

City of Whittier, California

Comprehensive
Annual Financial
Report
Year Ended June 30, 2015



CITY OF WHITTIER, CALIFORNIA

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2015**



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

Fiscal Year Ended June 30, 2015



City Council

Fernando Dutra
Mayor

Joe Vinatieri
Mayor Pro Tem

Council Members
Owen Newcomer
Bob L. Henderson
Cathy Warner

Jeffrey W. Collier
City Manager

Prepared by
Controller's Office
Rod C. Hill
City Controller



CITY OF WHITTIER, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2015

TABLE OF CONTENTS

I. INTRODUCTORY SECTION

Table of Contentsi
 Letter of Transmittaliv
 Organization Chart.....xv
 Principal Officersxvi
 GFOA Certificate of Achievement for Excellence in Financial Reportingxvii

II. FINANCIAL SECTION

A. Independent Auditors’ Report 1
 B. Management’s Discussion and Analysis4
 C. Basic Financial Statements:

Government-wide Financial Statements:
 Statement of Net Position..... 17
 Statement of Activities 18

Fund Financial Statements:
 Governmental Funds:
 Balance Sheet..... 20
 Reconciliation of the Balance Sheet to the Statement of
 Net Position..... 22
 Statement of Revenues, Expenditures, and Changes in
 Fund Balances 23
 Reconciliation of the Statement of Revenues, Expenditures, and
 Changes in Fund Balances to the Statement of Activities 25
 Statement of Revenues, Expenditures, and Changes in
 Fund Balance – Budget and Actual – General Fund..... 26
 Statement of Revenues, Expenditures, and Changes in
 Fund Balance – Budget and Actual – Transit
 Special Revenue Fund..... 28
 Statement of Revenues, Expenditures, and Changes in
 Fund Balance – Budget and Actual – HOME Grant
 Special Revenue Fund..... 29
 Statement of Revenues, Expenditures, and Changes in
 Fund Balance – Budget and Actual – Housing Authority
 Special Revenue Fund..... 30

Proprietary Funds:
 Statement of Net Position 31
 Statement of Revenues, Expenses, and Changes in Fund Net Position 32
 Statement of Cash Flows 33

Fiduciary Funds:
 Statement of Fiduciary Net Position 35
 Statement of Changes in Fiduciary Net Position 36

Notes to the Basic Financial Statements 37

CITY OF WHITTIER, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2015

TABLE OF CONTENTS

II. FINANCIAL SECTION, (Continued)

REQUIRED SUPPLEMENTARY INFORMATION

D. Schedule of Funding Progress	92
Schedule of Changes Related in the Net Pension Liability and Related Ratios for:	
Safety Plan	93
Miscellaneous Plan	94
Schedule of Contributions	95

SUPPLEMENTARY INFORMATION

E. Non-major Governmental Funds	96
Combining Balance Sheet	98
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	102
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual:	
Street Lighting District 1-91 Special Revenue Fund	106
Asset Seizure Forfeiture Special Revenue Fund.....	107
SB 358 Library Grant Special Revenue Fund.....	108
State COPS Grant Special Revenue Fund.....	109
Air Quality Improvement Special Revenue Fund.....	110
Business Improvement Area Special Revenue Fund	111
Earthquake Relief Special Revenue Fund.....	112
State Gas Tax Special Revenue Fund	113
Traffic Safety Special Revenue Fund	114
Traffic Congestion Special Revenue Fund	115
HUD Grants Special Revenue Fund	116
Whittier Uptown Parking District No. 1 Special Revenue Fund	117
Whittier Uptown Parking District No. 2 Special Revenue Fund	118
Prop 1B Special Revenue Fund	119
Federal Stimulus Special Revenue Fund	120
Subventions and Grants Special Revenue Fund	121
Measure R Special Revenue Fund	122
Public Financing Authority Debt Service Fund.....	123
Capital Outlay Capital Projects Fund.....	124
F. Internal Service Funds	125
Combining Statement of Net Position	126
Combining Statement of Revenues, Expenses and Changes in Net Position.....	127
Combining Statement of Cash Flows	128
G. Agency Funds	129
Combining Statement of Assets and Liabilities	130
Combining Statement of Changes in Assets and Liabilities.....	131

CITY OF WHITTIER, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2015

TABLE OF CONTENTS

III. STATISTICAL SECTION

FINANCIAL TRENDS

Net Position by Component – Last Ten Fiscal Years.....	134
Changes in Net Position – Last Ten Fiscal Years	135
Fund Balances of Governmental Funds – Last Ten Fiscal Years.....	136
Changes in Fund Balances of Governmental Funds – Last Ten Fiscal Years.....	137

REVENUE CAPACITY

Assessed Value and Estimated Actual of Taxable Property – Last Ten Fiscal Years	138
Direct and Overlapping Property Tax Rates	139
Ten Principal Property Taxpayers	140
Property Tax Levies and Collections	141

DEBT CAPACITY

Taxable Sales by Category – Last Ten Calendar Years	142
Ratios of Outstanding Debt by Type – Last Ten Fiscal Years	143
Ratios of General Bonded Debt Outstanding – Last Ten Fiscal Years	145
Direct and Overlapping Debt.....	146
Legal Debt Margin – Last Ten Fiscal Years	147
Pledged-Revenue Coverage – Water Revenue Bonds – Last Ten Fiscal Years	148
Pledged-Revenue Coverage – Solid Waste Revenue Bonds – Last Ten Fiscal Years	149

DEMOGRAPHIC and ECONOMIC INFORMATION

Demographic and Economic Statistics – Last Ten Fiscal Years	150
Demographic and Economic Statistics – 2012 Ten Largest Employers	151

OPERATING INFORMATION

Full-time and Part-time City Employees by Function – Last Ten Fiscal Years	152
Operating Indicators by Function – Last Ten Fiscal Years	153
Capital Asset Statistics by Function – Last Ten Fiscal Years	154





City of Whittier

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December 4, 2015

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, 2015. 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 Vavrinek, Trine, Day & Co., LLP, an independent firm of licensed certified public accountants. This financial report includes the Whittier Public Financing Authority, Whittier Housing 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 that document. 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 auditors’ 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 86,577. Businesses and industries in the area include 406 professional services, 543 retail stores, 197 family type restaurants, 36 manufacturing plants, 8 hotels and motels, 5 automobile dealerships and over 280 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 upscale 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 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 complement of services to its citizens. The services provided by the City include police, park, street and infrastructure maintenance, planning, building, engineering, library, public transit, and general administration. The Los Angeles County Fire Protection District supplies fire services to City. 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, sewer and solid waste 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.

Through its Dial-A-Ride and Taxi Voucher programs, the City provides transportation for senior citizens aged 60 years and older and younger residents who are unable to drive or use public transportation due to a disability. The City of Whittier also operates the Dial-A-Ride service for the neighboring City of La Habra Heights. While Whittier does not have its own fixed-route general public bus system, Transit staff works with the regional systems of Metro, Montebello Bus Lines, Foothill, Los Angeles County and Norwalk Transit Systems to provide convenient and reliable bus services for our residents. The Transit Division also sells various regional and local bus pass products, some of which are subsidized to provide a discount for our residents.

In addition to the usual City services, Whittier offers a variety of programs to help local residents and businesses. With the elimination of redevelopment in early 2012, the City is continuing to develop new business assistance programs utilizing various resources, including grant opportunities.

Economic Condition and Outlook

Fortunately, the housing market is continuing to experience steady improvement over the several couple of years. The City of Whittier's economy has started to see improvement in the past several years, as interest rates have remained low and consumer confidence is returning.

In southern California, home sales have seen an increase of nearly 17%, with prices rising by 5.5%. National and state unemployment rates also continue improving, with the local economy realizing increased hiring levels in high tech manufacturing, tourism, professional and business services, and well as construction. In addition, consumer spending increased by approximately 1.3%.

Economic growth in the local economy has been consistent over the past several years, and is projected to continue at a modest rate.

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 economy in its current state, the City strives to provide a high quality of life for business owners, property owners and residents.

The unemployment rate in the City has been consistently lower than the State and regional levels. In June of 2015, the City's unemployment rate was 5.8% compared with 7.4% for Los Angeles County and 6.2% statewide. The City's unemployment rate also compares favorably with neighboring cities of comparable size.

Taxable retail transactions in Whittier for the 2nd quarter 2015 increased from the 2nd quarter 2014 by 2.6%. Sales receipts for Los Angeles County increased by 11.8% over the comparable time period while the State increased 3.2%.

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, public works and library services. The City utilizes a Five-Year Financial 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, benefit increases, maintenance costs of new construction projects and anticipated new businesses coming on-line, which would add sales tax to the City's revenue base. This Plan is updated annually during the budget process.

For 2014-15, City revenue sources included multi-year lease installment from the Whittier Utility Authority of \$1,200,000. As part of the budget balancing strategies, City analyzed sales tax and franchise fee revenues related to their General Fund operating budgets.

The salaries of two police officers are currently being supported by Traffic Offender Impound fees and COPS grant funds, but may need to be funded through new sources in future years, as these funds continue to operate with a declining fund balance.

In 2015-16, CalPERS rates increased to 24.652% from 22.792% and 50.476% from 49.241% for Miscellaneous and Safety respectively.

Major Initiatives

For the Year. In carrying out the 2014-15 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 to the Puente Hills Landfill Native Habitat Preservation Authority through the Inter-Agency Agreement for the seventeenth year. The Authority continued reimbursing the City 100% of the direct costs paid on behalf of the Authority.

The City Manager continues to follow the direction of the City Council to oversee and implement City policies and programs set forth in the annual budget and those resulting from City Council actions. Priority efforts for this fiscal year include working with the State and Brookfield Residential regarding reuse of the Nelles School property; coordinating with Washington Boulevard Coalition cities to support the City's preferred route for the Metro Gold Line light rail eastside extension; implementing the first two City Council voting districts and directly elected mayoral position; beginning the first phase of capital projects using \$25.9M in remaining redevelopment bond funds; overseeing planning and design for the Whittier Greenway Trail eastern extension; identifying public locations for installations to improve telecommunications; soliciting regional, State and Federal funding for local and regional projects; and representing the City's position regarding State and Federal legislation.

The Police Department is in the deployment phase of implementing an nationally mandated "advanced authentication" system in the patrol cars, attached to the Mobile Data Computers. The system has been purchased and configured but must have all of the users registered and the devices deployed. Once in place, it will require officers to utilize two methods to authenticate their login to the computer, thus providing an additional measure of security for the data and information that is accessible in the MDCs. Enhanced bullet-proof vests, designed to protect against high velocity rifle fire were purchased and provided in each patrol car. These vests will provide an additional level of protection for police officers who may be required to respond to shooting incidents.

The Community Development Department continues to proactively maintain a cooperative working relationship with the design and development community. Primary elements of this effort for the Building & Safety Division include community education and awareness related to safe building practices, and fostering integration of the requirements of the Planning, Code Enforcement, Parks and Public Works Engineering Divisions and with other departments.

The Planning Division of the Community Development Department is responsible for implementing the City's General Plan, Whittier Boulevard, Uptown Whittier, and Whittwood Specific Plans as well as the Whittier Zoning Code. During FY 2014-2015, the Planning Division assisted roughly 12,000 individuals at the Planning Counter and received over 3,000 permit requests. Among some of the most significant development requests received and processed was the approval of the Lincoln Specific Plan at the former Fred C. Nelles site consisting of 750 residential units and up to 208,500 square feet of commercial development. Additionally, the Division also processed numerous in-fill development projects including a 32-unit townhome project at Hadley Street and Magnolia Avenue, a 40-unit townhome project on Beverly Boulevard, and an 11-unit residential project at Comstock Avenue and Penn Street. Further, numerous Conditional Use Permits and Development Review Applications for business expansions, commercial façade remodels and tenant improvements were processed. With respect to historic resource management in the City, the Planning Division continued to facilitate and

oversee both the city-wide residential and non-residential historic resources surveys which are anticipated to be completed in Fiscal year 2015-16. During FY 2014-2015, the Planning Division processed 28 Certificates of Appropriateness and almost 40 waivers in addition to managing and reviewing several historic resource evaluations and inspecting a variety of historic and vintage properties.

The Business Development and Housing Division of the Community Development Department continues to handle the Dissolution of the Whittier Redevelopment Agency and the transformation into the Whittier Redevelopment Successor Agency (WRSA). WRSA's efforts focused on managing the dissolution of redevelopment, the creation and submittal of Recognized Obligation Payment Schedules (ROPS) to continue payment on all enforceable obligations in place at the time of dissolution, and managing the Oversight Board and all submittal to the State Department of Finance, including various procedural items, financing audit reviews, and the Long Range Property Management Plan. In addition, the housing assets of the former Redevelopment Agency were transferred to the Whittier Housing Authority (WHA), which now manages the deployment of those assets for low- and moderate-income housing purposes. In addition, the Redevelopment and Housing Division continues to implement a variety of programs funded by Federal CDBG and HOME grants. These include assisting low-income families with rehabilitation of homes through the four grant/loan programs, graffiti abatement, code enforcement, social services, affordable housing projects and a variety of infrastructure improvements.

On the Greenway Trail, the Park Division completed installation of the trellis fencing and irrigation to Mills Avenue, the Walnut Grove has been planted at the Walnut Station, bird houses have been installed at Palm Station, and the Pickering Slope Improvements Project is completed. The first off-leash dog park in Whittier has been completed adjacent to the Greenway Trail at Philadelphia Street. Trellis fencing and landscaping along the border of the dog park and the adjoining trail offers both a visual obstruction to deter the dogs from "chasing" trail users and maintains the continuity of the existing fence line along the Trail. Additional Park Division projects included completion of the resurfacing of the Leffingwell, Broadway and Palm Park tennis courts and continuation of the City wide irrigation upgrades to maximize efficiency and water conservation.

The Engineering Division of the Public Works Department continued with the annual street surface seal program, using a combination of Traffic Congestion Relief, Gas Tax, Measure R, and Prop 1B funds for Area 5 of the City which covers the residential and collector roadways north of Hadley Street. This project generally involved chip and slurry sealing, and overlays of several high volume residential or commercial collector streets or residential roadways that had completely failed and required additional rehabilitation in accordance with the City's pavement management plan. The total land area of work was close to 2.5 square miles and also included concrete street repairs, the reconstruction of two major intersections, and grooving of Beverly Boulevard to increase traction during inclement weather.

The construction of twenty bus shelters (Phase 2) along Whittier Boulevard and within or adjacent to the Uptown Whittier business core is underway using Federal funds. As part of this project, approximately ten locations will see rehabilitated, existing bus shelters from other locations in the city where routes were modified to allow for relocated shelters or did not have a shelter previously to protect bus riders from weather and the environment.

The Water Division initiated a water meter replacement program in FY 2012-2013 and continued to implement the program where older manually read meters are being systematically replaced with automatic remotely read meters. Pumping Plant 2 Replacement Project is under construction with scheduled completion in winter 2015. The project will include a new SCADA system, new pumping plant, additional water storage, and appurtenant improvements adjacent to Greenleaf reservoir. Palm/Scenic Drive water and sewer replacement project is in design. The construction should begin fall, 2015. Well No. 17 rehabilitation will begin also in fall 2015 to allow the Water Division more flexibility in water production in anticipation of other Central Basin well rehabilitation. Water Division has an aggressive Capital Improvement Program to replace aging pipes. Staff is procuring consultant-engineering services to begin engineering plan preparations. The Water Division implemented a water conservation communications plan with the goal of reaching the goal of 20% reduction in water usage.

The Community Services Division continued to provide a full range of leisure, cultural arts and social services programs for the Whittier community. The second annual Concert Share was hosted by the Cultural Arts Foundation as was the third annual Emerging Arts Program. Other annual special event programs included: the Summer 2015 Concerts in the Park series, Easter Eggxtravaganza, Arbor Day, Senior Information and Referral Fair, Accessibility Awareness Faire and the Senior Art Fair. The Movies in the Park Series included two series for a total of seven movies presented to the community to enjoy during the Summer months. The Uptown and Parnell Park Senior Centers had a busy FY 2014 -15, with over 55 vendors participating and providing valuable information pertaining to seniors on health, housing, veterans' benefits and more. The Therapeutic Recreation Program continued its programs for those with disabilities, including its successful participation in the Special Olympics program. In addition to the Special Olympics program, the City of Whittier was named a Host City for a delegation of 119 World Games athletes and coaches from Macau, China. The delegates enjoyed three days of activities and sight-seeing in Whittier. The Transit Division applied for a grant, and is being recommended to receive funding for up to five new replacement Dial-A-Ride vehicles. A new automated telephone answering system was installed for Dial-A-Ride customers to speed up and improve service.

The Veterans Resource Center, funded through a partnership with the California State Library and the California Department of Veterans Affairs, continues to be a vital resource for our community. The library was awarded an additional grant this year to augment the veteran-related collection and to increase awareness in the community of the resources available through the Veterans Resource Center. In addition, the library is participating in a national program, 1,000 Books before Kindergarten, promoting early childhood literacy in order to get children ready for kindergarten. Central and Whittwood Branch libraries circulated over 398,000 items and had 598,249 visits during the year. A total of 3,900 children and 837 young adults participated in the Summer Reading Program. This program encourages children to pursue

literacy year-round. Attendance at children's programs totaled 40,638 and the 65 adult programs had an attendance of 2,349. The Homework Center received a grant for its operation and continues to provide much needed resources through databases and services for students, such as live online tutoring. The library continues to build its collection of e-books and e-magazines. The Library continually seeks to enhance operations and resources through grants and partnerships with community organizations.

The City Clerk-Treasurer Department administered programs safeguarding funds; providing technology services for the public and staff for the efficient flow, storage, and retrieval of official, safety service, and other records; and securing and producing corporate records of the City, Redevelopment Successor Agency, Housing Authority, Public Financing Authority, and Utility Authority. Legislative documents, agendas, legal notices, and reports were compiled, disseminated and secured for 32 City Council meetings. The Department administered the City Council's Advisory Board appointment process resulting in the appointment of four new City Board and Commission members, the reappointment of six City Board and Commission members, and organized the annual recognition event for current and outgoing advisory board members. The Treasury Division invested funds not needed for current operations to generate \$569,970 in revenue. The Business License Division processed over 7,750 licenses. The Department's Information Technology/Records Management Division's major project was the successful replacement of the City's storage area network (SAN). Records Management continued to enter documents into the City's document imaging system. The imaging system now has over 1900 City Council agenda reports dating including complete years for 2010-2013. Over 1100 Planning case files have also been entered into the imaging system. Over 5,000 building permits have been entered into the EDMS. Records Management continued to assist citizens and staff with inquiries. The unit handled over 950 requests for information. Major projects for GIS included working on voting district maps, Pavement Management System, assisting Community Development in creating address lists for project noticing, and continuing to work with Police Department to maintain the CAD/RMS maps. The City Council approved the establishment of four Council districts.

The Controller's Department collaborated with City departments on a number of key issues, including various personnel initiatives. Staff continues to manage the accounting, auditing, budgeting, and human resources requirements of the City. In addition, the Department continues to oversee the City's risk and emergency management responsibilities, including Emergency Operations Center (EOC), disaster preparedness, workers' compensation and general liability programs.

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, beginning last year, when patrol vehicles become ready for retirement they are being replaced with an SUV type Ford Explorer Police Interceptor model. These Explorer models will eventually completely replace the Ford Crown Victoria sedans that have been used by the Department for many years. In the fall of 2015, Embassy Consulting Services

will be providing training for all Whittier police officers in dealing with mentally ill people encountered in the community. This training is being provided through State AB109 funds.

Installation of landscaping and cable fencing will continue along the Greenway Trail East Extension. Other upcoming Park Division projects include replacement of the Palm Park pool deck, replacement of damaged flooring at the Parnell Park Community Center, additional fencing installed at Joe Miller and a possible addition of a second KaBoom play park, site TBA.

The City will be replacing its existing and outdated Pavement Management System (PMS) with a new program using StreetSaver which uses updated GIS-integrated software. A pavement management system is an asset management tool that recognizes that all road surfaces deteriorate over time due to traffic and environment, many roads need repair but funding shortfalls exist to perform those repairs. The PMS is the answer to addressing the improvement of pavements that are in poor condition and keep the few streets that are in good condition from deteriorating to the point where less expensive treatments are no longer effective. The City is completing an updated PMS that is in compliance with Section 2108.1 of the Streets and Highways Code. The City will use this updated PMS to guide the preparation of future recommended capital improvement programs which must balance the maintenance needs of the City's pavements with available funding. The PMS will serve as a useful tool to identify unfunded maintenance needs and to track pavement condition trends. City staff will develop a capital improvement program (CIP) for future budget consideration based on the information provided by the Pavement Management System.

Continuation bike lanes, pavement surfacing/restriping of Workman Mill Road and Santa Fe Springs Road; and bike rack installations are planned to complete our Bicycle Master Plan buildout as a part of our BTA grant. Installation of new LED streetlights and landscaped median islands are planned for Beverly Boulevard from the I-605 Freeway to Norwalk Boulevard/Workman Mill Road utilizing HSIP Grant funds. This will provide safety enhancements and beautification to this gateway entrance to the City. The Engineering Division will collaborate with the Water Division on the Palm Avenue/Scenic Drive water and sewer main replacement and street reconstruction as well as many other sewer/water main replacements as part of our multi-year rate increase to fund the improvements.

The Water Division will continue with the Pumping Plant No. 2 (PP2) Replacement project construction during all of FY14-15. The SCADA system included in the PP2 project was for connecting the well field controls to the new PP2 controls. It was determined that effective startup operations of the new PP2 required additional expansion of the SCADA system to include the reservoirs and booster pump stations on the distribution side of the system. The design of the expanded SCADA system is underway. Work is continuing on a study of the possible expansion of Starlight Reservoir for more cost effective water storage needs identified in the Water System Master Plan. Much needed pipeline replacement projects are identified. Staff recommends Water Master Plan update to assess reconstruction priorities and optimizing the hydraulics in our water system. As part of the PP2 construction, additional field conditions are identified and updates on our water system as-built plan records are necessary. Hydraulic model needs to be calibrated to incorporate the newly discovered field conditions.

In June 2015, the WUA/Council adopted the new water and sewer fee structure recommended by the Water/Sewer Division. The proposed rate increase was intended to fund the infrastructure replacement. However, due to conservation regulations in response to prolonged drought, the revenue generated by water sales will be reduced proportionally. Revenue and CIP projects list will be reassessed each year. In order to maximize the funding and minimize the disruption to the residents, staff is coordinating sewer main replacements, other public utility projects, and pavement reconstruction along with water main replacements.

The Sewer Division had Notice of Violation for excessive Sanitary Sewer Overflows (SSOs). City of Whittier is in compliance schedule for Sanitary Sewer Management Plan (SSMP) 2-year update. A significant challenge for the future involves compliance with the new MS4 permit issued by the Regional Water Quality Control Board (RWQCB). Whittier participated in development of a Watershed Management Program (WMP) for the Lower San Gabriel River and Coyote Creek. This WMP is currently under review by the RWQCB. It commits Whittier to a number of expensive activities and projects in order to meet surface water quality goals. Another significant challenge is that no funding source has yet been identified to pay for the necessary compliance measures required by the MS4 Permit. As part of the WMP, City of Whittier is now required to implement Minimum Control Measures (MCMs) as first phase compliance of WMP. These MCMs are Citywide and require collaboration among all the City departments.

The Community Services Division will continue its commitment to provide high-quality, low-cost, local classes, events and activities for our residents. In the very near future, a new on-line registration program will be introduced to the community. The Whittier Community Foundation will host two new events, the first annual Whittier's Got Talent and a Car Show. The Cultural Arts Commission will continue to work to refine their goals and objectives and strengthen their relationship with the Whittier Cultural Arts Foundation. The Social Services Commission will continue to work closely with local agencies providing homeless residents with temporary shelter and/or permanent supportive housing. The Youth Services Division will continue its partnership with the SKILLS Foundation to operate the popular Friday Forum dances and the Orchard Dale and Scott Elementary Schools fee-based after school program. With Council direction, the Community Services Division may also take the lead with the 2016 All America program.

Both Central and Whittwood libraries continue to provide resources, services, and programs to enrich the lives of the community. This year the library will be promoting "get your library card", starting with visits to first grade classrooms.

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, Vavrinek, Trine, Day & Co., LLP. 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.

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. Budgetary control is upheld at the object level account. 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.

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, 2014. This was the twenty sixth 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.

Other Information and Acknowledgments

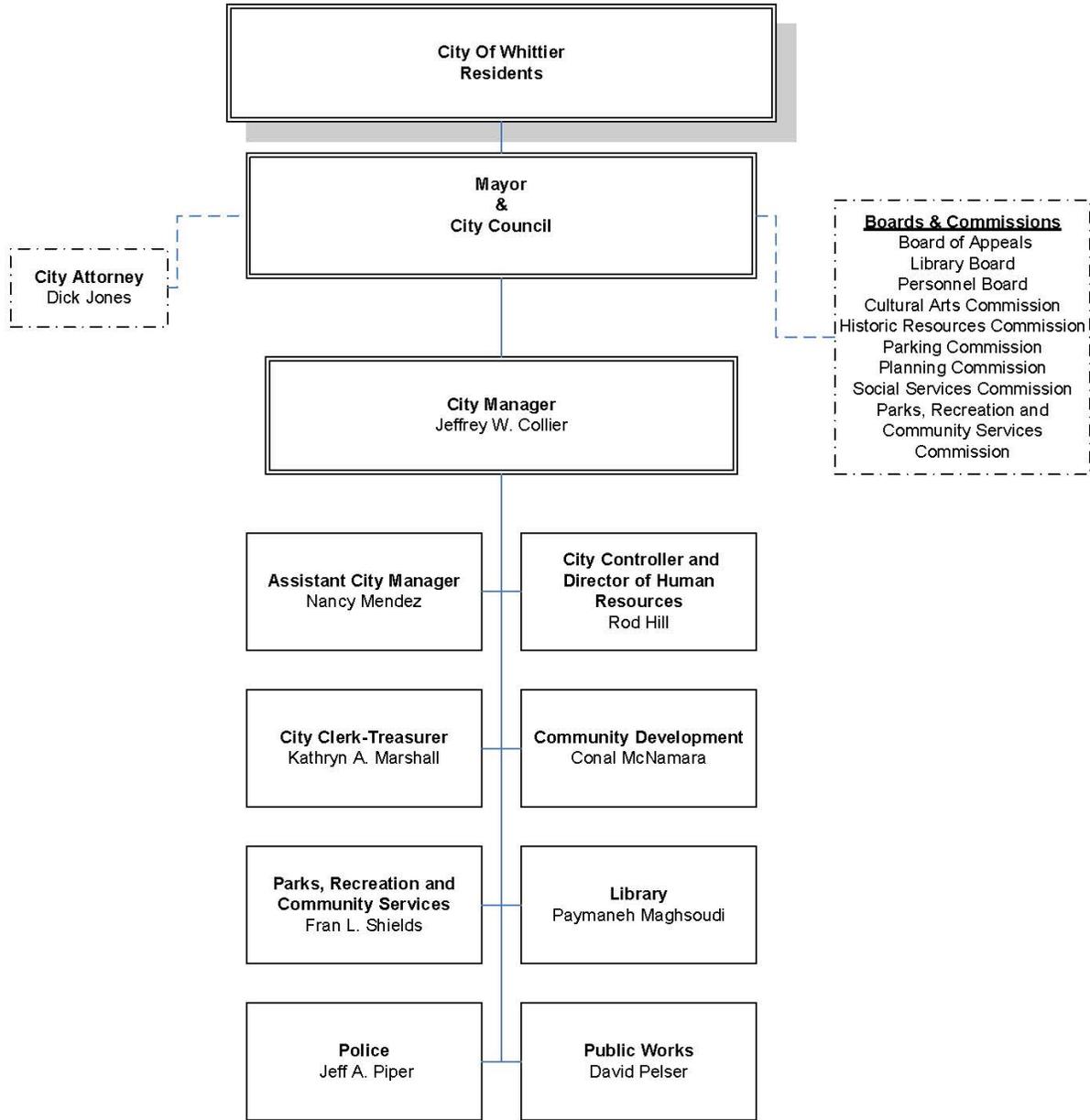
Section 1116 of the Whittier Municipal Charter requires an annual audit by independent certified public accountants. The City selected the accounting firm of Vavrinek, Trine, Day & Co., LLP. In addition to meeting the requirements of the Charter, an annual audit is designed to meet the requirements of the Single Audit Act of 1984 and related Federal Office of Management and Budget Circular A-133. The auditors' report on the basic 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 and a special thanks to Monica Lo, Assistant City Controller, for her diligence and commitment to the preparation of this document. I wish to express my appreciation to 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 Vavrinek, Trine, Day & Co., LLP 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 blue ink, appearing to read "Rod C. Hill". The signature is stylized with large, rounded letters and a prominent flourish at the end.

Rod C. Hill
City Controller



CITY OF WHITTIER

***Principal Officers
June 30, 2015***

Jeffrey W. Collier
City Manager

Nancy L. Mendez
Assistant City Manager

Jeff Piper
Chief of Police

Richard D. Jones
City Attorney

Kathryn A. Marshall
City Clerk/Treasurer

Rod C. Hill
City Controller/ Human Resources Director

Conal McNamara
Community Development Director

Fran Shields
Parks, Recreation and Community Services Director

Paymaneh Maghsoudi
Library Director

David Pelser
Public Works Director



Government Finance Officers Association

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Presented to

**City of Whittier
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO



INDEPENDENT AUDITORS' REPORT

To the Members of the City Council
City of Whittier, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Whittier, California, (City) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and each major special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 1 to the financial statements, the City adopted Governmental Accounting Standards Board (GASB) Statements No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, and No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68*, effective July 1, 2014. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of funding progress, schedule of changes in the net pension liability, and schedule of contributions on pages 4 through 16 and 92 through 95 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 4, 2015, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.



Rancho Cucamonga, California
December 4, 2015



**CITY OF WHITTIER
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2015**

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, 2015. 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 2014-15 fiscal year by \$184.5 million (net position). Of this amount, \$139.8 million is net investment in capital assets; \$19.0 million is restricted for public works; \$34.3 million is restricted for community development; \$5.2 million is restricted for various projects, and resulted in negative \$13.9 million in unrestricted net position. The main reason for the negative unrestricted net position is the recognition of the net pension liability in accordance with GASB 68. Please refer to note 12 for additional information of the net pension liability.
- The City's total net position increased by \$3.7 million or 2.02% from the prior fiscal year. Total revenues from all sources were \$94.6 million; and total expenses were \$90.9 million. Of the total revenues, program revenues were \$54.8 million. Program revenues are broken into three categories: Charges for services at \$46.2 million, operating contributions and grants at \$7.3 million, and capital contributions and grants at \$1.3 million.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$90.7 million, an increase of \$1.9 million in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$25.5 million, or 45.6% of the total General Fund expenditures.
- During the fiscal year, the City's General Fund actual inflows (revenues and other financing sources) were greater than final budget by \$2.8 million and actual outflows (expenditures and other financing uses) were \$1.7 million less than budget. This results in the total positive budget and actual variance of \$4.5 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 Position 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 position 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 Position 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, liabilities and deferred inflows/outflows using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's *net position* and changes in them. You can think of the City's net position—the difference between assets, liabilities and deferred inflow/outflows—as one way to measure the City's financial health, or *financial position*. Over time, *increases or decreases* in the City's net position are 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 position* 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.
- Business-type activities—The Whittier Utility Authority includes the Water, Sewer and Solid Waste funds of the City. These funds account for the operations and maintenance for water, wastewater distributions and solid waste collection and disposal.
- Component units—The City's governmental activities and business-type activities include the blending of two separate legal entities—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 position 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 Whittier Utility 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, employee benefits 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 position and changes in fiduciary net position. 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 position 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 position.

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

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Whittier, assets plus deferred outflows of resources exceeded liabilities plus deferred inflows of resources by \$184.4 million at the close of the most recent fiscal year. The largest portion of the City's net position (75.8%) reflects its net investment in capital assets (e.g., land, buildings, improvements other than buildings, equipment, infrastructure and construction in progress). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's net 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 Position
(in Thousands)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Current and other assets	\$131,736	127,107	46,900	53,356	178,636	180,463
Capital assets	108,352	112,448	52,668	41,981	161,020	154,429
Total assets	240,088	239,555	99,568	95,337	339,656	334,892
Deferred outflows of resources	6,384	-	878	573	7,262	573
Noncurrent liabilities	99,879	17,818	35,779	31,320	135,658	49,138
Other liabilities	4,338	3,739	5,201	4,743	9,539	8,482
Total liabilities	104,217	21,557	40,980	36,063	145,197	57,620
Deferred inflows of resources	15,761	-	1,506	-	17,267	-
Net position:						
Net investment in capital assets	104,182	107,928	35,644	33,063	139,826	140,991
Restricted	58,502	58,668	17	6	58,519	58,674
Unrestricted	(36,190)	51,402	22,298	26,779	(13,892)	78,181
Total net position	\$126,494	217,998	57,959	59,848	184,453	277,846

A portion of the City's net position (31.7%) represents resources that are subject to external restrictions on how they may be used. As described in Note 1 to the financial statements, the City implemented GASB No. 68, *Accounting and Financial Reporting for Pensions*, effective July 1, 2014. The implementation is the main factor of the *negative unrestricted net position* of \$13.9 million on the Statement of Net Position.

At the end of the current fiscal year, the City is able to report positive balances in *net investment in capital assets* and *restricted* categories of net position, 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 decrease of \$4.1 million in the governmental activities as a result of net capital assets addition of \$2.8 million and depreciation of \$6.9 million during fiscal year 2014-15. The main capital projects during the fiscal year were the replacement of mobile equipment of \$1.4 million, bus shelter improvements of \$243,518, and park improvements of \$940,149. Capital assets had a net increase of \$10.7 million in the business type activities as a result of the Pumping Plant II project, which was substantially completed during the year.

The City adopted GASB 68 effective July 1, 2014, which resulted in a restatement of net pension liability as of July 1, 2014. At the end of the current fiscal year, the City's governmental activities had total bonded debt and long-term liabilities of \$99.9 million, of which \$81.8 million is net pension liability. There is an increase of \$274,870 in noncurrent liabilities other than net pension liability from the previous fiscal year. The increase was the result from a combination of net increases in compensated absences, claims payable, net OPEB liability, and principal reductions to bonded debt. There was a net decrease in restated long term debt for the current fiscal year of \$1.8 million in the business-type activities due to \$574,954 increase in accumulated landfill closure and post-closure liability, net increase of \$163,819 in compensated absences and OPEB liability, \$1,023,022 in revenue bond repayments and amortization, and a net decrease of \$1.5 million in restated net pension liability.

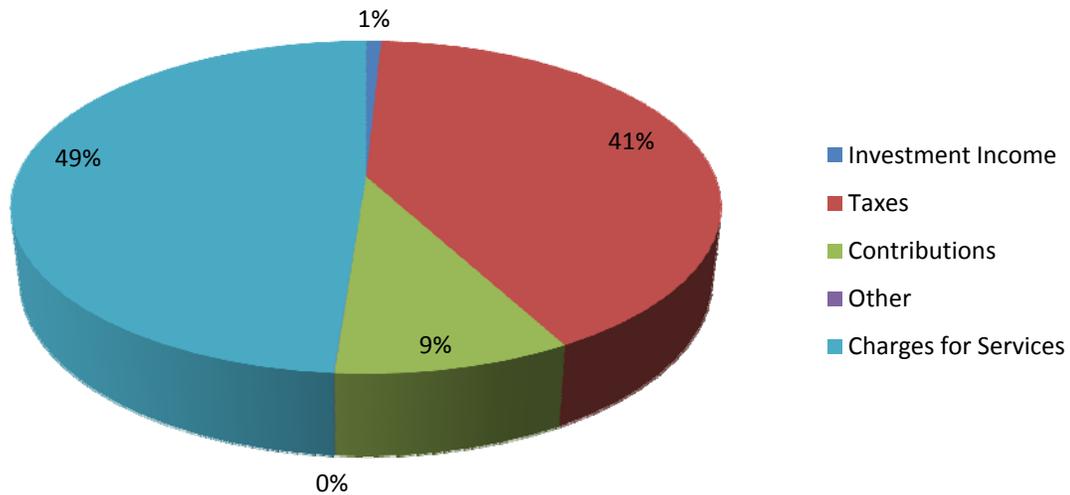
The following table indicates the changes in net position for governmental and business-type activities:

Table 2
Changes in Net Position
(in Thousands)

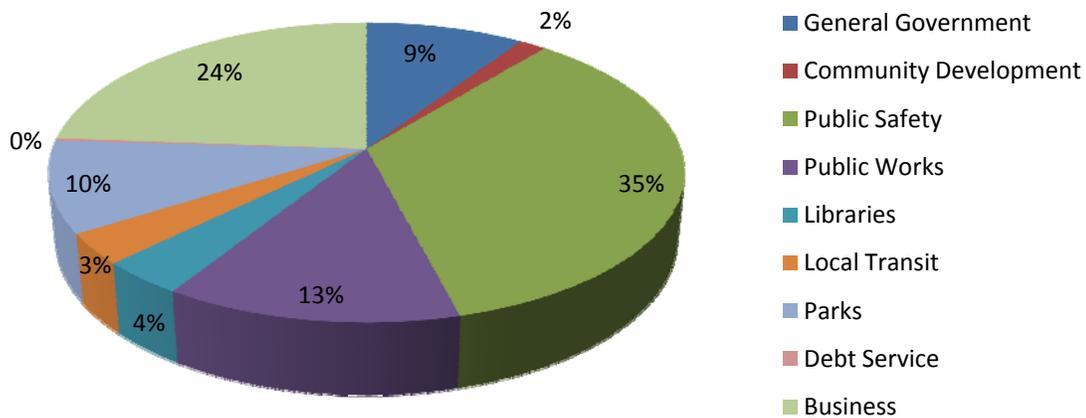
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Revenues:						
Program revenues:						
Charges for services	\$20,374	30,317	25,778	26,984	46,152	57,301
Operating contributions and grants	7,003	6,694	287	241	7,290	6,935
Capital contributions and grants	1,320	997	-	-	1,320	997
General revenues:						
Taxes:						
Property taxes	5,897	5,711	-	-	5,897	5,711
Transient occupancy taxes	779	704	-	-	779	704
Sales taxes	9,132	8,504	-	-	9,132	8,504
Franchise taxes	3,415	3,231	-	-	3,415	3,231
Business licenses and tax	2,195	2,081	-	-	2,195	2,081
Utility users tax	7,049	6,903	-	-	7,049	6,903
Transit tax	2,786	2,673	-	-	2,786	2,673
Motor vehicle in lieu, unrestricted	7,776	7,416	-	-	7,776	7,416
Investment income	544	458	223	154	767	612
Other	1	3	16	16	17	19
Total revenues	<u>68,271</u>	<u>75,692</u>	<u>26,304</u>	<u>27,395</u>	<u>94,575</u>	<u>103,087</u>
Program expenses:						
General government	8,522	9,090	-	-	8,522	9,090
Public safety	31,790	31,082	-	-	31,790	31,082
Libraries	3,407	3,390	-	-	3,407	3,390
Parks and recreation	8,975	9,022	-	-	8,975	9,022
Public works	11,864	13,024	-	-	11,864	13,024
Transit	3,015	3,168	-	-	3,015	3,168
Community development	1,451	1,895	-	-	1,451	1,895
Sewer	-	-	1,579	1,408	1,579	1,408
Water	-	-	10,249	9,999	10,249	9,999
Solid waste	-	-	9,832	9,697	9,832	9,697
Interest on long-term debt	235	253	-	-	235	253
Total expenses	<u>69,259</u>	<u>70,924</u>	<u>21,660</u>	<u>21,104</u>	<u>90,919</u>	<u>92,028</u>
Excess (deficiency) before transfers	<u>(988)</u>	<u>4,768</u>	<u>4,644</u>	<u>6,290</u>	<u>3,656</u>	<u>11,058</u>
Transfers	593	593	(593)	(593)	-	-
Change in net position	(395)	5,360	4,051	5,698	3,656	11,058
Net position, beginning of year, as restated	126,889	212,638	53,908	54,150	180,797	266,788
Net position, end of year	<u>\$126,494</u>	<u>217,998</u>	<u>57,959</u>	<u>59,848</u>	<u>184,453</u>	<u>277,846</u>

(Note – the 2014 columns have not been restated)

FY 2014-15 Total Revenues By Sources



FY 2014-15 Total Expenses



The City's total revenues for the fiscal year ended June 30, 2015 were \$94.6 million. Of the City's total revenues, \$46.2 million (49%) were derived from fees charged for services, and \$39.0 million (41%) were received in taxes.

The City's total expenses were \$90.9 million; comprising \$31.8 million (35%) for public safety mainly resulting from employee services costs, \$21.7 million (24%) for business-type activities, and \$11.9 million (13%) for public works mainly from street improvement projects.

Governmental Activities

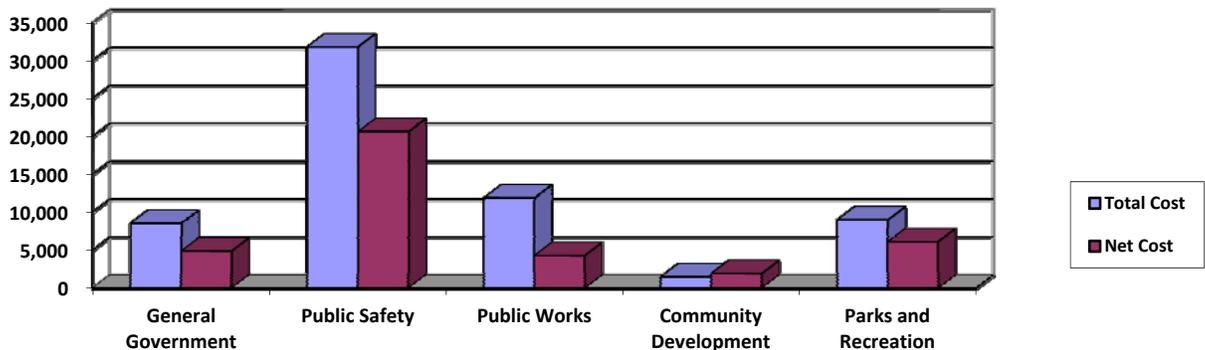
Table 3 presents the cost of each of the City’s five largest programs—general government, public safety, public works, parks and recreation and community development—as well as each program’s *net* cost (total cost less revenues generated by the activities). The net cost shows the financial burden that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

Table 3
Governmental Activities
(in Thousands)

	<u>Total Cost of Services</u>		<u>Net Cost (Revenues) of Services</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
General government	\$ 8,522	9,089	4,879	6,454
Public safety	31,790	31,082	20,634	20,115
Parks and recreation	8,975	9,022	6,084	6,511
Public works	11,864	13,024	4,249	4,386
Community development	1,451	1,895	55	(9,202)
Total	\$62,602	64,112	35,901	28,264

- The net cost (revenues) of services indicates that the overall cost of government is more (less) than the revenues generated to support it. See the Statement of Activities for further detail on program revenues and general revenues.
- Significant change in community development cost of services in the prior fiscal year was due to the reversal of the allowance of \$8.0 million as a result of the Finding of Completion and the State Department of Finance’s recognition as enforceable obligations. Please refer to note 7 for additional information. In addition, the State Department of Finance approved item number 106 of Redevelopment Successor Agency’s Recognized Obligation Payment Schedule (ROPS) – administrative cost shortfall loan from the City per letter dated May 16, 2014. As a result, \$462,708 was recorded as revenue in Governmental Activities.

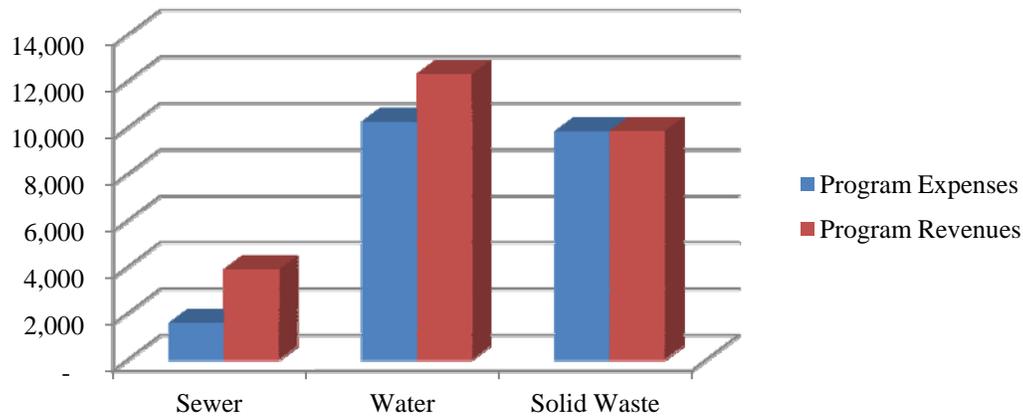
Net Cost of Services
(in Thousands)



Business-type Activities

Business-type activities had the net increase of \$4.1 million in City's net position, resulting from the revenues of \$26.3 million and expenses of \$21.7 million during the fiscal year.

Program Expenses and Program Revenues – Business-type Activities (in Thousands)



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, *unassigned* 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 \$90.7 million, an increase of \$1.9 million in comparison with the prior year. \$37.2 million of this total amount constitutes *unrestricted fund balances*. \$3.3 million of *unrestricted fund balances* is *committed fund balance* that represents resources whose use is constrained by limitations imposed at highest level of decision making that requires formal action at the same level to remove, this includes emergency contingency of \$2.8 million. \$8.4 million of *unrestricted fund balances* is *assigned fund balance* that describes the portion of fund balance that reflects its intended use of resources. \$25.5 million of the remaining fund balance is *unassigned fund balance*. Please refer to note 14 to basic financial statements for additional detail.

Below is an analysis of the City's major governmental fund activities for the year (in thousands):

	<u>2015</u>	<u>2014</u>	Increase (Decrease)
Fund Balance:			
General Fund	\$40,868	38,831	2,037
Transit Fund	3,393	3,246	147
HOME Fund	2,136	1,685	451
Housing Authority Fund	20,659	20,795	(136)
Total Fund Balance	<u>\$67,056</u>	<u>64,557</u>	<u>2,499</u>

The General Fund is the chief operating fund of the City. The fund balance of the City's General Fund had increased \$2,037,029 during the current fiscal year. Key factors for this change are as follows:

- A slight increase of \$95,850 in property tax revenues was due to slight improvements in property values.
- An increase of \$616,810 in sales tax revenue and a net increase of \$304,194 in other tax revenues were mainly attributed to increased consumer confidence and spending.
- A net decrease of \$558,671 in other General Fund expenditures was mainly due to savings in miscellaneous supplies and employee service costs compared to the prior year.

The transit special revenue fund had a total fund balance of \$3.4 million, an increase of \$146,812 primarily due to decrease in capital expenditures of \$125,464.

The HOME fund had a total fund balance of \$2.1 million, which represented an increase of \$451,802 during the current fiscal year due to prior year expenditures drawdown in the fiscal year.

Due to the dissolution of the former redevelopment agency, the housing activities and assets of the former redevelopment low and moderate income housing fund were transferred to the Whittier Housing Authority; and the remaining of assets and liabilities of the former redevelopment funds were transferred to the redevelopment successor agency on February 1, 2012. As of the end of the fiscal year, the Whittier Housing Authority fund had a total fund balance of \$20.7 million, a decrease of \$135,947 compared to the prior fiscal year. Of the total decrease, \$62,326 was related to housing project and \$50,000 was for social services expenditures.

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 of the Whittier Utility Authority. At the end of the current fiscal year, unrestricted net position (as restated) of the Authority were \$22.3 million with an increase of \$4.1 million in total net position, mainly resulting from increasing in charges for services.

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, vehicle and other equipment replacement. As of June 30, 2015, unrestricted net position of the internal service funds was \$17.2 million, with a total increase in net position of \$1.7 million from the prior fiscal year. 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

Changes to Original Budget

Comparing the current fiscal year original (adopted) budget General Fund expenditures amount of \$54,835,013 to the final budgeted amount of \$57,889,728 shows a net increase of \$3,054,715 or 5.6%.

The increase in appropriation of \$3,054,715 can be briefly summarized as follows:

- \$2,048,275 increase allocated to general government expenditures for City Clerk, Elections, City Controller, Civic Center Maintenance, City Planning, Firework Show, and Social Services.
- \$47,819 increase allocated to public safety expenditures for Police Department and Building and Safety.
- \$389,983 increase allocated to Libraries.
- \$103,553 increase allocated to Parks and Recreation.
- \$465,085 increase allocated to Public Works.

Significant increases are related to unspent appropriations from the prior years that were carried over for various unfinished projects.

Variance with the Final Budget

General Fund actual revenues were more than final budget by \$2,663,051 for the current fiscal year. Following are the main components of the variance:

- Taxes: There was net \$1,572,177 positive variance with the final budget in total tax revenues. The key factors were franchise fee revenues of \$591,893, property tax revenue of \$433,460, and sales tax revenue of \$342,272.
- Licenses and permits: The \$592,060 positive variance in actual vs. final budgeted revenue was related to business licenses and various permit revenues.
- Fines and forfeits: The \$27,916 positive variance in actual vs. final budgeted revenue related from increases in court and parking fines.
- Use of money and property: The net \$378,111 negative variance in actual vs. final budget was due to interest earnings not meeting projections.
- Intergovernmental: The \$531,532 positive variance in actual vs. final budget was due to prior year unreimbursed grants received in the current year.
- Other: One time state mandated cost revenues of \$456,349 was received in the current year.

General Fund expenditures were \$1,751,950 less than the final budget. 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. 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 2015, the City had \$161.0 million (net of accumulated depreciation of \$140.5 million) invested in a broad range of capital assets, including police equipment, buildings, land, rights-of-way, trees, park facilities, machinery and equipment, and roads. (See Table 4 below and relevant disclosures in note 8 to the basic financial statements.) This amount represents a net increase (including additions and deductions) of \$6.6 million, or 4.3%, over last year. The main increase is the plumping plant II construction in progress of \$11.1 million. The total depreciation for the year was \$8.1 million.

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

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Land and trees	\$27,644	27,610	2,827	2,827	30,471	30,437
Rights of way	5,326	5,326	-	-	5,326	5,326
Easement	2,400	2,400	-	-	2,400	2,400
Construction in progress	1,040	59	18,414	6,534	19,454	6,593
Buildings and improvements	43,993	46,033	31,293	32,468	75,286	78,501
Machinery and equipment	7,662	7,946	134	152	7,796	8,098
Infrastructure	20,287	23,075	-	-	20,287	23,075
Total	\$108,352	112,449	52,668	41,981	161,020	154,430

The City's five-year Capital Improvement Plan projected to spend another \$71.0 million through fiscal year 2019-20. Typically, larger projects are funded and completed over several fiscal years. Funding will come from current available bond proceeds, current fund balances, and projected revenues over the next five years. The most significant projects include the projects in the Water Master Plan of \$13.3 million, water main replacement projects of \$18.1 million, other water related improvements of \$1.3 million, upgrading and maintaining the City's landfill of \$2.2 million, sewer maintenance and replacement of \$15.7 million, Greenway trail improvement and maintenance of \$0.6 million, Dial-A-Ride van replacement of \$0.5 million, communication and information technology maintenance and replacement projects of \$2.9 million and various pavement, street and traffic signal improvements of \$11.8 million principally from special revenue funds.

Long-term debt

As of June 30, 2015, the City had \$135.7 million in noncurrent liabilities outstanding comparing to \$152.7 million (as restated) in last fiscal year – a net decrease of \$17.0 million – as shown in Table 5 and note 9 to the basic financial statements. Of this amount, \$21.9 million represented total bonded debt outstanding, \$5.1 million represented claims payable, \$5.7 million represented compensated absences, \$12.4 million represented landfill closure and post-closure, \$4.0 million represented net OPEB liability, and \$86.6 million represented net pension liability. There was \$1,373,022 in principal repayments in accordance with certain debt schedules, and \$16,984,786 reduction in net pension liability. The City adopted GASB Statements No. 68, *Accounting and Financial Reporting for Pensions* and No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* on July 1, 2014. Please refer to note 12 for additional information on the *net pension liability*. The City had no significant changes in its credit ratings during the fiscal year.

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

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Compensated absences	\$5,310	5,162	412	399	5,722	5,561
Tax allocation bonds	4,170	4,520	-	-	4,170	4,520
Revenue bonds	-	-	17,075	18,060	17,075	18,060
Premium on bonds	-	-	681	719	681	719
Landfill closure and postclosure	-	-	12,364	11,789	12,364	11,789
Claims payable	5,126	4,853	-	-	5,126	4,853
Net pension liability, as restated	81,786	97,252	4,744	6,263	86,530	103,515
Net OPEB liability	3,487	3,283	503	353	3,990	3,636
Total, as restated	<u>\$99,879</u>	<u>115,070</u>	<u>35,779</u>	<u>37,583</u>	<u>135,658</u>	<u>152,653</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The economy of the City is based around the needs of its citizens, with over 40% of the City's General Fund operating revenues coming from tax revenues.

The City's budget (2015-16) projections take into account the historical trends and current economic factors and consultant recommendations. An overall increase in operating revenues of approximately \$1.8 million or 2.3% as compared to the 2014-15 adopted budget is anticipated. The increase in forecasted revenues is primarily attributed to the General Fund. An overall increase in operating revenues of approximately \$1.8 million or 3.1% is projected for 2015-16 General Fund operating revenues. For fiscal year 2015-16, sales tax revenue is estimated to have an increase of 6.71% or \$567,370 compared to the 2014-15 adopted budget. Property tax revenue is estimated at \$5.1 million, which represents a 4.18% increase from the 2014-15 adopted budget, due to continuing improvement of real estate market projections for the upcoming years. Franchise tax revenue is estimated at \$3.1 million, 10.02% increase from the 2014-15 adopted budget. Utility user tax projection remains constant at \$7.1 million. Motor vehicle in-lieu revenues are estimated at \$8.1 million, a 2.95% increase from 2014-15 adopted budget. Operating expenditures have been projected at \$56.4 million in General Fund. The budget reflects adjustments to retirement costs based on the CalPERS contribution rates for 2015-16 which are 24.652% for miscellaneous employees, 11% of this rate is being paid by the employees; and 50.476% for safety employees, 9% of this rate is being paid by the employees. It is estimated that the General Fund will have an available fund balance of approximately \$16.9 million at the end of fiscal year 2015-16.

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.



GOVERNMENT-WIDE FINANCIAL STATEMENTS



CITY OF WHITTIER, CALIFORNIA
STATEMENT OF NET POSITION
JUNE 30, 2015

	Governmental Activities	Business-type Activities	Total
Assets:			
Cash and investments (note 3)	\$ 83,095,245	32,183,702	115,278,947
Restricted assets:			
Cash and investments (note 3)	1,091,413	9,147,746	10,239,159
Cash and investments with fiscal agents (note 3)	6,743,777	732,180	7,475,957
Accounts receivable	-	14,992	14,992
Interest receivable	-	45,015	45,015
Receivables:			
Intergovernmental	3,921,065	-	3,921,065
Accounts	1,383,991	4,056,657	5,440,648
Notes and loans (note 5)	16,248,940	-	16,248,940
Interest	335,255	13,946	349,201
Inventory	-	345,495	345,495
Advances to Successor Agency (note 7)	14,531,212	-	14,531,212
Less: Allowance for advances	(526,297)	-	(526,297)
Prepaid items	185,330	360,000	545,330
Land held for resale (note 4)	4,725,945	-	4,725,945
Capital assets not being depreciated (note 8)	36,409,295	21,240,345	57,649,640
Capital assets being depreciated, net (note 8)	71,943,026	31,427,617	103,370,643
Total Assets	<u>240,088,197</u>	<u>99,567,695</u>	<u>339,655,892</u>
Deferred Outflows of Resources:			
Deferred amounts related to pensions (note 12)	6,384,509	334,426	6,718,935
Deferred charge on refunding	-	543,091	543,091
Total Deferred Outflows of Resources	<u>6,384,509</u>	<u>877,517</u>	<u>7,262,026</u>
Liabilities:			
Accounts payable	2,723,243	3,832,915	6,556,158
Accrued liabilities	979,247	102,811	1,082,058
Accrued interest payable	38,172	65,518	103,690
Deposits payable	181,878	-	181,878
Unearned revenue	416,504	1,200,000	1,616,504
Noncurrent liabilities (note 9):			
Due within one year	5,560,319	704,232	6,264,551
Due in more than one year	12,532,278	30,331,474	42,863,752
Net Pension Liability (note 12)	81,786,320	4,743,681	86,530,001
Total Liabilities	<u>104,217,961</u>	<u>40,980,631</u>	<u>145,198,592</u>
Deferred Inflows of Resources:			
Deferred amounts related to pensions (note 12)	15,760,772	1,505,982	17,266,754
Net Position:			
Net investment in capital assets	104,182,321	35,643,915	139,826,236
Restricted for:			
Public safety	1,677,431	-	1,677,431
Library	104,527	-	104,527
Public works	18,982,007	-	18,982,007
Water	-	16,890	16,890
Transit	3,393,168	-	3,393,168
Community development	34,344,713	-	34,344,713
Unrestricted	(36,190,194)	22,297,794	(13,892,400)
Total Net Position	<u>\$ 126,493,973</u>	<u>57,958,599</u>	<u>184,452,572</u>

See accompanying notes to financial statements.

**CITY OF WHITTIER, CALIFORNIA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2015**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants
Primary government:				
Governmental activities:				
General government	\$ (8,521,401)	3,048,216	594,548	-
Public safety	(31,789,880)	10,426,171	729,232	-
Libraries	(3,407,341)	290,794	33,930	-
Parks and recreation	(8,975,190)	2,004,226	809,176	77,815
Public works	(11,864,179)	4,450,508	3,164,372	-
Transit	(3,015,603)	150,654	280,019	1,242,336
Community development	(1,450,801)	3,566	1,391,893	-
Interest on long-term debt	(235,214)	-	-	-
Total governmental activities	(69,259,610)	20,374,135	7,003,170	1,320,151
Business-type activities:				
Sewer	(1,578,859)	3,900,278	-	-
Water	(10,249,578)	12,044,134	267,555	-
Solid Waste	(9,831,971)	9,833,330	19,388	-
Total business-type activities	(21,660,408)	25,777,742	286,943	-
Total primary government	\$ (90,920,018)	46,151,877	7,290,113	1,320,151

General Revenues:

Taxes:
Property taxes, net
Transient occupancy taxes
Sales taxes
Franchise taxes
Business licenses tax
Utility users tax
Transit tax
Motor vehicle in lieu tax, unrestricted
Gain on sale of capital assets
Investment income
Total General Revenues
Transfers in (out)
Change in Net Position
Net Position, Beginning of Year, as restated (note 18)
Net Position, End of Year

See accompanying notes to financial statements.

Net Revenue (Expense) and Change in Net Position

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
(4,878,637)	-	(4,878,637)
(20,634,477)	-	(20,634,477)
(3,082,617)	-	(3,082,617)
(6,083,973)	-	(6,083,973)
(4,249,299)	-	(4,249,299)
(1,342,594)	-	(1,342,594)
(55,342)	-	(55,342)
(235,214)	-	(235,214)
<u>(40,562,154)</u>	<u>-</u>	<u>(40,562,154)</u>
-	2,321,419	2,321,419
-	2,062,111	2,062,111
-	20,747	20,747
<u>-</u>	<u>4,404,277</u>	<u>4,404,277</u>
<u>(40,562,154)</u>	<u>4,404,277</u>	<u>(36,157,877)</u>
5,896,796	-	5,896,796
778,849	-	778,849
9,131,668	-	9,131,668
3,414,995	-	3,414,995
2,194,916	-	2,194,916
7,048,612	-	7,048,612
2,786,044	-	2,786,044
7,776,259	-	7,776,259
1,466	16,052	17,518
544,201	223,186	767,387
<u>39,573,806</u>	<u>239,238</u>	<u>39,813,044</u>
593,231	(593,231)	-
(395,117)	4,050,284	3,655,167
<u>126,889,090</u>	<u>53,908,315</u>	<u>180,797,405</u>
<u>126,493,973</u>	<u>57,958,599</u>	<u>184,452,572</u>



FUND FINANCIAL STATEMENTS

CITY OF WHITTIER, CALIFORNIA
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2015

	General Fund	Special Revenue Funds	
		Transit Fund	HOME Fund
Assets:			
Cash and investments	\$ 32,487,305	3,494,234	79,496
Restricted assets:			
Cash and investments	-	-	-
Cash and investments with fiscal agents	-	-	-
Receivables:			
Intergovernmental	2,317,372	-	289,340
Accounts	1,132,838	18,140	-
Notes and loans	629,038	-	5,943,772
Interest	53,260	4,770	100,846
Advances to Successor Agency, (note 7)	8,192,018	-	-
Less: Allowance for advances	(526,297)	-	-
Prepaid items	16,724	141,947	-
Land held for sale	-	-	-
Total Assets	<u>\$ 44,302,258</u>	<u>3,659,091</u>	<u>6,413,454</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable	\$ 1,367,645	259,958	149,778
Accrued liabilities	924,782	5,965	-
Unearned revenues	335,678	-	-
Deposits payable	176,878	-	-
Total Liabilities	<u>2,804,983</u>	<u>265,923</u>	<u>149,778</u>
Deferred Inflows of Resources:			
Unavailable revenues	629,038	-	4,127,485
Total Deferred Inflows of Resources	<u>629,038</u>	<u>-</u>	<u>4,127,485</u>
Fund Balances:			
Nonspendable	7,682,445	141,947	-
Restricted	515,111	3,251,221	2,136,191
Committed	3,297,431	-	-
Assigned	3,870,185	-	-
Unassigned	25,503,065	-	-
Total Fund Balances	<u>40,868,237</u>	<u>3,393,168</u>	<u>2,136,191</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 44,302,258</u>	<u>3,659,091</u>	<u>6,413,454</u>

See accompanying notes to financial statements.

<u>Special Revenue Funds</u>		
<u>Housing Authority</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
3,726,539	15,357,186	55,144,760
-	1,091,413	1,091,413
6,126,150	617,627	6,743,777
-	1,314,353	3,921,065
-	22,287	1,173,265
7,983,123	1,693,007	16,248,940
11,301	132,788	302,965
2,169,194	4,170,000	14,531,212
-	-	(526,297)
-	-	158,671
4,725,945	-	4,725,945
<u>24,742,252</u>	<u>24,398,661</u>	<u>103,515,716</u>
55,984	321,149	2,154,514
-	13,953	944,700
-	80,826	416,504
5,000	-	181,878
<u>60,984</u>	<u>415,928</u>	<u>3,697,596</u>
4,021,790	355,095	9,133,408
<u>4,021,790</u>	<u>355,095</u>	<u>9,133,408</u>
-	-	7,824,392
20,659,478	19,048,902	45,610,903
-	-	3,297,431
-	4,578,736	8,448,921
-	-	25,503,065
<u>20,659,478</u>	<u>23,627,638</u>	<u>90,684,712</u>
<u>24,742,252</u>	<u>24,398,661</u>	<u>103,515,716</u>



**CITY OF WHITTIER, CALIFORNIA
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2015**

Fund Balances of Governmental Funds	\$ 90,684,712
Amounts reported for governmental activities in the Statement of Net Position 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	209,530,440
Capital assets - internal service funds	18,036,539
Accumulated depreciation - governmental funds	(107,084,356)
Accumulated depreciation - internal service funds	(12,130,302)
Long-term debt has not been included in the governmental funds	
Tax allocation bonds	(4,170,000)
Net OPEB liability	(3,486,764)
Net pension liability	(81,786,320)
Certain accounts and intergovernmental receivables are not available to pay for current-period expenditures and, therefore, are reflected as deferred inflows of resources in the governmental funds	
	9,133,408
Deferred outflows of resources related to pensions	6,384,509
Deferred inflows of resources related to pensions	(15,760,772)
Accrued interest payable from the current portion of interest due on long-term debt has not been reported in the governmental funds.	
	(38,172)
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 position (net of capital assets and long-term debt reported above).	
Claims payable	(5,125,924)
Compensated absences	(5,309,909)
Other assets and liabilities	27,616,884
Net Position of Governmental Activities	\$ 126,493,973

See accompanying notes to financial statements.

CITY OF WHITTIER, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2015

	Special Revenue Funds		
	General	Transit Fund	HOME Fund
Revenues:			
Taxes	\$ 33,800,437	2,786,044	-
Licenses and permits	2,440,220	-	-
Fines and forfeits	779,616	-	-
Use of money and property	631,110	128,538	-
Intergovernmental	623,032	312,787	497,686
Charges for services	14,692,364	42,870	-
Other	4,340,234	2,515	-
Total Revenues	<u>\$ 57,307,013</u>	<u>3,272,754</u>	<u>497,686</u>
Expenditures:			
Current:			
General government	\$ 8,578,656	-	-
Public safety	31,356,070	-	-
Libraries	3,389,557	-	-
Parks and recreation	8,851,377	-	-
Public works	3,433,565	-	-
Local transit	-	3,036,802	-
Community development	369,125	-	45,884
Capital outlay	-	-	-
Debt service:			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Total Expenditures	<u>55,978,350</u>	<u>3,036,802</u>	<u>45,884</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,328,663</u>	<u>235,952</u>	<u>451,802</u>
Other financing sources (uses):			
Transfers in (note 6)	1,588,214	-	-
Transfers out (note 6)	(879,848)	(89,140)	-
Total Other Financing Sources (Uses)	<u>708,366</u>	<u>(89,140)</u>	<u>-</u>
Net change in fund balances	2,037,029	146,812	451,802
Fund Balances, Beginning	38,831,208	3,246,356	1,684,389
Fund Balances, Ending	<u>\$ 40,868,237</u>	<u>3,393,168</u>	<u>2,136,191</u>

See accompanying notes to financial statements.

<u>Special Revenue Funds</u>		
<u>Housing Authority</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
-	1,453,795	38,040,276
-	108,125	2,548,345
-	392,892	1,172,508
40,908	376,218	1,176,774
-	4,316,745	5,750,250
-	97,404	14,832,638
671	78,570	4,421,990
<u>41,579</u>	<u>6,823,749</u>	<u>67,942,781</u>
-	-	8,578,656
-	616,153	31,972,223
-	40,501	3,430,058
-	184,680	9,036,057
-	3,158,478	6,592,043
-	-	3,036,802
127,526	917,131	1,459,666
-	1,220,080	1,220,080
-	350,000	350,000
-	238,305	238,305
<u>127,526</u>	<u>6,725,328</u>	<u>65,913,890</u>
<u>(85,947)</u>	<u>98,421</u>	<u>2,028,891</u>
-	901,788	2,490,002
<u>(50,000)</u>	<u>(1,615,664)</u>	<u>(2,634,652)</u>
<u>(50,000)</u>	<u>(713,876)</u>	<u>(144,650)</u>
(135,947)	(615,455)	1,884,241
<u>20,795,425</u>	<u>24,243,093</u>	<u>88,800,471</u>
<u>20,659,478</u>	<u>23,627,638</u>	<u>90,684,712</u>

**CITY OF WHITTIER, CALIFORNIA
RECONCILIATION OF THE STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2015**

Net changes in fund balances - total governmental funds	\$	1,884,241
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. The effect of transactions involving capital assets are as follows:		
Depreciation expense		(5,655,340)
Reclass of expenditures for purchases of capital assets recorded in governmental funds.		1,372,465
The net effect of various transactions involving capital assets (i.e. sales, retirements) is to decrease net position.		(13,200)
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Bond principal		350,000
The statement of net position includes accrued interest on long term debt.		
		3,091
Revenues that are measurable but not available are deferred in the governmental funds under the modified accrual basis of accounting.		
		204,168
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 OPEB obligation		(203,831)
Pension expense reported on government wide statement of activities		(6,437,688)
Governmental funds expenditures for retirement contributions reported as part of deferred outflows of resources on statement of net position		
		6,384,509
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 government activities.		
		1,716,468
Change in net position of governmental activities	\$	(395,117)

See accompanying notes to financial statements.

CITY OF WHITTIER, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE – BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 32,228,260	32,228,260	33,800,437	1,572,177
Licenses and permits	1,848,160	1,848,160	2,440,220	592,060
Fines and forfeits	751,700	751,700	779,616	27,916
Use of money and property	1,009,221	1,009,221	631,110	(378,111)
Intergovernmental	91,500	91,500	623,032	531,532
Charges for services	14,458,928	14,604,231	14,692,364	88,133
Other	4,023,200	4,110,890	4,340,234	229,344
Total Revenues	<u>54,410,969</u>	<u>54,643,962</u>	<u>57,307,013</u>	<u>2,663,051</u>
Expenditures:				
General government:				
City council	32,967	32,967	26,130	6,837
City clerk	738,566	744,591	669,772	74,819
City attorney	300,349	300,349	585,182	(284,833)
Elections	83,638	335,497	222,302	113,195
City manager	771,130	771,130	810,836	(39,706)
City controller	1,745,554	3,264,528	1,482,667	1,781,861
City treasurer	350,162	350,162	246,117	104,045
Business license	146,302	146,302	138,236	8,066
Human resources	401,532	401,532	396,565	4,967
Civic center maintenance	1,268,376	1,271,976	1,318,602	(46,626)
Non-departmental	1,130,973	1,130,973	1,102,436	28,537
City planning	996,041	1,259,380	950,468	308,912
Fireworks show	15,491	18,969	9,735	9,234
Chamber of commerce	46,400	46,400	23,200	23,200
Employee special events	9,000	9,000	7,645	1,355
Public information services	88,321	88,321	73,203	15,118
Graffiti removal program	382,537	382,537	314,639	67,898
Social services	233,836	234,836	239,626	(4,790)
Total General Government	<u>8,741,175</u>	<u>10,789,450</u>	<u>8,617,361</u>	<u>2,172,089</u>
Public safety:				
Police department	28,990,955	29,034,915	29,673,939	(639,024)
Disaster preparedness	57,564	57,564	82,684	(25,120)
Code enforcement	385,522	385,522	386,920	(1,398)
Building and safety	720,817	724,676	1,249,329	(524,653)
Total Public Safety	<u>30,154,858</u>	<u>30,202,677</u>	<u>31,392,872</u>	<u>(1,190,195)</u>

See accompanying notes to financial statements.

CITY OF WHITTIER, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE – BUDGET AND ACTUAL
GENERAL FUND (CONTINUED)
YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures (Continued):				
Libraries:	3,236,825	3,626,808	3,389,557	237,251
Total Libraries	<u>3,236,825</u>	<u>3,626,808</u>	<u>3,389,557</u>	<u>237,251</u>
Parks and recreation:				
Parks and recreation	5,126,069	5,162,326	5,269,953	(107,627)
Community services	3,247,715	3,315,011	3,589,355	(274,344)
Total Parks and Recreation	<u>8,373,784</u>	<u>8,477,337</u>	<u>8,859,308</u>	<u>(381,971)</u>
Public works:				
Weed control	8,300	8,300	8,767	(467)
Street lighting	471,631	471,631	517,836	(46,205)
Street maintenance	2,480,042	2,565,124	2,160,848	404,276
Traffic signals	410,114	410,113	419,332	(9,219)
City engineering - drilling	304,542	684,546	402,769	281,777
Total Public Works	<u>3,674,629</u>	<u>4,139,714</u>	<u>3,509,554</u>	<u>630,160</u>
Community development:				
Community development	653,742	653,743	369,126	284,617
Total Community Development	<u>653,742</u>	<u>653,743</u>	<u>369,126</u>	<u>284,617</u>
	-			
Total Expenditures	<u>54,835,013</u>	<u>57,889,728</u>	<u>56,137,778</u>	<u>1,751,950</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(424,044)</u>	<u>(3,245,766)</u>	<u>1,169,235</u>	<u>4,415,001</u>
Other financing sources (uses):				
Transfers in	1,539,543	1,495,595	1,588,214	92,619
Transfers out	(237,156)	(879,848)	(879,848)	-
Total Other Financing Sources (Uses)	<u>1,302,387</u>	<u>615,747</u>	<u>708,366</u>	<u>92,619</u>
Excess (Deficiency) of Revenues and Other Sources Over (Under) Expenditures	<u>878,343</u>	<u>(2,630,019)</u>	<u>1,877,601</u>	<u>4,507,620</u>
Adjustments:				
To adjust for encumbrances	-	-	159,428	-
Net Change in Fund Balance (US GAAP basis)	878,343	(2,630,019)	2,037,029	4,667,048
Fund Balance at Beginning of Year	<u>38,831,208</u>	<u>38,831,208</u>	<u>38,831,208</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 39,709,551</u>	<u>36,201,189</u>	<u>40,868,237</u>	<u>4,667,048</u>

See accompanying notes to financial statements.

CITY OF WHITTIER, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE – BUDGET AND ACTUAL
TRANSIT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 2,260,416	2,260,416	2,786,044	525,628
Use of money and property	106,400	106,400	128,538	22,138
Intergovernmental	275,601	275,601	312,787	37,186
Charges for services	40,500	40,500	42,870	2,370
Other	-	-	2,515	2,515
Total Revenues	<u>2,682,917</u>	<u>2,682,917</u>	<u>3,272,754</u>	<u>589,837</u>
Expenditures:				
Current:				
Local transit	3,106,506	5,410,076	3,036,802	2,373,274
Total Expenditures	<u>3,106,506</u>	<u>5,410,076</u>	<u>3,036,802</u>	<u>2,373,274</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(423,589)</u>	<u>(2,727,159)</u>	<u>235,952</u>	<u>2,963,111</u>
Other financing sources (uses):				
Transfers out	-	-	(89,140)	(89,140)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(89,140)</u>	<u>(89,140)</u>
Net Change in Fund Balance	<u>(423,589)</u>	<u>(2,727,159)</u>	<u>146,812</u>	<u>2,873,971</u>
Fund Balance at Beginning of Year	<u>3,246,356</u>	<u>3,246,356</u>	<u>3,246,356</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 2,822,767</u>	<u>519,197</u>	<u>3,393,168</u>	<u>2,873,971</u>

See accompanying notes to financial statements.

CITY OF WHITTIER, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE – BUDGET AND ACTUAL
HOME GRANT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 298,391	1,344,215	497,686	(846,529)
Total Revenues	<u>298,391</u>	<u>1,344,215</u>	<u>497,686</u>	<u>(846,529)</u>
Expenditures:				
Current:				
Community development	298,391	612,906	45,884	567,022
Total Expenditures	<u>298,391</u>	<u>612,906</u>	<u>45,884</u>	<u>567,022</u>
Net Change in Fund Balance	-	731,309	451,802	(279,507)
Fund Balance at Beginning of Year	<u>1,684,389</u>	<u>1,684,389</u>	<u>1,684,389</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 1,684,389</u>	<u>2,415,698</u>	<u>2,136,191</u>	<u>(279,507)</u>

See accompanying notes to financial statements.

CITY OF WHITTIER, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE – BUDGET AND ACTUAL
HOUSING AUTHORITY SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ 31,600	31,600	40,908	9,308
Other	519,933	519,933	671	(519,262)
Total Revenues	<u>551,533</u>	<u>551,533</u>	<u>41,579</u>	<u>(509,954)</u>
Expenditures:				
Current:				
Community development	2,320,000	3,403,136	127,526	3,275,610
Total Expenditures	<u>2,320,000</u>	<u>3,403,136</u>	<u>127,526</u>	<u>3,275,610</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,768,467)</u>	<u>(2,851,603)</u>	<u>(85,947)</u>	<u>2,765,656</u>
Other financing sources (uses):				
Transfers out	(50,000)	(50,000)	(50,000)	-
Total Other Financing Sources (Uses)	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Net Change in Fund Balance	(1,818,467)	(2,901,603)	(135,947)	2,765,656
Fund Balance at Beginning of Year	20,795,425	20,795,425	20,795,425	-
Fund Balance at End of Year	<u>\$ 18,976,958</u>	<u>17,893,822</u>	<u>20,659,478</u>	<u>2,765,656</u>

See accompanying notes to financial statements.

CITY OF WHITTIER, CALIFORNIA
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2015

	Business-type Activities - Enterprise Funds				Internal Service Funds
	Sewer	Water	Solid Waste	Totals	
Assets:					
Current assets:					
Cash and investments (note 3)	\$ 7,937,632	12,745,711	11,500,359	32,183,702	27,950,485
Receivables:					
Accounts	83,803	1,826,981	2,145,873	4,056,657	210,726
Interest	9,265	19,753	15,997	45,015	32,290
Inventory	-	345,495	-	345,495	-
Prepaid items	-	360,000	-	360,000	26,659
Total Current Assets	<u>8,030,700</u>	<u>15,297,940</u>	<u>13,662,229</u>	<u>36,990,869</u>	<u>28,220,160</u>
Noncurrent assets:					
Restricted cash and investments (note 3)	-	16,890	9,130,856	9,147,746	-
Restricted cash and investments with fiscal agents (note 3)	-	732,180	-	732,180	-
Accounts receivable	-	-	14,992	14,992	-
Interest receivable	-	660	13,286	13,946	-
Capital assets, net	2,551,740	38,068,087	12,048,135	52,667,962	5,906,237
Total Noncurrent Assets	<u>2,551,740</u>	<u>38,817,817</u>	<u>21,207,269</u>	<u>62,576,826</u>	<u>5,906,237</u>
Total Assets	<u>10,582,440</u>	<u>54,115,757</u>	<u>34,869,498</u>	<u>99,567,695</u>	<u>34,126,397</u>
Deferred Outflows of Resources:					
Deferred amounts related to pensions	20,608	135,007	178,811	334,426	-
Deferred charge on refunding	-	543,091	-	543,091	-
Total Deferred Outflows of Resources	<u>20,608</u>	<u>678,098</u>	<u>178,811</u>	<u>877,517</u>	<u>-</u>
Liabilities:					
Current liabilities:					
Accounts payable	13,159	2,638,049	1,181,707	3,832,915	568,729
Accrued liabilities	7,128	43,600	52,083	102,811	34,547
Accrued interest payable	-	65,518	-	65,518	-
Claims payable	-	-	-	-	3,331,851
Unearned revenues	-	1,200,000	-	1,200,000	-
Current portion of compensated absences	17,894	48,227	78,111	144,232	1,858,468
Current portion of long-term obligations	-	560,000	-	560,000	-
Total Current Liabilities	<u>38,181</u>	<u>4,555,394</u>	<u>1,311,901</u>	<u>5,905,476</u>	<u>5,793,595</u>
Noncurrent liabilities:					
Noncurrent portion of long-term obligations:					
Claims payable	-	-	-	-	1,794,073
Compensated absences	33,231	89,565	145,063	267,859	3,451,441
Net OPEB liability	61,867	193,900	247,469	503,236	-
Net pension liability	292,320	1,915,010	2,536,351	4,743,681	-
Revenue bonds payable	-	17,196,227	-	17,196,227	-
Landfill closure and postclosure payable	-	-	12,364,152	12,364,152	-
Total Noncurrent Liabilities	<u>387,418</u>	<u>19,394,702</u>	<u>15,293,035</u>	<u>35,075,155</u>	<u>5,245,514</u>
Total Liabilities	<u>425,599</u>	<u>23,950,096</u>	<u>16,604,936</u>	<u>40,980,631</u>	<u>11,039,109</u>
Deferred Inflows of Resources:					
Deferred amounts related to pensions	92,803	607,961	805,218	1,505,982	-
Total Deferred Inflows of Resources	<u>92,803</u>	<u>607,961</u>	<u>805,218</u>	<u>1,505,982</u>	<u>-</u>
Net Position:					
Net investment in capital assets	2,551,740	21,044,040	12,048,135	35,643,915	5,906,237
Restricted for connection fees	-	16,890	-	16,890	-
Unrestricted	7,532,906	9,174,868	5,590,020	22,297,794	17,181,051
Total Net Position	<u>\$ 10,084,646</u>	<u>30,235,798</u>	<u>17,638,155</u>	<u>57,958,599</u>	<u>23,087,288</u>

See accompanying notes to financial statements.

**CITY OF WHITTIER, CALIFORNIA
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES, AND
 CHANGES IN FUND NET POSITION
 YEAR ENDED JUNE 30, 2015**

	Business-type Activities - Enterprise Funds				Internal Service Funds
	Sewer	Water	Solid Waste	Totals	
Operating Revenues:					
Charges for services	\$ 3,900,278	11,733,865	9,340,799	24,974,942	14,384,560
Total Operating Revenues	<u>3,900,278</u>	<u>11,733,865</u>	<u>9,340,799</u>	<u>24,974,942</u>	<u>14,384,560</u>
Operating Expenses:					
Sewer operations	1,502,603	-	-	1,502,603	-
Water operations	-	9,535,301	-	9,535,301	-
Solid waste collection and disposal	-	-	8,712,375	8,712,375	-
Provision for landfill closure and postclosure	-	-	574,954	574,954	-
Self insurance	-	-	-	-	3,481,647
Employee benefits	-	-	-	-	5,185,262
Maintenance	-	-	-	-	3,659,170
Depreciation	76,256	575,116	541,649	1,193,021	1,204,208
Total Operating Expenses	<u>1,578,859</u>	<u>10,110,417</u>	<u>9,828,978</u>	<u>21,518,254</u>	<u>13,530,287</u>
Operating Income (Loss)	<u>2,321,419</u>	<u>1,623,448</u>	<u>(488,179)</u>	<u>3,456,688</u>	<u>854,273</u>
Nonoperating Revenues (Expenses):					
Intergovernmental	-	105,339	19,388	124,727	-
Investment Income	37,143	202,584	104,175	343,902	115,128
Interest expense	-	(139,161)	(2,993)	(142,154)	-
Gain (Loss) on disposal of capital assets	-	3,146	-	3,146	(19,244)
Rental income	-	310,269	492,531	802,800	-
Other revenue	-	41,500	12,906	54,406	28,430
Total Nonoperating Revenues (Expenses)	<u>37,143</u>	<u>523,677</u>	<u>626,007</u>	<u>1,186,827</u>	<u>124,314</u>
Income Before Transfers	<u>2,358,562</u>	<u>2,147,125</u>	<u>137,828</u>	<u>4,643,515</u>	<u>978,587</u>
Transfers:					
Transfers in (note 6)	-	-	-	-	737,881
Transfers out (note 6)	(40,000)	(203,050)	(350,181)	(593,231)	-
Total Transfers	<u>(40,000)</u>	<u>(203,050)</u>	<u>(350,181)</u>	<u>(593,231)</u>	<u>737,881</u>
Change in Net Position	2,318,562	1,944,075	(212,353)	4,050,284	1,716,468
Net Position, Beginning of the Year, as restated	<u>7,766,084</u>	<u>28,291,723</u>	<u>17,850,508</u>	<u>53,908,315</u>	<u>21,370,820</u>
Net Position at End of the Year	<u>\$ 10,084,646</u>	<u>30,235,798</u>	<u>17,638,155</u>	<u>57,958,599</u>	<u>23,087,288</u>

See accompanying notes to financial statements.

**CITY OF WHITTIER, CALIFORNIA
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 YEAR ENDED JUNE 30, 2015**

	Business-type Activities - Enterprise Funds				Internal Service Funds
	Sewer	Water	Solid Waste	Total	
Cash flows from operating activities:					
Receipts from customers	\$ 3,932,730	10,797,878	9,860,805	24,591,413	14,164,248
Payments to suppliers for goods and services	(928,812)	(5,909,475)	(6,342,768)	(13,181,055)	(6,552,804)
Payments to employees for services	(633,187)	(2,264,215)	(2,458,259)	(5,355,661)	(5,032,912)
Non-operating rental income revenue received	-	310,269	492,531	802,800	-
Net cash provided by operating activities	<u>2,370,731</u>	<u>2,934,457</u>	<u>1,552,309</u>	<u>6,857,497</u>	<u>2,578,532</u>
Cash flows from noncapital financing activities:					
Receipts from other governmental agencies	-	105,339	19,388	124,727	-
Receipts from interfund services	-	-	-	-	737,881
Transfer to other funds	(40,000)	(203,050)	(350,181)	(593,231)	-
Net cash (used in) provided by noncapital financing activities	<u>(40,000)</u>	<u>(97,711)</u>	<u>(330,793)</u>	<u>(468,504)</u>	<u>737,881</u>
Cash flows from capital and related financing activities:					
Purchase of capital assets	-	(11,793,076)	(86,692)	(11,879,768)	(1,423,598)
Principal payments on Long-Term Debt	-	(540,000)	(445,000)	(985,000)	-
Interest and fiscal agent fees paid on long-term debt	-	(177,183)	(2,993)	(180,176)	-
Net cash provided (used) for capital and related financing activities	<u>-</u>	<u>(12,479,947)</u>	<u>(534,685)</u>	<u>(13,014,632)</u>	<u>(1,423,598)</u>
Cash flows from investing activities:					
Interest received on investments	31,856	200,054	82,639	314,549	101,919
Net cash provided by investing activities	<u>31,856</u>	<u>200,054</u>	<u>82,639</u>	<u>314,549</u>	<u>101,919</u>
Net increase in cash and cash equivalents	2,362,587	(9,443,147)	769,470	(6,311,090)	1,994,734
Cash and cash equivalents at beginning of the year	5,575,045	22,937,928	19,861,745	48,374,718	25,955,751
Cash and cash equivalents at end of year	<u>\$ 7,937,632</u>	<u>13,494,781</u>	<u>20,631,215</u>	<u>42,063,628</u>	<u>27,950,485</u>
Reconciliation of cash and cash equivalents to amounts reported on the balance sheet:					
Reported on the statement of net position:					
Cash and investments	\$ 7,937,632	12,745,711	11,500,359	32,183,702	27,950,485
Cash and investments - restricted	-	16,890	9,130,856	9,147,746	-
Cash and investments with fiscal agents	-	732,180	-	732,180	-
Cash and Cash Equivalents - June 30, 2015	<u>\$ 7,937,632</u>	<u>13,494,781</u>	<u>20,631,215</u>	<u>42,063,628</u>	<u>27,950,485</u>

See accompanying notes to financial statements.

**CITY OF WHITTIER, CALIFORNIA
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS (CONTINUED)
 YEAR ENDED JUNE 30, 2015**

	Business-type Activities - Enterprise Funds				Internal Service Funds
	Sewer	Water	Solid Waste	Total	
Reconciliation of operating income to net cash provided by operating activities:					
Operating income (loss)	\$ 2,321,419	1,623,448	(488,179)	3,456,688	854,273
Adjustments to reconcile income (loss) from operating to net cash provided by operating activities:					
Depreciation	76,256	575,116	541,649	1,193,021	1,204,208
Pension expense	19,132	125,338	166,006	310,476	-
Non-operating revenue	-	41,500	12,906	54,406	-
Changes in assets, deferred outflows of resources, and liabilities:					
Rental Income	-	310,269	492,531	802,800	28,430
(Increase)/decrease in accounts receivable	(7,548)	19,463	156,919	168,834	(44,801)
(Increase)/decrease in prepaid items	-	(15,000)	-	(15,000)	29,991
Decrease in inventory	-	12,640	-	12,640	-
(Increase) in deferred outflows related to pensions	(20,608)	(135,007)	(178,811)	(334,426)	-
(Decrease)/increase in accounts payable	(30,088)	1,523,537	160,839	1,654,288	77,952
Increase in accrued liabilities	1,342	5,639	8,015	14,996	7,440
(Decrease) in unearned revenue	-	(1,200,000)	-	(1,200,000)	-
Increase in claims payable	-	-	-	-	273,175
Increase in net OPEB liability	8,586	53,957	87,627	150,170	-
(Decrease)/increase in compensated absences	2,240	(6,443)	17,853	13,650	147,864
Increase in landfill closure and postclosure payable	-	-	574,954	574,954	-
Total Adjustments	49,312	1,311,009	2,040,488	3,400,809	1,724,259
Net Cash Provided by Operating Activities	<u>\$ 2,370,731</u>	<u>2,934,457</u>	<u>1,552,309</u>	<u>6,857,497</u>	<u>2,578,532</u>

Noncash investing, capital, and financing activities:

There were no significant non-cash investing, capital, and financing activities for the year ended June 30, 2015.

See accompanying notes to financial statements.

CITY OF WHITTIER, CALIFORNIA
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2015

	Redevelopment Successor Agency Private-purpose Trust Fund	Agency Funds
Assets and Deferred Outflows of Resources:		
Assets:		
Cash and investments (note 3)	\$ 5,860,685	951,701
Cash and investments with fiscal agents (note 3)	18,380,472	420,413
Receivable:		
Accounts	-	938,495
Interest	14,177	190
Land held for resale (note 4)	2,827,199	-
Capital assets not being depreciated	3,103,584	-
Capital assets being depreciated, net	86,636	-
	30,272,753	2,310,799
Total Assets		
Deferred Outflows of Resources:		
Deferred charges on refunding	659,962	
Liabilities and Net Position:		
Accounts payable	\$ 60,908	186,337
Accrued interest payable	376,793	-
Deposits payable	25,000	1,377,939
Due to bondholders	-	746,523
City Loan, net of valuation allowance	14,004,915	-
Noncurrent liabilities:		
Due within one year	1,235,000	-
Due in more than one year	45,511,850	-
	61,214,466	2,310,799
Total Liabilities		
Net Deficit:		
Held in trust for beneficiaries	\$ (30,281,751)	

See accompanying notes to financial statements.

**CITY OF WHITTIER, CALIFORNIA
 FIDUCIARY FUNDS
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 YEAR ENDED JUNE 30, 2015**

	<u>Redevelopment Successor Agency Private-purpose Trust Fund</u>
Additions:	
Revenues:	
Property taxes	\$ 6,549,753
Other	8,000
Investment earnings	53,643
Total Additions	<u>6,611,396</u>
Deductions:	
Professional services	318,376
Community development	890,445
Interest and fiscal charges	2,700,553
Amortization	28,583
Depreciation	21,659
Total Deductions	<u>3,959,616</u>
Change in net position	2,651,780
Net Position, Beginning of Year	<u>(32,933,531)</u>
Net Position, End of Year	<u><u>\$ (30,281,751)</u></u>

See accompanying notes to financial statements.



NOTES TO BASIC FINANCIAL STATEMENTS



CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

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

- Whittier Public Financing Authority
- Whittier Utility Authority
- Whittier Housing Authority

The City has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth by accounting principles generally accepted in the United States of America. The concept underlying the definition of the reporting entity is that elected officials are accountable. The component units above are included because of the significance of their operational or financial relationships with the City. The City is considered to be financially accountable for an organization if the City's governing body is substantially the same as the component unit's governing body, and there is a financial benefit or burden relationship between the City and component unit, or the City has operational responsibility for a component unit. Additionally, blending would be appropriate if the component unit provides services entirely, or almost entirely, to the City or for the benefit of the City. Lastly, if the component units' total debt outstanding is expected to be repaid with City resources, blending is also appropriate for the component unit.

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. Management of the City has operational responsibility for each component unit, as it manages the activities of each component unit in a similar manner in which it manages other of its own programs and activities. Additionally, the City is responsible for repayment of debt within the component units using resources of the primary government.

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

The Whittier Utility Authority issues separate component unit statements. Upon their completion, the financial statements of the component unit can be obtained at City Hall. A description of the City's component units are as follows:

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 former 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 former Redevelopment Agency. City Council serves as the governing Board. Further, City management has the same operational responsibility for this component unit as it does for the rest of the City. Lastly, debts issued through the Whittier Public Financing Authority are expected to be repaid with City's resources.

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. City Council serves as the governing Board of the Authority. Further, City management has the same operational responsibility for the Authority as it does for the rest of the City.

Whittier Housing Authority

The Whittier Housing Authority (Housing Authority) was established on February 1, 2012 as the territorial jurisdiction of the former Redevelopment Agency. The Housing Authority retained the housing assets and functions previously performed by the former Redevelopment Agency. City Council serves as the governing Board for the Housing Authority. Further, City management has the same operational responsibility for the Housing Authority as it does for the rest of the City.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. 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, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 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 segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Indirect expenses are allocated based on the annual cost allocation plan. 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 fiduciary 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, including the private-purpose trust fund, use the economic resources measurement focus and the accrual basis of accounting. The Agency fund has no measurement focus but utilizes the accrual basis of accounting for reporting assets and liabilities. 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.

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.

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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.

Internal service funds are used to account for those operations which provide benefits to other funds, departments, or agencies of the primary government and its component unit. Although the City's internal service fund is reported as a proprietary fund in the fund financial statements, it is incorporated into governmental activities in the government-wide financial statements.

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 restricted for transit and transit related costs and improvement projects.

The HOME Fund — This fund accounts for the receipt and expenditure of the Home Ownership and Mortgage Education (HOME) federal program restricted to costs of provide housing for low-income families.

The Housing Authority — This fund accounts for restricted revenues and expenditures for the housing activities of the former Redevelopment Agency's Low and Moderate Income Fund activities which includes the Commercial Corridor, Greenleaf/Uptown, Whittier Boulevard, and Earthquake Recovery Redevelopment Project Areas.

The City reports the 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.

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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 Debt Service Funds are used to account for the proceeds of the 2002 and 2007A Tax Allocation Loans, loaned to the former Whittier Redevelopment Agency, and for the debt service payments.

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 City.

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 Redevelopment Successor Agency Private-purpose Trust Fund accounts for the assets, liabilities and activities of the former Redevelopment Agency of the City in a trustee capacity to pay for enforceable obligations of the former Redevelopment Agency. In accordance with Assembly Bill (AB) X1 26 and AB 1484, the Redevelopment Agency was dissolved February 1, 2012.

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.

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.

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance

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 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 Successor Agency. For the purposes of the statement of cash flows, the enterprise funds consider the entire amount to be cash and cash equivalents.

Cash and Investments

Investments are reported in the accompanying financial statements at fair value.

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.

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 due from/due to other fund (e.g., the current portion of interfund loans) or advances to/from other funds (the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as internal balances.

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.

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance (Continued)

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 percent of full value. From this base of assessment, subsequent annual increases in valuation are limited to a maximum of 2 percent. 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 percent 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 accrues only those taxes that are received within 60 days after year end in the governmental funds.

Lien date:	January 1
Levy date:	July 1
Due dates:	November 1 - 1st installment February 1 - 2nd installment
Delinquent date:	December 10 - 1st installment April 10 - 2nd installment

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 2nd installment collected
July	Collection No. 2
August	Collection No. 3

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance (Continued)

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, 2015 are recorded as prepaid items and are offset equally by a nonspendable fund balance classification 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 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.

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. The amount of interest that was capitalized during the fiscal year ended June 30, 2015 was \$663,654.

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance (Continued)

Capital Assets (Continued)

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

Assets	Years
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.

Deferred Outflows and Inflows of Resources

The City reports deferred outflows and inflows of resources. A deferred outflow of resources is a consumption of net position or fund balance by the government that is applicable to a future reporting period. A deferred inflow of resources represents an acquisition of net position or fund balance by the government that is applicable to a future period.

Under the modified accrual basis of accounting, it is not enough that revenue has been earned if it is to be recognized as revenue of the current period. Revenue must also be susceptible to accrual; it must be both measurable and available to finance expenditures of the current fiscal year. If assets are recognized in connection with a transaction, but those assets are not yet available to finance expenditures of the current fiscal year, then the assets must be offset by a corresponding deferred inflow of resources. This type of deferred inflow is unique to governmental funds, since it is tied to the modified accrual basis of accounting, which is only used in connection with governmental funds.

Occasionally, the City refunds some of its existing debt. When this occurs, the difference between the funds required to retire (reacquisition price of) the refunded debt and the net carrying amount of refunded debt results in a deferred amount on refunding. If there is an excess of the reacquisition price of refunded debt over its net carrying amount, it is treated as a deferred outflow of resources (a deferred loss on refunding). If there is an excess net carrying value amount of refunded debt over its reacquisition price, it is treated as a deferred inflow of resources (a deferred gain on refunding).

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance (Continued)

Deferred Outflows and Inflows of Resources (Continued)

The City reports deferred outflows and inflows of resources related to pensions on the government-wide statement of net position, under full accrual basis of accounting. Pension related deferred outflows of resources relate to contributions made subsequent to the measurement date, which will be reflected as a reduction of net pension liability in a future reporting period. Pension related deferred inflows of resources represent the net differences between projected and actual earnings on plan investments, and will be recognized as part of pension expense in future reporting periods. Refer to Note 12 for items identified as deferred inflows and outflows related to pensions as of June 30, 2015.

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. An Internal Service Fund is used for recording 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 cannot accrue more than one and one-half times their regular annual entitlement.

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance (Continued)

Compensated Absences (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 based on employee classification. 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. These compensated absences are 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 position.

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

Pensions

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

Net Position and Fund Balance

In the government-wide financial statements and proprietary fund financial statements, net position is reported in three categories: net investment in capital assets, restricted net position, and unrestricted net position. Restricted net position represents net position restricted by parties outside of the City (such as creditors, grantors, contributors, and laws and regulations of other governments) and includes unspent proceeds of bonds issued to acquire or construct capital assets. All other net position is considered unrestricted.

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Fund Balance (Continued)

Net Position and Fund Balance (Continued)

Fund balance is the difference between the assets plus deferred outflows, and liabilities plus deferred inflows, or the net fund balance reported in a governmental fund. There are five components of fund balance, each of which identifies the extent to which the City is bound to honor constraints on the specific purposes for which amounts can be spent based on the adopted City Council policy classified in accordance with GASB issued Statement No. 54:

- *Nonspendable Fund Balance* — represents amounts that cannot be spent because they are either not in spendable form (e.g. inventories, prepaid items, long-term portion of loans receivable, land held for resale); or legally or contractually required to be maintained intact.
- *Restricted Fund Balance* — externally imposed by law or constrained by grantors, contributors, or laws or regulations of other governments.
- *Committed Fund Balance* — committed for use for specific purposes by the highest level of formal action of the City Council such as a resolution. The constraints remains binding unless removed in the same formal manner by the City Council. City action to commit fund balance must occur within the fiscal period while the amount committed may be determined subsequently.
- *Assigned Fund Balance* — intended on use for specific purposes by the governing body itself or official delegated with the authority to assign amounts to be used for specific purposes, which are neither restricted nor committed. Intent should be established by the City Council, or by an official designated for that purpose. The City has designated the authority to assign amounts used for specific purposes to the City Controller in accordance with the Fund Balance Policy.
- *Unassigned Fund Balance* — the available and uncommitted fund balance.

Unless necessary by other requirements and circumstances, the accounting policies of the City consider restricted fund balance to be spent first when an expenditure is incurred for its purpose, for which both restricted and unrestricted fund balance is available. Similarly, when an expenditure is incurred for purposes, for which an amount in any of the unrestricted classifications of fund balance could be used, the City considers committed amounts to be reduced first, followed by assigned amounts and then unassigned amounts.

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, deferred outflows, liabilities, deferred inflows, 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.

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. New GASB Pronouncements

Adopted in the Current Year

GASB Statement No. 68 – In June 2012, GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. The City implemented this pronouncement, effective July 1, 2014.

GASB Statement No. 71 – In November 2013, GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68. The City implemented this pronouncement, effective July 1, 2014.

Effective in Future Years

GASB Statement No. 72 – In February 2015, GASB issued Statement No. 72, *Fair Value Measurement and Application*. The primary objective of this statement is to define fair value and describe how fair value should be measured, define what assets and liabilities should be measured at fair value, and determine what information about fair value should be disclosed in the notes to the financial statements. The Statement is effective for periods beginning after June 15, 2015, or the 2015-16 fiscal year. The City has not determined the effect of the statement.

GASB Statement No. 73 – In June 2015, GASB issued Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets that are Not within the Scope of GASB Statement No. 68, and Amendments to Certain Provisions of GASB Statements No. 67 and No. 68*. The objective of this statement establishes requirements for those pensions and pension plans that are not administered through a trust meeting specified criteria. The Statement is effective for periods beginning after June 15, 2015, or the 2015-2016 fiscal year. The City has not determined the effect of the statement.

GASB Statement No. 74 – In June 2015, GASB issued Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. The objective of the Statement is to address the financial reports of defined benefit OPEB plans that are administered through trusts that meet specified criteria. The Statement requires more extensive note disclosures and RSI related to the measurement of the OPEB liabilities for which assets have been accumulated. The Statement is effective for periods beginning after June 15, 2016, or the 2016-2017 fiscal year. The City has not determined the effect of the statement.

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. New GASB Pronouncements (Continued)

Effective in Future Years (Continued)

GASB Statement No. 75 – In June 2015, GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. The objective of the Statement is to replace the requirements of GASB Statement No. 45. In addition, the Statement requires governments to report a liability on the face of the financial statements for the OPEB provided and requires governments to present more extensive note disclosures and required supplementary information about their OPEB liabilities. The Statement is effective for the periods beginning June 15, 2017, or the 2017-2018 fiscal year. The City has not determined the effect of the statement.

GASB Statement No. 76 – In June 2015, GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The objective of this statement is to reduce the GAAP hierarchy to two categories of authoritative GAAP from the four categories under GASB Statement No. 55. The Statement is effective for the periods beginning after June 15, 2015, or the 2015-2016 fiscal year. The City has not determined the effect of the statement.

GASB Statement No. 77 – In August 2015, GASB issued Statement No 77, *Tax Abatement Disclosures*. The Statement requires state and local governments to disclose information about tax abatement agreements. The Statement is effective for the periods beginning after December 15, 2015, or the 2016-2017 fiscal year. The City has not determined the effect of that statement.

NOTE 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 adjustments that affect the total appropriations for any fund require City Council approval. Budget transfers within a budget code with no change in total appropriation within a fund and budget code are approved by the City Manager and do not require additional approval by the City Council. A budget code could be a department, program or a division. Expenditures may not exceed appropriations at the budget code level for the General Fund, and fund level for Special Revenue, Capital Projects, and Debt Service Funds except the Housing Authority without additional approval by the City Council or related Board.

Legally adopted budgets for all governmental funds are established on a modified accrual basis. At year end all operating budget appropriations lapse with the exception of encumbered and continuing appropriations. Budgets are adopted for the General Fund, all special revenue, capital project, and debt service funds, except for the Housing Authority fund.

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

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. 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.

Budgetary Basis of Accounting

Budgets for governmental funds (which include 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).

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.

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

Excess of expenditures over appropriations in department/cost centers of individual funds is as follows:

Fund	Final Budget	Expenditures	Excess
Major Funds:			
General Fund:			
City attorney	\$ 300,349	585,182	284,833
City manager	771,130	810,836	39,706
Civic center maintenance	1,271,976	1,318,602	46,626
Social services	234,836	239,626	4,790
Police Department	29,034,915	29,673,939	639,024
Disaster preparedness	57,564	82,684	25,120
Code enforcement	385,522	386,920	1,398
Building and safety	724,676	1,249,329	524,653
Parks and recreation	5,162,326	5,269,953	107,627
Community services	3,315,011	3,589,355	274,344
Weed control	8,300	8,767	467
Street lighting	471,631	517,836	46,205
Traffic signals	410,113	419,332	9,219
Non-major Funds:			
Street Lighting District 1-91			
Special Revenue Fund	1,069	1,379	310
Business Improvement Area			
Special Revenue Fund	111,500	115,537	4,037
Whittier Uptown Parking District			
No. 1 Special Revenue Fund	70,468	90,013	19,545

NOTE 3 – CASH AND INVESTMENTS

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

	Governmental Activities	Business- Type Activities	Fiduciary Funds	Total
Cash and investments	\$ 83,095,245	32,183,702	6,812,386	122,091,333
Restricted assets:				
Cash and investments	1,091,413	9,147,746	-	10,239,159
Cash and investments with fiscal agents	6,743,777	732,180	18,800,885	26,276,842
Totals	<u>\$ 90,930,435</u>	<u>42,063,628</u>	<u>25,613,271</u>	<u>158,607,334</u>

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 3 – CASH AND INVESTMENTS (CONTINUED)

Cash and investments at June 30, 2015 consisted of the following:

Petty cash	\$ 11,083
Deposits with financial institutions	881,318
Investments	<u>157,714,933</u>
Total Cash and Investments	<u><u>\$ 158,607,334</u></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.

Investment Types Authorized by State Law	Authorized by Investment Policy	Maximum Maturity*	Maximum Percentage of Portfolio*	Maximum Investment in One Issuer*
Local Agency Investment Fund (LAIF)	Yes	N/A	50%	None
U.S. Treasury Obligations	Yes	5 years	None	None
U.S. Agency Securities	Yes	5 years	60%	None
Certificates of Deposits	Yes	5 years	30%	None
Bankers Acceptance, Prime Quality	Yes	180 days	20%	10%
Commercial Paper, Prime Quality	Yes	270 days	20%	10%
Medium Term Corporate Notes	Yes	3 years	30%	None
JPA Pools (other investment pools)	Yes	N/A	20%	None

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

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 3 – CASH AND INVESTMENTS (CONTINUED)

Investments Authorized by Debt Agreements

Investments 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 Allowed	Maximum Investment In One Issuer
Certificates of Deposit	None	None	None
U.S. Treasury Obligations	None	None	None
U.S. Agency Securities	None	None	None
Banker's Acceptances	5 years	None	None
Commercial Paper	5 years	None	None
Money Market Mutual Funds invested solely in U.S. Treasury	N/A	None	None
Investment Contracts	30 years	None	None
Medium Term Corporate Notes	5 years	None	None
Local Agency Investment Fund (State Pool)	None	None	None

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.

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 3 – CASH AND INVESTMENTS (CONTINUED)

Disclosures Relating to Interest Rate Risk (Continued)

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 Maturing (In Months)			
		6 Months Or Less	7 to 12 Months	13 to 24 Months	25 to 42 Months
U.S. Treasury Bills	\$ 2,000,000	2,000,000	-	-	-
U.S. Treasury Notes	17,950,020	4,002,340	-	4,005,160	9,942,520
Federal Agency Securities	51,793,765	12,004,400	7,997,080	16,019,900	15,772,385
Certificate of Deposit	4,658,603	1,230,826	1,230,776	2,197,001	-
Local Agency Investment Fund (LAIF)	55,080,137		55,080,137	-	-
Held by fiscal agent:					
U.S. Treasury Bills	3,143,479	3,143,479	-	-	-
Local Agency Investment Fund (LAIF)	21,999,254		21,999,254	-	-
Federal Agency Securities	1,089,675	1,089,675	-	-	-
Total	\$ 157,714,933	23,470,720	86,307,247	22,222,061	25,714,905

The City can make withdrawals from LAIF on demand. As of June 30, the weighted average maturity of the investments contained in the LAIF investment pool is approximately 8 months.

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	Totals	Minimum Legal Rating	Exempt from Disclosure	S & P Rating as of Year End	
				AA+	Not Rated
U.S. Treasury Bills	\$ 2,000,000	N/A	2,000,000	-	-
U.S. Treasury Notes	17,950,020	N/A	17,950,020		
Federal Agency Securities	51,793,765	N/A	-	51,793,765	-
Certificate of Deposit	4,658,603	N/A	-	-	4,658,603
Local Agency Investment Fund (LAIF)	55,080,137	N/A	-	-	55,080,137
Held by fiscal agent:					
U.S. Treasury Bills	3,143,479	N/A	3,143,479	-	-
Local Agency Investment Fund (LAIF)	21,999,254	N/A	-	-	21,999,254
Federal Agency Securities	1,089,675	N/A	-	1,089,675	-
Total	\$ 157,714,933		23,093,499	52,883,440	81,737,995

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 3 – CASH AND INVESTMENTS (CONTINUED)

Concentration of Credit Risk

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 percent or more of total City investments are as follows:

Issuer	Investment Type	Reported Amount
Federal Home Loan Bank	Federal Agency Security	\$ 15,739,385
Federal Agricultural Mortgage Corporation	Federal Agency Security	14,027,400
Federal Farm Credit Bank	Federal Agency Security	14,028,120

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent 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 percent of the secured public deposits. As of June 30, 2015, the City's deposits with financial institutions were covered by FDIC up to \$250,000, and the remaining amounts of \$735,809 were collateralized as described above.

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, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 4 – INVESTMENT – LAND HELD FOR RESALE

The City’s former Redevelopment Agency acquired several parcels of land as part of its primary purpose to develop or redevelop blighted properties. As part of the dissolution of the Redevelopment Agency, the parcels were allocated between the Redevelopment Successor Agency and the Housing Authority. As of June 30, 2015, the Housing Authority and Successor Agency Private-purpose Trust Fund reported land held for resale with a net realizable value of \$4,725,945, and \$2,827,199, respectively.

NOTE 5 – NOTES AND LOANS RECEIVABLE

	Outstanding Balance <u>June 30, 2015</u>
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 up to \$50,000 each and shall be forgiven within 15 years. The employee needs to maintain the property as his/her principal residence and remain an active sworn employee of the City. As of June 30, 2015, 36 loans totaling \$936,755 have been provided. \$12,637 of principal has been forgiven and 19 loans have been repaid or fully forgiven.	\$ 629,038
During the 1985-86 fiscal year, the former Redevelopment Agency (taken over by the Housing Authority) loaned the developer of the William Penn Manor Project, \$500,000 for the site acquisition. During fiscal year 1989-90, William Penn Manor borrowed an additional \$103,401 from the former 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 Housing Authority 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 Housing Authority. The loans are 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, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 5 – NOTES AND LOANS RECEIVABLE (CONTINUED)

	<u>Outstanding Balance June 30, 2015</u>
<p>During the 1997-98 fiscal year, the former Redevelopment Agency approved the First-time Homebuyer Program. Since then the Agency had 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, 2015, \$29,736 in loan principal was either paid or forgiven.</p>	<p>\$ 97,823</p>
<p>On February 6, 2008, the City entered into HOME Program Participation and Loan Agreement with Whittier Area First Day Coalition (First Day), under which the City provided a loan of up to \$135,250 to First Day. On June 10, 2009, the City agreed to provide an additional \$92,300 requested by First Day for the total of \$227,550 for the sole purpose of paying for expenses of rehabilitation of the Project. The loan is evidenced by a promissory note dated June 10, 2009 and secured by deed of trust. The loan is non-interest bearing and is due and payable on the date that is fifty-five years after the date of the note.</p>	<p>227,550</p>
<p>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.</p>	<p>3,610,140</p>
<p>During the fiscal year 1999-2000, the City and the former Redevelopment Agency had entered into an affordable housing project agreement with Seasons Uptown Whittier, L.P. (Hoover). In the agreement, the City and Agency would assist Hoover in the financing of the acquisition and development of 50 senior apartment units by providing Hoover with two residual receipts loans from the Agency's Low and Moderate Income Housing Fund and the City's HOME fund. The first promissory note with the original principal of \$845,045 is an interest compounded loan at the long-term applicable federal rate as defined in Internal Revenue Code Section 1274(d)(1). The second promissory note in the original principal amount of \$494,003 is a non-interest bearing loan. Both notes shall be paid over a period of fifty-five years and secured by a first deed of trust. The borrower is obligated to repay the principal amount of the notes and the accrued interest each month in which there is positive cash flow as defined in the notes. During the fiscal year 2014-15, nothing was repaid. Of the \$2,115,631, the Housing Authority portion of the amount is \$1,121,284. The remainder is due to the HOME fund.</p>	<p>2,115,631</p>

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 5 – NOTES AND LOANS RECEIVABLE (CONTINUED)

Outstanding
Balance
June 30, 2015

During fiscal year 2009-10, the former Redevelopment Agency ("Agency") implemented the Gables of Whittier Affordable Home Ownership Loan Program ("Program"). The Program provides "silent second" loans to homebuyers of low and moderate income. Homes purchased under the program have specific resale restrictions that intend to maintain the affordable units for a minimum of 45 years. The Agency's assistance is a deferred loan with no annual accruing interest, except in some cases for the Equity Appreciation Share, in which the homebuyer has intentions to resale the property. The loan will not become due unless a sale or transfer of the property to an eligible buyer occurs. As of June 30, 2015, twenty-four families received assistance from the program.

\$ 3,260,109

On March 8, 2011, the former Redevelopment Agency and the City entered into an Owner Participation and Loan Agreement with LINC Community Development Corporation (LINC) to facilitate acquisition and development of a half-acre parcel of land located in the City of Whittier in the Agency's Whittier Boulevard Redevelopment Project Area. The Agency loaned LINC \$2,803,254 from the Agency's affordable housing set-aside funds for land acquisition and construction costs for the 21 unit affordable apartment complex called Mosaic Gardens. In addition, the City loaned LINC \$2,291,746 from federal HOME funds for the project. Twenty of the units will be restricted to households at certain income levels at affordable rents and thereby increase the supply of affordable housing in the City. The one additional unit would be an unrestricted manager's unit. The loans are due and payable in 58 years at an interest rate of 2.5%. Any interim repayment is out of Surplus Cash as defined in the promissory notes. Of the \$5,254,449 outstanding at year end, the Housing Authority portion of the amount is \$2,753,891.

5,254,449

On May 23, 2011, the former Redevelopment Agency entered into a Exclusive Negotiation and Loan Agreement with Heritage Housing Partners (Developer), which was subsequently transferred and assigned to HHP-Penn, LLC on June 23, 2015, to provide the First Predevelopment Loan of \$97,747 from the Agency's affordable housing set-aside funds. The agreement anticipated the Agency and Developer subsequently enter into a disposition and development agreement that allows the Developer to acquire and then develop a 28,000 square foot Agency-owned site as a nine to ten unit affordable home ownership housing project located on 7306, 7312, and 7316 Comstock Avenue. The project has been continued through the Whittier Housing Authority (Authority), the housing successor to the Agency. During the year, an additional \$13,458 of the first predevelopment loan of \$97,747 was disbursed to the Developer. On June 23, 2015, the Authority entered into the Second Predevelopment Loan Agreement and Amendment of the First Predevelopment Loan Agreement with the Developer, to provide an additional loan of \$80,000 from the Authority's low/mod housing set aside funds from time to time, with no interest. As of June 30, 2015, \$48,868 of the second loan has been disbursed.

146,615

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 5 – NOTES AND LOANS RECEIVABLE (CONTINUED)

	<u>Outstanding Balance June 30, 2015</u>
On July 26, 2013, the City entered into a loan agreement with Whittier Senior Housing, LP. In the agreement, the City would provide a loan amount not to exceed \$300,000 loan from the federal HOME Investment Partnership Program funds for renovation costs of a 156 unit high-rise apartment project. One-hundred fifty-five (155) of the units will be restricted to households at extremely low, very-low and low income levels at affordable rents. The loan bears one percent (1%) simple interest rate per annum, and is due and payable on or before the earlier of the date that is 55 years after issuance of a Certificate of Completion or the occurrence of a Default under the Loan Agreement. The City transferred \$300,000 to Whittier Senior Housing LP on February 6, 2014. As of June 30, 2015, interest in the amount of \$4,184 was added to the outstanding balance.	\$ 304,184
Total notes and loans receivable	\$ 16,248,940

NOTE 6 – INTERFUND ACTIVITY

Transfers To/From Other Funds:

Transfer In	Transfer Out	Amount
General Fund	Non-Major Governmental Funds	\$ 1,534,164 (A)
	Water Fund	4,050 (B)
	Housing Authority	50,000 (G)
	Subtotal	1,588,214
Non-Major Governmental Funds	General Fund	812,648 (C)
	Transit Fund	89,140 (C)
	Subtotal	901,788
Internal Service Funds	General Fund	67,200 (D)
	Sewer Fund	40,000 (E)
	Water Fund	199,000 (E)
	Solid Waste Fund	350,181 (E)
	Non-Major Governmental Funds	81,500 (F)
	Subtotal	737,881
	Total	\$ 3,227,883

Transfers are used to: (A) transfer to the General Fund for street maintenance expenditures, (B) transfer to the General Fund for document imaging expenditure, (C) transfer for capital and employee service costs, (D) transfer to Internal Service Funds for other equipment replacement, (E) transfer for capital purchases, (F) transfer for services rendered, and (G) transfer to the General Fund for social services expenditures.

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 7 – ADVANCES TO SUCCESSOR AGENCY

The City loaned the former Whittier Redevelopment Agency funds prior to dissolution. As of June 30, 2015, the General Fund is owed \$8,192,018, with an allowance of \$526,297, to finance expenditures incurred in the project areas; the Whittier Housing Authority Fund is owed \$2,169,194 for funds loaned for the allocation to the Supplemental Education Revenue Augmentation (“SERAF”) pursuant to the Health and Safety Code Section 33690(c); and the Public Financing Authority, a non-major fund, is owed \$4,170,000 for the issuance of the 2002 Revenue Bonds. All amounts due, totaling \$14,531,212, are reported by the City. In the opinion of management, and in consultation with its legal counsel, the \$14,531,212 represents amounts owed to the City for advances by the former Whittier Redevelopment Agency for legitimate redevelopment purposes. Further, management of the City of Whittier asserts that it has complied with AB x1 26, as amended by AB 1484, and intends to perform all actions required under Health and Safety Code Section (HSC) 34191.4 to ensure collectability of the amounts outstanding. The \$526,297 allowance represents the City’s calculation of interest on the advance using the LAIF rate which DOF has denied.

In May 2013, the City received notification of the “Finding of Completion” from the DOF, which allows for: 1) loan agreements between the former redevelopment agency and City may be placed on the ROPS as an enforceable obligation, provided the oversight board makes a finding that the loan was for a legitimate redevelopment purpose per California Health and Safety Code (HSC) section 34191.4(b)(1), and 2) utilizing proceeds derived from bonds issued prior to January 1, 2011 in a manner consistent with the original bond covenants per HSC section 34191.4(c).

In June 2014, the City received notification from DOF that the advances were for legitimate redevelopment purposes, and as such the outstanding principal and recalculated LAIF interest for these loans will be recognized as enforceable obligations. Further, management has assessed the projected cash flows for repayment of the advances in accordance with HSC 34191.4. Management asserts that payments towards the advance will commence in fiscal year 2017-18.

During the fiscal year 2014-15, the Successor Agency repaid \$444,933 of the SERAF loan to the Whittier Housing Authority. The fiscal year interest of \$13,171, calculated using DOF’s approved LAIF rate, was included in the advance of \$8,192,018 above.

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 8 – CAPITAL ASSETS

Governmental Activities

Capital asset governmental activity for the fiscal year ended June 30, 2015 was as follows:

	Balance at June 30, 2014	Additions	Deletions	Balance at June 30, 2015
Capital Assets Not Being Depreciated:				
Land	\$ 25,201,001	-	-	25,201,001
Rights of way/Easement	7,725,506	-	-	7,725,506
Trees	2,408,830	47,250	(13,200)	2,442,880
Construction in progress	58,937	980,971	-	1,039,908
Total	<u>35,394,274</u>	<u>1,028,221</u>	<u>(13,200)</u>	<u>36,409,295</u>
Capital Assets, Being Depreciated:				
Buildings	39,887,415	-	-	39,887,415
Improvements	28,198,683	403,660	-	28,602,343
Machinery and equipment	24,349,318	1,364,181	(579,527)	25,133,972
Infrastructure:				
Roadways	85,388,214	-	-	85,388,214
Storm drains	2,656,228	-	-	2,656,228
Other street appurtenances	9,489,512	-	-	9,489,512
Total	<u>189,969,370</u>	<u>1,767,841</u>	<u>(579,527)</u>	<u>191,157,684</u>
Less Accumulated Depreciation for:				
Buildings	(13,070,363)	(1,254,998)	-	(14,325,361)
Improvements	(8,982,882)	(1,187,339)	-	(10,170,221)
Machinery and equipment	(16,403,516)	(1,628,994)	560,283	(17,472,227)
Infrastructure:				
Roadways	(67,234,532)	(2,465,324)	-	(69,699,856)
Storm drains	(1,070,154)	(48,849)	-	(1,119,003)
Other street appurtenances	(6,153,946)	(274,044)	-	(6,427,990)
Total	<u>(112,915,393)</u>	<u>(6,859,548)</u>	<u>560,283</u>	<u>(119,214,658)</u>
Capital Assets being depreciated, net	<u>77,053,977</u>	<u>(5,091,707)</u>	<u>(19,244)</u>	<u>71,943,026</u>
Capital Assets, net	<u>\$ 112,448,251</u>	<u>(4,063,486)</u>	<u>(32,444)</u>	<u>108,352,321</u>

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 8 – CAPITAL ASSETS (CONTINUED)

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

	Governmental Activities
General government	\$ 1,486,031
Public safety	270,017
Public works	3,900,853
Community development	18,992
Parks and recreation	597,144
Libraries	340,203
Transit	246,308
Total	\$ 6,859,548

Business-type Activities

Capital asset business-type activities for the fiscal year ended June 30, 2015 was as follows:

	Balance at June 30, 2014	Additions	Deletions	Balance at June 30, 2015
<u>Sewer Fund:</u>				
Capital assets, being depreciated:				
Improvements	\$ 3,448,122	-	-	3,448,122
Total Sewer Capital Assets, Being Depreciated	3,448,122	-	-	3,448,122
Less - accumulated depreciation for:				
Improvements	(820,126)	(76,256)	-	(896,382)
Total Accumulated Depreciation	(820,126)	(76,256)	-	(896,382)
Total Sewer Capital Assets, Being Depreciated, Net	2,627,996	(76,256)	-	2,551,740
Total Sewer Capital Assets, Net	\$ 2,627,996	(76,256)	-	2,551,740

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 8 – CAPITAL ASSETS (CONTINUED)

Business-type Activities, (Continued)

	Balance at June 30, 2014	Additions	Deletions	Balance at June 30, 2015
<u>Water Fund:</u>				
Capital assets, not being depreciated:				
Land	\$ 598,955	-	-	598,955
Construction in progress	6,533,820	11,793,077	-	18,326,897
Total	<u>7,132,775</u>	<u>11,793,077</u>	<u>-</u>	<u>18,925,852</u>
Capital assets, being depreciated:				
Improvements	30,365,382	-	-	30,365,382
Buildings	1,123,295	-	-	1,123,295
Machinery and equipment	331,938	-	-	331,938
Total Water Capital Assets, Being Depreciated	<u>31,820,615</u>	<u>-</u>	<u>-</u>	<u>31,820,615</u>
Less - accumulated depreciation for:				
Improvements	(10,743,366)	(558,967)	-	(11,302,333)
Buildings	(1,103,583)	(3,278)	-	(1,106,861)
Machinery and equipment	(256,315)	(12,871)	-	(269,186)
Total Accumulated Depreciation	<u>(12,103,264)</u>	<u>(575,116)</u>	<u>-</u>	<u>(12,678,380)</u>
Total Water Capital Assets, Being Depreciated, Net	<u>19,717,351</u>	<u>(575,116)</u>	<u>-</u>	<u>19,142,235</u>
Total Water Capital Assets, Net	<u>\$ 26,850,126</u>	<u>11,217,961</u>	<u>-</u>	<u>38,068,087</u>
	Balance at June 30, 2014	Additions	Deletions	Balance at June 30, 2015
<u>Solid Waste Activity:</u>				
Capital assets, not being depreciated:				
Land	\$ 2,227,801	-	-	2,227,801
Construction in progress	-	86,692	-	86,692
Total Solid Waste Capital Assets, Not Being Depreciated	<u>2,227,801</u>	<u>86,692</u>	<u>-</u>	<u>2,314,493</u>
Capital assets, not being depreciated:				
Improvements	17,083,888	-	-	17,083,888
Buildings	151,033	-	-	151,033
Machinery and equipment	254,710	-	(30,795)	223,915
Total Solid Waste Capital Assets, Being Depreciated	<u>17,489,631</u>	<u>-</u>	<u>(30,795)</u>	<u>17,458,836</u>
Less - accumulated depreciation for:				
Improvements	(6,886,636)	(535,748)	-	(7,422,384)
Buildings	(150,070)	(395)	-	(150,465)
Machinery and equipment	(177,634)	(5,506)	30,795	(152,345)
Total Accumulated Depreciated	<u>(7,214,340)</u>	<u>(541,649)</u>	<u>30,795</u>	<u>(7,725,194)</u>
Total Solid Waste Assets, Being Depreciated, Net	<u>10,275,291</u>	<u>(541,649)</u>	<u>-</u>	<u>9,733,642</u>
Total Solid Waste Assets, Net	<u>\$ 12,503,092</u>	<u>(454,957)</u>	<u>-</u>	<u>12,048,135</u>

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 8 – CAPITAL ASSETS (CONTINUED)

Business-type Activities, (Continued)

	Balance at June 30, 2014	Additions	Deletions	Balance at June 30, 2015
<u>Total Business-type Activities</u>				
Capital assets not being depreciated:				
Land	\$ 2,826,756	-	-	2,826,756
Construction in progress	6,533,820	11,879,769	-	18,413,589
Total Capital Assets Not Being Depreciated	<u>9,360,576</u>	<u>11,879,769</u>	<u>-</u>	<u>21,240,345</u>
Capital assets, being depreciated:				
Improvements	50,897,392	-	-	50,897,392
Buildings	1,274,328	-	-	1,274,328
Machinery and equipment	586,648	-	(30,795)	555,853
Total Capital Assets Being Depreciated	<u>52,758,368</u>	<u>-</u>	<u>(30,795)</u>	<u>52,727,573</u>
Less accumulated depreciation for:				
Improvements	(18,450,128)	(1,170,971)	-	(19,621,099)
Buildings	(1,253,653)	(3,673)	-	(1,257,326)
Machinery and equipment	(433,949)	(18,377)	30,795	(421,531)
Total Accumulated Depreciation	<u>(20,137,730)</u>	<u>(1,193,021)</u>	<u>30,795</u>	<u>(21,299,956)</u>
Total Capital Assets, Being Depreciated, Net	<u>32,620,638</u>	<u>(1,193,021)</u>	<u>-</u>	<u>31,427,617</u>
Total Capital Assets, Net	<u>\$ 41,981,214</u>	<u>10,686,748</u>	<u>-</u>	<u>52,667,962</u>

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

	Business Type Activities
Sewer	\$ 76,256
Water	575,116
Solid Waste	541,649
Total	<u>\$ 1,193,021</u>

Leases

On September 25, 2012, the City approved the leasing of 2,000 acre-feet of Main San Gabriel Basin production rights for \$600 per acre-foot for four fiscal years, 2013 through 2016, paid in advance providing \$4,800,000 to the City in fiscal year 2013. As of June 30, 2015, \$1,200,000 is unearned revenue for fiscal year 2015, reported in the Water Fund, which will be recognized as revenue in fiscal year 2016.

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 9 – LONG TERM LIABILITIES

The following is a summary of changes in the City’s long term liabilities for the year ended June 30, 2015:

	Balance at June 30, 2014	Additions	Reductions	Balance at June 30, 2015	Due Within One Year
Governmental Activities:					
Compensated absences	\$ 5,162,049	2,991,873	(2,844,013)	5,309,909	1,858,468
Tax allocation bonds	4,520,000	-	(350,000)	4,170,000	370,000
Claims payable	4,852,749	2,533,731	(2,260,556)	5,125,924	3,331,851
Net OPEB liability	3,282,933	484,498	(280,667)	3,486,764	-
Total Governmental Activities	<u>\$ 17,817,731</u>	<u>6,010,102</u>	<u>(5,735,236)</u>	<u>18,092,597</u>	<u>5,560,319</u>
Business-type Activities:					
Sewer Fund:					
Compensated absences	\$ 48,885	20,767	(18,527)	51,125	17,894
Net OPEB liability	53,281	13,566	(4,980)	61,867	-
Total Sewer Fund	<u>102,166</u>	<u>34,333</u>	<u>(23,507)</u>	<u>112,992</u>	<u>17,894</u>
Water Fund:					
Compensated absences	144,235	97,489	(103,932)	137,792	48,227
Revenue refunding bonds	17,615,000	-	(540,000)	17,075,000	560,000
Add: Premium/(Discount) on Bonds Payable	719,249	-	(38,022)	681,227	-
Net OPEB liability	139,943	69,565	(15,608)	193,900	-
Total Water Fund	<u>18,618,427</u>	<u>167,054</u>	<u>(697,562)</u>	<u>18,087,919</u>	<u>608,227</u>
Solid Waste Fund:					
Compensated absences	205,321	137,193	(119,340)	223,174	78,111
Revenue refunding bonds	445,000	-	(445,000)	-	-
Landfill closure and postclosure	11,789,198	574,954	-	12,364,152	-
Net OPEB liability	159,843	107,546	(19,920)	247,469	-
Total Solid Waste Fund	<u>12,599,362</u>	<u>819,693</u>	<u>(584,260)</u>	<u>12,834,795</u>	<u>78,111</u>
Total Business-type Activities	<u>\$ 31,319,955</u>	<u>1,021,080</u>	<u>(1,305,329)</u>	<u>31,035,706</u>	<u>704,232</u>

For long-term liabilities other than debt, such as claims payable, compensated absences and net OPEB liability in the governmental activities, general fund and internal service funds have been used in prior years to liquidate such amounts.

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 9 – LONG TERM LIABILITIES (CONTINUED)

Governmental long-term debt at June 30, 2015, consisted of the following:

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, 2015 is \$5,125,924. The Internal Service Fund for self insurance has liquidated claims and judgments.

Whittier Public Financing Authority 2002 Tax Allocation Loan

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 former 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 percent to 5.60 percent. 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 \$601,535 and the reserve as of June 30, 2015 was \$601,535. The outstanding balance of the bonds at June 30, 2015 is \$4,170,000. As the amounts are owed by the Whittier Public Financing Authority, the bonds have been recorded as obligations of the City.

Business-type activity long-term debt at June 30, 2015, consisted of the following:

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.

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 9 – LONG TERM LIABILITIES (CONTINUED)

Bonds maturing in the years 1994 to 2008 were serial bonds payable in annual installments of \$175,000 to \$320,000. The bonds bear interest at 2.5 percent to 5.2 percent. Bonds maturing on August 1, 2014, in the amount of \$2,340,000 are term bonds and bear interest at 5.375 percent. 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 percent in 2003 to 0 percent 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 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. As of June 30, 2015, the bonds are fully paid. Principal and interest paid for the current year and total net revenues were \$456,959 and \$2,066,898 respectively.

Revenue Bonds, Water Fund Series 2012

On November 8, 2012, the City of Whittier's Utility Authority issued non-taxable Water Revenue Bonds, Series 2012 for \$10,085,000, payable through 2033, with a net original issue premium of \$779,451. The principal of the Bonds is payable through June 1, 2033, and interest rates vary from 2 percent to 5 percent. The Water Revenue Bonds Series 2012 were issued to finance various improvements to the City's water production, storage and distribution enterprise, refund the Authority's outstanding Water Revenue Bonds, 2003 Series A, and pay the costs of issuance of the Bonds. The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$621,404 that will be amortized through 2033. \$30,312 was amortized in the fiscal year, resulting in \$543,091 balance in deferred outflows of resources.

The City has pledged future water revenues, net of specified operating expenses in the amount of \$4,468,316, which are remaining after the payment of the 2009 Bonds, to repay the 2012 Bonds, making the 2012 Bonds junior, subordinate and inferior to the 2009 Bonds. The pledge revenues will not be available for other purposes for a period of 20 years. The amount pledged represents approximately 38.08 percent of total water revenues. In the current year, the City recognized \$11,870,193 of pledged revenues. As of June 30, 2015, the outstanding principal amount of the Series 2012 Bonds and interest were \$8,950,000 and \$3,278,575, respectively. Principal and interest paid for the current year were \$672,825. During the year, the City capitalized interest of \$279,406 related to the bond.

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 9 – LONG TERM LIABILITIES (CONTINUED)

Revenue Bonds, Water Fund 2009 Series A

On October 14, 2009, the Authority issued Water Revenue Bonds 2009 Series A for \$9,095,000. The proceeds were 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 bonds consist of \$3,150,000, in which the interest is excluded from gross income for purposes of federal income taxation ("Tax-Exempt Bonds"). The \$5,945,000 remaining portion of the bonds is issued as bonds designated as "Direct Payment Build America Bonds" under the provisions of the American Recovery and Reinvestment Act of 2009 ("Build America Bonds"), the interest on which is not excluded from gross income for purposes of federal income taxation. The Tax-Exempt Bonds mature in the years 2011 to 2039 and are payable in annual installments of \$185,000 to \$515,000. The Build America Bonds maturing on June 1, 2029, are also subject to mandatory redemption, on June 1 of each year, commencing June 1, 2025, at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium, from the mandatory sinking fund account in annual installments of \$295,000 to \$345,000. The Build America Bonds maturing on June 1, 2039, are also subject to mandatory redemption, on June 1 in each year, commencing June 1, 2030, at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium, from mandatory sinking fund account payments made by the Authority in annual installments of \$360,000 to \$515,000.

The City was eligible and received a cash subsidy payment from the United States Treasury equal to 35 percent of the interest payable on the Bonds, which will be pledged to the payment of the Bonds, the 2003 Bonds and all Parity Debt.

The City has pledged future water revenues, net of specified operating expenses, to repay the bond. The City has covenanted to provide net revenues equal to at least 1.25 times the annual amount of principal and interest due on the bonds. The bonds are payable through 2039. The reserve requirement was \$669,887 and the reserve as of June 30, 2015 was \$670,898. The total principal and interest remaining to be paid on the bond is \$8,125,000 and \$7,086,185, respectively. Principal and interest paid for the current year and total net revenues were \$669,587 and \$4,468,316, respectively. During the year the City capitalized interest of \$384,248 related to the bond.

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 9 – LONG TERM LIABILITIES (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 position date. The \$12,364,152 reported as landfill closure and postclosure care liability at June 30, 2015 represents the cumulative amount reported to date based on the use of 54.69 percent of the estimated capacity of the landfill. The City will recognize the remaining estimated cost of closure and postclosure care of \$10,242,258 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2012, adjusted for inflation. The City expects to close the landfill in the year 2055. 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, 2015, assets of \$9,130,856 are held for these purposes. These are reported as restricted assets on the statement of net position. 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 operation and interest earnings on the accumulated assets held in trust. During fiscal year 2011-12, the City contracted an engineer to review the closure and post-closure estimates.

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, 2015 are as follows:

Fiscal Year Ending June 30,	Public Financing Authority 2002 Revenue Bonds, Series A		
	Principal	Interest	Total
2016	\$ 370,000	219,040	589,040
2017	390,000	198,325	588,325
2018	410,000	176,530	586,530
2019	435,000	153,498	588,498
2020	460,000	128,655	588,655
2021-2024	2,105,000	239,387	2,344,387
Total	<u>\$ 4,170,000</u>	<u>1,115,435</u>	<u>5,285,435</u>

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 9 – LONG TERM LIABILITIES (CONTINUED)

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

Fiscal Year Ending June 30,	2012 Water Revenue Bonds		
	Principal	Interest	Total
2016	\$ 350,000	327,775	677,775
2017	365,000	317,275	682,275
2018	375,000	302,675	677,675
2019	390,000	287,675	677,675
2020	405,000	272,075	677,075
2021-2025	2,310,000	1,093,175	3,403,175
2026-2030	2,835,000	559,050	3,394,050
2031-2033	1,920,000	118,875	2,038,875
Total	<u>\$ 8,950,000</u>	<u>3,278,575</u>	<u>12,228,575</u>

Fiscal Year Ending June 30,	2009A Water Revenue Bonds		
	Principal	Interest	Total
2016	\$ 210,000	458,437	668,437
2017	215,000	452,137	667,137
2018	220,000	445,687	665,687
2019	230,000	436,887	666,887
2020	240,000	427,687	667,687
2021-2025	1,360,000	1,980,160	3,340,160
2026-2030	1,670,000	1,569,530	3,239,530
2031-2035	2,035,000	1,004,486	3,039,486
2036-2039	1,945,000	311,174	2,256,174
Total	<u>\$ 8,125,000</u>	<u>7,086,185</u>	<u>15,211,185</u>

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 10 – 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 former Redevelopment Agency, the Housing Authority, the Public Financing Authority, the State of California or any political subdivision thereof, is pledged for the payment of these debts.

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 percent to 6 percent 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, 2015 is \$3,070,000.

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 percent 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, 2015 is \$50,095,000.

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 10 – DEBT WITHOUT GOVERNMENT COMMITMENT (CONTINUED)

Health Facility Revenue Bonds (Presbyterian Intercommunity Hospital) Series 2009

The City of Whittier entered into a Loan Agreement dated May 1, 2009, and a Supplemental Master Indenture of Trust for Obligation No. 1 dated May 1, 2009, with Presbyterian Intercommunity Hospital, Inc. ("Hospital"), InterHealth Corp., and IHC Management Corp. pursuant to which the City has issued Bonds for \$280,000,000 on May 1, 2009. The proceeds of the Series 2009A Bonds, the Series 2009B Bonds, the Series 2009C and the 2009D Bonds will be applied to finance and refinance the acquisition, construction, equipping and improvement of certain facilities owned or operated by the Hospital. The proceeds were received from (i) the sale of the Series 2009 A Bonds, the Series 2009 B Bonds and the Series 2009 C Bonds, \$222,000,000, consisting of the par amount of the Series 2009 A Bonds (\$74,000,000), the par amount of the Series 2009 B Bonds (\$74,000,000) and the par amount of the Series 2009 C Bonds (\$74,000,000) and (ii) the sale of the Series 2009 D Bonds, consisting of the par amount of the Series 2009 D Bonds (\$58,000,000). 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, 2015 is \$95,570,000.

In December 2012, the City issued \$148,000,000 of Series 2012A, Series 2012B, and Series 2012C for Hospital in order to refund Series 2009 B Bonds and Series 2009 C Bonds.

Health Facility Revenue Bonds (Presbyterian Intercommunity Hospital) Series 2011

The City of Whittier entered into a Loan Agreement dated March 31, 2011 with Presbyterian Intercommunity Hospital, Inc. ("Hospital") pursuant to which the City issued Bonds totaling \$41,305,000 to finance certain facilities for the benefit of the Hospital. The Bonds bear fixed-interest rates ranging from 4% to 6.25% and have maturities beginning in 2012 and ending in 2036. The City is not obligated to pay the principal, or premium, if any, and interest on the Bonds. Outstanding balance at June 30, 2015 is \$39,080,000.

Health Facility Revenue Bonds (Presbyterian Intercommunity Hospital) Series 2012

The City of Whittier entered into a Loan Agreement dated December 1, 2012 with Presbyterian Intercommunity Hospital, Inc. ("Hospital") to refinance the cost of acquiring, constructing, renovating, and equipping certain health facilities provided or operated by the Hospital, which were refinanced by the Series 2009 Bonds in the aggregate principal amount of \$148,000,000. The Bonds mature on June 1, 2036. The City is not obligated to pay the principal, or premium, if any, and interest on the Bonds. Outstanding balance at June 30, 2015 is \$148,000,000. Bonds are subject to optional redemption prior to their stated maturity. Bonds are redeemed by application of sinking fund installments beginning June 1, 2017 in annual amounts ranging from \$115,000 to \$3,340,000.

In August 2014, the City entered into Loan Agreement with Presbyterian Intercommunity Hospital, Inc. ("Hospital") to issue \$66,300,000 of Series 2014 Bonds and \$35,700,000 of Series 2014 Notes. The City is not obligated to pay the principal, or premium, if any, and interest on the Bonds or Notes.

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 11 – OBLIGATIONS OF THE REDEVELOPMENT SUCCESSOR AGENCY

The liabilities of the former redevelopment agency were transferred to the Redevelopment Successor Agency Private-purpose Trust Fund in accordance with AB x 1 26 and AB 1484 on February 1, 2012. As a result, the bonds and loans outstanding are not reflected in the long-term debt of the City, or its Statement of Net Position. In addition, as described in Note 7, the City has recorded advances to the Successor Agency in the amount of \$14,531,212, with a corresponding allowance of \$526,297.

Whittier Public Financing Authority 2007 Tax Allocation Loan

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 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 percent to 5.00 percent. 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. On February 1, 2012, the loan was transferred from the Whittier Redevelopment Agency to the Successor Agency. The outstanding principal balance at June 30, 2015 is \$12,780,000.

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 percent to 5.0 percent. Payment of the principal and interest on the bonds is guaranteed by a municipal bond guaranty insurance policy. On February 1, 2012, the 2005 Tax Allocation Bonds were transferred from the Whittier Redevelopment Agency to the Successor Agency. The outstanding principal balance at June 30, 2015 is \$6,285,000.

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 percent to 4.875. On February 1, 2012, the 2007A Tax Allocation Bonds were transferred from the Whittier Redevelopment Agency to the Successor Agency. The outstanding principal balance at June 30, 2015 is \$11,035,000.

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 11 – OBLIGATIONS OF THE REDEVELOPMENT SUCCESSOR AGENCY (CONTINUED)

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 percent to 6.09 percent. On February 1, 2012, the 2007B Tax Allocation Bonds were transferred from the Whittier Redevelopment Agency to the Successor Agency. The outstanding principal balance at June 30, 2015 is \$13,370,000.

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 percent of gross property tax increment and 50 percent of sales tax revenues generated by the project. These two revenue sources are to 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 percent 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 percent from 1991-92 through 1993-94, 0 percent from 1994-95 through 1997-98, 3 percent from 1998-99 through 2001-02, 6 percent from 2002-03 through 2004-05 and 7 percent thereafter. Repayment of the remaining debt is still limited to the project's property tax increment and 50 percent of the sales tax. On February 1, 2012, the Quad Loan was transferred from the Whittier Redevelopment Agency to the Successor Agency. The outstanding principal and interest balance at June 30, 2015 is \$1,703,132.

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 11 – OBLIGATIONS OF THE REDEVELOPMENT SUCCESSOR AGENCY (CONTINUED)

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 percent of net tax increment and 50 percent 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.

In the event, however, that the tax increment and 50 percent 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 percent annual interest (formerly at 8 percent prior to fiscal year 1996-97). Repayment of the remaining debt is still limited to the project's property tax increment and 50 percent of the sales tax. 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. On February 1, 2012, the Urbatec Loan was transferred from the Whittier Redevelopment Agency to the Successor Agency. The outstanding principal and interest balance at June 30, 2015 is \$1,573,718.

The following is a summary of changes in the Redevelopment Successor Agency Private-purpose Trust Fund long term liabilities for the year ended June 30, 2015:

	Balance at June 30, 2014	Additions	Repayments	Balance at June 30, 2015	Due Within One Year
Redevelopment Successor Agency					
Private-purpose Trust Fund:					
Tax allocation loan	\$ 13,175,000	-	(395,000)	12,780,000	400,000
Tax allocation bonds	31,495,000	-	(805,000)	30,690,000	835,000
Developer loans payable:					
Quad loan	2,245,947	315,812	(858,627)	1,703,132	-
Urbatec loan	1,558,036	445,744	(430,062)	1,573,718	-
Total Redevelopment Successor Agency Private-purpose Trust Fund	<u>\$ 48,473,983</u>	<u>761,556</u>	<u>(2,488,689)</u>	<u>46,746,850</u>	<u>1,235,000</u>

NOTE 12 – PENSION PLANS

Plan Descriptions

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

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 12 – PENSION PLANS (CONTINUED)

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plans' provisions and benefits in effect at June 30, 2015, are summarized as follows:

	Safety	
	Prior to January 1, 2013	On or after January 1, 2013
Hire Date		
Formula	3% @ 50	2.7% @ 57
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	50	50-57
Monthly benefits, as a % of annual salary	3.0%	2.0% to 2.7%
Required employee contribution rates	9.00%	12.00%
Required employer contribution rates	40.241%	40.241%

	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Hire Date		
Formula	2.5% @ 55	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	50-55	52-67
Monthly benefits, as a % of annual salary	2.0% to 2.7%	1.0% to 2.5%
Required employee contribution rates	8.00%	6.250%
Required employer contribution rates	14.792%	14.792%

Employees covered by benefit terms. At June 30, 2013, the most recent valuation date, the following employees were covered by the benefit terms for each Plan:

	Safety	Miscellaneous
Inactive employees or beneficiaries currently receiving benefits	214	361
Inactive employees entitled to but not yet receiving benefits	41	243
Active employees	122	271
Total	377	875

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 12 – PENSION PLANS (CONTINUED)

Contributions – Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the year ended June 30, 2015, the City paid 3% of the Safety employees required contribution (for those hired before January 1, 2013). For the Miscellaneous Plan, employees are required to contribute 10% for both tiers. In March 2015, the City amended the contribution rate to 11% for employees within the Miscellaneous Plan.

Contributions recognized by the pension plans from the employer for the year ended June 30, 2015 were \$4,636,058 for the Safety Plan and \$2,082,877 for the Miscellaneous Plan.

Net Pension Liability

The City’s net pension liability for each Plan was measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of each of the Plans was measured as of June 30, 2014, using an annual actuarial valuation as of June 30, 2013 rolled forward to June 30, 2014 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions – The total pension liabilities in the June 30, 2013 actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurement:

	Safety	Miscellaneous
Valuation Date	June 30, 2013	June 30, 2013
Measurement Date	June 30, 2014	June 30, 2014
Actuarial Cost Method	Entry-Age Normal Cost Method	
Actuarial Assumptions:		
Discount Rate	7.50%	7.50%
Inflation	2.75%	2.75%
Payroll Growth	3.00%	3.00%
Projected Salary Increase	3.3% - 14.2% (1)	3.3% - 14.2% (1)
Investment Rate of Return	7.50% (2)	7.50% (2)
Mortality	(3)	(3)

(1) Depending on age, service and type of employment

(2) Net of pension plan investment expenses, including inflation

(3) Derived using CalPERS’ Membership Data for all Funds

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2013 valuation were based on the results of a January 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can found on the CalPERS website.

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 12 – PENSION PLANS (CONTINUED)

Discount Rate – The discount rate used to measure the total pension liability was 7.50 percent for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.50 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.50 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

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

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 12 – PENSION PLANS (CONTINUED)

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

Asset Class	New Strategic Allocation	Real Return Years 1-10 (a)	Real Return Years 11+ (b)
Global Equity	47%	5.25%	5.71%
Global Fixed Income	19%	0.99%	2.43%
Inflation Sensitive	6%	0.45%	3.36%
Private Equity	12%	6.83%	6.95%
Real Estate	11%	4.50%	5.13%
Infrastructure and Forestland	3%	4.50%	5.09%
Liquidity	2%	-0.55%	-1.05%
Total	100%		

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

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

Changes in the Net Pension Liability

The total Net Pension Liability for the City as of June 30, 2015 was \$86,530,001. The changes in the Net Pension Liability for each Plan follows:

Safety Plan:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2014	\$ 165,839,967	101,330,046	64,509,921
Changes in the year:			
Service cost	3,219,193	-	3,219,193
Interest on the total pension liability	12,237,364	-	12,237,364
Contribution - employer	-	4,451,887	(4,451,887)
Contribution - employee	-	1,246,103	(1,246,103)
Net investment income	-	17,422,054	(17,422,054)
Administrative expenses	-	(138,888)	138,888
Benefit payments, including refunds of employee contributions	(8,569,436)	(8,569,436)	-
Net changes	6,887,121	14,411,720	(7,524,599)
Balance at June 30, 2015	\$ 172,727,088	115,741,766	56,985,322

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 12 – PENSION PLANS (CONTINUED)

Changes in the Net Pension Liability (Continued)

Miscellaneous Plan:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2014	\$ 158,131,811	119,126,945	39,004,866
Changes in the year:			
Service cost	\$ 2,865,513	-	2,865,513
Interest on the total pension liability	11,702,397	-	11,702,397
Contribution - employer	-	2,014,309	(2,014,309)
Contribution - employee	-	1,503,982	(1,503,982)
Net investment income	-	20,676,474	(20,676,474)
Administrative expenses	-	(166,668)	166,668
Benefit payments, including refunds of employee contributions	(7,065,215)	(7,065,215)	-
Net changes	7,502,695	16,962,882	(9,460,187)
Balance at June 30, 2015	\$ 165,634,506	136,089,827	29,544,679

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the City for each Plan, calculated using the discount rate for each Plan, as well as what the City’s net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Safety's net pension liability	\$ 79,540,740	56,985,322	38,338,246
Miscellaneous' net pension liability	50,257,898	29,544,679	12,259,758

Pension Plan Fiduciary Net Position – Detailed information about each pension plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2015, the City recognized pension expense of \$6,748,164. At June 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 6,718,935	-
Net differences between projected and actual earnings on plan investments	-	17,266,754
Total	\$ 6,718,935	17,266,754

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 12 – PENSION PLANS (CONTINUED)

Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

\$6,718,935 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30		
2016	\$	(4,316,689)
2017		(4,316,689)
2018		(4,316,689)
2019		(4,316,687)
Total	\$	(17,266,754)

NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS

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 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, 2015, the City contributed approximately \$320,000 on a pay-as-you-go basis for cash subsidy benefit payments and approximately \$243,000 for implied subsidy benefit payments for 70 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.

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Annual OPEB Cost and Net OPEB Obligation (Continued)

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

Annual required contribution	\$ 1,037,000
Interest on net OPEB obligation	145,000
Adjustment to annual required contribution	(265,000)
Annual OPEB cost (expense)	<u>917,000</u>
Benefit payments	<u>(563,000)</u>
Increase in net OPEB obligation	354,000
Net OPEB obligation - beginning of year	3,636,000
Net OPEB obligation - end of year	<u><u>\$ 3,990,000</u></u>

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, 2015 was as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2013	\$ 1,231,000	43.5%	2,923,000
6/30/2014	1,296,000	45.0%	3,636,000
6/30/2015	917,000	61.4%	3,990,000

Funded Status and Funding Progress

The funded status of the Plan as of January 1, 2015, the Plan's most recent actuarial valuation date, was as follows:

Actuarial accrued liability (AAL)	\$ 9,066,000
Actuarial value of Plan assets	<u>-</u>
Unfunded actuarial accrued liability (UAAL)	9,066,000
Funded ratio (actuarial value of Plan assets/AAL)	0%
Covered payroll (active Plan participants)	27,875,000
UAAL as a percentage of covered payroll	32.5%

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Funded Status and Funding Progress (Continued)

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.

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.

Actuarial Methods and Assumptions

In the January 1, 2013 actuarial valuation, the entry age normal actuarial cost method was used. The actuarial assumptions included a 4.0 percent investment rate of return (net of administrative expenses) and a 3 percent general inflation assumption. Medical premiums were assumed to increase with a pre-Medicare medical cost increase rate of 7.5 percent for both the HMOs and 7.6 percent for the PPO for 2016/17, both grading down to 5 percent annual increases for 2020/21 and thereafter. Dental premiums are assumed to increase 3 percent annually. The UAAL is being amortized as a level percentage of payroll over 24 years on a closed basis.

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 14 – FUND BALANCE CLASSIFICATIONS

The details of the fund balance classifications as of June 30, 2015 are presented below:

	General Fund	Special Revenue Funds			Total Major Funds	Total Non-major Funds	Total Governmental Funds
		Transit Fund	HOME Fund	Housing Authority			
Fund Balance:							
Nonspendable							
Advances to other funds	\$ 7,665,721	-	-	-	7,665,721	-	7,665,721
Prepaid items	16,724	141,947	-	-	158,671	-	158,671
Subtotal	7,682,445	141,947	-	-	7,824,392	-	7,824,392
Spendable							
Restricted							
Public safety	-	-	-	-	-	398,930	398,930
Local transit	-	3,251,221	-	-	3,251,221	-	3,251,221
Construction and maintenance	-	-	-	-	-	9,071,416	9,071,416
SB358 library	-	-	-	-	-	104,527	104,527
Community development	-	-	2,136,191	20,659,478	22,795,669	2,410,835	25,206,504
Debt service	-	-	-	-	-	4,787,627	4,787,627
Parkland	73,628	-	-	-	73,628	-	73,628
Asset seizure	-	-	-	-	-	1,090,054	1,090,054
Traffic offender	-	-	-	-	-	605,604	605,604
Seismic education	3,935	-	-	-	3,935	4,800	8,735
AQMD	-	-	-	-	-	575,109	575,109
PEG	437,548	-	-	-	437,548	-	437,548
Subtotal	515,111	3,251,221	2,136,191	20,659,478	26,562,001	19,048,902	45,610,903
Committed							
Library facility	58,148	-	-	-	58,148	-	58,148
Oil wells	100,000	-	-	-	100,000	-	100,000
Arts in public place	309,624	-	-	-	309,624	-	309,624
Emergency contingency	2,829,659	-	-	-	2,829,659	-	2,829,659
Subtotal	3,297,431	-	-	-	3,297,431	-	3,297,431
Assigned							
General plan	900,219	-	-	-	900,219	-	900,219
General government-rental units	632,698	-	-	-	632,698	-	632,698
Mineral extraction	232,982	-	-	-	232,982	-	232,982
Capital projects	-	-	-	-	-	4,578,736	4,578,736
Continuing appropriations	2,104,286	-	-	-	2,104,286	-	2,104,286
Subtotal	3,870,185	-	-	-	3,870,185	4,578,736	8,448,921
Unassigned	25,503,065	-	-	-	25,503,065	-	25,503,065
Total	\$ 40,868,237	3,393,168	2,136,191	20,659,478	67,057,074	23,627,638	90,684,712

On June 14, 2011, the City Council adopted Resolution 8380 which established an emergency contingency reserve equivalent to five percent (5%) of the following fiscal year's General Fund budgeted operating expenditures (excluding transfers and capital improvement projects). The reserve may be used for expenditures in the event of a declaration of a state or federal state of emergency or a local emergency as defined in the City's Municipal Code Section 2.44.020. At June 30, 2015, the City had \$2,829,659 committed pursuant to Resolution 8380.

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 15 – RISK MANAGEMENT

The City adopted a self-insured workers' compensation program which is administered by a third party administrator. The City has a self-insured retention of up to \$500,000 on each claim. Insurance coverage in excess of the self-insured amount is provided by CSACEIA, a Joint Powers Authority, at statutory amounts for workers' compensation. The City is also 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 million.

While the ultimate amount of losses incurred through June 30, 2015, is dependent on future developments and 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. There are certain claims against the City which have been denied and referred to the City's insurance carrier. Settlements have not exceeded coverages for each of the past three fiscal years. The City believes that none of these claims will exceed insurance coverage.

The following is a schedule of changes in claims and judgments for the fiscal year ended June 30, 2015 and June 30, 2014:

	Worker's Compensation	General Liability	Total
Claims and judgments at June 30, 2013	\$ 3,526,988	1,092,669	4,619,657
Claims payments	(1,422,996)	(534,207)	(1,957,203)
Claims incurred and changes in estimates	1,194,965	995,330	2,190,295
Claims and judgments at June 30, 2014	3,298,957	1,553,792	4,852,749
Claims payments	(1,230,380)	(1,030,176)	(2,260,556)
Claims incurred and changes in estimates	1,210,393	1,323,338	2,533,731
Claims and judgments at June 30, 2015	\$ 3,278,970	1,846,954	5,125,924

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 16 – 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 percent 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.

NOTE 17 – COMMITMENTS AND CONTINGENCIES

Waste Disposal Clean Up Contingency

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.

Greenway Trail Clean Up Contingency

The City has been named as a responsible party by the Environmental Protection Agency for clean up on property within the City known as Greenway Trail. In July 2014, the City entered into a voluntary compliance agreement with the California Department of Toxic Substances Control for site investigation and clean-up. 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.

Enforceable Obligations

The Redevelopment Successor Agency Private-purpose Trust Fund (Whittier Redevelopment Successor Agency or WRSA) has received property tax revenues for specific enforceable obligations of the former redevelopment agency that are subject to review by the Department of Finance (DOF). As discussed in Note 7, in June 2014, the City received notification from DOF that certain advances from the City will be recognized as enforceable obligations.

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 17 – COMMITMENTS AND CONTINGENCIES, (CONTINUED)

Enforceable Obligations, (Continued)

Pursuant to Assembly Bill 1484, enacted June 27, 2012, WRSA was required to have due diligence reviews (DDR) of the Low and Moderate Income Housing Funds (LMIHF) and Other Funds Account (OFA) conducted "...to determine the unobligated balances available for transfer to affected taxing entities, and the recovery and subsequent remittance of funds determined to have been transferred absent an enforceable obligation." The DDR reports for the City LMIHF and OFA were submitted to the DOF for final determination of WRSA's LMIHF and OFA available balances for distribution to taxing entities. As per the DOF's final determinations, the WRSA transferred the available balances to the County of Los Angeles' Auditor-Controller and the funds have been disbursed to the taxing entities. In May 2013, the City received notification of the "Finding of Completion" from the DOF, which allows for: 1) loan agreements between the former redevelopment agency and City may be placed on the ROPS as an enforceable obligation, provided the oversight board makes a finding that the loan was for a legitimate redevelopment purpose per California Health and Safety Code (HSC) section 34191.4(b)(1), and 2) utilizing proceeds derived from bonds issued prior to January 1, 2011 in a manner consistent with the original bond covenants per HSC section 34191.4(c).

Advances to Successor Agency

At June 30, 2015, the City of Whittier had \$14,531,212 recorded as Advances to Successor Agency, as further described in Note 7. In June 2014, these amounts were approved by DOF, and as such the outstanding principal and recalculated LAIF interest for these loans will be recognized as enforceable obligations. As of June 30, 2015, the City recorded an allowance to offset the advances in the amount of \$526,297, related to the City's calculation of the LAIF rate using the first quarter 2012 LAIF rate.

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 17 – COMMITMENTS AND CONTINGENCIES, (CONTINUED)

WUA Lease Commitment

The City 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, which is based on the 2003 appraisal value. During the fiscal year, the Whittier Utility Authority made lease payments of \$3,806,116 to the City, which is classified as other revenue in the General Fund.

Future minimum lease payment requirements are as follows:

Year Ending June 30,	Amount
2016	\$ 878,743
2017	878,743
2018	878,743
2019	878,743
2020	878,743
2021-2025	4,393,715
2026-2030	4,393,715
2031-2035	4,393,715
2036-2040	4,393,715
2041-2045	4,393,715
2046-2050	4,393,715
2051-2055	4,393,715
2056-2057	2,636,229
	\$ 37,785,949

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 18 – PRIOR PERIOD ADJUSTMENTS

As discussed under Note 1, the City implemented GASB Statement No. 68 and GASB Statement No. 71 effective July 1, 2014. Refer to Note 12 for further disclosures related to the plan and related balances. As a result of the implementation, the City restated beginning net position for governmental activities as noted below:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Sewer</u>	<u>Water</u>	<u>Solid Waste</u>
Beginning of year, as previously reported Net Position	\$ 217,998,494	59,847,502	8,132,075	30,689,356	21,026,071
Contributions after the measurement date - deferred outflows of resources	6,142,779	323,416	19,930	130,562	172,924
Net Pension Liability as of the measurement date of June 30, 2013	<u>(97,252,183)</u>	<u>(6,262,603)</u>	<u>(385,921)</u>	<u>(2,528,195)</u>	<u>(3,348,487)</u>
Beginning of year, as restated Net Position	<u>\$ 126,889,090</u>	<u>53,908,315</u>	<u>7,766,084</u>	<u>28,291,723</u>	<u>17,850,508</u>

Following is the pro forma effect of the retroactive application:

	June 30, 2014		June 30, 2014
	Previously Presented	Restatement	Restated
Governmental Activities			
Deferred outflows of resources	\$ -	6,142,779	6,142,779
Net pension liability	-	97,252,183	97,252,183
Business-type Activities - Enterprise Funds			
Deferred outflows of resources	\$ -	323,416	323,416
Net pension liability	-	6,262,603	6,262,603
Sewer			
Deferred outflows of resources	\$ -	19,930	19,930
Net pension liability	-	385,921	385,921
Water			
Deferred outflows of resources	\$ -	130,562	130,562
Net pension liability	-	2,528,195	2,528,195
Solid Waste			
Deferred outflows of resources	\$ -	172,924	172,924
Net pension liability	-	3,348,487	3,348,487

In accordance with GASB 68, the restatement of all deferred outflows and inflows was not practical and therefore not included in the restatement of beginning balances.

CITY OF WHITTIER, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 19 – SUBSEQUENT EVENT

On August 5, 2015, the Whittier Redevelopment Successor Agency (“WRSA”) issued Tax Allocation Refunding Bonds, Series 2015A and 2015B (“Bonds”) for \$44,615,000. The proceeds of the bonds will be issued to (a) refund the 2002 Greenleaf/Uptown Whittier Loan Agreement, the 2005 Earthquake Bonds, the 2007 Commercial Corridor Bonds, the 2007 Whittier Boulevard Bonds and the 2007 Earthquake Bonds. The Series 2015B Bonds will be applied to refund the 2007 Housing Bonds, (b) fund a debt service reserve fund for the Bonds, and (c) provide for the costs of issuing the Bonds. The principal of the Bonds is payable commencing November 1, 2016 through November 1, 2033, and interest rates vary from 1 percent to 5 percent.



REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF WHITTIER, CALIFORNIA
SCHEDULE OF FUNDING PROGRESS
YEAR ENDED JUNE 30, 2015**

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

Other Post Employment Benefits

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)
1/1/2011	-	11,534,000	11,534,000	0%	26,263,000	43.9%
1/1/2013	-	11,568,000	11,568,000	0%	27,264,000	42.4%
1/1/2015	-	9,066,000	9,066,000	0%	27,875,000	32.5%

*Beginning with the 6/30/2013 valuation, Actuarial Value of Assets equals Market Value of Assets per CalPERS Direct Rate Smoothing Policy.

**CITY OF WHITTIER, CALIFORNIA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND
RELATED RATIOS FOR SAFETY PLAN
LAST TEN YEARS*
AS OF JUNE 30, 2015**

	2015
Total Pension Liability	
Service cost	\$ 3,219,193
Interest on the total pension liability	12,237,364
Benefit payments, including refunds of employee contributions	(8,569,436)
Net change in total pension liability	6,887,121
Total pension liability - beginning	165,839,967
Total pension liability - ending (a)	\$ 172,727,088
 Plan fiduciary net position	
Contributions - employer	\$ 4,451,887
Contributions - employee	1,246,103
Net investment income	17,422,054
Administrative expenses	(138,888)
Benefit payments	(8,569,436)
Net change in plan fiduciary net position	14,411,720
Plan fiduciary net position - beginning	101,330,046
Plan fiduciary net position - ending (b)	\$ 115,741,766
 Net pension liability - ending (a)-(b)	\$ 56,985,322
 Plan fiduciary net position as a percentage of the total pension liability	67.01%
 Covered - employee payroll	13,020,389
 Net pension liability as percentage of covered employee payroll	437.66%

* - Fiscal year 2015 was the 1st year of implementation, therefore only one year is shown.

CITY OF WHITTIER, CALIFORNIA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND
RELATED RATIOS FOR MISCELLANEOUS PLAN
LAST TEN YEARS*
AS OF JUNE 30, 2015

	2015
Total Pension Liability	
Service cost	\$ 2,865,513
Interest on the total pension liability	11,702,397
Benefit payments, including refunds of employee contributions	(7,065,215)
Net change in total pension liability	7,502,695
Total pension liability - beginning	158,131,811
Total pension liability - ending (a)	\$ 165,634,506
Plan fiduciary net position	
Contributions - employer	\$ 2,014,309
Contributions - employee	1,503,982
Net investment income	20,676,474
Administrative expenses	(166,668)
Benefit payments	(7,065,215)
Net change in plan fiduciary net position	16,962,882
Plan fiduciary net position - beginning	119,126,945
Plan fiduciary net position - ending (b)	\$ 136,089,827
Net pension liability - ending (a)-(b)	\$ 29,544,679
Plan fiduciary net position as a percentage of the total pension liability	82.16%
Covered - employee payroll	17,806,543
Net pension liability as percentage of covered employee payroll	165.92%

* - Fiscal year 2015 was the 1st year of implementation, therefore only one year is shown.

**CITY OF WHITTIER, CALIFORNIA
SCHEDULE OF CONTRIBUTIONS
LAST TEN YEARS*
AS OF JUNE 30, 2015**

Safety Plan:

	2015
Actuarially determined contribution	\$ 4,636,058
Contributions in relation to the actuarially determined contributions	4,636,058
Contribution deficiency (excess)	\$ -
 Covered-employee payroll	 13,258,438
Contributions as a percentage of covered-employee payroll	35%

Miscellaneous Plan:

	2015
Actuarially determined contribution	\$ 2,082,877
Contributions in relation to the actuarially determined contributions	2,082,877
Contribution deficiency (excess)	\$ -
 Covered-employee payroll	 18,219,175
Contributions as a percentage of covered-employee payroll	11%

Notes to Schedule

Valuation date: June 30, 2013

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Level percent of payroll
Asset valuation method	Market value
Inflation	2.75%
Salary increases	3.3% to 14.20% depending on Age, Service, and type of employment
 Investment rate of return	 7.50%
Retirement age	55
Mortality	Based on CalPERS Experience Study

* - Fiscal year 2015 was the 1st year of implementation, therefore only one year is shown.

**CITY OF WHITTIER, CALIFORNIA
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2015**

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.

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 Grant 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. In addition, 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.

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

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.

**CITY OF WHITTIER, CALIFORNIA
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2015**

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.

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.

Federal Stimulus — to account for the American Recovery and Reinvestment Act (ARRA) money received and spent within the City.

Subventions and Grants Fund — to account for activities of various State and Local monies.

Measure R — to account for the receipt and expenditures funded with voter approved ½ cent sales tax designated for traffic relief and transportation upgrades.

DEBT SERVICE FUND

Whittier Public Financing Authority Debt Service Fund — to account for the proceeds of the 2002 and 2007A Tax Allocation Loans, loaned to the former Whittier Redevelopment Agency, and for the debt service payments.

CAPITAL PROJECTS FUND

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

**CITY OF WHITTIER, CALIFORNIA
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2015**

	Special Revenue Funds			
	Street Lighting District 1-91	Asset Seizure Forfeitures	SB 358 Library Grant	State COPS Grant
Assets:				
Cash and investments	\$ 773	-	104,373	610,796
Restricted assets:				
Cash and investments	-	1,091,413	-	-
Cash and investments with fiscal agents	-	-	-	-
Receivables:				
Intergovernmental	-	-	-	-
Accounts	-	-	-	-
Notes and loans	-	-	-	-
Interest	-	1,734	154	836
Advances to Successor Agency	-	-	-	-
Total Assets	<u>\$ 773</u>	<u>1,093,147</u>	<u>104,527</u>	<u>611,632</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable	\$ 46	389	-	-
Accrued liabilities	-	2,704	-	6,028
Unearned revenues	-	-	-	-
Total Liabilities	<u>46</u>	<u>3,093</u>	<u>-</u>	<u>6,028</u>
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Restricted	727	1,090,054	104,527	605,604
Assigned	-	-	-	-
Total Fund Balances	<u>727</u>	<u>1,090,054</u>	<u>104,527</u>	<u>605,604</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 773</u>	<u>1,093,147</u>	<u>104,527</u>	<u>611,632</u>

Special Revenue Funds

Air Quality Improvement	Business Improvement Area	Earthquake Relief	State Gas Tax	Traffic Safety	Traffic Congestion	HUD Grants
546,233	10,556	4,800	2,391,347	482,805	1,142,040	658,592
-	-	-	-	-	-	-
-	-	-	-	-	-	-
28,174	-	-	218,657	16,417	89,841	137,467
-	-	-	-	-	-	3,589
-	-	-	-	-	-	1,693,007
702	-	-	3,415	-	1,823	113,719
-	-	-	-	-	-	-
<u>575,109</u>	<u>10,556</u>	<u>4,800</u>	<u>2,613,419</u>	<u>499,222</u>	<u>1,233,704</u>	<u>2,606,374</u>
-	10,556	-	36,958	2,504	51,809	77,965
-	-	-	-	-	-	3,854
-	-	-	-	-	-	-
-	<u>10,556</u>	-	<u>36,958</u>	<u>2,504</u>	<u>51,809</u>	<u>81,819</u>
-	-	-	75,232	-	-	113,719
-	-	-	75,232	-	-	113,719
575,109	-	4,800	2,501,229	496,718	1,181,895	2,410,836
-	-	-	-	-	-	-
<u>575,109</u>	<u>-</u>	<u>4,800</u>	<u>2,501,229</u>	<u>496,718</u>	<u>1,181,895</u>	<u>2,410,836</u>
<u>575,109</u>	<u>10,556</u>	<u>4,800</u>	<u>2,613,419</u>	<u>499,222</u>	<u>1,233,704</u>	<u>2,606,374</u>

CITY OF WHITTIER, CALIFORNIA
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2015

	Special Revenue Funds			
	Whittier	Whittier	Prop 1B	Federal Stimulus
	Uptown Parking District No.1	Uptown Parking District No.2		
Assets:				
Cash and investments	\$ 48,665	1,547,407	38,394	-
Restricted assets:				
Cash and investments	-	-	-	-
Cash and investments with fiscal agents	-	-	-	-
Receivables:				
Intergovernmental	148	18,198	-	-
Accounts	2,920	5,778	-	-
Notes and loans	-	-	-	-
Interest	45	2,089	159	-
Advances to Successor Agency	-	-	-	-
Total Assets	<u>\$ 51,778</u>	<u>1,573,472</u>	<u>38,553</u>	<u>-</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities:				
Accounts payable	\$ 2,031	2,191	-	-
Accrued liabilities	1,367	-	-	-
Unearned revenues	-	-	-	-
Total Liabilities	<u>3,398</u>	<u>2,191</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:				
Restricted	48,380	1,571,281	38,553	-
Assigned	-	-	-	-
Total Fund Balances	<u>48,380</u>	<u>1,571,281</u>	<u>38,553</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 51,778</u>	<u>1,573,472</u>	<u>38,553</u>	<u>-</u>

Special Revenue Funds		Debt Service Fund	Capital Project Fund	Total Non-major Governmental Funds
Subventions and Grants	Measure R	Public Financing Authority	Capital Outlay	
177,656	2,968,969	-	4,623,780	15,357,186
-	-	-	-	1,091,413
-	-	617,627	-	617,627
545,818	259,633	-	-	1,314,353
-	-	-	10,000	22,287
-	-	-	-	1,693,007
-	4,090	-	4,022	132,788
-	-	4,170,000	-	4,170,000
<u>723,474</u>	<u>3,232,692</u>	<u>4,787,627</u>	<u>4,637,802</u>	<u>24,398,661</u>
77,574	60	-	59,066	321,149
-	-	-	-	13,953
80,826	-	-	-	80,826
<u>158,400</u>	<u>60</u>	<u>-</u>	<u>59,066</u>	<u>415,928</u>
166,144	-	-	-	355,095
<u>166,144</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>355,095</u>
398,930	3,232,632	4,787,627	-	19,048,902
-	-	-	4,578,736	4,578,736
<u>398,930</u>	<u>3,232,632</u>	<u>4,787,627</u>	<u>4,578,736</u>	<u>23,627,638</u>
<u>723,474</u>	<u>3,232,692</u>	<u>4,787,627</u>	<u>4,637,802</u>	<u>24,398,661</u>

**CITY OF WHITTIER, CALIFORNIA
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2015**

	Special Revenue Funds			
	Street Lighting District 1-91	Asset Seizure Forfeiture	SB358 Library Grant	State COPS Grant
Revenues:				
Taxes	\$ -	-	-	-
Licenses and permits	-	-	-	-
Fines and forfeits	-	97,711	-	-
Use of money and property	6	5,568	537	3,052
Intergovernmental	-	-	-	151,158
Charges for services	705	-	-	-
Other	-	-	-	-
Total Revenues	<u>711</u>	<u>103,279</u>	<u>537</u>	<u>154,210</u>
Expenditures:				
Current:				
Public safety	-	312,307	-	218,935
Libraries	-	-	35,508	-
Parks and recreation	-	-	-	-
Public works	1,379	-	-	-
Community development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	<u>1,379</u>	<u>312,307</u>	<u>35,508</u>	<u>218,935</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(668)</u>	<u>(209,028)</u>	<u>(34,971)</u>	<u>(64,725)</u>
Other Financing Sources (Uses):				
Transfers in	-	-	35,508	130,000
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>35,508</u>	<u>130,000</u>
Net Change in Fund Balances	<u>(668)</u>	<u>(209,028)</u>	<u>537</u>	<u>65,275</u>
Fund Balances (Deficit), Beginning of Year	<u>1,395</u>	<u>1,299,082</u>	<u>103,990</u>	<u>540,329</u>
Fund Balances, End of Year	<u>\$ 727</u>	<u>1,090,054</u>	<u>104,527</u>	<u>605,604</u>

Special Revenue Funds

Air Quality Improvement	Business Improvement Area	Earthquake Relief	State Gas Tax	Traffic Safety	Traffic Congestion	HUD Grants
-	-	-	-	-	-	-
-	108,125	-	-	-	-	-
-	7,412	-	-	287,769	-	-
2,577	-	-	11,953	-	5,844	-
107,369	-	-	1,755,465	-	897,532	681,715
-	-	-	-	-	-	-
-	-	-	-	-	-	-
109,946	115,537	-	1,767,418	287,769	903,376	681,715
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	904,015	-	1,273,775	-
21,541	115,537	-	-	-	-	690,939
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
21,541	115,537	-	904,015	-	1,273,775	690,939
88,405	-	-	863,403	287,769	(370,399)	(9,224)
-	-	-	-	-	-	-
-	-	-	(1,084,045)	(357,500)	-	-
-	-	-	(1,084,045)	(357,500)	-	-
88,405	-	-	(220,642)	(69,731)	(370,399)	(9,224)
486,704	-	4,800	2,721,871	566,449	1,552,294	2,420,060
575,109	-	4,800	2,501,229	496,718	1,181,895	2,410,836

**CITY OF WHITTIER, CALIFORNIA
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2015**

	Special Revenue Funds			
	Whittier Uptown Parking District No.1	Whittier Uptown Parking District No.2	Prop 1B	Federal Stimulus
	Revenues:			
Taxes	\$ 15,486	231,256	-	-
Licenses and permits	-	-	-	-
Fines and forfeits	-	-	-	-
Use of money and property	57,614	22,805	-	-
Intergovernmental	-	-	-	-
Charges for services	35,440	61,259	-	-
Other	579	176	-	-
Total Revenues	<u>109,119</u>	<u>315,496</u>	<u>-</u>	<u>-</u>
Expenditures:				
Current:				
Public safety	-	-	-	-
Libraries	-	-	-	-
Parks and recreation	-	-	-	-
Public works	90,013	88,086	47,435	-
Community development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	<u>90,013</u>	<u>88,086</u>	<u>47,435</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>19,106</u>	<u>227,410</u>	<u>(47,435)</u>	<u>-</u>
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	(92,619)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(92,619)</u>
Net Change in Fund Balances	19,106	227,410	(47,435)	(92,619)
Fund Balances (Deficit), Beginning of Year	<u>29,274</u>	<u>1,343,871</u>	<u>85,988</u>	<u>92,619</u>
Fund Balances, End of Year	<u>\$ 48,380</u>	<u>1,571,281</u>	<u>38,553</u>	<u>-</u>

Special Revenue Funds		Debt Service Fund	Capital Projects Funds	Total Non-major Governmental Funds
Subventions and Grants	Measure R	Public Financing Authority	Capital Outlay	
-	1,207,053	-	-	1,453,795
-	-	-	-	108,125
-	-	-	-	392,892
-	14,888	238,029	13,345	376,218
723,506	-	-	-	4,316,745
-	-	-	-	97,404
-	-	-	77,815	78,570
<u>723,506</u>	<u>1,221,941</u>	<u>238,029</u>	<u>91,160</u>	<u>6,823,749</u>
84,911	-	-	-	616,153
4,993	-	-	-	40,501
184,680	-	-	-	184,680
160,741	593,034	-	-	3,158,478
89,114	-	-	-	917,131
-	-	-	1,220,080	1,220,080
-	-	350,000	-	350,000
-	-	238,305	-	238,305
<u>524,439</u>	<u>593,034</u>	<u>588,305</u>	<u>1,220,080</u>	<u>6,725,328</u>
<u>199,067</u>	<u>628,907</u>	<u>(350,276)</u>	<u>(1,128,920)</u>	<u>98,421</u>
-	-	-	736,280	901,788
-	-	-	(81,500)	(1,615,664)
-	-	-	654,780	(713,876)
<u>199,067</u>	<u>628,907</u>	<u>(350,276)</u>	<u>(474,140)</u>	<u>(615,455)</u>
<u>199,863</u>	<u>2,603,725</u>	<u>5,137,903</u>	<u>5,052,876</u>	<u>24,243,093</u>
<u>398,930</u>	<u>3,232,632</u>	<u>4,787,627</u>	<u>4,578,736</u>	<u>23,627,638</u>

**CITY OF WHITTIER, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE –BUDGET AND ACTUAL
STREET LIGHTING DISTRICT 1-91 SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2015**

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Use of money and property	\$ -	6	6
Charges for services	1,380	705	(675)
Total Revenues	<u>1,380</u>	<u>711</u>	<u>(669)</u>
Expenditures:			
Current:			
Public works	1,069	1,379	(310)
Total Expenditures	<u>1,069</u>	<u>1,379</u>	<u>(310)</u>
Net Change in Fund Balance	311	(668)	(979)
Fund Balance at Beginning of Year	<u>1,395</u>	<u>1,395</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 1,706</u>	<u>727</u>	<u>(979)</u>

**CITY OF WHITTIER, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE –BUDGET AND ACTUAL
ASSET SEIZURE FORFEITURE SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2015**

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Fines and forfeits	\$ 100,000	97,711	(2,289)
Use of money and property	2,000	5,568	3,568
Total Revenues	<u>102,000</u>	<u>103,279</u>	<u>1,279</u>
Expenditures:			
Current:			
Public safety	352,833	312,307	40,526
Total Expenditures	<u>352,833</u>	<u>312,307</u>	<u>40,526</u>
Net Change in Fund Balance	(250,833)	(209,028)	41,805
Fund Balance at Beginning of Year	1,299,082	1,299,082	-
Fund Balance at End of Year	<u>\$ 1,048,249</u>	<u>1,090,054</u>	<u>41,805</u>

**CITY OF WHITTIER, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE –BUDGET AND ACTUAL
SB 358 LIBRARY GRANT – SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2015**

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Use of money and property	\$ -	537	537
Total Revenues	-	537	537
Expenditures:			
Current:			
Libraries	35,508	35,508	-
Total Expenditures	35,508	35,508	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(35,508)	(34,971)	537
Other financing sources (uses):			
Transfers in	35,508	35,508	-
Total Other Financing Sources (Uses)	35,508	35,508	-
Net Change in Fund Balance	-	537	537
Fund Balance at Beginning of Year	103,990	103,990	-
Fund Balance at End of Year	\$ 103,990	104,527	537

**CITY OF WHITTIER, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE –BUDGET AND ACTUAL
STATE COPS GRANT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2015**

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Use of money and property	\$ 1,000	3,052	2,052
Intergovernmental	100,000	151,158	51,158
Charges for services	10,000	-	(10,000)
Total Revenues	<u>111,000</u>	<u>154,210</u>	<u>43,210</u>
Expenditures:			
Current:			
Public safety	281,563	218,935	62,628
Total Expenditures	<u>281,563</u>	<u>218,935</u>	<u>62,628</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(170,563)</u>	<u>(64,725)</u>	<u>105,838</u>
Other financing sources (uses):			
Transfers in	130,000	130,000	-
Total Other Financing Sources (Uses)	<u>130,000</u>	<u>130,000</u>	<u>-</u>
Net Change in Fund Balance	(40,563)	65,275	105,838
Fund Balance at Beginning of Year	540,329	540,329	-
Fund Balance at End of Year	<u>\$ 499,766</u>	<u>605,604</u>	<u>105,838</u>

**CITY OF WHITTIER, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE –BUDGET AND ACTUAL
AIR QUALITY IMPROVEMENT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2015**

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Use of money and property	\$ 1,000	2,577	1,577
Intergovernmental	100,000	107,369	7,369
Total Revenues	<u>101,000</u>	<u>109,946</u>	<u>8,946</u>
Expenditures:			
Current:			
Community development	64,873	21,541	43,332
Total Expenditures	<u>64,873</u>	<u>21,541</u>	<u>43,332</u>
Net Change in Fund Balance	36,127	88,405	52,278
Fund Balance at Beginning of Year	486,704	486,704	-
Fund Balance at End of Year	<u>\$ 522,831</u>	<u>575,109</u>	<u>52,278</u>

**CITY OF WHITTIER, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE –BUDGET AND ACTUAL
BUSINESS IMPROVEMENT AREA SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2015**

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Licenses and permits	\$ 110,000	108,125	(1,875)
Fines and forfeits	2,000	7,412	5,412
Total Revenues	<u>112,000</u>	<u>115,537</u>	<u>3,537</u>
Expenditures:			
Current:			
Community development	111,500	115,537	(4,037)
Total Expenditures	<u>111,500</u>	<u>115,537</u>	<u>(4,037)</u>
Net Change in Fund Balance	500	-	(500)
Fund Balance at Beginning of Year	-	-	-
Fund Balance at End of Year	<u>\$ 500</u>	<u>-</u>	<u>(500)</u>

**CITY OF WHITTIER, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE –BUDGET AND ACTUAL
EARTHQUAKE RELIEF SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2015**

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
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, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE –BUDGET AND ACTUAL
STATE GAS TAX SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2015**

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Use of money and property	\$ 3,000	11,953	8,953
Intergovernmental	1,768,269	1,755,465	(12,804)
Total Revenues	<u>1,771,269</u>	<u>1,767,418</u>	<u>(3,851)</u>
Expenditures:			
Current:			
Public works	2,096,128	904,015	1,192,113
Total Expenditures	<u>2,096,128</u>	<u>904,015</u>	<u>1,192,113</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(324,859)</u>	<u>863,403</u>	<u>1,188,262</u>
Other financing sources (uses):			
Transfers out	(1,084,045)	(1,084,045)	-
Total Other Financing Sources (Uses)	<u>(1,084,045)</u>	<u>(1,084,045)</u>	<u>-</u>
Net Change in Fund Balance	(1,408,904)	(220,642)	1,188,262
Fund Balance at Beginning of Year	<u>2,721,871</u>	<u>2,721,871</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 1,312,967</u>	<u>2,501,229</u>	<u>1,188,262</u>

**CITY OF WHITTIER, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE –BUDGET AND ACTUAL
TRAFFIC SAFETY SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2015**

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Fines and forfeits	\$ 350,000	287,769	(62,231)
Total Revenues	<u>350,000</u>	<u>287,769</u>	<u>(62,231)</u>
Other financing sources (uses):			
Transfers out	(357,500)	(357,500)	-
Total Other Financing Sources (Uses)	<u>(357,500)</u>	<u>(357,500)</u>	<u>-</u>
Net Change in Fund Balance	(7,500)	(69,731)	(62,231)
Fund Balance at Beginning of Year	566,449	566,449	-
Fund Balance at End of Year	<u>\$ 558,949</u>	<u>496,718</u>	<u>(62,231)</u>

**CITY OF WHITTIER, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE –BUDGET AND ACTUAL
TRAFFIC CONGESTION SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2015**

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Use of money and property	\$ 2,000	5,844	3,844
Intergovernmental	1,020,000	897,532	(122,468)
Total Revenues	<u>1,022,000</u>	<u>903,376</u>	<u>(118,624)</u>
Expenditures:			
Current:			
Public works	2,093,417	1,273,775	819,642
Total Expenditures	<u>2,093,417</u>	<u>1,273,775</u>	<u>819,642</u>
Net Change in Fund Balance	(1,071,417)	(370,399)	701,018
Fund Balance at Beginning of Year	<u>1,552,294</u>	<u>1,552,294</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 480,877</u>	<u>1,181,895</u>	<u>701,018</u>

**CITY OF WHITTIER, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE –BUDGET AND ACTUAL
HUD GRANTS SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2015**

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Intergovernmental	\$ 750,827	681,715	(69,112)
Total Revenues	<u>750,827</u>	<u>681,715</u>	<u>(69,112)</u>
Expenditures:			
Current:			
Community development	1,553,515	690,939	862,576
Total Expenditures	<u>1,553,515</u>	<u>690,939</u>	<u>862,576</u>
Net Change in Fund Balance	(802,688)	(9,224)	793,464
Fund Balance at Beginning of Year	<u>2,420,060</u>	<u>2,420,060</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 1,617,372</u></u>	<u><u>2,410,836</u></u>	<u><u>793,464</u></u>

**CITY OF WHITTIER, CALIFORNIA
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, 2015**

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes	\$ 6,785	15,486	8,701
Use of money and property	34,900	57,614	22,714
Charges for services	62,400	35,440	(26,960)
Other	-	579	579
Total Revenues	<u>104,085</u>	<u>109,119</u>	<u>5,034</u>
Expenditures:			
Current:			
Public works	70,468	90,013	(19,545)
Total Expenditures	<u>70,468</u>	<u>90,013</u>	<u>(19,545)</u>
Net Change in Fund Balance	33,617	19,106	(14,511)
Fund Balance (Deficit) at Beginning of Year	<u>29,274</u>	<u>29,274</u>	<u>-</u>
Fund Balance (Deficit) at End of Year	<u>\$ 62,891</u>	<u>48,380</u>	<u>(14,511)</u>

**CITY OF WHITTIER, CALIFORNIA
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, 2015**

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes	\$ 54,253	231,256	177,003
Use of money and property	2,000	22,805	20,805
Charges for services	86,000	61,259	(24,741)
Other	-	176	176
Total Revenues	<u>142,253</u>	<u>315,496</u>	<u>173,243</u>
Expenditures:			
Current:			
Public works	144,061	88,086	55,975
Total Expenditures	<u>144,061</u>	<u>88,086</u>	<u>55,975</u>
Net Change in Fund Balance	(1,808)	227,410	229,218
Fund Balance at Beginning of Year	<u>1,343,871</u>	<u>1,343,871</u>	-
Fund Balance at End of Year	<u>\$ 1,342,063</u>	<u>1,571,281</u>	<u>229,218</u>

**CITY OF WHITTIER, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE –BUDGET AND ACTUAL
PROP 1B SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2015**

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Use of money and property	\$ 1,000	-	(1,000)
Total Revenues	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>
Expenditures:			
Current:			
Public works	47,282	47,435	(153)
Total Expenditures	<u>47,282</u>	<u>47,435</u>	<u>(153)</u>
Net Change in Fund Balance	(46,282)	(47,435)	(1,153)
Fund Balance at Beginning of Year	<u>85,988</u>	<u>85,988</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 39,706</u></u>	<u><u>38,553</u></u>	<u><u>(1,153)</u></u>

**CITY OF WHITTIER, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE –BUDGET AND ACTUAL
FEDERAL STIMULUS SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2015**

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Intergovernmental	\$ -	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:			
Current:			
Public works	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):			
Transfers out	-	(92,619)	(92,619)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(92,619)</u>	<u>(92,619)</u>
Net Change in Fund Balance	-	(92,619)	(92,619)
Fund Balance at Beginning of Year	92,619	92,619	-
Fund Balance (Deficit) at End of Year	<u>\$ 92,619</u>	<u>-</u>	<u>(92,619)</u>

**CITY OF WHITTIER, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
SUBVENTIONS AND GRANTS SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2015**

	Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues:			
Use of money and property	\$ -	-	-
Intergovernmental	584,747	723,506	138,759
Total Revenues	<u>584,747</u>	<u>723,506</u>	<u>138,759</u>
Expenditures:			
Current:			
Public safety	115,428	84,911	30,517
Libraries	5,000	4,993	7
Parks and recreation	637,577	184,680	452,897
Public works	1,459,338	160,741	1,298,597
Community development	181,222	89,114	92,108
Total Expenditures	<u>2,398,565</u>	<u>524,439</u>	<u>1,874,126</u>
Net Change in Fund Balance	(1,813,818)	199,067	2,012,885
Fund Balance (Deficit) at Beginning of Year	199,863	199,863	-
Fund Balance (Deficit) at End of Year	<u>\$ (1,613,955)</u>	<u>398,930</u>	<u>2,012,885</u>

**CITY OF WHITTIER, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
MEASURE R SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2015**

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Taxes	\$ 727,688	1,207,053	479,365
Use of money and property	4,000	14,888	10,888
Total Revenues	<u>731,688</u>	<u>1,221,941</u>	<u>490,253</u>
Expenditures:			
Current:			
Public works	1,744,036	593,034	1,151,002
Total Expenditures	<u>1,744,036</u>	<u>593,034</u>	<u>1,151,002</u>
Net Change in Fund Balance	(1,012,348)	628,907	1,641,255
Fund Balance at Beginning of Year	<u>2,603,725</u>	<u>2,603,725</u>	-
Fund Balance at End of Year	<u><u>\$ 1,591,377</u></u>	<u><u>3,232,632</u></u>	<u><u>1,641,255</u></u>

**CITY OF WHITTIER, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE –BUDGET AND ACTUAL
PUBLIC FINANCING AUTHORITY DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2015**

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Use of money and property	\$ 588,305	238,029	(350,276)
Total Revenues	<u>588,305</u>	<u>238,029</u>	<u>(350,276)</u>
Expenditures:			
Debt service:			
Principal	350,000	350,000	-
Interest and fiscal charges	238,305	238,305	-
Total Expenditures	<u>588,305</u>	<u>588,305</u>	<u>-</u>
Net Change in Fund Balance	-	(350,276)	(350,276)
Fund Balance at Beginning of Year	<u>5,137,903</u>	<u>5,137,903</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 5,137,903</u></u>	<u><u>4,787,627</u></u>	<u><u>(350,276)</u></u>

**CITY OF WHITTIER, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL OUTLAY CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2015**

	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Use of money and property	\$ 3,000	13,345	10,345
Other	56,857	77,815	20,958
Total Revenues	<u>59,857</u>	<u>91,160</u>	<u>31,303</u>
Expenditures:			
Capital outlay	1,735,499	1,220,080	515,419
Total Expenditures	<u>1,735,499</u>	<u>1,220,080</u>	<u>515,419</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,675,642)</u>	<u>(1,128,920)</u>	<u>546,722</u>
Other financing sources (Uses):			
Transfers in	736,280	736,280	-
Transfers out	(81,500)	(81,500)	-
Total Other Financing Sources (Uses)	<u>654,780</u>	<u>654,780</u>	<u>-</u>
Net Change in Fund Balance	(1,020,862)	(474,140)	546,722
Fund Balance at Beginning of Year	<u>5,052,876</u>	<u>5,052,876</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 4,032,014</u>	<u>4,578,736</u>	<u>546,722</u>

**CITY OF WHITTIER
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2015**

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 and medical insurance benefits.

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 POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2015

	Self Insurance	Employee Benefits	Mobile Equipment	Mobile Equipment Replacement	Other Equipment Replacement	Totals
Assets:						
Current assets:						
Cash and investments	\$ 11,357,576	5,941,931	885,808	7,158,386	2,606,784	27,950,485
Accounts receivable, net	21,648	25,619	13,138	150,321	-	210,726
Interest receivable	15,945	939	-	12,021	3,385	32,290
Prepaid items	26,659	-	-	-	-	26,659
Total Current Assets	11,421,828	5,968,489	898,946	7,320,728	2,610,169	28,220,160
Capital assets:						
Construction in Progress	-	-	-	80,822	-	80,822
Improvements	-	-	300,879	-	-	300,879
Field and shop equipment	-	-	45,511	-	129,646	175,157
Office machines	-	-	-	-	1,666,123	1,666,123
Mobile equipment	-	-	-	15,813,558	-	15,813,558
Less-accumulated depreciation	-	-	(346,390)	(10,568,718)	(1,215,194)	(12,130,302)
Total Capital Assets, Net	-	-	-	5,325,662	580,575	5,906,237
Total Assets	11,421,828	5,968,489	898,946	12,646,390	3,190,744	34,126,397
Liabilities:						
Current liabilities:						
Accounts payable	228,781	78,848	62,257	-	198,843	568,729
Accrued liabilities	462	-	18,836	-	15,249	34,547
Claims payable - current	3,331,851	-	-	-	-	3,331,851
Compensated absences payable - current	-	1,858,468	-	-	-	1,858,468
Total Current Liabilities	3,561,094	1,937,316	81,093	-	214,092	5,793,595
Long-term liabilities:						
Claims payable - non-current	1,794,073	-	-	-	-	1,794,073
Compensated absences payable - non-current	-	3,451,441	-	-	-	3,451,441
Total Non-current Liabilities	1,794,073	3,451,441	-	-	-	5,245,514
Total Liabilities	5,355,167	5,388,757	81,093	-	214,092	11,039,109
Net position:						
Net investment in capital assets	-	-	-	5,325,662	580,575	5,906,237
Unrestricted	6,066,661	579,732	817,853	7,320,728	2,396,077	17,181,051
Total Net Position	\$ 6,066,661	579,732	817,853	12,646,390	2,976,652	23,087,288

CITY OF WHITTIER
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2015

	Self Insurance	Employee Benefits	Mobile Equipment	Mobile Equipment Replacement	Other Equipment Replacement	Totals
Operating Revenues:						
Charges for services	\$ 3,896,508	5,178,333	2,728,269	1,625,380	956,070	14,384,560
Total Operating Revenues	<u>3,896,508</u>	<u>5,178,333</u>	<u>2,728,269</u>	<u>1,625,380</u>	<u>956,070</u>	<u>14,384,560</u>
Operating Expenses:						
Self insurance	3,481,647	-	-	-	-	3,481,647
Employee benefits	-	5,185,262	-	-	-	5,185,262
Maintenance	54,020	-	2,402,916	-	1,202,234	3,659,170
Depreciation	-	-	-	1,094,225	109,983	1,204,208
Total Operating Expenses	<u>3,535,667</u>	<u>5,185,262</u>	<u>2,402,916</u>	<u>1,094,225</u>	<u>1,312,217</u>	<u>13,530,287</u>
Operating Income (Loss)	<u>360,841</u>	<u>(6,929)</u>	<u>325,353</u>	<u>531,155</u>	<u>(356,147)</u>	<u>854,273</u>
Nonoperating Revenues (Expenses):						
Use of money and property	56,971	3,254	-	42,240	12,663	115,128
Gain (loss) on disposal of capital assets	-	-	-	(19,244)	-	(19,244)
Other revenue (expense)	-	-	-	28,430	-	28,430
Total Nonoperating Revenues (Expenses)	<u>56,971</u>	<u>3,254</u>	<u>-</u>	<u>51,426</u>	<u>12,663</u>	<u>124,314</u>
Income (loss) before transfers	<u>417,812</u>	<u>(3,675)</u>	<u>325,353</u>	<u>582,581</u>	<u>(343,484)</u>	<u>978,587</u>
Transfers in	-	-	-	183,681	554,200	737,881
Change in net position	<u>417,812</u>	<u>(3,675)</u>	<u>325,353</u>	<u>766,262</u>	<u>210,716</u>	<u>1,716,468</u>
Net Position at Beginning of the Year	<u>5,648,849</u>	<u>583,407</u>	<u>492,500</u>	<u>11,880,128</u>	<u>2,765,936</u>	<u>21,370,820</u>
Net Position at End of the Year	<u>\$ 6,066,661</u>	<u>579,732</u>	<u>817,853</u>	<u>12,646,390</u>	<u>2,976,652</u>	<u>23,087,288</u>

CITY OF WHITTIER, CALIFORNIA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2015

	Self Insurance	Employee Benefits	Mobile Equipment	Mobile Equipment Replacement	Other Equipment Replacement	Totals
Cash flows from operating activities:						
Receipts from customers and users	\$ 3,896,833	5,153,281	2,728,924	1,429,140	956,070	14,164,248
Payments to suppliers	(3,128,207)	-	(2,391,505)	-	(1,033,092)	(6,552,804)
Payments to employees	-	(5,032,912)	-	-	-	(5,032,912)
Net Cash Provided by (Used in) Non-Operating Activities	768,626	120,369	337,419	1,429,140	(77,022)	2,578,532
Cash flows from noncapital financing activities:						
Transfers from (to) other funds	-	-	-	183,681	554,200	737,881
Net Cash Provided Provided by (Used in) Noncapital Financing Activities	-	-	-	183,681	554,200	737,881
Cash flows from capital and related financing activities:						
Purchase of capital assets	-	-	-	(1,423,598)	-	(1,423,598)
Net Cash Used in Capital and Related Financing Activities	-	-	-	(1,423,598)	-	(1,423,598)
Cash flows from investing activities:						
Interest on investments	50,547	2,315	-	37,924	11,133	101,919
Net Cash Provided by Investing Activities	50,547	2,315	-	37,924	11,133	101,919
Net Increase (Decrease) in Cash and Cash Equivalents	819,173	122,684	337,419	227,147	488,311	1,994,734
Cash and Cash Equivalents, Beginning of Fiscal Year	10,538,403	5,819,247	548,389	6,931,239	2,118,473	25,955,751
Cash and Cash Equivalents, End of Fiscal Year	\$ 11,357,576	5,941,931	885,808	7,158,386	2,606,784	27,950,485
Reconciliation of operating income to net cash provided by operations:						
Operating income (loss)	\$ 360,841	(6,929)	325,353	531,155	(356,147)	854,273
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:						
Depreciation	-	-	-	1,094,225	109,983	1,204,208
Rental Income	-	-	-	28,430	-	28,430
Decrease (increase) in accounts receivable	325	(25,052)	655	(20,729)	-	(44,801)
(Increase) in prepaid items	26,660	-	-	-	3,331	29,991
Increase in accounts payable	107,163	4,486	6,372	(203,941)	163,872	77,952
Increase (decrease) in accrued liabilities	462	-	5,039	-	1,939	7,440
Increase in claims payable	273,175	-	-	-	-	273,175
Increase in compensated absences payable	-	147,864	-	-	-	147,864
Net Cash Provided by (Used in) Operating Activities	\$ 768,626	120,369	337,419	1,429,140	(77,022)	2,578,532

CITY OF WHITTIER
AGENCY FUNDS
YEAR ENDED JUNE 30, 2015

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.

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, 2015

	Flex-RAP	Special Deposits	Community Facilities District 1989-1	Habitat JPA	Totals
Assets:					
Cash and investments	\$ 16,158	609,623	325,920	-	951,701
Cash and investments with fiscal agents	-	-	420,413	-	420,413
Receivable:					
Accounts	-	860,004	-	78,491	938,495
Interest	-	-	190	-	190
Total Assets	<u>\$ 16,158</u>	<u>1,469,627</u>	<u>746,523</u>	<u>78,491</u>	<u>2,310,799</u>
Liabilities:					
Accounts payable	\$ 16,158	91,688	-	78,491	186,337
Deposits payable	-	1,377,939	-	-	1,377,939
Due to bondholders	-	-	746,523	-	746,523
Total Liabilities	<u>\$ 16,158</u>	<u>1,469,627</u>	<u>746,523</u>	<u>78,491</u>	<u>2,310,799</u>

**CITY OF WHITTIER
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES
AGENCY FUNDS
YEAR ENDED JUNE 30, 2015**

	Balance July 1, 2014	Additions	Deletions	Balance June 30, 2015
<u>Flex-Rap</u>				
Assets				
Cash and investments	\$ 14,149	1,745,191	(1,743,182)	16,158
Total Assets	<u>\$ 14,149</u>	<u>1,745,191</u>	<u>(1,743,182)</u>	<u>16,158</u>
Liabilities				
Accounts payable	\$ 14,149	16,158	(14,149)	16,158
Total Liabilities	<u>\$ 14,149</u>	<u>16,158</u>	<u>(14,149)</u>	<u>16,158</u>
<u>Special Deposits</u>				
Assets				
Cash and investments	\$ 552,138	1,099,278	(1,041,793)	609,623
Accounts receivable	12,283	859,965	(12,244)	860,004
Total Assets	<u>\$ 564,421</u>	<u>1,959,243</u>	<u>(1,054,037)</u>	<u>1,469,627</u>
Liabilities				
Accounts payable	\$ 40,055	91,688	(40,055)	91,688
Deposits payable	524,366	947,788	(94,215)	1,377,939
Total Liabilities	<u>\$ 564,421</u>	<u>1,039,476</u>	<u>(134,270)</u>	<u>1,469,627</u>
<u>Community Facilities District 1989-1</u>				
Assets				
Cash and investments	\$ 319,397	422,221	(415,698)	325,920
Cash and investments with fiscal agent	420,166	420,413	(420,166)	420,413
Interest receivable	57	190	(57)	190
Total Assets	<u>\$ 739,620</u>	<u>842,824</u>	<u>(835,921)</u>	<u>746,523</u>
Liabilities				
Accounts payable	\$ -	-	-	-
Due to bondholders	739,620	741,427	(734,524)	746,523
Total Liabilities	<u>\$ 739,620</u>	<u>741,427</u>	<u>(734,524)</u>	<u>746,523</u>

(Continued)

CITY OF WHITTIER
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES
AGENCY FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2015

	Balance July 1, 2014	Additions	Deletions	Balance June 30, 2015
<u>Habitat JPA</u>				
Assets				
Accounts receivable	\$ 73,155	78,491	(73,155)	78,491
Total Assets	<u>\$ 73,155</u>	<u>78,491</u>	<u>(73,155)</u>	<u>78,491</u>
Liabilities				
Accounts payable	\$ 73,155	78,491	(73,155)	78,491
Total Liabilities	<u>\$ 73,155</u>	<u>78,491</u>	<u>(73,155)</u>	<u>78,491</u>
<u>Total Agency Funds</u>				
Assets				
Cash investments	\$ 885,684	3,266,690	(3,200,673)	951,701
Cash and investments with fiscal agent	420,166	420,413	(420,166)	420,413
Receivables:				
Accounts	85,438	938,456	(85,399)	938,495
Interest	57	190	(57)	190
Total Assets	<u>\$ 1,391,345</u>	<u>4,625,749</u>	<u>(3,706,295)</u>	<u>2,310,799</u>
Liabilities				
Accounts payable	\$ 127,359	186,337	(127,359)	186,337
Deposits payable	524,366	947,788	(94,215)	1,377,939
Due to bondholders	739,620	741,427	(734,524)	746,523
Total Liabilities	<u>\$ 1,391,345</u>	<u>1,875,552</u>	<u>(956,098)</u>	<u>2,310,799</u>

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.

<i>Financial Trends</i>
Contain trend information to help the reader understand how the City's financial performance has changed over time.
<i>Revenue Capacity</i>
Contain information to help the reader assess the City's most significant local revenue source, the property tax.
<i>Debt Capacity</i>
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.
<i>Demographic and Economic Information</i>
Offer information to help the reader understand the environment within which the City's financial activities take place.
<i>Operating Information</i>
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.

Sources:

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

CITY OF WHITTIER
Net Position by Component – Last Ten Fiscal Years
(in thousands)
(accrual basis of accounting)

	Fiscal Year ending June 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<i>Governmental Activities:</i>										
Net investment in capital assets	\$ 104,182	107,928	111,342	109,657	95,435	105,775	98,199	91,640	84,556	84,382
Restricted	58,502	58,668	57,271	42,717	46,374	30,522	78,484	82,986	72,206	51,929
Unrestricted	(36,190)	51,402	41,593	67,551	45,464	44,145	3,202	(2,427)	5,817	18,731
Total Governmental Activities Net Position	126,494	217,998	210,206	219,925	187,273	180,442	179,885	172,199	162,579	155,042
% change from prior year	-42.0%	3.7%	-4.4%	17.4%	3.8%	0.3%	4.5%	5.9%	4.9%	1.5%
<i>Business-type Activities:</i>										
Net investment in capital assets	35,644	33,063	31,175	28,819	27,974	26,357	26,875	26,607	22,700	25,552
Restricted	17	6	3	135	124	185	138	120	48	34
Unrestricted	22,298	26,779	22,972	23,254	14,762	18,097	15,895	21,780	23,135	16,283
Total Business-Type Activities Net Position	57,959	59,848	54,150	52,208	42,860	44,639	42,908	48,507	45,883	41,869
% change from prior year	-3.2%	10.5%	3.7%	21.8%	-4.0%	4.0%	-11.5%	5.7%	9.6%	4.7%
<i>Primary Government:</i>										
Net investment in capital assets	139,826	140,991	142,517	138,476	123,409	132,132	125,074	118,247	107,256	109,934
Restricted	58,519	58,674	57,274	42,852	46,498	30,707	78,622	83,106	72,254	51,963
Unrestricted	(13,892)	78,181	64,565	90,805	60,226	62,242	19,097	19,353	28,952	35,014
Total Primary Government Net Position	\$ 184,453	277,846	264,356	272,133	230,133	225,081	222,793	220,706	208,462	196,911
% change from prior year	-33.6%	5.1%	-2.9%	18.3%	2.2%	1.0%	0.9%	5.9%	5.9%	2.2%

The City implemented GASB 34 for the fiscal year ended June 30, 2003.

The City implemented GASB 68 effective July 1, 2014.

CITY OF WHITTIER
Changes in Net Position – Last Ten Fiscal Years
(in thousands)
(accrual basis of accounting)

	Fiscal Year ending June 30,									
	2015 ¹	2014	2013	2012	2011	2010	2009	2008	2007	2006
Expenses:										
<i>Governmental activities:</i>										
General government	\$ 8,522	9,090	8,098	7,687	7,547	7,714	7,353	8,443	7,588	6,840
Public safety	31,790	31,082	29,952	28,479	28,642	25,967	30,428	18,146	22,765	25,477
Public works	11,864	13,024	12,879	13,256	8,931	10,781	11,688	13,790	10,726	11,583
Community development	1,451	1,895	10,481	8,317	5,499	5,598	6,414	7,608	5,596	5,668
Libraries	3,407	3,390	3,261	3,166	3,282	3,506	3,426	3,412	3,394	3,118
Transit	3,015	3,168	3,503	2,836	4,567	2,731	2,604	4,671	3,373	3,243
Parks and recreation	8,975	9,022	8,489	8,554	8,456	8,612	10,057	11,373	11,747	8,724
Interest on long-term debt	235	253	320	1,893	3,562	3,710	4,637	5,445	2,406	1,614
Total Governmental activities	69,259	70,924	76,983	74,188	70,486	68,619	76,607	72,888	67,595	66,267
<i>Business-type activities:</i>										
Sewer	1,579	1,408	1,471	1,365	1,259	1,390	1,752	1,282	1,170	1,126
Water	10,249	9,999	10,973	9,592	14,133	8,289	14,321	8,688	7,828	7,469
Solid waste	9,832	9,697	9,122	(841)	9,558	9,272	9,295	8,950	8,305	8,601
Total Business-type activities	21,660	21,104	21,566	10,116	24,950	18,951	25,368	18,920	17,303	17,196
Total primary government	90,919	92,028	98,549	84,304	95,436	87,570	101,975	91,808	84,898	83,463
Program revenues:										
<i>Governmental activities:</i>										
<i>Charges for services:</i>										
General government	3,048	2,446	1,972	2,090	2,011	2,128	2,047	2,021	2,494	2,583
Public safety	10,427	10,183	9,549	9,099	9,728	9,417	9,200	8,381	6,839	7,524
Public works	4,450	5,265	5,108	4,542	9,048	3,353	8,589	3,450	1,598	3,824
Parks and recreation	2,004	1,731	1,921	1,864	1,717	2,340	1,746	1,560	2,623	2,359
Community development	4	9,876	1,558	1,965	2,167	2,107	2,221	1,940	1,176	846
Other activities	441	815	776	898	860	895	981	967	389	310
Operating contributions and grants	7,003	6,694	8,127	11,754	6,139	5,362	6,294	5,665	6,874	5,051
Capital contributions and grants	1,320	997	902	2,561	2,788	3,300	4,521	4,033	585	3,920
Total governmental activities	28,697	38,007	29,913	34,773	34,458	28,902	35,599	28,017	22,578	26,417
<i>Business-type activities:</i>										
<i>Charges for services:</i>										
Sewer	3,900	3,109	2,549	2,216	1,955	1,740	1,902	1,913	1,836	1,282
Water	12,044	13,486	10,219	7,969	10,591	8,556	7,811	8,225	8,399	7,050
Solid waste	9,833	10,389	9,703	8,969	7,863	8,210	8,406	8,977	8,945	8,972
Operating contributions and grants	287	241	925	633	1,239	1,436	1,746	1,328	134	1,084
Total business-type activities	26,064	27,225	23,396	19,787	21,648	19,942	19,865	20,443	19,314	18,388
Total primary government	54,761	65,232	53,309	54,560	56,106	48,844	55,464	48,460	41,892	44,805
Net revenues (expenses):										
<i>Governmental activities</i>	(40,562)	(32,917)	(47,070)	(39,415)	(36,028)	(39,717)	(41,008)	(44,871)	(45,017)	(39,850)
<i>Business-type activities</i>	4,404	6,121	1,830	9,671	(3,302)	991	(5,503)	1,523	2,011	1,192
Total primary government	(36,158)	(26,796)	(45,240)	(29,744)	(39,330)	(38,726)	(46,511)	(43,348)	(43,006)	(38,658)
General revenues and other changes in net position										
<i>Governmental activities:</i>										
<i>Taxes:</i>										
Property taxes	5,897	5,711	6,523	8,779	11,830	9,690	13,252	12,501	12,191	7,337
Sales taxes	9,132	8,504	8,583	7,900	7,663	7,460	8,651	10,379	10,010	8,768
Franchise taxes	3,415	3,231	2,918	2,189	1,891	1,914	1,718	2,036	1,778	1,626
Utility users tax	7,049	6,903	7,003	6,760	7,034	7,366	7,659	7,806	7,872	7,529
Motor vehicle in lieu tax, unrestricted	7,776	7,416	7,153	7,076	7,285	7,253	7,410	8,786	8,403	8,219
Transit tax	2,786	2,673	2,466	2,332	2,150	2,035	2,314	2,544	2,560	2,610
Other taxes	2,974	2,786	2,276	2,349	2,307	2,257	2,356	2,734	2,776	1,542
Investment income	544	457	424	443	1,154	2,162	4,404	6,438	6,051	3,539
Other	1	3	1	45	4	136	16	444	801	656
Transfers	593	593	4	522	-	-	914	824	112	348
Extraordinary gain	-	-	-	33,672	-	-	-	-	-	-
Total governmental activities	40,167	38,277	37,351	72,067	41,318	40,273	48,694	54,492	52,554	42,174
<i>Business-type activities:</i>										
Investment income	223	154	103	186	935	584	818	1,924	2,115	1,021
Other	16	16	14	12	588	157	-	-	-	-
Transfers	(593)	(593)	(4)	(522)	-	-	(914)	(824)	(112)	(348)
Total business-type activities	(354)	(423)	113	(324)	1,523	741	(96)	1,100	2,003	673
Total primary government	39,813	37,854	37,464	71,743	42,841	41,014	48,598	55,592	54,557	42,847
Changes in net position										
<i>Governmental activities</i>	(395)	5,360	(9,719)	32,652	5,290	556	7,686	9,621	7,537	2,324
<i>Business-type activities</i>	4,050	5,698	1,943	9,347	(1,779)	1,732	(5,599)	2,623	4,014	1,865
Change in net position - total primary government	\$ 3,655	11,058	(7,776)	41,999	3,511	2,288	2,087	12,244	11,551	4,189

The City implemented GASB 34 for the fiscal year ended June 30, 2003.

¹ The City implemented GASB 68 effective July 1, 2014.

CITY OF WHITTIER
Fund Balances of Governmental Funds (1)
Last Ten Fiscal Years
(in thousands)

	Fiscal Year Ending June 30,						Fiscal Year Ending June 30,				
	2015	2014	2013	2012	2011 ⁶		2010	2009	2008	2007	2006 ²
General fund:						General fund:					
Nonspendable	\$ 7,682	7,663	23	7,858	7,321	Reserved	\$ 7,410	8,286	8,970	9,640	9,437
Restricted	515	1,083	1,057	838	728	Unreserved, designated for	12,071	18,203	18,259	17,935	13,360
Committed	3,297	3,275	3,075	2,985	2,923	Unreserved	16,895	16,094	19,847	18,562	19,236
Assigned	3,870	4,140	3,478	2,318	2,826	Total general fund	36,376	42,583	47,076	46,137	42,033
Unassigned	25,504	22,670	20,558	20,875	22,675						
Total general fund	40,868	38,831	28,191	34,874	36,473						
Other governmental funds:						Other governmental funds:					
Nonspendable	142	163	165	-	-	Reserved	39,268	96,938	40,993 ⁵	43,305 ⁴	21,003 ³
Restricted	45,096	44,753	42,454	44,750	80,315	Unreserved, designated for, reported in:					
Committed	-	-	-	-	-	Special revenue funds	617	541	303	215	215
Assigned	4,579	5,053	5,441	9,321	6,999	Debt service funds	-	-	28,345	18,493	7,582
Unassigned	-	-	-	-	(11,013)	Capital projects funds	-	-	-	-	3,000
Total other governmental funds	49,817	49,969	48,060	54,071	76,301	Unreserved, reported in:					
Total governmental funds	\$ 90,685	88,800	76,251	88,945	112,774	Special revenue funds	14,236	(10,630)	7,850	2,806	8,793
						Debt service funds	14,325	(6,044)	(2,978)	(4,412)	(14,014)
						Capital projects funds	5,180	2,246	2,773	2,877	2,215
						Total other governmental funds	73,626	83,051	77,286	63,284	28,794
						Total governmental funds	\$ 110,002	125,634	124,362	109,421	70,827

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 from the 2007 Public Financing Authority Revenue Bonds reserved for redevelopment projects and debt services.

⁶ The City implemented GASB statement No. 54 in the fiscal year ended June 30, 2011.

CITY OF WHITTIER
Changes in Fund Balances of Governmental Funds (1)
Last Ten Fiscal Years
(in thousands)

	Fiscal Year Ending June 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Revenues:										
Taxes	\$ 38,040	36,050	36,049	36,408	41,344	42,081	37,264	38,161	36,163	35,056
Licenses and permits	2,549	2,410	1,963	1,997	1,978	3,182	2,777	1,938	3,037	2,622
Fines and forfeits	1,173	1,156	1,260	1,125	1,524	1,465	1,699	1,332	929	992
Use of money and property	1,177	1,046	1,143	1,209	1,902	2,745	5,210	6,760	5,442	3,841
Intergovernmental	5,750	6,038	6,967	8,482	7,413	8,708	15,933	19,302	13,081	12,572
Charges for services	14,832	16,620	14,988	15,554	15,591	17,470	22,015	14,277	13,589	13,148
Other	4,422	12,632	4,117	3,921	8,585	3,523	496	1,914	657	615
Total revenues	67,943	75,952	66,487	68,696	78,337	79,174	85,394	83,684	72,898	68,846
Expenditures:										
Current:										
General government	8,579	9,074	8,234	8,027	7,482	7,797	7,885	7,951	7,331	6,479
Public safety	31,972	31,030	30,457	29,669	28,398	28,977	30,942	27,773	26,778	25,074
Public works	6,592	7,847	9,983	8,336	7,223	5,643	6,639	7,976	5,762	6,369
Community development	1,460	1,892	10,525	8,700	5,450	5,932	6,472	7,379	5,440	5,460
Libraries	3,430	3,384	3,316	3,301	3,254	3,462	3,388	3,376	3,339	3,058
Local transit	3,037	3,162	3,562	2,956	4,528	2,567	2,442	4,526	3,148	3,012
Parks and recreation	9,036	9,007	8,632	8,918	8,384	8,626	9,663	10,493	11,038	10,304
Pass through agreements	-	-	-	695	2,203	4,644	1,736	2,220	778	1,574
Capital outlay	1,220	650	3,845	3,042	5,673	16,066	8,515	1,997	402	1,744
Debt service:										
Principal	350	335	320	1,856	2,364	8,469	1,571	1,463	1,447	1,304
Interest and fiscal charges	238	256	276	1,844	3,383	3,769	4,644	4,159	1,997	1,628
Bond issuance costs	-	-	-	-	-	-	-	293	269	-
Total expenditures	65,914	66,637	79,150	77,344	78,342	95,952	83,897	79,606	67,729	66,006
Excess of revenues over (under) expenditures	2,029	9,315	(12,663)	(8,648)	(5)	(16,778)	1,497	4,078	5,169	2,840
Other financing sources (uses):										
Issuance of debt	-	-	-	625	1,275	1,254	1,206	16,568	35,513	1,303
Transfers in	2,490	3,507	1,965	12,267	11,162	22,370	14,875	7,681	3,530	2,380
Transfers out	(2,635)	(1,939)	(1,996)	(12,892)	(11,201)	(22,478)	(16,307)	(7,595)	(4,803)	(2,377)
Payment to escrow agent	-	-	-	-	-	-	-	(5,790)	-	-
Premium (discount) from bond issuance	-	-	-	-	-	-	-	-	(815)	-
Total other financing sources (uses)	(145)	1,568	(31)	-	1,236	1,146	(226)	10,864	33,425	1,306
Extraordinary item:										
Dissolution of Former Redevelopment Agency	-	-	-	(15,182)	-	-	-	-	-	-
Net change in fund balances	\$ 1,884	10,883	(12,694)	(23,830)	1,231	(15,632)	1,271	14,942	38,594	4,146
Debt service as a percentage of non-capital expenditures	0.91%	0.90%	0.84%	5.23%	8.49%	15.80%	8.29%	8.81%	6.06%	4.56%

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 June 30	City				Redevelopment Agency				Total Direct Tax Rate
	Secured	Unsecured	Less: Exemptions	Taxable Assessed Value	Secured	Unsecured	Less: Exemptions	Taxable Assessed Value	
2006	\$ 4,925,787	52,803	(227,860)	4,750,730	1,022,370	81,577	(41,284)	1,062,663	0.15731%
2007	5,353,653	51,934	(241,980)	5,163,607	1,220,075	94,901	(48,068)	1,266,908	0.17279%
2008	5,764,223	44,770	(244,924)	5,564,069	1,385,732	100,310	(60,686)	1,425,356	0.18471%
2009	6,018,883	45,223	(250,595)	5,813,511	1,484,842	103,550	(67,704)	1,520,688	0.19172%
2010	5,820,412	42,021	(221,491)	5,640,942	1,527,176	100,306	(54,649)	1,572,833	0.20043%
2011	5,831,111	40,800	(289,426)	5,582,485	1,529,589	93,174	(106,971)	1,515,792	0.19485%
2012	6,000,274	42,055	(307,687)	5,734,642	1,539,305	98,324	(121,952)	1,515,677	0.19230%
2013	6,087,317	40,291	(337,455)	5,790,153	1,565,967	94,230	(122,001)	1,538,196	0.19204%
2014	6,305,284	45,083	(325,376)	6,024,991	1,625,768	89,858	(132,511)	1,583,115	0.07306%
2015	6,648,446	39,467	(346,308)	6,341,605	1,678,096	90,641	(129,892)	1,638,845	0.07314%

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
Last Ten Fiscal Years
(Rate per \$100 of assessed value)

Agency	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Basic Levy¹	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
County Detention Facilities 1987 Debt	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00066	0.00080
East Whittier City School District	0.03878	0.03900	0.04024	0.03680	0.03638	0.03553	0.03320	0.02750	0.02612	0.02991
El Monte Union High School District	0.00000	0.00000	0.00000	0.00000	0	0.00000	0.00000	0.00000	0.05847	0.05425
Fullerton Union High School District	0.01338	0.01435	0.01579	0.01300	0.01820	0.01529	0.01431	0.01346	0.01540	0.01503
LA County Flood Control	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00005	0.00005
Los Nietos School District 08 Series 2008A	0.03041	0.02810	0.03351	0.03420	0.03213	0.02885	0.02680	0.00000	0.00000	0.00000
Metropolitan Water District	0.00350	0.00350	0.00350	0.00370	0.00370	0.00430	0.00430	0.00450	0.00470	0.00520
N Orange Co. Community College District	0.01704	0.01704	0.01902	0.01742	0.01758	0.01649	0.01493	0.01502	0.01444	0.01666
Rio Hondo Community College District	0.02821	0.02892	0.02812	0.03418	0.03439	0.02714	0.02320	0.01369	0.01469	0.01802
South Whittier School District	0.06856	0.06403	0.06884	0.08556	0.06895	0.06169	0.05783	0.05588	0.06270	0.06879
Uptown Parking District #2	0.16666	0.16666	0.16666	0.16666	0.16666	0.16666	0.16666	0.16666	0.16666	0.16666
Whittier City School District	0.05792	0.06110	0.03439	0.03354	0.03494	0.03443	0.03365	0.03582	0.04031	0.03924
Whittier Union High School District	0.05270	0.04473	0.04556	0.04317	0.04239	0.04224	0.03728	0.04359	0.08918	0.04489
Total Direct & Overlapping² Tax Rates	1.47716	1.46743	1.45563	1.46823	1.45532	1.43262	1.41216	1.37612	1.49338	1.45950
City's Share of 1% Levy Per Prop 13³	0.07171	0.07171	0.07171	0.07171	0.07171	0.07171	0.07171	0.07171	0.07171	0.07171
Redevelopment Rate⁴				1.00370	1.00370	1.00430	1.00430	1.00450	1.00541	1.00604
Total Direct Rate⁵	0.07314	0.07306	0.19204	0.19230	0.19485	0.20043	0.19172	0.18471	0.17279	0.15731

Notes:

¹In 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.

²Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all city property owners.

³City'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. ERAF general fund tax shifts may not be included in tax ratio figures.

⁴Redevelopment Rate is based on the largest RDA tax rate area 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. The approval of ABX1 26 eliminated Redevelopment from the State of California for the fiscal year 2012-13 and years thereafter.

⁵Because basic and debt rates vary by tax rate area, individual rates cannot be summed. The Total Direct Rate is the weighted average of all individual direct rates applied by the government preparing the statistical section information.

Source: The HdL Companies, Los Angeles County Assessor

CITY OF WHITTIER
Ten Principal Property Taxpayers
Year Ended June 30, 2015

Taxpayer	No. of Parcels	Assessed Value	Percentage of Total City Property Assessed Value
BRE DDR BR WHITTWOOD CALIFORNIA LLC	18	\$ 136,786,589	1.71%
GMS FIVE LLC	11	59,741,564	0.75%
WHITTIER MARKETPLACE LP	1	38,306,000	0.48%
MATRIX OIL CORPORATION	2	28,675,245	0.36%
WBCMT 2007 C31 OFFICE 15111	4	27,700,000	0.35%
CLPF WHITTIER INDUSTRIAL LP	2	25,553,862	0.32%
WHITTIER GATEWAY CENTER LLC	6	25,385,000	0.32%
TAM STOCKTON LLC	1	18,842,827	0.24%
WHITTIER CALMED INVESTMENT LP	3	17,842,100	0.22%
MGP XXXIII LLC	6	17,569,043	0.22%
Total taxable assessed value of ten largest taxpayers	54	396,402,230	4.97%
Total taxable assessed value of other taxpayers		7,584,047,312	95.03%
Total taxable assessed value of all taxpayers		\$ 7,980,449,542	100.00%

The amounts shown above include assessed value data for both the City and the Redevelopment Successor 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	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2006	\$ 4,885,395	4,404,837	90.16%	143,662	4,548,499	93.10%
2007	5,128,001	4,807,604	93.75%	90,138	4,897,742	95.51%
2008	5,632,727	5,194,502	92.22%	155,000	5,349,502	94.97%
2009	5,690,559	5,252,334	92.30%	245,153	5,497,487	96.61%
2010	5,530,475	5,242,687	94.80%	228,431	5,471,118	98.93%
2011	5,575,089	5,254,111	94.24%	118,642	5,372,753	96.37%
2012	5,654,107	5,507,578	97.41%	55,336	5,562,914	98.39%
2013	5,294,251	4,961,287	93.71%	89,212	5,050,499	95.40%
2014	5,403,911	5,170,686	95.68%	35,046	5,205,732	96.33%
2015	5,631,333	5,354,839	95.09%	49,630	5,404,469	95.97%

Note: ¹The figures provided for property tax levies and collections are for the City of Whittier, Uptown Parking District, and Community Facilities Districts only.

Source: Los Angeles County Auditor Controller's Office

CITY OF WHITTIER
Taxable Sales by Category
Last Ten Calendar Years
(in thousands of dollars)

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Apparel stores	\$ 42,794	42,161	39,231	37,877	46,243	43,482	41,185	45,000	45,188	44,534
General merchandise	90,684	91,907	88,138	92,990	81,361	81,833	97,052	106,691	99,090	66,397
Food stores	43,252	44,049	40,133	39,106	38,537	40,050	42,573	44,319	44,292	39,789
Eating and drinking places	143,021	137,994	134,314	124,056	114,815	114,913	119,050	119,646	111,803	104,262
Building materials	72,478	57,751	56,053	52,989	50,696	51,043	63,923	66,097	71,199	71,717
Auto dealers and supplies	69,179	66,753	55,660	51,668	52,081	71,611	115,123	186,529	210,077	210,881
Service stations	110,563	110,162	115,053	109,531	87,127	78,792	107,227	93,259	85,547	73,643
Other retail stores	114,587	116,626	110,045	111,528	109,975	105,457	115,070	123,385	123,699	113,353
All other outlets	184,682	171,684	166,840	176,072	157,346	166,488	184,900	233,479	220,932	206,954
Total	\$ 871,240	839,087	805,467	795,817	738,181	753,669	886,103	1,018,405	1,011,827	931,530

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 ¹⁴	Tax Allocation Loans ¹⁴	Tax Allocation Bonds ¹⁴	Capital Lease Payable	Loans ^{1, 14}	Total Governmental Activities ²
2006	\$3,981,417	6,810,000 ⁷	13,655,000 ^{5,9}	18,369 ⁶	10,540,893	35,005,692
2007	4,230,511	6,565,000	47,735,000 ¹⁰	-	9,972,409	68,502,930
2008	4,310,395	21,735,000 ¹²	41,800,000 ¹¹	-	10,486,245	78,331,663
2009	4,526,553	21,100,000	41,180,000	-	8,559,510	75,366,063
2010	4,756,315	20,465,000	34,370,000	-	7,538,549	67,129,864
2011	5,002,091	19,805,000	33,695,000	-	6,870,003	65,372,094
2012	-	-	5,175,000	-	-	5,175,000
2013	-	-	4,855,000	-	-	4,855,000
2014	-	-	4,520,000	-	-	4,520,000
2015	-	-	4,170,000	-	-	4,170,000

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

¹ Operating and sales tax loans to the former Whittier Redevelopment Agency from the City.

² Not includes noncommitment debt.

³ This ratio is calculated using personal income for the prior calendar year.

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.

¹³ The Whittier Utility Authority issued \$9,095,000 of 2009 revenue bonds.

¹⁴ Parts of the liabilities were transferred from governmental funds to fiduciary funds on February 1, 2012.

¹⁵ The Whittier Utility Authority issued 2012 revenue bonds to refund the 2003 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>Percentage of Personal Income ³</u>
10,070,000 ⁸	3,255,000	13,325,008	48,330,700	2.32%
9,875,000	2,965,000	12,840,000	81,342,930	3.69%
9,670,000	2,660,000	12,330,000	90,661,663	3.97%
9,460,000	2,340,000	11,800,000	87,166,063	3.78%
18,335,000 ¹³	2,000,000	20,335,013	87,464,877	3.89%
17,925,000	1,640,000	19,565,000	84,937,094	3.78%
17,500,000	1,265,000	18,765,000	23,940,000	1.05%
18,892,271 ¹⁵	865,000	19,757,286	24,612,286	1.03%
18,334,249	445,000	18,779,249	23,299,249	0.96%
17,756,227	-	17,756,227	21,926,227	0.91%

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
	Tax Allocation Loans	Tax Allocation Bonds	Total		
2006	\$ 6,810	13,655	20,465	0.34%	236
2007	6,565	47,735	54,300	0.81%	628
2008	21,735	41,800	63,535	0.87%	736
2009	21,100	41,180	62,280	0.81%	722
2010	20,465	34,370	54,835	0.73%	634
2011	19,805	33,695	53,500	0.71%	614
2012	-	5,175	5,175 ²	0.07%	60
2013	-	4,855	4,855	0.06%	56
2014	-	4,520	4,520	0.06%	52
2015	-	4,170	4,170	0.05%	48

Notes: General bonded debt is debt payable with government fund resources and general obligation bond 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.

² Reduced due to the dissolution of former Redevelopment Agency, the liabilities were transferred from governmental funds of the City to fiduciary funds on February 1, 2012.

CITY OF WHITTIER
Direct and Overlapping Debt
June 30, 2015

City Assessed Valuation		\$ 6,341,604,650	
Redevelopment Agency Incremental Valuation		1,638,844,892	
Total 2014-2015 Assessed Valuation		<u>\$ 7,980,449,542</u>	
	Percentage Applicable to City	Outstanding Debt 6/30/15	Estimated Share of Overlapping Debt
Overlapping Debt:			
Metropolitan Water District	0.712%	\$ 53,296,395	379,256
E Whittier City DS 2007 Ref Bonds	64.052%	6,200,000	3,971,247
Los Nietos SD DS 2008 Series B	10.165%	1,178,130	119,758
Los Nietos SD DS 2008 SR 11A QSCB	10.165%	3,170,000	322,233
Los Nietos SD DS Ref Bonds Series 2011	10.165%	20,702,002	2,104,374
S Whittier SD DS 1998 Series A	0.366%	1,153,278	4,226
S Whittier Elementary DS 2004 Series A	0.366%	6,669,788	24,442
S Whittier Elementary SD 2011 Refunding	0.366%	7,815,000	28,639
Whittier City SD DS 2006 Ref Bonds	53.159%	8,040,000	4,273,964
Whittier City SD DS 2010 Ref Bonds	53.159%	3,865,000	2,054,586
Whittier City SD DS 2012 Ref Bonds	53.159%	11,555,000	6,142,494
Whittier City SD DS 2012 Series A	53.159%	36,855,000	19,591,659
Fullerton Unified HSD DS 2002 Series A	25.161%	2,288,614	575,846
Fullerton Unified HSD DS 2002 Series B	25.161%	1,841,175	463,265
Whittier Union HSD DS 2005 Refunding Bonds	36.119%	111,930,795	40,428,100
Whittier Union HSD DS 2008 Series 2014B	36.119%	18,000,000	6,501,390
N Orange Co CCD DS 2003B Series & 2005 Ref	24.550%	4,401,147	1,080,466
Rio Hondo CCD DS 2005 Refunding Bonds	23.160%	40,012,336	9,266,803
Rio Hondo CCD DS 2004 Series 2008	23.160%	120,977,824	28,018,301
Total overlapping debt		<u>\$ 459,951,484</u>	125,351,049
City direct debt			4,170,000 ²
Total direct and overlapping debt			<u>129,521,049</u> ¹

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

² All bonded debt, excluded the former Redevelopment Agency's debt

Notes:

This report reflects debt which is being repaid through voter-approved property tax indebtedness. It excludes mortgage revenue, tax allocation bonds, interim financing obligations, non-bonded capital lease obligations, and certificates of participation, unless provided by the city.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another government unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value.

Source: *HdL Coren & Cone*

**CITY OF WHITTIER
Legal Debt Margin
Last Ten Fiscal Years**

Fiscal Year	Assessed Valuation	Conversion Percentage	Adjusted Assessed Valuation	Debt Limit Percentage	Debt Limit	Debt Applicable to Limit	Legal Debt Margin
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
2009-10	7,213,775,202	25%	1,803,443,801	15%	270,516,570	-	270,516,570
2010-11	7,098,277,146	25%	1,774,569,287	15%	266,185,393	-	266,185,393
2011-12	7,250,319,391	25%	1,812,579,848	15%	271,886,977	-	271,886,977
2012-13	7,328,348,758	25%	1,832,087,190	15%	274,813,078	-	274,813,078
2013-14	7,608,106,757	25%	1,902,026,689	15%	285,304,003	-	285,304,003
2014-15	7,980,449,542	25%	1,995,112,386	15%	299,266,858	-	299,266,858

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	
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
2010	10,067	7,764	2,303	220	778	998	2.31
2011	12,190	6,755	5,435	410	919	1,329	4.09
2012	8,629	6,497	2,132	425	908	1,333	1.60
2013	11,180	7,611	3,569	670	873	1,543	2.31
2014	13,170	7,050	6,120	520	815	1,335	4.58
2015	11,870	7,402	4,468	540	802	1,342	3.33

Note: The rate covenant of the all water bonds requires net revenue to equal at least 125 percent of the debt service requirements. The Authority originally issued bonds in 1987, was defeased in 1993, and was refunded in March 2003. The Authority issued new 2009 Water Revenue Bonds of \$9,095,000 in October 2009. In November 2012, the Authority issued 2012 Water Revenue Bonds of \$10,085,000 to refund 2003 Water Revenue Bonds and finance various water improvements.

¹ Restated to exclude AB1600 Water Connection Fee.

² Excludes depreciation.

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	
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
2010	8,249	6,556	1,693	340	109	449	3.77
2011	8,361	7,411	950	360	90	450	2.11
2012	8,388	7,154	1,234	375	78	453	2.72
2013	9,769	7,446	2,323	400	57	457	5.08
2014	10,410	7,694	2,716	420	35	455	5.97
2015	9,853	7,786	2,067	445	12	457	4.52

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

<u>Calendar Year</u>	<u>City Population</u>	<u>Personal Income (in thousands)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2005	86,639	\$ 2,081,425	\$ 24,024	3.8%
2006	86,518	2,205,356	25,490	3.3%
2007	86,363	2,285,550	26,464	3.6%
2008	86,317	2,303,772	26,690	5.3%
2009	86,472	2,246,927	25,984	8.3%
2010	87,128	2,244,330	25,759	9.1%
2011	85,654	2,290,045	26,736	8.8%
2012	86,093	2,387,101	27,727	6.6%
2013	86,538	2,419,862	27,963	5.4%
2014	86,577	2,416,016	27,906	6.5%

Source: The HDL Companies

CITY OF WHITTIER
Demographic and Economic Statistics
2012 Ten Largest Employers

<u>Rank</u>	<u>Name</u>	<u>Number of Employees</u>	<u>% of City Employment</u>	<u>Type</u>
1	Interhealth Corporation	2,600	6.50%	Healthcare
2	Whittier Union HS District	950	2.38%	Education
3	Whittier Medical Center	850	2.13%	Healthcare
4	Whittier City School District	725	1.81%	Education
5	City of Whittier	624	1.56%	Municipality
6	U.S. Post Office	360	0.90%	Postal Service
7	Bright Health Physicians	300	0.75%	Healthcare
8	Ralph's	270	0.68%	Grocery/Retail
9	East Whittier City Elementary District	270	0.68%	Education
10	Johnson Controls Inc	250	0.63%	Plumbing & HVAC

Information is not available for nine years prior.

Source: *InfoUSA.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
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
2010	46	194	52	24	77	3	160	26	32	614
2011	45	184	54	25	67	5	157	27	31	595
2012	37	192	60	23	60	5	188	28	31	624
2013	41	189	53	21	72	4	183	26	32	621
2014	44	192	55	19	73	4	192	25	33	637
2015	50	179	41	18	80	5	209	30	29	641

Source: *City of Whittier Controller's Office*

CITY OF WHITTIER
Operating Indicators
Last Ten Fiscal Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<i>Public Safety</i>										
Sworn employees-full time	119	121	120	117	116	124	126	135	128	121
Civilian employees-full time	51	48	50	50	49	48	50	75	68	68
Physical arrests	2,726	2,877	2,134	2,809	3,277	3,022	3,405	2,923	3,321	3,558
Parking violations	18,650	15,709	17,867	18,364	18,265	15,494	11,504	13,635	11,263	10,480
Traffic violations	4,296	7,129	6,485	5,841	8,245	12,259	8,066	11,044	7,349	6,599
<i>Libraries</i>										
Total items	315,428	317,998	324,422	323,771	325,813	327,336	331,885	332,299	381,975	378,828
Volumes checked out	398,000	442,114	430,756	432,084	523,733	535,962	545,629	571,904	531,400	545,885
Library patrons	598,249	586,532	481,068	420,521	482,510	479,336	460,738	452,823	473,510	431,078
New library cards	5,760	6,678	6,928	5,121	6,624	7,054	7,785	7,291	6,864	7,335
<i>Public Transit System</i>										
Fixed route:										
Routes	N/A	2	2							
Revenue service miles	N/A	148,373	149,683							
Riders	N/A	166,078	182,306							
Dial-A-Ride:										
Revenue service miles	188,970	192,595	196,557	199,273	191,067	185,589	179,739	176,830	167,881	172,072
Riders	73,199	76,373	78,865	79,466	75,521	69,818	63,931	54,648	53,870	46,904
<i>Parks & Recreation</i>										
Senior center patrons	106,500	105,000	104,000	102,783	99,235	92,656	78,648	129,506	100,860	119,786
Aquatics program participants	62,350	62,600	62,400	62,325	62,220	61,800	62,120	61,300	55,720	58,172
Tennis program participants	34,250	32,400	32,380	32,410	32,300	32,500	32,300	31,400	26,000	26,560
Youth program participants	171,345	171,000	170,889	211,552	214,477	226,594	200,558	209,960	209,850	206,181
Community center patrons	263,000	255,000	252,000	246,000	271,000	264,000	253,000	236,105	235,810	223,825
Parnell community & senior center patrons	144,380	147,000	146,004	149,635	141,711	93,870	88,587	80,576	74,563	
York field patrons	126,000	123,000	121,500	118,000	116,000	113,000	110,000	103,000	45,360	
<i>Water Utility</i>										
Avg daily water consumption	6,498,763	6,890,578	6,735,437	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	18,265	18,265	18,265	18,442	18,442	18,442	18,442	18,442	18,442	18,442
Multi-residential sewer service	2,134	2,134	2,134	2,024	2,024	2,024	2,024	2,024	2,024	2,024
Commercial sewer service	1,066	1,066	1,066	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

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<i>Public Safety</i>										
Number of police stations	1	1	1	1	1	1	1	1	1	1
Number of patrol units	31	31	30	29	32	32	32	32	32	29
Number of canine units	1	1	1	1	1	1	2	2	2	2
Number of motorcycle units	7	6	5	6	6	6	5	5	5	5
<i>Public Works:</i>										
Miles of streets	212	212	212	212	212	212	212	212	212	212
Traffic signals	104	104	104	103	99	99	99	99	99	98
Number of street lamps	3,438	3,438	3,438	3,435	3,262	3,262	3,262	3,262	3,262	3,248
<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	N/A	4	4							
Number of dial-a-ride vehicles	15	17	17	17	13	12	11	9	7	7
<i>Parks & 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	1,679
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	2	2	2	2	2	2	2	2	2	2
<i>Water Utility</i>										
Miles of mains	143	143	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	211	211	214	214	214	214	214	214	214	214

Source: City of Whittier Departments