

Fiscal Year 2019 - 2020

Popular Annual Financial Report



LA PUENTE CALIFORNIA

INTRODUCTION

ABOUT THIS REPORT

Thank you for taking the time to read the Popular Annual Financial Report (PAFR) for the fiscal year ending June 30, 2020. This is the City of La Puente's first PAFR publication. This report offers a summary of the City's financial information for the period, presented in a manner that is easily understandable. The purpose of the PAFR is to provide citizens with a simple way to connect with local government and learn how public resources are being used to improve the community. The PAFR is informational in nature and does not constitute a financial statement as defined by Generally Accepted Accounting Principles.

The data presented in the PAFR is taken directly from the audited Annual Financial Report,. To view the full Annual Financial Report for the 2019/2020 Fiscal Year, please visit www.lapueente.org/government/departments/finance or call (626) 855-1500.

STAFF MESSAGE

Dear Honorable Mayor, Members of the City Council, and La Puente community:

The year 2020 has visited challenges upon the community distinct from those of prior years. Throughout the COVID-19 pandemic, the resiliency of the La Puente community has been displayed like never before. Small business owners have obtained grant funding for their operations. Senior citizens have received quality nutrition through the Great Plates program. Communities of faith have come together to provide food banks for those in need. We have discovered new ways to celebrate holidays, through City events that allow us to experience the joy of the seasons together even though we are physically apart.

Prudent fiscal management is more important today than ever before. The ability to maintain a safe, healthy, and vibrant community in the face of obstacles such as those of this year depends on it. The information contained in this report showcases the strength of the City's revenue sources and the stability of its expenditures. Without regard to the duration of the current economic difficulties, the City remains committed to operating within the confines of a balanced budget, ensuring the continued availability of critical services and infrastructure in the years to come.

We would like to acknowledge the City Council for the acuity of its leadership. Our final gratitude is reserved for the citizens of La Puente. You have united with the common goal of creating a better life for all within the City, and it is with the utmost pride that we serve you every day.



Bob Lindsey
City Manager



Troy Grunklee, CPA
Director of Administrative Services



Alexander Merkel Medina
Principal Accountant

LA PUENTE FAST FACTS

POPULATION
40,568

3.5 SQUARE MILES

84.2% LATINO

INCORPORATED
1956

UNEMPLOYMENT
4.5%

RANKED TOP 25 IN
GREATER LA FOR
FISCAL RESERVES
BY STATE AUDITOR

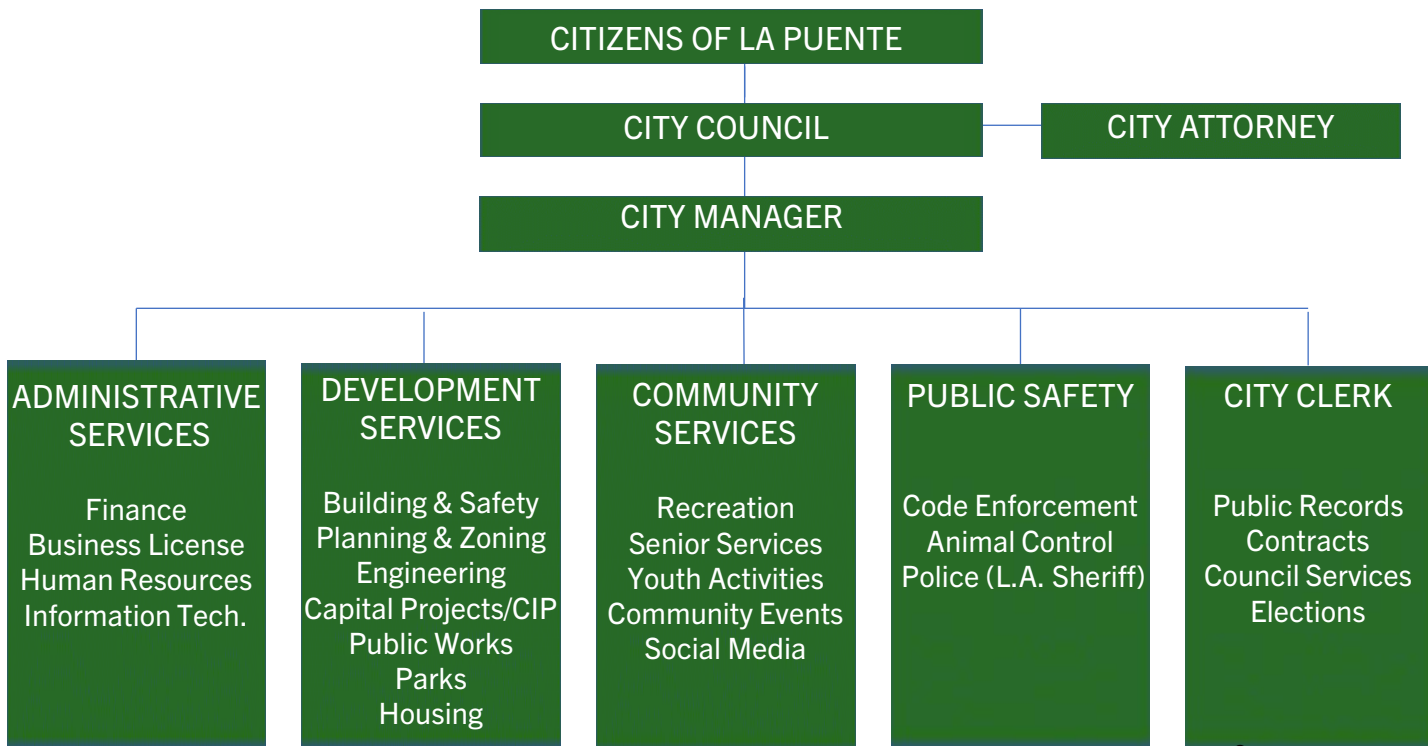
MEDIAN AGE 32.9

CITY GOVERNMENT

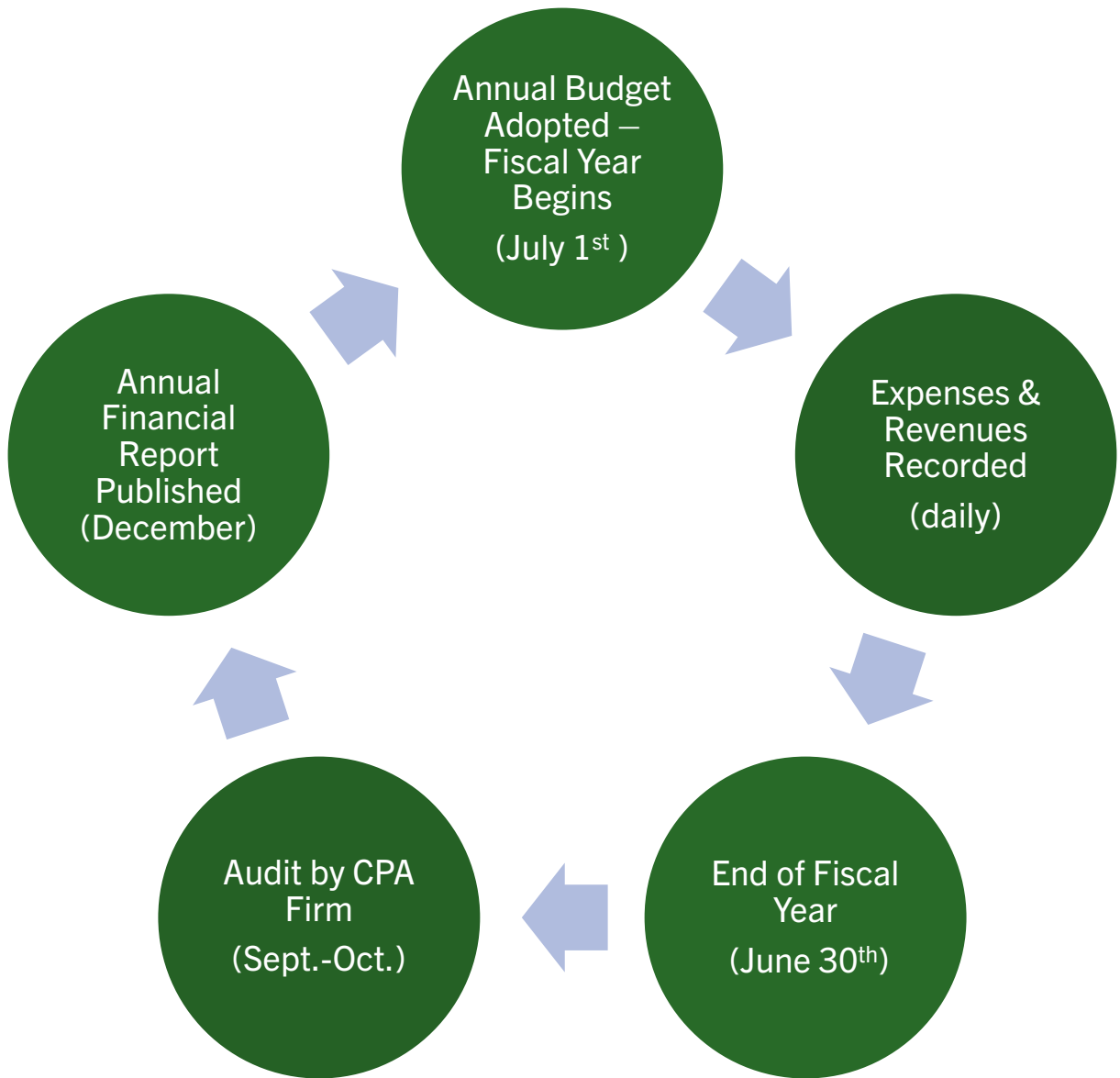
LA PUENTE CITY COUNCIL



ORGANIZATIONAL STRUCTURE



FISCAL CYCLE



KEY TERMS

Budget – a financial plan for the fiscal year legally authorizing the spending of City funds. Adopted by City Council prior to June 30th of each year.

Fiscal Year – the reporting period for financial transactions, from July 1st to June 30th of the next calendar year.

Annual Financial Report – formal, audited report of actual financial results of a fiscal year.⁴

REVENUES

GOVERNMENTAL ACTIVITY REVENUES (income received by the City) totaled \$24,491,293 in Fiscal Year 2019-2020. As the chart below shows, Sales Tax and Property Tax are the largest sources.

Revenues

Program Revenues:

Charges for Services	\$ 2,473,452
Operating Grants and Contributions	743,530
Capital Grants and Contributions	5,360,957

General Revenues:

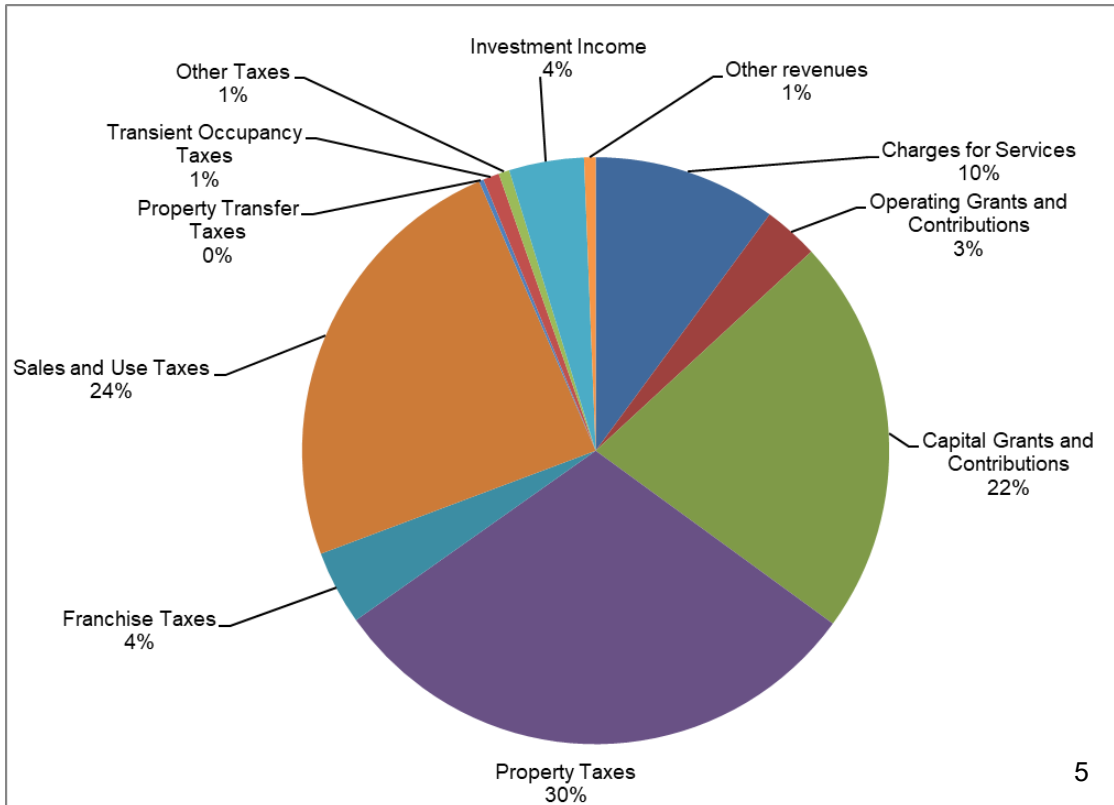
Taxes:

Property Taxes	7,391,137
Franchise Taxes	1,000,525
Sales and Use Taxes	5,928,799
Property Transfer Taxes	63,652
Transient Occupancy Taxes	217,209
Other Taxes	146,475

Investment Income	1,009,858
Other revenues	155,699

Total revenues

24,491,293

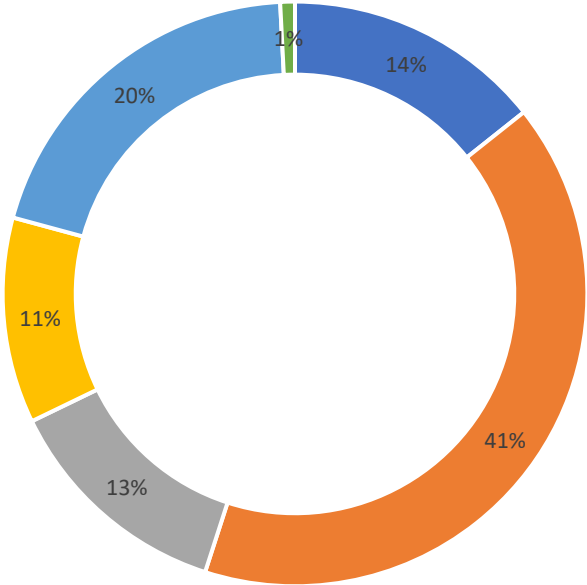


EXPENSES

GOVERNMENTAL ACTIVITY EXPENSES (money spent by the City throughout the Fiscal Year) totaled \$18,974,716. Public Safety is the largest expense, at 41% of total. This category includes the policing contract with the Los Angeles County Sheriff’s Department.

Expenses

General Government	2,716,718
Public Safety	7,714,703
Public Works	2,438,985
Recreation/Senior Services	2,159,441
Community Development	3,790,988
Interest on Long-Term Debt	153,881
Total expenses	18,974,716



- General Government
- Public Safety
- Public Works
- Recreation/Senior Svcs.
- Community Development
- Interest-Long Term Debt

FUND BALANCE

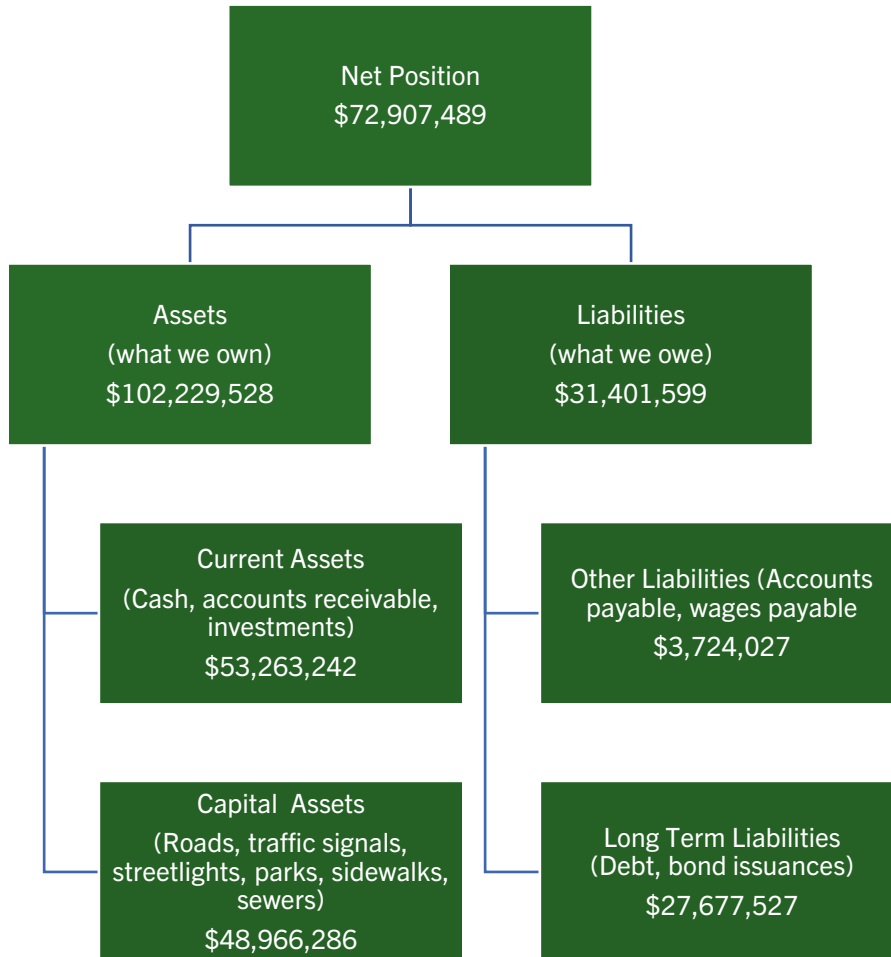
FUND BALANCE represents the City's accumulated reserves of money, much like a savings account. Fund balances increase when a *surplus* of revenues over expenses exists in a fiscal year. They decrease when a *deficit* occurs, and expenses are greater than revenues. Fund balances can be spent on projects, payroll, operating costs, or any activity the City undertakes.

FUND	PURPOSE	FUND BALANCE
General Fund	Main operating fund. May be used for any government purpose.	\$24,843,706
Gas Tax	Street and road maintenance/ construction.	\$1,601,120
Measure M	Street and road maintenance/construction.	\$539,836
Measure R	Street and road maintenance/construction.	\$588,724
Proposition C	Transportation infrastructure/operations.	\$2,019,337
Proposition A	Transportation infrastructure/operations.	\$728,200
PEG Access Fund	Promotion of citizen participation.	\$208,053
Cal-Home Grant Fund	Provide grants for housing.	\$1,421,683
Air Quality Fund	Purchase of clean air fleet vehicles.	\$123,904
Housing Fund	Promote affordable housing.	\$245,112
2019A Capital Project Fund	Bond funds for street construction.	\$4,063,268
2019B Capital Project Fund	Bond funds for street construction.	\$3,606,883
Landscape & Lighting Maintenance District Fund	Street lighting, electricity, construction, parkway landscaping, park and City facility maintenance.	\$1,064,449
Miscellaneous Grants	State and federal grants for projects.	\$(673,080)
Capital Projects Fund	Account for special CIP projects.	\$(4,997)
FUND	PURPOSE	NET POSITION*
Sewer Maintenance/Const.	Construction and maintenance of sewer.	\$8,598,372
Internal Service Fund	Funds City fleet vehicles and computers.	\$1,067,526
Successor Agency Fund	Former LP CDC/Redevelopment Agency.	\$(18,181,262)

*Proprietary and fiduciary funds use the term net position rather than fund balance

ASSETS AND LIABILITIES

GOVERNMENT WIDE ASSETS AND LIABILITIES



FINANCE AT WORK

\$7.38 Million
Raised in 2019A &
2019B Bond
Issuance for repair of
streets and roads



\$1.88 Million
In state grants for La
Puente Park Master
Plan





City of La Puente
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