

CITY OF WHITTIER, CALIFORNIA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
YEAR ENDED JUNE 30, 2009



**City of Whittier, California  
Comprehensive Annual Financial Report**

**Fiscal Year Ended June 30, 2009**



**City Council**

Bob L. Henderson

*Mayor*

J. Greg Nordbak

*Mayor Pro Tem*

*Council Members*

Joe Vinatieri

Cathy Warner

Owen Newcomer

Stephen W. Helvey

*City Manager*

*Prepared by*

City Controller's Office

Rod C. Hill

*City Controller*



# *City of Whittier*

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## *Introductory Section*

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 Year Ended June 30, 2009

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# City of Whittier

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December 15, 2009

The Honorable Mayor, Members of the City Council,  
and City Manager  
City of Whittier, California

It is my pleasure to submit the Comprehensive Annual Financial Report of the City of Whittier (“City”) for the fiscal year ending June 30, 2009. This report is prepared in accordance with local ordinance and state law requirements that financial statements be presented in conformity with accounting principles generally accepted in the United States of America, as well as the opinion of Conrad Government Services Division of Mayer Hoffman McCann P.C., an independent firm of licensed certified public accountants. This financial report includes the closely related Whittier Redevelopment Agency, the Whittier Public Financing Authority, and the Whittier Utility Authority, for which the City is considered to be financially accountable. In accordance with the Governmental Accounting Standards Board, management is required to provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management’s Discussion and Analysis (“MD&A”). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City’s MD&A can be found immediately following the independent auditors’ report.

The City of Whittier is responsible for the accuracy, completeness and fairness of the Comprehensive Annual Financial Report’s presentation, including all disclosures. Management believes the data presented is accurate in all material respects and fairly present the financial position and the results of operations of the City’s various funds. Informative disclosures are sufficient to enable the report’s readers to gain an understanding of the City’s financial affairs. The auditor’s opinions included in this report reflect our belief.

## **Background**

Whittier is located in Los Angeles County, about 12 miles southeast of the City of Los Angeles. A five Member City Council under the Council – Manager Form of government, governs the City. Whittier is a charter law city and was incorporated in 1898. The Charter form of City government was ratified in 1955. The City covers 14.8 square miles and has an estimated population of 86,788. Businesses and industries in the area include 443 professional services, 539 retail stores, 186 family type restaurants, 46 manufacturing plants, 10 hotels and motels, 5 automobile dealerships and over 276 specialty shops and boutiques, predominantly located in Uptown Whittier, the Quad shopping mall, as well as the Whittwood Town Center.

Founded in 1887 as a Quaker colony, Whittier's strong sense of history and vision for the future has made it an up-scale and dynamic residential community. Throughout the years, the City of

Whittier has striven to provide a healthy and safe community and a well-maintained infrastructure enhanced by planned patterns of growth and development. Through a balance of economic, social, political, cultural and recreational opportunities, the City Council has encouraged an atmosphere conducive to community spirit and active participation in the affairs and progress of the community. Such efforts have been made to ensure a visually pleasing community in which the City's identity and character are preserved and enhanced.

**Services Provided by the City**

The City provides a full compliment of services to its citizens. The services provided by the City include police, park, street and infrastructure maintenance, planning and zoning, building and engineering, library services, public Dial-A-Ride transit, public information, and general administration. The Los Angeles County Fire Protection District supplies fire services to City residents and businesses. In addition, the City provides police services through a contract to the neighboring city of Santa Fe Springs. The City also operates various enterprise operations that provide water utility, sewer and solid waste collection and disposal services. A portion of solid waste collection, along with the City's cable broadcasting, is provided through franchise arrangements with vendors in the private sector. The City provides transit administration services to the neighboring city of La Habra Heights and contracts out the Dial-A-Ride transit services. The City also provides fixed route transit services through Norwalk Transit Systems, the Whittier Transit fixed-route contractor.

In addition to the usual City services, Whittier offers a variety of programs to help local residents and businesses. The City operates a redevelopment agency that encompasses 1,524 acres. The Agency provides housing assistance to low and moderate income families, assists in the rehabilitation of commercial properties, and seeks to eliminate blight. The Community Development Block Grant program provides loans for the rehabilitation of low and moderate-income residential properties. Whittier's residents also receive assistance through the City's senior citizen programs.

**Economic Condition and Outlook**

The City of Whittier's economy is primarily based upon retail sales taxes and property taxes from commercial and residential properties. The weak national economy, a struggling housing market, and increased costs for consumers have significantly impacted the City's ability to generate revenues. The housing market has taken a significant downturn over the past two years, with resale values down over thirty percent and foreclosures continuing climbing up. California is facing the high record of unemployment rate, over ten percent in June 2009. Consumer spending remains slow, with auto sales down considerably and dealerships continuing to close. The state of the economy has impacted the State of California's budget, which now calls for borrowing \$2 billion from cities and counties, and takes another \$1.7 billion from local redevelopment agencies in fiscal year 2009-10. The majority of governmental agencies throughout the nation are facing financial difficulties.

Whittier is not immune from the economic downturn as we are projecting significant reductions in sales tax and other revenue sources. With the implementation of general fund operating budget reductions, fee increases, and the use of contingency reserve funds, the City was able to adopt a balanced budget for 2009-10.

The City values its unique history and strives to maintain the character of the community while recognizing the importance of being flexible to accommodate the changing economy in Southern California. Economic development is a top priority for the Council as it plays an integral role in the community. Even with the economic in its current state, the City strives to provide a high quality of life for workers, business owners, property owners and all residents.

The City's economic development efforts include redevelopment of commercial and residential properties, and construction of affordable housing. The expansion of existing businesses and the attraction of new businesses have not only increased the property tax increment for the Redevelopment Agency but also the sales tax base for the City.

The City continues to actively promote Whittier through the Redevelopment and Housing Division of the Community Development Department. The City has a Business Development Manager and continues to promote the City's "Shop Whittier" campaign. They also represent the City at the annual International Council of Shopping Centers' convention and coordinate the implementation of the Economic Development Strategy. These and other efforts will contribute to the stability and growth of Whittier's economy.

The unemployment rate in the City has been consistently lower than the state and regional levels. In June of 2009, the City's unemployment rate was 8.1% compared with 11.4% for Los Angeles County and 11.6% statewide. The City's unemployment rate also compares favorably with neighboring cities of comparable size.

Taxable retail transactions in Whittier for the 2<sup>nd</sup> quarter 2009 have decreased from 2<sup>nd</sup> quarter 2007 by 20.2%. Receipts for all of Los Angeles County dropped 20.1% over the comparable time period while the State, as a whole, declined 20.0%

### **Long-Term Financial Planning**

The City's General Fund accounts for the majority of vital services for its citizens, such as police services, community services, parks and library facilities, and the General fund is subjected to various economic conditions from year to year. The City utilizes a Five-Year Plan ("Plan") as a tool to project future expenditures and revenues for the General Fund and their effect on its year-end fund balance. This Plan takes into account projections for salary increases, benefits increases, maintenance costs of new construction projects and accounts for new businesses coming on-line in the City, which would be adding sales tax to the City's revenue base. This Plan is updated annually.

The City has commenced building a new Police Facility, which will greatly enhance the workability of the Police Department, by giving them a new modern facility with jail capacity. This structure does not replace a capital facility that is already in place, thus operation and maintenance costs must be taken into consideration when forecasting costs for the Plan. Costs to

maintain and operate this new facility are estimated to be approximately \$300,000 a year to start with completion in 2010-11.

It is projected that in 2010-11 the salaries of two police officer, which are currently being supported by Traffic Offender Impound fees and COPS grants from the State, will transferred to the General Fund, because these funds will no longer be able to solely support those positions. At that time the General Fund will have to contribute funds in order to retain the positions. Those costs are estimated to be approximately \$90,000 starting 2010-11.

## **Major Initiatives**

*For the Year.* In carrying out the 2008-09 budget, staff worked diligently to implement the new programs and policies that the City Council has brought to the forefront. Although some of these activities are not necessarily reflected in the financial statements, they are significant to the future of the City. Some of the more important activities are summarized below.

The City continued providing administrative services for the Executive Director of the Puente Hills Landfill Native Habitat Preservation Authority through the Inter-Agency Agreement for the eleventh year. The Authority continued reimbursing the City 100% of the direct costs paid on behalf of the Authority.

The City Manager works under the direction of the City Council to oversee and implement City policies and programs set forth in the annual budget and those resulting from the City Council actions. Priority efforts for this fiscal year include providing oversight to the police facility construction and budget; assessing funding options for library expansion or replacement; supporting maintenance, operation and improvement of the Whittier Greenway Trail, including seeking grant funds for the project, as well as the potential to extend the Trail to the east; soliciting state and federal funding for local and regional projects; supporting the redevelopment of key commercial sites; implementing the Uptown Specific Plan; working with the State, the Whittier community and developers regarding reuse of the Nelles School property; upgrading television equipment for the government access channel; collaborating on graffiti enforcement and abatement programs; and continuing the oversight of the Whittier/Santa Fe Springs policing contract. Other programs have been initiated by the City Manager's Department but are being implemented through the efforts of the various departments and are discussed below.

The Police Department has worked diligently to apply and receive various grants from the Office of Traffic Safety. Two "Click it or ticket" grants were awarded to the Department which provides funding for DUI checkpoints, seatbelt and speed enforcement. Furthermore, through the Justice Assistance Grant Program, the Police Department received a grant enabling the purchase of three lidar units for safe and effective speed enforcement. Such enforcement efforts have reduced injury collisions and increased traffic safety and awareness within the community. The Department continued to participate in A.T.A.G. (Aware Teens Against Graffiti) which is a diversion program for first time taggers and vandals. Members of the Department assist other community stakeholders with teaching and mentoring both violators and their parents during this weekend-long program. The Buffer Zone Protection Plan (BZPP) Grant has been exhausted with the final purchase and installation of necessary equipment to upgrade the Department's

communication infrastructure including the portable radio system for officers. The Department worked jointly with the East Whittier City School District to obtain and fully fund a school resource officer (SRO) under their Safe Schools Healthy Students federal grant. This grant provides a full-time police officer to the school district for 4 years. The SRO has numerous responsibilities including ensuring student safety through proactive patrols, teaching and counseling with the support of school staff. The Department worked extensively with the Department of Children and Family Services to ensure all preliminary reports of child abuse and neglect are expeditiously investigated. To augment this mutual expectation, the Department is now utilizing an electronic notification process to expedite follow up and reciprocal communication.

The Redevelopment and Housing Division of the Community Development Department's efforts have been focused on the redevelopment of key sites in the City, continued implementation of the City's housing programs, and administration of the Federal CDBG and HOME grants annually allocated to the City. The City' annual Economic Development Strategy was approved and adopted by the City Council and staff continues to implement it through business visitations, seminars, and a variety of incentives. On November 18, 2008, the City Council adopted the revised Uptown Whittier Specific Plan. Adoption of the plan was the culmination of a two and one half year effort to update the plan for future redevelopment of the area. The new Plan calls for a walkable, compact urban core, where residents can live, work, shop, and recreate. To facilitate the new development within the Specific Plan Area, a variety of infrastructure must be upgraded including sidewalks, sewer mains and water mains. In addition, the plan calls for six to eight new parking structures and on street parking meters. The Alpha Beta Site may be the first large scale development under the new plan. It proposes development of 3.4 acres of currently vacant land owned by the Whittier Redevelopment Agency. Conceptual site plans for this development entail a mixed use project with components of market-rate and affordable housing, commercial space, and public uses including the potential for a new central library. At the "Five Points" intersection of Whittier Boulevard and Washington, the Agency is working with Fountainhead Development at the "Ricker Motors" site. Fountainhead is working to develop a prime corner parcel with an office or hotel use. Plans include the incorporation of the "Skateland" site. The Skateland site would be used for parking as it is adjacent to the Omega Chemical site, a Federal Superfund site that is currently undergoing extensive environmental remediation efforts. The Agency entered into a Purchase and Sale Agreement that would take effect in the event that Fountainhead does not secure a hotel, medical or office space for the site. Redevelopment Staff continues to pursue redevelopment of the State of California's shuttered 73.8-acre Fred C. Nelles site. The site was added to the Whittier Commercial Corridor Redevelopment Project in 2005 in anticipation of its redevelopment. Staff will continue to assisting potential developers in fully understanding the site's opportunities and constraints. The redeveloped Whittwood Town Center has been completed with the development of Johnny Carinos restaurant. Construction began in FY 06-07 on 114 town homes called Ravello at the Whittwood Town Center. The developer of the Ravello, MBK Homes, continues to build out the project and trickle units into the marketplace to match unit absorption. Due to the slowing economy, lower demand for large trucks and SUVs, along with corporate decisions, three automobile dealers closed their doors: Whittier Chrysler/Jeep/Dodge, Whittier Mitsubishi, and Board Ford. The closures are linked to corporate decisions. While the decline in sales tax negatively impacts the City, the Redevelopment Agency is optimistic that the now vacant sites

will present new opportunities for redevelopment. One of the main goals of the Economic Development Strategy is to promote a strong, diversified and sustainable local economy and enhance the quality of life in the community. The Agency continues to market the City to potential retail and housing developers at regional and international events hosted by the International Council of Shopping Centers (ICSC) and the Urban Land Institute (ULI). To further enhance the marketing and business attraction efforts, the Agency hired market leader, Buxton Company, to complete a detailed demographic and market analysis. The study names specific retailers whose outlets were found to be financially viable in Whittier. This list will be used for several years to come as a key tool in attracting new retailers to Whittier.

The Housing Division continued to pursue the goals outlined in the City/Redevelopment Agency housing strategy that is outlined in the Five Year Implementation Plan and also in the HUD-required annual Action Plan. These plans seek to address the housing and community needs of the City with CDBG, HOME, tax increment, and General Fund sources. Low-income families were able to rehabilitate their homes with ten (10) loans and two (2) grants through the City's Home Rehabilitation program. The Minor Home Repair Grant Program completed 30 projects, while the Minor Home Modification Grant Program assisted one household. Using HOME funds, the City purchased a triplex on Comstock Avenue. This piece will be combined with other parcels owned by the Agency to create an affordable ownership housing project. The City also used HOME funds for a transitional housing project being developed by First Day. First Day bought the triplex with the assistance of the County and will rehabilitate it. The City is assisting with relocation, lead based paint abatement, and rehabilitation. The Gables 96-unit condominium development is well underway on Whittier Boulevard. The Agency entered into an Affordable Housing Agreement with the developer, HDS Group, to allocation 24 units as affordable ownership housing that will be available to moderate income homebuyers. A new program called the Affordable Home Ownership Program was approved to effectuate the sale of the 24 new units to qualifying buyers. Lastly, the Whittier Redevelopment Agency funded a consulting to prepare plans for infrastructure upgrades along portions of Whittier Boulevard. The first item to be implemented will be the installation of new street lights between Valley Home and Santa Gertrudes.

The Community Development Department's Planning Division is responsible for implementing the City's General Plan and enforcing the Whittier Municipal Code regulations for such planning related activities as: the design and development of new buildings, subdivisions, and historic preservation of existing structures over 50 years old. During fiscal year 2008-09, the Division received approximately 1,127 new planning applications ranging from zoning code amendments to development review applications. The Planning Division has been very active in processing a variety of development applications including the Fresh & Easy neighborhood market and beginning the environmental review process for the Whittier Main Oil Field project by Matrix. There were 1,030 development review applications submitted to the Planning Division, which includes those that are administered at the counter. Staff has processed the remodeling and re-opening of the new Kohls department store, as well as a number of wireless telecommunication facility applications. Post entitlement projects such as the Whittier Area Community Church and Whittier College's developments continue to involve site visits, inspections and client meetings. With respect to Advanced Planning matters, the Community Development Department completed numerous Zoning Code Amendments during FY2008-2009. Many of these Code

Amendments involved developing standards for land-use issues that were not previously addressed in the Whittier Municipal Code such as (but not limited to): the development of telecommunication facilities, smoking lounges, and new parking structures. Other Zoning Code Amendments involved the creation of the College Hills Historic District and the dissolution of the City's Design Review Board. During FY2008-09, the Department continued to work on the City's comprehensive update to the City's Housing Element for the planning period 2006-2014, as well as beginning the process to update the City's Natural Hazard Mitigation Plan that was originally adopted in 2005. Finally, the Department completed the comprehensive update to the City's Uptown Whittier Specific Plan in November 2008. The Specific Plan update is unique to Whittier because it is the City's the first "Form Based" Code to regulate future development in Uptown Whittier.

The Building & Safety Division of the Community Development Department continues to proactively maintain a cooperative working relationship with the design and development community. Primary elements of this effort continue to include providing: excellent customer service, community education and awareness related to safe building practices, State-mandated technical education for staff, and fostering integration of the requirements of the Planning, Code Enforcement, Parks and Public Works Engineering Divisions and with other departments, agencies and authorities having jurisdiction over a project. Maintaining a customer-friendly atmosphere without compromising building standards has been accomplished through the delivery of accurate information in a timely manner. The Division performs the mandated functions of assuring compliance with the City's building regulations, coordinating the requirements of other departments and agencies, identifying and abating illegal dwelling units throughout the City, and facilitating City sponsored projects. Major accomplishments during FY 08-09 included adoption of the 2008 Los Angeles County Fire Code and Fire Hazard Severity Zone mapping, training with staff on the extensive changes contained in the 12 new code manuals that are part of the recently adopted CBSC. Inspection of major projects including: PIH 5-story medical office building and tenant improvements, major renovations at Whittier College, the new Kohl's department store and the Ravello and Gables townhome projects. The division also provided assistance to the Whittier Police Facility development team by performing and coordinating plan review and inspection services for the facility. The division continued to develop new public information handouts in accordance with the new CBSC requirements.

On the Greenway Trail, the Parks Department has completed the educational element of the Citrus Station which identifies the importance of water and its influence on the citrus industry in Whittier, and the Sycamore Station is nearing completion. This Station, when finished, will depict the history of transportation along Whittier Boulevard. Truck access to the Trail (emergency and/or repair vehicles only) has been added at the El Rancho parking lot at Palm Park. Staff has also been redesigning, overseeing and inspecting the irrigation and landscape along the Greenway as well as various City owned vacant lots. The new accessible play structure and rubberized surfacing has been installed at J.G. Whittier Park and the design/construction of the Joe Miller Restroom Renovation is in progress. Lastly, staff continues to review the landscape and irrigation plans for all of the various construction projects throughout the City

In the Public Works Department, the Engineering Division completed the pavement rehabilitation of two sections of Lambert Road between Painter Avenue and Mills Avenue and Scott Avenue to Leffingwell Road. This \$1 million project was funded from Proposition 1B,

Highway to Cities, Proposition C, and Gas Tax. Other pavement rehabilitation included slurry seal and chip seal for various collector and secondary roadways including but not limited to California Avenue, Philadelphia Street, West Road, Calmada Avenue, and Pickering Avenue using Gas Tax B monies with the majority of the money to be reimbursed through the SAFETEA-LU funds. We also completed the slurry seal of various local streets in East Whittier as part of the City's Five-Year Surface Sealing Program, which also included collector streets such as Jordan Road and First Avenue and about 1 mile of alleys as part of the Alley Rehabilitation Program. Funding utilized Traffic Congestion Relief, Gas Tax, and Solid Waste Funds (alleys). Community Development Block Grant (CDBG) funds were used to resurface several local streets within one of the low and moderate-income areas of the City near Lambert Road and Greenleaf Avenue. In a joint effort between Code Enforcement, and the Solid Waste and Engineering Divisions of Public Works, the alley clean-up, weed spraying and removal projects were completed using Solid Waste Funds. In order to satisfy American Disability Act Compliance, various wheelchair access ramps were constructed at various locations in the city. Southern California Edison completed the installation of underground infrastructure associated with Underground Utility District No. 12 which consists of the undergrounding of the utilities along Whittier Boulevard between Santa Gertrudes Avenue and Valley Home Avenue.

The Civic Center Maintenance Division replaced the remaining Senior Center air conditioning system units (five were replaced in FY 2007-08), the main electrical panel for City Hall and the City Hall elevator upgrades.

The Fleet Division of Public Works successfully upgraded the City Yard gasoline refueling station to comply with the California Air Resources Board requirements, Enhanced Vapor Recovery Phase II, before the required due date of April of 2009. Fleet took delivery of a compressed natural gas (CNG) refuse collection vehicle and applied for, and received, \$32,000 in grant funding (reimbursable) for the purchase. Fleet currently has an additional CNG vehicle on order for the Parks Department and applied for \$20,000 in grant funding (reimbursable) to assist in the procurement cost. Construction of the compressed natural gas (CNG) vehicle refueling station was completed in November of 2008 and the City received \$233,333 in grant funding (reimbursable). In compliance with the California Air Resources Board (CARB) requirements, the Fleet Division has placed an additional eight (8) particulate matter (PM) emission control devices on existing City on-road heavy-duty diesel-powered vehicles. In FY 2008-09, Fleet purchased new vehicle mounted radios and base stations which are currently being installed.

The Sewer Division complied with the new General Waste Discharge Requirements (GWDRs) for sanitary sewer systems by hiring a consultant to develop a Sewer System Management Plan (SSMP). The City Council adopted the SSMP in August 2009. Additionally, as part of compliance with this program, video inspection of the entire sewer system began in FY 07/08 and is scheduled for completion in 2010.

The Water Division has completed the following projects in FY 08/09: The backwash and flush lining piping modification at the Whittier Narrows Operable Unit (WNOU) were completed per the agreement with Environmental Protection Agency (EPA); the 2" water main on El Rancho Road was replaced with a 6" diameter DIP; the remaining four sampling stations were completed per California Department of Public Health guidance; demolition of Well #7 was completed at



Pumping Plant 2; approximately 400,000 pounds of carbon was replaced at the WNOU treatment facility as well as repairs to damaged sample ports. All costs were reimbursed by the EPA. The Water Division continued to operate the EPA Water Treatment Plant and began operating the Central Basin Water Quality Protection Plan (WQPP) Plant.

The Solid Waste Disposal Division completed operation improvements to the landfill gas system. These improvements were necessary operations for regulatory compliance. A consultant developed an Alternative Ground Water Monitoring Plan in conformance with requirements of the California Regional Water Quality Control Board (CRWQCB). The alternative plan was accepted and approved. A consultant also developed a Landfill Gas Monitoring Program in conformance with requirements of the California Integrated Waste Management (CIWMB).

The Community Services Department successfully presented a full range of leisure, cultural arts and social services programs for the Whittier community. The Cultural Arts Commission and the Art in Public Places Advisory Committee completed a major project this year with the installation of the Wind Sculptures along the Greenway Trail. Upcoming new public art projects include the completion of "Rocket Robin" at Parnell Park and soliciting submissions for an art piece at the eastern entrance to Whittier. Annual special event programs were well received as thousands of participants enjoyed the Summer Concert Series, Easter Eggxtravaganza and Founders' Day. While budgetary considerations resulted in a reduction in the Independence Day celebration, a reverent, tasteful and fun morning was held on July 4 with a Flag-Raising Ceremony and "Freedom Walk" along the Greenway Trail. A special highlight of the year was the visit by the delegation from Changshu, China, Whittier's Sister City. The classes division has added a number of new courses and a variety of new instructors this year. The Youth Services Division continued to operate regular programming as well as a new Club Orchard Dale site which was a great success. Our Volunteen program introduced earlier this year showed great promise. Seventeen youth volunteers have been assisting with community events, senior programming, WYN Club and Day Camp programs. The Activate Whittier Walking Club began in January, 2009. Youth Services staff has taken the lead with the program which meets on the second Saturday of the month at Palm Park. Parnell Park Senior and Community Center has continued to be a popular place to rent for private parties. New classes have also been added to the Parnell schedule with gymnastics and "Zumba" fitness taking the lead. The Parnell Senior program added "Café Parnell," a monthly breakfast event where seniors enjoy food, music and friends. Other activities included a "Summer Kick Off" picnic and Dinner and a Show. Interns at the Senior Center facilitated various new programs, such as the Book Club, and Monday Talks. The Therapeutic Recreation program conducted a marital arts workshop, which may be added as a new regular program next year. The Accessibility Committee hosted an extremely successful Abilities Expo at Parnell Park, which featured vendors, agencies, programs and information for our residents who have disabilities and their families and friends. A very successful Therapeutic Halloween Costume Party and Dance was also held for over 600 participants. The annual Mid-Winter Junior Tennis Tournament continues to be successful as we had over 900 participants enrolled again this year. The Sports and Facilities Division ran our first adult softball tournament in which the top 16 teams participated in a "Tournament of Champions". The Whittier Community Center continued to be enhanced with various upgrades including, new flooring in the theatre lobby, a new theatre awning, painting of the interior gym and classrooms, acoustic ceiling replacement, and new theatre house lights. The Junior Theatre program continued to

offer a larger variety of activities for youth and young adults with musical and drama productions, acting classes, and theatre camps. The division also provided support for various non-profit groups with their facility and equipment needs.

The Transit Division of the Community Services Department successfully completed several major projects this year. A multi-year Bus Stop Improvement Plan, which will include standardization of bus stop amenities designed to maximize passenger comfort, safety and security, was approved and is currently in the design process, and staff is continuing to seek grant funding for this project. Although the Whittier Historic Depot was fully rehabbed in 2001-02, it is still a 100+ year old building, and seven years after its restoration, there was the need for larger maintenance projects to preserve the historic building and keep it looking its best, such as exterior repainting, deck repair and termite eradication. Dial-A-Ride ridership increased by 17% this year, due to refinements in the program and the excellent service by the new contractor. Grant funding allowed Dial-A-Ride to expand its door-to-door service hours and days. The Taxi Voucher Program was expanded to allow for same-day service on holidays within Whittier, as the regular Dial-A-Ride program operates on advance reservations only on holidays. Transit staff continued to monitor the various fixed-route bus services that come into Whittier, especially during these difficult economic times when more people are forced to rely on public transit. Also in response to the severe economic conditions, the Transit Division was able to continue to offer the same discount amount to Whittier residents purchasing Metro and EZ bus passes. Staff also coordinated with Metro to join the TAP card program, which allows passengers to purchase monthly, weekly and daily Metro passes, using a permanent card. Staff continued to participate in discussions and have input into the proposed Gold Line eastern expansion.

The Library circulated over 512,200 items, 460,738 patrons used the services, 7,785 new library cards were issued and approximately 122,500 reference questions were answered. The library signed up over 4,050 children and youth during the Summer Reading Program. This program encourages children to pursue literacy year round. Total of 40,100 children participated in variety of programs also 2,728 adults participated in many quality programs offered by the Library. The Homework Center continues to provide much needed resources through databases and services for students such as live online tutoring. The Community Read Program, Whittier Reads, completed its 6<sup>th</sup> annual program successfully and provided a variety of high quality cultural and educational programs. The Library celebrated the 50<sup>th</sup> anniversary of the Central Library building with special programs and displays. A selection of historical issues of the Whittier Daily News and photographic collections are now available through the Library's website. The Library's website has been updated and redesigned. The Library continues to host therapy dogs weekly which assist children in reading. A series of programs have been added this year, such as A Book of My Own (free books to children in crisis), Book Bites (book discussions held monthly), Wednesday Night Book Group, and Brunch at the Branch. The Library's passport program now has been expanded to include photo service. The annual report for 2008/2009 was completed.

The City Clerk-Treasurer Department continued to produce and safeguard accurate quality official records on behalf of the City, Redevelopment Agency, Housing Authority, Public Financing Authority, and Utility Authority. The Department administered the City Council's Advisory Board appointment process resulting in the appointment of 13 City Board and Commission members as well as the annual recognition event for current and outgoing advisory

board members. The Business License Division processed over 8,300 licenses and, with specialized software, was able to improve processing and business license record maintenance capabilities. The Department's Information Technology/Records Management Division continued to provide a variety of information services to citizens and staff. The Division has three main functional units: Information Technology (including Telecommunications), Records Management, and Geographic Information Systems (GIS). The IT Unit is also responsible for maintaining the City's website. The major accomplishment of the IT unit was a redesign of the City's network infrastructure from individual servers to a storage area network (SANs) with virtual servers. The new network infrastructure saves on space as well as on power consumption. The move to a SANs infrastructure with virtual servers also improved the manner in which the City's data is backed up providing improved disaster recovery capabilities. The Records Management Unit again assisted both citizens and staff to research a variety of topics. The Unit handled almost 200 requests for information and indexed over 1,100 pages of City Council minutes, ordinances and resolutions. Records processed 70 cubic feet of obsolete records freeing valuable space in the Records Center for additional storage. GIS staff continues to add and improve the information layers including zoning, parcels, addresses, street center lines, specific plans, and redevelopment project areas. GIS staff has generated maps for the mineral extraction project, voting precincts, and the Nelles property. GIS staff also works with the Police Department to maintain their map of both Whittier and Santa Fe Springs for the CAD/RMS system.

Human Resources staff collaborated with City departments on a number of key personnel initiatives to achieve the City's goals and provide quality services to the community. Staff participated in the negotiation process with the Whittier City Employees' Association (WCEA) and negotiated a contract extension with the Whittier Police Officer's Association (WPOA). HR Staff also coordinated the revision of job applications and job announcement wording in order to comply with HUD guidelines. Group health insurance plan rates were negotiated below market trends to provide the City with cost-effective coverage to eligible employees and retirees. Human Resources coordinated the City's Employee Safety Program to safeguard employees, conserve City funds and comply with Cal-OSHA regulations. This included conducting heat stress training, fire prevention and safety, and CPR/AED/First Aid training for all employees, and confined spaces training, forklift training and hearing testing for those who work in the field. This fiscal year also included training classes for the Lockout/Blockout/Tagout (LOTO) and Bloodborne Pathogens Programs. Staff also conducted disaster preparedness workshops for employees.

The Controller's Department continues to manage the accounting, auditing, and budgeting requirements of the City. In addition, the Department continues to oversee the risk management responsibilities of the City for both Workers' Compensation and Liability Risk Management. Staff also co-chairs the City's Employee Safety Program and provides in-service training. In January 2009, the Controller's department merged with the Human Resources department.

***For the Future.*** To assist the City in planning for the future, the City has a five-year capital improvement plan that provides a framework for the development and maintenance of infrastructure to meet current and future needs.

The Police Department will be obtaining a new automated license plate scanning system which will be obtained through a homeland security grant. This equipment will enhance the identification of stolen vehicles and wanted subjects through an automated computer system in the field. The Department also intends to utilize federal funding through a stimulus grant to obtain portable video remote surveillance systems as well as technological software for crime analysis and forensics. Additionally, the Department is looking into an on-line reporting system which would allow victims to report specific crimes using their home computer or kiosk at the station. Such reporting would diminish waiting time and citizen inconvenience while expediting report review and subsequent investigations.

The Park Department will continue with the educational element of the Greenway Trail with installation of panels recognizing those who historically made a significant contribution toward the development of early Whittier at the Oak Station at Mills and Lambert. Cable fencing and landscape and irrigation upgrades will continue along the Greenway and throughout the Park system as funding becomes available. The Department plans to replace the play equipment and surfacing at Kennedy Park with the Laurel Park Restroom Renovation pending available funding.

The Community Development Department's Planning Division has an aggressive project schedule for Fiscal Year 2009-10. It includes the processing of development entitlements and an Environmental Impact Report (EIR) for determining the feasibility of oil drilling and production on various City-owned sites within the Whittier Hills. Staff will continue to monitor post-entitlement projects as well, and continue to work with applicants to address their concerns prior to the formal submittal of their projects. The work program for the Advanced Planning side of the division includes the adoption of an updated massage ordinance, the creation of a dining and entertainment ordinance and the development of an emergency shelter ordinance to mention a few. Other notable projects include the development and implementation of the "Tiering System" for historic preservation purposes, updating the City's Historic Preservation Ordinance, conducting a new historic resource survey of approximately 350 buildings, State certification of the City's Housing Element Update for the Planning Period 2006-2014 and FEMA approval of the City's update to its Natural Hazard Mitigation Plan.

In the Public Works Department, the Engineering Division will install a new traffic signal at the intersection of Starbuck Street and Santa Gertrudes Avenue and a traffic signal modification will be built at the intersection of Lambert Road and Santa Gertrudes Avenue. Funds utilized from CDBG, Traffic Congestion Relief, and Gas Tax will be used for several roads in West Whittier. The CDBG money will be used to resurface several local streets within one of the low and moderate-income areas. Several roads are scheduled for large scale pavement rehabilitation including Greenleaf Avenue, Mulberry Drive/Slauson Avenue, La Cuarta Street, Laurel Avenue. These major collector and arterial roadways will utilize the anticipated American Recovery and Reinvestment Act (ARRA) funding, but use Gas Tax and Proposition 1B funding to front the funding of the projects. Work will include repairs to uplifted and damaged sidewalks and access ramps. ARRA funding will also be used to fund intersection and drainage reconstruction for California Avenue and Mar Vista Street, and upgrades to the ornamental street lighting along Painter Avenue and Ramona Drive. The Engineering Division will oversee the removal of the overhead power poles along Whittier Boulevard between Santa Gertrudes and Valley Home Avenue and the installation of street lights in accordance with Underground Utility District No.

12 and the Whittier Boulevard Specific Plan streetscape design plans. The Engineering Division will work with Community Development and a consultant to develop the locations of parking meters and a planned parking structure Uptown Whittier in accordance with the anticipated revised Uptown Specific Plan. Alley rehabilitation will begin to complement the alley code enforcement and weed spraying efforts. It is anticipated that the majority of the asphalt alleys will be rehabilitated before the end of the fiscal year. The Civic Center Maintenance Division will work on the construction plans and specifications for the City Hall window replacement project and air-conditioning and heating upgrades to the Whittwood Branch Library using Energy Efficiency and Conservation Block Grant funding.

Future plans in the Fleet Division are to procure at least 2 additional CNG powered vehicles in 2009–10 and look for grant opportunities to subsidize the cost of those vehicles. The California Air Resources Board has expanded their diesel particulate matter (PM) emissions regulations to include all off-road diesel-powered equipment (backhoes, scrapers, bulldozers, etc.). As a result, particulate matter emission control devices now need to be placed on all existing diesel-powered heavy-duty vehicles and off-road equipment. The acquisition of alternative fueled vehicles will meet this requirement in the regular vehicle replacement schedule and will minimize the impact.

The Public Works Sewer Division will continue video inspection of sewer lines to comply with the GWDRs and to determine future sewer replacement projects.

The Public Works Department Water Division is working with the Fleet Division to purchase a dedicated emergency generator for the Greenleaf Booster Station. The rehabilitation of City wells 16 and 17 is scheduled for FY 09-10. Per EPA direction, the replacement of submersible pumps for EW 4-3 and 4-4 with line shaft pump and above ground motors is scheduled. On Palm Avenue, the 4" CI will be replaced with an 8" DIP and on Park Street the 6" CI main will be replaced with an 8" DIP. The Water Division will continue to operate the EPA Water Treatment Plant and WQPP Plant.

The Public Works Solid Waste Disposal Division will pursue design and construction of the Phase IIC landfill expansion. The division also plans for the construction of new Landfill Gas Monitoring probes to implement the new Monitoring Program.

The Community Services Department will continue its commitment to providing high-quality, low-cost, local classes, events and activities for our residents. The year 2010 marks the 15<sup>th</sup> anniversary of the Whittier Sister City Committee, and planning has begun to mark this event. The Cultural Arts Commission and the Art in Public Places Advisory Committee is planning for the installation and dedication of the "Rocket Robin" piece at the Parnell Park Community and Senior Center by artist Tom Askman, and the receipt, review and recommendation of the eastern City entrance public artwork. The classes division will continue to monitor trends and work to provide for the needs of residents with a variety of interesting and fun classes for all ages. Special marketing efforts will be implemented to emphasize the benefits of these classes to our residents. The Sports and Facilities Division will continue to evaluate and make recommendations to meet the needs of our disabled community. In addition, plans are scheduled to install fire sprinklers in the storage area of the Center Theatre. The division will also continue to foster our relationship with local school districts to assist the youth organizations in acquiring practice and game facilities. The Youth Services Division will implement a grant funded

program with the East Whittier City School District. The grant allows us to provide services for an afterschool teen program at Granada Middle School for the 2009-10 school year. We will also operate a new summer day camp program at Orchard Dale Elementary.

Plans for 2009-10 include beginning the construction of the first phase of the Bus Stop Improvement Plan, and to continue to seek grant funding for this multi-year project. As Whittier and La Habra Heights operate a “sub-regional” paratransit service, funding received from the Proposition A Incentive Grant will be used to further enhance this program. Plans are underway to expand and refine the Taxi Voucher Program to make it simpler and reasonably priced for passengers, as well as expanding service to include 24-hour availability within Whittier to give passengers a transportation option when the regular Dial-A-Ride is closed. Maintenance will be conducted at the Whittier Historic Depot to keep it well preserved and an attractive addition to the Uptown area. Transit staff will continue to monitor the various fixed-route bus services that come into Whittier, and attempt to mitigate the effect service cuts will have on our residents who are public transit dependent. Metro and EZ pass discounts will also remain at the same level this year, in recognition of the effect the troubled economy is having on our residents. Staff will also continue to participate in discussions and have input into the proposed Gold Line eastern expansion.

The Library staff will be working closely with the Library Foundation to continue implementation of the Whittier Reads program and other programming opportunities. Library staff continues to seek outside funding to complement and maintain quality programs and services.

The Controller’s Department will continue to provide a high level of service to all other departments. The department will strive to improve control over the financial data of the City, as well as keep up to date on all new reporting requirements.

## **Financial Information**

Management of the City of Whittier is responsible for establishing and maintaining an internal control structure designed to ensure that the City’s assets are protected from loss, theft, or misuse and to ascertain that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. The internal control structure is designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and that the valuation of costs and benefits requires estimates and judgments by management.

This report includes all funds of the City of Whittier, as well as the opinion of our independent certified public accountants, Mayer Hoffman McCann P.C. This financial report includes the closely related Whittier Redevelopment Agency, the Whittier Public Financing Authority, and the Whittier Utility Authority, for which the City is considered to be financially accountable. All disclosures necessary to enable the reader to gain an understanding of the City’s financial activities have also been included.

The City is required to contract for an annual single audit in conformity with the provisions of the federal Single Audit Act of 1984 and U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. As a recipient of federal, state and county financial assistance, the City is also responsible for providing an adequate internal control structure to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management.

As part of the City of Whittier's single audit, tests are made to determine the adequacy of the internal control structure and the degree of compliance with applicable laws and regulations, including those portions related to federal financial assistance programs. The City's independent auditors informed staff that the results of the City's single audit for the fiscal year ended June 30, 2009 disclosed no material weakness in the internal control structure or significant violations of applicable laws and regulations.

The budgetary controls maintained by the City of Whittier ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Budgetary control is primarily maintained at the budget code level for the general, special revenue, capital project and debt service funds. However, budgetary control is upheld at the object level account for the Capital Outlay-General Fund through the use of object level account appropriations compared to actual expenditures. Encumbrances for unperformed contracts for goods and services are recorded for budgetary control purposes in the governmental and fiduciary fund types. Encumbrances outstanding at year-end are reported as a reservation of fund balance.

### **Cash Management**

The City Treasurer invests available City, Agency and Utility Authority funds in accordance with the Government Code and an Investment Policy approved by the City Council and Agency and Authority Boards. During 2008-09, funds were invested in U.S. Treasury bills and notes, U.S. government agency securities, the California Local Agency Investment Fund (LAIF), commercial paper, and certificates of deposit purchased from local banks. In addition, the City invested funds in the federally-insured Temporary Liquidity Guarantee Program (TLGP) medium term notes. Investments controlled by the City Treasurer for the City and Authority had average days to maturity of 384 days. Average yield decreased from 3.03% in 2007-08 to 1.68% in 2008-09. The average total investment decreased for the City/Authority from \$103 million in 2007-08 to \$102 million in 2008-09. Total interest earned in the governmental funds decreased from \$2.9 million in 2007-08 to \$1.6 million in 2008-09. Redevelopment Agency funds were invested in U.S. Treasury Bills and U.S. Government agency securities. The average total investment increased from \$15 million in 2007-08 to \$17 million in 2008-09. Total interest earned in governmental funds decreased from \$188,000 in 2007-08 to \$112,000 in 2008-09.

### **Risk Management**

The City of Whittier has an aggressive and comprehensive risk management program for workers' compensation and liability exposures. The City is self-insured for workers' compensation with retention of \$500,000 and purchases excess coverage. The City is also self-

insured for liability risks with retention of \$500,000 and excess coverage to \$42 million. The City is in risk-sharing pools for both workers' compensation and liability excess insurance. Staff participates on a claims committee to evaluate large exposure claims for the pool to ensure continuity in handling and settlement of claims for the pool members.

The City has an accumulation of resources in the self-insurance funds to pay potential losses. Various loss control techniques that are on-going include drivers' training, pre-trip safety inspection for all vehicles, the right-to-know training, respiratory apparatus safety, confined spaces training, employee injury and illness prevention program (EIIPP), Citywide program for use of high visibility apparel, safety belts and shoes, and heat stress training. The City's standing Employee Safety Committee and Accident Review Committee continually monitors the potential hazards and has implemented a Citywide report form in an effort to mitigate hazards, as well as, an on-going safety inspection of the City facilities by the committee members. A safety incentive program for drivers' safety is ongoing, and City staff participates in training sessions for employee safety, worker's compensation, and liability control. Staff has implemented an ergonomic policy of purchasing ergonomic furniture and equipment as the need for replacement presents itself. Also, staff evaluates workstations for ergonomically sound practices and compliance.

### **Defined Benefit Pension Plan**

The City has contracted with the California Public Employees Retirement System (PERS) to provide retirement, disability, death and survivor benefits for all eligible full and part-time City employees. The excess of the total actuarial accrued liability over the actuarial value of plan assets is called the unfunded actuarial accrued liability. The total underfunded pension benefit obligation was computed as part of an actuarial valuation performed as of June 30, 2006. The total Present Value of Projected Benefits as of June 30, 2006 annual actuarial valuation is \$246,725,477 compared to the Actuarial Value of Assets of \$186,515,210. Since the Present Value of Projected Benefits exceeds the Actuarial Value of Assets as of the June 30, 2006 actuarial valuation, the plan is unfunded for the fiscal year ending June 30, 2009. The City's annual pension cost was \$6,312,228 for 2008-09. This is equal to the City's required and actual contributions.

The City's contribution to the system was determined as part of the June 30, 2006. PERS actuarial valuation using the entry age normal actuarial cost method. The actuarial investment loss impacted CalPERS plans by causing employer contribution rates to increase. The City's contribution rate for miscellaneous members increased from 6.428% in fiscal year 2007-08 to 6.823% in fiscal year 2008-09 and safety members increased from 29.700% in fiscal year 2007-08 to 31.534% in fiscal year 2008-09.

### **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Whittier for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2008. This was



the twenty first consecutive year that the City has achieved this prestigious award since fiscal year 1987-88. In order to be awarded a Certificate of Achievement, the City 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. Staff believes that the City's current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and is submitting it to the GFOA to determine its eligibility for another certificate.

Also, the Meritorious Operating Budgeting Award from the California Society Municipal Finance Officers (CSMFO) was presented to the City of Whittier for the second consecutive year for the 2008-09 Whittier Budget Publication. Again, staff has submitted the 2009-10 budget publication to the CSMFO for consideration.

### **Other Information and Acknowledgments**

Section 1116 of the Whittier Municipal Charter requires an annual audit by independent certified public accountants. The City selected the accounting firm of Mayer Hoffman McCann P.C. In addition to meeting the requirements of the charter, an annual audit is designed to meet the requirements of the Single Audit Act of 1984 and related federal Office of Management and Budget Circular A-133. The auditors' report on the general purpose financial statements and schedules is included in the financial section of this report.

The preparation of this comprehensive annual financial report was accomplished on a timely basis by the dedicated staff of the City Controller's Office. I wish to express my appreciation to them, and all City staff who have assisted in and contributed to the preparation of this comprehensive annual financial report. Appreciation is also expressed to the audit staff of Mayer Hoffman McCann P.C. for their advice and assistance in preparation of this report. Finally, I would like to thank the Mayor, members of City Council, and the City Manager for their continuing support in planning and conducting the financial operation of the City in a responsible and progressive manner.

Respectfully submitted,

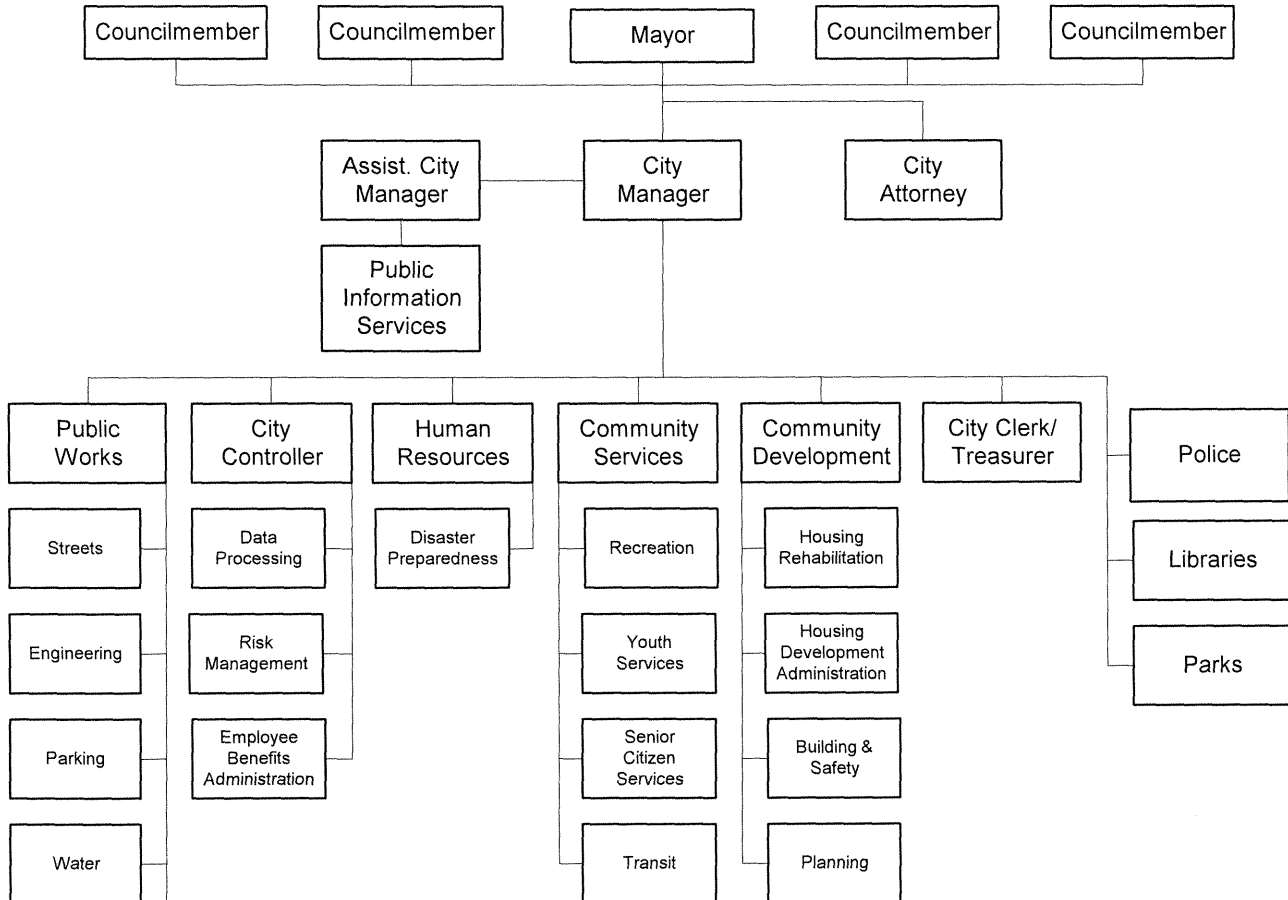
A handwritten signature in black ink, appearing to read 'Rod C. Hill', written over a large, faint, circular watermark or background mark.

Rod C. Hill  
City Controller

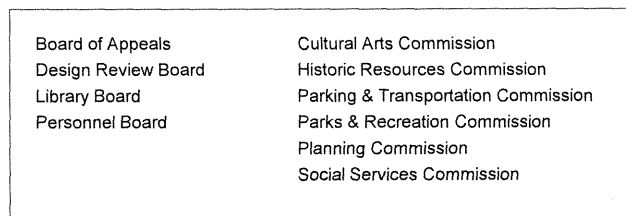
# The City

## Organization Chart

### ELECTORATE



### Board and Commissions



CITY OF WHITTIER

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*Principal Officers*  
*June 30, 2009*

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**Stephen W. Helvey**  
*City Manager*

**Nancy L. Mendez**  
*Assistant City Manager*

**Jeffrey W. Collier**  
*Community Development Director*

**David M. Singer**  
*Chief of Police*

**Richard D. Jones**  
*City Attorney*

**Kathryn A. Marshall**  
*City Clerk/Treasurer*

**Rod C. Hill**  
*City Controller & Director of Human Resources*

**Fran Shields**  
*Community Services Director*

**Paymaneh Maghsoudi**  
*Library Director*

**James E. Kurkowski**  
*Parks Director*

**David Pelser**  
*Public Works Director*

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# Certificate of Achievement for Excellence in Financial Reporting

Presented to

## City of Whittier California

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

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



A handwritten signature in black ink, appearing to read "M. L. R. R. R.", positioned above the title "President".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer", positioned above the title "Executive Director".

Executive Director

# *City of Whittier*

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## *Financial Section*



**Mayer Hoffman McCann P.C.**

An Independent CPA Firm

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949-263-5520 fx  
www.mhm-pc.com

**INDEPENDENT AUDITORS' REPORT**

The Members of the City Council  
City of Whittier, California

We have audited the accompanying basic financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Whittier, California ("City") as of and for the year ended June 30, 2009, which collectively comprise the City's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the management of the City. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

As described further in note 11 to the financial statements, the City changed its method of accounting for post employment benefits for the fiscal year ended June 30, 2009.

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

The information identified in the accompanying table of contents as *management's discussion and analysis* is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The Members of the City Council  
City of Whittier, California  
Page Two

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

In accordance with *Government Auditing Standards*, we have also issued a report dated December 15, 2009 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

*Mayer Hoffman McCann P.C.*

Irvine, California  
December 15, 2009

## MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the City's Comprehensive Annual Financial Report provides a narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2009. We encourage readers to consider the information presented here in conjunction with the accompanying letter of transmittal and the accompanying basic financial statements.

### FINANCIAL HIGHLIGHTS

- The City's total assets exceeded its liabilities at the close of the 2008-09 fiscal year by \$222.8 million (net assets). Of this amount, \$125.1 million is invested in capital assets, net of related debt; \$65.1 million is restricted for community development; \$13.5 million is restricted for various projects, and \$19.1 million (unrestricted net assets) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net assets increased by \$2.1 million or 0.9 percent from prior fiscal year. Total revenues from all sources were \$104.1 million and total expenses were \$102.0 million. Of the total revenues, program revenues were \$55.5 million. Program revenues are broken into three categories: Charges for services at \$42.9 million, operating contributions and grants \$7.5 million, and capital contributions and grants at \$5.1 million.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$125.6 million, an increase of \$1.3 million in comparison with the prior year.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$16.1 million, or 30.0 percent of the total general fund expenditures.
- During the fiscal year, the City's general fund actual inflows (revenues and other financing sources) was less than final budget by \$0.7 million and actual outflows (expenditures and other financing uses) were \$2.2 million less than budget. This results in the total positive budget and actual variance of \$1.5 million in the general fund.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of a series of financial statements and notes to the basic financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government. This report also contains other supplementary information in addition to the basic financial statements themselves.

#### Reporting the City as a Whole

##### *The statement of net assets and the statement of activities*

One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of this year's activities?" The Statement of Net Assets and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include *all* assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector



companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's *net assets* and changes in them. You can think of the City's net assets—the difference between assets and liabilities—as one way to measure the City's financial health, or *financial position*. Over time, *increases or decreases* in the City's net assets is one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the City's property tax base and the condition of the City's roads, to assess the *overall health* of the City.

The *statement of net assets* and the *statement of activities*, present information about the following:

- **Governmental activities**—All of the City's basic services are considered to be governmental activities, including general government, community development, public safety, public works, libraries, local transit, parks and recreation and redevelopment. Property taxes, transient occupancy taxes, sales taxes, and franchise fees finance most of these activities.
- **Component units**—The City's governmental activities include the blending of three separate legal entities—the Whittier Redevelopment Agency, the Whittier Public Financing Authority and the Whittier Utility Authority. Although legally separate, these "component units" are important because the City is financially accountable for them.

## **Reporting the City's Most Significant Funds**

### ***Fund financial statements***

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

- ***Governmental funds***—Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called the *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between *governmental activities* (reported in the statement of net assets and the statement of activities) and *governmental funds* in reconciliation at the bottom of the fund financial statements.

Budgetary comparison statements have been provided for the general and major special revenue funds to demonstrate compliance with the City's annual budget as adopted and amended.

The basic governmental fund financial statements can be found immediately following the government-wide financial statements.

- ***Proprietary funds***—The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City used enterprise funds to account for its Water Utilities Authority. *Internal service funds* are an accounting device used to accumulate

and allocate costs internally among the City's various functions-such as the City's self-insurance fund and its fleet of vehicles.

The proprietary fund financial statements can be found immediately following the governmental fund financial statements.

## **Reporting the City's Fiduciary Responsibilities**

### ***Fiduciary funds***

The City is the trustee, or *fiduciary*, for certain amounts held on behalf of developers, property owners, and others. The City's fiduciary activities are reported in separate statements of fiduciary net assets and changes in fiduciary net assets. We exclude these activities from the City's other financial statements because the resources of those funds are not available to support the City's own programs. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The accounting used for fiduciary funds is much like that used for proprietary funds.

The statement of fiduciary net assets can be found immediately following the proprietary fund financial statements.

## **Notes to the Basic Financial Statements**

The notes to the basic financial statements 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 basic financial statements can be found immediately following the statement of fiduciary net assets.

The combining and individual fund statements and schedules can be found immediately following the notes to the basic financial statements.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The government-wide financial statements provide long-term and short-term information about the City's overall financial condition. This analysis addresses the financial statements of the City as a whole.

Our analysis focuses on the net assets (Table 1) and changes in net assets (Table 2) of the City's governmental activities. The City reports its sewer, water and solid waste activities as business type activities and reports these activities in the government-wide statements.

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of Whittier, assets exceeded liabilities by \$222.8 million at the close of the most recent fiscal year. The largest portion of the City's net assets (56.1 percent) reflects its investment in capital assets (e.g., land, buildings, improvements other than buildings, equipment, infrastructure, and construction in progress); less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**Table 1**  
**Net Assets**  
**(in Thousands)**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Current and other assets	\$156,413	152,191	39,714	45,259
Capital assets	107,166	102,387	36,078	36,126
Total assets	263,579	254,578	75,792	81,385
Noncurrent liabilities	78,067	78,247	31,097	30,889
Other liabilities	5,627	4,131	1,787	1,989
Total liabilities	83,694	82,378	32,884	32,878
Net assets:				
Invested in capital assets, net of related debt	98,199	91,640	26,875	26,607
Restricted	78,484	82,987	138	120
Unrestricted	3,202	(2,427)	15,895	21,780
Total net assets	\$179,885	172,200	42,908	48,507

A portion of the City's net assets (35.3 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (\$19.1 million) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net assets, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

Capital assets had a net increase of \$4.8 million in the governmental activities. There were deletions of fully depreciated capital assets of \$39.0 million during the fiscal year. The current year depreciation expense was \$6.5 million. The most significant capital project during the fiscal year was the new police facility construction which began in December 2008 and is expected to be completed in spring 2010, accumulated cost at the end of the fiscal year was \$8.4 million. Capital assets in the business-type activities had net decrease of \$47.8 thousand due to a combination of fully depreciated asset deletions and new asset acquisitions. There were \$1.4 million in capital asset additions and depreciation of \$1.0 million on business-type activities during the fiscal year.

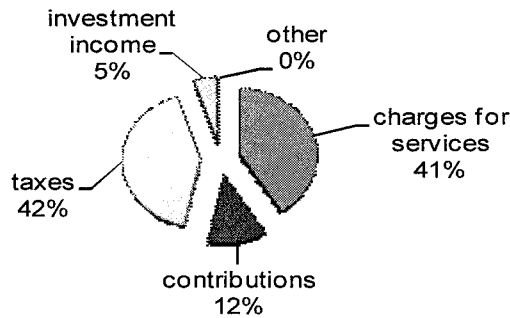
At the end of the current fiscal year, the City's governmental activities had total bonded debt and long-term liabilities of \$78.1 million, which is a decrease of \$0.2 million from the previous fiscal year. The decrease was the result from a combination of additional developer loans, compensated absences, claims payable, recording the net OPEB liability, and principal reductions to bonded debt and loan repayments. There was a net increase in long term debt for the current fiscal year of \$0.2 million in the business-type activities due to a \$0.8 million increase in an accumulated amount reported as landfill closure and postclosure liability, \$0.5 million in revenue bond repayments, net decrease of \$0.1 million in compensated absences, and \$44 thousand in net OPEB liability.

The following table indicates the changes in net assets for governmental and business-type activities:

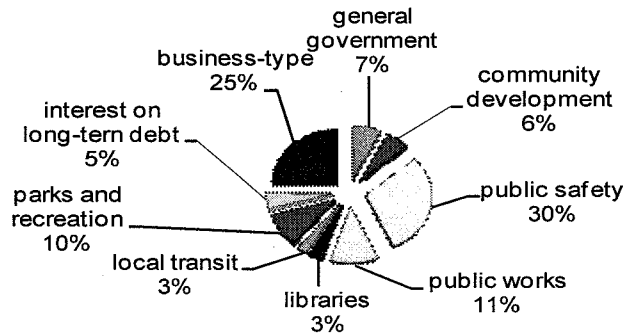
**Table 2**  
**Changes in Net Assets**  
**(in Thousands)**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Revenues:				
Program revenues:				
Charges for services	\$24,784	18,319	18,118	19,115
Operating contributions and grants	6,294	5,665	1,187	991
Capital contributions and grants	4,521	4,033	560	337
General revenues:				
Taxes:				
Property taxes	13,252	12,501	-	-
Transient occupancy taxes	577	715	-	-
Sales taxes	8,651	10,379	-	-
Franchise taxes	1,718	2,036	-	-
Business licenses and tax	1,778	2,019	-	-
Utility users tax	7,660	7,806	-	-
Motor vehicle in lieu,unrestricted	7,410	8,786	-	-
Transit tax	2,314	2,544	-	-
Investment income	4,404	6,438	817	1,924
Other	16	444	2	-
Total revenues	83,379	81,685	20,684	22,367
Program Expenses:				
General government	7,353	8,443	-	-
Public safety	30,429	18,146	-	-
Public works	11,688	13,790	-	-
Community development	6,414	7,608	-	-
Libraries	3,426	3,412	-	-
Transit	2,604	4,671	-	-
Parks and recreation	10,057	11,373	-	-
Sewer	-	-	1,752	1,282
Water	-	-	14,321	8,688
Solid waste	-	-	9,295	8,950
Interest on long-term debt	4,637	5,445	-	-
Total expenses	76,608	72,888	25,368	18,920
Increase / (decrease) in net assets before transfers	6,771	8,797	(4,684)	3,447
Transfers	914	824	(914)	(824)
Increase (decrease) in net assets	7,685	9,621	(5,598)	2,623
Net assets, beginning of year	172,200	162,579	48,506	45,883
Net assets at end of year	\$179,885	172,200	42,908	48,506

**FY 2008-09 Total Revenues by Sources**



**FY 2008-09 Total Expenses**



The City’s total revenues for the fiscal year ended June 30, 2009 were \$104.1 million. Of the City’s total revenues, \$42.9 million (41.2 percent) were derived from fees charged for services and \$43.4 million (41.7 percent) were received in taxes.

The City’s total expenses were \$102.0 million, including \$30.4 million (29.8 percent) for public safety mainly resulting from employee services costs, \$11.7 million (11.5 percent) for public works mainly from street improvement projects, and \$25.4 million (24.9 percent) for business-type activities.

**Governmental Activities**

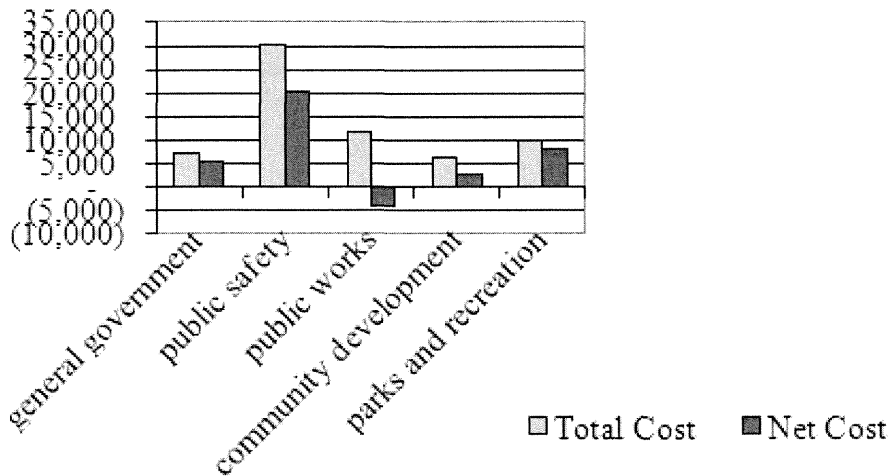
Table 3 presents the cost of each of the City’s five largest programs—general government, public safety, public works, community development, and parks and recreation—as well as each program’s *net* cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the City’s taxpayers by each of these functions.

**Table 3  
Governmental Activities  
(in Thousands)**

	Total Cost of Services		Net Cost (Revenues) of Services	
	2009	2008	2009	2008
General government	\$7,353	8,443	5,151	6,295
Public safety	30,428	18,146	20,300	8,586
Public works	11,688	13,790	(4,084)	7,760
Community development	6,414	7,608	2,517	2,892
Parks and recreation	10,057	11,373	8,052	8,009
Total	\$65,940	59,360	31,936	33,542

- The net cost of services indicates that the overall cost of government is more than the revenues generated to support it. See the Statement of Activities for further detail on program revenues and general revenues.

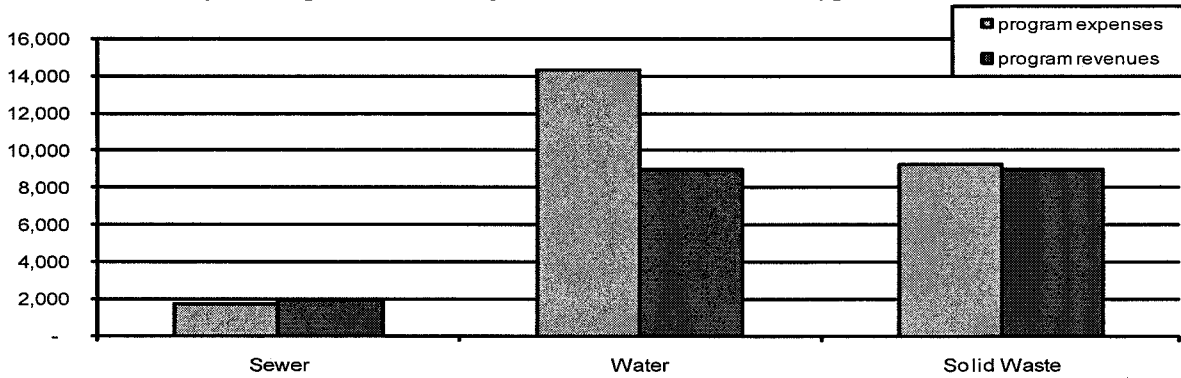
**Net Cost of Services  
(in Thousands)**



**Business-type Activities**

Business-type activities had the decrease of \$5.6 million in City’s net assets. Revenues of the City’s business-type activities were \$20.7 million, approximately 7.5 percent decrease over the prior year. It mainly resulted from the \$6.2 million one time payment to the City General Fund for use of water reserves.

**Program Expenses and Program Revenues - Business-type Activities**



**FINANCIAL ANALYSIS OF THE CITY’S FUNDS**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of the City’s *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information may be useful in assessing the City’s financing requirements. In particular, *unreserved* fund balance may serve as a useful measure of the City’s net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City’s governmental funds reported combined fund balances of \$125.6 million, an increase of \$1.3 million in comparison with the prior year. \$1.7 million of this total amount constitutes *unreserved fund balances*, which is available for spending at the City’s discretion. \$105.2 million of fund balance is *reserved* to indicate that it is *not* available for new spending because it has been committed: 1) to reflect long-term advances and notes of \$18.2 million; 2) for continuing appropriations and encumbrances of \$29.9 million; 3) for restricted cash in the amount of \$54.6 million 4) for a variety of other reserved purposes totaling \$2.5 million. The remaining of fund balance is unreserved, but designated for various purposes in the amount of \$18.7 million.

Revenues for governmental funds overall totaled \$85.4 million for the current fiscal year, an increase of \$1.7 million or 2.0 percent over the prior fiscal year, mainly resulting from the increase of \$7.7 million in charge for services. \$6.2 million of the total charge for services was the charge for use of water reserves. Expenditures for governmental funds totaled \$83.9 million, increased by 5.4 percent over the prior fiscal year. In the fiscal year ended June 30, 2009, governmental funds had surplus revenues of \$1.5 million, mainly as a result of increases in charges for services revenues.

The general fund is the chief operating fund of the City. At the end of the current fiscal year, unreserved fund balance of the general fund was \$16.1 million, while total fund balance reached \$42.6 million. As a measure of the general fund’s liquidity, it may be useful to compare the total fund balance to total fund expenditures. Unreserved fund balance represents 30.0 percent of total general fund expenditures, while total fund balance represents 79.4 percent of that same amount.

The fund balance of the City's general fund was decreased by \$4.5 million during the current fiscal year. This represented a decrease of \$5.4 million on net change in fund balances from the prior year. Key factors for this change are as follows:

- A decrease of \$1.7 million in sales tax revenues from prior fiscal year due to decreased consumer spending.
- A decrease of \$1.4 million in motor vehicle in-lieu tax revenues from prior year due to the "Triple-Flip".
- A decrease of \$0.6 million in interest earnings from prior year due to lower interest rate compared to the prior fiscal year.
- Transfer out of \$9.7 million from general fund to capital outlay for the construction of the new police station.

The transit special revenue fund had a total fund balance of \$4.9 million, a slight increase of \$0.5 million over the prior year. This was mainly the result of lower local transit expenditures.

The redevelopment agency low/moderate housing special revenue fund had a total fund balance of \$25.8 million, a net increase of \$0.9 million. The main results were from tax increment revenues of \$2.0 million, and interest on investments of \$0.5 million due to interest earning on unexpended bond proceeds.

The subventions and grants special revenue fund had a deficit of \$3.5 million, a decrease of \$0.3 million in fund balance from prior year. The main reason was the result of pending reimbursements from governmental agencies for prior years and current year expenditures.

The redevelopment agency debt services fund had a fund balance of \$27.8 million. The fund balance increased by \$3.0 million during the current fiscal year. The key revenues in the fiscal year were the tax increment revenues of \$7.8 million, transfer in from capital projects fund of \$2.1 million.

The redevelopment agency capital projects fund had a fund balance of \$5.6 million, a decrease of \$1.8 million in fund balance from prior year. The decrease was mainly due to the community development expenditure.

***Proprietary funds.*** The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The City maintains two types of proprietary funds. The City uses an enterprise fund to account for sewer maintenance, water utility and solid waste operations. The City uses internal service fund to account for services provided to other funds, departments of the City and its component units.

#### *Enterprise funds*

The City used enterprise funds to account for sewer maintenance, water utility and solid waste operations or the Whittier Utilities Authority. At the end of the current fiscal year, unrestricted net assets of the Authority were \$15.9 million, and the decrease of \$5.6 million in total net assets.



### Internal service funds

The City's internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its self-insurance activities, including liability insurance, and workers' compensation insurance, vehicle operations and maintenance, vehicles and other equipment replacement. As of June 30, 2009, unrestricted net assets of the internal service funds were \$7.2 million, and total increase in net assets for these funds was \$2.8 million. The information technology/telecommunications fund was reported as a combining fund with other equipment replacement fund in CAFR. The services provided by the internal service funds have been allocated to governmental functions, based on user percentages, in the government-wide financial statements.

### **General Fund Budgetary Highlights**

In the General Fund differences between the original adopted budget and the final budget for expenditures resulted in an increase in appropriation of \$2.6 million that can be briefly summarized as follows:

- \$1,246,825 increase allocated to non-departmental
- \$228,883 increase allocated to the community development department
- \$302,069 increase allocated to the police and code enforcement department
- \$317,292 increase allocated to the park and recreation departments
- \$224,604 increase allocated to the public works department
- \$236,697 increase allocated to the library department
- \$48,039 increase allocated to other departments

The budget to actual variance in appropriations was principally due to conservative estimates at mid-year by management and the City's continued efforts to control expenditures. Actual total revenues were less than the final budget by \$0.7 million or 1.2 percent, mainly due to unfavorable variance of \$1.7 million in taxes. Budget amendments and supplemental appropriations were made during the year to prevent budget overruns and to increase appropriations for unanticipated expenditures after adoption of the original budget.

## **CAPITAL ASSET AND DEBT ADMINISTRATION**

### **Capital Assets**

At the end of fiscal year 2009, the City had \$143.2 million (net of accumulated depreciation of \$104.1 million) invested in a broad range of capital assets, including police equipment, buildings, land, right-of-way, trees, park facilities, machinery and equipment and roads. (See Table 4 below and relevant disclosures in the note 7 to the financial statements.) This amount represents a net increase (including additions and deductions) of \$4.7 million, or 3.3 percent, over last year. The total depreciation for the year was \$7.5 million.

**Table 4**  
**Capital Assets at Year-end**  
**(net of depreciation, in Thousands)**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Land and trees	\$32,293	32,241	2,827	2,827
Rights of way	5,326	5,326	-	-
Construction in progress	8,675	1,897	1,162	82
Buildings and improvements	17,253	16,353	31,952	32,917
Machinery and equipment	7,973	6,559	137	300
Infrastructure	35,646	40,011	-	-
Total	\$107,166	102,387	36,078	36,126

The City's five-year Capital Improvement Plan projects spending another \$31.8 million through fiscal year 2013-2014. Typically, larger projects are funded and completed over several fiscal years. No debt financing is required for these projects. Funding will come from current fund balances and projected revenues over the next five years. The most significant projects include upgrading and maintaining the City's landfill \$5.8 million, alley improvement program \$2.2 million, water main and other water related improvements \$2.7 million, sewer maintenance \$1.2 million, mobile equipment replacement \$1.0 million, and various pavement and street improvements of \$6.9 million principally from special revenue funds.

### Long-term debt

As of June 30, 2009, the City had \$109.2 million in tax allocation and revenue bonds, developer loans, claims payable, compensated absences and landfill closure and postclosure outstanding versus \$109.1 million last year—a slight increase of \$28 thousand—as shown in Table 5 and note 8 to the basic financial statements. Of this amount, \$74.1 million represents total bonded debt outstanding, \$6.8 million represented claims payable, \$4.5 million represented developer loans payable, \$4.4 million represented compensated absences, and \$18.9 million represented landfill closure and postclosure, and \$0.4 million represented net OPEB payable. Deductions include repayment of outstanding principal totaling \$9.8 million.

**Table 5**  
**Outstanding Debt, at Year-end**  
**(in Thousands)**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Compensated absences	\$4,074	3,763	365	477
Developer loans payable	4,527	4,310	-	-
Tax allocation bonds	41,180	41,800	-	-
Revenue bonds	21,100	21,735	11,800	12,330
Landfill closure and postclosure	-	-	18,888	18,082
Claims payable	6,844	6,639	-	-
Net OPEB liability	342	-	44	-
Total	\$78,067	78,247	31,097	30,889

Standard & Poor's Corporation and Moody's Investors Service have assigned the tax allocation bonds ratings of "AAA" and "Aaa" upon their issuance.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The economy of the City is based on the citizens as well as retail sales. Over 38% of the City's General Fund revenues come from tax revenues.

The City's budget (2009-10) takes into account the historical consumer trends and current economic factors. An overall decrease of \$6.67 million or 11% over the General Fund's operating revenue budgeted in 2008-09 is forecasted, primarily due to a decrease in lease revenue. For fiscal year 2009-10, sales tax revenue is estimated to decrease 14% over the 2008-09 adopted budget, due to a downturn in the economy. Property tax revenue has estimated revenue of \$4.66 million, which represents a 2% increase over the 2008-09 projected revenue. Operating expenditures have been projected to \$55.4 million in General Fund. The City's General Fund is projected to have a balanced budget for fiscal year 2009-10. It is estimated that the General Fund will have a balance of approximately \$15.7 million at the end of fiscal year 2009-10.

## **CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City's Controller's Department, at the City of Whittier, 13230 E. Penn Street, Whittier, California 90602-1772.

**CITY OF WHITTIER**  
**Statement of Net Assets**  
**June 30, 2009**

	Governmental Activities	Business-type Activities	Total
<b>Assets:</b>			
Cash and investments (note 3)	\$ 83,739,587	24,943,213	108,682,800
Restricted assets:			
Cash and investments (note 3)	3,086,054	7,890,620	10,976,674
Cash and investments with fiscal agents (note 3)	52,170,671	1,555,301	53,725,972
Accounts receivable	-	26,928	26,928
Interest receivable	-	39,854	39,854
Receivables:			
Intergovernmental	6,830,613	-	6,830,613
Accounts	899,141	3,707,985	4,607,126
Notes and loans (note 5)	5,083,407	-	5,083,407
Interest	663,965	152,388	816,353
Inventory	-	278,458	278,458
Due from other funds (note 6)	177,644	-	177,644
Prepaid items	76,812	76,417	153,229
Deferred charges, net of accumulated amortization	1,142,418	1,042,033	2,184,451
Land held for resale (note 4)	2,542,284	-	2,542,284
Capital assets not being depreciated (note 7)	46,293,591	3,989,109	50,282,700
Capital assets being depreciated, net (note 7)	60,872,434	32,089,194	92,961,628
Total assets	<u>263,578,621</u>	<u>75,791,500</u>	<u>339,370,121</u>
<b>Liabilities:</b>			
Accounts payable	3,537,751	1,441,148	4,978,899
Accrued liabilities	1,310,301	178,844	1,489,145
Accrued interest payable	476,998	89,517	566,515
Deposits payable	147,094	76,417	223,511
Unearned revenue	154,603	-	154,603
Noncurrent liabilities (note 8):			
Due within one year	7,562,023	706,316	8,268,339
Due in more than one year	70,504,949	30,391,155	100,896,104
Total liabilities	<u>83,693,719</u>	<u>32,883,397</u>	<u>116,577,116</u>
<b>Net assets:</b>			
Invested in capital assets, net of related debt	98,198,569	26,875,197	125,073,766
Restricted for:			
Public safety	1,959,561	-	1,959,561
Library	144,371	-	144,371
Public works	6,354,027	-	6,354,027
Sewer	-	137,537	137,537
Transit	4,949,808	-	4,949,808
Community development	65,076,135	-	65,076,135
Unrestricted	3,202,431	15,895,369	19,097,800
Total net assets	<u>\$ 179,884,902</u>	<u>42,908,103</u>	<u>222,793,005</u>

See accompanying notes to the basic financial statements.

**CITY OF WHITTIER**  
**Statement of Activities**  
**Year Ended June 30, 2009**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants
Primary government:				
Governmental activities:				
General government	\$ (7,352,596)	2,047,253	153,897	-
Public safety	(30,428,397)	9,199,593	929,060	-
Public works	(11,688,108)	8,589,091	2,712,935	4,469,972
Community development	(6,414,214)	2,220,855	1,676,784	-
Libraries	(3,425,915)	700,691	357,813	-
Transit	(2,604,191)	281,645	203,986	50,638
Parks and recreation	(10,057,148)	1,745,731	259,250	-
Interest on long-term debt	(4,636,940)	-	-	-
Total governmental activities	<u>(76,607,509)</u>	<u>24,784,859</u>	<u>6,293,725</u>	<u>4,520,610</u>
Business-type activities:				
Sewer	(1,751,575)	1,901,635	-	-
Water	(14,321,253)	7,810,924	1,163,048	-
Solid waste	(9,295,484)	8,405,821	24,096	559,438
Total business-type activities	<u>(25,368,312)</u>	<u>18,118,380</u>	<u>1,187,144</u>	<u>559,438</u>
Total primary government	<u>\$ (101,975,821)</u>	<u>42,903,239</u>	<u>7,480,869</u>	<u>5,080,048</u>

General revenues and transfers:

Taxes:

- Property taxes
- Transient occupancy taxes
- Sales taxes
- Franchise taxes
- Business licenses tax
- Utility users tax
- Motor vehicle in lieu tax, unrestricted
- Transit tax

Investment income

Gain on sale of capital assets

Transfers (note 6)

Total general revenues and transfers

Change in net assets

Net assets, beginning of year

Net assets at end of year

See accompanying notes to the basic financial statements.

Net (Expenses) Revenues and Changes in Net Assets

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
(5,151,446)	-	(5,151,446)
(20,299,744)	-	(20,299,744)
4,083,890	-	4,083,890
(2,516,575)	-	(2,516,575)
(2,367,411)	-	(2,367,411)
(2,067,922)	-	(2,067,922)
(8,052,167)	-	(8,052,167)
(4,636,940)	-	(4,636,940)
<u>(41,008,315)</u>	<u>-</u>	<u>(41,008,315)</u>
-	150,060	150,060
-	(5,347,281)	(5,347,281)
-	(306,129)	(306,129)
<u>-</u>	<u>(5,503,350)</u>	<u>(5,503,350)</u>
<u>(41,008,315)</u>	<u>(5,503,350)</u>	<u>(46,511,665)</u>
13,252,292	-	13,252,292
576,759	-	576,759
8,651,427	-	8,651,427
1,717,599	-	1,717,599
1,778,102	-	1,778,102
7,659,481	-	7,659,481
7,410,097	-	7,410,097
2,313,822	-	2,313,822
4,404,309	816,602	5,220,911
15,632	2,437	18,069
914,134	(914,134)	-
<u>48,693,654</u>	<u>(95,095)</u>	<u>48,598,559</u>
7,685,339	(5,598,445)	2,086,894
172,199,563	48,506,548	220,706,111
<u>179,884,902</u>	<u>42,908,103</u>	<u>222,793,005</u>

**CITY OF WHITTIER**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2009**

	General Fund	Special Revenue Funds	
		Transit Fund	Redevelopment Agency Low/Mod Housing
<b>Assets:</b>			
Cash and investments	\$31,924,624.00	4,935,233	8,941,641
Restricted assets:			
Cash and investments	-	-	-
Cash and investments with fiscal agents	-	-	15,297,610
Receivables:			
Intergovernmental	2,203,179	178,718	124,783
Accounts	498,307	8,367	-
Notes and loans	409,081	-	1,116,410
Interest	205,659	24,474	91,178
Due from other funds (Note 6)	2,871,133	-	-
Advances to other funds (Note 6)	8,559,510	-	224,133
Prepaid items	13,059	-	-
Land held for resale	-	-	-
Total assets	<u>\$ 46,684,552</u>	<u>5,146,792</u>	<u>25,795,755</u>
<b>Liabilities and Fund Balances:</b>			
Liabilities:			
Accounts payable	\$983,908.00	86,483	33,693
Accrued liabilities	1,186,000	10,888	-
Due to other funds (Note 6)	-	-	28
Deferred revenue	1,905,726	99,313	-
Deposits payable	26,344	300	-
Advances from other funds (Note 6)	-	-	-
Total liabilities	<u>4,101,978</u>	<u>196,984</u>	<u>33,721</u>
Fund Balances (Deficit):			
Reserved:			
Reserved for restricted assets	-	-	15,297,610
Reserved for encumbrances	182,765	9,711	-
Reserved for prepaid items	13,059	-	-
Reserved for continuing appropriations	872,295	577,693	17,930,784
Reserved for long-term advances and notes	7,217,468	-	1,340,543
Reserved for land held for resale	-	-	-
Unreserved, designated for, reported in:			
General fund	18,203,435	-	-
Special revenue funds	-	541,025	-
Unreserved, undesignated reported in:			
General fund	16,093,552	-	-
Special revenue funds	-	3,821,379	(8,806,903)
Debt service funds	-	-	-
Capital projects funds	-	-	-
Total fund balances (deficit)	<u>42,582,574</u>	<u>4,949,808</u>	<u>25,762,034</u>
Total liabilities and fund balances	<u>\$ 46,684,552</u>	<u>5,146,792</u>	<u>25,795,755</u>

See accompanying notes to the basic financial statements.

Subventions and Grants	Debt Service Fund Redevelopment Agency Fund	Capital Projects Fund Redevelopment Agency Fund	Non-major Governmental Funds	Total Governmental Funds
-	6,364,875	1,808,602	11,386,604	65,361,579
-	-	1,221,981	1,864,073	3,086,054
-	36,255,063	-	617,998	52,170,671
2,600,261	344,922	-	1,378,750	6,830,613
-	-	-	154,938	661,612
-	-	-	3,557,916	5,083,407
295	138,458	7,821	134,828	602,713
-	-	125,424	-	2,996,557
-	-	-	6,045,000	14,828,643
-	-	-	-	13,059
-	-	2,542,284	-	2,542,284
2,600,556	43,103,318	5,706,112	25,140,107	154,177,192
35,201	384,783	85,768	1,623,996	3,233,832
5,267	-	-	37,685	1,239,840
2,210,802	125,424	2,854	272,939	2,612,047
3,823,660	-	-	653,532	6,482,231
-	-	25,000	95,450	147,094
-	14,828,643	-	-	14,828,643
6,074,930	15,338,850	113,622	2,683,602	28,543,687
-	36,255,063	1,221,981	1,864,073	54,638,727
49,606	-	-	3,656,168	3,898,250
-	-	-	-	13,059
1,218,063	-	-	5,371,194	25,970,029
-	-	-	9,602,916	18,160,927
-	-	2,542,284	-	2,542,284
-	-	-	-	18,203,435
-	-	-	-	541,025
-	-	-	-	16,093,552
(4,742,043)	-	-	(902,424)	(10,629,991)
-	(8,490,595)	1,828,225	618,298	(6,044,072)
-	-	-	2,246,280	2,246,280
(3,474,374)	27,764,468	5,592,490	22,456,505	125,633,505
2,600,556	43,103,318	5,706,112	25,140,107	154,177,192



**CITY OF WHITTIER**  
**Governmental Funds**  
**Reconciliation of the Balance Sheet to the Statement of Net Assets**  
**June 30, 2009**

Fund balances of governmental funds \$ 125,633,505

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

Capital assets, net of accumulated depreciation used in governmental activities are not financial resources and, therefore, are not reported in the funds (Including internal service funds).

Capital assets - governmental funds	177,303,850
Capital assets - internal service funds	16,724,644
Accumulated depreciation - governmental funds	(76,403,268)
Accumulated depreciation - internal service funds	(10,459,201)

Long-term debt has not been included in the governmental funds

Developer loans payable	(4,526,552)
Tax allocation bonds payable	(41,180,000)
Revenue bonds payable	(21,100,000)
Net OPEB liability	(342,092)

Certain accounts and intergovernmental receivables are not available to pay for current-period expenditures and, therefore, are offset by deferred revenue in the governmental funds.

6,327,628

Deferred charges, net of accumulated amortization for debt issuance costs on long-term debt have not been reported in the governmental funds.

1,142,418

Accrued interest payable from the current portion of interest due on long-term debt has not been reported in the governmental funds.

(476,998)

Internal service funds are used by management to charge the costs of certain activities, such as self-insurance, to individual funds. The assets and liabilities of the internal service fund must be added to the statement of net assets (Net of capital assets and long-term debt reported above).

Claims payable	(6,843,877)
Compensated absences	(4,074,451)
Other asset and liabilities	18,159,296

Net assets of governmental activities

\$ 179,884,902

See accompanying notes to the basic financial statements.



**CITY OF WHITTIER**  
**Statement of Revenues,**  
**Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**Year Ended June 30, 2009**

	Special Revenue Funds		
	General	Transit Fund	Redevelopment Agency Low/Mod Housing
<b>Revenues:</b>			
Taxes	\$ 23,610,734	2,308,383	1,974,940
Licenses and permits	2,656,621	-	-
Fines and forfeits	801,623	-	-
Use of money and property	2,181,030	341,881	541,653
Intergovernmental	7,751,456	254,179	-
Charges for services	21,941,286	31,464	-
Other	424,150	23,464	-
	<hr/>	<hr/>	<hr/>
Total revenues	59,366,900	2,959,371	2,516,593
	<hr/>	<hr/>	<hr/>
<b>Expenditures:</b>			
Current:			
General government	7,884,588	-	-
Public safety	28,768,615	-	-
Libraries	3,189,888	-	-
Parks and recreation	8,575,435	-	-
Public works	4,576,927	-	-
Local transit	-	2,442,290	-
Community development	666,081	-	375,410
Capital outlay	-	-	-
Debt service:			
Principal	-	-	280,000
Interest and fiscal charges	-	-	926,658
Pass through agreements	-	-	-
	<hr/>	<hr/>	<hr/>
Total expenditures	53,661,534	2,442,290	1,582,068
	<hr/>	<hr/>	<hr/>
Excess of revenues over (under) expenditures	5,705,366	517,081	934,525
	<hr/>	<hr/>	<hr/>
<b>Other financing sources (uses):</b>			
Proceeds from loans	-	-	-
Transfers in (note 6)	1,325,300	-	-
Transfers out (note 6)	(11,524,283)	-	-
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	(10,198,983)	-	-
	<hr/>	<hr/>	<hr/>
Net change in fund balances	(4,493,617)	517,081	934,525
	<hr/>	<hr/>	<hr/>
Fund balances (deficit), beginning	47,076,191	4,432,727	24,827,509
	<hr/>	<hr/>	<hr/>
Fund balances (deficit), ending	\$ 42,582,574	4,949,808	25,762,034
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

See accompanying notes to the basic financial statements.

Subventions and Grants	Debt Service Fund Redevelopment Agency Fund	Capital Projects Fund Redevelopment Agency Fund	Non-major Governmental Funds	Total Governmental Funds
-	7,899,759	-	1,470,431	37,264,247
-	-	-	119,848	2,776,469
-	-	-	897,571	1,699,194
1,413	816,974	87,472	1,239,749	5,210,172
2,593,079	-	-	5,334,630	15,933,344
-	-	-	42,345	22,015,095
-	-	15,159	32,716	495,489
2,594,492	8,716,733	102,631	9,137,290	85,394,010
-	-	-	-	7,884,588
1,556,465	-	-	616,422	30,941,502
162,420	-	-	35,405	3,387,713
1,087,560	-	-	-	9,662,995
64,186	-	-	1,997,304	6,638,417
-	-	-	-	2,442,290
-	2,252,708	1,139,728	2,038,385	6,472,312
-	-	-	8,515,132	8,515,132
-	1,026,050	-	265,000	1,571,050
-	2,672,178	876	1,044,246	4,643,958
-	1,736,390	-	-	1,736,390
2,870,631	7,687,326	1,140,604	14,511,894	83,896,347
(276,139)	1,029,407	(1,037,973)	(5,374,604)	1,497,663
-	1,205,692	-	-	1,205,692
-	2,119,600	1,334,532	10,095,890	14,875,322
-	(1,334,533)	(2,123,150)	(1,325,300)	(16,307,266)
-	1,990,759	(788,618)	8,770,590	(226,252)
(276,139)	3,020,166	(1,826,591)	3,395,986	1,271,411
(3,198,235)	24,744,302	7,419,081	19,060,519	124,362,094
(3,474,374)	27,764,468	5,592,490	22,456,505	125,633,505

**CITY OF WHITTIER**  
**Governmental Funds**  
**Reconciliation of the Statement of Revenues, Expenditures and**  
**Changes in Fund Balances to the Statement of Activities**  
**Year Ended June 30, 2009**

Net changes in fund balances - total governmental funds \$ 1,271,411

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

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

Depreciation expense (6,543,888)

Reclass of expenditures for purchases of capital assets recorded in governmental funds 8,932,438

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

Bond principal 1,255,000

Notes payable 989,535

Issuance of tax allocation bonds and developer loan additions are reported as financial sources in governmental funds, which contribute to the change in fund balance. In the government-wide statements, however, issuing debt increases long-term liabilities in the statement of net assets and does not affect the statement of activities

Loan additions (1,205,692)

The statement of net assets includes accrued interest on long term debt. 7,018

Revenues that are measurable but not available. Amounts are recorded as deferred revenue under the modified accrual basis of accounting. (402,832)

Change in deferred charges that has not been reported in the governmental funds. (39,372)

Compensated absences reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (311,818)

Expenses reported in the statement of activities which do not require the use of current financial resources are not reported as expenditures in governmental funds:  
Increase in net pension obligation (342,092)

Internal service funds are not governmental funds. However, they are used by management to charge the net costs of certain activities, such as insurance, maintenance and vehicle replacement, to individual government funds. The net revenue of the internal service funds is reported with governmental activities. 4,075,631

Change in net assets of governmental activities \$ 7,685,339

See accompanying notes to the basic financial statements.

**CITY OF WHITTIER**  
**Statement of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**General Fund**  
**Year Ended June 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Taxes	\$ 25,296,000	25,296,000	23,610,734	(1,685,266)
Licenses and permits	2,216,200	2,216,200	2,656,621	440,421
Fines and forfeits	694,250	694,250	801,623	107,373
Use of money and property	1,607,288	1,607,288	2,181,030	573,742
Intergovernmental	7,339,390	7,339,390	7,751,456	412,066
Charges for services	22,626,821	22,643,837	21,941,286	(702,551)
Other	235,520	310,520	424,150	113,630
Total revenues	<u>60,015,469</u>	<u>60,107,485</u>	<u>59,366,900</u>	<u>(740,585)</u>
<b>Expenditures:</b>				
General government:				
City council	41,545	41,545	30,629	10,916
City clerk	608,913	609,585	592,416	17,169
City attorney	300,491	300,491	506,337	(205,846)
Elections	55,734	55,734	2,656	53,078
City manager	682,632	682,632	673,097	9,535
City controller	1,546,412	1,566,412	1,200,420	365,992
City treasurer	273,480	273,480	301,824	(28,344)
Business license	218,949	219,944	209,587	10,357
Human resources	656,669	657,919	579,509	78,410
Civic center maintenance	1,193,373	1,218,495	1,208,600	9,895
Non-Departmental	1,141,885	1,288,710	1,176,139	112,571
City planning	1,143,009	1,296,892	739,545	557,347
Fireworks show	37,021	37,021	37,170	(149)
Chamber of commerce	46,400	46,400	46,400	-
Employee special events	13,300	13,300	14,484	(1,184)
Public information services	77,543	77,543	63,051	14,492
Graffiti removal program	399,059	399,059	299,397	99,662
Social services	183,675	185,175	182,570	2,605
Dial-a-ride	42,319	42,319	48,915	(6,596)
Total general government	<u>8,662,409</u>	<u>9,012,656</u>	<u>7,912,746</u>	<u>1,099,910</u>
Public safety:				
Police department	27,232,264	27,473,333	27,583,618	(110,285)
Disaster preparedness	49,073	49,073	3,493	45,580
Toxic waste disposal	1,977	1,977	1,989	(12)
Code enforcement	420,812	481,812	456,611	25,201
Building and safety	813,550	888,550	722,904	165,646
Total public safety	<u>28,517,676</u>	<u>28,894,745</u>	<u>28,768,615</u>	<u>126,130</u>
Libraries				
Total libraries	<u>3,140,473</u>	<u>3,377,170</u>	<u>3,189,888</u>	<u>187,282</u>
Parks and recreation				
Parks and recreation	5,155,800	5,255,062	4,975,371	279,691
Community Services	3,330,804	3,547,334	3,737,706	(190,372)
Total parks and recreation	<u>8,486,604</u>	<u>8,802,396</u>	<u>8,713,077</u>	<u>89,319</u>

(continued)

See accompanying notes to the basic financial statements.

**CITY OF WHITTIER**  
**Statement of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**General Fund**  
**(Continued)**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Public works:</b>				
Weed control	4,700	4,700	760	3,940
Street lighting	471,771	471,771	472,193	(422)
Street maintenance	3,677,756	3,733,675	3,538,526	195,149
Traffic signals	351,724	374,030	329,525	44,505
City engineering	297,502	443,881	252,888	190,993
Total public works	<u>4,803,453</u>	<u>5,028,057</u>	<u>4,593,892</u>	<u>434,165</u>
<b>Community development:</b>				
Community development	770,175	770,175	666,081	104,094
Total community development	<u>770,175</u>	<u>770,175</u>	<u>666,081</u>	<u>104,094</u>
<b>Total expenditures</b>	<u>54,380,790</u>	<u>55,885,199</u>	<u>53,844,299</u>	<u>2,040,900</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>5,634,679</u>	<u>4,222,286</u>	<u>5,522,601</u>	<u>1,300,315</u>
<b>Other financing sources (uses):</b>				
Proceeds from loans	(1,830,000)	(1,830,000)	(1,614,153)	215,847
Transfers in	1,329,800	1,332,800	1,325,300	(7,500)
Transfers out	(10,397,578)	(11,497,578)	(11,524,283)	(26,705)
Total other financing sources (uses)	<u>(10,897,778)</u>	<u>(11,994,778)</u>	<u>(11,813,136)</u>	<u>181,642</u>
<b>Excess (deficiency) of revenues and other sources over (under) expenditures and other financing sources (uses)</b>	<u>(5,263,099)</u>	<u>(7,772,492)</u>	<u>(6,290,535)</u>	<u>1,481,957</u>
<b>Adjustments:</b>				
To adjust for encumbrances	-	-	182,765	182,765
To adjust for loan repayments	1,830,000	1,830,000	1,614,153	(215,847)
Total adjustments	<u>1,830,000</u>	<u>1,830,000</u>	<u>1,796,918</u>	<u>(33,082)</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses (US GAAP basis)</b>	<u>(3,433,099)</u>	<u>(5,942,492)</u>	<u>(4,493,617)</u>	<u>1,448,875</u>
<b>Fund balance at beginning of year</b>	<u>47,076,191</u>	<u>47,076,191</u>	<u>47,076,191</u>	<u>-</u>
<b>Fund balance at end of year</b>	<u>\$ 43,643,092</u>	<u>41,133,699</u>	<u>42,582,574</u>	<u>1,448,875</u>

See accompanying notes to the basic financial statements.

**CITY OF WHITTIER**  
**Statement of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**Transit Special Revenue Fund**  
**Year Ended June 30, 2009**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>		<b>Final Budget</b>
				<b>Positive (Negative)</b>
<b>Revenues:</b>				
Taxes	\$ 2,580,150	2,580,150	2,308,383	(271,767)
Use of money and property	122,000	122,000	341,881	219,881
Intergovernmental	331,790	452,837	254,179	(198,658)
Charges for services	37,200	37,200	31,464	(5,736)
Other	73,785	73,785	23,464	(50,321)
Total revenues	<u>3,144,925</u>	<u>3,265,972</u>	<u>2,959,371</u>	<u>(306,601)</u>
<b>Expenditures:</b>				
Current:				
Local transit	3,317,891	3,596,346	2,452,001	1,144,345
Total expenditures	<u>3,317,891</u>	<u>3,596,346</u>	<u>2,452,001</u>	<u>1,144,345</u>
Excess (deficiency) of revenues over expenditures	<u>(172,966)</u>	<u>(330,374)</u>	<u>507,370</u>	<u>837,744</u>
<b>Adjustments:</b>				
To adjust for encumbrances	-	-	9,711	9,711
Total adjustments	<u>-</u>	<u>-</u>	<u>9,711</u>	<u>9,711</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(172,966)</u>	<u>(330,374)</u>	<u>517,081</u>	<u>847,455</u>
Fund balance at beginning of year	<u>4,432,727</u>	<u>4,432,727</u>	<u>4,432,727</u>	<u>-</u>
Fund balance at end of year	<u>\$ 4,259,761</u>	<u>4,102,353</u>	<u>4,949,808</u>	<u>847,455</u>

See accompanying notes to the basic financial statements.



**CITY OF WHITTIER**  
**Statement of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**Redevelopment Agency Low/Mod Housing Special Revenue Fund**  
**Year Ended June 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Taxes	\$ 1,785,800	1,785,800	1,974,940	189,140
Use of money and property	556,200	556,200	541,653	(14,547)
Total revenues	<u>2,342,000</u>	<u>2,342,000</u>	<u>2,516,593</u>	<u>174,593</u>
<b>Expenditures:</b>				
Current:				
Community development	9,241,019	9,378,607	375,410	9,003,197
Debt service:				
Principal	280,000	280,000	280,000	-
Interest and fiscal charges	925,108	925,108	926,658	(1,550)
Total expenditures	<u>10,446,127</u>	<u>10,583,715</u>	<u>1,582,068</u>	<u>9,001,647</u>
Net change in fund balance	(8,104,127)	(8,241,715)	934,525	9,176,240
Fund balance at beginning of year	<u>24,827,509</u>	<u>24,827,509</u>	<u>24,827,509</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 16,723,382</u></u>	<u><u>16,585,794</u></u>	<u><u>25,762,034</u></u>	<u><u>9,176,240</u></u>

See accompanying notes to the basic financial statements.

**CITY OF WHITTIER**  
**Statement of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**Subventions and Grants Special Revenue Fund**  
**Year Ended June 30, 2009**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Use of money and property	\$ -	-	1,413	1,413
Intergovernmental	216,828	5,736,739	2,593,079	(3,143,660)
Total revenues	<u>216,828</u>	<u>5,736,739</u>	<u>2,594,492</u>	<u>(3,142,247)</u>
<b>Expenditures:</b>				
Current:				
Public safety	-	1,758,285	1,556,465	201,820
Libraries	167,000	466,360	184,284	282,076
Parks and recreation	-	2,283,356	1,107,487	1,175,869
Public works	49,828	424,653	72,001	352,652
Total expenditures	<u>216,828</u>	<u>4,932,654</u>	<u>2,920,237</u>	<u>2,012,417</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>804,085</u>	<u>(325,745)</u>	<u>(1,129,830)</u>
<b>Adjustments:</b>				
To adjust for encumbrances	-	-	49,606	49,606
Total adjustments	<u>-</u>	<u>-</u>	<u>49,606</u>	<u>49,606</u>
Net change in fund balance		804,085	(276,139)	(1,080,224)
Fund balance (deficit) at beginning of year	<u>(3,198,235)</u>	<u>(3,198,235)</u>	<u>(3,198,235)</u>	<u>-</u>
Fund balance (deficit) at end of fiscal year	<u>\$ (3,198,235)</u>	<u>(2,394,150)</u>	<u>(3,474,374)</u>	<u>(1,080,224)</u>

See accompanying notes to the basic financial statements.

**CITY OF WHITTIER**  
**Statement of Net Assets**  
**Proprietary Funds**  
**June 30, 2009**

	Business-type Activities - Enterprise Funds		
	Sewer	Water	Solid Waste
<b>Assets</b>			
<b>Current assets:</b>			
Cash and investments (Note 3)	\$1,397,509.00	11,981,710	11,563,994
Receivables:			
Accounts	107,994	1,962,213	1,637,778
Interest	6,986	85,775	59,627
Inventory	-	278,458	-
Prepaid items	-	-	76,417
<b>Total current assets</b>	<b>1,512,489</b>	<b>14,308,156</b>	<b>13,337,816</b>
<b>Noncurrent assets:</b>			
Restricted cash and investments (Note 3)	-	137,537	7,753,083
Restricted cash and investments with fiscal agents (Note 3)	-	685,325	869,976
Accounts receivable	-	-	26,928
Interest receivable	-	197	39,657
Deferred issuance costs	-	833,259	208,774
Advances to other funds (Note 6)	-	319,209	-
Capital assets not being depreciated	-	1,733,120	2,255,989
Capital assets being depreciated, net	2,746,532	20,787,535	8,555,127
<b>Total noncurrent assets</b>	<b>2,746,532</b>	<b>24,496,182</b>	<b>19,709,534</b>
<b>Total assets</b>	<b>4,259,021</b>	<b>38,804,338</b>	<b>33,047,350</b>
<b>Liabilities</b>			
<b>Current liabilities:</b>			
Accounts payable	47,496	479,644	914,008
Accrued liabilities	7,104	83,403	88,337
Accrued interest payable	-	37,110	52,407
Deposits payable	-	-	76,417
Due to other funds (Note 6)	-	-	-
Claims payable	-	-	-
Current portion of long-term obligations	7,390	310,700	388,226
<b>Total current liabilities</b>	<b>61,990</b>	<b>910,857</b>	<b>1,519,395</b>
<b>Noncurrent liabilities:</b>			
Noncurrent portion of long-term obligations:			
Claims payable	-	-	-
Compensated absences	11,084	136,048	72,340
Advances from other funds (Note 6)	319,209	-	-
Net OPEB liability	6,327	12,654	24,927
Revenue bonds payable	-	9,240,000	2,000,000
Landfill closure and postclosure payable	-	-	18,887,775
<b>Total noncurrent liabilities</b>	<b>336,620</b>	<b>9,388,702</b>	<b>20,985,042</b>
<b>Total liabilities</b>	<b>398,610</b>	<b>10,299,559</b>	<b>22,504,437</b>
<b>Net Assets</b>			
Invested in capital assets, net of related debt	2,746,532	14,578,799	9,549,866
Restricted for connection fees	-	137,537	-
Unrestricted	1,113,879	13,788,443	993,047
<b>Total net assets</b>	<b>\$ 3,860,411</b>	<b>28,504,779</b>	<b>10,542,913</b>

See accompanying notes to the basic financial statements

Business-type Activities - Enterprise Funds	
Totals	Internal Service Funds
24,943,213	18,378,008
3,707,985	237,529
152,388	61,252
278,458	-
76,417	63,753
<u>29,158,461</u>	<u>18,740,542</u>
7,890,620	-
1,555,301	-
26,928	-
39,854	-
1,042,033	-
319,209	-
3,989,109	-
32,089,194	6,265,443
<u>46,952,248</u>	<u>6,265,443</u>
<u>76,110,709</u>	<u>25,005,985</u>
1,441,148	303,919
178,844	70,461
89,517	-
76,417	-
-	206,866
-	4,448,520
706,316	1,833,503
<u>2,492,242</u>	<u>6,863,269</u>
-	2,395,357
219,472	2,240,948
319,209	-
43,908	-
11,240,000	-
18,887,775	-
<u>30,710,364</u>	<u>4,636,305</u>
<u>33,202,606</u>	<u>11,499,574</u>
26,875,197	6,265,443
137,537	-
15,895,369	7,240,968
<u>42,908,103</u>	<u>13,506,411</u>

**CITY OF WHITTIER**  
**Statement of Revenues, Expenses,**  
**and Changes in Net Assets**  
**Proprietary Funds**  
**Year Ended June 30, 2009**

Business-type Activities -  
Enterprise Funds

	Sewer	Water	Solid Waste	Totals	Internal Service Funds
<b>Operating Revenues:</b>					
Charges for services	\$1,901,635.00	7,468,428	8,521,045	17,891,108	15,394,143
Total operating revenues	1,901,635	7,468,428	8,521,045	17,891,108	15,394,143
<b>Operating Expenses:</b>					
Sewer operations	1,667,147	-	-	1,667,147	-
Water operations	-	7,139,603	-	7,139,603	-
Solid waste collection and disposal	-	-	7,918,093	7,918,093	-
Provision for landfill closure and postclosure	-	-	805,442	805,442	-
Self Insurance	-	-	-	-	5,352,799
Employee benefits	-	-	-	-	4,063,166
Maintenance	-	-	-	-	4,557,816
Depreciation	64,243	538,953	390,668	993,864	1,095,513
Total operating expenses	1,731,390	7,678,556	9,114,203	18,524,149	15,069,294
Operating income (loss)	170,245	(210,128)	(593,158)	(633,041)	324,849
<b>Nonoperating Revenues (Expenses):</b>					
Intergovernmental	-	1,163,048	22,096	1,185,144	-
Use of money and property	31,829	693,343	882,577	1,607,749	260,666
Interest expense	(15,461)	(12,295)	(132,872)	(160,628)	-
Lease payment	-	(6,200,000)	-	(6,200,000)	-
Amortization expense	-	(79,905)	(41,755)	(121,660)	-
Loss from disposal of capital assets	(4,724)	(350,497)	(6,654)	(361,875)	(150,064)
Other	-	-	-	-	13,324
Total nonoperating revenues	11,644	(4,786,306)	723,392	(4,051,270)	123,926
Income (loss) before transfers	181,889	(4,996,434)	130,234	(4,684,311)	448,775
<b>Transfers:</b>					
Transfers in (note 6)	-	-	-	-	2,346,078
Transfers out (note 6)	(28,946)	(643,435)	(241,753)	(914,134)	-
Total contributions and transfers	(28,946)	(643,435)	(241,753)	(914,134)	2,346,078
Change in net assets	152,943	(5,639,869)	(111,519)	(5,598,445)	2,794,853
Net assets, beginning of the year	3,707,468	34,144,648	10,654,432	48,506,548	10,711,558
Net assets at end of the year	<u>\$ 3,860,411</u>	<u>28,504,779</u>	<u>10,542,913</u>	<u>42,908,103</u>	<u>13,506,411</u>

See accompanying notes to the basic financial statements.

**CITY OF WHITTIER**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**Year Ended June 30, 2009**

	Business-type Activities - Enterprise Funds				Internal Service Funds
	Sewer	Water	Solid Waste	Totals	
<b>Cash flows from operating activities:</b>					
Receipts from customers and users	\$ 1,941,370	6,718,859	8,481,440	17,141,669	15,705,423
Payments to suppliers	(1,176,783)	(4,759,658)	(5,382,384)	(11,318,825)	(13,889,098)
Payments to employees	(670,848)	(2,640,858)	(2,592,197)	(5,903,903)	17,413
Nonoperating rental income revenue received	-	458,903	448,651	907,554	14,754
Internal activity payments to/from other funds	-	-	-	-	(419,579)
Net cash provided (used) by operating activities	93,739	(222,754)	955,510	826,495	1,428,913
<b>Cash flows from noncapital financing activities:</b>					
Receipts from other governmental agencies	-	1,163,048	22,096	1,185,144	-
Receipt (from) to other funds	(337,272)	295,075	-	(42,197)	-
Transfers from other funds	(28,946)	(6,843,435)	(241,753)	(7,114,134)	2,346,078
Net cash provided (used) in noncapital financing activities	(366,218)	(5,385,312)	(219,657)	(5,971,187)	2,346,078
<b>Cash flows from capital and related financing activities:</b>					
Sale of capital assets	4,724	355,116	143,590	503,430	50,156
Purchase of capital assets	(72,169)	(1,230,539)	(146,759)	(1,449,467)	(2,702,730)
Principal payments on long-term debt	-	(210,000)	(320,000)	(530,000)	-
Interest paid on long-term debt	(15,461)	(12,803)	(139,805)	(168,069)	-
Loss from disposal of capital assets	-	-	-	-	(137,314)
Net cash provided (used) in capital and related financing activities	(82,906)	(1,098,226)	(462,974)	(1,644,106)	(2,789,888)
<b>Cash flows from investing activities:</b>					
Interest on investments	34,596	326,022	512,363	872,981	314,376
Net cash provided by investing activities	34,596	326,022	512,363	872,981	314,376
Net increase (decrease) in cash and cash equivalents	(320,789)	(6,380,270)	785,242	(5,915,817)	1,299,479
Cash and cash equivalents, beginning of fiscal year	1,718,298	19,184,842	19,401,811	40,304,951	17,078,529
Cash and cash equivalents, end of fiscal year	\$ 1,397,509	12,804,572	20,187,053	34,389,134	18,378,008
<b>Reconciliation of cash and cash equivalents to amounts reported on the balance sheet:</b>					
Reported on the statement of net assets:					
Cash and investments	\$ 1,397,509	11,981,710	11,563,994	24,943,213	18,378,008
Cash and investments with fiscal agents - restricted	-	685,325	869,976	1,555,301	-
Cash and investments - restricted	-	137,537	7,753,083	7,890,620	-
<b>Cash and cash equivalents - June 30, 2009</b>	<b>\$ 1,397,509</b>	<b>12,804,572</b>	<b>20,187,053</b>	<b>34,389,134</b>	<b>18,378,008</b>
<b>Reconciliation of operating income to net cash provided by operations:</b>					
Operating income (loss)	\$ 170,245	(210,128)	(593,158)	(633,041)	324,849
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation	64,243	538,953	390,668	993,864	1,095,513
Rental income	-	458,903	448,651	907,554	14,754
Loss on sale of capital assets	(4,724)	(350,497)	(6,654)	(361,875)	-
Internal activity payments to/from other funds	-	-	-	-	(419,579)
Decrease (increase) in accounts receivable	39,735	(749,569)	(39,605)	(749,439)	(205,402)
Decrease (increase) in intergovernmental receivable	-	114,222	-	114,222	-
Decrease (increase) in prepaid items	-	-	(6,456)	(6,456)	(3,293)
Decrease (increase) in inventories	-	18,765	-	18,765	-
Increase (decrease) in accounts payable	(186,081)	92,837	(4,319)	(97,563)	85,905
Increase (decrease) in accrued liabilities	1,571	8,202	409	10,182	19,254
Increase (decrease) in deposits payable	-	-	6,456	6,456	-
Increase (decrease) in deferred revenue	-	(114,222)	-	(114,222)	-
Increase (decrease) in net OPEB liability	6,327	12,654	24,927	43,908	-
Increase (decrease) in claims payable	-	-	-	-	205,094
Increase (decrease) in compensated absences payable	2,423	(42,874)	(70,851)	(111,302)	311,818
Increase (decrease) in landfill closure and postclosure costs	-	-	805,442	805,442	-
Total adjustments	(76,506)	(12,626)	1,548,668	1,459,536	1,104,064
Net cash provided by operating activities	\$ 93,739	(222,754)	955,510	826,495	1,428,913

**Noncash investing, capital, and financing activities:**

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

See accompanying notes to the basic financial statements.

**CITY OF WHITTIER**  
**Statement of Fiduciary Net Assets**  
**Agency Funds**  
**June 30, 2009**

**Assets:**

Cash and investments (Note 3)	\$ 1,635,092
Cash and investments with fiscal agents (Note 3)	1,091,833
Receivable:	
Accounts	222,519
Interest	1,513
	<hr/>
Total assets	<u>\$ 2,950,957</u>

**Liabilities:**

Accounts payable	\$ 39,462
Deposits payable	854,881
Due to other funds (Note 6)	177,644
Due to bondholders	1,878,970
	<hr/>
Total liabilities	<u>\$ 2,950,957</u>

See accompanying notes to the basic financial statements.

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**Year ended June 30, 2009**

**(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City of Whittier (City) have been prepared in conformity with accounting principles generally accepted in the United States of America (USGAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

**a. Description of The Reporting Entity**

The City of Whittier was incorporated in 1898, under the laws of the State of California.

The City of Whittier is a reporting entity which includes the following component units:

Whittier Redevelopment Agency  
Whittier Public Financing Authority  
Whittier Utility Authority

As required by accounting principles generally accepted in the United States of America, these financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The City is considered to be financially accountable for an organization if the City appoints a voting majority of that organization's governing body and the City is either able to impose its will on that organization, or there is a potential for that organization to provide specific financial benefits to or impose specific financial burdens on the City. The City is also considered to be financially accountable if an organization is fiscally dependent upon the City (i.e., it is unable to adopt its budget, levy taxes, set rates or charges, or issue bonded debt without approval from the City). In certain cases, other organizations are included as component units if the nature and significance of their relationship with the City are such that their exclusion would cause the City's financial statements to be misleading or incomplete.

All of the City's component units are considered to be blended component units because in all cases the City Council serves as the governing board for each component unit. Blended component units, although legally separate entities, are, in substance, part of the City's operations, therefore data from these units are reported with the interfund data of the primary government.



**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(1) Summary of Significant Accounting Policies, (Continued)**

**a. Description of The Reporting Entity, (Continued)**

The Whittier Redevelopment Agency and the Whittier Utility Authority issue separate component unit statements. Upon their completion, the financial statements of the component units can be obtained at City Hall. The following entities are considered to be component units of the City.

Whittier Redevelopment Agency

The Redevelopment Agency was established on September 21, 1971, pursuant to the State of California Health and Safety Code Section 33000. Its purpose is to prepare and carry out plans for the improvement, rehabilitation, and development of blighted areas within the territorial limits of the City of Whittier.

Whittier Public Financing Authority

The Whittier Public Financing Authority was formed on June 6, 1989, by a joint powers agreement between the City of Whittier and the Whittier Redevelopment Agency. It was created to acquire and finance the acquisition of public capital improvements necessary or convenient for the operation of the City or Agency.

Whittier Utility Authority

The Whittier Utility Authority (Authority) was established on February 1, 2002, by a joint powers agreement between the City of Whittier and the Whittier Public Financing Authority. The Authority was created to provide a legally binding framework for the relationship between the City's utility enterprise funds and the city's general fund, to address possible impacts of proposition 218, and to provide greater fiscal strength of the City's enterprise funds. The Authority is presented as Water, Sewer and Solid Waste enterprise funds in the accompanying financials.

**b. Government-wide and Fund Financial Statements**

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

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(1) Summary of Significant Accounting Policies, (Continued)**

**b. Government-wide and Fund Financial Statements, (Continued)**

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

Separate financial statements are provided for governmental funds, proprietary funds, and agency funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds financial statements. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of the related cash flows. Fiduciary funds (Agency) use the accrual basis of accounting, but have no measurement focus. Property taxes are recognized as revenues in the fiscal year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental funds financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within 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 generally are recorded when the liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(1) Summary of Significant Accounting Policies, (Continued)**

**c. Measurement Focus, Basis of Accounting, and Financial Statement Presentation, (Continued)**

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

The City reports the following major governmental funds:

The General Fund – This fund is the City’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in other funds.

The Transit Special Revenue Fund – This fund accounts for the receipt and expenditure of Los Angeles County Prop A and C funds for transit and transit related costs and improvement projects.

Redevelopment Agency Low/Mod Housing Special Revenue Fund – This fund accounts for revenues and expenditures for the Commercial Corridor, Greenleaf/Uptown, Whittier Boulevard, and Earthquake Recovery Redevelopment Project Area related to low and moderate income housing.

Subventions and Grants Special Revenue Fund – This fund accounts for activities of various State and Local monies.

Redevelopment Agency Debt Service Fund – This fund accounts for the property tax increment received by the Agency and also for the repayment of the Agency’s indebtedness.

Redevelopment Agency Capital Projects Fund – This fund accounts for the financing, construction, and administrative activities of the Agency.

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(1) Summary of Significant Accounting Policies, (Continued)**

**c. Measurement Focus, Basis of Accounting, and Financial Statement Presentation, (Continued)**

The City reports the following Whittier Utility Authority as major proprietary funds:

The Water Enterprise Fund – This fund accounts for the operation and maintenance of the City’s water distribution system.

The Sewer Enterprise Fund – This fund accounts for the operation and maintenance of the wastewater system within the City’s boundaries.

The Solid Waste Enterprise Fund – This fund accounts for the collection and disposal of solid waste from industrial, commercial, and residential users throughout the Whittier area, for landfill closure and post closure costs, and for funding of environmental liabilities caused by water contamination.

Additionally, the City reports the following fund types:

The Capital Project Funds are used to account for capital expenditures funded from general revenues and to account for the financing, construction, and administrative activities of the Agency

The Internal Service Funds account for financial transactions related to the City’s equipment maintenance, equipment replacement, and self-insurance programs. These services are provided to other departments or agencies of the City on a cost reimbursement basis.

The Agency Funds are used to report resources held by the City in a purely custodial capacity, which includes assets held on behalf of employees for the City’s flexible reimbursement account program, refundable deposits, CFD bondholders, and the Habitat Joint Powers Authority.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and enterprise funds financial statements to the extent that those standards do no conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB). For enterprise funds activities, the City has elected to apply all applicable GASB pronouncements as well as any applicable pronouncements of the Financial Accounting Standards Board (FASB), the Accounting Principles Board (APB), or any Accounting Research Bulletins (ARB) issued on or before November 30, 1989, unless they contradict or conflict with GASB pronouncements.

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(1) Summary of Significant Accounting Policies, (Continued)**

**c. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

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

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions and 3) capital grants and contributions, including special assessments.

Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Enterprise Funds and of the Internal Service Funds are charges to customers for sales and services. Operating expenses for the Enterprises Funds and the Internal Service Funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

**d. Assets, Liabilities, Net Assets or Equity**

**Cash and Cash Equivalents**

For purpose of the statement of cash flows, the City considered cash and cash equivalents as short term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. The

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(1) Summary of Significant Accounting Policies, (Continued)**

**Cash and Cash Equivalents, (Continued)**

City follows the practice of pooling cash and investments of all funds except for funds required to be held by outside fiscal agents under the provisions of bond indentures and funds for the Whittier Redevelopment Agency. Cash equivalents have an original maturity date of three months or less from the date of purchase.

**Cash and Investments**

Investments are reported in the accompanying financial statements at fair value, except for nonparticipating certificates of deposit and investment contracts that are reported at cost because they are not transferable and they have terms that are not affected by changes in market interest rates.

In the fund financial statements, changes in fair value that occur during a fiscal year are recognized as *Use of money and property*. *Use of money and property* includes interest earnings, changes in fair value and any gains or losses realized upon the liquidation or sale of investments.

The City pools cash and investments of all funds, except assets held by fiscal agents. 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.

**Receivables and Payables**

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

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

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(1) Summary of Significant Accounting Policies, (Continued)**

**d. Assets, Liabilities, Net Assets or Equity, (Continued)**

All trade and tax receivables are shown net of an allowance for uncollectible accounts if applicable, and estimated refunds due.

**Land held for resale**

Land held for resale is capitalized at the lower of acquisition cost or estimated resale value. The fund balance is reserved in an amount equal to the carrying value of land held for resale because such assets are not available to finance the City's operations until sold.

**Property Taxes**

Property taxes in the State of California are administered for all local agencies at the county level, and consist of secured, unsecured, and utility tax rolls. The following is a summary of major policies and practices relating to property taxes:

Property Valuations – are established by the Assessor of the County of Los Angeles for the secured and unsecured property tax rolls; the utility property tax rolls are valued by the State Board of Equalization. Under the provisions of Article XIII A of the State Constitution (Proposition 13 adopted by the voters on June 6, 1978) properties are assessed at 100% of full value. From this base of assessment, subsequent annual increases in valuation are limited to a maximum of 2%. However, increases to full value are allowed for property improvements or upon change in ownership. Personal property is excluded from these limitations, and is subject to annual reappraisal.

Tax Levies – are limited to 1% of full value which results in a tax rate of \$1.00 per \$100 assessed valuation, under the provisions of Proposition 13. Tax rates for voter-approved indebtedness are excluded from this limitation. The City's share of the \$1.00 varies depending on the tax rate area and it ranges from \$0.0730 to \$0.0125. The City accrues only those taxes that are received within 60 days after year end.

Lien date:	January 1
Levy date:	July 1
Due date:	November 1 – 1 <sup>st</sup> installment February 1 – 2 <sup>nd</sup> installment
Delinquent date:	December 11 – 1 <sup>st</sup> installment April 11 – 2 <sup>nd</sup> installment

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(1) Summary of Significant Accounting Policies, (Continued)**

**d. Assets, Liabilities, Net Assets or Equity, (Continued)**

Taxes are collected by the Assessor of the County of Los Angeles and are remitted to the City periodically. Dates and percentages are as follows:

December	40% advance
January	10% advance
February	Collection No. 1
April	Advance to 85%
May	Collection of 2 <sup>nd</sup> installment collected
July	Collection No. 2
August	Collection No. 3

**Inventories**

Inventories of materials and supplies are carried at cost on an average cost basis. The City uses the consumption method of accounting for inventories.

**Prepaid Items**

Payments made to vendors for services that will benefit periods beyond June 30, 2009 are recorded as prepaid items and are offset equally by a fund balance reserve account which indicates that they do not constitute expendable available resources and therefore are not available for appropriation.

**Restricted Assets**

Certain proceeds of the City's long-term debt, as well as certain resources set aside for their repayment, are classified as restricted assets on the financial statements because they are maintained in separate bank accounts and their use is limited by applicable bond covenants.

In the absence of specific statutory provisions governing the issuance of bonds, certificates, or leases, these bond monies may be invested in accordance with the ordinance; resolutions, and indentures specifying the types of investments its trustees or fiscal agents may make. These ordinances, resolutions, and indentures are generally more restrictive than the City's general investment policy.



**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(1) Summary of Significant Accounting Policies, (Continued)**

**d. Assets, Liabilities, Net Assets or Equity, (Continued)**

**Capital Assets**

Capital assets, which include property, plant, equipment, fine art, and infrastructure assets (e.g., roads, bridges, sidewalks, traffic lights and signals, street lights, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$10,000 (\$100,000 for infrastructure) or more and an estimated useful life in excess of one year. Such capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the capital asset or materially extend capital asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No interest was capitalized during the fiscal year ended June 30, 2009.

Property, plant, and equipment of the City are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	30 to 75
Improvements other than buildings	25 to 50
Infrastructure	20 to 50
Utility systems	30 to 80
Vehicles	8 to 15
Other equipment and furnishings	10 to 25
Computer equipment	10

Periodic restoration and maintenance costs on particular items are charged to expense as incurred.

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(1) Summary of Significant Accounting Policies, (Continued)**

**d. Assets, Liabilities, Net Assets or Equity, (Continued)**

**Claims and Judgments**

The City records a liability for litigation, judgments, and claims when it is probable that an asset has been impaired or a liability has been incurred prior to fiscal year end and the probable amount of loss (net of any insurance coverage) can be reasonably estimated. This liability is recorded in the internal service fund which accounts for the City's self-insurance activities.

**Compensated Absences**

In accordance with GASB Statement No. 16, an employee benefits payable liability is recorded in an Internal Service Fund for unused vacation and similar compensatory leave balances since the employees' entitlement to these balances are attributable to services already rendered and it is probable that virtually all of these balances will be liquidated by either paid time off or payments upon termination or retirement.

Under GASB Statement No. 16, a liability is recorded for unused sick leave balances only to the extent that it is probable that the unused balances will result in termination payments. Other amounts of unused sick leave are excluded from the liability since their payment is contingent solely upon the occurrence of a future event (illness) which is outside the control of the City and the employee.

The City utilizes an Internal Service Fund to account for its compensated absences. The short-term portion is determined to be the amount due to employees for future absences which is attributed to services already rendered and which is expected to be paid during the next fiscal year. The total amount of liability for compensated absences is segregated between short-term and long-term as indicated above and both portions are reflected in the Employee Benefits Fund.

Vacation pay is payable to employees at the time a vacation is taken or upon termination of employment. Normally, an employee can not accrue more than one and one-half times their regular annual entitlement.

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(1) Summary of Significant Accounting Policies, (Continued)**

**d. Assets, Liabilities, Net Assets or Equity, (Continued)**

Sick leave is payable when an employee is unable to work because of illness. Upon termination, an employee will be paid for any unused sick leave in excess of 500 hours up to a maximum of 340 or 360 hours. Any unused sick leave less than 500 hours, or more than 840 hours for safety employees, or 860 hours for other full-time employees are forfeited upon termination of employment. The vested portion of these compensated absences is accrued in the Employee Benefits Fund.

**Long-Term Liabilities**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Initial-issue bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. The difference between the reacquisition price of refunding bonds and the net carrying amount of refunded debt (deferred amount on refunding) is amortized over the shorter of the lives of the refunding debt or remaining life of the refunded debt. Bond issuance costs, including deferred refunding amounts and underwriters' discount, are reported as deferred bond issuance costs. Amortization of bond premiums or discounts, issuance costs, and deferred amounts on refunding is included in interest expense in the Statement of Activities.

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

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(1) Summary of Significant Accounting Policies, (Continued)**

**d. Assets, Liabilities, Net Assets or Equity, (Continued)**

**Net Assets and Fund Equity**

In the government-wide financial statements, proprietary fund financial statements, and fiduciary fund financial statements, net assets are reported in three categories: net assets invested in capital assets, net of related debt; restricted net assets, and unrestricted net assets. Restricted net assets represent net assets restricted by parties outside of the City (such as creditors, grantors, contributors, and laws and regulations of other governments) and include unspent proceeds of bonds issued to acquire or construct capital assets. The City's other restricted net assets are temporarily restricted (ultimately expendable assets). All other net assets are considered unrestricted.

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

**e. Estimates**

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

**(2) Stewardship, Compliance, and Accountability**

**General Budget Policies**

The City Council approves each fiscal year's budget submitted by the City Manager prior to the beginning of the new fiscal year. Public hearings are conducted prior to its adoption by the Council. Supplemental appropriations, where required during the period, are also approved by the Council. Budget transfers that affect the total

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(2) Stewardship, Compliance, and Accountability, (Continued)**

**General Budget Policies, (Continued)**

appropriations for any fund require City Council approval. Budget transfers within a budget code with no change in appropriation within the budget code are approved by the City Manager only and do not require approval by the City Council. A budget code could be a program or a division of a department or a department. In most cases, expenditures may not legally exceed appropriations at the budget code level for the General fund, and fund level for Special Revenue, Capital Projects, and Debt Service Funds.

Legally adopted budgets for all governmental funds are established on a cash basis. At year end all operating budget appropriations lapse with the exception of encumbered and continuing appropriations. During the year, supplementary appropriations were immaterial. Budgets are adopted for all general, special revenue, capital project, and debt service funds.

**Encumbrances**

Encumbrances are estimations of costs related to unperformed contracts for goods and services. These commitments are recorded for budgetary control purposes in the General, Special Revenue, and Capital Projects Funds. Encumbrances outstanding at fiscal year-end are reported as a reservation of fund balance. They represent the estimated amount of the expenditure ultimately to result if unperformed contracts in-process at fiscal year-end are completed. They do not constitute expenditures or estimated liabilities.

**Continuing Appropriations**

The unexpended and unencumbered appropriations that are available and recommended for continuation are approved by the City Council for carryover to the following fiscal year. These commitments are reported as a reservation of fund balance.

**Budgetary Basis of Accounting**

Budgets for governmental funds (which includes encumbrances, land acquisition and disposition, advances to other funds, loan payments and proceeds, and escrow fund releases) are adopted on a basis which differs from accounting principles generally accepted in the United States of America (US GAAP).

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(2) Stewardship, Compliance, and Accountability, (Continued)**

Budget Basis of Accounting, (Continued)

The Combined Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual (Budgetary Basis) – All Governmental Fund types present comparisons of the legally adopted budget with actual data on the budgetary basis. The differences between the budgetary basis and the US GAAP basis are presented on the same financial statements. Adjustments for the above budgetary differences were necessary to prepare statements on a US GAAP basis.

The following funds contained a deficit of fund balance as of June 30, 2009:

Special Revenue Fund:

Subventions and Grants Fund	\$ 3,474,374
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Non-Major Governmental Funds:

Traffic Offender	189,003
Whittier uptown Parking District No. 1	47,327

The deficit in the Subventions and Grants Fund is a result of expenditures being incurred but has not been reimbursed by granting agencies due to stipulations of having projects completed prior to reimbursement.

The deficit in the Traffic Offender fund is due to expenditures being incurred before the revenue has been received.

The deficit in the Whittier Uptown Parking district No. 1 fund is due to insufficient property tax revenues to cover expenditures incurred.

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(2) Stewardship, Compliance, and Accountability, (Continued)**

**General Budget Policies, (Continued)**

Excess of expenditures over appropriations in departments/cost centers of individual funds are as follows:

<u>Fund</u>	<u>Final Budget</u>	<u>Expenditures</u>	<u>Excess</u>
<u>Major Funds:</u>			
General Fund:			
City attorney	\$ 300,491	506,337	205,846
City treasurer	273,480	301,824	28,344
Fireworks show	37,021	37,170	149
Employee special events	13,300	14,484	1,184
Dial-a-ride	42,319	48,915	6,596
Police department	27,473,333	27,583,618	110,285
Toxic waste disposal	1,977	1,989	12
Community services	3,547,334	3,737,706	190,372
Street lighting	471,771	472,193	422
Transfers out	11,497,578	11,524,283	26,705
<u>Non-Major Funds:</u>			
Business Improvement Area Special Revenue Fund:	11,200	128,222	16,222
Whittier Uptown Parking District No. 1 Special Revenue Fund:	61,713	76,289	14,576
Public Financing Authority Debt Service Fund:	1,050,671	1,309,246	258,575

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(3) Cash and Investments**

Cash and investments are reported in the accompanying financial statements as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Cash and investments	\$ 83,739,587	24,943,213	1,635,092	110,317,892
Restricted assets:				
Cash and investments	3,086,054	7,890,620	-	10,976,674
Cash and investments with fiscal agents	52,170,671	1,555,301	1,091,833	54,817,805
Totals	<u>\$ 138,996,312</u>	<u>34,389,134</u>	<u>2,726,925</u>	<u>176,112,371</u>

Cash and investments at June 30, 2009 consisted of the following:

Petty cash	\$ 12,757
Deposits with financial institutions	627,554
Investments	<u>175,472,060</u>
Total	<u>\$176,112,371</u>

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

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



**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(3) Cash and Investments, (Continued)**

Authorized Investment Type	Authorized By Investment Policy	*Maximum Maturity	*Maximum Percentage of Portfolio	*Maximum Investment in One Issuer
Local Agency Investment Fund (LAIF)	Yes	N/A	40%	None
U.S. Treasury Obligations	Yes	5 years	None	None
U.S. Agency Securities	Yes	5 years	60%	None
Passbook Savings (Insured) Deposits with				
Banks and Savings and Loans	Yes	N/A	None	None
Certificates of Deposits	Yes	5 years	15%	None
Negotiable Certificates of Deposit	Yes	5 years	30%	None
Bankers Acceptance, Prime Quality	Yes	5 years	40%	10%
Commercial Paper, Prime Quality	Yes	270 days	20%	10%
Medium Term Corporate Notes	Yes	1-3 years	20%	None
Money Market Mutual Funds	Yes	N/A	None	10%
Repurchase Agreements	No	1 year	None	None
Reverse Repurchase Agreements	No	92 days	20% of base value	None
Mutual Funds	Yes	N/A	20%	10%
Mortgage Pass-Through Securities	Yes	5 years	20%	None
County Pooled Investment Funds	Yes	N/A	None	None
JPA Pools (other investment pools)	Yes	N/A	None	None

\* Based on state law requirements or investment policy requirements, whichever is more restrictive.

**Investments Authorized by Debt Agreements**

Investment of debt proceeds held by fiscal agents are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy. The table below identifies the investment types that are authorized for investments held by bond trustees. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Certificates of Deposit with Bank of Savings & Loans	None	None	None
U.S. Treasury Obligations	None	None	None
U.S. Agency Securities	None	None	None
Banker's Acceptances, Prime Quality	5 years	None	None
Commercial Paper, Prime Quality	5 years	None	None
Money Market Mutual Funds - U.S. Treasury	N/A	None	None
Investment Contracts	30 years	None	None
Medium Term Corporate Notes, Prime Quality	1-3 years	None	None
Local Agency Investment Fund (State Pool)	None	None	None

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(3) Cash and Investments, (Continued)**

**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 flows and liquidity needed for operations.

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

Investment Type	Totals	Remaining Maturity (in Months)				
		6 Months Or Less	7-12 Months	13-24 Months	25-42 Months	43-60 Months
U.S. Treasury bills	\$ 7,589,771	7,589,771	-	-	-	-
U.S. Treasury notes	1,520,565	-	1,520,565	-	-	-
Federal agency securities	42,796,710	12,030,105	10,581,570	7,618,140	11,079,075	1,487,820
Medium-term notes	16,547,295	-	-	3,015,645	13,531,650	-
Local Agency Investment Fund (LAIF)	52,178,655	52,178,655	-	-	-	-
Held by fiscal agents:						
Money market funds	28,582,694	28,582,694	-	-	-	-
U.S. Treasury bills	668,994	668,994	-	-	-	-
Local Agency Investment Fund (LAIF)	15,179,288	15,179,288	-	-	-	-
Federal agency securities	10,408,088	10,408,088	-	-	-	-
<b>Totals</b>	<b>\$ 175,472,060</b>	<b>126,637,595</b>	<b>12,102,135</b>	<b>10,633,785</b>	<b>24,610,725</b>	<b>1,487,820</b>

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(3) Cash and Investments, (Continued)**

**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, the City's investment policy, or debt agreements, and the actual rating as of fiscal year end for each investment type.

Investment Type	Amount	Minimum Legal Rating	Exempt From Disclosure	Rating as of Year End	
				AAA	Not Rated
U.S. Treasury bills	\$ 7,589,771	N/A	7,589,771	-	-
U.S. Treasury notes	1,520,565	N/A	1,520,565	-	-
Federal agency securities	42,796,710	N/A	-	42,796,710	-
Medium-term notes	16,547,295	N/A	-	16,547,295	-
Local Agency Investment Fund (LAIF)	52,178,655	N/A	-	-	52,178,655
Held by fiscal agents:					
Money market funds	28,582,694	AAA	-	28,582,694	-
U.S. Treasury bills	668,994	N/A	668,994	-	-
Local Agency Investment Fund (LAIF)	15,179,288	N/A	-	-	15,179,288
Federal agency securities	10,408,088	N/A	-	10,408,088	-
<b>Total</b>	<b>\$ 175,472,060</b>		<b>9,779,330</b>	<b>98,334,787</b>	<b>67,357,943</b>

The investment policy of the City contains limitations on the amount that can be invested in any one issuer. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments are as follows:

Issuer	Investment Type	Reported Amount
Federal Home Loan Mortgage Corporation	Federal agency security	\$ 12,121,079
Federal Home Loan Bank	Federal agency security	26,892,579
Federal Farm Credit Bank	Federal agency security	12,092,850

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(3) Cash and Investments, (Continued)**

**Concentration of Credit Risk**

Investments in any one issuer that represent 5% or more of total investments by reporting unit (governmental activities, business-type activities, major funds) are as follows:

\$12,121,079, \$26,208,195, and \$12,092,850 of cash and investments (including amounts held by fiscal agents) reported in the governmental activities are held in the form of Federal Home Loan Mortgage Corporation, Federal Home Loan Bank, and Federal Farm Credit Bank, and mature in December 2009, December 2012, and December 2013, respectively.

**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 Entity'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.

For investments identified herein as held by bond trustee, the bond trustee selects the investment under the terms of the applicable trust agreement, acquires the investment, and holds the investment on behalf of the reporting government.

**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.

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(4) Investment – Land Held For Resale**

The City of Whittier and Whittier Redevelopment Agency have acquired several parcels of land as part of their primary purpose to develop or redevelop blighted properties. The City records these parcels as “land held for resale” in its financial records. The property is being carried at its net realizable value which is estimated to be equal to cost. At June 30, 2009, land held for resale totaled \$2,542,284.

**(5) Notes and Loans Receivable**

Outstanding  
Balance  
June 30, 2009

During the 2000-01 fiscal year, the City approved a Police Residence Incentive Program. Sworn Whittier police officers may apply for a forgivable loan toward the purchase of a single-family residence in the City. The loan shall be forgiven within 10 years for a \$10,000 loan applied before fiscal year 2005-06. During 2005-06, the City increased the loan amount to \$50,000 each and shall be forgiven within 15 years. The employee needs to maintain the property as his/her principal residence and remains an active sworn employee of the City. As of June 30, 2009, one loan of \$37,000, one loan of \$39,805, one loan of \$44,500, one loan of \$38,000, two loans of \$50,000 each, sixteen loans of \$10,000 each and one in the amount of \$8,000 have been provided and \$63,000 of principal has been forgiven and thirteen loans have been repaid in the amount of \$99,000.

\$ 265,305

During the 1985-86 fiscal year, the Whittier Redevelopment Agency loaned the developer of the William Penn Manor Project, \$500,000 for the site acquisition. During 1989-90 William Penn Manor borrowed an additional \$103,401 (net of repayments) from the Whittier Redevelopment Agency, using Community Development Block Grant funds, for a total of \$603,401. This loan is non-interest bearing and is to be repaid to the Agency upon the recording of a construction loan to the developer for development of the site and the sale, transfer, conveyance or refinancing of the site, or any part, thereof, by developer, with the exception that such sale, transfer, conveyance, or refinancing must first be approved in writing by the Agency. The loan is evidenced by a promissory note and secured by a first deed of trust. The William Penn Manor project is the development of the William Penn Manor, a 75 dwelling unit project to be occupied by low income senior citizens.

603,401

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(5) Notes and Loans Receivable, (Continued)**

Outstanding  
Balance at  
June 30, 2009

During the 2000-01 fiscal year, the Agency implemented the Whittier CARE loan program. The program provides non-interest bearing loans to eligible homeowners for improvements to their owner or tenant occupied residence located in a specified area. The loans range from \$2,000 to \$25,000, and are secured by an agreement and covenants and may be written off after 5 years if the homeowner is in compliance with the programs' requirements. Repayment occurs if the property is sold or the requirements are not complied with within the 5 year period. As of June 30, 2009, thirty-six families have received CARE loans and twenty-eight loans were either paid or forgiven.

\$ 173,042

The City has entered into an owner participation agreement with TMG Properties Inc. (TMG) for economic development purposes. On January 24, 2002, the City loaned TMG \$355,000 for the purpose of procuring a parcel of land where TMG will operate an automobile dealership for a 10 year period. The City holds a note secured by a trust deed in 3<sup>rd</sup> position at an interest rate of 5%. One tenth of the principal will be due every year starting one year after completion of the project. If sales tax generated by the business exceeds the interest due then that year's interest will be forgiven. Entire principal is due if the business ceases operation within 10 years.

143,776

During the 1997-98 fiscal year, the Agency approved the First-time Homebuyer Program. Since then the Agency has loaned \$1,585,000 to seventy-seven families. The program provides "silent second" loans to homebuyers of low and moderate income. The loans are interest free with no payments for the first five years, after which the borrowers pay 5% per year. Starting in the sixth year, one-fifteenth of the loan is forgiven. If the Borrower ceases to be the owner-occupant, the loan becomes due and payable. During the fiscal year ended June 30, 2009, \$54,724 in loan principal was either paid or forgiven.

339,967

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(5) Notes and Loans Receivable, (Continued)**

Outstanding  
Balance  
June 30, 2009

The City uses Community Development Block Grant funds and Federal HOME funds to issue loans to low and moderate income families and individuals. These loans are low interest or zero interest loans and can be fully amortized or deferred until the secured property is sold. The proceeds are used to rehabilitate residences and the loans are secured by a deed of trust on the property.

\$3,557,916

Total notes and loans receivable

\$5,083,407

**(6) Interfund Activity**

The following represents the interfund activity of the City for the year ended June 30, 2009:

**Due From/To Other Funds:**

Due from (receivable fund)	Due to (payable fund)	Amount	
General Fund	Subventions and Grant Fund	\$ 2,210,802	(A)
	RDA Low/Mod Housing Fund	28	
	RDA Capital Projects Fund	2,854	
	Non-major Governmental Funds	272,939	(A)
	Internal Service Fund	206,866	(A)
	Fiduciary Funds – Agency	177,644	(A)
		125,424	
RDA Capital Projects Fund	RDA Debt Service Fund	125,424	
		\$ 2,996,557	

Amounts due to/from other funds represents: (A) elimination of negative cash balances in the funds.

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(6) Interfund Activity, (Continued)**

**Advances To/From Other Funds**

<u>Advances to (receivable fund)</u>	<u>Advances from (payable fund)</u>	<u>Amount</u>
General Fund	Redevelopment Agency Debt Service Fund	\$ 8,559,510 (A)
Redevelopment Agency Low/ Mod Housing Fund	Redevelopment Agency Debt Service Fund	224,133
Public Financing Authority	Redevelopment Agency Debt Service Fund	<u>6,045,000 (B)</u>
	Total	<u>\$ 14,828,643</u>
Water Fund	Sewer Fund	<u>\$ 319,209</u>
	Total	<u>\$ 319,209</u>

Advance to/from other funds are as follows: (A) to subsidize expenditures incurred in the various project areas and (B) to reflect the amount owed to the Public Financing Authority Fund for the issuance of the 2002 Revenue Bonds.

**Transfers To/From Other Funds**

General Fund	Non-Major Governmental Funds	\$ 1,325,300(A)
Redevelopment Agency Debt Service	Redevelopment Agency Capital Projects Fund	2,119,600(B)
Redevelopment Agency Capital Projects Fund	Redevelopment Agency Debt Service	1,334,532
Non-Major Governmental Funds	General Fund	10,092,340(C)
	Redevelopment Agency Capital Projects Fund	<u>3,550</u>
	Total	<u>\$14,875,322</u>
Internal Service Funds	General Fund	\$ 1,431,943(D)
	Sewer Fund	28,946
	Water Fund	643,435
	Solid Waste Fund	<u>241,753</u>
	Total	<u>\$ 2,346,077</u>



**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(6) Interfund Activity, (Continued)**

Transfers are used to: (A) reimburse the State Gas Tax and Traffic Safety Funds for costs incurred, (B) reimburse the Redevelopment Agency Capital Projects Fund for repayment of operating loans to the City for Police Department building capital project, (C) reimburse the General Fund for capital projects and Uptown Village maintenance expenditures, and (D) reimburse the General Fund for costs incurred.

**(7) Capital Assets**

**Governmental Activities**

Capital asset governmental activity for the fiscal year ended June 30, 2009 was as follows:

	Balance at July 1, 2008	Additions	Deletions	Balance at June 30, 2009
<b>Capital Assets, not being depreciated:</b>				
Land	\$ 29,875,268	34,645	-	\$ 29,909,913
Rights of way	5,325,506	-	-	5,325,506
Trees	2,365,825	20,900	(4,000)	2,382,725
Construction in progress	1,897,021	6,778,426	-	8,675,447
Total	<u>39,463,620</u>	<u>6,833,971</u>	<u>(4,000)</u>	<u>46,293,591</u>
<b>Capital Assets, being depreciated:</b>				
Buildings	13,509,435	-	(30,527)	13,478,908
Improvements	17,079,392	1,973,775	(502,666)	18,550,501
Machinery and equipment	25,810,906	1,362,996	(3,688,468)	23,485,434
Infrastructure:				
Roadways	108,956,498	-	(27,235,781)	81,720,717
Storm drains	3,395,909	-	(739,681)	2,656,228
Other street appurtenances	14,676,908	-	(6,833,793)	7,843,115
Total	<u>183,429,048</u>	<u>3,336,771</u>	<u>(39,030,916)</u>	<u>147,734,903</u>
Less accumulated depreciation for:				
Buildings	(9,098,939)	(233,230)	19,758	(9,312,411)
Improvements	(5,137,317)	(631,474)	304,370	(5,464,421)
Machinery and equipment	(19,251,836)	(1,314,273)	5,054,152	(15,511,957)
Infrastructure:				
Roadways	(74,418,199)	(3,948,368)	27,235,781	(51,130,786)
Storm drains	(1,503,031)	(52,858)	739,681	(816,208)
Other street appurtenances	(11,096,794)	(363,685)	6,833,793	(4,626,686)
Total	<u>(120,506,116)</u>	<u>(6,543,888)</u>	<u>40,187,535</u>	<u>(86,862,469)</u>
Capital Assets being depreciated, net	<u>62,922,932</u>	<u>(3,207,117)</u>	<u>1,156,619</u>	<u>60,872,434</u>
<b>Capital Assets, net</b>	<u>\$ 102,386,552</u>	<u>3,626,854</u>	<u>1,152,619</u>	<u>107,166,025</u>

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(7) Capital Assets (Continued)**

**Governmental Activities (Continued)**

Depreciation expense was charged to functions/programs of the City's governmental activities as follows:

	<u>Governmental Activities</u>
General government	\$ 368,460
Public safety	116,235
Public works	5,277,590
Community development	40,651
Parks and recreation	562,466
Libraries	22,912
Transit	155,574
Total	<u>\$ 6,543,888</u>

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(7) Capital Assets (Continued)**

**Business-type Activities**

Capital asset business-type activity for the fiscal year ended June 30, 2009 was as follows:

	Balance at July 1, 2008	Additions	Deletions	Balance at June 30, 2009
<u>Sewer Fund:</u>				
Capital assets, being depreciated:				
Improvements	\$ 3,147,700	72,169	(3,388)	3,216,481
Machinery and equipment	40,435	-	(40,435)	-
Total sewer capital assets, being depreciated	<u>3,188,135</u>	<u>72,169</u>	<u>(43,823)</u>	<u>3,216,481</u>
Less - accumulated depreciation for:				
Improvements	(406,654)	(64,243)	948	(469,949)
Machinery and equipment	(38,151)	-	38,151	-
Total accumulated depreciation	<u>(444,805)</u>	<u>(64,243)</u>	<u>39,099</u>	<u>(469,949)</u>
Total sewer capital assets, being depreciated, net	<u>2,743,330</u>	<u>7,926</u>	<u>(4,724)</u>	<u>2,746,532</u>
Total sewer capital assets, net	<u>\$ 2,743,330</u>	<u>7,926</u>	<u>(4,724)</u>	<u>2,746,532</u>
<u>Water Fund:</u>				
Capital assets, not being depreciated:				
Land	\$ 598,955	-	-	598,955
Construction in progress	54,023	1,080,142	-	1,134,165
Total	<u>652,978</u>	<u>1,080,142</u>	<u>-</u>	<u>1,733,120</u>
Capital assets, being depreciated:				
Improvements	32,067,033	150,397	(2,637,554)	29,579,876
Buildings	1,123,295	-	-	1,123,295
Machinery and equipment	545,554	-	(323,765)	221,789
Total water capital assets, being depreciated	<u>33,735,882</u>	<u>150,397</u>	<u>(2,961,319)</u>	<u>30,924,960</u>
Less - accumulated depreciation for:				
Improvements	(10,758,971)	(486,297)	2,294,207	(8,951,061)
Buildings	(967,761)	(42,588)	-	(1,010,349)
Machinery and equipment	(477,942)	(10,068)	311,995	(176,015)
Total accumulated depreciation	<u>(12,204,674)</u>	<u>(538,953)</u>	<u>2,606,202</u>	<u>(10,137,425)</u>
Total water capital assets, being depreciated, net	<u>21,531,208</u>	<u>(388,556)</u>	<u>(355,117)</u>	<u>20,787,535</u>
Total water capital assets, net	<u>\$ 22,184,186</u>	<u>691,586</u>	<u>(355,117)</u>	<u>22,520,655</u>

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(7) Capital Assets, (Continued)**

**Business-type Activities, (Continued)**

	Balance <u>July 1, 2008</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2009</u>
<u>Solid Waste Activity</u>				
Capital Assets, not being depreciated:				
Land	\$ 2,227,801	-	-	2,227,801
Construction in progress	28,188	-	-	28,188
Total capital assets, not being depreciated	<u>2,255,989</u>	<u>-</u>	<u>-</u>	<u>2,255,989</u>
Capital Assets, being depreciated:				
Improvements	13,438,261	146,759	(52,179)	13,532,841
Buildings	151,033	-	-	151,033
Machinery and equipment	2,194,445	-	(675,175)	1,519,270
Total Solid Waste Assets, being depreciated	<u>15,783,739</u>	<u>146,759</u>	<u>(727,354)</u>	<u>15,203,144</u>
Less - accumulated depreciation for:				
Improvements	(4,728,699)	(376,395)	33,622	(5,071,472)
Buildings	(147,702)	(394)	-	(148,096)
Machinery and equipment	(1,964,713)	(13,879)	550,143	(1,428,449)
Total accumulated depreciation	<u>(6,841,114)</u>	<u>(390,668)</u>	<u>583,765</u>	<u>(6,648,017)</u>
Total solid waste assets, being depreciated, net	<u>8,942,625</u>	<u>(243,909)</u>	<u>(143,589)</u>	<u>8,555,127</u>
Total solid waste assets, net	<u>\$ 11,198,614</u>	<u>(243,909)</u>	<u>(143,589)</u>	<u>10,811,116</u>

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(7) Capital Assets, (Continued)**

**Business-type Activities, (Continued)**

	Balance July 1, 2008	Additions	Deletions	Balance June 30, 2009
<b>Total Business-type Activities</b>				
Capital assets, not being depreciated:				
Land	\$ 2,826,756	-	-	2,826,756
Construction in progress	82,211	1,080,142	-	1,162,353
Total capital assets, not being depreciated	<u>2,908,967</u>	<u>1,080,142</u>	<u>-</u>	<u>3,989,109</u>
Capital assets, being depreciated:				
Improvements	48,652,994	369,325	(2,693,121)	46,329,198
Buildings	1,274,328	-	-	1,274,328
Machinery and equipment	2,780,434	-	(1,039,375)	1,741,059
Total capital assets, being depreciated	<u>52,707,756</u>	<u>369,325</u>	<u>(3,732,496)</u>	<u>49,344,585</u>
Less - Accumulated depreciation for:				
Improvements	(15,894,324)	(926,935)	2,328,777	(14,492,482)
Buildings	(1,115,463)	(42,982)	-	(1,158,445)
Machinery and equipment	(2,480,806)	(23,947)	900,289	(1,604,464)
Total accumulated depreciation	<u>(19,490,593)</u>	<u>(993,864)</u>	<u>3,229,066</u>	<u>(17,255,391)</u>
Total capital assets, being depreciated, net	<u>33,217,163</u>	<u>(624,539)</u>	<u>(503,430)</u>	<u>32,089,194</u>
Total capital assets, net	<u>\$ 36,126,130</u>	<u>455,603</u>	<u>(503,430)</u>	<u>36,078,303</u>

Depreciation expense was charged to functions/programs of the City's business-type activities as follows:

<b>Business-Type Activities:</b>	
Sewer	\$ 64,243
Water	538,953
Solid Waste	<u>390,668</u>
Total	<u>\$ 993,864</u>

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(8) Long-Term Liabilities**

The following is a summary of changes in the City's long-term liabilities for the year ended June 30, 2009:

	<u>Balance at July 1, 2008</u>	<u>Additions</u>	<u>Repayments</u>	<u>Balance at June 30, 2009</u>	<u>Due Within One Year</u>
<b>Governmental Activities:</b>					
Compensated absences	\$ 3,762,633	2,500,546	(2,188,728)	4,074,451	1,833,503
Developer loans payable	4,310,395	1,205,692	(989,535)	4,526,552	-
Tax allocation bonds	41,800,000	-	(620,000)	41,180,000	645,000
Revenue bonds	21,735,000	-	(635,000)	21,100,000	635,000
Claims payable	6,638,783	4,660,424	(4,455,330)	6,843,877	4,448,520
Net OPEB Liability	<u>-</u>	<u>342,092</u>	<u>-</u>	<u>342,092</u>	<u>-</u>
	<u>\$78,246,811</u>	<u>8,708,754</u>	<u>(8,888,593)</u>	<u>78,066,972</u>	<u>7,562,023</u>
	<u>Balance at July 1, 2008</u>	<u>Additions</u>	<u>Repayments</u>	<u>Balance at June 30, 2009</u>	<u>Due Within One Year</u>
<b>Business-type Activities:</b>					
Water Fund:					
Compensated absences	\$ 269,623	122,622	(165,496)	226,749	90,700
Revenue refunding bonds	9,670,000	-	(210,000)	9,460,000	220,000
Net OPEB liability	<u>-</u>	<u>12,654</u>	<u>-</u>	<u>12,654</u>	<u>-</u>
	<u>9,939,623</u>	<u>135,276</u>	<u>(375,496)</u>	<u>9,699,403</u>	<u>310,700</u>
Sewer Fund:					
Compensated absences	16,051	8,049	(5,626)	18,474	7,390
Net OPEB liability	<u>-</u>	<u>6,327</u>	<u>-</u>	<u>6,327</u>	<u>-</u>
	<u>16,051</u>	<u>14,376</u>	<u>(5,626)</u>	<u>24,801</u>	<u>7,390</u>
Solid Waste Fund:					
Compensated absences	191,416	107,003	(177,853)	120,566	48,226
Revenue refunding bonds	2,660,000	-	(320,000)	2,340,000	340,000
Landfill closure and postclosure	18,082,333	805,442	-	18,887,775	-
Net OPEB liability	<u>-</u>	<u>24,927</u>	<u>-</u>	<u>24,927</u>	<u>-</u>
	<u>20,933,749</u>	<u>937,372</u>	<u>(497,853)</u>	<u>21,373,268</u>	<u>388,226</u>
<b>Total</b>	<u>\$30,889,423</u>	<u>1,087,024</u>	<u>(878,975)</u>	<u>31,097,472</u>	<u>706,316</u>

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(8) Long-Term Liabilities, (Continued)**

Governmental long-term debt at June 30, 2009 consisted of the following:

Whittier Public Financing Authority 2002 Revenue Bonds, Series A

On March 19, 2002, the Whittier Public Financing Authority issued \$7,505,000 of 2002 Series A Revenue Bonds. The proceeds for the bonds were loaned to the Whittier Redevelopment Agency pursuant to a loan agreement. The proceeds from the loans after payment of an underwriters discount of \$172,998, plus bond funds from the 1992 Revenue Bonds Series A in the amount of \$191,994 were used to pay costs of issuance, fund a reserve account, repay loans to the City, finance improvements, and to refund the Authority's 1992 Revenue Bonds Series A in the amount of \$2,835,000. Interest on the bonds is payable semi-annually each November 1 and May 1. The principal matures each November 1 beginning in 2003 and maturing in 2023. The bonds have varying interest rates ranging from 2.50% to 5.60%. The bonds are secured by loan payments made by the Agency and the loan is secured by tax increment revenues of the redevelopment project area. The reserve requirement was \$597,365 and the reserve as of June 30, 2009 was \$601,536. The outstanding balance of the bonds at June 30, 2009 is \$6,045,000.

Whittier Public Financing Authority 2007 Revenue Bonds, Series A

On August 1, 2007, the Whittier Public Financing Authority ("Authority") issued \$15,425,000 of its 2007 Revenue Bonds, Series A ("Bonds"). The proceeds of \$5,790,000 were used to advance refund the 1998 Tax Allocation Refunding Bonds ("1998 TABS"). The remaining net proceeds will be used to finance or refinance various redevelopment capital projects. The principal of the loan is payable in installments commencing on November 1, 2008 through November 1, 2038 and interest is payable semi-annually each November 1 and May 1 beginning November 1, 2008. Interest rates range from 4.00% to 5.00%. Principal and interest on the loan is payable by the Agency to the bond trustee, as assignee of the Authority under the indenture. The 1998 TABS were deposited in an irrevocable trust with an escrow agent. As a result, these 1998 TABS are considered to be defeased and the liability for those bonds has been removed from the statement of net assets.

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(8) Long-Term Liabilities, (Continued)**

Whittier Public Financing Authority 2007 Revenue Bonds, Series A (Continued)

The advance refunding resulted in a difference between the reacquisition price (amount placed in the escrow account) and the net carrying amount of the old debt of \$162,513. This difference, reported in the accompanying financial statements as a deferred refunding charge, is being charged to operations through the year 2038 using the straight line method. The Authority completed the advance refunding to reduce the cash flows associated with its debt service payments over the next 30 years by \$617,202 and to obtain a net economic gain (difference between the present values of the debt service payments on the old debt and the new debt) of \$364,048. The amount of the Bonds outstanding at June 30, 2009 is \$15,055,000.

2005 Tax Allocation Bonds

On June 14, 2005, the Whittier Redevelopment Agency issued \$7,730,000 of 2005 Series A Tax Allocation Bonds. Proceeds from the sale of bonds will be used to (i) finance redevelopment activities within or for the benefit of the Agency's Earthquake Recovery Project Area, (ii) purchase a reserve fund surety bond in-lieu of a cash reserve account; and (iii) provide for the costs of issuance.

The principal of the bonds is payable each November 1 commencing 2006 through 2035. Interest is payable semi-annually each May 1 and November 1 beginning November 2005. Interest rates on the bonds range from 3.0% to 5.0%. The reserve requirement was \$483,304 and the reserve as of June 30, 2009 was \$488,500. Payment of the principal and interest on the bonds is guaranteed by a municipal bond guaranty insurance policy. The principal amount outstanding at June 30, 2009 was \$7,295,000.



**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(8) Long-Term Liabilities, (Continued)**

2007A Tax Allocation Bonds

On May 24, 2007, the Whittier Redevelopment Agency issued \$18,695,000 of Tax Allocation Bonds, 2007 Series A (“Bonds”). Proceeds from the sale of the Bonds will be used to (i) finance redevelopment activities within or *for* the benefit of the Agency’s Commercial Corridor Redevelopment Project (the “Project Area.”) in the City of Whittier, (ii) fund a reserve account for the Bonds, (iii) fund net capitalizable interest with respect to a position of the Bonds through May 1, 2010, and (iv) provide for the costs of issuing the Bonds. The principal of the Bonds is payable commencing on November 1, 2007 through November 1, 2038, and interest is payable semiannually each May 1 and November 1 beginning November 1, 2007. Interest rates range from 3.9% to 4.875%. The reserve requirement was \$796,195 and the reserve as of June 30, 2009 was \$801,011. The principal amount outstanding at June 30, 2009 is \$18,505,000.

2007 B Taxable Tax Allocation Bonds

On May 24, 2007, the Whittier Redevelopment Agency issued \$15,660,000 of Taxable Tax Allocation Bonds, 2007 Series B (“Bonds”). Proceeds from the sale of the Bonds will be used to (i) finance low and moderate income housing activities throughout the geographic boundaries of the City of Whittier, (ii) fund a reserve account for the Bonds; and (iii) provide for the costs of issuing the Bonds. The principal of the bonds is payable commencing on November 1, 2007 through November 1, 2038, and interest is payable semi-annually each May 1 and November 1 beginning November 1, 2007. Interest rates range from 5.50% to 6.09%. The reserve requirement was \$1,205,108 and the reserve as of June 30, 2009 was \$1,218,195. The principal amount outstanding at June 30, 2009 is \$15,380,000.

Claims Payable

The City is self insured for general liability and workers’ compensation claims. The City records losses for claims incurred but not reported when the probable amount of loss can be reasonably estimated. Total amount of estimated claims outstanding at June 30, 2009 is \$6,843,877. The Internal Service Fund for self insurance has liquidated claims and judgments. Approximately 78% is funded by the general fund, 3% by Sewer fund, 11% by Water fund, and 8% by Solid Waste Fund.

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(8) Long-Term Liabilities, (Continued)**

Loans Payable

Quad Loan – the Whittier Redevelopment Agency has obligated an amount to GMS Realty, the owner of the Whittier Quad Shopping Center, pursuant to a Disposition and Development Agreement (DDA) dated October 20, 1988, a First Implementation Agreement dated November 16, 1990, a Second Implementation Agreement dated November 16, 1995, and an Amended and Restated DDA dated August 9, 1996.

The Agency originally entered into a Disposition and Development Agreement (DDA) with Ahmanson, a developer, for the development of the Whittier Quad, a retail and commercial shopping center. The Quad was sold to GMS Realty during the fiscal year 1996-97. The amended DDA states that the Agency has obligated 61.6% of gross property tax increment and 50% of sales tax revenues generated by the project. These two revenue sources will be used by the Agency to reimburse the developer for assessment district payments and City administrative costs on the Community Facilities District Bond 91-1 issued to finance the project less certain costs related to the December 1998 Refunding Bond.

In the event, however, that the tax increment and 50% of the sales tax generated by the Center are insufficient to cover the reimbursement, the balance becomes a loan from the owner of the Quad to the Agency at an annual interest rate of 8% from 1991-92 through 1993-94, 0% from 1994-95 through 1997-98, 3% from 1998-99 through 2001-02, 6% from 2002-03 through 2004-05 and 7% thereafter. Repayment of the remaining debt is still limited to the project's property tax increment and 50% of the sales tax. The balance outstanding at June 30, 2009 is \$3,042,596.

Urbatec Loan – In January 1989, the Agency entered into a Disposition and Development Agreement (DDA) with Urbatec, a developer, for the development of the Whittier Marketplace, a retail and commercial shopping center. The Agency obligated 80% of net tax increment and 50% of sales tax revenues generated by the project. The agreement was dated August 1988, amended in July 1991, and amended through court in June 1996. These two revenue sources will be used by the Agency to reimburse the developer for assessment district payments less \$50,000 and certain City administrative costs on the Community Facilities District Bond 89-1 issued to finance the project, refunded in August 1998.

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(8) Long-Term Liabilities, (Continued)**

Loans Payable (Continued)

In the event, however, that the tax increment and 50% of the sales tax generated by the center are insufficient to cover the reimbursement, the balance becomes a loan from Urbatec to the Agency at 2% annual interest (formerly at 8% prior to fiscal year 1996-97). Repayment of the remaining debt is still limited to the project's property tax increment and 50% of the sales tax. The balance outstanding at June 30, 2009 is \$1,483,956.

No minimum debt service requirements are presented due to the fact the repayments are calculated based on sales tax revenue generated from the projects as well as tax increment received on the property.

Business-type activity long-term debt at June 30, 2009 consisted of the following:

Revenue Bonds Payable, Water Fund 2003 Series A

On March 4, 2003, the Whittier Utility Authority issued 2003 Series A Revenue Bonds in the amount of \$10,945,000 in order to advance refund the 1993 Water Revenue Refunding Bonds in the amount of \$6,610,000, pay for discounts and costs of issuance, and finance improvements to the water production and distribution systems. In lieu of a reserve account, the Authority used a portion of the proceeds of issuance to purchase a reserve fund surety bond.

The bonds consist of \$3,855,000 of serial bonds maturing in part each June 1 beginning in 2003 and ending in 2018. Interest rates on the serial bonds vary from 2.00% to 4.50%. The issue also consists of \$7,090,000 of term bonds with maturity dates beginning on June 1, 2023 and then each subsequent 5 year period until final maturity in 2033.

The bonds will be paid from the net revenues (pledged revenue) of the water fund operations. The Authority has covenanted, to provide net revenues equal to at least 1.25 times the annual amount of principal and interest due on the bonds. For the fiscal year ended June 30, 2009, the net revenues are equal to or greater than the required amount times the aggregate amount of principal and interest.

The reserve requirement was \$683,500 and the reserve as of June 30, 2009 was \$683,500. The outstanding amount of bonds at June 30, 2009 is \$9,460,000.

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(8) Long-Term Liabilities, (Continued)**

Solid Waste Revenue Bonds, 1993 Series A

In December of 1993, the City of Whittier issued \$5,935,000 of Solid Waste Revenue Bonds, 1993 Series A. The proceeds were used to refund the Solid Waste Revenue Bonds, 1987 Series A and make improvements to prior projects. These bonds have been assigned to the Authority upon creation.

Bonds maturing in the years 1994 to 2008 are serial bonds payable in annual installments of \$175,000 to \$320,000. The bonds bear interest at 2.5% to 5.2%. Bonds maturing on August 1, 2014, in the amount of \$2,340,000 are term bonds and bear interest at 5.375%. Bonds maturing on or before August 1, 2003, are not subject to optional redemption. Bonds maturing on or after August 1, 2004, are subject to redemption in whole or in part by lot prior to their stated maturities on any date commencing on or after August 1, 2003, at a premium ranging from 2% in 2003 to 0% in 2006. The term bonds are subject to mandatory redemption in whole or in part by lot, without premium, commencing August 1, 2009, and on each August 1 thereafter from sinking fund payments made by the Authority. The required reserve for the Solid Waste Revenue Bonds, 1993 Series A, is \$451,901. As of June 30, 2009, the reserve was fully funded. The bonds are payable from the net revenues of the existing solid waste collection and disposal enterprise of the Authority. Net revenues must be equal to at least 1.50 times the aggregate amount of principal and interest on the bonds. At June 30, 2009, the net revenues are equal to 5.95 times the aggregate amount of principal and interest. The reserve requirement was \$457,825 and the reserve as of June 30, 2009 was \$486,839. The amount of bonds outstanding as of June 30, 2009 is \$2,340,000.

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(8) Long-Term Liabilities, (Continued)**

**Closure and Postclosure Payable, Continued Closure and Postclosure Payable**

Federal and state laws and regulations require the City to place a final cover on its Savage Canyon landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the City reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each statement of net assets date. The \$18,887,775 reported as landfill closure and postclosure care liability at June 30, 2009 represents the cumulative amount reported to date based on the use of 57.12% of the estimated capacity of the landfill. The City will recognize the remaining estimated cost of closure and postclosure care of \$18,082,333 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2009. The City expects to close the landfill in the year 2048. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. The City is required by federal and state laws and regulations to accumulate assets held in trust to finance closure and postclosure care. At June 30, 2009, assets of \$7,753,083 are held for these purposes. These are reported as restricted assets on the statement of net asset. The closure and postclosure care costs are primarily funded by a portion of the fee collected from landfill users. Postclosure costs will be covered from revenues of the Solid Waste Collection operation and interest earnings on the accumulated assets held in trust.

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(8) Long-Term Liabilities, (Continued)**

**Governmental Long-Term Debt Service to Maturity Requirements**

The annual requirements for repayment of principal and interest on long-term liabilities outstanding as of June 30, 2009 are as follows:

Year Ending June 30,	Public Financing Authority 2002 Revenue Bonds, Series A		
	Principal	Interest	Total
2010	\$ 275,000	316,045	591,045
2011	290,000	302,833	592,833
2012	305,000	288,473	593,473
2013	320,000	273,000	593,000
2014	335,000	256,290	591,290
2015-2019	1,955,000	985,698	2,940,698
2020-2024	2,565,000	368,043	2,933,043
	<u>\$ 6,045,000</u>	<u>2,790,382</u>	<u>8,835,382</u>

Year Ending June 30,	Public Financing Authority 2007 Revenue Bonds, Series A		
	Principal	Interest	Total
2010	\$ 360,000	697,963	1,057,963
2011	370,000	683,363	1,053,363
2012	375,000	668,463	1,043,463
2013	385,000	653,263	1,038,263
2014	390,000	637,763	1,027,763
2015-2019	2,030,000	2,947,716	4,977,716
2020-2024	4,130,000	2,351,781	6,481,781
2025-2029	2,510,000	1,444,347	3,954,347
2030-2034	2,090,000	806,250	2,896,250
2035-2039	2,415,000	380,125	2,795,125
	<u>\$ 15,055,000</u>	<u>11,271,034</u>	<u>26,326,034</u>

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(8) Long-Term Liabilities, (Continued)**

**Governmental Long-Term Debt Service to Maturity Requirements, (Continued)**

Year Ending June 30,	Public Financing Authority 2002 Revenue Bonds, Series A		
	Principal	Interest	Total
2010	\$ 275,000	316,045	591,045
2011	290,000	302,833	592,833
2012	305,000	288,473	593,473
2013	320,000	273,000	593,000
2014	335,000	256,290	591,290
2015-2019	1,955,000	985,698	2,940,698
2020-2024	2,565,000	368,043	2,933,043
	<u>\$ 6,045,000</u>	<u>2,790,382</u>	<u>8,835,382</u>

Year Ending June 30,	Public Financing Authority 2007 Revenue Bonds, Series A		
	Principal	Interest	Total
2010	\$ 360,000	697,963	1,057,963
2011	370,000	683,363	1,053,363
2012	375,000	668,463	1,043,463
2013	385,000	653,263	1,038,263
2014	390,000	637,763	1,027,763
2015-2019	2,030,000	2,947,716	4,977,716
2020-2024	4,130,000	2,351,781	6,481,781
2025-2029	2,510,000	1,444,347	3,954,347
2030-2034	2,090,000	806,250	2,896,250
2035-2039	2,415,000	380,125	2,795,125
	<u>\$ 15,055,000</u>	<u>11,271,034</u>	<u>26,326,034</u>

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
(Continued)

**(8) Long-Term Liabilities, (Continued)**

**Governmental Long-Term Debt Service to Maturity Requirements, (Continued)**

Year Ending June 30,	2007B Tax Allocation Bonds		
	Principal	Interest	Total
2010	\$ 295,000	909,296	1,204,296
2011	310,000	892,658	1,202,658
2012	325,000	875,196	1,200,196
2013	340,000	856,908	1,196,908
2014	360,000	837,658	1,197,658
2015-2019	2,090,000	3,861,333	5,951,333
2020-2024	2,730,000	3,153,707	5,883,707
2025-2029	3,240,000	2,212,193	5,452,193
2030-2034	2,790,000	1,288,035	4,078,035
2035-2039	<u>2,900,000</u>	<u>463,709</u>	<u>3,363,709</u>
	<u>\$15,380,000</u>	<u>15,350,693</u>	<u>30,730,693</u>

**Business-Type Activity Long-Term Debt Service to Maturity Requirements**

Year Ending June 30,	2003 Water Revenue Bonds		
	Principal	Interest	Total
2010	\$ 220,000	445,323	665,323
2011	225,000	438,063	663,063
2012	235,000	430,188	665,188
2013	245,000	421,375	666,375
2014	260,000	411,820	671,820
2015-2019	1,515,000	1,882,910	3,397,910
2020-2024	1,910,000	1,498,713	3,408,713
2025-2029	2,430,000	981,500	3,411,500
2030-2033	<u>2,420,000</u>	<u>310,000</u>	<u>2,730,000</u>
	<u>\$9,460,000</u>	<u>6,819,892</u>	<u>16,279,892</u>



**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(8) Long-Term Liabilities, (Continued)**

**Business-type Activity Long-Term Debt Service to Maturity Requirements, (Continued)**

Year Ending June 30,	1993 Solid Waste Revenue Bonds		
	Principal	Interest	Total
2010	\$ 340,000	116,638	456,638
2011	360,000	97,825	457,825
2012	375,000	78,072	453,072
2013	400,000	57,244	457,244
2014	865,000	47,165	912,165
	<u>\$ 2,340,000</u>	<u>396,944</u>	<u>2,736,944</u>

Defeasance of Debt

The City defeased or partially defeased the 1998 Tax Allocation Refunding Bonds and by placing the proceeds of new debt in an irrevocable trust to provide for all future debt service payments on the defeased debt. Accordingly, the trusts' assets and the liability for the defeased debt issues are not included in the City's financial statements. The outstanding balances of the debt considered defeased as of June 30, 2009 was \$5,650,000.

**(9) Debt Without Government Commitment**

The following bond issues are not reflected in long-term debt because these debts are solely payable from and secured by the assets and revenues of other parties. Neither the faith and credit, nor the taxing power of the City, the Redevelopment Agency, the Public Financing Authority, the State of California or any political subdivision thereof, is pledged for the payment of these debts.

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(9) Debt Without Government Commitment, (Continued)**

Community Facilities District No. 1989-1 (Whittier Station Center) of the City of Whittier 1998 Special Tax Bonds

On July 23, 1998, the Community Facilities District issued \$5,470,000 of 1998 Special Tax Refunding Bonds. The bonds mature on September 1, 2024. The bonds have varying interest rates ranging from 5.1% to 6% and interest is payable semi-annually on March 1 and September 1 of each year. The bonds were authorized by Ordinance 2466 and were issued pursuant to Bonds, Article 5 of said Ordinance. The purpose of the bonds is to advance refund the outstanding Community Facilities District No. 1989-1 (Whittier Station Center) 1989 Special Tax Bonds. Funds for payment of bond principal and interest requirements, as they come due, are to be obtained from a special tax levied by the City on behalf of the District against lands within the District. These bonds are payable only from special assessment collections from the property owners and funds pledged under a Fiscal Agent Agreement. The City is in no way liable for repayment. The City is only acting as an agent for the property owners and bondholders in collecting and forwarding the special assessments toward bond debt service. The outstanding principal balance at June 30, 2009 is \$4,380,000.

Community Facilities District No. 1991-1 (Whittier Boulevard/Painter Avenue) 1998 Special Tax Bonds

On December 23, 1998, the Community Facilities District issued \$6,285,000 of 1998 Special Tax Refunding Bonds. The bonds mature on September 1 of each year from 1999 to 2012. The bonds have varying interest rates ranging from 3.6% to 5.4% and interest is payable semi-annually on March 1 and September 1, of each year, commencing September 1, 1999. The bonds were authorized by Ordinance 2466 and were issued pursuant to the provisions of the City of Whittier Special Tax Financing Improvement Code, enacted by the City on June 6, 1989. The purpose of the bonds is to advance refund the outstanding Community Facilities District No. 1991-1 (Whittier Boulevard/Painter Avenue) 1991 Special Tax Bonds. Funds for payment of bond principal and interest requirements, as they come due, are to be obtained from a special tax levied by the City on behalf of the District against lands within the District. These bonds are payable only from special assessment collections from the property owners. The City is in no way liable for repayment. The City is only acting as an agent for the property owners and bondholders in collecting and forwarding the special assessments toward bond debt service. The outstanding principal balance at June 30, 2009 is \$2,205,000.

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(9) Debt Without Government Commitment, (Continued)**

Health Facility Revenue Bonds (Presbyterian Intercommunity Hospital) Series 2007

The City of Whittier entered into a Loan Agreement dated January 1, 2007, and a Supplemental Master Indenture of Trust for Obligation No. 3 dated January 1, 2007, with Presbyterian Intercommunity Hospital, Inc. (“Hospital”), InterHealth Corp., and IHC Management Corp. pursuant to which the City has issued Bonds for \$292,000,000 on January 1, 2007, at the PARS rate. Bonds accruing at the PARS Rate shall be computed on the basis of a 360-day year for the actual number of days elapsed if the PARS are in a daily, seven-day, 14-day, 28-day, 35-day, a three-month auction period or a special auction period of 182 days or less and on the basis of a 360-day year, consisting of twelve 30-day months, if the PARS are in a six-month auction period or a special auction period of greater than 182 days. The proceeds of the Series 2007A Bonds, the Series 2007B Bonds, the Series 2007C and the 2007D Bonds will be applied to finance and refinance the acquisition, construction, equipping and improvement of certain facilities owned or operated by the Hospital. In addition, to advance refund all of the outstanding principal amount of the \$80,000,000 City of Whittier Health Facility Revenue Bonds (Presbyterian Intercommunity Hospital), Series 2002. The Bonds mature in June 2036. The City is not obligated to pay the principal, premium and interest on the Bonds. Outstanding balance at June 30, 2009 is \$292,000,000.

Variable Rate Demand Revenue and Refunding Bonds (Whittier College) Series 2004

The City of Whittier entered into a Loan Agreement dated April 7, 2004 with Whittier College (“College”), pursuant to which the City has issued bonds for \$60,000,000 on April 7, 2004, at a Weekly Interest rate with a maximum rate of 12% per annum. The proceeds of the Series 2004 Bonds will be applied to finance the acquisition, construction, expansion, rehabilitation, remodeling, renovation, and/or equipping of certain educational facilities of the College. In addition, to provide for the current refunding of the City’s Educational Facility Revenue Refunding Bonds (Whittier College) Series 1993, to fund a debt service reserve fund for the Bonds and to pay costs incurred in connection with the issuance of the Bonds. The Bonds mature in December 1, 2033. The City is not obligated to pay the principal, premium and interest on the Bonds. The Outstanding balance at June 30, 2009 is \$56,695,000.

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(10) Defined Benefit Pension Plan**

Plan Description

The City of Whittier contributes to the California Public Employees Retirement System (PERS), an agent multiple-employer public employee defined benefit pension plan. PERS provides retirement, disability benefits, and death benefits to plan members and beneficiaries. All full time employees other than Safety are in the 2.5% at age 55 plan, while Safety employees are in the 3% at age 50 plan with a maximum of 90% of their single highest year's pay. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Copies of PERS' annual financial report may be obtained from its executive office at 400 "Q" Street, Sacramento, California 95811.

Funding Policy

Participants are required to contribute 8% (9% for safety employees) of their annual covered salary. The City makes the contributions of 4.6% required of City employees on their behalf and for their account. The City is required to contribute at an actuarially determined rate calculated as a percentage of covered payroll. The employer contribution rate for the fiscal year ended June 30, 2009 was 31.53% for safety employees and 6.82% for miscellaneous employees. Separately funded plans have been established for each employee group. Benefit provisions and all other requirements are established by state statute and City contract with employee bargaining groups. In order to calculate the dollar value of the ARC for inclusion in financial statements prepared as of June 30, 2009, the contribution rate is multiplied by the payroll of covered employees that were paid during the period from July 1, 2008 to June 30, 2009.

Annual Pension Cost

For the fiscal year ended June 30, 2009, the City's annual pension cost (employer contribution) of \$4,436,613 for safety employees and \$1,875,615 for miscellaneous employees was equal to the City's required and actual contributions. The required contribution was determined as part of an actuarial valuation performed as of June 30, 2006 using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.75% investment rate of return (net of administrative expenses), (b) projected annual salary increases that vary by duration of service, and (c) 3.25% living adjustments. Both (a) and (b) included an inflation component of 3.0%. The actuarial value of PERS assets was determined using techniques that smooth the effects of short-term volatility in the fair value of investments over a three-year period (smoothed market value). PERS' unfunded actuarial accrued liability is being

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(10) Defined Benefit Pension Plan (Continued)**

Annual Pension Cost, (Continued)

amortized as a level percentage of projected payroll on a closed basis. PERS has combined the prior service unfunded liability and the current service unfunded liability into a single initial unfunded liability. The single funding horizon for this initial unfunded liability is June 30, 2036 for the safety plan and the miscellaneous plan.

A summary of principle assumptions and methods used to determine the ARC is shown below.

	<u>Safety Plan</u>	<u>Miscellaneous Plan</u>
Valuation Date	June 30, 2006	June 30, 2006
Actuarial Cost Method	Entry Age Actuarial Cost Method	Entry Age Actuarial Cost Method
Amortization Method	Level Percent of Payroll	Level Percent of Payroll
Average Remaining Period	32 Years as of the Valuation Date	32 Years as of the Valuation Date
Asset Valuation Method	15 Year Smoothed Market	15 Year Smoothed Market
Actuarial Assumptions		
Investment Rate of Return	7.75% (net of administrative expenses)	7.75% (net of administrative expenses)
Projected Salary Increases	3.25% to 13.15% depending on Age, Service, and type of employment	3.25% to 14.45% depending on Age, Service, and type of employment
Inflation	3.00%	3.00%
Payroll Growth	3.25%	3.25%
Individual Salary Growth	A merit scale varying by duration of employment coupled with an assumed annual inflation component of 3.00% and an annual production growth of 0.25%.	A merit scale varying by duration of employment coupled with an assumed annual inflation component of 3.00% and an annual production growth of 0.25%.

Initial unfunded liabilities are amortized over a closed period that depends on the plan's date of entry into CalPERS. Subsequent plan amendments are amortized as a level percentage of pay over a closed 20-year period. Gains and losses that occur in the operation of the plan are amortized over a rolling 30 year period, which results in an amortization of 6% of unamortized gains and losses each year. If the plan's accrued liability exceeds the actuarial value of plan assets, then the amortization payment on the total unfunded liability may not be lower than the payment calculated over a 30 year amortization period.

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(10) Defined Benefit Pension Plan (Continued)**

The Schedule of Funding Progress presented below presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

*Required Supplementary Information - Safety*

<u>Valuation Date</u>	<u>Entry Age Normal Accrued Liability</u>	<u>Actuarial Value of Assets</u>	<u>Unfunded Liability (Excess Assets)</u>	<u>Funded Status</u>	<u>Annual Covered Payroll</u>	<u>UAAL* As a % of Payroll</u>
6/30/2006	\$108,449,431	85,084,163	23,365,268	78.5%	8,814,969	265.1%
6/30/2007	115,397,938	90,358,049	25,039,889	78.3%	9,457,332	264.8%
6/30/2008	122,577,936	95,425,726	27,152,210	77.8%	10,194,557	266.3%

*Required Supplementary Information – Miscellaneous*

<u>Valuation Date</u>	<u>Entry Age Normal Accrued Liability</u>	<u>Actuarial Value of Assets</u>	<u>Unfunded Liability (Excess Assets)</u>	<u>Funded Status</u>	<u>Annual Covered Payroll</u>	<u>UAAL* As a % of Payroll</u>
6/30/2006	\$97,890,413	101,431,047	(3,540,634)	103.6%	14,812,522	(23.9)%
6/30/2007	105,843,757	108,354,247	(2,510,490)	102.4%	15,063,179	(16.7)%
6/30/2008	113,833,345	114,235,784	(402,439)	100.4%	15,995,390	(2.5)%

*Three-Year Trend Information*

Annual Pension Cost (Employer Contribution)

<u>Fiscal Year</u>	<u>Safety</u>	<u>Miscellaneous</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
6/30/2007	\$3,568,167	1,397,301	100%	-
6/30/2008	3,835,221	1,662,718	100%	-
6/30/2009	4,436,613	1,875,615	100%	-

\*UAAL refers to unfunded actuarial accrued liability.

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(11) Other Postemployment Benefits**

Plan Description

The City of Whittier Retiree Healthcare Plan (“Plan”) is a single-employer defined benefit healthcare plan administered by the City. The Plan provides healthcare benefits (medical and dental) to eligible retirees and their dependents through the City’s group healthcare insurance plans, which covers both active and retired participants. Benefit provisions are established and may be amended through agreements and memorandums of understanding between the City, its non-represented employees, and the unions representing City employees. The Retiree Healthcare Plan does not issue a financial report.

The City contributes to eligible retiree medical and dental premiums up to \$415 per month until age 65.

Funding Policy

The City will continue to pay Plan benefits on a pay-as-you-go basis. For the fiscal year ended June 30, 2009, the City contributed approximately \$304,000 on a pay-as-you-go basis for cash subsidy benefit payments and approximately \$140,000 for implied subsidy benefit payments for 68 retirees. The Plan does not require employee contributions.

Annual OPEB Cost and Net OPEB Obligation

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

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

Annual required contribution	\$ 830,000
Interest on net OPEB obligation	-
Adjustment to annual required contribution	<u>-</u>
Annual OPEB cost (expense)	830,000
Contributions to irrevocable trust	-
Benefit payments	<u>(444,000)</u>
Increase in net OPEB obligation	386,000
Net OPEB obligation – beginning of year	<u>-</u>
Net OPEB obligation – end of year	<u>\$ 386,000</u>

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(11) Other Postemployment Benefits, (Continued)**

Annual OPEB Cost and Net OPEB Obligation, (Continued)

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for the fiscal year ended June 30, 2009 was as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/09	\$830,000	53%	386,000

Funded Status and Funding Progress

The funded status of the Plan as of January 1, 2009, the Plan's most recent actuarial valuation date, was as follows:

Actuarial accrued liability (AAL)	\$ 7,689,000
Actuarial value of Plan assets	-
Unfunded actuarial accrued liability (UAAL)	7,689,000
Funded ratio (actuarial value of Plan assets/AAL)	0%
Covered payroll (active Plan participants)	26,098,000
UAAL as a percentage of covered payroll	29%

Actuarial valuations of an ongoing Plan involve estimates of the value of expected benefit payments and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of Plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.



**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(11) Other Postemployment Benefits, (Continued)**

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive Plan (the Plan as understood by the employer and the Plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and Plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2009 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a 4.50% investment rate of return (net of administrative expenses) and a 3% general inflation assumption. Medical premiums were assumed to increase with a pre-Medicare medical cost increase rate of 8.4% for the HMOs and 9.0% for the PPO for 2010/11, both grading down to 4.5% annual increases for 2016/17 and thereafter. Dental premiums are assumed to remain constant through 2010, and increase 3% annually thereafter.

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
1/1/09	\$ -	7,689,000	7,689,000	0%	26,098,000	29%

**(12) Pledged Revenues**

The City and its component units have a number of debt issuances outstanding that are collateralized by the pledging of the redevelopment agency tax increment revenues. The amount and term of the remainder of these commitments are indicated in the debt service to maturity tables presented in the accompanying notes. The purposes for which the proceeds of the related debt issuances were utilized are disclosed in the debt descriptions in the accompanying notes. For the current year, debt service payments as a percentage of the pledged gross revenue (or net of certain expenses where so required by the debt agreement) are indicated in the table below. These percentages also approximate the relationship of debt service to pledged revenue for the remainder of the term of the commitment:

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(12) Pledged Revenues, (Continued)**

<u>Description of Pledged Revenue</u>	<u>Annual Amount of Pledged Revenue (net of expenses, where required)</u>	<u>Annual Debt Service Payments (of all debt secured by this revenue)</u>	<u>Debt Service as a Percentage of Pledged Revenue</u>
Tax Increment:			
Greenleaf/Uptown Project Area	\$ 1,270,613	816,860	64%
Earthquake Project Area	2,786,063	1,601,457	57%
Whittier Blvd. Project Area	1,674,149	682,590	41%
Commercial Corridor Project Area	<u>2,407,485</u>	<u>1,347,974</u>	56%
Total	<u>\$8,138,310</u>	<u>4,448,881</u>	

**(13) Fund Balance Reservations**

The City has established certain fund balance reserve accounts to report amounts which represent resources not available for appropriation.

- a. Amounts reserved for encumbrances are commitments for materials and services on purchase orders
- b. Amounts reserved for long-term advances indicate that repayments are not available as a resource to meet expenditures of the current year.
- c. Amounts reserved for continuing projects in governmental funds are unexpended appropriations on incomplete capital improvement projects which have been carried forward into the new fiscal year.
- d. The reserve for land held for resale in the capital projects funds is equal to the amount of land inventory available for sale to developers for development purposes in future years.
- e. The reserve for restricted assets represents cash and investments, interest receivable, and accounts receivable which are to be used for specific purposes in the future.
- f. The reserve for public employees' retirement represents amounts set aside to be used to fund employees' retirement in the future.
- g. The 20% housing set aside money in the Whittier Redevelopment Agency.
- h. The reserve for prepaid items is equal to the prepaid expenses which are not available as a resource to meet current year expenditures.

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(14) Risk Management**

The City adopted a self-insured workers' compensation program which is administered by a third party administrator. The City is self-insured for the first \$500,000 on each claim. Insurance coverage in excess of the self-insured amount is provided by CSAC-EIA, a Joint Powers Authority, at statutory amounts for workers' compensation. Also, the City is self-insured for the first \$500,000 on each general liability claim against the City. The insurance coverage in excess of the self-insured amount is provided by California Insurance Pool Authority (CIPA) up to a limit of \$42,000,000.

While the ultimate amount of losses incurred through June 30, 2009, are dependent on future developments, based upon information from the City Attorney, outside counsel, third party administrators, and others involved with the administration of the programs, management believes that the designation is adequate to cover such losses. Costs relating to the litigation of claims are expensed as incurred. Losses for claims incurred but not reported are recorded when the probable amount of loss can be reasonably estimated.

The following is a schedule of changes in claims and judgments for the fiscal year ended June 30, 2009:

	<u>Worker's Compensation</u>	<u>General Liability</u>	<u>Total</u>
Claims and judgments at June 30, 2007	\$4,760,189	1,510,868	6,271,057
Claims payments	(1,941,865)	(775,677)	(2,717,542)
Claims incurred and changes in estimates	<u>709,812</u>	<u>2,375,456</u>	<u>3,085,268</u>
Claims and judgments at June 30, 2008	<u>3,528,136</u>	<u>3,110,647</u>	<u>6,638,783</u>
Claims payments	(1,220,701)	(3,234,629)	(4,455,330)
Claims incurred and changes in estimates	<u>900,595</u>	<u>3,759,829</u>	<u>4,660,424</u>
Claims and judgments at June 30, 2009	<u>\$3,208,030</u>	<u>3,635,847</u>	<u>6,843,877</u>

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(15) Deferred Compensation Plans**

The City offers its employees two deferred compensation plans created in accordance with Internal Revenue Code Section 457. One plan is available to full-time employees and the other plan is available to part-time employees only. The Omnibus Budget Reconciliation Act of 1990 mandates social security coverage for state and local government employees who are not covered by a retirement plan. The Internal Revenue Service regulations allow an employer to designate a 457(b) Deferred Compensation Plan as an alternative to social security. Since the City's PERS retirement plan is primarily available for full-time employees only, a deferred compensation plan was established in December 1991 to comply with the mandate. All part-time employees not covered under the PERS retirement plan contribute 7.5% of their salary to the plan. The plans permit employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plans, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) held in trust by third party administrators for the exclusive benefit of the plan participants and their beneficiaries as prescribed by Internal Revenue Code Section 457 (g). Accordingly, these assets have been excluded from the accompanying financial statements.

**(16) Litigation**

The City is a defendant in eminent domain and other personal injury lawsuits of a nature common to many similar jurisdictions. City management believes that the potential claims against the City, not covered by insurance, resulting from such litigation would not materially affect the financial statements of the City.

**(17) Commitments and Contingencies**

The City has been named as a responsible party by the Environmental Protection Agency for clean up at a waste disposal facility located within the City. The City has already contributed to the clean up, however, assessments are continuing and the City may be liable for additional contributions. At the present time any amounts due are not known and City management believes that amounts due, if any, would not materially offset the financial statements of the City.

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(17) Commitments and Contingencies, (Continued)**

The City has been named as a responsible party by the Environmental Protection Agency for clean up at a waste disposal facility located within the City. The City has already contributed to the clean up, however, assessments are continuing and the City may be liable for additional contributions. At the present time any amounts due are not known and City management believes that amounts due, if any, would not materially offset the financial statements of the City.

The City has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could result in expenditure disallowances under the terms of the grants, it is believed that any required reimbursements will not be material.

The Whittier Redevelopment Agency and the Whittier Public Financing Authority created the Whittier Utility Authority (Authority) on February 1, 2002. The Authority leases from the City, all of its utility enterprise funds. The Authority has also entered into a management agreement with the City for the operation and maintenance of the utility enterprises. The lease expires January 31, 2057 and all of the utility enterprise assets and activities revert back to the City. The minimum annual lease payments from the Authority to the City amount to \$878,743. The maximum amount of lease payments over the term of the lease cannot exceed \$143,609,173 (present value).

Future minimum lease payment requirements are as follows:

Year Ending June 30,	Amount
2010	\$ 878,743
2011	878,743
2012	878,743
2013	878,743
2014	878,743
2015-2019	4,393,715
2020-2024	4,393,715
2025-2029	4,393,715
2030-2034	4,393,715
2035-2039	4,393,715
2040-2044	4,393,715
2045-2049	4,393,715
2050-2054	4,393,715
2055-2057	2,636,229
	<u>\$ 42,179,664</u>

**CITY OF WHITTIER**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**(Continued)**

**(18) Subsequent Events**

On October 14, 2009, the City of Whittier's Utility Authority issued Water Revenue Bonds ("Bonds") for \$9,095,000. The proceeds of the Series 2009A Bonds will be used to (i) finance various improvements to the City's water production, storage, and distribution enterprise, (ii) fund a reserve fund for the Bonds, and (iii) pay the costs of issuance of the Bonds. The bond matures on June 1, 2039.

On July 28, 2009, legislation was signed into law that enabled the State of California to borrow a portion of the property tax revenue due to be remitted to local governments in fiscal year 2009-10. This action was taken to replace a portion of the shortfall in state revenues associated with current economic conditions. The amount to be borrowed in 2009-10 from each local government represents approximately 8% of the general levy property taxes received by that local government in fiscal year 2008-09.

On November 19, 2009, the California Statewide Communities Development Authority (CSCDA) issued debt to provide to participating local governments all of the revenues that had been authorized to be borrowed by the State in its 2009-10 budget. The bonds provide for the borrowed funds to be remitted to the participating local governments in two installments (on January 15, 2010 and on May 3, 2010).

**Supplementary Information**

**CITY OF WHITTIER**

**MAJOR GOVERNMENTAL FUNDS**

**DEBT SERVICE FUND**

Debt Service Funds are used to account for the accumulation of resources and payment of the City's long-term debt.

**The Whittier Redevelopment Agency Debt Service Fund** – to account for the property tax increment received by the Agency and also for the repayment of the Agency's indebtedness.

**CAPITAL PROJECTS FUND**

**The Whittier Redevelopment Agency Capital Projects Fund** – to account for the financing, construction, and administrative activities of the Agency.



**CITY OF WHITTIER**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**Redevelopment Agency Debt Service Fund**  
**Year Ended June 30, 2009**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Taxes	\$ 7,143,200	7,899,759	756,559
Use of money and property	1,246,300	816,974	(429,326)
Total revenues	<u>8,389,500</u>	<u>8,716,733</u>	<u>327,233</u>
<b>Expenditures:</b>			
Current:			
Community development	2,291,165	2,252,708	38,457
Debt service:			
Principal	5,723,641	1,026,050	4,697,591
Interest and fiscal charges	2,888,259	2,672,178	216,081
Pass through agreements	1,524,000	1,736,390	(212,390)
Total expenditures	<u>12,427,065</u>	<u>7,687,326</u>	<u>4,739,739</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(4,037,565)</u>	<u>1,029,407</u>	<u>5,066,972</u>
<b>Other financing sources (Uses):</b>			
Loan additions	1,885,516	1,205,692	(679,824)
Transfers in	2,119,600	2,119,600	-
Transfers out	(109,895)	(1,334,533)	(1,224,638)
Total other financing sources (uses)	<u>3,895,221</u>	<u>1,990,759</u>	<u>(1,904,462)</u>
Net change in fund balance	(142,344)	3,020,166	3,162,510
Fund balance (deficit) at beginning of year	<u>24,744,302</u>	<u>24,744,302</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ 24,601,958</u>	<u>27,764,468</u>	<u>3,162,510</u>

**CITY OF WHITTIER**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**Redevelopment Agency Capital Projects Fund**  
**Year Ended June 30, 2009**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Use of money and property	\$ 110,000	87,472	(22,528)
Other	12,000	15,159	3,159
Total revenues	<u>122,000</u>	<u>102,631</u>	<u>(19,369)</u>
<b>Expenditures:</b>			
Current:			
Community development	2,688,262	1,139,728	1,548,534
Debt Service:			
Interest and fiscal charges	779	876	(97)
Total expenditures	<u>2,689,041</u>	<u>1,140,604</u>	<u>1,548,437</u>
Excess (deficiency) of revenues over expenditures	<u>(2,567,041)</u>	<u>(1,037,973)</u>	<u>1,529,068</u>
<b>Other financing sources (Uses):</b>			
Transfers in	1,361,290	1,334,532	(26,758)
Transfers out	<u>(2,230,970)</u>	<u>(2,123,150)</u>	<u>107,820</u>
Total other financing sources (uses)	<u>(869,680)</u>	<u>(788,618)</u>	<u>81,062</u>
Net change in fund balance	(3,436,721)	(1,826,591)	1,610,130
Fund balance at beginning of year	<u>7,419,081</u>	<u>7,419,081</u>	<u>-</u>
Fund balance at end of year	<u>\$ 3,982,360</u>	<u>5,592,490</u>	<u>1,610,130</u>

**CITY OF WHITTIER**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**SPECIAL REVENUE FUNDS**

Special revenue funds are used to account for specific revenue (other than those for major capital projects) that are restricted legally to expenditures for particular purposes.

**Home Grant Fund** – to account for the receipt and expenditures of the City’s Home Grant entitlement from the U.S. Department of Housing and Urban Development (HUD).

**Street Lighting District 1-91 Fund** – to account for street lighting assessment charges to provide for street lighting facilities for Foxley Drive between Santa Fe Springs Road and Villa Drive.

**Asset Seizure – Forfeitures Fund** – to account for the receipt of seized assets that were the proceeds from, or used in the sale or possession of, illegal narcotics trafficking, and the expenditure of such assets for law enforcement purposes.

**SB 358 Library Grant Fund** – to account for the receipt and expenditure of state funds received under the Public Library Grant Program.

**State COPs Fund** – to account for the receipt and expenditure of state funds received under the Citizens Option for Public Safety program.

**Air Quality Improvement Fund** – to account for motor vehicle registration fees received from the South Coast Air Quality Management District to reduce air pollution from motor vehicles pursuant to the California Clean Air Act of 1988.

**Business Improvement Area fund** – to account for special levy imposed on businesses in the Uptown Village area to promote various activities within the area.

**Earthquake Relief Fund** – to account for donations made to the Whittier Earthquake Relief Fund for providing earthquake relief grants to eligible establishments.

**State Gas Tax Fund** – to account for the construction and maintenance of the road network system of the City. Financing is provided by the City’s share of state gasoline taxes, which are required by state law to be used to maintain streets.

**Traffic Safety Fund** – to account for fines collected on vehicle code violations which can be expended only for traffic safety purposes.

**Traffic Offender Fund** – to account for revenues from the Vehicle Impound Program as well as court fines from traffic violations. This fund will support the Traffic Safety Program after a grant from the California Office of Traffic Safety has been exhausted.

**CITY OF WHITTIER**

**NONMAJOR GOVERNMENTAL FUNDS**

**SPECIAL REVENUE FUNDS**

**(Continued)**

**Traffic Congestion Fund** – to account for the receipt and expenditures of State funds to relieve traffic congestion by supplementing the City’s Capital Improvement Program.

**HUD Grants Fund** – to account for the receipt and expenditure of the City’s entitlement under the federal Community Development Block Grant and the Rental Rehabilitation Grant programs of the U.S. Department of Housing and Urban Development (HUD).

**Whittier Uptown Parking District No. 1 Fund** – to account for the operation and maintenance of the multi-deck structure on Bright Avenue.

**Whittier Uptown Parking District No. 2 Fund** – to account for the operation and maintenance of the various surface parking lots in the Uptown Village area.

**Uptown Village Maintenance District Fund** – to account for benefit assessments against Uptown Village property owners for the maintenance of special street enhancements and litter control in the Uptown Village area.

**Prop 1B Fund** – to account for the repair and maintenance of streets and roads within the City to reduce local traffic congestion and increase traffic safety.

**DEBT SERVICE FUND**

**Whittier Public Financing Authority Debt Service Fund** – to account for the proceeds of the 2002 and 2007A Revenue Bonds, loaned to the Whittier Redevelopment Agency, and for the debt service payments.

**CAPITAL PROJECTS FUND**

**Capital Outlay Fund** – to account for major capital projects funded from general revenues, as required by Section 1112 of the City Charter.

**CITY OF WHITTIER**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2009**

	Special Revenue Funds				
	HOME Grant	Street Lighting District 1-91	Asset Seizure Forfeiture	SB358 Library Grant	State COPS Grant
<b>Assets:</b>					
Cash and investments	\$ 7,250	612	-	143,631	286,970
Restricted assets:					
Cash and investments	-	-	1,864,073	-	-
Cash and investments with fiscal agents	-	-	-	-	-
Receivables:					
Intergovernmental	123,689	-	-	-	-
Accounts	-	-	-	-	-
Notes and loans	1,513,601	-	-	-	-
Interest	28,539	-	9,720	740	1,348
Advances to other funds	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 1,673,079</b>	<b>612</b>	<b>1,873,793</b>	<b>144,371</b>	<b>288,318</b>
<b>Liabilities and Fund Balances:</b>					
Liabilities:					
Accounts payable	\$127,415.00	38	4,729	-	-
Accrued liabilities	2,021	-	4,093	-	4,725
Due to other funds	-	-	-	-	-
Deferred revenues	118,321	-	-	-	-
Deposits payable	1,500	-	-	-	-
<b>Total Liabilities</b>	<b>249,257</b>	<b>38</b>	<b>8,822</b>	<b>-</b>	<b>4,725</b>
Fund Balances (deficit):					
Reserved:					
Reserved for restricted assets	-	-	1,864,073	-	-
Reserved for encumbrances	-	-	68,867	-	-
Reserved for continuing appropriations	1,868,564	-	4,547	-	-
Reserved for long-term advances and notes	1,513,601	-	-	-	-
Unreserved/undesignated reported in:					
Special revenue funds	(1,958,343)	574	(72,516)	144,371	283,593
Debt service fund	-	-	-	-	-
Capital projects fund	-	-	-	-	-
<b>Total fund balances (deficit)</b>	<b>1,423,822</b>	<b>574</b>	<b>1,864,971</b>	<b>144,371</b>	<b>283,593</b>
<b>Total liabilities and fund balances</b>	<b>\$ 1,673,079</b>	<b>612</b>	<b>1,873,793</b>	<b>144,371</b>	<b>288,318</b>

Air Quality Improvement	Business Improvement Area	Earthquake Relief	State Gas Tax	Traffic Safety
226,083	7,082	4,800	1,547,216	188,212
-	-	-	-	-
24,500	-	-	718,358	21,538
-	-	-	-	-
718	-	-	9,844	-
-	-	-	-	-
<u>251,301</u>	<u>7,082</u>	<u>4,800</u>	<u>2,275,418</u>	<u>209,750</u>
8,933	7,082	-	16,517	3,359
1,842	-	-	966	-
-	-	-	38,176	-
-	-	-	468,620	-
-	-	-	-	-
<u>10,775</u>	<u>7,082</u>		<u>524,279</u>	<u>3,359</u>
-	-	-	-	-
-	-	-	52,961	-
-	-	-	1,100,337	-
-	-	-	-	-
240,526	-	4,800	597,841	206,391
-	-	-	-	-
-	-	-	-	-
<u>240,526</u>	<u>-</u>	<u>4,800</u>	<u>1,751,139</u>	<u>206,391</u>
<u>251,301</u>	<u>7,082</u>	<u>4,800</u>	<u>2,275,418</u>	<u>209,750</u>

(Continued)

**CITY OF WHITTIER**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**(Continued)**

	Special Revenue Funds				
	Traffic Offender	Traffic Congestion	HUD Grants	Whittier Uptown Parking District No.1	Whittier Uptown Parking District No.2
<b>Assets:</b>					
Cash and investments	-	158,758	136,623	35	694,193
Restricted assets:					
Cash and investments	-	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-	-
Receivables:					
Intergovernmental	-	174,894	315,075	696	-
Accounts	-	-	-	5,660	778
Notes and loans	-	-	2,044,315	-	-
Interest	-	-	66,591	-	5,870
Advances to other funds	-	-	-	-	-
<b>Total Assets</b>	<b>-</b>	<b>333,652</b>	<b>2,562,604</b>	<b>6,391</b>	<b>700,841</b>
<b>Liabilities and Fund Balances:</b>					
Liabilities:					
Accounts payable	-	-	79,269	1,449	538
Accrued liabilities	4,240	-	17,276	2,269	11
Due to other funds	184,763	-	-	50,000	-
Deferred revenues	-	-	66,591	-	-
Deposits payable	-	-	7,692	-	-
<b>Total Liabilities</b>	<b>189,003</b>	<b>-</b>	<b>170,828</b>	<b>53,718</b>	<b>549</b>
Fund Balances:					
Reserved:					
Reserved for restricted assets	-	-	-	-	-
Reserved for encumbrances	-	22,737	1,967	-	-
Reserved for continuing appropriations	-	384,718	1,036,411	-	-
Reserved for long-term advances and notes	-	-	2,044,315	-	-
Unreserved/undesignated reported in:					
Special revenue funds	(189,003)	(73,803)	(690,917)	(47,327)	700,292
Debt service fund	-	-	-	-	-
Capital projects fund	-	-	-	-	-
<b>Total fund balances (deficit)</b>	<b>(189,003)</b>	<b>333,652</b>	<b>2,391,776</b>	<b>(47,327)</b>	<b>700,292</b>
<b>Total liabilities and fund balances</b>	<b>-</b>	<b>333,652</b>	<b>2,562,604</b>	<b>6,391</b>	<b>700,841</b>

Uptown Village Maintenance District	Prop 1B	Debt Service Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
		Public Financing Authority	Capital Outlay	
9,765	972,148	-	7,003,226	11,386,604
-	-	-	-	1,864,073
-	-	617,998	-	617,998
-	-	-	-	1,378,750
-	-	-	148,500	154,938
-	-	-	-	3,557,916
-	-	300	11,158	134,828
-	-	6,045,000	-	6,045,000
<u>9,765</u>	<u>972,148</u>	<u>6,663,298</u>	<u>7,162,884</u>	<u>25,140,107</u>
-	163,793	-	1,210,874	1,623,996
-	76	-	166	37,685
-	-	-	-	272,939
-	-	-	-	653,532
-	86,258	-	-	95,450
-	250,127	-	1,211,040	2,683,602
-	-	-	-	1,864,073
-	84,138	-	3,425,498	3,656,168
-	696,551	-	280,066	5,371,194
-	-	6,045,000	-	9,602,916
9,765	(58,668)	-	-	(902,424)
-	-	618,298	-	618,298
-	-	-	2,246,280	2,246,280
<u>9,765</u>	<u>722,021</u>	<u>6,663,298</u>	<u>5,951,844</u>	<u>22,456,505</u>
<u>9,765</u>	<u>972,148</u>	<u>6,663,298</u>	<u>7,162,884</u>	<u>25,140,107</u>



**CITY OF WHITTIER**  
**Combining Statement of Revenues,**  
**Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**Year Ended June 30, 2009**

	Special Revenue Funds				
	HOME Grant	Street Lighting District 1-91	Asset Seizure Forfeiture	SB358 Library Grant	State COPS Grant
<b>Revenues:</b>					
Taxes	\$ -	-	-	-	-
Licenses and permits	-	-	-	-	-
Fines and forfeits	-	-	392,016	-	20,000
Use of money and property	-	-	32,278	3,087	4,436
Intergovernmental	597,255	-	-	29,602	100,000
Charges for services	-	1,139	-	-	-
Other	-	-	-	-	-
<b>Total Revenues</b>	<u>597,255</u>	<u>1,139</u>	<u>424,294</u>	<u>32,689</u>	<u>124,436</u>
<b>Expenditures:</b>					
Current:					
Public safety	-	-	358,708	-	156,917
Libraries	-	-	-	35,405	-
Public works	-	490	-	-	-
Community development	599,917	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
<b>Total Expenditures</b>	<u>599,917</u>	<u>490</u>	<u>358,708</u>	<u>35,405</u>	<u>156,917</u>
Excess (deficiency) of Revenues Over (Under) Expenditures	<u>(2,662)</u>	<u>649</u>	<u>65,586</u>	<u>(2,716)</u>	<u>(32,481)</u>
<b>Other Financing Sources (Uses):</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	<u>(2,662)</u>	<u>649</u>	<u>65,586</u>	<u>(2,716)</u>	<u>(32,481)</u>
Fund balances (deficit), beginning of year	<u>1,426,484</u>	<u>(75)</u>	<u>1,799,385</u>	<u>147,087</u>	<u>316,074</u>
Fund balances (deficit), end of year	<u>\$ 1,423,822</u>	<u>574</u>	<u>1,864,971</u>	<u>144,371</u>	<u>283,593</u>

Special Revenue Funds

Air Quality Improvement Area	Business Improvement Area	Earthquake Relief	State Gas Tax	Traffic Safety
-	-	-	-	-
-	119,848	-	-	-
-	8,374	-	-	437,181
2,223	-	-	26,720	-
97,477	-	-	2,349,459	-
-	-	-	-	-
12,876	-	-	-	-
<u>112,576</u>	<u>128,222</u>	<u>-</u>	<u>2,376,179</u>	<u>437,181</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	700,171	-
67,991	128,222	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>67,991</u>	<u>128,222</u>	<u>-</u>	<u>700,171</u>	<u>-</u>
44,585	-	-	1,676,008	437,181
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>(988,550)</u>	<u>(336,750)</u>
-	-	-	(988,550)	(336,750)
44,585	-	-	687,458	100,431
<u>195,941</u>	<u>-</u>	<u>4,800</u>	<u>1,063,681</u>	<u>105,960</u>
<u>240,526</u>	<u>-</u>	<u>4,800</u>	<u>1,751,139</u>	<u>206,391</u>

(Continued)

**CITY OF WHITTIER**  
**Combining Statement of Revenues,**  
**Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**(Continued)**

	Special Revenue Funds				
	Traffic Offender	Traffic Congestion	HUD Grants	Whittier Uptown Parking District No.1	Whittier Uptown District No.2
<b>Revenues:</b>					
Taxes	\$ -	-	-	8,777	59,262
Licenses and permits	-	-	-	-	-
Fines and forfeits	40,000	-	-	-	-
Use of money and property	-	-	-	36,956	15,255
Intergovernmental	-	735,344	1,193,579	66	15
Charges for services	17,810	-	-	6,802	16,594
Other	-	-	-	4,493	15,347
<b>Total Revenues</b>	<u>57,810</u>	<u>735,344</u>	<u>1,193,579</u>	<u>57,094</u>	<u>106,473</u>
<b>Expenditures:</b>					
Current:					
Public safety	100,797	-	-	-	-
Libraries	-	-	-	-	-
Public works	-	401,692	-	76,289	65,362
Community development	-	-	1,242,255	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
<b>Total expenditures</b>	<u>100,797</u>	<u>401,692</u>	<u>1,242,255</u>	<u>76,289</u>	<u>65,362</u>
Excess (deficiency) of Revenues Over (Under) Expenditures	<u>(42,987)</u>	<u>333,652</u>	<u>(48,676)</u>	<u>(19,195)</u>	<u>41,111</u>
<b>Other Financing Sources (Uses):</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>(42,987)</u>	<u>333,652</u>	<u>(48,676)</u>	<u>(19,195)</u>	<u>41,111</u>
Fund balances (deficit), beginning of year	<u>(146,016)</u>	<u>-</u>	<u>2,440,452</u>	<u>(28,132)</u>	<u>659,181</u>
Fund balances (deficit), end of year	<u>\$ (189,003)</u>	<u>333,652</u>	<u>2,391,776</u>	<u>(47,327)</u>	<u>700,292</u>

Uptown Village Maintenance District	Prop 1B	Debt Service Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
		Public Financing Authority	Capital Outlay	
-	1,402,392	-	-	1,470,431
-	-	-	-	119,848
-	-	-	-	897,571
-	27,590	1,036,137	55,067	1,239,749
-	-	-	231,833	5,334,630
-	-	-	-	42,345
-	-	-	-	32,716
-	1,429,982	1,036,137	286,900	9,137,290
-	-	-	-	616,422
-	-	-	-	35,405
45,339	707,961	-	-	1,997,304
-	-	-	-	2,038,385
-	-	-	8,515,132	8,515,132
-	-	265,000	-	265,000
-	-	1,044,246	-	1,044,246
45,339	707,961	1,309,246	8,515,132	14,511,894
(45,339)	722,021	(273,109)	(8,228,232)	(5,374,604)
84,084	-	3,550	10,008,256	10,095,890
-	-	-	-	(1,325,300)
84,084	-	3,550	10,008,256	8,770,590
38,745	722,021	(269,559)	1,780,024	3,395,986
(28,980)	-	6,932,857	4,171,820	19,060,519
9,765	722,021	6,663,298	5,951,844	22,456,505

**CITY OF WHITTIER**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**HOME Grant Special Revenue Fund**  
**Year Ended June 30, 2009**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Intergovernmental	\$ 2,433,404	510,136	(1,923,268)
Total revenues	<u>2,433,404</u>	<u>510,136</u>	<u>(1,923,268)</u>
<b>Expenditures:</b>			
Current:			
Community development	2,433,404	599,917	1,833,487
Total expenditures	<u>2,433,404</u>	<u>599,917</u>	<u>1,833,487</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses (US GAAP basis)	<u>-</u>	<u>(89,781)</u>	<u>(89,781)</u>
<b>Adjustments:</b>			
To adjust for loan payments	-	197,197	197,197
To adjust for loan receipts	-	(110,078)	(110,078)
Total adjustments	<u>-</u>	<u>87,119</u>	<u>87,119</u>
Net change in fund balance	-	(2,662)	(2,662)
Fund balance at beginning of year	<u>1,426,484</u>	<u>1,426,484</u>	<u>-</u>
Fund balance at end of year	<u>\$ 1,426,484</u>	<u>1,423,822</u>	<u>(2,662)</u>

**CITY OF WHITTIER**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**Street Lighting District 1-91 Special Revenue Fund**  
**Year Ended June 30, 2009**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Charges for services	\$ 1,380	1,139	(241)
Total revenues	1,380	1,139	(241)
<b>Expenditures:</b>			
Current:			
Public works	1,369	490	879
Total expenditures	1,369	490	879
Net change in fund balance	11	649	638
Fund balance (deficit) at beginning of year	(75)	(75)	-
Fund balance (deficit) at end of year	\$ (64)	574	638

**CITY OF WHITTIER**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**Asset Seizure Forfeiture Special Revenue Fund**  
**Year Ended June 30, 2009**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Fines and forfeits	\$ 69,500	392,016	322,516
Use of money and property	20,000	32,278	12,278
Total revenues	<u>89,500</u>	<u>424,294</u>	<u>334,794</u>
<b>Expenditures:</b>			
Current:			
Public safety	<u>481,402</u>	<u>427,575</u>	<u>53,827</u>
Total expenditures	<u>481,402</u>	<u>427,575</u>	<u>53,827</u>
Excess (deficiency) of revenues over (under) expenditures (US GAAP basis)	<u>(391,902)</u>	<u>(3,281)</u>	<u>388,621</u>
<b>Adjustments:</b>			
To adjust for encumbrances	<u>-</u>	<u>68,867</u>	<u>68,867</u>
Total adjustments	<u>-</u>	<u>68,867</u>	<u>68,867</u>
Net change in fund balance	(391,902)	65,586	457,488
Fund balance at beginning of year	<u>1,799,385</u>	<u>1,799,385</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 1,407,483</u></u>	<u><u>1,864,971</u></u>	<u><u>457,488</u></u>

**CITY OF WHITTIER**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**SB 358 Library Grant Special Revenue Fund**  
**Year Ended June 30, 2009**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Use of money and property	\$ 3,000	3,087	87
Intergovernmental	28,000	29,602	1,602
Total revenues	<u>31,000</u>	<u>32,689</u>	<u>1,689</u>
<b>Expenditures:</b>			
Current:			
Libraries	<u>35,405</u>	<u>35,405</u>	<u>-</u>
Total expenditures	<u>35,405</u>	<u>35,405</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(4,405)</u>	<u>(2,716)</u>	<u>1,689</u>
Net change in fund balance	(4,405)	(2,716)	1,689
Fund balances at beginning of year	<u>147,087</u>	<u>147,087</u>	<u>-</u>
Fund balances at end of year	<u>\$ 142,682</u>	<u>144,371</u>	<u>1,689</u>



**CITY OF WHITTIER**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**State COPS Grant Special Revenue Fund**  
**Year Ended June 30, 2009**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Fines and forfeits	\$ 60,000	20,000	(40,000)
Use of money and property	2,500	4,436	1,936
Intergovernmental	167,658	100,000	(67,658)
Total revenues	<u>230,158</u>	<u>124,436</u>	<u>(105,722)</u>
<b>Expenditures:</b>			
Current:			
Public safety	<u>233,041</u>	<u>156,917</u>	<u>76,124</u>
Total expenditures	<u>233,041</u>	<u>156,917</u>	<u>76,124</u>
Net change in fund balance	(2,883)	(32,481)	(29,598)
Fund balance at beginning of year	<u>316,074</u>	<u>316,074</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 313,191</u></u>	<u><u>283,593</u></u>	<u><u>(29,598)</u></u>

**CITY OF WHITTIER**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**Air Quality Improvement Special Revenue Fund**  
**Year Ended June 30, 2009**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Use of money and property	\$ 7,500	2,223	(5,277)
Intergovernmental	106,000	97,477	(8,523)
Charges for services	-	12,876	12,876
Total revenues	<u>113,500</u>	<u>112,576</u>	<u>(924)</u>
<b>Expenditures:</b>			
Current:			
Community development	<u>308,402</u>	<u>67,991</u>	<u>240,411</u>
Total expenditures	<u>308,402</u>	<u>67,991</u>	<u>240,411</u>
Net change in fund balance	(194,902)	44,585	239,487
Fund balance at beginning of year	<u>195,941</u>	<u>195,941</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ 1,039</u>	<u>240,526</u>	<u>239,487</u>

**CITY OF WHITTIER**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**Business Improvement Area Special Revenue Fund**  
**Year Ended June 30, 2009**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Licenses and permits	\$ 110,000	119,848	9,848
Fines and forfeits	2,000	8,374	6,374
Total revenues	<u>112,000</u>	<u>128,222</u>	<u>16,222</u>
<b>Expenditures:</b>			
Current:			
Community development	112,000	128,222	(16,222)
Total expenditures	<u>112,000</u>	<u>128,222</u>	<u>(16,222)</u>
Net change in fund balance	-	-	-
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>-</u>	<u>-</u>

**CITY OF WHITTIER**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**Earthquake Relief Special Revenue Fund**  
**Year Ended June 30, 2009**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Taxes	\$ -	-	-
Total revenues	-	-	-
Net change in fund balance	-	-	-
Fund balance at beginning of year	4,800	4,800	-
Fund balance at end of year	\$ 4,800	4,800	-

**CITY OF WHITTIER**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balances - Budget and Actual**  
**State Gas Tax Special Revenue Fund**  
**Year Ended June 30, 2009**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Use of money and property	\$ 7,500	26,720	19,220
Intergovernmental	3,063,673	2,349,459	(714,214)
Total revenues	<u>3,071,173</u>	<u>2,376,179</u>	<u>(694,994)</u>
<b>Expenditures:</b>			
Current:			
Public works	2,726,429	753,132	1,973,297
Total expenditures	<u>2,726,429</u>	<u>753,132</u>	<u>1,973,297</u>
Excess (deficiency) of revenues over expenditures	<u>344,744</u>	<u>1,623,047</u>	<u>1,278,303</u>
<b>Other financing sources (uses):</b>			
Transfers in	528,000	-	528,000
Transfers out	(1,285,500)	(988,550)	(296,950)
Total other financing sources (uses)	<u>(757,500)</u>	<u>(988,550)</u>	<u>231,050</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other (uses)	<u>(412,756)</u>	<u>634,497</u>	<u>1,509,353</u>
<b>Adjustments:</b>			
To adjust for encumbrances	-	52,961	52,961
Total adjustments	<u>-</u>	<u>52,961</u>	<u>52,961</u>
Net change in fund balance	(412,756)	687,458	1,562,314
Fund balance at beginning of year	<u>1,063,681</u>	<u>1,063,681</u>	<u>-</u>
Fund balance at end of year	<u>\$ 650,925</u>	<u>1,751,139</u>	<u>1,562,314</u>

**CITY OF WHITTIER**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**Traffic Safety Special Revenue Fund**  
**Year Ended June 30, 2009**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Fines and forfeits	\$ 306,000	437,181	131,181
Total revenues	<u>306,000</u>	<u>437,181</u>	<u>131,181</u>
Excess (deficiency) of revenues over (under) expenditures	<u>306,000</u>	<u>437,181</u>	<u>131,181</u>
<b>Other financing sources (uses):</b>			
Transfers out	<u>(336,750)</u>	<u>(336,750)</u>	<u>-</u>
Total other financing sources (uses)	<u>(336,750)</u>	<u>(336,750)</u>	<u>-</u>
Net change in fund balance	(30,750)	100,431	131,181
Fund balance at beginning of year	<u>105,960</u>	<u>105,960</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 75,210</u></u>	<u><u>206,391</u></u>	<u><u>131,181</u></u>

**CITY OF WHITTIER**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**Traffic Offender Special Revenue Fund**  
**Year Ended June 30, 2009**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Fines and forfeits	\$ -	40,000	40,000
Charges for services	50,000	17,810	(32,190)
Total revenues	<u>50,000</u>	<u>57,810</u>	<u>7,810</u>
<b>Expenditures:</b>			
Current:			
Public safety	133,317	100,797	32,520
Total expenditures	<u>133,317</u>	<u>100,797</u>	<u>32,520</u>
Net change in fund balance	(83,317)	(42,987)	40,330
Fund balance (deficit) at beginning of year	<u>(146,016)</u>	<u>(146,016)</u>	<u>-</u>
Fund balance (deficit) at end of year	<u><u>\$ (229,333)</u></u>	<u><u>(189,003)</u></u>	<u><u>40,330</u></u>

**CITY OF WHITTIER**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**Traffic Congestion Special Revenue Fund**  
**Year Ended June 30, 2009**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Intergovernmental	\$ 809,147	735,344	(73,803)
Total revenues	<u>809,147</u>	<u>735,344</u>	<u>(73,803)</u>
<b>Expenditures:</b>			
Current:			
Public works	809,147	424,429	384,718
Total expenditures	<u>809,147</u>	<u>424,429</u>	<u>384,718</u>
Net change in fund balance	-	310,915	310,915
<b>Adjustments:</b>			
To adjust for encumbrances	-	22,737	22,737
Total adjustments	<u>-</u>	<u>22,737</u>	<u>22,737</u>
Net change in fund balance		333,652	333,652
Fund balance at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance at end of year	<u>\$ -</u>	<u>333,652</u>	<u>333,652</u>



**CITY OF WHITTIER**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual (Budgetary Basis)**  
**HUD Grants Special Revenue Fund**  
**Year Ended June 30, 2009**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Intergovernmental	\$ 2,090,565	1,193,579	(896,986)
Total revenues	<u>2,090,565</u>	<u>1,193,579</u>	<u>(896,986)</u>
<b>Expenditures:</b>			
Current:			
Community development	2,167,637	1,155,590	1,012,047
Total expenditures	<u>2,167,637</u>	<u>1,155,590</u>	<u>1,012,047</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(77,072)</u>	<u>37,989</u>	<u>115,061</u>
<b>Adjustments:</b>			
To adjust for encumbrances	-	1,967	1,967
To adjust for loan payments	-	102,986	102,986
To adjust for loan receipts	-	(191,618)	(191,618)
Total adjustments	<u>-</u>	<u>(86,665)</u>	<u>(86,665)</u>
Net change in fund balance	(77,072)	(48,676)	28,396
Fund balance at beginning of year	<u>2,440,452</u>	<u>2,440,452</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 2,363,380</u></u>	<u><u>2,391,776</u></u>	<u><u>28,396</u></u>

**CITY OF WHITTIER**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**Whittier Uptown Parking District No. 1 Special Revenue Fund**  
**Year Ended June 30, 2009**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Taxes	\$ 6,950	8,777	1,827
Use of money and property	30,600	36,956	6,356
Intergovernmental	100	66	(34)
Charges for services	4,800	6,802	2,002
Other	9,500	4,493	(5,007)
Total revenues	<u>51,950</u>	<u>57,094</u>	<u>5,144</u>
<b>Expenditures:</b>			
Current:			
Public works	61,713	76,289	(14,576)
Total expenditures	<u>61,713</u>	<u>76,289</u>	<u>(14,576)</u>
Net change in fund balance	(9,763)	(19,195)	(9,432)
Fund balance (deficit) at beginning of year	<u>(28,132)</u>	<u>(28,132)</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ (37,895)</u>	<u>(47,327)</u>	<u>(9,432)</u>

**CITY OF WHITTIER**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**Whittier Uptown Parking District No. 2 Special Revenue Fund**  
**Year Ended June 30, 2009**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Taxes	\$ 61,680	59,262	(2,418)
Use of money and property	3,000	15,255	12,255
Intergovernmental	25	15	(10)
Charges for services	18,000	16,594	(1,406)
Other	15,000	15,347	347
Total revenues	<u>97,705</u>	<u>106,473</u>	<u>8,768</u>
<b>Expenditures:</b>			
Current:			
Public works	102,034	65,362	36,672
Total expenditures	<u>102,034</u>	<u>65,362</u>	<u>36,672</u>
Net change in fund balance	(4,329)	41,111	45,440
Fund balance at beginning of year	<u>659,181</u>	<u>659,181</u>	<u>-</u>
Fund balance at end of year	<u><u>\$ 654,852</u></u>	<u><u>700,292</u></u>	<u><u>45,440</u></u>

**CITY OF WHITTIER**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**Uptown Village Maintenance District Special Revenue Fund**  
**Year Ended June 30, 2009**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Taxes	\$ -	-	-
Total revenues	<u>          </u>	<u>          </u>	<u>          </u>
<b>Expenditures:</b>			
Current:			
Public works	53,277	45,339	7,938
Total expenditures	<u>53,277</u>	<u>45,339</u>	<u>7,938</u>
Excess (deficiency) of revenues over expenditures	<u>(53,277)</u>	<u>(45,339)</u>	<u>7,938</u>
<b>Other financing sources (uses):</b>			
Transfers in	84,089	84,084	(5)
Total other financing sources (uses)	<u>84,089</u>	<u>84,084</u>	<u>(5)</u>
Net change in fund balance	30,812	38,745	7,933
Fund balance (deficit) at beginning of year	<u>(28,980)</u>	<u>(28,980)</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ 1,832</u>	<u>9,765</u>	<u>7,933</u>

**CITY OF WHITTIER**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**Prop 1B Special Revenue Fund**  
**Year Ended June 30, 2009**

	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
<b>Revenues:</b>			
Taxes	\$ 1,402,392	1,402,392	-
Use of money and property	-	27,590	27,590
Total revenues	<u>1,402,392</u>	<u>1,429,982</u>	<u>27,590</u>
<b>Expenditures:</b>			
Current:			
Public works	1,402,392	792,099	610,293
Total expenditures	<u>1,402,392</u>	<u>792,099</u>	<u>610,293</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>637,883</u>	<u>637,883</u>
<b>Adjustments:</b>			
To adjust for encumbrances	-	84,138	84,138
Total adjustments	<u>-</u>	<u>84,138</u>	<u>84,138</u>
Net change in fund balance	-	722,021	722,021
Fund balance (deficit) at beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit) at end of year	<u>\$ -</u>	<u>722,021</u>	<u>722,021</u>

**CITY OF WHITTIER**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**Public Financing Authority Debt Service Fund**  
**Year Ended June 30, 2009**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Use of money and property	\$ 1,040,696	1,036,137	(4,559)
Total revenues	<u>1,040,696</u>	<u>1,036,137</u>	<u>(4,559)</u>
<b>Expenditures:</b>			
Debt service:			
Principal	-	265,000	(265,000)
Interest and fiscal charges	1,050,671	1,044,246	6,425
Total expenditures	<u>1,050,671</u>	<u>1,309,246</u>	<u>(258,575)</u>
Excess (deficiency) of revenues over expenditures	<u>(9,975)</u>	<u>(273,109)</u>	<u>(263,134)</u>
<b>Other financing sources (Uses):</b>			
Transfers in	9,975	3,550	(6,425)
Total other financing sources (uses)	<u>9,975</u>	<u>3,550</u>	<u>(6,425)</u>
Net change in fund balance	-	(269,559)	(269,559)
Fund balance at beginning of year	<u>6,932,857</u>	<u>6,932,857</u>	<u>-</u>
Fund balance at end of year	<u>\$ 6,932,857</u>	<u>6,663,298</u>	<u>269,559</u>

**CITY OF WHITTIER**  
**Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance - Budget and Actual**  
**Capital Outlay Capital Projects Fund**  
**Year Ended June 30, 2009**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
<b>Revenues:</b>			
Use of money and property	\$ 60,000	55,067	(4,933)
Intergovernmental	233,333	231,833	(1,500)
Total revenues	<u>293,333</u>	<u>286,900</u>	<u>(6,433)</u>
<b>Expenditures:</b>			
Capital outlay	12,896,051	11,940,630	955,421
Total expenditures	<u>12,896,051</u>	<u>11,940,630</u>	<u>955,421</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(12,602,718)</u>	<u>(11,653,730)</u>	<u>948,988</u>
<b>Other financing sources (uses):</b>			
Transfers in	10,008,250	10,008,256	6
Total other financing sources (uses)	<u>10,008,250</u>	<u>10,008,256</u>	<u>6</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other (uses)	<u>(2,594,468)</u>	<u>(1,645,474)</u>	<u>948,994</u>
<b>Adjustments:</b>			
To adjust for encumbrances	-	3,425,498	3,425,498
Total adjustments	<u>-</u>	<u>3,425,498</u>	<u>3,425,498</u>
Net change in fund balance	(2,594,468)	1,780,024	4,374,492
Fund balance at beginning of year	4,171,820	4,171,820	-
Fund balance at end of year	<u>\$ 1,577,352</u>	<u>5,951,844</u>	<u>4,374,492</u>

**CITY OF WHITTIER**  
**INTERNAL SERVICE FUNDS**

Internal service funds are used to account for the financing of goods and services provided by one City department to others, or to other agencies, on a cost-reimbursement basis (including depreciation).

**Self Insurance Fund** – to account for costs of operating self-insurance programs for general liability and workers compensation.

**Employee Benefits Fund** – to account for employee compensated absences.

**Mobile Equipment Fund** – to account for the costs of City vehicle and equipment maintenance.

**Mobile Equipment Replacement Fund** – to account for the acquisition costs of City motorized equipment and to accumulate funds for equipment replacement.

**Other Equipment Replacement Fund** – to account for major replacement/refurbishment of office equipment and the radio communications system.



**CITY OF WHITTIER**  
**Combining Statement of Net Assets**  
**Internal Service Funds**  
**June 30, 2009**

	<u>Self Insurance</u>	<u>Employee Benefits</u>	<u>Mobile Equipment</u>	<u>Mobile Equipment Replacement</u>	<u>Other Equipment Replacement</u>	<u>Totals</u>
<b>Assets</b>						
Current assets:						
Cash and investments	\$ 5,024,680	4,795,091	-	6,078,760	2,479,477	18,378,008
Accounts receivable, net	183,541	163	21,825	32,000	-	237,529
Interest receivable	18,236	2,033	-	28,012	12,971	61,252
Prepaid items	<u>-</u>	<u>63,753</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>63,753</u>
 Total current assets	 <u>5,226,457</u>	 <u>4,861,040</u>	 <u>21,825</u>	 <u>6,138,772</u>	 <u>2,492,448</u>	 <u>18,740,542</u>
Capital assets:						
Improvements	-	-	300,879	-	-	300,879
Field and shop equipment	-	-	45,511	-	977,564	1,023,075
Office machines	-	-	-	-	1,954,814	1,954,814
Mobile equipment	-	-	-	13,445,876	-	13,445,876
Less-accumulated depreciation	<u>-</u>	<u>-</u>	<u>(247,064)</u>	<u>(8,492,105)</u>	<u>(1,720,032)</u>	<u>(10,459,201)</u>
 Total capital assets, net	 <u>-</u>	 <u>-</u>	 <u>99,326</u>	 <u>4,953,771</u>	 <u>1,212,346</u>	 <u>6,265,443</u>
 Total assets	 <u>5,226,457</u>	 <u>4,861,040</u>	 <u>121,151</u>	 <u>11,092,543</u>	 <u>3,704,794</u>	 <u>25,005,985</u>
<b>Liabilities</b>						
Current liabilities:						
Accounts payable	168,782	-	60,890	32,855	41,392	303,919
Accrued liabilities	2,141	-	40,721	-	27,599	70,461
Due to other funds	-	-	206,866	-	-	206,866
Claims payable	4,448,520	-	-	-	-	4,448,520
Compensated absences payable - current	<u>-</u>	<u>1,833,503</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,833,503</u>
 Total current liabilities	 <u>4,619,443</u>	 <u>1,833,503</u>	 <u>308,477</u>	 <u>32,855</u>	 <u>68,991</u>	 <u>6,863,269</u>
Long-term liabilities:						
Claims payable - non-current	2,395,357	-	-	-	-	2,395,357
Compensated absences payable - non-current	<u>-</u>	<u>2,240,948</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,240,948</u>
 Total liabilities	 <u>7,014,800</u>	 <u>4,074,451</u>	 <u>308,477</u>	 <u>32,855</u>	 <u>68,991</u>	 <u>11,499,574</u>
<b>Net assets</b>						
Investment in capital assets	-	-	99,326	4,953,771	1,212,346	6,265,443
Unrestricted	<u>(1,788,343)</u>	<u>786,589</u>	<u>(286,652)</u>	<u>6,105,917</u>	<u>2,423,457</u>	<u>7,240,968</u>
 Total net assets (deficit)	 <u>\$ (1,788,343)</u>	 <u>786,589</u>	 <u>(187,326)</u>	 <u>11,059,688</u>	 <u>3,635,803</u>	 <u>13,506,411</u>

**CITY OF WHITTIER**  
**Combining Statement of Revenues, Expenses and Changes in Net Assets**  
**Internal Service Funds**  
**Year Ended June 30, 2009**

	Self Insurance	Employee Benefits	Mobile Equipment	Mobile Equipment Replacement	Other Equipment Replacement	Totals
Operating revenues:						
Charges for services	\$ 3,977,547	4,100,222	3,035,006	3,469,824	811,544	15,394,143
Total operating revenues	<u>3,977,547</u>	<u>4,100,222</u>	<u>3,035,006</u>	<u>3,469,824</u>	<u>811,544</u>	<u>15,394,143</u>
Operating expenses:						
Self insurance	5,352,799	-	-	-	-	5,352,799
Employee benefits	-	4,063,166	-	-	-	4,063,166
Maintenance	-	-	2,648,027	898,172	1,011,617	4,557,816
Depreciation	-	-	20,422	874,993	200,098	1,095,513
Total operating expenses	<u>5,352,799</u>	<u>4,063,166</u>	<u>2,668,449</u>	<u>1,773,165</u>	<u>1,211,715</u>	<u>15,069,294</u>
Operating income (loss)	<u>(1,375,252)</u>	<u>37,056</u>	<u>366,557</u>	<u>1,696,659</u>	<u>(400,171)</u>	<u>324,849</u>
Nonoperating revenues (expenses):						
Use of money and property	75,998	8,054	-	118,709	57,905	260,666
Loss on disposal of capital assets	-	-	(12,750)	(8,141)	(129,173)	(150,064)
Other revenue (expense)	-	-	13,994	(1,430)	760	13,324
Total non-operating revenues	<u>75,998</u>	<u>8,054</u>	<u>1,244</u>	<u>109,138</u>	<u>(70,508)</u>	<u>123,926</u>
Income (loss) before transfers	<u>(1,299,254)</u>	<u>45,110</u>	<u>367,801</u>	<u>1,805,797</u>	<u>(470,679)</u>	<u>448,775</u>
Transfers in	<u>1,700,000</u>	<u>-</u>	<u>-</u>	<u>315,142</u>	<u>330,936</u>	<u>2,346,078</u>
Change in net assets	400,746	45,110	367,801	2,120,939	(139,743)	2,794,853
Net assets (deficit), beginning of the year	<u>(2,189,089)</u>	<u>741,479</u>	<u>(555,127)</u>	<u>8,938,749</u>	<u>3,775,546</u>	<u>10,711,558</u>
Net assets at end of the year	<u>\$ (1,788,343)</u>	<u>786,589</u>	<u>(187,326)</u>	<u>11,059,688</u>	<u>3,635,803</u>	<u>13,506,411</u>

**CITY OF WHITTIER**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**Year Ended June 30, 2009**

	Self Insurance	Employee Benefits	Mobile Equipment	Mobile Equipment Replacement	Other Equipment Replacement	Totals
<b>Cash flows from operating activities:</b>						
Receipts from customers and users	\$ 4,021,543	4,411,810	3,022,702	3,437,824	811,544	15,705,423
Payments to suppliers	(5,331,966)	(4,066,739)	(2,623,179)	(865,317)	(1,001,897)	(13,889,098)
Payments to employees	-	-	6,062	-	11,351	17,413
Nonoperating rental income revenue received	-	-	13,994	-	760	14,754
Internal activity payments to/from other funds	-	-	(419,579)	-	-	(419,579)
Net cash provided by operating activities	(1,310,423)	345,071	-	2,572,507	(178,242)	1,428,913
<b>Cash flows from noncapital financing activities:</b>						
Transfers from other funds	1,700,000	-	-	315,142	330,936	2,346,078
Net cash provided (used) in noncapital financing activities	1,700,000	-	-	315,142	330,936	2,346,078
<b>Cash flows from capital and related financing activities:</b>						
Sale of capital assets	-	-	-	-	50,156	50,156
Purchase of capital assets	-	-	-	(2,542,350)	(160,380)	(2,702,730)
Loss from disposal of capital assets	-	-	-	(8,141)	(129,173)	(137,314)
Net cash provided (used) in capital and related financing activities	-	-	-	(2,550,491)	(239,397)	(2,789,888)
<b>Cash flows from investing activities:</b>						
Interest on investments	94,809	9,475	-	142,474	67,618	314,376
Net cash provided by investing activities	94,809	9,475	-	142,474	67,618	314,376
Net increase (decrease) in cash and cash equivalents	484,386	354,546	-	479,632	(19,085)	1,299,479
Cash and cash equivalents, beginning of fiscal year	4,540,294	4,440,545	-	5,599,128	2,498,562	17,078,529
Cash and cash equivalents, end of fiscal year	\$ 5,024,680	4,795,091	-	6,078,760	2,479,477	18,378,008
<b>Reconciliation of operating income to net cash provided by operations:</b>						
Operating income (loss)	\$ (1,375,252)	37,056	366,557	1,696,659	(400,171)	324,849
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:						
Depreciation	-	-	20,422	874,993	200,098	1,095,513
Rental income	-	-	13,994	-	760	14,754
Internal activity payments to/from other funds	-	-	(419,579)	-	-	(419,579)
Decrease (increase) in accounts receivable	(161,098)	-	(12,304)	(32,000)	-	(205,402)
Decrease (increase) in prepaid items	-	(3,293)	-	-	-	(3,293)
Increase (decrease) in accounts payable	18,992	(510)	24,848	32,855	9,720	85,905
Increase (decrease) in accrued liabilities	1,841	-	6,062	-	11,351	19,254
Increase (decrease) in claims payable	205,094	-	-	-	-	205,094
Increase (decrease) in compensated absences payable	-	311,818	-	-	-	311,818
Total adjustments	64,829	308,015	(366,557)	875,848	221,929	1,104,064
Net cash provided by operating activities	\$ (1,310,423)	345,071	-	2,572,507	(178,242)	1,428,913

Noncash investing, capital, and financing activities:

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

## **CITY OF WHITTIER**

### **AGENCY FUNDS**

Agency Funds are used to account for assets held by the City as trustee or agent for individuals, private organizations, or other governmental units or funds.

**Flex-RAP Fund** – to account for employee contributions and related reimbursements for the City’s Flexible Reimbursement Account Program in accordance with Section 125 of the Internal Revenue Code.

**Special Deposits Fund** – to account for refundable deposits being held by the City.

**Community Facilities District 1989-1 Fund** – to account for funds set aside by the City, on behalf of the CFD 89-1 bondholders, for debt service payments and reserves.

**Community Facilities District 1991-1 Fund** – to account for funds set aside by the city, on behalf of the CFD 91-1 bondholders, for debt service payments and reserves.

**Habitat JPA Fund** – to account for funds used and subsequently reimbursed by the Habitat JPA for operations.

**CITY OF WHITTIER**  
**Combining Statement of Assets and Liabilities**  
**Agency Funds**  
**June 30, 2009**

	<u>Flex-RAP</u>	<u>Special Deposits</u>	<u>Community Facilities District 1989-1</u>	<u>Community Facilities District 1991-1</u>	<u>Habitat JPA</u>	<u>Totals</u>
<b>Assets:</b>						
Cash and investments	\$0.00	849,468	279,510	506,114	-	1,635,092
Cash and investments with fiscal agents	-	-	421,006	670,827	-	1,091,833
Receivable:						
Accounts	50,474	10,403	-	-	161,642	222,519
Interest	-	-	862	651	-	1,513
 Total assets	 <u>\$ 50,474</u>	 <u>859,871</u>	 <u>701,378</u>	 <u>1,177,592</u>	 <u>161,642</u>	 <u>2,950,957</u>
 <b>Liabilities:</b>						
Accounts payable	\$ 17,697	4,990	-	-	16,775	39,462
Deposits payable	-	854,881	-	-	-	854,881
Due to other funds	32,777	-	-	-	144,867	177,644
Due to bondholders	-	-	701,378	1,177,592	-	1,878,970
 Total liabilities	 <u>\$ 50,474</u>	 <u>859,871</u>	 <u>701,378</u>	 <u>1,177,592</u>	 <u>161,642</u>	 <u>2,950,957</u>

**CITY OF WHITTIER**  
**Combining Statement of Changes in Assets and Liabilities**  
**Agency Funds**  
**Year ended June 30, 2009**

<u>Flex-Rap</u>	<u>Balance June 30, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2009</u>
<b>Assets</b>				
Cash and investments	\$ -	688,622	(688,622)	-
Accounts receivable	45,032	50,473	(45,031)	50,474
Total assets	<u>\$ 45,032</u>	<u>739,095</u>	<u>(733,653)</u>	<u>50,474</u>
<b>Liabilities</b>				
Accounts payable	\$ 15,639	17,696	(15,638)	17,697
Due to other funds	29,393	32,777	(29,393)	32,777
Total Liabilities	<u>\$ 45,032</u>	<u>50,473</u>	<u>(45,031)</u>	<u>50,474</u>
 <b><u>Special Deposits</u></b>				
<b>Assets</b>				
Cash and investments	\$ 544,965	772,247	(467,744)	849,468
Accounts receivable	12,067	10,403	(12,067)	10,403
Total Assets	<u>\$ 557,032</u>	<u>782,650</u>	<u>(479,811)</u>	<u>859,871</u>
<b>Liabilities</b>				
Accounts payable	\$ 10,620	4,990	(10,620)	4,990
Deposits payable	546,412	749,218	(440,749)	854,881
Total Liabilities	<u>\$ 557,032</u>	<u>754,208</u>	<u>(451,369)</u>	<u>859,871</u>
 <b><u>Community Facilities District 1989-1</u></b>				
<b>Assets</b>				
Cash and investments	\$ 289,819	400,942	(411,251)	279,510
Cash and investments with fiscal agent	414,855	421,260	(415,109)	421,006
Interest receivable	1,511	862	(1,511)	862
Total Assets	<u>\$ 706,185</u>	<u>823,064</u>	<u>(827,871)</u>	<u>701,378</u>
<b>Liabilities</b>				
Due to bondholders	\$ 706,185	823,064	(827,871)	701,378
Total Liabilities	<u>\$ 706,185</u>	<u>823,064</u>	<u>(827,871)</u>	<u>701,378</u>

(Continued)

**CITY OF WHITTIER**  
**Combining Statement of Changes in Assets and Liabilities**  
**Agency Funds**  
**(Continued)**

<u>Community Facilities District 1991-1</u>	<u>Balance</u> <u>June 30, 2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2009</u>
<b>Assets</b>				
Cash and investments	\$ 511,333	626,269	(631,488)	506,114
Cash and investments with fiscal agent	660,357	625,070	(614,600)	670,827
Interest receivable	3,007	651	(3,007)	651
Total assets	<u>\$ 1,174,697</u>	<u>1,251,990</u>	<u>(1,249,095)</u>	<u>1,177,592</u>
<b>Liabilities</b>				
Due to bondholders	\$ 1,174,697	1,251,990	(1,249,095)	1,177,592
Total liabilities	<u>\$ 1,174,697</u>	<u>1,251,990</u>	<u>(1,249,095)</u>	<u>1,177,592</u>
<b><u>Habitat JPA</u></b>				
<b>Assets</b>				
Accounts receivable	\$ 94,982	161,642	(94,982)	161,642
Total assets	<u>\$ 94,982</u>	<u>161,642</u>	<u>(94,982)</u>	<u>161,642</u>
<b>Liabilities</b>				
Accounts payable	\$ 12,354	16,775	(12,354)	16,775
Due to other funds	82,628	144,867	(82,628)	144,867
Total liabilities	<u>\$ 94,982</u>	<u>161,642</u>	<u>(94,982)</u>	<u>161,642</u>
<b><u>Total Agency Funds</u></b>				
<b>Assets</b>				
Cash investments	\$ 1,346,117	2,488,080	(2,199,105)	1,635,092
Cash and investments with fiscal agent	1,075,212	1,046,330	(1,029,709)	1,091,833
Receivables:				
Accounts	152,081	222,518	(152,080)	222,519
Interest	4,518	1,513	(4,518)	1,513
Total assets	<u>\$ 2,577,928</u>	<u>3,758,441</u>	<u>(3,385,412)</u>	<u>2,950,957</u>
<b>Liabilities</b>				
Accounts payable	\$ 38,613	39,461	(38,612)	39,462
Deposits payable	546,412	749,218	(440,749)	854,881
Due to bondholders	1,880,882	2,075,054	(2,076,966)	1,878,970
Due to other funds	112,021	177,644	(112,021)	177,644
Total liabilities	<u>\$ 2,577,928</u>	<u>3,041,377</u>	<u>(2,668,348)</u>	<u>2,950,957</u>

# *City of Whittier*

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## *Statistical Section*



## Statistical Section

This section of the City of Whittier's Comprehensive Annual Report provides detailed information to better understand information presented within the financial statements, note disclosures, and required supplementary information say about the City's overall financial health. This has not been audited by the independent auditor.

<p><b><i>Financial Trends</i></b></p> <p>Contain trend information to help the reader understand how the City's financial performance has changed over time.</p>
<p><b><i>Revenue Capacity</i></b></p> <p>Contain information to help the reader assess the City's most significant local revenue source, the property tax.</p>
<p><b><i>Debt Capacity</i></b></p> <p>Present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.</p>
<p><b><i>Demographic and Economic Information</i></b></p> <p>Offer information to help the reader understand the environment within which the City's financial activities take place.</p>
<p><b><i>Operating Information</i></b></p> <p>Contain service and infrastructure data to help the reader understand how the City's financial report relates to the services the City provides and the activities it performs.</p>

*Sources:*

*Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB 34 in the fiscal year ending June 30, 2003; schedules presenting government-wide information include information beginning in that year.*



**City of Whittier**  
**Net Assets by Component - Last Seven Fiscal Years**  
(in thousands)  
(accrual basis of accounting)

	Fiscal Year ending June 30,						
	2009	2008	2007	2006	2005 (1)	2004 (1)	2003 (1)
<i>Governmental Activities:</i>							
Invested in capital assets, net of related debt	\$ 98,199	91,640	84,556	84,382	84,755	90,639	94,188
Restricted	78,484	82,986	72,206	51,929	45,827	20,480	20,282
Unrestricted	3,202	(2,427)	5,817	18,731	22,136	43,152	38,367
Total Governmental Activities Net Assets	<u>179,885</u>	<u>172,199</u>	<u>162,579</u>	<u>155,042</u>	<u>152,718</u>	<u>154,271</u>	<u>152,837</u>
% change from prior year	4.5%	5.9%	4.9%	1.5%	-1.0%	0.9%	N/A
<i>Business-type Activities:</i>							
Invested in capital assets, net of related debt	26,875	26,607	22,700	25,552	27,027	25,917	22,658
Restricted	138	120	48	34	24	117	106
Unrestricted	15,895	21,780	23,135	16,283	12,953	11,327	12,645
Total Business-Type Activities Net Assets	<u>42,908</u>	<u>48,507</u>	<u>45,883</u>	<u>41,869</u>	<u>40,004</u>	<u>37,361</u>	<u>35,409</u>
% change from prior year	-11.5%	5.7%	9.6%	4.7%	7.1%	5.5%	N/A
<i>Primary Government:</i>							
Invested in capital assets, net of related debt	125,074	118,247	107,256	109,934	111,782	116,556	116,846
Restricted	78,622	83,106	72,254	51,963	45,851	20,597	20,388
Unrestricted	19,097	19,353	28,952	35,014	35,089	54,479	51,012
Total Primary Government Net Assets	<u>\$ 222,793</u>	<u>220,706</u>	<u>208,462</u>	<u>196,911</u>	<u>192,722</u>	<u>191,632</u>	<u>188,246</u>
% change from prior year	0.9%	5.9%	5.9%	2.2%	0.6%	1.8%	N/A

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

(1) Restated net assets to record rights of way \$5,325,506 and report internal service funds as governmental activities.

**City of Whittier**  
**Changes in Net Assets - Last Seven Fiscal Years**  
(in thousands)  
(accrual basis of accounting)

	Fiscal Year ending June 30,						
	2009	2008	2007	2006	2005	2004	2003
<b>Expenses:</b>							
<i>Governmental activities:</i>							
General government	\$ 7,353	8,443	7,588	6,840	8,499	7,155	6,621
Public safety	30,428	18,146	22,765	25,477	24,789	23,010	22,689
Public works	11,688	13,790	10,726	11,583	10,262	9,582	11,010
Community development	6,414	7,608	5,596	5,668	5,342	5,720	3,951
Libraries	3,426	3,412	3,394	3,118	3,017	3,117	3,057
Transit	2,604	4,671	3,373	3,243	2,767	2,442	2,313
Parks and recreation	10,057	11,373	11,747	8,724	9,089	7,978	9,622
Interest on long-term debt	4,637	5,445	2,406	1,614	736	1,358	1,345
Total Governmental activities expenses	76,607	72,888	67,595	66,267	64,501	60,362	60,608
<i>Business-type activities:</i>							
Sewer	1,752	1,282	1,170	1,126	1,036	1,063	1,074
Water	14,321	8,688	7,672	7,469	6,146	5,772	6,010
Solid waste	9,295	8,950	8,305	8,601	7,918	7,642	6,988
Total Business-type activities expenses	25,368	18,920	17,147	17,196	15,100	14,477	14,072
Total primary government expenses	101,975	91,808	84,742	83,463	79,601	74,839	74,680
<b>Program revenues:</b>							
<i>Governmental activities:</i>							
Charges for services:							
General government	2,047	2,021	2,494	2,583	1,711	2,105	2,174
Public safety	9,200	8,381	6,839	7,524	7,587	6,360	6,209
Public works	8,589	3,450	1,598	3,824	2,148	388	323
Parks and recreation	1,746	1,560	2,623	2,359	2,192	2,332	1,222
Community development	2,221	1,940	1,176	846	295	1,006	1,655
Other activities	981	967	389	310	615	143	165
Operating contributions and grants	6,294	5,665	6,874	5,051	6,211	2,554	3,692
Capital contributions and grants	4,521	4,033	585	3,920	2,645	4,078	1,137
Total governmental activities program revenues	35,599	28,017	22,578	26,417	23,404	18,966	16,577
<i>Business-type activities:</i>							
Sewer	1,902	2,250	1,837	1,469	1,525	1,133	987
Water	8,974	9,199	8,360	7,911	6,085	6,043	5,798
Solid waste	8,989	8,994	8,961	9,008	8,611	8,130	6,977
Total business-type activities program revenues	19,865	20,443	19,158	18,388	16,221	15,306	13,762

**City of Whittier**  
**Changes in Net Assets - Last Seven Fiscal Years**  
**(in thousands)**  
**(accrual basis of accounting)**

	Fiscal Year ending June 30,						
	2009	2008	2007	2006	2005	2004	2003
Total primary government program revenues	55,464	48,460	41,736	44,805	39,625	34,272	30,339
<b>Net revenues (expenses):</b>							
<i>Governmental activities</i>	(41,008)	(44,871)	(45,017)	(39,850)	(41,097)	(41,396)	(44,031)
<i>Business-type activities</i>	(5,503)	1,523	2,011	1,192	1,121	829	(310)
Total primary government net revenues (expenses)	(46,511)	(43,348)	(43,006)	(38,658)	(39,976)	(40,567)	(44,341)
<b>General revenues and other changes in net assets</b>							
<i>Governmental activities:</i>							
Taxes:							
Property taxes	13,252	12,501	12,191	7,337	8,108	8,482	7,470
Sales taxes	8,651	10,379	10,010	8,768	9,019	9,262	9,510
Franchise taxes	1,718	2,036	1,778	1,626	1,588	1,552	1,394
Utility users tax	7,659	7,806	7,872	7,529	7,253	7,175	6,703
Motor vehicle in lieu tax, unrestricted	7,410	8,786	8,403	8,219	7,123	5,862	5,173
Transit tax	2,314	2,544	2,560	2,610	2,304	2,176	2,077
Other taxes	2,356	2,734	2,776	1,542	1,459	2,613	1,713
Investment income	4,404	6,438	6,051	3,539	2,083	2,085	2,281
Other	16	444	801	656	449	3,840	6,627
Transfers	914	824	112	348	(74)	-	(161)
<i>Business-type activities:</i>							
Investment income	818	1,924	2,115	1,021	1,680	906	1,366
Transfers	(914)	(824)	(112)	(348)	74	-	161
Total general revenues and transfers	48,598	55,592	54,557	42,847	41,066	43,953	44,314
<b>Change in net assets - total primary government</b>	<b>\$ 2,087</b>	<b>12,244</b>	<b>11,551</b>	<b>4,189</b>	<b>1,090</b>	<b>3,386</b>	<b>(27)</b>

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

**City of Whittier**  
**Fund Balances of Governmental Funds (1)**  
**Last Seven Fiscal Years**  
**(in thousands)**

	Fiscal Year Ending June 30,						
	2009	2008	2007	2006	2005 (2)	2004 (2)	2003 (2)
General fund:							
Reserved	\$ 8,286	8,970	9,640	9,437	8,710	8,176	9,395
Unreserved, designated for	18,203	18,259	17,935	13,360	13,009	12,605	10,560
Unreserved	16,094	19,847	18,562	19,236	17,013	13,002	10,975
Total general fund	42,583	47,076	46,137	42,033	38,732	33,783	30,930
Other governmental funds:							
Reserved	96,938	40,993 (5)	43,305 (4)	21,003 (3)	20,904 (3)	22,882	27,794
Unreserved, designated for, reported in:							
Special revenue funds	541	303	215	215	251	748	612
Debt service funds	-	28,345	18,493	7,582	610	605	606
Capital projects funds	-	-	-	3,000	2,892	2,927	-
Unreserved, reported in:							
Special revenue funds	(10,630)	7,850	2,806	8,793	10,442	7,690	5,103
Debt service funds	(6,044)	(2,978)	(4,412)	(14,014)	(7,680)	(15,805)	(16,637)
Capital projects funds	2,246	2,773	2,877	2,215	2,833	2,631	2,897
Total other governmental funds	83,051	77,286	63,284	28,794	30,252	21,678	20,375
Total governmental funds	\$ 125,634	124,362	109,421	70,827	68,984	55,461	51,305

*The City of Whittier has elected to show only the past seven years of data for this schedule.*

- (1) This schedule reports using the modified accrual basis of accounting.
- (2) The City implemented GASB 34, the new reporting standard, in fiscal year 2003.
- (3) Reserved fund balance at June 30, 2005 and June 30, 2006 include \$7,582,289 unexpended bond proceeds from the 2005 Tax Allocation Bonds.
- (4) Reserved fund balance at June 30, 2007 include \$7,582,289 unexpended bond proceeds from the 2005 Tax Allocation Bonds, and \$25,929,113 from the 2007 Tax Allocation Bonds reserved for redevelopment projects.
- (5) Reserved fund balance at June 30, 2008 include \$10,280,054 unexpended proceeds from the 2007 Public Financing Authority Revenue Bonds reserved for redevelopment projects and debt services.

**City of Whittier**  
**Changes in Fund Balances of Governmental Funds (1)**  
**Last Seven Fiscal Years**  
**(in thousands)**

	Fiscal Year Ending June 30,						
	2009	2008	2007	2006	2005	2004	2003
<b>Revenues:</b>							
Taxes	\$ 37,264	38,161	36,163	35,056	30,487	30,167	27,260
Licenses and permits	2,777	1,938	3,037	2,622	1,935	1,572	1,326
Fines and forfeits	1,699	1,332	929	992	1,144	1,200	1,222
Use of money and property	5,210	6,760	5,442	3,841	3,092	1,175	2,097
Intergovernmental	15,933	19,302	13,081	12,572	13,239	11,849	12,626
Charges for services	22,015	14,277	13,589	13,148	12,697	13,227	13,309
Other	496	1,914	657	615	591	3,128	2,131
<b>Total revenues</b>	<b>85,394</b>	<b>83,684</b>	<b>72,898</b>	<b>68,846</b>	<b>63,185</b>	<b>62,318</b>	<b>59,971</b>
<b>Expenditures:</b>							
Current:							
General government	7,885	7,951	7,331	6,479	6,230	6,073	6,300
Public safety	30,942	27,773	26,778	25,074	24,330	23,506	22,087
Public works	6,639	7,976	5,762	6,369	5,769	7,515	6,887
Community development	6,472	7,379	5,440	5,460	5,622	5,228	3,841
Libraries	3,388	3,376	3,339	3,058	2,963	3,077	2,995
Local transit	2,442	4,526	3,148	3,012	2,555	2,532	2,104
Parks and recreation	9,663	10,493	11,038	10,304	8,675	7,543	9,217
Capital outlay	8,515	1,997	402	1,744	889	552	2,000
Debt service:							
Principal retirement	1,571	1,463	1,447	1,304	1,327	1,156	1,599
Interest and fiscal charges	4,644	4,159	1,997	1,628	1,386	1,195	1,304
Pass through agreements	1,736	2,220	778	1,574	821	597	
Bond issuance costs		293	269		298		
<b>Total expenditures</b>	<b>83,897</b>	<b>79,606</b>	<b>67,729</b>	<b>66,006</b>	<b>60,865</b>	<b>58,974</b>	<b>58,334</b>
<b>Excess of revenues over (under) expenditures</b>	<b>1,497</b>	<b>4,078</b>	<b>5,169</b>	<b>2,840</b>	<b>2,320</b>	<b>3,344</b>	<b>1,637</b>
<b>Other financing sources (uses):</b>							
Proceeds from developer loans	1,206	1,143	1,158	1,303	1,153	1,148	1,780
Transfers in	14,875	7,681	3,530	2,380	2,950	2,903	4,322
Transfers out	(16,307)	(7,595)	(4,803)	(2,377)	(3,112)	(3,239)	(4,658)
Issuance of debt		15,425	34,355		7,730		
Payment to escrow agent		(5,790)					
Premium (discount) from bond issuance			(815)		179		
<b>Total other financing sources (uses)</b>	<b>(226)</b>	<b>10,864</b>	<b>33,425</b>	<b>1,306</b>	<b>8,900</b>	<b>812</b>	<b>1,444</b>
<b>Net change in fund balances</b>	<b>\$ 1,271</b>	<b>14,942</b>	<b>38,594</b>	<b>4,146</b>	<b>11,220</b>	<b>4,156</b>	<b>3,081</b>
<b>Debt service as a percentage of non-capital expenditures</b>	<b>9.68%</b>	<b>10.45%</b>	<b>6.81%</b>	<b>7.01%</b>	<b>6.46%</b>	<b>5.42%</b>	<b>5.17%</b>

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

(1) This schedule reports using the modified accrual basis of accounting.

**City of Whittier**  
**Assessed Value and Estimated Actual of Taxable Property**  
**Last Ten Fiscal Years**  
**(in thousands of dollars)**

Fiscal Year Ended	City				Redevelopment Agency				Total Direct Tax Rate
	Secured	Unsecured	Less: Exemptions	Taxable Assessed Value	Secured	Unsecured	Less: Exemptions	Taxable Assessed Value	
2000	\$ 3,556,260	84,925	(172,041)	3,469,144	517,798	47,443	(22,934)	542,307	0.1518%
2001	3,733,305	83,287	(169,240)	3,647,352	539,214	46,445	(28,000)	557,659	0.1453%
2002	3,966,903	93,202	(179,093)	3,881,012	557,562	49,604	(30,450)	576,716	0.1448%
2003	4,194,336	91,102	(148,158)	4,137,280	592,689	47,127	(28,996)	610,820	0.1466%
2004	4,244,395	83,824	(222,733)	4,105,486	911,965	45,720	(35,417)	922,268	0.2939%
2005	4,535,960	42,445	(201,089)	4,377,316	945,865	75,812	(38,515)	983,162	0.2979%
2006	4,925,787	52,803	(227,860)	4,750,730	1,022,370	81,577	(41,284)	1,062,663	0.3048%
2007	5,353,653	51,934	(241,980)	5,163,607	1,220,075	94,901	(48,068)	1,266,908	0.3156%
2008	5,764,223	44,770	(244,924)	5,564,069	1,385,732	100,310	(60,686)	1,425,356	0.3254%
2009	6,018,883	45,223	(250,595)	5,813,511	1,484,842	103,550	(67,704)	1,520,688	0.3316%

**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: County of Los Angeles Auditor-Controller/Tax Division.*



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

<b>Agency</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>
<b>Basic Levy*</b>	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
001.53 Detention Facilities 1987 DS	0.00000	0.00000	0.00066	0.00080	0.00092	0.00099	0.00103	0.00113	0.00131	0.00142
030.60 La Co Fl Con Storm Dr DS #4	0.00000	0.00000	0.00005	0.00002	0.00021	0.00043	0.00062	0.00066	0.00092	0.00097
030.61 Flood Con. Ref. Bonds 1993 DS	0.00000	0.00000	0.00000	0.00003	0.00003	0.00004	0.00026	0.00041	0.00064	0.00079
284.42 Uptown Parking District #2	0.16666	0.16666	0.16666	0.16666	0.16666	0.16666	0.16666	0.16666	0.16666	0.16666
301.01 La Habra Hts Co Water Dist	0.00000	0.00000	0.00000	0.00000	0.00000	0.02779	0.04061	0.03858	0.04316	0.04597
Metropolitan Water District	0.00430	0.00450	0.00470	0.00520	0.00580	0.00610	0.00670	0.00770	0.00880	0.00890
469.50 East Whittier DS 1997 Series A	0.00000	0.00000	0.01736	0.01982	0.02164	0.02356	0.02487	0.02578	0.02817	0.02963
469.51 East Whittier DS 1998 Series B	0.00000	0.00382	0.00876	0.01009	0.01101	0.01209	0.01274	0.01340	0.01490	0.01443
469.52 East Whittier DS 2007 Ref Bonds	0.03320	0.02368	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
561.50 Los Nietos Sch Dt DS 2008 Series A	0.02680	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
657.51 S Whittier SD DS 1998 Series A	0.04402	0.04288	0.04637	0.05015	0.05315	0.05629	0.05376	0.05666	0.06075	0.06644
657.52 S Whittier Elem DS 2004 Series A	0.01382	0.01301	0.01633	0.01864	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
695.53 Whittier City SD DS 2000 Series A	0.00000	0.00201	0.00163	0.00728	0.00929	0.01030	0.01022	0.01041	0.01380	0.00000
695.54 Whittier City SD DS 2000 Series B	0.00221	0.00219	0.00182	0.00669	0.00844	0.00942	0.00977	0.01092	0.00000	0.00000
695.55 Whittier City SD DS 2000 Series C	0.00611	0.00653	0.00686	0.00645	0.00846	0.00955	0.01011	0.00000	0.00000	0.00000
695.56 Whittier City SD DS 2000 Series D	0.01092	0.01155	0.01231	0.01320	0.01591	0.01722	0.00000	0.00000	0.00000	0.00000
695.57 Whittier City SD DS 2000 Series E	0.00559	0.00598	0.00624	0.00562	0.00966	0.00000	0.00000	0.00000	0.00000	0.00000
695.58 Whittier City SD DS 2006 Ref Bds	0.00883	0.00756	0.01145	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
745.51 El Monte Un HSD DS 2002 Series A	0.00918	0.00910	0.00616	0.03707	0.03928	0.03573	0.00000	0.00000	0.00000	0.00000
745.52 El Monte Un HSD DS 2002 Series B	0.00492	0.00000	0.03670	0.01718	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
745.53 El Monte Un HSD DS 2006 Ref Bds	0.02036	0.01910	0.01560	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
745.54 El Monte Un Hi Ds 2002 Series C	0.01713	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
753.52 Fullerton Un HSD DS 2002 Series A	0.00792	0.00729	0.00834	0.00855	0.00770	0.01750	0.02088	0.00000	0.00000	0.00000
753.53 Fullerton Un HSD DS 2002 Series B	0.00639	0.00617	0.00706	0.00648	0.00784	0.00000	0.00000	0.00000	0.00000	0.00000
789.52 Whittier Un HSD DS 1999 Series A	0.00000	0.00000	0.00729	0.00729	0.00855	0.00924	0.00952	0.00999	0.01085	0.01390
789.53 Whittier Un HSD DS 2000 Series B	0.00000	0.00000	0.00439	0.00439	0.00510	0.00553	0.00567	0.00601	0.00774	0.00000
789.54 Whittier Un HSD DS 1999 Series C	0.00000	0.00000	0.00814	0.00814	0.00951	0.01029	0.01112	0.01327	0.00000	0.00000
789.55 Whittier Un HSD DS 1999 Series D	0.00000	0.00000	0.00798	0.00798	0.00769	0.01287	0.00000	0.00000	0.00000	0.00000
789.56 Whittier Un HSD DS 1999 Series E	0.00000	0.00000	0.01710	0.01710	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
789.57 Whittier Un HSD DS 2005 Ref Bds	0.03728	0.04359	0.04428	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
809.50 Mt San Antonio CCD DS 2001 S-A	0.00196	0.00200	0.00346	0.00346	0.00332	0.01525	0.01946	0.00000	0.00000	0.00000
809.51 Mt San Antonio CCD DS 2004 S-B	0.00190	0.00503	0.00146	0.01776	0.01141	0.00000	0.00000	0.00000	0.00000	0.00000
809.52 Mt San Antonio CCD DS 05 Ref Bds	0.01220	0.00781	0.01535	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
809.53 Mt San Antonio CCD DS 2006 S-C	0.00565	0.00266	0.00503	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
809.54 Mt Sacc Ds 2001, 2008 Series D	0.00162	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
811.50 N Orange Co CCD DS 2002 S-A	0.00267	0.00260	0.00248	0.00112	0.01285	0.01364	0.01573	0.00000	0.00000	0.00000
811.51 N Orange Co CCD DS 2002 S-04B	0.00346	0.00349	0.00319	0.00354	0.00156	0.00233	0.00000	0.00000	0.00000	0.00000
811.52 N Orange Co CCD DS 2002 S-05	0.00880	0.00893	0.00877	0.01200	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
816.52 Rio Hondo CCD DS 2004 S-A	0.00665	0.00644	0.00585	0.01802	0.02170	0.00000	0.00000	0.00000	0.00000	0.00000
816.53 Rio Hondo CCD DS 2005 Ref Bds	0.01258	0.00726	0.00884	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
816.54 Rio Hondo CCD DS 2008	0.00397	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
870.50 Hac La Puente USD DS 2000 S-A	0.00680	0.00545	0.00355	0.00081	0.02203	0.01965	0.05166	0.05521	0.05956	0.00000
870.51 Hac La Puente USD DS 2000 S-03B	0.00218	0.02848	0.02917	0.03072	0.03422	0.03594	0.00000	0.00000	0.00000	0.00000
870.52 Hac La Puente USD DS 2005 Ref Bds	0.01685	0.01710	0.01968	0.02359	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
870.53 Hac La Puente USD DS 2007 Ref Bds	0.03098	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
<b>Total Direct &amp; Overlapping Tax Rates</b>	<b>1.54391</b>	<b>1.47287</b>	<b>1.57107</b>	<b>1.53585</b>	<b>1.50394</b>	<b>1.51841</b>	<b>1.47139</b>	<b>1.41679</b>	<b>1.41726</b>	<b>1.34911</b>
<b>City's Share of 1% Levy Per Prop 13^</b>	<b>0.07171</b>	<b>0.07325</b>	<b>0.07325</b>	<b>0.07325</b>	<b>0.07325</b>	<b>0.07325</b>	<b>0.07325</b>	<b>0.07325</b>	<b>0.07325</b>	<b>0.07325</b>
<b>Redevelopment Rate**</b>	<b>1.00430</b>	<b>1.00450</b>	<b>1.00541</b>	<b>1.00604</b>	<b>1.00697</b>	<b>1.00755</b>	<b>1.00861</b>	<b>1.00990</b>	<b>1.01167</b>	<b>1.01209</b>
<b>Total Direct Rate**^</b>	<b>0.33155</b>	<b>0.32539</b>	<b>0.31563</b>	<b>0.30480</b>	<b>0.29785</b>	<b>0.29390</b>	<b>0.14658</b>	<b>0.14480</b>	<b>0.14531</b>	<b>0.15176</b>

Notes:

\*In 1978, California voters passed Proposition 13 which set 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.

^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.

\*\*RDA rate is based on the largest RDA tax rate area (TRA) and includes only rate(s) from indebtedness adopted prior to 1989 per California State statute. RDA direct and overlapping rates are applied only to the incremental property values.

\*\*Total Direct Rate is the weighted average of all individual direct rates applied by the government preparing the statistical information.

**City of Whittier**  
**Ten Principal Property Taxpayers**  
**Year Ended June 30, 2009**

Taxpayer	No. of Parcels	Assessed Value	Percentage of Total City Property Assessed Value
PPF RTL 15603 Whittwood Lane LP	12	\$ 117,412,608	1.60%
GMS Five LLC	11	55,754,740	0.76%
CLPF Whittier Industrial LP	3	39,392,035	0.54%
Whittier Marketplace LP	1	38,760,000	0.53%
BRCP Realty Services II LLC	4	29,580,000	0.40%
Interhealth Corporation	15	23,812,566	0.33%
Arbor Venture LLC	3	19,830,376	0.27%
Whittier Calmed Investment LP	3	19,817,636	0.27%
NNC Kendallwood LLC	1	17,535,397	0.24%
MGP XXXIII LLC	6	16,553,823	0.23%
Total taxable assessed value of ten largest taxpayers		378,449,181	5.16%
Total taxable assessed value of other taxpayers		6,955,750,176	94.84%
Total taxable assessed value of all taxpayers		\$ 7,334,199,357	100.00%

The amounts shown above include assessed value data for both the City and the Redevelopment Agency.  
Information is not available for nine years prior.

*Source: The HdL Companies, Los Angeles County Assessor*

**City of Whittier**  
**Property Tax Levies and Collections (1)**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collection within the Fiscal Year of Levy		Delinquent Tax Collections in Subsequent Years (2)	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2000	\$ 2,729,680	2,604,178	95.40%	183,953	2,788,131	102.14%
2001	2,846,755	2,768,008	97.23%	109,799	2,877,807	101.09%
2002	3,016,548	2,880,488	95.49%	146,981	3,027,469	100.36%
2003	3,234,156	3,191,371	98.68%	198,723	3,390,094	104.82%
2004	3,451,229	3,361,573	97.40%	247,441	3,609,014	104.57%
2005	3,576,103	3,562,882	99.63%	443,453	4,006,335	112.03%
2006	3,911,717	3,767,850	96.32%	673,755	4,441,605	113.55%
2007	4,125,910	3,929,805	95.25%	635,568	4,565,373	110.65%
2008	4,353,503	4,139,659	95.09%	599,133	4,738,792	108.85%
2009	4,576,488	4,389,226	95.91%	551,843	4,941,069	107.97%

Note: (1) The figures provided for property tax levies and collections are for the City of Whittier, special taxing districts (Uptown Parking District & Uptown Village Maintenance District) and property with weed abatement liens only. Do not include tax increments levied and collected on behalf of the Whittier Redevelopment Agency.

(2) Includes prior years secured supplemental collections.

Source: Los Angeles County Auditor Controller's Office

**City of Whittier**  
**Taxable Sales by Category**  
**Last Ten Calendar Years**  
**(in thousands of dollars)**

	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
Apparel stores	\$ 41,166	44,665	45,169	44,534	42,522	42,035	45,376	45,949	45,902	36,061
General merchandise	97,038	107,074	99,377	66,397	56,722	56,305	58,124	62,141	61,648	59,531
Food stores	42,942	43,911	43,969	39,801	36,326	43,753	45,188	45,507	45,479	43,155
Eating and drinking places	118,467	118,271	109,832	104,037	97,486	90,047	87,065	84,388	82,215	74,653
Building materials	64,352	66,117	70,715	70,966	57,699	55,417	52,187	47,936	46,980	26,055
Auto dealers and supplies	115,323	185,079	208,911	209,526	228,289	226,981	203,185	183,477	191,183	183,484
Service stations	107,317	91,059	85,537	73,643	68,356	56,554	45,766	45,700	48,281	41,322
Other retail stores	115,898	123,851	122,554	113,721	104,152	108,930	108,747	112,574	109,069	106,418
All other outlets	182,542	232,955	221,813	208,085	200,392	186,346	202,436	203,867	190,093	188,967
<b>Total</b>	<b>\$ 885,045</b>	<b>1,012,982</b>	<b>1,007,877</b>	<b>930,710</b>	<b>891,944</b>	<b>866,368</b>	<b>848,074</b>	<b>831,539</b>	<b>820,850</b>	<b>759,646</b>

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

Source: State of California Board of Equalization and the HdL Companies



**City of Whittier**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30	DDA Loans	PFA Revenue Bonds	Tax Allocation Bonds	Capital Lease Payable	Loans (1)	Total Governmental Activities (2)
2000	\$2,477,736	3,510,000	6,630,000 (5)	203,203 (6)	9,377,233	22,198,172
2001	2,740,451	2,835,000	6,525,000	176,516	9,980,454	22,257,421
2002	2,895,324	7,505,000 (7)	6,415,000	148,304	10,191,888	27,155,516
2003	3,191,643	7,505,000	6,300,000	118,477	9,637,647	26,752,767
2004	3,528,162	7,280,000	6,180,000	86,945	9,896,983	26,972,090
2005	3,742,270	7,050,000	13,785,000 (9)	53,610	10,383,408	35,014,288
2006	3,981,417	6,810,000	13,655,000	18,369	10,540,893	35,005,679
2007	4,230,511	6,565,000	47,735,000 (10)	-	9,972,409	68,502,920
2008	4,310,395	21,735,000 (12)	41,800,000 (11)	-	10,486,245	78,331,640
2009	4,526,553	21,100,000	41,180,000	-	8,559,510	75,366,063

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

(1) Includes operating and sales tax loans to the Whittier Redevelopment Agency from the City.

(2) Not includes noncommitment debt.

(3) Assessed property value has been used because personal income is not available.

(4) The ratio is calculated using population for the prior calendar year.

(5) The Whittier Redevelopment Agency issued \$6,795,000 of 1998 tax allocation bonds to refund one of the Whittier Public Financing Authority revenue bonds.

(6) The City entered into a capital lease agreement with City National Bank.

(7) The Whittier Public Financing Authority issued \$7,505,000 of 2002 revenue bonds and part of the proceeds to refund the existing revenue bonds.

(8) The Whittier Utility Authority issued 2003 revenue bonds to refund the 1993 revenue bonds.

(9) The Whittier Redevelopment issued \$7,730,000 of 2005 tax allocation bonds.

(10) The Whittier Redevelopment issued \$34,355,000 of 2007 tax allocation bonds.

(11) The Whittier Redevelopment 1998 tax allocation bonds were refunded.

(12) The Whittier Public Financing Authority issued \$15,425,000 of 2007 revenue bonds.

<u>Water Revenue Bonds</u>	<u>Solid Waste Revenue Bonds</u>	<u>Total Business- Type Activities</u>	<u>Total Primary Government</u>	<u>Percent of Assessed Value (3)</u>	<u>Debt per Capita (4)</u>	<u>population</u>
7,135,000	4,715,000	11,850,000	34,048,172	0.81%	395	86152
6,880,000	4,500,000	11,380,000	33,637,421	0.76%	398	84602
6,610,000	4,270,000	10,880,000	38,035,516	0.81%	444	85593
10,595,000 (8)	4,035,000	14,630,000	41,382,767	0.84%	479	86414
10,425,000	3,790,000	14,215,000	41,187,090	0.78%	474	86919
10,255,000	3,530,000	13,785,000	48,799,288	0.87%	563	86736
10,070,000	3,255,000	13,325,000	48,330,679	0.79%	556	86955
9,875,000	2,965,000	12,840,000	81,342,920	1.21%	933	87190
9,670,000	2,660,000	12,330,000	90,661,640	1.24%	1,043	86945
9,460,000	2,340,000	11,800,000	87,166,063	1.14%	1,004	86788

**City of Whittier**  
**Ratios of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**  
**(in thousands, except Per Capita)**

Fiscal Year Ended June 30	Outstanding General Bonded Debt			Percent of Assessed Value (1)	Per Capita
	PFA Revenue Bonds	Tax Allocation Bonds	Total		
2000	\$ 3,510	6,630	10,140	0.24%	118
2001	2,835	6,525	9,360	0.21%	111
2002	7,505	6,415	13,920	0.30%	163
2003	7,505	6,300	13,805	0.28%	160
2004	7,280	6,180	13,460	0.25%	155
2005	7,050	13,785	20,835	0.37%	240
2006	6,810	13,655	20,465	0.34%	235
2007	6,565	47,735	54,300	0.81%	623
2008	21,735	41,800	63,535	0.87%	731
2009	21,100	41,180	62,280	0.81%	718

Notes: General bonded debt is debt payable with government fund resources and general obligation bonds recorded in enterprise funds (of which, the City has none).

(1) Assessed value has been used because the actual value of taxable property is not readily available in the State of California.



**City of Whittier**  
**Direct and Overlapping Debt**  
**June 30, 2009**

City Assessed Valuation	\$ 5,813,510,458
Redevelopment Agency Incremental Valuation	<u>1,520,688,899</u>
Total 2008-2009 Assessed Valuation	<u><u>\$ 7,334,199,357</u></u>

	Percentage Applicable	Outstanding Debt 6/30/09	Estimated Share of Overlapping Debt
<b>Overlapping Debt:</b>			
Metropolitan Water District	0.741%	\$ 137,096,151	1,016,413
E Whittier City DS 2007 Ref Bonds	63.860%	16,235,000	10,367,601
Los Nietos School Debt 2008 Series A	10.197%	9,668,130	985,836
S Whittier SD DS 1998 Series A	0.366%	10,973,567	40,203
S Whittier Elementary DS 2004 Series A	0.366%	7,474,788	27,385
Whittier City SD DS 2000 Series C	53.567%	115,000	61,602
Whittier City SD DS 2000 Series D	53.567%	4,525,000	2,423,901
Whittier City SD DS 2000 Series E	53.567%	13,845,000	7,416,334
Whittier City SD DS 2006 Ref Bonds	53.567%	9,270,000	4,965,649
Fullerton Union HSD DS 2002 Series A	25.408%	2,725,512	692,499
Fullerton Union HSD DS 2005 Series B	25.408%	2,288,199	581,387
Whittier Union HSD DS 2005 Ref Bonds	36.457%	89,787,133	32,733,456
N Orange Co CCD DS 2002 Series A	24.780%	267,190	66,209
N Orange Co CCD DS 2003 Series B	24.780%	1,300,633	322,294
N Orange Co CCD DS 2005	24.781%	3,793,845	940,108
Rio Hondo CCD DS 2004 Series A	23.344%	9,940,000	2,320,351
Rio Hondo CCD DS 2005 Ref Bonds	23.344%	46,482,244	10,850,616
Rio Hondo CCD DS 2008 Ref Bonds	23.344%	64,996,844	15,172,585
Total overlapping debt		<u>\$ 430,784,236</u>	<u>90,984,429</u>
City direct debt			<u>6,425,000</u>
Total direct and overlapping debt			<u><u>(1) 97,409,429</u></u>

(1) Excludes tax and revenue anticipation notes, revenue, mortgage revenue, and tax allocation bonds and non-bonded capital lease obligations.

Debt to 2008-2009 City Assessed Valuation Ratios:

Direct Debt	0.11%
Overlapping Debt	<u>1.57%</u>
Total Debt	<u><u>1.68%</u></u>

Source: HdL Coren & Cone

**City of Whittier  
Legal Debt Margin  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Assessed Valuation</b>	<b>Conversion Percentage</b>	<b>Adjusted Assessed Valuation</b>	<b>Debt Limit Percentage</b>	<b>Debt Limit Debt Limit</b>	<b>Debt Applicable to Limit</b>	<b>Legal Debt Margin</b>
1999-00	\$ 4,011,451,082	25%	1,002,862,771	15%	150,429,416	-	150,429,416
2000-01	4,205,011,072	25%	1,051,252,768	15%	157,687,915	-	157,687,915
2001-02	4,457,727,668	25%	1,114,431,917	15%	167,164,788	-	167,164,788
2002-03	4,748,100,147	25%	1,187,025,037	15%	178,053,756	-	178,053,756
2003-04	5,027,753,728	25%	1,256,938,432	15%	188,540,765	-	188,540,765
2004-05	5,360,478,410	25%	1,340,119,603	15%	201,017,940	-	201,017,940
2005-06	5,813,393,289	25%	1,453,348,322	15%	218,002,248	-	218,002,248
2006-07	6,430,515,245	25%	1,607,628,811	15%	241,144,322	-	241,144,322
2007-08	6,989,424,760	25%	1,747,356,190	15%	262,103,429	-	262,103,429
2008-09	7,334,199,357	25%	1,833,549,839	15%	275,032,476	-	275,032,476

Note: The Government Code of the State of California provides for a legal debt limit of 15% of assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective 1981-82, assessed value became equivalent to full market value. The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the state.

Source: Controller's Office, City of Whittier

**City of Whittier**  
**Pledged-Revenue Coverage**  
**Water Revenue Bonds**  
**Last Ten Fiscal Years**  
**(in thousands)**

Fiscal Year Ended June 30	Gross Revenue (1)	Operating Expenses (2)	Net Available Revenue	Debt Service			Coverage
				Principal	Interest	Total	
2000	\$ 6,908	3,961	2,947	240	402	642	4.59
2001	6,501	4,035	2,466	255	391	646	3.82
2002	6,180	4,608	1,572	270	379	649	2.42
2003	17,009 <sup>(3)</sup>	4,698	12,311	6,960	355	7,315	1.68
2004	6,583	4,588	1,995	170	485	655	3.05
2005	6,828	5,177	1,651	170	479	649	2.54
2006	8,445	6,922	1,523	185	471	656	2.32
2007	9,459	6,642	2,817	195	464	659	4.27
2008	9,662	7,503	2,159	205	456	661	3.27
2009	9,768	7,271	2,497	210	451	661	3.78

Note: The rate covenant of the 1993 and 2003 water bonds requires net revenue to equal at least 125 percent of the debt service requirements. The bond originally issued in 1987 was defeased in 1993, and was refunded in March 2003.

(1) Restated to exclude AB1600 Water Connection Fee.

(2) Excludes depreciation.

(3) Includes bond proceeds in the amount of \$10,777,584.

Source: Controller's Office, City of Whittier

**City of Whittier**  
**Pledged-Revenue Coverage**  
**Solid Waste Revenue Bonds**  
**Last Ten Fiscal Years**  
**(in thousands)**

Fiscal Year Ended June 30	Gross Revenue (1)	Operating Expenses (2)	Net Available Revenue	Debt Service			Coverage
				Principal	Interest	Total	
2000	\$ 6,818	5,341	1,477	205	247	452	3.27
2001	7,111	5,406	1,705	215	238	453	3.76
2002	7,235	5,313	1,922	230	228	458	4.20
2003	6,507	5,611	896	235	217	452	1.98
2004	7,770	5,717	2,053	245	205	450	4.56
2005	8,361	5,892	2,469	260	193	453	5.45
2006	8,589	6,275	2,314	275	174	449	5.15
2007	8,826	6,358	2,468	290	159	449	5.50
2008	8,828	6,593	2,235	305	144	449	4.98
2009	8,516	6,965	1,551	320	127	447	3.47

Note: The rate covenant of the 1993 solid waste bonds requires net revenue to equal at least 150 percent of the debt service requirements. The bond originally issued in 1989 was defeased in December 1993.

(1) Restated to exclude fees collected for the landfill expansion.

(2) Excludes depreciation.

Source: Controller's Office, City of Whittier

**City of Whittier**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

Fiscal Year	City Population (1)	Median Household Income Whittier (2)	**Per Capita Personal Income (3)	Unemployment Rate (4)
1999-00	83,639	\$ 47,718	\$ 29,402	3.5%
2000-01	84,602	40,021	32,155	3.9%
2001-02	85,593	46,935	32,155	3.7%
2002-03	86,414	53,849	32,544	4.4%
2003-04	86,919	56,139	33,435	3.9%
2004-05	86,736	57,612	35,170	4.1%
2005-06	86,841	59,085	37,441	3.3%
2006-07	87,190	62,178	39,880	3.6%
2007-08	86,945	63,059	41,875	5.8%
2008-09	86,788	62,189	42,916	8.1%

\*\* Per Capita Personal Income in Los Angeles-Long Beach-Santa Ana metropolitan statistical area.

- Sources:* (1) *California Department of Finance, Demographic Research Unit*  
(2) *Sourcebook of Zip Code Demographics*  
(3) *U.S Dept. of Commerce, Bureau of Economic Analysis*  
(4) *State of California Employment Development Department, Labor Market Information Division*

**City of Whittier**  
**Demographic and Economic Statistics**  
**2009 Ten Largest Employers**

Rank	Name	Number of Employees	Type
1	Interhealth Corporation	2,600	Healthcare
2	Whittier Hospital Medical Center	850	Healthcare
3	City of Whittier	702	Municipality
4	Whittier Union HS District	412	Education
5	Whittier College	325	Education
6	U.S. Post Office	315	Postal Service
7	Bright Health Physicians	300	Healthcare
8	Johnson Controls Inc	250	Plumbing & HVAC Corporate Headquarters
9	Los Angeles College of Chiropractor	220	Education
10	Whittier School District	200	Education

Information is not available for nine years prior. Total employment of all employers located within the City is not available.

*Source: ReferenceUSA.com*

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

Full-time and Part-time Employees by function										
As of June 30	General government	Public safety	Public works	Community development	Library	Transit	Parks and recreation	Water / sewer	Solid waste	Total
2000	58	196	74	20	84	7	123	26	33	621
2001	48	205	60	21	77	8	162	24	31	636
2002	61	203	62	17	85	10	175	24	28	665
2003	52	188	55	19	82	8	184	25	28	641
2004	50	204	57	17	72	7	174	24	35	640
2005	50	191	61	20	82	6	152	22	32	616
2006	52	179	60	24	76	3	159	27	33	613
2007	46	190	64	21	83	3	152	27	32	618
2008	53	208	58	22	101	4	300	27	34	807
2009	49	204	56	23	94	4	216	25	31	702

Source: *City of Whittier Controller's Office*

**City of Whittier  
Operating Indicators  
Last Ten Fiscal Years**

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<i>Public Safety</i>										
Sworn employees-full time	130	133	133	130	130	124	121	128	135	126
Civilian employees-full time	57	58	58	52	56	69	68	68	75	50
Physical arrests	3,073	3,265	3,246	3,378	3,660	3,391	3,558	3,321	2,923	3,405
Parking violations	16,044	17,638	14,703	18,220	13,474	13,305	10,480	11,263	13,635	11,504
Traffic violations	9,533	10,135	9,617	7,559	8,952	7,323	6,599	7,349	11,044	8,066
<i>Libraries</i>										
Total items	305,000	305,000	305,000	386,276	362,450	360,000	378,828	381,975	332,299	331,885
Volumes checked out	732,000	701,000	706,143	645,747	545,342	530,872	545,885	531,400	571,904	545,629
Library patrons	not available-----		498,445	509,181	473,564	465,784	431,078	473,510	452,823	460,738
New library cards	8,600	8,336	9,107	8,400	6,500	7,129	7,335	6,864	7,291	7,785
<i>Public Transit System</i>										
Fixed route:										
Routes	2	2	2	2	2	2	2	2	N/A	N/A
Revenue service miles	171,323	142,676	169,923	170,899	157,223	159,070	149,683	148,373	N/A	N/A
Riders	376,735	361,097	327,985	293,573	255,135	212,087	182,306	166,078	N/A	N/A
Dial-A-Ride:										
Revenue service miles	not available-----						172,072	167,881	176,830	179,739
Riders	not available-----						46,904	53,870	54,648	63,931
<i>Parks &amp; Recreation</i>										
Senior center patrons	144,000	144,000	144,000	120,000	103,860	103,860	119,786	100,860	129,506	182,180
Aquatics program participants	88,000	88,000	88,000	62,500	61,654	61,654	58,172	55,720	61,300	62,120
Tennis program participants	78,000	78,000	78,000	55,000	47,300	47,300	26,560	26,000	31,400	32,300
Youth program participants	225,000	225,000	220,000	190,000	175,805	195,000	206,181	209,850	209,960	200,558
Community center patrons	248,000	248,000	260,000	245,000	217,000	230,000	223,825	235,810	236,105	253,000
Parnell community & senior center patrons	N/A-----							74,563	80,576	88,587
York field patrons	N/A-----							45,360	103,000	110,000
<i>Water Utility</i>										
Avg daily water consumption	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000	8,500,000
Maximum plant capacity per day	19,400,000	19,400,000	19,400,000	19,400,000	19,400,000	19,400,000	19,400,000	19,400,000	19,400,000	19,400,000
<i>Sanitary Landfill</i>										
Permitted limit tons per day	350	350	350	350	350	350	350	350	350	350
<i>Sewer System</i>										
Single-family sewer service	18,442	18,442	18,442	18,442	18,442	18,442	18,442	18,442	18,442	18,442
Multi-residential sewer service	2,024	2,024	2,024	2,024	2,024	2,024	2,024	2,024	2,024	2,024
Commercial sewer service	1,675	1,675	1,675	1,675	1,675	1,675	1,675	1,675	1,675	1,675

Source: City of Whittier Departments



**City of Whittier**  
**Capital Asset Statistics by Function**  
**Last Ten Fiscal Years**

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<i>Public Safety</i>										
Number of police stations	1	1	1	1	1	1	1	1	1	1
Number of patrol units	27	29	29	29	29	29	29	32	32	32
Number of canine units	1	1	1	2	2	2	2	2	2	2
Number of motorcycle units	5	5	5	5	5	5	5	5	5	5
<i>Public Works:</i>										
Miles of streets	188	190	190	190	190	190	212	212	212	212
Traffic signals	55	93	97	97	97	97	98	99	99	99
Number of street lamps	2,138	3,235	3,240	3,240	3,248	3,248	3,248	3,262	3,262	3262
<i>Libraries</i>										
Number of libraries	2	2	2	2	2	2	2	2	2	2
<i>Public Transit System</i>										
Number of fixed route vehicles	4	4	4	4	4	4	4	4	N/A	N/A
Number of dial-a-ride vehicles	3	3	5	5	6	5	7	7	9	11
<i>Parks &amp; Recreation:</i>										
Number of parks	20	20	20	20	20	20	20	20	20	20
Acres of parks	411	411	411	411	411	411	411	411	411	411
Acres of designated open space	1,679	1,679	1,679	1,679	1,679	1,679	1,679	1,679	1,679	1679
Number of swimming pools	1	1	1	1	1	1	1	1	1	1
Number of tennis courts	13	13	13	13	13	13	13	13	13	13
Number of community centers	1	1	1	1	1	1	1	1	1	1
Number of senior centers	1	1	1	1	1	1	2	2	2	2
<i>Water Utility</i>										
Miles of mains	137	137	137	137	137	137	137	137	137	137
Number of hydrants	910	910	910	910	910	910	910	910	910	910
<i>Sanitary Landfill</i>										
Acres of landfill permitted	132	132	132	132	132	132	132	132	132	132
<i>Sewer System</i>										
Miles of sanitary sewer lines	214	214	214	214	214	214	214	214	214	214

Source: City of Whittier Departments

