CITY OF LA CAÑADA FLINTRIDGE
Budgetary Comparison Schedule
Sewer AD04-1 Debt Service Fund
For the Fiscal Year Ended June 30, 2018

<table>
<thead>
<tr>
<th></th>
<th>Budgeted Amounts</th>
<th>Variance Positive (Negative)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Original</td>
<td>Final</td>
</tr>
<tr>
<td>Revenues:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Use of money and property</td>
<td>$99,025</td>
<td>$99,025</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>$99,025</td>
<td>$99,025</td>
</tr>
<tr>
<td>Expenditures:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public works</td>
<td>1,300</td>
<td>1,300</td>
</tr>
<tr>
<td>Debt service:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principal retirement</td>
<td>1,322,350</td>
<td>1,322,350</td>
</tr>
<tr>
<td>Interest and other charges</td>
<td>375,825</td>
<td>375,825</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>1,699,475</td>
<td>1,699,475</td>
</tr>
<tr>
<td>Excess (deficiency) of revenues over (under) expenditures</td>
<td>(1,600,450)</td>
<td>(1,600,450)</td>
</tr>
<tr>
<td>Other financing sources:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers in</td>
<td>1,809,300</td>
<td>1,809,300</td>
</tr>
<tr>
<td><strong>Total other financing sources</strong></td>
<td>1,809,300</td>
<td>1,809,300</td>
</tr>
<tr>
<td>Net change in fund balance</td>
<td>208,850</td>
<td>208,850</td>
</tr>
<tr>
<td>Fund balance, beginning of fiscal year</td>
<td>6,917,552</td>
<td>6,917,552</td>
</tr>
<tr>
<td>Fund balance, end of fiscal year</td>
<td>$7,126,402</td>
<td>$7,126,402</td>
</tr>
</tbody>
</table>

See Accompanying Note to Required Supplementary Information.
CITY OF LA CAÑADA FLINTRIDGE
Budgetary Comparison Schedule
Sewer AD02-1 Debt Service Fund
For the Fiscal Year Ended June 30, 2018

<table>
<thead>
<tr>
<th></th>
<th>Budgeted Amounts</th>
<th>Variance Positive (Negative)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Original</td>
<td>Final</td>
</tr>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Use of money and property</td>
<td>$ 60,125</td>
<td>$ 60,125</td>
</tr>
<tr>
<td>Total revenues</td>
<td>60,125</td>
<td>60,125</td>
</tr>
<tr>
<td><strong>Expenditures:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debt service:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principal retirement</td>
<td>734,850</td>
<td>734,850</td>
</tr>
<tr>
<td>Interest and other charges</td>
<td>153,525</td>
<td>153,525</td>
</tr>
<tr>
<td>Total expenditures</td>
<td>888,375</td>
<td>888,375</td>
</tr>
<tr>
<td>Excess (deficiency) of revenues over (under) expenditures</td>
<td>(828,250)</td>
<td>(828,250)</td>
</tr>
<tr>
<td><strong>Other financing sources:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers in</td>
<td>948,125</td>
<td>948,125</td>
</tr>
<tr>
<td>Total other financing sources</td>
<td>948,125</td>
<td>948,125</td>
</tr>
<tr>
<td>Net change in fund balance</td>
<td>119,875</td>
<td>119,875</td>
</tr>
<tr>
<td>Fund balance, beginning of fiscal year</td>
<td>4,116,025</td>
<td>4,116,025</td>
</tr>
<tr>
<td>Fund balance, end of fiscal year</td>
<td>$ 4,235,900</td>
<td>$ 4,235,900</td>
</tr>
</tbody>
</table>

See Accompanying Note to Required Supplementary Information.
### City of La Cañada Flintridge
Budgetary Comparison Schedule
City Capital Projects Fund
For the Fiscal Year Ended June 30, 2018

<table>
<thead>
<tr>
<th></th>
<th>Budgeted Amounts</th>
<th></th>
<th></th>
<th>Variance Positive</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Original</td>
<td>Final</td>
<td>Actual</td>
<td>(Negative)</td>
</tr>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>From other agencies</td>
<td>$ 904,975</td>
<td>$ 904,975</td>
<td>$ 258,620</td>
<td>$ (646,355)</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>$ 904,975</td>
<td>$ 904,975</td>
<td>$ 258,620</td>
<td>(646,355)</td>
</tr>
<tr>
<td><strong>Expenditures:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital outlay</td>
<td>3,652,575</td>
<td>3,652,575</td>
<td>1,919,386</td>
<td>1,733,189</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>3,652,575</td>
<td>3,652,575</td>
<td>1,919,386</td>
<td>1,733,189</td>
</tr>
<tr>
<td>Excess (deficiency) of revenues over (under) expenditures</td>
<td>(2,747,600)</td>
<td>(2,747,600)</td>
<td>(1,660,766)</td>
<td>1,086,834</td>
</tr>
<tr>
<td><strong>Other financing sources (uses):</strong></td>
<td>1,628,550</td>
<td>1,628,550</td>
<td>1,737,954</td>
<td>109,404</td>
</tr>
<tr>
<td>Transfers in</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total other financing sources (uses)</strong></td>
<td>1,628,550</td>
<td>1,628,550</td>
<td>1,737,954</td>
<td>109,404</td>
</tr>
<tr>
<td>Net change in fund balance</td>
<td>(1,119,050)</td>
<td>(1,119,050)</td>
<td>77,188</td>
<td>1,196,238</td>
</tr>
<tr>
<td>Fund balance, beginning of fiscal year</td>
<td>1,708,793</td>
<td>1,708,793</td>
<td>1,708,793</td>
<td></td>
</tr>
<tr>
<td>Fund balance (deficit), end of fiscal year</td>
<td>$ 589,743</td>
<td>$ 589,743</td>
<td>$ 1,785,981</td>
<td>$ 1,196,238</td>
</tr>
</tbody>
</table>

See Accompanying Note to Required Supplementary Information.
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.

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.

Sewer Redemption AD04-1 Fund – To account for funds related to Assessment District 04-1 for sewer assessment.
DESCRIPTION OF NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

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

Measure M Fund – To account for receipt and disbursement of funds derived from the 2016 one-half cent sales tax imposed by Measure M 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.

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.

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

Sewer Improvement AD04-1 Capital Projects Fund – To account for sewer capital improvements under Assessment District 04-1.
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COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES
### CITY OF LA CAÑADA FLINTRIDGE

**Combining Balance Sheet**

**Nonmajor Governmental Funds**

**June 30, 2018**

(Continued)

<table>
<thead>
<tr>
<th>Special Revenue Funds</th>
<th>Traffic</th>
<th>State</th>
<th>Bonds</th>
<th>TDA</th>
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<tr>
<td><strong>Total liabilities</strong></td>
<td>1,770</td>
<td>81,332</td>
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<td>$1,770</td>
<td>$81,332</td>
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CITY OF LA CAÑADA FLINTRIDGE  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2018  
(Continued)

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<thead>
<tr>
<th>Special Revenue Funds</th>
<th>Proposition C Transit Tax</th>
<th>Proposition A Transit Tax</th>
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<th>State/Federal Law Enforcement Supplemental Funds</th>
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<td>327,337</td>
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<td>$ 403,870</td>
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## Special Revenue Funds

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<tr>
<td>Capital projects</td>
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</tr>
<tr>
<td>Committed:</td>
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<tr>
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<tr>
<td><strong>Total liabilities, deferred inflows of resources, and fund balances</strong></td>
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### Special Revenue Funds

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<tr>
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<td><strong>Liabilities:</strong></td>
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<tr>
<td>Accounts payable and accrued liabilities</td>
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<td>$</td>
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<tr>
<td>Due to other funds</td>
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<td>35,214</td>
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<td>Advances from other funds</td>
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<td>-</td>
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<tr>
<td><strong>Total liabilities</strong></td>
<td>18,506</td>
<td>35,214</td>
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<tr>
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<tr>
<td>Unavailable revenues</td>
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<tr>
<td><strong>Total deferred inflows of resources</strong></td>
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<tr>
<td><strong>Fund balances:</strong></td>
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<tr>
<td>Transit</td>
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<tr>
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<tr>
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</tr>
<tr>
<td>Committed:</td>
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<td>Property acquisition</td>
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<tr>
<td><strong>Total fund balances</strong></td>
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<td>28,201</td>
</tr>
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<td>Total liabilities, deferred inflows of resources, and fund balances</td>
<td>$18,506</td>
<td>$35,214</td>
<td>$333,304</td>
<td>$28,201</td>
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<table>
<thead>
<tr>
<th>Debt Service Fund</th>
<th>Capital Projects Funds</th>
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Total liabilities, deferred inflows of resources, and fund balances:

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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 20, 2018

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<td>78,799</td>
<td>13,656</td>
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<td>Excess (deficiency)</td>
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<td>Other financing sources (uses):</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers in</td>
<td>-</td>
<td>158,725</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Transfers out</td>
<td>(26,940)</td>
<td>(157,525)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total other financing sources (uses)</strong></td>
<td>(26,940)</td>
<td>1,200</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net changes in fund balances</td>
<td>-</td>
<td>-</td>
<td>23,986</td>
<td>-</td>
</tr>
<tr>
<td>Fund balances (deficits), beginning of fiscal year</td>
<td>-</td>
<td>-</td>
<td>2,786</td>
<td>-</td>
</tr>
<tr>
<td>Fund balances (deficits), end of fiscal year</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 26,772</td>
<td>$ -</td>
</tr>
</tbody>
</table>

(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 20, 2018

<table>
<thead>
<tr>
<th>Special Revenue Funds</th>
<th>Proposition C Transit Tax</th>
<th>Proposition A Transit Tax</th>
<th>Community Development Block Grant</th>
<th>State/ Federal Law Enforcement Supplemental Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Assessments</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Fines, forfeitures and penalties</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>From other agencies</td>
<td>317,106</td>
<td>383,437</td>
<td>61,405</td>
<td>139,416</td>
</tr>
<tr>
<td>Charges for services</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Use of money and property</td>
<td>12,999</td>
<td>8,186</td>
<td>-</td>
<td>1,079</td>
</tr>
<tr>
<td>Total revenues</td>
<td>330,105</td>
<td>391,623</td>
<td>61,405</td>
<td>140,495</td>
</tr>
</tbody>
</table>

| Expenditures:         |                          |                           |                                  |                                               |
| Current:              |                          |                           |                                  |                                               |
| Public safety         | -                        | -                         | -                                | 186,346                                       |
| Public works          | 144,917                  | 269,232                   | -                                | -                                             |
| Community development | -                        | -                         | 61,405                           | -                                             |
| Capital outlay        | -                        | 3,440                     | -                                | -                                             |
| Debt service:         |                          |                           |                                  |                                               |
| Principal retirement  | -                        | -                         | -                                | -                                             |
| Interest and other charges | - | - | - | - |
| Total expenditures    | 144,917                  | 272,672                   | 61,405                           | 186,346                                       |

| Excess (deficiency)   |                          |                           |                                  |                                               |
| of revenues over      |                          |                           |                                  |                                               |
| (under) expenditures  | 185,188                  | 118,951                   | -                                | (45,851)                                       |

| Other financing sources (uses): |                      |                          |                                  |                                               |
| Transfers in           | -                      | -                         | -                                | 45,851                                         |
| Transfers out          | (112,500)              | (30,615)                  | -                                | -                                             |
| Total other financing sources (uses) | (112,500)              | (30,615)                  | -                                | 45,851                                         |

| Net changes in fund balances |                      |                          |                                  |                                               |
| 72,688                    | 88,336                  | -                         | -                                | -                                             |

| Fund balances (deficits), beginning of fiscal year | 535,043              | 239,001                  | -                                | -                                             |
| Fund balances (deficits), end of fiscal year       | $ 607,731            | $ 327,337                | $ -                             | $ -                                           |

(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 20, 2018

Special Revenue Funds

<table>
<thead>
<tr>
<th></th>
<th>AQMD Trust</th>
<th>Sanitation</th>
<th>Sewer Redemption AD98-1</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes</td>
<td>$</td>
<td>$5,500</td>
<td>$</td>
</tr>
<tr>
<td>Assessments</td>
<td>-</td>
<td>-</td>
<td>543,223</td>
</tr>
<tr>
<td>Fines, forfeitures and penalties</td>
<td>-</td>
<td>-</td>
<td>425</td>
</tr>
<tr>
<td>From other agencies</td>
<td>26,150</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Charges for services</td>
<td>-</td>
<td>-</td>
<td>25,890</td>
</tr>
<tr>
<td>Use of money and property</td>
<td>4,200</td>
<td>-</td>
<td>622</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>30,350</td>
<td>5,500</td>
<td>570,160</td>
</tr>
<tr>
<td><strong>Expenditures:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public safety</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Public works</td>
<td>1,466</td>
<td>5,500</td>
<td>11,556</td>
</tr>
<tr>
<td>Community development</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Capital outlay</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Debt service:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principal retirement</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Interest and other charges</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>1,466</td>
<td>5,500</td>
<td>11,556</td>
</tr>
<tr>
<td>Excess (deficiency) of revenues over (under) expenditures</td>
<td>28,884</td>
<td>-</td>
<td>558,604</td>
</tr>
<tr>
<td>Other financing sources (uses):</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers in</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Transfers out</td>
<td>-</td>
<td>-</td>
<td>(558,604)</td>
</tr>
<tr>
<td><strong>Total other financing sources (uses)</strong></td>
<td>-</td>
<td>-</td>
<td>(558,604)</td>
</tr>
<tr>
<td>Net changes in fund balances</td>
<td>28,884</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Fund balances (deficits), beginning of fiscal year</td>
<td>217,154</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Fund balances (deficits), end of fiscal year</td>
<td>$246,038</td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

(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 20, 2018

<table>
<thead>
<tr>
<th>Special Revenue Funds</th>
<th>Sewer Redemption AD02-1</th>
<th>Sewer Redemption AD04-1</th>
<th>Measure R</th>
<th>Measure M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes</td>
<td>$ 956,289</td>
<td>$ 1,814,529</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>Assessments</td>
<td>2,537</td>
<td>5,411</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Fines, forfeitures and penalties</td>
<td>36,225</td>
<td>37,830</td>
<td>238,216</td>
<td>215,879</td>
</tr>
<tr>
<td>From other agencies</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charges for services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Use of money and property</td>
<td>1,175</td>
<td>2,049</td>
<td>9,403</td>
<td>322</td>
</tr>
<tr>
<td>Total revenues</td>
<td>996,226</td>
<td>1,859,819</td>
<td>247,619</td>
<td>216,201</td>
</tr>
<tr>
<td>Expenditures:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public safety</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Public works</td>
<td>15,144</td>
<td>16,928</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Community development</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Capital outlay</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Debt service:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principal retirement</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Interest and other charges</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total expenditures</td>
<td>15,144</td>
<td>16,928</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Excess (deficiency)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>of revenues over</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(under) expenditures</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>981,082</td>
<td>1,842,891</td>
<td>247,619</td>
<td>216,201</td>
</tr>
<tr>
<td>Other financing sources (uses):</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers in</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Transfers out</td>
<td>(981,082)</td>
<td>(1,842,891)</td>
<td>(540,229)</td>
<td>(188,000)</td>
</tr>
<tr>
<td>Total other financing sources (uses)</td>
<td>(981,082)</td>
<td>(1,842,891)</td>
<td>(540,229)</td>
<td>(188,000)</td>
</tr>
<tr>
<td>Net changes in fund balances</td>
<td>-</td>
<td>-</td>
<td>(292,610)</td>
<td>28,201</td>
</tr>
<tr>
<td>Fund balances (deficits), beginning of fiscal year</td>
<td>-</td>
<td>-</td>
<td>625,914</td>
<td>-</td>
</tr>
<tr>
<td>Fund balances (deficits), end of fiscal year</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 333,304</td>
<td>$ 28,201</td>
</tr>
</tbody>
</table>

(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 20, 2018

<table>
<thead>
<tr>
<th>Debt Service Fund</th>
<th>Capital Projects Funds</th>
<th>Total Nonmajor Governmental Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sewer AD98-1</td>
<td>Property Acquisition</td>
</tr>
<tr>
<td>Revenues:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>Assessments</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Fines, forfeitures and penalties</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>From other agencies</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Charges for services</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Use of money and property</td>
<td>19,656</td>
<td>-</td>
</tr>
<tr>
<td>Total revenues</td>
<td>19,656</td>
<td>-</td>
</tr>
<tr>
<td>Expenditures:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public safety</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Public works</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Community development</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Capital outlay</td>
<td>-</td>
<td>604,421</td>
</tr>
<tr>
<td>Debt service:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principal retirement</td>
<td>417,791</td>
<td>-</td>
</tr>
<tr>
<td>Interest and other charges</td>
<td>16,571</td>
<td>-</td>
</tr>
<tr>
<td>Total expenditures</td>
<td>434,362</td>
<td>604,421</td>
</tr>
<tr>
<td>Excess (deficiency) of revenues over (under) expenditures</td>
<td>(414,706)</td>
<td>(604,421)</td>
</tr>
<tr>
<td>Other financing sources (uses):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers in</td>
<td>544,270</td>
<td>1,200,000</td>
</tr>
<tr>
<td>Transfers out</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total other financing sources (uses)</td>
<td>544,270</td>
<td>1,200,000</td>
</tr>
<tr>
<td>Net changes in fund balances</td>
<td>129,564</td>
<td>595,579</td>
</tr>
<tr>
<td>Fund balances (deficits), beginning of fiscal year</td>
<td>898,492</td>
<td>295,818</td>
</tr>
<tr>
<td>Fund balances (deficits), end of fiscal year</td>
<td>$ 1,028,056</td>
<td>$ 891,397</td>
</tr>
</tbody>
</table>
This page intentionally left blank.
## CITY OF LA CANADA FLINTRIDGE
**Budgetary Comparison Schedule**
*Nonmajor Traffic Safety Special Revenue Fund*  
**For the Fiscal Year Ended June 30, 2018**

<table>
<thead>
<tr>
<th>Revenues:</th>
<th>Final Budget</th>
<th>Actual</th>
<th>Variance Positive (Negative)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fines, forfeitures and penalties</td>
<td>$88,200</td>
<td>$26,940</td>
<td>$(61,260)</td>
</tr>
<tr>
<td>Total revenues</td>
<td>88,200</td>
<td>26,940</td>
<td>(61,260)</td>
</tr>
<tr>
<td>Excess (deficiency) of revenues over (under) expenditures</td>
<td>88,200</td>
<td>26,940</td>
<td>(61,260)</td>
</tr>
</tbody>
</table>

### Other Financing (Uses):

<table>
<thead>
<tr>
<th>Transfers out</th>
<th>(88,200)</th>
<th>(26,940)</th>
<th>61,260</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net change in fund balance</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Fund balance (deficit), beginning of fiscal year</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Fund balance (deficit), end of fiscal year</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
</tbody>
</table>
CITY OF LA CAÑADA FLINTRIDGE
Budgetary Comparison Schedule
Nonmajor State Gasoline Tax Special Revenue Fund
For the Fiscal Year Ended June 30, 2018

<table>
<thead>
<tr>
<th></th>
<th>Final Budget</th>
<th>Actual</th>
<th>Variance Positive</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>From other agencies</td>
<td>$ 565,000</td>
<td>$ 555,816</td>
<td>$ (9,184)</td>
</tr>
<tr>
<td>Use of money and property</td>
<td>1,500</td>
<td>490</td>
<td>(1,010)</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>$ 566,500</td>
<td>$ 556,306</td>
<td>(10,194)</td>
</tr>
<tr>
<td><strong>Expenditures:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public works</td>
<td>611,600</td>
<td>557,506</td>
<td>$54,094</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>611,600</td>
<td>557,506</td>
<td>$54,094</td>
</tr>
<tr>
<td>Excess (deficiency) of revenues</td>
<td>(45,100)</td>
<td>(1,200)</td>
<td>43,900</td>
</tr>
</tbody>
</table>

**Other Financing Sources (Uses):**

|                      |              |         |                    |
| Transfers in         | 158,725      | 158,725 | -                  |
| Transfers out        | (157,525)    | (157,525) | -                  |
| **Total other financing sources (uses)** | 1,200 | 1,200 | -                  |

**Net change in fund balance**

(43,900) - 43,900

**Fund balance, beginning of fiscal year**

- -

**Fund balance, end of fiscal year**

$ (43,900) $ - $ 43,900
CITY OF LA CAÑADA FLINTRIDGE
Budgetary Comparison Schedule
Nonmajor Bonds and Grants Special Revenue Fund
For the Fiscal Year Ended June 30, 2018

<table>
<thead>
<tr>
<th></th>
<th>Final Budget</th>
<th>Actual</th>
<th>Variance Positive (Negative)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>From other agencies</td>
<td>$ 78,150</td>
<td>$ 102,785</td>
<td>$ 24,635</td>
</tr>
<tr>
<td>Total revenues</td>
<td>78,150</td>
<td>102,785</td>
<td>24,635</td>
</tr>
<tr>
<td><strong>Expenditures:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public works</td>
<td>83,150</td>
<td>78,799</td>
<td>4,351</td>
</tr>
<tr>
<td>Total expenditures</td>
<td>83,150</td>
<td>78,799</td>
<td>4,351</td>
</tr>
<tr>
<td>Net change in fund balance</td>
<td>(5,000)</td>
<td>23,986</td>
<td>28,986</td>
</tr>
<tr>
<td>Fund balance, beginning of fiscal year</td>
<td>2,786</td>
<td>2,786</td>
<td>-</td>
</tr>
<tr>
<td>Fund balance, end of fiscal year</td>
<td>$(2,214)</td>
<td>$ 26,772</td>
<td>$ 28,986</td>
</tr>
</tbody>
</table>
## Final Budget Comparison Schedule

### Revenues:

<table>
<thead>
<tr>
<th>Description</th>
<th>Final Budget</th>
<th>Actual</th>
<th>Variance Positive</th>
</tr>
</thead>
<tbody>
<tr>
<td>From other agencies</td>
<td>$13,650</td>
<td>$13,656</td>
<td>$6</td>
</tr>
<tr>
<td>Total revenues</td>
<td>$13,650</td>
<td>$13,656</td>
<td>6</td>
</tr>
</tbody>
</table>

### Expenditures:

<table>
<thead>
<tr>
<th>Description</th>
<th>Final Budget</th>
<th>Actual</th>
<th>Variance Positive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital outlay</td>
<td>$13,650</td>
<td>$13,656</td>
<td>(6)</td>
</tr>
<tr>
<td>Total expenditures</td>
<td>$13,650</td>
<td>$13,656</td>
<td>(6)</td>
</tr>
</tbody>
</table>

- Net change in fund balance

### Fund Balance

<table>
<thead>
<tr>
<th>Description</th>
<th>Final Budget</th>
<th>Actual</th>
<th>Variance Positive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund balance, beginning of fiscal year</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Fund balance, end of fiscal year</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
</tr>
</tbody>
</table>
CITY OF LA CAÑADA FLINTRIDGE  
Budgetary Comparison Schedule  
Nonmajor Proposition C Transit Tax Special Revenue Fund  
For the Fiscal Year Ended June 30, 2018

<table>
<thead>
<tr>
<th>Revenues:</th>
<th>Final Budget</th>
<th>Actual</th>
<th>Variance Positive (Negative)</th>
</tr>
</thead>
<tbody>
<tr>
<td>From other agencies</td>
<td>$313,975</td>
<td>$317,106</td>
<td>$3,131</td>
</tr>
<tr>
<td>Use of money and property</td>
<td>6,500</td>
<td>12,999</td>
<td>6,499</td>
</tr>
<tr>
<td>Total revenues</td>
<td>320,475</td>
<td>330,105</td>
<td>9,630</td>
</tr>
</tbody>
</table>

| Expenditures:                        |              |        |                              |
| Current:                             |              |        |                              |
| Public works                         | 122,825      | 144,917 | (22,092)                     |
| Total expenditures                   | 122,825      | 144,917 | (22,092)                     |
| Excess (deficiency) of revenues      | 197,650      | 185,188 | (12,462)                     |
| over (under) expenditures            |              |        |                              |

| Other Financing (Uses):              |              |        |                              |
| Transfers out                        | (52,500)     | (112,500) | (60,000)                     |
| Net change in fund balance           | 145,150      | 72,688  | (72,462)                     |
| Fund balance, beginning of fiscal year | 535,043     | 535,043 | -                            |
| Fund balance, end of fiscal year     | $680,193     | $607,731 | $(72,462)                    |
CITY OF LA CAÑADA FLINTRIDGE
Budgetary Comparison Schedule
Nonmajor Proposition A Transit Tax Special Revenue Fund
For the Fiscal Year Ended June 30, 2018

<table>
<thead>
<tr>
<th></th>
<th>Final Budget</th>
<th>Actual</th>
<th>Variance Positive (Negative)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>From other agencies</td>
<td>$ 366,450</td>
<td>$ 383,437</td>
<td>$ 16,987</td>
</tr>
<tr>
<td>Use of money and property</td>
<td>$ 4,625</td>
<td>$ 8,186</td>
<td>$ 3,561</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>$ 371,075</td>
<td>$ 391,623</td>
<td>$ 20,548</td>
</tr>
<tr>
<td><strong>Expenditures:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public works</td>
<td>$ 309,550</td>
<td>$ 269,232</td>
<td>$ 40,318</td>
</tr>
<tr>
<td>Capital outlay</td>
<td>$ 10,000</td>
<td>$ 3,440</td>
<td>$ 6,560</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>$ 319,550</td>
<td>$ 272,672</td>
<td>$ 46,878</td>
</tr>
<tr>
<td>Excess (deficiency) of revenues</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>over (under) expenditures</td>
<td>$ 51,525</td>
<td>$ 118,951</td>
<td>$ 67,426</td>
</tr>
<tr>
<td><strong>Other Financing (Uses):</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers out</td>
<td>(24,150)</td>
<td>(30,615)</td>
<td>(6,465)</td>
</tr>
<tr>
<td>Net change in fund balance</td>
<td>$ 27,375</td>
<td>$ 88,336</td>
<td>$ 60,961</td>
</tr>
<tr>
<td>Fund balance, beginning of fiscal year</td>
<td>$ 239,001</td>
<td>$ 239,001</td>
<td></td>
</tr>
<tr>
<td>Fund balance, end of fiscal year</td>
<td>$ 266,376</td>
<td>$ 327,337</td>
<td>$ 60,961</td>
</tr>
</tbody>
</table>
CITY OF LA CANADA FLINTRIDGE
Budgetary Comparison Schedule
Nonmajor Community Development Block Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2018

<table>
<thead>
<tr>
<th></th>
<th>Final Budget</th>
<th>Actual</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Positive</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(Negative)</td>
</tr>
<tr>
<td>Revenues:</td>
<td>$58,225</td>
<td>$61,405</td>
<td>$3,180</td>
</tr>
<tr>
<td>From other agencies</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total revenues</td>
<td>58,225</td>
<td>61,405</td>
<td>3,180</td>
</tr>
<tr>
<td>Expenditures:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community development</td>
<td>58,225</td>
<td>61,405</td>
<td>(3,180)</td>
</tr>
<tr>
<td>Total expenditures</td>
<td>58,225</td>
<td>61,405</td>
<td>(3,180)</td>
</tr>
<tr>
<td>Net change in fund balance</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Fund balance (deficit), beginning of fiscal year</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Fund balance (deficit), end of fiscal year</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
</tbody>
</table>
### CITY OF LA CANADA FLINTRIDGE

**Budgetary Comparison Schedule**

**Nonmajor State/Federal Law Enforcement Supplemental Funds Special Revenue Fund**

**For the Fiscal Year Ended June 30, 2018**

<table>
<thead>
<tr>
<th>Revenues:</th>
<th>Final Budget</th>
<th>Actual</th>
<th>Variance Positive (Negative)</th>
</tr>
</thead>
<tbody>
<tr>
<td>From other agencies</td>
<td>$117,050</td>
<td>$139,416</td>
<td>$22,366</td>
</tr>
<tr>
<td>Use of money and property</td>
<td>1,500</td>
<td>1,079</td>
<td>(421)</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td><strong>118,550</strong></td>
<td><strong>140,495</strong></td>
<td><strong>21,945</strong></td>
</tr>
</tbody>
</table>

| Expenditures:                    |              |        |                              |
| Current:                         |              |        |                              |
| Public safety                    | 186,350      | 186,346 | 4                            |
| **Total expenditures**           | **186,350**  | **186,346** | **4**                       |

| Excess (deficiency) of revenues over (under) expenditures | (67,800) | (45,851) | 21,949 |

### Other Financing Sources:

| Transfers in                     | 67,800       | 45,851  | (21,949) |
| Net change in fund balance       | -            | -       | -        |
| Fund balance, beginning of fiscal year | -        | -       | -        |
| Fund balance, end of fiscal year | $-           | $-      | $-       |

86
## CITY OF LA CAÑADA FLINTRIDGE
Budgetary Comparison Schedule
Nonmajor AQMD Trust Special Revenue Fund
For the Fiscal Year Ended June 30, 2018

<table>
<thead>
<tr>
<th></th>
<th>Final Budget</th>
<th>Actual</th>
<th>Variance Positive (Negative)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>From other agencies</td>
<td>$25,250</td>
<td>$26,150</td>
<td>$900</td>
</tr>
<tr>
<td>Use of money and property</td>
<td>2,375</td>
<td>4,200</td>
<td>1,825</td>
</tr>
<tr>
<td>Total revenues</td>
<td>27,625</td>
<td>30,350</td>
<td>2,725</td>
</tr>
<tr>
<td><strong>Expenditures:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public works</td>
<td>1,525</td>
<td>1,466</td>
<td>59</td>
</tr>
<tr>
<td>Capital outlay</td>
<td>12,500</td>
<td>-</td>
<td>12,500</td>
</tr>
<tr>
<td>Total expenditures</td>
<td>14,025</td>
<td>1,466</td>
<td>12,559</td>
</tr>
<tr>
<td>Net change in fund balance</td>
<td>13,600</td>
<td>28,884</td>
<td>15,284</td>
</tr>
<tr>
<td>Fund balance, beginning of fiscal year</td>
<td>217,154</td>
<td>217,154</td>
<td>-</td>
</tr>
<tr>
<td>Fund balance, end of fiscal year</td>
<td>$240,754</td>
<td>$246,038</td>
<td>$15,284</td>
</tr>
</tbody>
</table>
CITY OF LA CANADA FLINTRIDGE
Budgetary Comparison Schedule
Nonmajor Sanitation Special Revenue Fund
For the Fiscal Year Ended June 30, 2018

<table>
<thead>
<tr>
<th></th>
<th>Final Budget</th>
<th>Actual</th>
<th>Variance Positive (Negative)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes</td>
<td>$5,500</td>
<td>$5,500</td>
<td>$-</td>
</tr>
<tr>
<td>Total revenues</td>
<td>$5,500</td>
<td>$5,500</td>
<td>$-</td>
</tr>
<tr>
<td><strong>Expenditures:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public works</td>
<td>$5,500</td>
<td>$5,500</td>
<td>$-</td>
</tr>
<tr>
<td>Total expenditures</td>
<td>$5,500</td>
<td>$5,500</td>
<td>$-</td>
</tr>
<tr>
<td>Net change in fund balance</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
</tr>
<tr>
<td>Fund balance, beginning of fiscal year</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
</tr>
<tr>
<td>Fund balance, end of fiscal year</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
</tr>
<tr>
<td></td>
<td>Final Budget</td>
<td>Actual</td>
<td>Variance Positive (Negative)</td>
</tr>
<tr>
<td>----------------------</td>
<td>--------------</td>
<td>---------</td>
<td>------------------------------</td>
</tr>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assessments</td>
<td>$ 539,975</td>
<td>$ 543,223</td>
<td>$ 3,248</td>
</tr>
<tr>
<td>Fines, forfeitures,</td>
<td>400</td>
<td>425</td>
<td>25</td>
</tr>
<tr>
<td>and penalties</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charges for services</td>
<td>25,975</td>
<td>25,890</td>
<td>(85)</td>
</tr>
<tr>
<td>Use of money and</td>
<td>25</td>
<td>622</td>
<td>597</td>
</tr>
<tr>
<td>property</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>566,375</td>
<td>570,160</td>
<td>3,785</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Expenditures:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public works</td>
<td>13,000</td>
<td>11,556</td>
<td>1,444</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>13,000</td>
<td>11,556</td>
<td>1,444</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess (deficiency)</td>
<td>553,375</td>
<td>558,604</td>
<td>5,229</td>
</tr>
<tr>
<td>of revenues over</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(under) expenditures</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(553,375)</td>
<td>(558,604)</td>
<td>(5,229)</td>
</tr>
<tr>
<td>Other financing (uses):</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers out</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net change in fund</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>balance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fund balance,</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>beginning of fiscal</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>year</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fund balance,</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>end of fiscal year</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
CITY OF LA CAÑADA FLINTRIDGE  
Budgetary Comparison Schedule  
Nonmajor Sewer Redemption AD02-1 Special Revenue Fund  
For the Fiscal Year Ended June 30, 2018

<table>
<thead>
<tr>
<th></th>
<th>Final Budget</th>
<th>Actual</th>
<th>Variance Positive (Negative)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assessments</td>
<td>$947,525</td>
<td>$956,289</td>
<td>$8,764</td>
</tr>
<tr>
<td>Fines, forfeitures and penalties</td>
<td>500</td>
<td>2,537</td>
<td>2,037</td>
</tr>
<tr>
<td>Charges for services</td>
<td>36,125</td>
<td>36,225</td>
<td>100</td>
</tr>
<tr>
<td>Use of money and property</td>
<td>100</td>
<td>1,175</td>
<td>1,075</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>984,250</td>
<td>996,226</td>
<td>11,976</td>
</tr>
</tbody>
</table>

| **Expenditures:**      |              |          |                              |
| Current:               |              |          |                              |
| Public works           | 16,500       | 15,144   | 1,356                        |
| **Total expenditures** | 16,500       | 15,144   | 1,356                        |

| Excess (deficiency) of revenues over (under) expenditures | 967,750 | 981,082 | 13,332 |

| **Other financing (uses):** |          |          |                              |
| Transfers out             | (967,750) | (981,082)| (13,332)                     |

| Net change in fund balance | -        | -        | -                            |

| Fund balance, beginning of fiscal year | -        | -        | -                            |

| Fund balance, end of fiscal year | $-       | $-       | $-                           |


CITY OF LA CANADA FLINTRIDGE  
Budgetary Comparison Schedule  
Nonmajor Sewer Redemption AD04-1 Special Revenue Fund  
For the Fiscal Year Ended June 30, 2018

<table>
<thead>
<tr>
<th></th>
<th>Final Budget</th>
<th>Actual</th>
<th>Variance Positive (Negative)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assessments</td>
<td>$1,806,500</td>
<td>$1,814,529</td>
<td>$8,029</td>
</tr>
<tr>
<td>Fines, forfeitures and penalties</td>
<td>2,000</td>
<td>5,411</td>
<td>3,411</td>
</tr>
<tr>
<td>Charges for services</td>
<td>37,925</td>
<td>37,830</td>
<td>(95)</td>
</tr>
<tr>
<td>Use of money and property</td>
<td>800</td>
<td>2,049</td>
<td>1,249</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>1,847,225</td>
<td>1,859,819</td>
<td>12,594</td>
</tr>
<tr>
<td><strong>Expenditures:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public works</td>
<td>19,175</td>
<td>16,928</td>
<td>2,247</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>19,175</td>
<td>16,928</td>
<td>2,247</td>
</tr>
<tr>
<td>Excess (deficiency) of revenues over (under) expenditures</td>
<td>1,828,050</td>
<td>1,842,891</td>
<td>14,841</td>
</tr>
<tr>
<td><strong>Other financing (uses):</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers out</td>
<td>(1,828,050)</td>
<td>(1,842,891)</td>
<td>(14,841)</td>
</tr>
<tr>
<td>Net change in fund balance</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Fund balance, beginning of fiscal year</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Fund balance, end of fiscal year</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
</tbody>
</table>
CITY OF LA CAÑADA FLINTRIDGE  
Budgetary Comparison Schedule  
Nonmajor Measure R Special Revenue Fund  
For the Fiscal Year Ended June 30, 2018

<table>
<thead>
<tr>
<th></th>
<th>Final Budget</th>
<th>Actual</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Positive (Negative)</td>
</tr>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>From other agencies</td>
<td>$ 227,300</td>
<td>$ 238,216</td>
<td>$ 10,916</td>
</tr>
<tr>
<td>Use of money and property</td>
<td>6,675</td>
<td>9,403</td>
<td>2,728</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>233,975</td>
<td>247,619</td>
<td>13,644</td>
</tr>
</tbody>
</table>

| **Expenditures:**              |              |         |           |
| Current:                       |              |         |           |
| Public works                   | 80,000       | -       | 80,000   |
| **Total expenditures**         | 80,000       | -       | 80,000   |
| Excess (deficiency) of revenues over (under) expenditures | 153,975 | 247,619 | 93,644 |

| **Other financing (uses):**    |              |         |           |
| Transfers out                  | (490,825)    | (540,229) | (49,404) |
| Net change in fund balance     | (336,850)    | (292,610) | 44,240   |
| Fund balance, beginning of fiscal year | 625,914 | 625,914 | -        |
| **Fund balance, end of fiscal year** | $ 289,064 | $ 333,304 | $ 44,240 |
## CITY OF LA CANADA FLINTRIDGE

**Budgetary Comparison Schedule**  
**Nonmajor Measure M Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2018**

<table>
<thead>
<tr>
<th></th>
<th>Final Budget</th>
<th>Actual</th>
<th>Variance Positive (Negative)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>From other agencies</td>
<td>$ 200,000</td>
<td>$ 215,879</td>
<td>$ 15,879</td>
</tr>
<tr>
<td>Use of money and property</td>
<td>500</td>
<td>322</td>
<td>(178)</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>200,500</td>
<td>216,201</td>
<td>15,701</td>
</tr>
<tr>
<td>Excess (deficiency) of revenues over (under) expenditures</td>
<td>200,500</td>
<td>216,201</td>
<td>15,701</td>
</tr>
<tr>
<td><strong>Other financing (uses):</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers out</td>
<td>(188,000)</td>
<td>(188,000)</td>
<td>-</td>
</tr>
<tr>
<td>Net change in fund balance</td>
<td>12,500</td>
<td>28,201</td>
<td>15,701</td>
</tr>
<tr>
<td>Fund balance, beginning of fiscal year</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Fund balance, end of fiscal year</strong></td>
<td>$ 12,500</td>
<td>$ 28,201</td>
<td>$ 15,701</td>
</tr>
</tbody>
</table>
CITY OF LA CAÑADA FLINTRIDGE
Budgetary Comparison Schedule
Nonmajor Sewer AD98-01 Debt Service Fund
For the Fiscal Year Ended June 30, 2018

<table>
<thead>
<tr>
<th></th>
<th>Final Budget</th>
<th>Actual</th>
<th>Variance Positive (Negative)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Use of money and property</td>
<td>$16,000</td>
<td>$19,656</td>
<td>$3,656</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>$16,000</td>
<td>$19,656</td>
<td>$3,656</td>
</tr>
<tr>
<td><strong>Expenditures:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Debt service:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principal retirement</td>
<td>$417,800</td>
<td>$417,791</td>
<td>9</td>
</tr>
<tr>
<td>Interest and other fiscal charges</td>
<td>$16,575</td>
<td>$16,571</td>
<td>4</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>$434,375</td>
<td>$434,362</td>
<td>13</td>
</tr>
<tr>
<td>Excess (deficiency) of revenues over (under) expenditures</td>
<td>$(418,375)</td>
<td>$(414,706)</td>
<td>3,669</td>
</tr>
<tr>
<td><strong>Other financing sources:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers in</td>
<td>$540,400</td>
<td>$544,270</td>
<td>3,870</td>
</tr>
<tr>
<td>Net change in fund balance</td>
<td>$122,025</td>
<td>$129,564</td>
<td>7,539</td>
</tr>
<tr>
<td><strong>Fund balance, beginning of fiscal year</strong></td>
<td>$898,492</td>
<td>$898,492</td>
<td>0</td>
</tr>
<tr>
<td><strong>Fund balance, end of fiscal year</strong></td>
<td>$1,020,517</td>
<td>$1,028,056</td>
<td>$7,539</td>
</tr>
<tr>
<td></td>
<td>Final Budget</td>
<td>Actual</td>
<td>Variance Positive (Negative)</td>
</tr>
<tr>
<td>------------------------------------</td>
<td>--------------</td>
<td>---------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td><strong>Expenditures:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Outlay</td>
<td>$1,493,200</td>
<td>$604,421</td>
<td>$888,779</td>
</tr>
<tr>
<td>Total expenditures</td>
<td>1,493,200</td>
<td>604,421</td>
<td>888,779</td>
</tr>
<tr>
<td>Excess (deficiency) of revenues</td>
<td>(1,493,200)</td>
<td>(604,421)</td>
<td>888,779</td>
</tr>
<tr>
<td>over (under) expenditures</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Other financing sources:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers in</td>
<td>1,200,000</td>
<td>1,200,000</td>
<td>-</td>
</tr>
<tr>
<td>Net change in fund balance</td>
<td>(293,200)</td>
<td>595,579</td>
<td>888,779</td>
</tr>
<tr>
<td>Fund balance, beginning of fiscal year</td>
<td>295,818</td>
<td>295,818</td>
<td>-</td>
</tr>
<tr>
<td>Fund balance, end of fiscal year</td>
<td>$2,618</td>
<td>$891,397</td>
<td>$888,779</td>
</tr>
</tbody>
</table>
## CITY OF LA CAÑADA FLINTRIDGE
### Budgetary Comparison Schedule

#### Nonmajor Sewer Improvement AD04-1 Capital Projects Fund

For the Fiscal Year Ended June 30, 2018

<table>
<thead>
<tr>
<th>Revenues:</th>
<th>Final Budget</th>
<th>Actual</th>
<th>Variance Positive (Negative)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assessments</td>
<td>$236,300</td>
<td>$257,578</td>
<td>$21,278</td>
</tr>
<tr>
<td>Use of money and property</td>
<td>19,950</td>
<td>22,741</td>
<td>2,791</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td><strong>256,250</strong></td>
<td><strong>280,319</strong></td>
<td><strong>24,069</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenditures:</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Current:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public works</td>
<td>8,000</td>
<td>10,375</td>
<td>(2,375)</td>
</tr>
<tr>
<td>Capital outlay</td>
<td>184,050</td>
<td>235,128</td>
<td>(51,078)</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td><strong>192,050</strong></td>
<td><strong>245,503</strong></td>
<td><strong>(53,453)</strong></td>
</tr>
<tr>
<td>Net change in fund balance</td>
<td>64,200</td>
<td>34,816</td>
<td>(29,384)</td>
</tr>
</tbody>
</table>

Fund balance, beginning of fiscal year

| Fund balance, beginning of fiscal year | $1,278,749 | $1,278,749 | $0 |

Fund balance, end of fiscal year

| Fund balance, end of fiscal year | $1,342,949 | $1,313,565 | $ (29,384) |
STATISTICAL SECTION
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

Financial Trends
These schedules contain trend information to help the reader understand how the government’s financial performance and well-being have changed over time ......................................................... 98-105

Revenue Capacity
These schedules contain trend information to help the reader assess the government’s most significant current local revenue source, the property tax................................................................. 106-108

Debt Capacity
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 ................................................................. 109-114

Demographic and Economic Information
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government’s financial activities take place ............................................................................. 115-116

Operating Information
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 .................................................................................. 117-119
CITY OF LA CAÑADA FLINTRIDGE
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012*</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governmental Activities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Investment in capital assets</td>
<td>$35,712,505</td>
<td>$41,662,180</td>
<td>$42,188,872</td>
<td>$44,923,413</td>
<td>$47,058,948</td>
</tr>
<tr>
<td>Restricted</td>
<td>$3,137,305</td>
<td>$943,332</td>
<td>$3,238,118</td>
<td>$2,776,665</td>
<td>$12,370,867</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>19,864,389</td>
<td>20,657,589</td>
<td>21,632,219</td>
<td>19,977,083</td>
<td>12,084,832</td>
</tr>
<tr>
<td>Total Primary Government Net Position</td>
<td>$58,734,799</td>
<td>$63,263,101</td>
<td>$67,059,209</td>
<td>$67,677,161</td>
<td>$71,524,047</td>
</tr>
</tbody>
</table>

*As restated
<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2014*</th>
<th>2015</th>
<th>2016</th>
<th>2017*</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Investment in capital assets</td>
<td>$50,863,970</td>
<td>$53,125,609</td>
<td>$54,616,632</td>
<td>$56,486,096</td>
<td>$57,934,638</td>
</tr>
<tr>
<td>Restricted</td>
<td>13,075,427</td>
<td>15,671,777</td>
<td>16,362,060</td>
<td>16,433,593</td>
<td>16,925,230</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>13,230,914</td>
<td>13,093,623</td>
<td>13,669,733</td>
<td>5,858,711</td>
<td>6,660,488</td>
</tr>
<tr>
<td><strong>Total Primary Government Net Position</strong></td>
<td>$77,170,311</td>
<td>$82,091,209</td>
<td>$84,838,445</td>
<td>$78,778,400</td>
<td>$81,720,366</td>
</tr>
</tbody>
</table>

*As restated
## CITY OF LA CANADA FLINTRIDGE
### Changes in Net Position
#### Last Ten Fiscal Years
(accoeur basis of accounting)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Expenses:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Governmental activities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General government</td>
<td>$4,562,526</td>
<td>$4,501,141</td>
<td>$4,608,775</td>
<td>$4,562,241</td>
<td>$4,603,048</td>
</tr>
<tr>
<td>Public safety</td>
<td>2,778,377</td>
<td>2,698,414</td>
<td>2,755,302</td>
<td>2,751,585</td>
<td>2,930,154</td>
</tr>
<tr>
<td>Community development</td>
<td>702,378</td>
<td>570,532</td>
<td>581,731</td>
<td>703,450</td>
<td>626,181</td>
</tr>
<tr>
<td>Public works</td>
<td>6,987,256</td>
<td>6,334,317</td>
<td>6,865,791</td>
<td>8,139,289</td>
<td>7,143,808</td>
</tr>
<tr>
<td>Interest</td>
<td>1,593,344</td>
<td>444,635</td>
<td>1,068,054</td>
<td>828,662</td>
<td>779,056</td>
</tr>
<tr>
<td><strong>Total Governmental Activities Expenses</strong></td>
<td>16,823,881</td>
<td>14,549,039</td>
<td>15,473,734</td>
<td>16,085,236</td>
<td>15,682,047</td>
</tr>
</tbody>
</table>

| **Program Revenues:** |        |        |        |        |        |
| Governmental activities: |        |        |        |        |        |
| Charges for services: |        |        |        |        |        |
| Public Works | 1,501,522 | 1,852,828 | 2,440,310 | 2,334,541 | 2,226,595 |
| Other activities | 695,925 | 606,623 | 313,829 | 326,581 | 414,562 |
| Operating grants and contributions | 195,814 | 144,367 | 523,793 | 281,051 | 1,611,041 |
| Capital grants and contributions | 6,091,740 | 7,240,503 | 7,023,119 | 5,708,601 | 6,083,026 |
| **Total Governmental Activities** | 8,485,001 | 9,844,321 | 10,305,051 | 8,650,774 | 10,315,224 |

| **Net Revenues (Expenses):** |        |        |        |        |        |
| Governmental activities | (8,138,880) | (4,704,718) | (5,573,883) | (8,334,462) | (5,866,823) |

| **General Revenues and Other Changes in Net Position:** |        |        |        |        |        |
| Governmental activities: |        |        |        |        |        |
| **Taxes:** |        |        |        |        |        |
| Property taxes | 3,728,130 | 3,728,677 | 3,722,303 | 3,816,640 | 3,902,151 |
| Other taxes | 2,741,304 | 2,767,275 | 2,790,998 | 2,658,157 | 2,950,944 |
| State shared revenues - unrestricted: |        |        |        |        |        |
| Sales tax | 2,044,470 | 1,900,346 | 2,104,425 | 2,245,895 | 2,539,880 |
| Motor vehicle | 73,428 | 63,376 | 98,921 | 10,690 | 11,077 |
| Use of money and property | 1,217,381 | 745,845 | 585,214 | 647,624 | (49,207) |
| Other | 102,141 | 29,401 | 67,930 | 46,639 | 69,454 |
| **Special Item - Loss on Capital Assets Disposal** | - | - | - | - | - |
| **Total Primary Government** | 9,906,654 | 9,233,020 | 9,369,791 | 8,622,645 | 9,514,309 |

<p>| <strong>Changes in Net Position</strong> |        |        |        |        |        |</p>
<table>
<thead>
<tr>
<th>Governmental Activities</th>
<th>$1,767,894</th>
<th>$4,528,302</th>
<th>$3,796,108</th>
<th>$1,288,183</th>
<th>$3,847,496</th>
</tr>
</thead>
<tbody>
<tr>
<td>General government</td>
<td>$2,353,045</td>
<td>$4,609,131</td>
<td>$5,106,198</td>
<td>$6,151,287</td>
<td>$5,816,415</td>
</tr>
<tr>
<td>Community development</td>
<td>2,471,285</td>
<td>725,922</td>
<td>709,933</td>
<td>730,459</td>
<td>848,481</td>
</tr>
<tr>
<td>Public works</td>
<td>6,622,919</td>
<td>7,419,030</td>
<td>8,620,125</td>
<td>8,304,487</td>
<td>8,040,300</td>
</tr>
<tr>
<td>Interest</td>
<td>732,084</td>
<td>681,519</td>
<td>630,250</td>
<td>575,959</td>
<td>521,343</td>
</tr>
<tr>
<td><strong>Total Governmental Activities Expenses</strong></td>
<td><strong>15,234,567</strong></td>
<td><strong>16,559,809</strong></td>
<td><strong>18,310,813</strong></td>
<td><strong>19,186,945</strong></td>
<td><strong>18,876,750</strong></td>
</tr>
<tr>
<td>Program Revenues:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Governmental activities: Charges for services:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Works</td>
<td>2,632,444</td>
<td>2,820,796</td>
<td>2,931,464</td>
<td>2,955,387</td>
<td>3,325,171</td>
</tr>
<tr>
<td>Other activities</td>
<td>482,132</td>
<td>478,925</td>
<td>419,850</td>
<td>364,239</td>
<td>390,792</td>
</tr>
<tr>
<td>Operating grants and contributions</td>
<td>2,134,470</td>
<td>1,780,052</td>
<td>1,644,405</td>
<td>1,963,976</td>
<td>2,048,243</td>
</tr>
<tr>
<td>Capital grants and contributions</td>
<td>7,846,376</td>
<td>5,624,691</td>
<td>4,452,995</td>
<td>4,562,967</td>
<td>4,114,364</td>
</tr>
<tr>
<td><strong>Total Governmental Activities</strong></td>
<td><strong>13,095,422</strong></td>
<td><strong>10,704,464</strong></td>
<td><strong>9,458,714</strong></td>
<td><strong>9,846,569</strong></td>
<td><strong>9,878,570</strong></td>
</tr>
<tr>
<td>Net Revenues (Expenses):</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Governmental activities</td>
<td>(2,139,145)</td>
<td>(5,855,345)</td>
<td>(8,851,899)</td>
<td>(9,340,376)</td>
<td>(8,998,189)</td>
</tr>
<tr>
<td>General Revenues and Other Changes in Net Position: Governmental activities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property taxes</td>
<td>4,229,162</td>
<td>4,423,351</td>
<td>4,851,834</td>
<td>4,920,152</td>
<td>5,271,832</td>
</tr>
<tr>
<td>Other taxes</td>
<td>3,084,333</td>
<td>3,312,466</td>
<td>3,401,762</td>
<td>3,484,856</td>
<td>3,643,219</td>
</tr>
<tr>
<td>State shared revenues - unrestricted:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales tax</td>
<td>2,669,216</td>
<td>2,707,738</td>
<td>2,922,948</td>
<td>2,529,347</td>
<td>2,649,512</td>
</tr>
<tr>
<td>Motor vehicle</td>
<td>9,167</td>
<td>8,855</td>
<td>8,308</td>
<td>9,209</td>
<td>10,789</td>
</tr>
<tr>
<td>Use of money and property</td>
<td>111,490</td>
<td>81,254</td>
<td>354,346</td>
<td>(83,298)</td>
<td>16,456</td>
</tr>
<tr>
<td>Other</td>
<td>116,792</td>
<td>239,579</td>
<td>218,483</td>
<td>63,005</td>
<td>348,347</td>
</tr>
<tr>
<td><strong>Special Item - Loss on Capital Assets Disposal</strong></td>
<td><strong>-</strong></td>
<td><strong>-</strong></td>
<td><strong>-</strong></td>
<td><strong>(4,822,413)</strong></td>
<td><strong>-</strong></td>
</tr>
<tr>
<td><strong>Total Primary Government</strong></td>
<td><strong>10,223,150</strong></td>
<td><strong>10,776,243</strong></td>
<td><strong>11,597,661</strong></td>
<td><strong>6,200,658</strong></td>
<td><strong>11,840,155</strong></td>
</tr>
<tr>
<td>Changes in Net Position</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Governmental Activities</td>
<td>$8,084,005</td>
<td>$4,920,898</td>
<td>$2,748,782</td>
<td>$(3,139,518)</td>
<td>$2,941,566</td>
</tr>
<tr>
<td>General Fund:</td>
<td>Fiscal Year</td>
<td>2009</td>
<td>2010</td>
<td>2011</td>
<td>2012*</td>
</tr>
<tr>
<td>-----------------------------------</td>
<td>-------------</td>
<td>-------</td>
<td>-------</td>
<td>-------</td>
<td>-------</td>
</tr>
<tr>
<td>Reserved</td>
<td></td>
<td>$3,064,994</td>
<td>$2,171,341</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Unreserved</td>
<td></td>
<td>10,761,252</td>
<td>11,595,078</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Nonspendable</td>
<td></td>
<td>-</td>
<td>2,066,661</td>
<td>2,092,915</td>
<td>1,965,471</td>
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<tr>
<td>Restricted</td>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Committed</td>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Assigned</td>
<td></td>
<td>-</td>
<td>176,572</td>
<td>240,674</td>
<td>301,575</td>
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<tr>
<td>Unassigned</td>
<td></td>
<td>-</td>
<td>12,734,268</td>
<td>12,336,577</td>
<td>11,829,691</td>
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<tr>
<td>Total General Fund</td>
<td></td>
<td>$13,846,246</td>
<td>$13,766,419</td>
<td>$14,967,521</td>
<td>$14,670,166</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>All Other Governmental Funds:</th>
<th>Fiscal Year</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012*</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reserved</td>
<td></td>
<td>$6,601,767</td>
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<td>-</td>
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<tr>
<td>Unreserved, reported in:</td>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Special revenue funds</td>
<td></td>
<td>1,610,752</td>
<td>943,332</td>
<td>-</td>
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<td>-</td>
</tr>
<tr>
<td>Debt service funds</td>
<td></td>
<td>(63,127)</td>
<td>7,571,436</td>
<td>-</td>
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<tr>
<td>Capital projects funds</td>
<td></td>
<td>2,553,743</td>
<td>1,303,423</td>
<td>-</td>
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<tr>
<td>Nonspendable</td>
<td></td>
<td>-</td>
<td>-</td>
<td>11,909,759</td>
<td>12,087,715</td>
<td>12,761,117</td>
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<tr>
<td>Restricted</td>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Committed</td>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Assigned</td>
<td></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Unassigned</td>
<td></td>
<td>-</td>
<td>(1,066,484)</td>
<td>(995,104)</td>
<td>(1,304,344)</td>
<td>-</td>
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<tr>
<td>Total All Other Governmental Funds</td>
<td></td>
<td>$10,703,135</td>
<td>$9,816,191</td>
<td>$10,843,273</td>
<td>$11,072,611</td>
<td>$11,446,773</td>
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</table>

*As restated
# CITY OF LA CAÑADA FLINTRIDGE

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

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Reserved</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Unreserved</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nonspendable</td>
<td>1,880,376</td>
<td>1,660,587</td>
<td>1,531,938</td>
<td>1,408,352</td>
<td>1,274,852</td>
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<tr>
<td>Restricted</td>
<td>1,734</td>
<td>2,300</td>
<td>4,244</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Committed</td>
<td></td>
<td></td>
<td></td>
<td>5,580,000</td>
<td>5,580,000</td>
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<tr>
<td>Assigned</td>
<td>880,605</td>
<td>915,025</td>
<td>1,040,122</td>
<td>1,109,468</td>
<td>1,220,544</td>
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<tr>
<td>Unassigned</td>
<td>13,539,816</td>
<td>14,570,723</td>
<td>15,528,725</td>
<td>4,970,216</td>
<td>5,845,399</td>
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<tr>
<td>Total General Fund</td>
<td>$18,302,531</td>
<td>$17,146,635</td>
<td>$18,105,029</td>
<td>$13,068,036</td>
<td>$13,920,795</td>
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<table>
<thead>
<tr>
<th>All Other Governmental Funds:</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Reserved</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unreserved, reported in:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special revenue funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debt service funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital projects funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1,612,753</td>
</tr>
<tr>
<td>Nonspendable</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted</td>
<td>13,365,027</td>
<td>16,204,258</td>
<td>16,401,630</td>
<td>16,835,327</td>
<td>15,313,039</td>
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<tr>
<td>Committed</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>891,397</td>
</tr>
<tr>
<td>Assigned</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unassigned</td>
<td>(1,002,600)</td>
<td>(1,000,195)</td>
<td>(995,104)</td>
<td>(995,104)</td>
<td>(995,104)</td>
</tr>
<tr>
<td>Total All Other Governmental Funds</td>
<td>$12,362,427</td>
<td>$15,204,063</td>
<td>$15,406,425</td>
<td>$15,840,223</td>
<td>$17,022,085</td>
</tr>
</tbody>
</table>

*As restated
## CITY OF LA CAÑADA FLINTRIDGE

Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012*</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes</td>
<td>$8,513,904</td>
<td>$8,394,299</td>
<td>$8,617,725</td>
<td>$8,917,692</td>
<td>$9,409,326</td>
</tr>
<tr>
<td>Assessments</td>
<td>3,907,178</td>
<td>3,960,660</td>
<td>3,998,046</td>
<td>3,615,874</td>
<td>3,542,656</td>
</tr>
<tr>
<td>Fines, forfeitures and penalties</td>
<td>318,331</td>
<td>338,464</td>
<td>215,166</td>
<td>192,844</td>
<td>217,886</td>
</tr>
<tr>
<td>From other agencies</td>
<td>2,401,574</td>
<td>3,449,620</td>
<td>3,510,964</td>
<td>2,589,411</td>
<td>3,413,166</td>
</tr>
<tr>
<td>Charges for services</td>
<td>1,831,346</td>
<td>2,138,952</td>
<td>2,538,972</td>
<td>2,468,283</td>
<td>2,500,380</td>
</tr>
<tr>
<td>Use of money and property</td>
<td>1,217,361</td>
<td>745,946</td>
<td>585,241</td>
<td>638,109</td>
<td>138,042</td>
</tr>
<tr>
<td>Other</td>
<td>102,141</td>
<td>28,401</td>
<td>67,830</td>
<td>48,839</td>
<td>74,669</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>$16,391,856</td>
<td>$19,077,341</td>
<td>$19,554,617</td>
<td>$18,468,843</td>
<td>$19,286,345</td>
</tr>
</tbody>
</table>

| **Expenditures:** |            |           |           |            |           |
| Current: |            |           |           |            |           |
| General government | 4,461,723 | 4,204,602 | 4,350,230 | 4,284,530 | 4,963,199 |
| Public safety | 2,769,997 | 2,687,284 | 2,741,144 | 2,742,357 | 2,925,247 |
| Community development | 684,497 | 550,302 | 559,782 | 689,057 | 617,924 |
| Public works | 6,027,041 | 5,688,005 | 4,441,350 | 4,548,085 | 4,126,559 |
| Capital outlay | 3,711,108 | 3,541,243 | 2,121,399 | 3,243,691 | 4,008,934 |
| Debt service: |            |           |           |            |           |
| Principal retirement | 5,993,265 | 2,165,865 | 2,167,978 | 2,208,855 | 2,250,687 |
| Interest and fiscal charges | 989,047 | 902,811 | 856,036 | 850,177 | 833,012 |
| **Total Expenditures** | $24,846,678 | $20,042,112 | $17,277,631 | $18,556,862 | $19,655,562 |
| **Excess (Deficiency) of Revenues Over (Under) Expenditures** | (6,254,823) | (964,771) | 2,266,186 | (98,019) | (399,217) |

| Other financing sources (uses): |            |           |           |            |
| Proceeds from loan | 2,873,602 | - | - | - |
| Issuance of debt | - | - | - | - |
| Transfers in | 7,694,106 | 6,704,983 | 5,608,879 | 6,104,229 | 5,230,113 |
| Transfers out | (7,694,106) | (6,704,983) | (5,608,879) | (6,104,229) | (5,230,113) |
| Proceeds from long-term notes | - | - | - | - |
| Total Other Financing Sources (Uses) | 2,873,602 | - | - | - |
| **Net Change in Fund Balances** | $ (3,381,221) | $ (964,771) | $ 2,266,186 | $ (98,019) | $ (399,217) |

| Debt service as a percentage of noncapital expenditures | 33.4% | 18.6% | 20.2% | 20.0% | 19.5% |

*As restated*
## CITY OF LA CAÑADA FLINTRIDGE

Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2014*</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes</td>
<td>$9,988,959</td>
<td>$10,493,566</td>
<td>$10,879,338</td>
<td>$11,170,104</td>
<td>$11,578,263</td>
</tr>
<tr>
<td>Assessments</td>
<td>3,599,761</td>
<td>3,624,741</td>
<td>3,604,045</td>
<td>3,570,647</td>
<td>3,571,619</td>
</tr>
<tr>
<td>Fines, forfeitures and penalties</td>
<td>284,375</td>
<td>276,650</td>
<td>191,742</td>
<td>120,315</td>
<td>158,194</td>
</tr>
<tr>
<td>From other agencies</td>
<td>4,909,847</td>
<td>4,566,257</td>
<td>2,245,419</td>
<td>2,720,993</td>
<td>2,347,796</td>
</tr>
<tr>
<td>Charges for services</td>
<td>2,914,147</td>
<td>3,109,570</td>
<td>3,248,307</td>
<td>3,283,333</td>
<td>3,629,255</td>
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<tr>
<td>Use of money and property</td>
<td>380,024</td>
<td>326,730</td>
<td>623,850</td>
<td>152,465</td>
<td>298,920</td>
</tr>
<tr>
<td>Other</td>
<td>157,973</td>
<td>204,712</td>
<td>224,483</td>
<td>68,686</td>
<td>354,556</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>22,235,488</td>
<td>22,601,226</td>
<td>21,017,184</td>
<td>21,086,442</td>
<td>21,938,603</td>
</tr>
</tbody>
</table>

| **Expenditures:** |       |      |      |      |      |
| **Current:** |       |      |      |      |      |
| General government | 2,124,153 | 4,505,532 | 4,970,335 | 5,689,992 | 5,348,823 |
| Public safety | 3,050,327 | 3,121,322 | 3,232,839 | 3,413,505 | 3,442,315 |
| Community development | 2,455,201 | 724,584 | 702,561 | 730,678 | 794,315 |
| Public works | 4,107,535 | 4,021,412 | 3,931,211 | 4,051,433 | 4,251,082 |
| Capital outlay | 4,118,831 | 3,496,753 | 3,967,586 | 14,355,673 | 3,046,570 |
| Debt service: |       |      |      |      |      |
| Principal retirement | 2,293,497 | 2,337,305 | 2,382,139 | 2,428,019 | 2,474,972 |
| Interest and fiscal charges | 754,494 | 704,578 | 653,210 | 600,338 | 548,605 |
| **Total Expenditures** | 18,914,935 | 18,913,468 | 19,859,861 | 31,269,638 | 19,903,882 |

| **Excess (Deficiency) of Revenues Over (Under) Expenditures** | 3,321,448 | 3,687,740 | 1,157,303 | (10,193,196) | 2,034,621 |

| **Other financing sources (uses):** |       |      |      |      |      |
| Proceeds from loan | - | - | - | - | - |
| Issuance of debt | - | - | - | - | - |
| Transfers in | 5,126,058 | 6,677,868 | 6,117,742 | 10,662,629 | 6,582,662 |
| Transfers out | (5,126,058) | (6,677,868) | (6,117,742) | (10,662,629) | (6,582,662) |
| Proceeds from long-term note | - | - | - | 5,580,000 | - |
| **Total Other Financing Sources (Uses)** | - | - | - | 5,580,000 | - |
| **Net Change in Fund Balances** | $3,321,448 | $3,687,740 | $1,157,303 | $(4,603,196) | $2,034,621 |

| Debt service as a percentage of noncapital expenditures | 20.8% | 19.7% | 19.1% | 17.9% | 17.9% |

*As restated
CITY OF LA CAÑADA FLINTRIDGE  
Assessed Value and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years

<table>
<thead>
<tr>
<th>Fiscal Year Ended June 30</th>
<th>City</th>
<th>Taxable Assessed Value</th>
<th>Total Direct Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Secured</td>
<td>Unsecured</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>$5,284,600,979</td>
<td>$31,850,140</td>
<td>$5,316,451,119</td>
</tr>
<tr>
<td>2010</td>
<td>$5,447,575,235</td>
<td>$32,680,486</td>
<td>$5,480,455,721</td>
</tr>
<tr>
<td>2011</td>
<td>$5,434,019,882</td>
<td>$32,324,640</td>
<td>$5,466,344,522</td>
</tr>
<tr>
<td>2012</td>
<td>$5,505,686,121</td>
<td>$35,940,867</td>
<td>$5,641,626,988</td>
</tr>
<tr>
<td>2013</td>
<td>$5,528,710,840</td>
<td>$37,005,753</td>
<td>$5,665,716,593</td>
</tr>
<tr>
<td>2014</td>
<td>$6,092,337,982</td>
<td>$36,564,674</td>
<td>$6,128,902,656</td>
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<tr>
<td>2015</td>
<td>$6,414,320,719</td>
<td>$36,486,641</td>
<td>$6,450,807,560</td>
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<td>2016</td>
<td>$6,776,711,070</td>
<td>$39,013,224</td>
<td>$6,815,724,294</td>
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<td>2017</td>
<td>$7,165,642,080</td>
<td>$37,031,646</td>
<td>$7,202,673,726</td>
</tr>
<tr>
<td>2018</td>
<td>$7,559,284,412</td>
<td>$38,089,074</td>
<td>$7,595,373,486</td>
</tr>
</tbody>
</table>

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
## CITY OF LA CANADA FLINTRIDGE
### Direct and Overlapping Property Tax Rates
(Rate per $100 of assessed value)
Last Ten Fiscal Years

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
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<td>City Direct Rates:</td>
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<td>$ 1.0000</td>
<td>$ 1.0000</td>
<td>$ 1.0000</td>
<td>$ 1.0000</td>
<td>$ 1.0000</td>
<td>$ 1.0000</td>
<td>$ 1.0000</td>
<td>$ 1.0000</td>
<td>$ 1.0000</td>
</tr>
<tr>
<td>Overlapping Rates:</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Glendale Unified</td>
<td>0.0456</td>
<td>0.0456</td>
<td>0.0334</td>
<td>0.0355</td>
<td>0.0440</td>
<td>0.0323</td>
<td>0.0567</td>
<td>0.0506</td>
<td>0.0567</td>
<td>0.0529</td>
</tr>
<tr>
<td>Glendale Community College</td>
<td>0.0212</td>
<td>0.0237</td>
<td>0.0234</td>
<td>0.0245</td>
<td>0.0247</td>
<td>0.0234</td>
<td>0.0222</td>
<td>0.0212</td>
<td>0.0212</td>
<td>0.0349</td>
</tr>
<tr>
<td>Pasadena Unified</td>
<td>0.0174</td>
<td>0.0894</td>
<td>0.1020</td>
<td>0.1112</td>
<td>0.1140</td>
<td>0.1035</td>
<td>0.1066</td>
<td>0.1117</td>
<td>0.1067</td>
<td>0.1055</td>
</tr>
<tr>
<td>Pasadena Community College</td>
<td>0.0174</td>
<td>0.0230</td>
<td>0.0195</td>
<td>0.0190</td>
<td>0.0163</td>
<td>0.0190</td>
<td>0.0313</td>
<td>0.0367</td>
<td>0.0367</td>
<td>0.0382</td>
</tr>
<tr>
<td>La Cañada Unified</td>
<td>0.0197</td>
<td>0.0704</td>
<td>0.0735</td>
<td>0.0700</td>
<td>0.0897</td>
<td>0.0702</td>
<td>0.0648</td>
<td>0.0617</td>
<td>0.0611</td>
<td>0.0361</td>
</tr>
<tr>
<td>Metropolitan Water District</td>
<td>0.0043</td>
<td>0.0043</td>
<td>0.0037</td>
<td>0.0037</td>
<td>0.0036</td>
<td>0.0036</td>
<td>0.0036</td>
<td>0.0035</td>
<td>0.0035</td>
<td>0.0035</td>
</tr>
<tr>
<td>Total Direct &amp; Overlapping Tax Rate</td>
<td>$ 1.2170</td>
<td>$ 1.2758</td>
<td>$ 1.2577</td>
<td>$ 1.2754</td>
<td>$ 1.2742</td>
<td>$ 1.2558</td>
<td>$ 1.2665</td>
<td>$ 1.2575</td>
<td>$ 1.2583</td>
<td>$ 1.2840</td>
</tr>
<tr>
<td>City's Share of 1% Levy Per Prop 13</td>
<td>0.06705</td>
<td>0.06705</td>
<td>0.06705</td>
<td>0.06705</td>
<td>0.06705</td>
<td>0.06705</td>
<td>0.06705</td>
<td>0.06705</td>
<td>0.06705</td>
<td>0.06705</td>
</tr>
<tr>
<td>Total Direct Rate</td>
<td>0.06887</td>
<td>0.07936</td>
<td>0.06888</td>
<td>0.06888</td>
<td>0.06889</td>
<td>0.06890</td>
<td>0.06890</td>
<td>0.06890</td>
<td>0.06890</td>
<td>0.06893</td>
</tr>
</tbody>
</table>

**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
### CITY OF LA CAÑADA FLINTRIDGE
Principal Property Tax Payers
Current Year and Nine Years Ago

<table>
<thead>
<tr>
<th>Taxpayer</th>
<th>2018 Assessed Value</th>
<th>2018 Percent of Total Value</th>
<th>2009 Assessed Value</th>
<th>2009 Percent of Total Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>La Cañada Retail LLC</td>
<td>$43,723,350</td>
<td>0.58%</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>ROIC California LLC</td>
<td>32,541,119</td>
<td>0.43%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Saint Francis High School Valley Water Company</td>
<td>24,210,607</td>
<td>0.46%</td>
<td>12,570,661</td>
<td>0.24%</td>
</tr>
<tr>
<td>B K La Cañada Property LLC</td>
<td>17,662,500</td>
<td>0.23%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vincent Dundee III Company Trust</td>
<td>11,657,226</td>
<td>0.15%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Seung Choon Lim Company Trust</td>
<td>11,662,039</td>
<td>0.15%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>University of Southern California</td>
<td>11,322,945</td>
<td>0.15%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ban Oan Limited</td>
<td>10,064,060</td>
<td>0.13%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>La Canada Holdings</td>
<td>9,848,572</td>
<td>0.13%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GTR Realty LLC</td>
<td>9,714,362</td>
<td>0.13%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Caltech Employees Federal Credit Union</td>
<td>9,297,317</td>
<td>0.12%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Frankel Family Trust</td>
<td>10,946,119</td>
<td>0.21%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vons Companies Th</td>
<td>10,798,219</td>
<td>0.20%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dundee Family Trust</td>
<td>10,299,959</td>
<td>0.19%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gordon &amp; Dona Crawford Trust</td>
<td>8,706,381</td>
<td>0.16%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Seung &amp; Hye Lim Trust</td>
<td>8,445,599</td>
<td>0.16%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dollinger La Cañada Associates</td>
<td>7,977,244</td>
<td>0.15%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bradford Cornell &amp; Mary D. Series</td>
<td>7,490,880</td>
<td>0.14%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dewitt K. McCluggage Co. Trust</td>
<td>7,133,822</td>
<td>0.13%</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$167,393,491</td>
<td>2.21%</td>
<td>$108,330,491</td>
<td>2.04%</td>
</tr>
</tbody>
</table>

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

Source: Hdl Coren & Cone
<table>
<thead>
<tr>
<th>Fiscal Year Ended June 30</th>
<th>Taxes Levied for the Fiscal Year</th>
<th>Collected within the Fiscal Year of Levy</th>
<th>Collections in Subsequent Years</th>
<th>Total Collections to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amount</td>
<td>Percent of Levy</td>
<td>Amount</td>
<td>Percent of Levy</td>
</tr>
<tr>
<td>2009</td>
<td>$3,519,570</td>
<td>$3,450,805</td>
<td>90.35%</td>
<td>$172,325</td>
</tr>
<tr>
<td>2010</td>
<td>$3,901,295</td>
<td>$3,543,777</td>
<td>90.84%</td>
<td>$177,900</td>
</tr>
<tr>
<td>2011</td>
<td>$3,857,690</td>
<td>$3,547,130</td>
<td>91.95%</td>
<td>$170,165</td>
</tr>
<tr>
<td>2012</td>
<td>$4,065,825</td>
<td>$3,530,119</td>
<td>87.02%</td>
<td>$277,522</td>
</tr>
<tr>
<td>2013</td>
<td>$4,015,699</td>
<td>$3,896,529</td>
<td>97.03%</td>
<td>$96,622</td>
</tr>
<tr>
<td>2014</td>
<td>$4,204,925</td>
<td>$4,093,050</td>
<td>97.34%</td>
<td>$91,345</td>
</tr>
<tr>
<td>2015</td>
<td>$4,466,959</td>
<td>$4,334,164</td>
<td>97.03%</td>
<td>$96,187</td>
</tr>
<tr>
<td>2016</td>
<td>$4,742,086</td>
<td>$4,567,142</td>
<td>96.31%</td>
<td>$94,662</td>
</tr>
<tr>
<td>2017</td>
<td>$5,031,630</td>
<td>$4,756,351</td>
<td>94.53%</td>
<td>$163,802</td>
</tr>
<tr>
<td>2018</td>
<td>$5,372,295</td>
<td>$5,073,918</td>
<td>94.45%</td>
<td>$197,914</td>
</tr>
</tbody>
</table>

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
CITY OF LA CAÑADA FLINTRIDGE
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

### Governmental Activities

<table>
<thead>
<tr>
<th>Fiscal Year Ended June 30</th>
<th>Certificates of Participation</th>
<th>Revenue Bonds</th>
<th>Loans Payable</th>
<th>Capital Lease Obligation</th>
<th>Total Governmental Activities</th>
<th>Percentage of Personal Income</th>
<th>Debt Per Capita</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>-</td>
<td>-</td>
<td>$42,224,128</td>
<td>-</td>
<td>$42,224,128</td>
<td>3.33%</td>
<td>$1,999</td>
</tr>
<tr>
<td>2010</td>
<td>-</td>
<td>-</td>
<td>$40,058,263</td>
<td>-</td>
<td>$40,058,263</td>
<td>3.20%</td>
<td>$1,895</td>
</tr>
<tr>
<td>2011</td>
<td>-</td>
<td>-</td>
<td>$37,890,286</td>
<td>-</td>
<td>$37,890,286</td>
<td>2.51%</td>
<td>$1,782</td>
</tr>
<tr>
<td>2012</td>
<td>-</td>
<td>-</td>
<td>$35,081,429</td>
<td>-</td>
<td>$35,081,429</td>
<td>2.34%</td>
<td>$1,755</td>
</tr>
<tr>
<td>2013</td>
<td>-</td>
<td>-</td>
<td>$33,430,743</td>
<td>-</td>
<td>$33,430,743</td>
<td>2.22%</td>
<td>$1,635</td>
</tr>
<tr>
<td>2014</td>
<td>-</td>
<td>-</td>
<td>$31,137,246</td>
<td>-</td>
<td>$31,137,246</td>
<td>2.04%</td>
<td>$1,516</td>
</tr>
<tr>
<td>2015</td>
<td>-</td>
<td>-</td>
<td>$28,799,041</td>
<td>-</td>
<td>$28,799,041</td>
<td>1.84%</td>
<td>$1,402</td>
</tr>
<tr>
<td>2016</td>
<td>-</td>
<td>-</td>
<td>$26,417,802</td>
<td>-</td>
<td>$26,417,802</td>
<td>1.60%</td>
<td>$1,285</td>
</tr>
<tr>
<td>2017</td>
<td>-</td>
<td>-</td>
<td>$29,569,783</td>
<td>-</td>
<td>$29,569,783</td>
<td>2.01%</td>
<td>$1,443</td>
</tr>
<tr>
<td>2018</td>
<td>-</td>
<td>-</td>
<td>$27,094,811</td>
<td>-</td>
<td>$27,094,811</td>
<td>1.77%</td>
<td>$1,310</td>
</tr>
</tbody>
</table>

**NOTE:**
Details regarding the City's outstanding debt can be found in the notes to the financial statements.
CITY OF LA CAÑADA FLINTRIDGE  
Direct and Overlapping Debt  
June 30, 2018

<table>
<thead>
<tr>
<th>City Assessed Valuation</th>
<th>$ 7,595,373,486</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Percentage Applicable</th>
<th>Gross Outstanding Debt 6/30/18</th>
<th>Estimated Share of Overlapping Debt 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foothill MWD 1113 DS</td>
<td>0.663% $29,354,442</td>
<td>$194,536</td>
</tr>
<tr>
<td>Glendale CCD DS 2002 Series C</td>
<td>1.837% $6,514,260</td>
<td>119,638</td>
</tr>
<tr>
<td>Glendale CCD DS 2002, 2011 Series E</td>
<td>1.837% $3,755,000</td>
<td>68,595</td>
</tr>
<tr>
<td>Glendale CCD DS 2002, 2013 Series F</td>
<td>1.837% $13,955,000</td>
<td>257,026</td>
</tr>
<tr>
<td>Glendale CCD DS 2014 Refunding Bonds</td>
<td>1.837% $24,715,000</td>
<td>453,905</td>
</tr>
<tr>
<td>Glendale CCD DS 2016 Series A</td>
<td>1.837% $122,000,000</td>
<td>2,240,600</td>
</tr>
<tr>
<td>Pasadena CCD DS 2002, 2006 Series D</td>
<td>8.283% $3,565,000</td>
<td>297,776</td>
</tr>
<tr>
<td>Pasadena CCD DS 2002, 2009 Series E (BABS)</td>
<td>8.283% $25,265,000</td>
<td>2,095,217</td>
</tr>
<tr>
<td>Pasadena CCD DS 2014 Refunding Series A</td>
<td>8.283% $15,325,000</td>
<td>1,269,389</td>
</tr>
<tr>
<td>Pasadena CCD DS 2016 Refunding Series A</td>
<td>8.283% $32,930,000</td>
<td>2,725,149</td>
</tr>
<tr>
<td>Glendale USD DS 2009 Ref Bonds</td>
<td>1.837% $7,420,000</td>
<td>136,273</td>
</tr>
<tr>
<td>Glendale USD DS 2010 Ref Bonds</td>
<td>1.837% $18,775,000</td>
<td>344,079</td>
</tr>
<tr>
<td>Glendale USD DS 2010 Ref Bonds Series B</td>
<td>1.837% $15,655,000</td>
<td>286,411</td>
</tr>
<tr>
<td>Glendale USD DS 2011 Series A Bonds</td>
<td>1.837% $22,615,000</td>
<td>415,337</td>
</tr>
<tr>
<td>Glendale USD DS 2011 Refunding Bonds</td>
<td>1.837% $2,413,601</td>
<td>44,327</td>
</tr>
<tr>
<td>Glendale USD DS 2011 SR A 1 CREB</td>
<td>1.837% $4,300,000</td>
<td>78,972</td>
</tr>
<tr>
<td>Glendale USD DS 2012 Ref Bonds</td>
<td>1.837% $61,565,000</td>
<td>1,131,227</td>
</tr>
<tr>
<td>Glendale USD DS 2015 Refunding Bonds Series A</td>
<td>1.837% $101,850,563</td>
<td>1,870,544</td>
</tr>
<tr>
<td>Glendale USD DS 2011 Series C</td>
<td>1.837% $64,635,000</td>
<td>1,187,059</td>
</tr>
<tr>
<td>La Cañada Unified SD 1995 SD</td>
<td>97.177% $1,433,342</td>
<td>1,392,861</td>
</tr>
<tr>
<td>La Cañada Unified SD DS 1999 Series A</td>
<td>97.177% $1,670,000</td>
<td>1,622,558</td>
</tr>
<tr>
<td>La Cañada USD DS 2004 Series B</td>
<td>97.177% $325,000</td>
<td>315,826</td>
</tr>
<tr>
<td>La Cañada USD DS 2004 Series C</td>
<td>97.177% $100,000</td>
<td>97,177</td>
</tr>
<tr>
<td>La Cañada USD DS 2011 Refund Bond</td>
<td>97.177% $47,030,000</td>
<td>45,702,412</td>
</tr>
</tbody>
</table>

**Total overlapping debt** $627,148,208 $64,347,217

City direct debt $27,417,936 $27,417,936

**Total direct and overlapping debt** $654,564,144 $91,765,153

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
## CITY OF LA CAÑADA FLINTRIDGE

**Legal Debt Margin Information**  
**Last Ten Fiscal Years**

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assessed valuation</td>
<td>$5,316,451,119</td>
<td>$5,480,455,721</td>
<td>$5,466,344,622</td>
<td>$5,641,626,968</td>
<td>$5,865,716,593</td>
</tr>
<tr>
<td>Debt limit percentage</td>
<td>15%</td>
<td>15%</td>
<td>15%</td>
<td>15%</td>
<td>15%</td>
</tr>
<tr>
<td>Debt limit</td>
<td>797,467,668</td>
<td>822,066,358</td>
<td>819,951,678</td>
<td>846,244,048</td>
<td>879,857,489</td>
</tr>
<tr>
<td>Total net debt applicable to limit:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General obligation bonds</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Legal debt margin</td>
<td>$797,467,668</td>
<td>$822,066,358</td>
<td>$819,951,678</td>
<td>$846,244,048</td>
<td>$879,857,489</td>
</tr>
<tr>
<td>Total debt applicable to the limit as a percentage of debt limit</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

**Sources:**  
City Finance Department  
Los Angeles County Assessor’s Office
### Legal Debt Margin Information
Last Ten Fiscal Years
(Continued)

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assessed valuation</td>
<td>$6,128,902,656</td>
<td>$6,450,807,560</td>
<td>$6,815,724,294</td>
<td>$7,202,673,726</td>
<td>$7,595,373,486</td>
</tr>
<tr>
<td>Debt limit percentage</td>
<td>15%</td>
<td>15%</td>
<td>15%</td>
<td>15%</td>
<td>15%</td>
</tr>
<tr>
<td>Debt limit</td>
<td>919,335,398</td>
<td>907,021,134</td>
<td>1,022,358,644</td>
<td>1,080,401,059</td>
<td>1,139,306,023</td>
</tr>
<tr>
<td>Total net debt applicable to limit: General obligation bonds</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Legal debt margin</td>
<td>$919,335,398</td>
<td>$907,021,134</td>
<td>$1,022,358,644</td>
<td>$1,080,401,059</td>
<td>$1,139,306,023</td>
</tr>
<tr>
<td>Total debt applicable to the limit as a percentage of debt limit</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

**Sources:**
City Finance Department  
Los Angeles County Assessor’s Office
<table>
<thead>
<tr>
<th>Fiscal Year Ended June 30</th>
<th>Assessments Revenue</th>
<th>Debt Service Principal</th>
<th>Debt Service Interest</th>
<th>Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>$2,328,766</td>
<td>$3,160,000</td>
<td>$123,733</td>
<td>0.71</td>
</tr>
<tr>
<td>2010</td>
<td>$2,277,277</td>
<td>$0</td>
<td>$0</td>
<td>-</td>
</tr>
<tr>
<td>2011</td>
<td>$2,270,065</td>
<td>$0</td>
<td>$0</td>
<td>-</td>
</tr>
<tr>
<td>2012</td>
<td>$1,895,189</td>
<td>$0</td>
<td>$0</td>
<td>-</td>
</tr>
<tr>
<td>2013</td>
<td>$1,827,502</td>
<td>$0</td>
<td>$0</td>
<td>-</td>
</tr>
<tr>
<td>2014</td>
<td>$1,857,939</td>
<td>$0</td>
<td>$0</td>
<td>-</td>
</tr>
<tr>
<td>2015</td>
<td>$1,849,036</td>
<td>$0</td>
<td>$0</td>
<td>-</td>
</tr>
<tr>
<td>2016</td>
<td>$1,863,803</td>
<td>$0</td>
<td>$0</td>
<td>-</td>
</tr>
<tr>
<td>2017</td>
<td>$1,813,478</td>
<td>$0</td>
<td>$0</td>
<td>-</td>
</tr>
<tr>
<td>2018</td>
<td>$1,814,529</td>
<td>$0</td>
<td>$0</td>
<td>-</td>
</tr>
</tbody>
</table>

**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.
<table>
<thead>
<tr>
<th>Calendar Year</th>
<th>Population</th>
<th>Personal Income (in thousands)</th>
<th>Per Capita Personal Income</th>
<th>Unemployment Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>21,121</td>
<td>$1,269,322</td>
<td>$60,098</td>
<td>2.8%</td>
</tr>
<tr>
<td>2009</td>
<td>21,139</td>
<td>$1,252,639</td>
<td>$59,257</td>
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</tr>
<tr>
<td>2010</td>
<td>21,261</td>
<td>$1,512,019</td>
<td>$71,117</td>
<td>4.9%</td>
</tr>
<tr>
<td>2011</td>
<td>20,335</td>
<td>$1,522,278</td>
<td>$74,860</td>
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<tr>
<td>2012</td>
<td>20,441</td>
<td>$1,505,561</td>
<td>$73,654</td>
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</tr>
<tr>
<td>2013</td>
<td>20,535</td>
<td>$1,529,632</td>
<td>$74,489</td>
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<tr>
<td>2014</td>
<td>20,544</td>
<td>$1,562,227</td>
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<tr>
<td>2015</td>
<td>20,556</td>
<td>$1,469,384</td>
<td>$71,482</td>
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<tr>
<td>2016</td>
<td>20,497</td>
<td>$1,473,705</td>
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<tr>
<td>2017</td>
<td>20,683</td>
<td>$1,530,931</td>
<td>$74,018</td>
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</tbody>
</table>

Source: HdL Coren & Cone
<table>
<thead>
<tr>
<th>Employer</th>
<th>2018 Number of Employees</th>
<th>2018 Percent of Total Employment</th>
<th>2009 Number of Employees</th>
<th>2009 Percent of Total Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ralph's Grocery Co.</td>
<td>100</td>
<td>2.69%</td>
<td>89</td>
<td>3.11%</td>
</tr>
<tr>
<td>Ross Dress for Less Inc.</td>
<td>100</td>
<td>2.69%</td>
<td>76</td>
<td>2.66%</td>
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<tr>
<td>Sprouts Farmers Market</td>
<td>88</td>
<td>2.54%</td>
<td>59</td>
<td>2.41%</td>
</tr>
<tr>
<td>La Cañada Flintridge Country Club</td>
<td>86</td>
<td>2.48%</td>
<td>94</td>
<td>3.28%</td>
</tr>
<tr>
<td>Dilbeck Real Estate</td>
<td>86</td>
<td>2.48%</td>
<td>56</td>
<td>3.03%</td>
</tr>
<tr>
<td>Allen Lund Company LLC</td>
<td>83</td>
<td>2.30%</td>
<td>63</td>
<td>2.40%</td>
</tr>
<tr>
<td>Trader Joe's</td>
<td>78</td>
<td>2.25%</td>
<td>76</td>
<td>2.65%</td>
</tr>
<tr>
<td>T J Maxx</td>
<td>77</td>
<td>2.22%</td>
<td>53</td>
<td>2.20%</td>
</tr>
<tr>
<td>Gelson's Market</td>
<td>73</td>
<td>2.11%</td>
<td>59</td>
<td>2.41%</td>
</tr>
<tr>
<td>Los Gringos Locos LLC</td>
<td>56</td>
<td>1.62%</td>
<td>56</td>
<td>2.17%</td>
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<tr>
<td>Hill Street Café</td>
<td>49</td>
<td>1.41%</td>
<td>49</td>
<td>1.71%</td>
</tr>
<tr>
<td>McDonald's La Canada</td>
<td>48</td>
<td>1.38%</td>
<td>49</td>
<td>1.71%</td>
</tr>
<tr>
<td>Panera Bread</td>
<td>47</td>
<td>1.36%</td>
<td>56</td>
<td>2.09%</td>
</tr>
<tr>
<td>Sport Chalet Inc</td>
<td>235</td>
<td>8.21%</td>
<td>50</td>
<td>3.41%</td>
</tr>
<tr>
<td>Dickson Podley Realtors</td>
<td>73</td>
<td>2.55%</td>
<td>73</td>
<td>2.55%</td>
</tr>
<tr>
<td>United Artists Theater D B A UA</td>
<td>60</td>
<td>2.09%</td>
<td>60</td>
<td>2.09%</td>
</tr>
<tr>
<td>Von's</td>
<td>46</td>
<td>1.61%</td>
<td>46</td>
<td>1.81%</td>
</tr>
</tbody>
</table>

Total Employees 3,466 2,864

(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 Employees as of June 30

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>General government</td>
<td>25</td>
<td>24</td>
<td>24</td>
<td>23</td>
<td>25</td>
<td>24</td>
<td>24</td>
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<td>27</td>
<td>26</td>
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<tr>
<td>Public safety</td>
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<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
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<tr>
<td>Community development</td>
<td>7</td>
<td>9</td>
<td>9</td>
<td>9</td>
<td>8</td>
<td>9</td>
<td>8</td>
<td>7</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td>Public works</td>
<td>10</td>
<td>8</td>
<td>9</td>
<td>9</td>
<td>9</td>
<td>9</td>
<td>9</td>
<td>8</td>
<td>7</td>
<td>9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>43</strong></td>
<td><strong>42</strong></td>
<td><strong>43</strong></td>
<td><strong>42</strong></td>
<td><strong>43</strong></td>
<td><strong>43</strong></td>
<td><strong>42</strong></td>
<td><strong>43</strong></td>
<td><strong>42</strong></td>
<td><strong>45</strong></td>
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</table>

Source: City of La Canada Flintridge
## CITY OF LA CAÑADA FLINTRIDGE

**Operating Indicators by Function**

**Last Ten Fiscal Years**

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Police:</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Arrests</td>
<td>375</td>
<td>279</td>
<td>248</td>
<td>228</td>
<td>276</td>
<td>387</td>
<td>292</td>
<td>344</td>
<td>166</td>
<td>103</td>
</tr>
<tr>
<td>Parking citations issued</td>
<td>1,898</td>
<td>1,138</td>
<td>1,143</td>
<td>1,282</td>
<td>1,235</td>
<td>451</td>
<td>1,59</td>
<td>602</td>
<td>445</td>
<td>596</td>
</tr>
<tr>
<td><strong>Fire:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of emergency call</td>
<td>1,185</td>
<td>1,227</td>
<td>1,206</td>
<td>1,172</td>
<td>1,237</td>
<td>1,211</td>
<td>1,396</td>
<td>2,115</td>
<td>1,495</td>
<td>1,477</td>
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<td>Inspections</td>
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<td>1,456</td>
<td>1,661</td>
<td>1,353</td>
<td>963</td>
<td>226</td>
<td>254</td>
<td>361</td>
<td>321</td>
<td>1,586</td>
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<tr>
<td><strong>Public works:</strong></td>
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<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Street resurfacing (miles)</td>
<td>3.02</td>
<td>6.27</td>
<td>1.50</td>
<td>5.36</td>
<td>2.60</td>
<td>2.67</td>
<td>2.73</td>
<td>2.81</td>
<td>3.13</td>
<td>1.98</td>
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<tr>
<td><strong>Parks and recreation:</strong></td>
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<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Number of facilities rented</td>
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<td>13</td>
<td>14</td>
<td>14</td>
<td>14</td>
<td>15</td>
<td>15</td>
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</tbody>
</table>

Only readily available data presented

Source: City of La Cañada Flintridge
CITY OF LA CANADA FLINTRIDGE  
Capital Asset Statistics  
by Function  
Last Ten Fiscal Years

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Police:</td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<td></td>
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<tr>
<td>Stations (1)</td>
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<tr>
<td>Fire:</td>
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</tr>
<tr>
<td>Streets (miles)</td>
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<tr>
<td>Streetlights</td>
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<td>82</td>
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<td>Traffic signals</td>
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<td>18</td>
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<tr>
<td>Parks and recreation:</td>
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<tr>
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<td>6</td>
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<tr>
<td>Community centers</td>
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<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

(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 Canada Flintridge