

Comprehensive Annual Financial Report

For the Fiscal year Ended June 30, 2012

PREPARED BY THE FINANCE DEPARTMENT

HIGHLIGHTS

PROGRAMS

- Seniors and Youth Recreation programs
- Housing
- Transit
- Traffic Safety
- Healthy Community
- Environmental
- Tree City USA

GROWTH

- Superior Shopping Center Upgrades
- New Vinland 17 Unit Development
- I-10 Frwy. HOV Lane Widening

PROJECTS

- Transit Center/ Parking Structure
- Three New Traffic Signals
- Energy Efficiency Projects
- Prop 1B Ph. II Citywide St. Improvements
- Corak Storm Drain Design

City of Baldwin Park CALIFORNIA



**Comprehensive Annual Financial Report
City of Baldwin Park, California
*For the Fiscal Year Ended June 30, 2012***

Prepared by the Department of Finance

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December 26, 2012

Honorable Mayor and City Council
City of Baldwin Park
Baldwin Park, California

It is our pleasure to submit for your information the Comprehensive Annual Financial Report (CAFR) of the City of Baldwin Park for the fiscal year ended June 30, 2012.

Financial Condition and Overview

As of June 30, 2012, the General Fund cash balance is \$5.2 million and the total General Fund Reserves, is \$4.3 million (\$1.8 million is unassigned and \$2.5 million is committed [based on the City's policy to maintain 10% of operating expenses as the minimum reserves for emergency purposes]). The City also has about \$607,000 which has been separately reflected as "Assigned" in order to maintain these monies aside for possible reimbursements to the State. If this amount did not have to be set aside, the Reserves would be \$4.9 million. Overall, although the General Fund Reserves have decreased from the previous year, they are still healthy; especially in an economy where many cities have depleted their reserves.

The City was able to build its reserves which proved valuable during the big recession, a recession from which many cities, including ours, are still trying to recuperate. The City was also able to promote new businesses during these challenging economic times through its former Community Development Commission (the "Agency") and was able to attract new companies that created new jobs and assisted in reducing economic blight. The following are some examples of businesses that were new at the beginning of the fiscal year:

- On June 29, 2011, a new 46,600 square foot Superior Grocers opened within the 13-acre shopping center located in the Central Business District Redevelopment Project Area.
- Within the Baldwin Park Marketplace, 3 Men's Suits opened their store in February 2011 and Wells Fargo bank opened its new bank on June 26, 2011.
- Fitness 19 opened its new facility on November 7, 2011 thus promoting healthy living while creating jobs.

The City will continue to promote new business opportunities to the extent possible while it tries to combat the negative effects of the State of California against Redevelopment Agencies. As discussed in detail in Note 19 to the Financial Statements, the State has abolished all Redevelopment Agencies thus making it difficult to attract new businesses.

In addition, the Agency had to create a Successor Agency which will be responsible for “winding up” the Agency’s obligations. However, this will be difficult as the State has changed the timing of revenues to only two times a year. This will and has already had an impact on the Agency’s ability to pay its bond payments and other enforceable obligations.

Financial Statements and Management’s Responsibility

The financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) as promulgated by the Government Accounting Standards Board (GASB). This report consists of management’s representations concerning the finances of the City of Baldwin Park, California. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, City management has established a comprehensive internal control framework that is designed both to protect the City’s assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City’s financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City’s comprehensive framework of internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City’s financial statements have been audited by Vasquez & Company LLP; a public accounting firm, fully licensed and qualified to perform audits of the State and local governments within the State of California. The purpose of the independent audit was to provide reasonable assurance that the financial statements of the City of Baldwin Park, California for the fiscal year ended June 30, 2012, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Baldwin Park, California’s financial statements for the fiscal year ended June 30, 2012, are fairly presented in conformity with GAAP. The independent auditors’ report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated “Single Audit” designed to meet the special needs of Federal grantor agencies.

The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the City’s separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to compliment MD&A and the MD&A should be read in conjunction with it.

Profile of the City of Baldwin Park

The City of Baldwin Park was founded in 1887 and incorporated on January 25, 1956, under the general laws of the State of California. The City operates under Council-Chief Executive Officer form of government. The City’s Mayor is elected at large every two years, and the City Council members are elected at large to four-year terms in alternate slates every two years. The City is located 17 miles east of Los Angeles, in the center of the San Gabriel Valley, and shares common boundaries with the cities of El Monte to the west, West Covina to the east and south and Irwindale to the north.

Baldwin Park occupies 6.7 square miles. Infill residential development has increased the population from 50,554 in 1980 to 81,604 in 2010. The City is diversified with single family and multiple family housing development, commercial development and industrial development. Major businesses include Home Depot, Wal-Mart, Nichols Lumber & Hardware, Target, In N Out Burgers and Harley Davidson Sales.

City Services

The City provides a full range of municipal services. Services provided include police, street maintenance and improvements, transit, storm drains, recreation, public improvements, planning, zoning, and general administrative and support services.

Financial data for all funds through which services are provided by the City have been included in this report based on the criteria adopted by the Governmental Accounting Standards Board (GASB), which is the authoritative body in establishing U.S. generally accepted accounting principles (GAAP) for state and local governments.

As required by GAAP, these financial statements present the City (the primary government) and its component units (entities for which the government is considered to be financially accountable). Blended component units (although legally separate entities) are in substance part of the government's operations, and so data from these units are combined with data of the primary government.

Budget

The City of Baldwin Park adopts a comprehensive budget by department prior to the start of the fiscal year on July 1. The budget is further detailed by cost center (division) and character of expenditure, defined as Contractual Services, Personnel Services, Maintenance and Operations, and Capital Outlay. The ledgers of the City and its component units are maintained by the line item detail or object of expenditure. However, all budgetary controls are exercised at the department and fund level. Revenues are estimated annually and measured against actual revenues earned.

Employee Benefits

The City provides its full-time and eligible part-time employees retirement benefits. Members and their beneficiaries are provided benefits through defined benefit pension plans for both public safety employees and miscellaneous employees. These plans are part of the California Public Employees' Retirement System (CalPERS). The City contributes to the plans based on amounts determined by CalPERS actuaries. The City also contributes the employees' required contributions or a portion thereof on their behalf and for their account.

The City also provides postretirement health benefits to its employees in accordance with agreements reached with the various employees bargaining groups. The City pays for retirees' health care premiums in these plans up to limits established in the agreements with the bargaining units. Additional information on the City's retirement and post-employment benefits can be found in Notes 13 and 14 in the notes to the financial statements.

Local Economy and Economic Outlook

The greatest recession since the great depression is officially over. However, unemployment remains high, some foreclosures continue, and the prices in the housing market are barely recovering. Due to reduced tax collections and decreased sales, local government revenues in California have not recuperated; thus many governments have had to face cuts and reductions in staffing, programs and services.

Although the City of Baldwin Park experienced lower tax revenues due to the recession, the City was able to absorb the effects of the economic downturn as a result of City's previous efforts in implementing revenue and expenditure restructuring programs. However, because of significant increase (over \$800,000) in retirement costs and a change in the policy related to impounding of vehicles in fiscal year 2010/2011, revenues were negatively impacted, and the City was faced with using reserves to balance its budget for the year ended June 30, 2012. As of year end, the City's General Fund expenditures exceeded revenues by almost \$1 million because of lower revenues and because the City had to write off uncollectible grants that had been outstanding for over seven years that will not be collected. As of June 30, 2012, even with the use of reserves, the City was able to avoid significant impacts on services and programs.

For the upcoming 2012/2013 fiscal year, the City adjusted its revenue projections to new expected levels or what has become the "new normal." The City had previously absorbed a significant portion of the CALPERS increases by eliminating all non-sworn vacancies and reducing certain operating expenses. For fiscal year 2012-2013, the City is facing another budget gap of about \$1 million. The City has started analyzing various options, including restructuring of employee benefits relating to retirement formulas and contributions, layoffs and reductions in programs in order to minimize the further use of reserves. These are tough choices and it will be difficult since the State of California's large spending deficits are on-going and the State will continue to be a threat to local governments as long as it continues to experience difficulties balancing its budget.

GFOA Certificate of Achievement Award

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 Baldwin Park for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2011. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of State and local government financial reports.

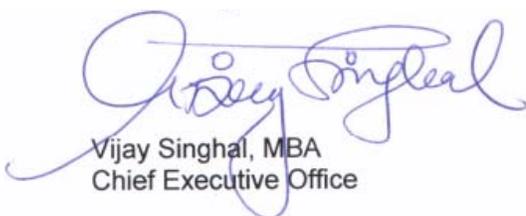
To be awarded a Certificate of Achievement a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

Acknowledgements

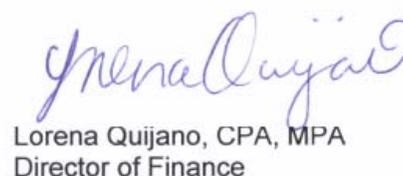
The preparation of this CAFR reflects the hard work, talent, and commitment of the staff members of the Finance Department. This document could not have been accomplished without the high level of professionalism and dedication that they bring to the City of Baldwin Park. We sincerely appreciate the dedication and commitment that the Finance Staff members bring to the City. We would also like to express our appreciation to Vasquez & Company LLP, the City's independent auditors, who assisted and contributed to the preparation of the Comprehensive Annual Financial Report.

Special acknowledgement is given to the Mayor and City Council for their support and interest in directing the financial affairs of the City in a responsible, professional and progressive manner.

Respectfully submitted,



Vijay Singhal, MBA
Chief Executive Office



Lorena Quijano, CPA, MPA
Director of Finance

CITY COUNCIL

MANUEL LOZANO
Mayor

SUSAN RUBIO
Mayor Pro Tem

MARLEN GARCIA
Councilmember

MONICA GARCIA
Councilmember

RICARDO PACHECO
Councilmember

ADMINISTRATION

MARIA CONTRERAS
City Treasurer

ALEJANDRA AVILA
City Clerk

JOSEPH PANNONE
City Attorney

EXECUTIVE TEAM

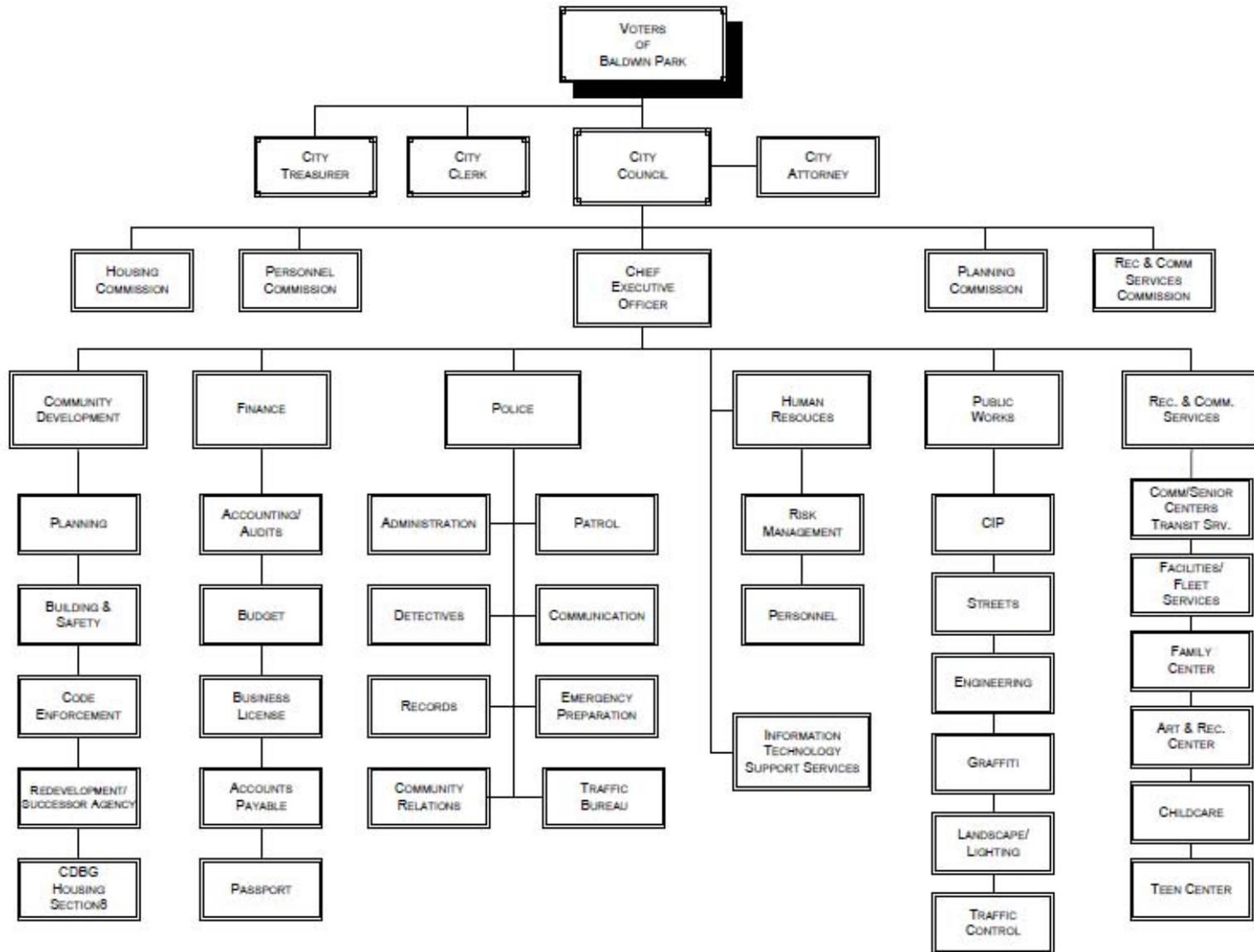
VIJAY SINGHAL
Chief Executive Officer

LILI HADSELL
Chief of Police

LORENA QUIJANO
Director of Finance

MANUEL CARRILLO
Director of Recreation and
Community Services

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Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Baldwin Park
California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2011

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



Christopher P. Morice

President

Jeffrey R. Egan

Executive Director

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**The Government Finance Officers Association
of the United States and Canada**

presents this

AWARD OF FINANCIAL REPORTING ACHIEVEMENT

to

Finance Department
City of Baldwin Park, California



The award of Financial Reporting Achievement is presented by the Government Finance Officers Association to the individual(s) designated as instrumental in their government unit achieving a Certificate of Achievement for Excellence in Financial Reporting. A Certificate of Achievement is presented to those government units whose annual financial reports are judged to adhere to program standards and represents the highest award in government financial reporting.

Executive Director

Date August 22, 2012

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Report of Independent Auditors

The Honorable City Council of the City of Baldwin Park, California

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Baldwin Park, California, as of and for the year ended June 30, 2012, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Baldwin Park's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Baldwin Park, California, as of June 30, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 19, the City of Baldwin Park has advanced money to the former redevelopment agency. No provision for uncollectible accounts was made as of June 30, 2012 in the accounting records of the City as management asserted that this advance is an enforceable obligation of the Successor Agency and that the Successor Agency has sufficient documentation to support this obligation.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information 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.

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Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Baldwin Park, California's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 26, 2012 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 result of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Vargay + Company LLP

Los Angeles, California
December 26, 2012

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As management of the City of Baldwin Park ("City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2012. Please read it in conjunction with the accompanying transmittal letter at the front of this report, and the basic financial statements, which follow this section.

Financial Highlights

- ❖ The assets of the City exceeded its liabilities at June 30, 2012 by \$148 million. This amount is referred to as the net assets of the City. Of this amount, \$19 million is unrestricted net assets and may be used to meet the City's ongoing obligations to citizens and creditors. It's important to note that for the year ended June 30, 2011 (last year), unrestricted net assets had a balance of negative \$15.7 million; the significant change is due to the discontinuation of the Community Development Commission (CDC) which resulted in transfers to a new Fiduciary Fund (thereby decreasing liabilities by 40.8 million).
- ❖ The City's net assets, before the "Extraordinary items" relating to the dissolution of the CDC, had a decrease of \$4.3 million; basically total expenditures were greater than total revenues. Mainly this resulted from a \$2.2 million decrease in tax increment previously received by the CDC, and decreases in other major revenues. For FY 2011-12, General Revenues decreased by \$3.8 million while Expenses decreased by \$2.3 million over FY 2010-11 levels.
- ❖ The City's net assets after the "Extraordinary items" relating to the dissolution of the CDC, actually increased by \$42.3 million. The increase includes a positive \$46.5 million relating to the dissolution and the \$4.3 million excess in expenditures over general revenues.
- ❖ As of the close of the 2011-12 fiscal-year, the City's governmental funds reported combined ending fund balances of \$45.8 million, an increase of \$7.4 million over the prior fiscal year. The City's internal service funds, which are not reported as part of the City's governmental funds, have a negative net assets of \$1.7 million at June 30, 2012.
- ❖ As of June 30, 2012, the unassigned fund balance of the City's General Fund was \$1.8 million and the committed fund balance was \$2.5 million for a total of \$4.3 million; this represents a decrease of \$1.6 million from the prior year; part of the \$1.6 million decrease, includes \$607,000 which is now reflected as "Assigned."
- ❖ In the General Fund, revenues exceeded expenditures by \$0.89 million, before other financing sources. After other financing sources, the General Fund reflected a negative \$0.99 million in the net change in fund balance.
- ❖ The City's total long-term liabilities decreased by \$40.8 million, or 52%, during the fiscal year ended June 30, 2012, to a level of \$37.8 million. Of the decrease, \$40 million related to the CDC dissolution and amounts moved to the Fiduciary Funds.

Overview of the Financial Statements

This discussion and analysis are an introduction to the City's basic financial statements, which consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also consists of supplementary information in addition to the basic financial statements.

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*). The *governmental activities* of the City include general government, public safety, public works, community development, recreation, non-departmental, and interest on long-term debt.

The government-wide financial statements include not only the City itself (known as the primary government), but also three legally separate entities, the former Baldwin Park Redevelopment Agency, the Baldwin Park Housing Authority, and the Baldwin Park Public Financing Authority. The City is financially accountable for these entities and financial information for these blended component units is reported within the financial information presented for the primary government itself.

The government-wide financial statements can be found beginning on page 16 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the City's funds can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financial decisions. Both the governmental fund balance sheet and the governmental fund statement of revenue, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains 36 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Housing and Community Development Fund, Future Development Fund, Housing Authority, and the Grants Fund, each of which are considered to be major funds. Data from the other 33 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the *nonmajor governmental funds supplementary information* section of this report.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate its compliance with this budget.

The governmental fund financial statements can be found beginning on page 18 of this report.

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 uses an enterprise fund to account for its public housing operation. *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 vehicle operation and maintenance, information services and self-insurance activities, including general claims liability and workers' compensation insurance.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the maintenance and operation of a public housing fund, which is considered a governmental fund in the government-wide financial statements. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements in the *supplementary information* section of this report.

The basic proprietary fund financial statements can be found beginning on page 25 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The fiduciary fund financial statements can be found on page 28 of this report.

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 beginning on page 30 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's progress in funding its obligation to provide pension benefits to its employees and a comparison of budgeted to actual results for the general and major special revenue funds. *Required supplementary information* can be found beginning on page 68 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following *the required supplementary information*.

**City of Baldwin Park
Management's Discussion and Analysis
Year ended June 30, 2012**

Combining and individual fund statements and schedules can be found beginning on page 74 of this report.

Government-wide Financial Analysis

Net assets. As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, net assets were approximately \$148 million as of June 30, 2012. Net assets increased \$42 million, or 40%, during fiscal year 2011-12. Assets increased 1.0% and liabilities decreased by 49% compared to June 30, 2011.

By far the largest portion of the City's net assets at June 30, 2012 (\$99.9 million, or 67.4% of total net assets) reflects its investment in capital assets (e.g., land, infrastructure, buildings, machinery and equipment) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

	Governmental Activities	
	2012	2011
ASSETS		
Cash and other assets	\$ 75,254,379	\$ 69,248,711
Capital assets net of accumulated depreciation	115,650,845	119,512,421
Total assets	190,905,224	188,761,132
LIABILITIES		
Current and other liabilities	4,789,148	4,136,136
Long-term liabilities	37,830,995	78,641,430
Total liabilities	42,620,143	82,777,566
NET ASSETS		
Invested in capital assets, net of related debt	99,896,721	79,629,227
Restricted	29,720,564	42,096,775
Unrestricted	18,667,796	(15,742,436)
Total net assets \$	148,285,081	105,983,566

As noted earlier, net assets may serve over time as a useful indicator of the City's financial position. In the case of the City, assets exceeded liabilities by \$148 million at June 30, 2012.

A portion of the City's net assets (20%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets, \$18,667,796 may be used to meet the government's ongoing obligations to citizens and creditors.

City of Baldwin Park
Management's Discussion and Analysis
Year ended June 30, 2012

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net assets, for the City as a whole.

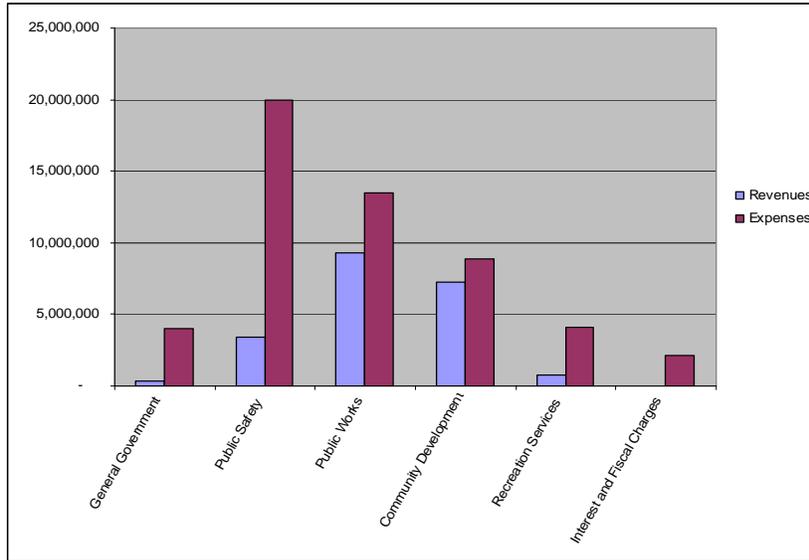
Governmental Activities. For fiscal year 2011-12, governmental activities decreased the City's net assets by \$4.2 million prior to accounting for \$46.6 million in discontinued operations (relating to the CDC dissolution); the total change in net assets after the discontinued operations was \$42.3 million.

	<u>2012</u>	<u>2011</u>	<u>Increase (Decrease)</u>
General Revenues			
Charges for services	\$ 4,040,314	\$ 4,623,058	\$ (582,744)
Grants and Contributions	16,934,201	17,256,159	(321,958)
Taxes			
Sales taxes	5,324,720	5,713,857	(389,137)
Property taxes	11,420,680	11,645,328	(224,648)
Utility users taxes	2,215,756	2,266,892	(51,136)
Tax increment	3,229,580	5,418,895	(2,189,315)
Franchise taxes	2,368,974	2,239,905	129,069
Other taxes	1,142,083	1,084,450	57,633
Investment income	119,287	337,283	(217,996)
Other income	2,187,106	2,138,900	48,206
Total	<u>48,982,701</u>	<u>52,724,727</u>	<u>(3,742,026)</u>
Expenses			
General government	4,009,113	4,408,497	(399,384)
Public safety	19,929,293	18,776,862	1,152,431
Public works	13,442,178	13,533,300	(91,122)
Community development	8,885,636	11,018,139	(2,132,503)
Recreation services	4,110,432	4,477,346	(366,914)
Net transfers out to fiduciary funds	716,587	-	716,587
Interest and fiscal charges	2,140,361	3,355,401	(1,215,040)
	<u>53,233,600</u>	<u>55,569,545</u>	<u>(2,335,945)</u>
Change in net assets before special items	<u>(4,250,899)</u>	<u>(2,844,818)</u>	<u>(1,406,081)</u>
Special items			
Gain on sale of properties	-	4,988,913	(4,988,913)
Items related to payment of loans	-	383,889	(383,889)
Total special items	<u>-</u>	<u>5,372,802</u>	<u>(5,372,802)</u>
Extraordinary items			
Transfers of balances to fiduciary funds	37,060,271	-	37,060,271
RDA dissolution transactions	9,492,143	-	9,492,143
Total gain on extraordinary items	<u>46,552,414</u>	<u>-</u>	<u>46,552,414</u>
Change in net assets	42,301,515	2,527,984	39,773,531
Net assets, beginning	105,983,566	103,455,582	2,527,984
Net Asset, ending	<u>\$ 148,285,081</u>	<u>\$ 105,983,566</u>	<u>\$ 42,301,515</u>

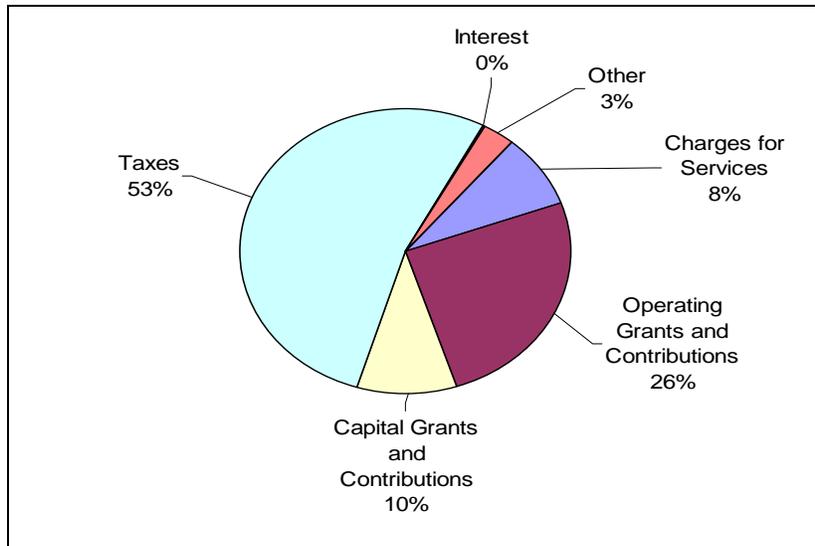
Key elements of both increases and decreases in fiscal year 2011/2012 are as follows:

- The decrease in charges for services of \$582,744 was related to less impound monies and due to the State taking away funding for Vehicle License Fees as of the June 30, 2011.
- A decrease in the amount of grant monies received of \$321,958 was experienced due to one-time ARRA monies received and spent in 2011 and due to a decrease in the amount of Housing Funds received during the year.
- As expected, sales tax, property tax and utility user's tax, all decreased. Their decrease is attributable to the sluggish economy and to reductions in assessed values by the Assessor's Office; thus decreasing local property taxes.
- Tax Increment had a significant decrease of \$2.2 million which was due to the dissolution of the Agency that came about because of AB1x 26.
- A decrease investment income of \$217,996 reflects lower interest rate and lower loan interest repayments during the current fiscal year.
- In terms of expenses, there was a decrease in General Government of \$399,384 due to unfilled vacant positions that resulted during the year.
- An increase in public safety of \$1.2 million resulted from increases in workers compensation cost per the actuarial valuations and retirement related costs.
- A decrease of \$2.1 million in Community Development expenses reflected decreases in one-time expenditures that occurred in the previous year relating mainly to ARRA monies.
- A decrease of \$366,914 in Recreation Services is related to staff retirements and decreases in operational expenses, including one-time expenses that occurred in previous fiscal year.
- The \$716,587 increase in net transfers out to fiduciary funds is due to the CDC dissolution.
- A decrease of \$1.2 million in interest and fiscal charges is due to less interest accumulated between the Agency and City loans funds resulting from the dissolution of the Agency. In addition, the last payment for the 2001 Energy Conservation Bond was paid in 2011.
- In fiscal year 2011, the City sold properties which resulted in a one-time gain from the sale of the property.
- Extraordinary item reflects \$46.6 million moved to the fiduciary funds due to the recent California regulations AB1x 26 that dissolved the Agency.

Expenses and Program Revenues- Governmental Activities



Revenues by Source- Governmental Activities



Financial Analysis of the City's Funds

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

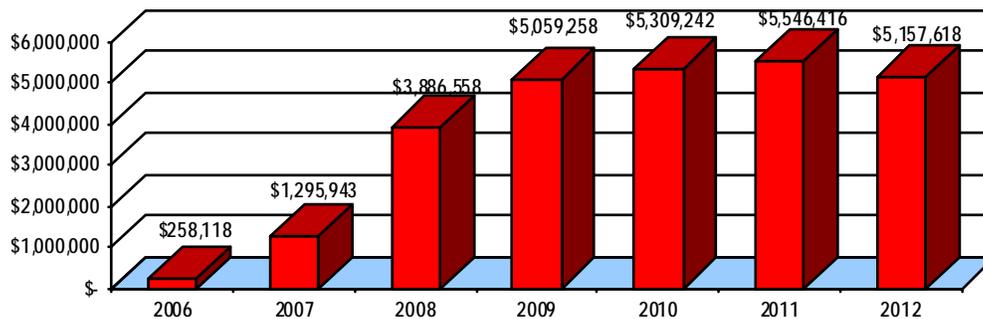
Governmental Funds. The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information may be useful in assessing the City's financing requirements.

The City implemented GASB Statement #54 in fiscal year 2010-2011. It substantially altered the categories and terminology used to describe "fund balance." The new categories are as follows:

- Nonspendable fund balance (inherently nonspendable)
- Restricted fund balance (externally enforceable limitations on use)
- Committed fund balance (self-imposed limitations on use)
- Assigned fund balance (limitation resulting from intended use)
- Unassigned fund balance (residual net resources)

Unassigned fund balance, previously referred to as *unreserved fund balance*, may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$45.8 million. Of the total fund balance, \$11.6 million is Nonspendable of which \$179,428 is related to long-term loans receivable, \$11.1 million is for long-term advances to other funds, and \$310,294 is for prepaid expenses; \$27.7 million is Restricted of which \$26.2 million is related to special funds, \$1.5 million is for debt service, and \$13,777 is for capital; \$4.1 million is Committed of which \$1.6 million is for the economic development fund and \$2.5 is set aside specifically for general fund reserves of ten percent based on the operating budget; \$606,926 is Assigned in order to maintain these monies aside for possible reimbursements to the State and \$1.7 million is Unassigned.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the total fund balance is \$16,084,269. Of this amount, \$11.2 million is Nonspendable since its related to long-term advances to other funds and the monies are not available, \$2.5 million is Committed as noted above to maintaining a ten percent minimum in reserves, \$606,926 is Assigned, and \$1.8 million is unassigned. As a measure of General Fund liquidity, it may be useful to compare the unassigned fund balance to total fund expenditures. General Fund unassigned fund balance represents 8% of total general fund expenditures of \$22,548,214 (this represents decrease since last year this was 15%). The following is the cash balance of the General Fund:



The General Fund's Excess of revenues over expenditures was \$885,409; this positive balance was attributed to lower personnel costs in departments which did not fill full-time vacancies that occurred during the fiscal year. The increase was despite decreases in revenues such as sales tax which was lower by \$389,137 and a decrease in property tax of \$224,648. In total, after other financing uses, the City's General Fund decreased by about \$1 million (last year was \$1.7) during the current fiscal year due to transfers made to support other funds especially the dissolution of the Community Development Commission (RDA) due the ABx126.

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

Enterprise Funds. Net assets of the enterprise fund totaled \$590,935 which includes a small increase in net assets of \$18,225 for the year ended June 30, 2012.

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, and information services. As of June 30, 2012, net assets of the internal service funds had a deficit of \$1,707,946 and a decrease in net assets of \$214,920. The decrease in the current year's net assets resulted from an increase in the amount of reserves set-aside for the future payment of potential losses (related mainly to safety) to the City; the increase in reserves is based on current activity. The services provided by the internal service funds have been allocated to governmental functions, based on user percentages, in the government-wide financial statements.

General Fund Budgetary Highlights

In the General Fund, differences between the original budget and the final amended budget resulted in a slight increase in appropriation of about \$98,000. Of this total, \$48,481 was attributable to the public works budget due to the emergency HVAC repairs; also increase in other revenue of \$50,000 and public safety (expenditure side) of \$50,000 both for the replacement of a police car.

Capital Asset and Debt Administration

Capital Assets. The City's investment in capital assets for its governmental activities amounts to \$115,650,845 (net of accumulated depreciation of \$131,107,131) as of June 30, 2012. This investment in capital assets includes land, buildings, improvements other than building, infrastructure (roads, sidewalks, streetlights, etc.), and machinery and equipment. After reflecting the adjustments to capital assets for adoption of GASB 34, the total decrease in the City's investment in capital assets for the current fiscal year was \$3,861,576 after depreciation.

**Capital Assets
(Net of Accumulated Depreciation)
June 30, 2012 and 2011**

	2012	2011
Land	\$ 1,804,151	\$ 1,804,151
Buildings and improvements	20,532,066	20,559,184
Equipment	1,603,989	1,697,020
Vehicles and related equipment	398,094	588,917
Infrastructure	83,406,476	90,677,426
Construction in progress	7,906,069	4,185,726
Total	\$ 115,650,845	\$ 119,512,424

Additional information on the City's capital assets can be found in note 7 to the basic financial statements of this report.

Debt Administration. At the end of the current fiscal year, the City had total bonded debt outstanding of \$17.985 million. Of this amount, \$9.29 million represents lease revenue bonds, \$8.695 million represents pension obligation bonds used to finance the unfunded liability of the safety retirement system. Reduction from last year in the amount of \$41.465 million was because of repayment of outstanding principal totaling \$2.4 million; \$21.415 million represents tax allocation bonds issued for redevelopment projects, and \$18.410 million tax increment deferral due to the Los Angeles County were moved to the fiduciary fund due to the dissolution of RDA.

**Outstanding Debt
June 30, 2012 and 2011**

	2012	2011
Bonded Indebtedness:		
Assessment district bonds	\$ -	\$ 28,000
Tax allocation and refunding bonds	-	22,550,000
Pension obligation bonds	8,695,000	9,720,000
Lease revenue bond	9,290,000	9,520,000
Other long-term debt:		
Capital lease obligations	289,000	248,000
Other post-employment benefits	4,151,000	3,038,000
Compensated absences	1,378,000	1,337,000
Los Angeles County deferrals	-	17,969,000
Notes and loans payable	5,969,000	6,827,000
Total	\$ 29,772,000	\$ 71,237,000

State statutes limit the amount of general obligation debt a governmental entity may issue to 15 percent of its total assessed valuation. The current debt limitation for the City is \$170,800,365 which is significantly in excess of the City's outstanding general obligation debt. Additional information on the City's long-term liabilities can be found in note 9 to the basic financial statements of this report.

Economic Factors and Next Year's Budget

In the last few years, the nation experienced the greatest recession since the last depression. This has impacted all local governments including our City. However, in the years before the recession, we were able to successfully strategize on ways to combat future negative trends while also improving organizational effectiveness and program efficiencies. Thus our reserves gradually increased allowing us to fair much better than surrounding cities that had to use and deplete their reserves before the recession ended.

The City has been lucky to have been able to attract some businesses during these tough economic challenges. This included the opening of a new 46,600 square foot Superior Grocers that opened within the 13-acre shopping center located in the Central Business District Redevelopment Project Area and the opening of other businesses such as 3 Men's Suits, and Fitness 19. However, with the dissolution of the CDC, attracting new businesses will be difficult.

As other local governments, the City experienced challenges due to the recession; mainly, the City's revenues were lower compared to the 2011/2012 budget and the City has now adjusted its revenues for the 2012/2013 budget to reflect the current economy. Any potential increases in certain revenues will be used to offset decreases in other revenues and/or offset expenditures increases. The biggest factor affecting us in 2011/2012 was the significant increase in CALPERS rates which forced the City to use its reserves to cover some of the increases; something it had not had to do in a very long time. We will be working diligently in 2013 to minimize any further use of reserves.

Despite tough economic times, the City has continued its programs and the level of services it provides to the residents and the community. The City is also implementing programs to promote healthy living through partnerships and outreach. Nevertheless, in 2013, the City will have to start making tough decisions and we will have to review programs, staffing and any possible changes to our employee benefits.

Request for Information

This financial report is designed to provide a general overview of the City's finances for readers of the financial statements. Questions concerning any of the information in this report or request for additional financial information should be addressed to the Department of Finance, 14403 E. Pacific Avenue, Baldwin Park, CA 91706.

City of Baldwin Park
Statement of Net Assets
June 30, 2012

ASSETS		
Unrestricted cash and investments		\$ 36,812,529
Restricted cash and investments		1,688,255
Total cash and investments		<u>38,500,784</u>
Intergovernmental receivables		6,231,468
Property taxes receivable		268,155
Other receivables, net		49,727
Loans receivable		4,443,426
Advances to successor agency		18,427,954
Prepays		330,642
Deferred charges		175,283
Pension asset, net of amortization		6,826,940
Capital assets not being depreciated		
Land	\$ 1,804,151	
Construction-in-progress	7,906,069	
Capital assets, net of accumulated depreciation		
Building and improvements	20,532,065	
Equipment	1,751,161	
Vehicles and related equipment	250,922	
Infrastructure	<u>83,406,477</u>	<u>115,650,845</u>
Total assets		<u><u>190,905,224</u></u>
LIABILITIES		
Accounts payable		2,750,198
Accrued interest		206,087
Accrued other liabilities		622,885
Deposits		403,917
Due to other governmental agencies		7,070
Unearned revenues		798,991
Long-term liabilities:		
Due within one year		2,234,689
Due in more than one year		23,387,102
Other postemployment benefits		4,151,146
Insurance liabilities - current portion		1,350,000
Insurance liabilities - long-term portion		<u>6,708,058</u>
Total liabilities		<u><u>42,620,143</u></u>
NET ASSETS		
Invested in capital assets, net of related debt		99,896,721
Restricted for:		
Debt service		1,507,658
Community development		15,903,420
Public safety		1,852,717
Public works		10,262,083
Recreation services		194,686
Unrestricted		<u>18,667,796</u>
Total net assets		<u><u>\$ 148,285,081</u></u>

The notes to the financial statements are an integral part of these financial statements.

**City of Baldwin Park
Statement of Activities
Year ended June 30, 2012**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Assets
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	
Governmental activities					
General government	\$ 4,009,113	\$ 250,530	\$ 25,328	\$ 44,654	\$ (3,688,601)
Public safety	19,929,293	1,574,992	1,816,475	-	(16,537,826)
Public works	13,442,178	232,553	4,822,508	4,203,011	(4,184,106)
Community development	8,885,636	1,496,976	5,359,522	385,888	(1,643,250)
Recreation services	4,110,432	485,263	276,815	-	(3,348,354)
Net transfers out to successor agency	716,587	-	-	-	(716,587)
Interest and fiscal charges	2,140,361	-	-	-	(2,140,361)
Total governmental activities	\$ 53,233,600	\$ 4,040,314	\$ 12,300,648	\$ 4,633,553	(32,259,085)
 General revenues					
Taxes					
Property taxes					11,420,680
Sales taxes					5,324,720
Tax increment					3,229,580
Franchise taxes					2,368,974
Utility users taxes					2,215,756
Other taxes					1,142,083
Interest on advances to successor agency					745,205
Interest					119,287
Other					1,441,901
Total general revenues					28,008,186
Change in net assets before extraordinary item					(4,250,899)
Extraordinary items					
Transfers to Successor Agency					37,060,271
RDA dissolution transactions					9,492,143
Total gain on extraordinary items					46,552,414
Change in net assets					42,301,515
Net assets - beginning of year					105,983,566
Net assets - end of year					\$ 148,285,081

The notes to the financial statements are an integral part of these financial statements.

	Special Revenue				
	General	Housing and Community Development Grant	Future Development	Housing Authority	Grants
ASSETS					
Pooled cash and investments	\$ 5,157,618	369,000	10,462,176	714,198	-
Cash and investments with fiscal agents	-	-	-	-	-
Property taxes receivable	268,155	-	-	-	-
Intergovernmental receivables	1,218,972	332,392	-	558,952	3,511,060
Loans receivable	-	4,263,998	-	-	-
Other receivables, net	11,799	115	7,249	971	-
Prepays	23,730	23,808	-	259,756	-
Advances to other funds	18,427,954	-	-	-	-
Total assets	\$ 25,108,228	4,989,313	10,469,425	1,533,877	3,511,060
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 740,488	54,896	-	130,855	987,324
Accrued liabilities	613,005	9,879	-	-	-
Deposits	-	-	-	-	-
Due to other funds	-	247,378	-	-	2,027,547
Due to other governmental agencies	-	7,071	-	-	-
Deferred revenue	7,670,466	4,555,144	-	-	115,810
Total liabilities	9,023,959	4,874,368	-	130,855	3,130,681.00
Fund balances					
Nonspendable					
Loans receivable	-	-	-	-	-
Advances to other funds, net of accrued interest	11,149,522	-	-	-	-
Prepaid items	23,730	23,808	-	259,756	-
Restricted					
Special revenue funds	-	91,137	10,469,425	1,143,266	380,379
Debt service funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Committed to					
Economic development fund	-	-	-	-	-
10% budget stabilization fund	2,477,618	-	-	-	-
Assigned					
Loan repayment	606,926	-	-	-	-
Unrestricted					
Unassigned	1,826,473	-	-	-	-
Total fund balances	16,084,269	114,945	10,469,425	1,403,022	380,379
Total liabilities and fund balances	\$ 25,108,228	4,989,313	10,469,425	1,533,877	3,511,060

**City of Baldwin Park
Balance Sheet
Governmental Funds
June 30, 2012**

Other Governmental Funds		Totals
16,385,360	\$	33,088,352
1,688,255		1,688,255
-		268,155
610,092		6,231,468
179,428		4,443,426
13,337		33,471
3,000		310,294
-		18,427,954
<u>18,879,472</u>	<u>\$</u>	<u>64,491,375</u>

682,016	\$	2,595,579
-		622,884
401,966		401,966
280,101		2,555,026
-		7,071
<u>179,428</u>		<u>12,520,848</u>
<u>1,543,511</u>		<u>18,703,374</u>

179,428		179,428
-		11,149,522
3,000		310,294
14,126,520		26,210,727
1,507,658		1,507,658
13,777		13,777
1,649,752		1,649,752
-		2,477,618
-		606,926
<u>(144,174)</u>		<u>1,682,299</u>
<u>17,335,961</u>		<u>45,788,001</u>
<u>18,879,472</u>	<u>\$</u>	<u>64,491,375</u>

The notes to the financial statements are an integral part of these financial statements.

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City of Baldwin Park
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
June 30, 2012

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

Total fund balances	\$	45,788,001
Deferred charges represent costs associated with the issuance of long-term debt, which are deferred and amortized over the life of the debt. The costs are reported as expenditures of current financial resources in the governmental funds.		175,283
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Governmental capital assets	\$	239,028,616
Less accumulated depreciation		<u>(124,260,286)</u>
		114,768,330
Loans receivable not expected to be collected in the current period are offset by unearned revenue in the funds. They have been recognized and are in net assets in the government-wide financial statements.		4,443,426
Accrued interest on long-term debt is not due and payable in the current period and is not reported in the funds.		(206,087)
Certain revenues in the governmental funds are deferred because they are not collected within the prescribed time period after year-end. Those revenues are recognized on the accrual basis in the government-wide statements.		
Unearned interest income on advances for administrative expenses		7,278,430
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported in the funds.		
Lease revenue bonds	(9,290,000)	
Pension obligation bonds	(8,695,000)	
Notes payable	(5,969,000)	
Lease obligations	(188,331)	
Compensated absences	(1,378,753)	
Other postemployment benefits	<u>(4,151,146)</u>	(29,672,230)
Payment of unfunded pension liabilities are expenditures at the fund level but are deferred and subject to capitalization and amortization on the government-wide statement of net assets		6,826,940
Internal service funds are used by management to charge the costs of information systems, insurance charges and fleet services to individual funds. The assets and liabilities of internal funds are included in governmental activities in the statement of net assets.		(1,707,946)
Enterprise fund represents housing for low-income elderly tenants. Since the purpose of the fund corresponds with other governmental activities, the assets and liabilities of the enterprise fund are included in governmental activities in the statement of net assets.		<u>590,935</u>
Net assets of governmental activities	\$	<u>148,285,081</u>

The notes to the financial statements are an integral part of these financial statements.

	Special Revenue				
	General	Housing and Community Development Grant	Future Development	Housing Authority	Grants
Revenues					
Taxes	\$ 19,885,434	-	-	-	293,287
Licenses and permits	538,895	-	-	-	-
Fines, forfeitures and penalties	1,119,318	-	-	-	-
Use of money and property	218,006	7,911	20,162	5,809	180,924
Intergovernmental	259,153	1,501,260	-	3,437,442	2,776,052
Charges for services	1,353,864	-	-	-	230,118
Other	58,953	215,408	-	70,073	18,203
Total revenues	<u>23,433,623</u>	<u>1,724,579</u>	<u>20,162</u>	<u>3,513,324</u>	<u>3,498,584</u>
Expenditures					
Current:					
General government	1,999,045	935,425	-	108,934	18,203
Public safety	16,357,554	36,956	-	-	559,711
Public works	253,434	51,002	-	-	10,098
Community development	984,665	624,487	-	4,947,023	271,210
Recreation services	2,913,501	57,216	-	196	7,126
Capital outlay:					
Public works	-	112,696	-	-	-
Community development	40,015	-	-	-	2,858,549
Debt service:					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	<u>22,548,214</u>	<u>1,817,782</u>	<u>-</u>	<u>5,056,153</u>	<u>3,724,897</u>
Excess (deficiency) of revenues over expenditures	<u>885,409</u>	<u>(93,203)</u>	<u>20,162</u>	<u>(1,542,829)</u>	<u>(226,313)</u>
Other financing sources (uses)					
Transfers in	-	369,000	-	-	269,730
Transfers out	(1,878,293)	(501,380)	-	(41,654)	-
Net other financing sources (uses)	<u>(1,878,293)</u>	<u>(132,380)</u>	<u>-</u>	<u>(41,654)</u>	<u>269,730</u>
Net change in fund balances before special item	<u>(992,884)</u>	<u>(225,583)</u>	<u>20,162</u>	<u>(1,584,483)</u>	<u>43,417</u>
Extraordinary items					
RDA dissolution transactions	-	-	-	-	-
Net extraordinary items	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(992,884)</u>	<u>(225,583)</u>	<u>20,162</u>	<u>(1,584,483)</u>	<u>43,417</u>
Beginning fund balances	<u>17,077,153</u>	<u>340,528</u>	<u>10,449,263</u>	<u>2,987,505</u>	<u>336,962</u>
Ending fund balances	<u>\$ 16,084,269</u>	<u>114,945</u>	<u>10,469,425</u>	<u>1,403,022</u>	<u>380,379</u>

The notes to the financial statements are an integral part of these financial statements.

City of Baldwin Park
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year ended June 30, 2012

Other Governmental Funds	Totals
5,831,521 \$	26,010,242
32,087	570,982
1,012,911	2,132,229
119,510	552,322
7,391,677	15,365,584
319,105	1,903,087
1,627,700	1,990,337
<u>16,334,511</u>	<u>48,524,783</u>
409,245	3,470,852
1,101,234	18,055,455
5,491,370	5,805,904
2,392,287	9,219,672
861,033	3,839,072
1,367,497	1,480,193
-	2,898,564
3,003,000	3,003,000
2,131,081	2,131,081
<u>16,756,747</u>	<u>49,903,793</u>
<u>(422,236)</u>	<u>(1,379,010)</u>
2,951,155	3,589,885
<u>(1,926,798)</u>	<u>(4,348,125)</u>
<u>1,024,357</u>	<u>(758,240)</u>
<u>602,121</u>	<u>(2,137,250)</u>
<u>9,492,143</u>	<u>9,492,143</u>
<u>9,492,143</u>	<u>9,492,143</u>
10,094,264	7,354,893
<u>7,241,697</u>	<u>38,433,108</u>
<u>17,335,961 \$</u>	<u>45,788,001</u>

The notes to the financial statements are an integral part of these financial statements.

City of Baldwin Park

**Reconciliation of the Governmental Funds Statement of Revenues, Expenditures
and Changes In Fund Balances to the Statement of Activities
Year ended June 30, 2012**

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

Net change in fund balance - governmental funds	\$	7,354,893
Governmental funds report capital outlay as expenditures. In the statement of activities the cost of those assets is allocated over their estimated useful lives as depreciation expense.		
Capital outlay	\$	4,535,650
Depreciation expense		<u>(8,115,611)</u>
		(3,579,961)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		
Unearned interest income on advances for administrative expenses	\$	745,205
Interest on Low/Moderate Income Housing agreement		<u>47,291</u>
		792,496
Long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Costs associated with the issuance of long-term debt are reported as expenditures in the governmental funds, but deferred and amortized throughout the period during which the related debt is outstanding in the statement of net assets. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.		
Capital lease obligation	\$	(188,330)
County deferral received		(168,086)
Amortization of deferred costs of issuance		(41,884)
Principal repayments of notes payable		585,000
Principal repayments of bonds		<u>2,418,000</u>
		2,604,700
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Accrual of other postemployment benefits		(1,113,494)
Payment of unfunded pension liabilities are expenditures at the fund level but are deferred and subject to capitalization and amortization on the government wide statement of net assets		
		(1,137,824)
Repayment of long-term receivables are treated as revenue in governmental funds, but the repayment reduces the long-term receivables in the statement of net assets.		
		(166,496)
Issuance of long-term receivables are treated as expenditures in governmental funds but are treated as increases in receivables in the statement of net assets		
		693,000
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		
Change in accrued interest on long-term debt	\$	32,604
Compensated absences		<u>(41,979)</u>
		(9,375)
Internal service funds are used by management to charge the costs of information systems, insurance charges and fleet services to individual funds. The net income of the internal service funds is reported with governmental activities.		
		(214,920)
Enterprise fund represents housing for low-income elderly tenants. Since the purpose of the fund corresponds with other governmental activities, the net loss of the enterprise fund is included in governmental activities.		
		18,225
Transfer of balances to Successor Agency		<u>37,060,271</u>
Change in net assets of governmental activities	\$	<u>42,301,515</u>

The notes to the financial statements are an integral part of these financial statements.

City of Baldwin Park
Statement of Net Assets
Proprietary Funds
June 30, 2012

	Governmental Activities	
	Enterprise Fund	Internal Service Funds
ASSETS		
Current assets		
Pooled cash and investments	\$ 105,277	\$ 3,618,900
Accounts receivable	1,475	11,039
Interest receivable	-	3,742
Due from other funds	-	2,555,026
Prepaid expenses	-	20,348
Total current assets	106,752	6,209,055
Noncurrent assets		
Capital assets:		
Equipment	855,831	6,873,532
Less accumulated depreciation	(364,737)	(6,482,109)
Net capital assets	491,094	391,423
Total noncurrent assets	491,094	391,423
Total assets	597,846	6,600,478
LIABILITIES		
Current liabilities		
Accounts payable	4,960	149,659
Current portion of capital lease obligations	-	84,413
Current portion of insurance liabilities	-	1,350,000
Tenant security deposits	1,951	-
Total current liabilities	6,911	1,584,072
Noncurrent liabilities		
Capital lease obligations	-	16,294
Workers' compensation liability	-	5,923,583
General insurance liability	-	689,475
Unemployment insurance liability	-	20,000
Disability insurance liability	-	75,000
Total noncurrent liabilities	-	6,724,352
Total liabilities	6,911	8,308,424
NET ASSETS (DEFICIT)		
Invested in capital assets, net of related debt	491,094	290,716
Unrestricted	99,841	(1,998,662)
Total net assets(deficit)	\$ 590,935	\$ (1,707,946)

The notes to the financial statements are an integral part of these financial statements.

City of Baldwin Park
Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
Year ended June 30, 2012

	Governmental Activities	
	Enterprise Fund	Internal Service Funds
Operating revenues		
Charges for services	\$ 2,496	\$ 4,429,982
Other	32,079	7,222
Total operating revenues	34,575	4,437,204
Operating expenses		
Maintenance and operations	40,921	680,424
Internal service charge	-	119,401
Provision for insurance claims	5,100	2,324,456
Depreciation	11,983	285,628
Lease and equipment purchase	-	72,227
Personnel services	-	705,130
Contractual services	-	473,686
Interest expense	-	7,828
Total operating expenses	58,004	4,668,780
Operating income (loss)	(23,429)	(231,576)
Nonoperating income		
Gain on sale of capital assets	-	4,584
Interest	-	12,072
Total nonoperating income	-	16,656
Income (loss) before operating transfers	(23,429)	(214,920)
Transfers		
Transfers in	41,654	-
Change in net assets	18,225	(214,920)
Total net assets - beginning	572,710	(1,493,028)
Total net assets - ending	\$ 590,935	\$ (1,707,946)

The notes to the financial statements are an integral part of these financial statements.

City of Baldwin Park
Statement of Cash Flows
Proprietary Funds
Year ended June 30, 2012

	Governmental Activities	
	Enterprise Fund	Internal Service Funds
Cash flows from operating activities		
Receipts from tenants, customers and users	\$ 34,762	\$ 4,459,781
Payments to suppliers	(21,025)	(1,623,164)
Payments to employees	(23,071)	(428,488)
Payments for insurance	-	(1,671,700)
Net cash provided by (used in) operating activities	(9,334)	736,429
Cash flows from capital and related financing activities		
Payments for property and equipment	-	(16,000)
Proceeds from sale of capital assets	-	4,584
Reduction in capital lease obligations	-	(146,890)
Net cash used in capital and related financing activities	-	(158,306)
Cash flows from non-capital financing activities		
Transfers	41,654	-
Interfund advances	-	(929,241)
Net cash provided by (used in) non-capital financing activities	41,654	(929,241)
Cash flows from investing activities		
Interest received	-	12,213
Change in cash and cash equivalents	32,320	(338,905)
Beginning cash and cash equivalents	72,957	3,957,805
Ending cash and cash equivalents	\$ 105,277	\$ 3,618,900
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:		
Operating income (loss)	\$ (23,429)	\$ (231,576)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation	11,983	285,628
(Increase) decrease in accounts receivable	39	22,577
Increase (decrease) in accounts payable	2,073	8,774
Increase in prepaid expenses	-	(1,730)
Increase in insurance liabilities	-	652,756
Net cash provided by (used in) operating activities	\$ (9,334)	\$ 736,429
Supplemental schedule of noncash investing and financing activities		
Equipment acquired through capital lease	\$ -	\$ 122,027
Supplemental cash flow information		
Cash paid for interest	\$ -	\$ 7,828

The notes to the financial statements are an integral part of these financial statements.

**City of Baldwin Park
 Fiduciary Funds
 Statement of Net Assets
 June 30, 2012**

	Agency Deposits	Successor Agency Funds
ASSETS		
Cash and investments	\$ 658,034	\$ 2,230,610
Cash and investments with fiscal agents	-	995,960
Property taxes receivable	-	223,771
Loans receivable	-	3,078,755
Other receivables, net	441	137,757
Deferred bond issue cost	-	157,583
Property held for resale, net	-	5,965,898
Total assets	658,475	12,790,334
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	29,145	13,300
Accrued liabilities	-	11,150
Accrued interest	-	471,416
Deposits	629,330	-
Advances from other funds	-	18,427,954
Due to other governmental agencies	-	18,136,703
Tax allocation bonds	-	21,415,000
Total liabilities	658,475	58,475,523
FIDUCIARY NET ASSETS (DEFICIT)		
Net assets (deficit)	\$ -	\$ (45,685,189)

The notes to the financial statements are an integral part of these financial statements.

City of Baldwin Park
Fiduciary Funds
Statement of Changes in Fiduciary Net Assets – Successor Agency Funds
Year ended June 30, 2012

	Amounts
Additions:	
Taxes	\$ 2,096,895
Fines, forfeitures and penalties	42
Use of money and property	7,617
Other	1,398
Total revenues	2,105,952
Deductions:	
Community development	1,226,530
Interest and fiscal charges	535,370
Total expenditures	1,761,900
Excess (deficiency) of revenues over expenditures	344,052
Other financing sources (uses)	
Interest expense on Advances from the City	(745,204)
Write-off of Advances from other funds	278,300
Write-off of Notes Payable	273,490
Transfers in	2,839,355
Transfers out	(2,122,768)
Net other financing sources (uses)	523,173
Net change in fund balances before extraordinary item	867,225
Extraordinary item	
Redevelopment Agency dissolution transactions	(46,552,414)
Net change in net assets balances	(45,685,189)
Fiduciary net assets at beginning of the year	-
Fiduciary net assets (deficit) at end of year	\$ (45,685,189)

The notes to the financial statements are an integral part of these financial statements.

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NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The reporting entity "City of Baldwin Park" includes the financial activities of the former Baldwin Park Redevelopment Agency (for the period of July 1, 2011 to January 2012 prior to the dissolution of the Agency because of AB1x 26), the Baldwin Park Successor Agency (formerly Redevelopment Agency), the Baldwin Park Housing Authority and the Baldwin Park Public Financing Authority, as well as the City. Although these entities are legally separate from each other, they are included within the scope of the reporting entity.

The inclusion of an organization within the City of Baldwin Park reporting entity is based on the provisions of GASB Statement 39. These organizations are legally separate entities for which the City of Baldwin Park is financially accountable. The governing body of these organizations is substantially the same as the City Council. As a result, the financial statements of the individual component units described below are blended with the City's financial statements. Separate financial statements are not prepared for the Baldwin Park Redevelopment Agency, the Baldwin Park Successor Agency, the Baldwin Park Housing Authority or the Baldwin Park Financing Authority.

The City of Baldwin Park (the City), incorporated on January 25, 1956, is a general law city, which operates under a Council-Chief Executive Officer form of government. The City Council appoints the City Attorney, the Chief Executive Officer, and five department heads. Currently, the City is managed by an Executive Team. The Executive Team is composed of the Chief Executive Officer and six department heads. The City provides a broad range of services to its citizens, which include police protection, street construction and maintenance, parks and recreation, public improvements, planning and zoning, housing and community development and general and administrative support services.

The Baldwin Park Community Development Commission (the Redevelopment Agency), formerly known as Baldwin Park Redevelopment Agency, was established on November 27, 1974, pursuant to the Health and Safety Code of the State of California. The Agency's purpose is to prepare and carry out plans for the improvement, rehabilitation and development of blighted areas within the boundaries of the City. There are currently two approved project areas. Please refer to Note 19 regarding the *Recent Laws and Regulations Affecting Redevelopment Agencies*.

The Baldwin Park Housing Authority (the Housing Authority) was established on October 27, 1977 pursuant to the Health and Safety Code of the State of California. The Housing Authority's purpose is to oversee the administration of federally funded housing assistance programs. These programs are designed to provide affordable housing opportunities for low and moderate income residents of the cities of Baldwin Park, West Covina, Monrovia and South El Monte.

The Baldwin Park Public Financing Authority (the Financing Authority) was established on April 6, 1988 between the City of Baldwin Park and the Baldwin Park Redevelopment Agency by execution of a joint exercise of powers agreement. The Financing Authority is governed by a five-member board consisting of the City Council. The Financing Authority's purpose is to acquire, finance, construct, manage and maintain or operate certain public capital improvements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Government-wide and Fund Financial Statements

The statement of net assets and statement of activities (i.e., the government-wide financial statements) display information on all of the non-fiduciary activities of the primary government (the City) and its blended component units. Eliminations have been made to minimize the effect of interfund activity. Interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the City's *governmental* and *business-type activities*. 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 charged to external parties. The City reports its enterprise fund under governmental activities in the government-wide financial statements because the purpose of the fund corresponds with governmental activities and it is only partially self-supporting. Therefore, the City does not currently report any business-type activities.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities and for each segment of the City's business-type activities. Direct expenses are those that are specifically associated with a program or function and are clearly identifiable to a particular function. Program revenues include 1) charges paid by the recipient of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

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 ongoing operations. The principal operating revenues of the City's proprietary funds are charges to customers for sales and services. Operating expenses for proprietary funds include 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 net assets are available for use, the City's policy is to use restricted resources first, then the unrestricted resources as they are needed.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The accounts of the City of Baldwin Park (the City) are organized on the basis of funds, each of which is considered a separate accounting entity with a self-balancing set of accounts established for the purpose of carrying out specific activities or attaining certain objectives in accordance with applicable regulations, restrictions or limitations. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the last is 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. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds.

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 fund and fiduciary fund financial statements. Revenues are recognized when earned and expenses are recognized when the liabilities are incurred regardless of the timing of related cashflows. Property taxes are recognized as revenues in the 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 fund 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 or soon enough thereafter to pay liabilities of the current period. The City considers taxes and assessments associated with the current fiscal period to be available if they are collected within 60 days of the end of the current fiscal period. All other revenue items are considered to be measurable and available only when the City receives cash. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Private sector standards of accounting and financial reporting issued prior to December 1, 1989, are generally followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The City has elected not to follow subsequent private-sector guidance.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The City reports the following major governmental funds:

General Fund - The General Fund is the City's general operating fund. It is used to account for all financial resources, except those required to be accounted for in other funds.

Special Revenue Funds - The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than those for Capital Projects Funds) that are legally restricted to expenditures for special purposes. Major special revenue funds are:

Housing and Community Development Grant Fund Accounts for revenues from the Department of Housing and Urban Development. These revenues must be expended to accomplish one of the following objectives: elimination of slum or blight, be of benefit to low and moderate income persons, or meet certain urgent community needs. The fund includes revenues from the BLOCK and HOME programs.

Housing Authority This fund accounts for housing assistance programs, which include Voucher, CIAP, and New Construction, administered by the City's Housing Authority under the rules and regulations of the U.S. Department of Housing and Urban Development.

Grants Accounts for revenues and expenditures for various grants that are restricted for specific use.

Future Development Amounts in this fund are to be used for economic development projects, and a portion of which represents payments from the City's former redevelopment agency and interest earned thereon.

Additionally, the City reports the following fund types:

Governmental Funds

Descriptions for Special Revenue funds, Debt Service funds and Capital Projects funds can be found on pages 70 to 72.

Proprietary Funds

Enterprise Fund - The Enterprise Fund is used to account for a 12-unit complex occupied by elderly low-income tenants, who pay monthly rents to the City.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Internal Service Funds - The Internal Service Funds are used to account for the financing of goods or services provided by one City department to the other departments or agencies on a cost reimbursement basis. These funds account for the revenues and expenses of the City's Fleet Services, Information Services and Internal Insurance.

Fiduciary Funds

Agency Deposit Fund – This fund is used to account for assets held by the City in a trustee capacity or as an agent on behalf of employees, individuals, private organizations, other governments or other funds. This fund includes resources held for seized assets, police training, donations for others, etc. Agency deposit fund, which is custodial in nature, do not involve measurement of results of operations.

Successor Agency Funds – The successor agency funds are used to report the assets, liabilities and activities of the Successor Agency to the Dissolved Baldwin Park Community Development Commission.

Financial Statement Elements

Cash and Investments

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

The City pools all nonrestricted cash for investment purposes. Interest income earned on pooled cash is allocated quarterly to the various funds based on their month-end cash balances. Interest income from restricted cash is allocated directly to the fund earning the income.

Property Taxes

The County of Los Angeles has the responsibility for property tax and assessment levies and collections. The County's property tax calendar is July 1 to June 30. Property taxes are an enforceable lien on the property as of the preceding January 1. Property tax bills, which include assessments, are levied June 30 and are due in equal installments on November 1 and February 1 of each property tax year. The City records property tax assessment revenues upon receipt or anticipated receipt from the County. Property taxes receivable reported in the fund statements are not offset by deferred revenues because they are collectable within 60 days of fiscal year end.

Receivables and Payables

Property, sales, use and utility user taxes related to the current fiscal year are accrued as revenue and accounts receivable and considered available if received within 60 days of year-end. Federal and State grants are considered receivable and accrued as revenue when reimbursable costs are incurred under the accrual basis of accounting in the government-wide statement of net assets. The amount recognized as revenue under the modified accrual basis of accounting is limited to the amount that is deemed measurable and collectable. Earned but unbilled revenue is recognized as revenue and accounts receivable in the enterprise funds.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interfund Transactions

Interfund transactions are reflected as either loans, services provided, reimbursements or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation and are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the 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”. Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance account applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources.

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental and proprietary funds are netted as part of the reconciliation of the government-wide presentation.

Restricted Assets

Certain proceeds of debt issues, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

Capital Assets

Capital assets, which include land, buildings, improvements, vehicles, furniture, equipment and infrastructure assets (e.g., roads, bridges, curbs and gutters, sidewalks and lighting and drainage systems) are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are recorded at historical cost or estimated cost, if historical cost is not available. Contributed assets are recorded at their estimated fair value at the time received. The costs of normal maintenance and repairs that do not add value to the asset or materially extend lives are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Building	60 years
Machinery and equipment	3 to 20 years
Vehicles and related equipment	5 to 15 years
Roadway network	20 to 50 years
Commuter rail network	50 years
Sewer network	60 years
Storm drain network	50 years

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

It is the City's policy to capitalize all land, building, improvements, equipment and infrastructure assets, except assets costing less than \$5,000. Interest incurred during the construction phase of capital assets of business-type activities is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period. Costs of assets sold or retired (and related amounts of accumulated depreciation) are eliminated from the accounts in the year of sale or retirement and the resulting gain or loss is included in the operating statement of the related activity. In governmental funds, the sale of general capital assets is included in the statement of revenues, expenditures and changes in fund balances as proceeds from sale. Provision for depreciation of capital assets is computed using the straight-line method.

Property Held for Resale

Property held for resale is recorded at the lower of cost or fair value. A corresponding nonspendable fund balance account is recorded which indicates the asset does not represent available expendable resources.

Compensated Absences

It is the City's policy to record the liability for employees vested earned vacation, compensatory time off, etc. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statement. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The City does not provide for the vesting of sick leave; therefore, no liability has been recorded.

Self-Insurance Programs

The City has initiated self-insurance programs for long-term disability and unemployment insurance claims. In addition, the City maintains a cash reserve to provide for the per-occurrence deductible on property damage, workers' compensation and general liability claims of \$5,000, \$500,000 and \$300,000, respectively. These activities are accounted for in the Internal Insurance Service Fund.

Operating revenues are primarily user charges to other funds and are planned to match estimated payments resulting from self-insurance programs, operating expenses and reinsurance premiums. The fund accrues the estimated liability for claims when such amounts are reasonably determinable and where the liability is probable. Further, the fund sets up a cash reserve for these known claims as well as for the estimated liability for such claims expected to be filed for incidents, which had occurred as of June 30, 2012. The calculation is based on ten-year historical trend analysis.

The City is a member of the Independent Cities Risk Management Authority (ICRMA), a joint powers authority formed to provide liability insurance coverage for independent cities. Under the terms of the agreement with ICRMA, the City is insured for liability losses in excess of the \$300,000 Self-Insurance Retention (SIR), with a liability limit of \$1,000,000 per occurrence and workers' compensation losses in excess of the \$500,000 Self-Insured Retention (SIR), with a liability limit of \$5,000,000 per any one loss (see Note 16).

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Revenues

Deferred revenues in governmental funds arise when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period.

Unearned Revenues

In the government-wide financial statements, unearned revenues arise when the City receives resources before it has a legal claim to them (e.g., when grant monies are received prior to the incurrence of qualifying expenditures).

Long-term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are recorded as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, if applicable, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the life of the related debt using the straight-line method.

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

Fund Balance

In fiscal year 2010-11, the City of Baldwin Park adopted Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Government Fund-type Definitions*. Fund balance is the difference between the assets and liabilities reported in the City’s governmental funds. There are generally limitations on the purpose for which all or a portion of the resources of a governmental fund may be used. The force behind these limitations can vary significantly, depending upon their source. Consequently, the fund balance reported in the annual financial statements is categorized into five components whereby each component identifies the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the fund can be spent. The five components of fund balance are as follows (See Note 11):

- **Nonspendable:** Resources that are 1) not in spendable form, such as inventories, prepaids, long-term receivables, or non-financial assets held for resale, or 2) required to be maintained intact such as an endowment.
- **Restricted:** Resources that are subject to externally enforceable legal restrictions; these restrictions would be either 1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or 2) imposed by law through constitutional provisions or enabling legislation.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

- **Committed:** Resources that are constrained to specific purposes by a formal action of the City Council such as an ordinance or resolution. The constraint remains binding unless removed in the same formal manner by the City Council. Council action to commit fund balance must occur within the fiscal reporting period while the amount committed may be determined subsequently.

- **Assigned:** Resources that are constrained by the City's intent to be used for specific purposes, but that are neither restricted nor committed. The City Council has designated the Chief Executive Officer as the City official to determine and define the amounts of those components of fund balance that are classified as "Assigned Fund Balance".

- **Unassigned:** Within the General Fund, the residual resources, either positive or negative, in excess of what can be properly classified in one of the other four fund balance categories. Within all other governmental funds, the negative residual resources in excess of what can be properly classified as nonspendable, restricted, or committed.

Statement of Cash Flows

For purposes of the statement of cash flows, cash equivalents are defined as investments with original maturities of 90 days or less, which are readily convertible to known amounts of cash and not subject to significant changes in value from interest rate fluctuations.

The City considers all pooled cash and investments (consisting of cash and investments and restricted cash and investments) held by the City as cash and cash equivalents because the pool is used essentially as a demand deposit account from the standpoint of the funds. The City also considered all non-pooled cash and investments (consisting of cash with fiscal agent and restricted cash and investments held by fiscal agent) as cash and cash equivalents because investments meet the criteria for cash equivalents defined above.

Use of Estimates

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

NOTE 2 NET ASSETS/FUND BALANCES

The governmental activities and business-type activities in the government-wide financial statements utilize a net assets presentation. Net assets are categorized as invested in capital assets (net of related debt), restricted and unrestricted.

- Invested in capital assets, net of related debt – This category groups all capital assets, including infrastructure, into one component of net assets.

NOTE 2 NET ASSETS/FUND BALANCES (CONTINUED)

Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance of this category.

- Restricted net assets – This category presents external restrictions imposed by creditors, grantors, contributors, laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- Unrestricted net assets – This category represents the City’s net assets, which are not restricted for any project or other purpose.

NOTE 3 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Deficit Fund Balance

The following funds have deficit fund balances or net assets at June 30, 2012. Management expects to eliminate the deficits with subsequent revenue in the funds or transfers from the General Fund.

Nonmajor Funds		
Park Maintenance District	\$	1,999
Bicycle and Pedestrian Safety		<u>14,833</u>
Total nonmajor governmental funds		<u>16,832</u>
Proprietary funds:		
Internal Service Funds		
Internal Insurance		<u>2,089,936</u>
Total funds	\$	<u>2,106,768</u>

NOTE 4 CASH AND INVESTMENTS

At June 30, 2012, the City’s cash and investments consist of:

	Government-wide Statement of Net assets	Fiduciary Fund- Agency Deposit Statement of Net Assets	Fiduciary Fund- Successor Agency Statement of Net Assets	Total
Unrestricted assets				
Cash and investments	\$ 36,812,529	\$ 658,034	\$ 2,230,610	\$ 39,701,173
Restricted assets				
Cash and investments with fiscal agent	<u>1,688,255</u>	<u>-</u>	<u>995,960</u>	<u>2,684,215</u>
Total cash and Investments	<u>\$ 38,500,784</u>	<u>\$ 658,034</u>	<u>\$ 3,226,570</u>	<u>\$ 42,385,388</u>

Cash and investments at June 30, 2012 consisted of the following:

Cash on hand	\$ 833
Deposits with financial institutions	3,777,709
Investments	<u>38,606,846</u>
Total cash and investments	<u>\$ 42,385,388</u>

NOTE 4 CASH AND INVESTMENTS (CONTINUED)

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. Interest income is allocated quarterly to the various funds based on monthly balances. Interest income from cash and investments with fiscal agents is credited directly to the related fund.

Investment Policy

The City's investment policy outlines the guidelines required to be used in effectively managing the City's available cash in accordance with the California Government Code. Summarized below are the investment vehicles that are authorized and certain provisions of the policy that address interest rate risk and concentration of credit risk.

	Maturity	Maximum Allowable Investment Percentage	Maximum Percentage per Issuer
U.S. Treasury Obligations	365 days	Unlimited	N/A
U.S. Agency Securities and Instrumentalities of Government Sponsored Corporation	365 days	Unlimited	N/A
Negotiable Certificates of Deposit	365 days	30%	N/A
Time Deposits – Collateralized	365 days	Unlimited	\$500,000
Time Deposits – Uncollateralized	365 days	Unlimited	\$100,000
Banker's Acceptances	180 days	40%	30%
Repurchase Agreements	180 days	Unlimited	N/A
Commercial Paper rated A-1 by Standard and Poor's Corporation or P-1 by Moody's Investors Services, Inc.	180 days	30%	10%
LAIF	N/A	Unlimited	\$40,000,000

Cash and Investments with Fiscal Agents - The City has monies held by trustees or fiscal agents pledged to the payment or security of certain notes, bonds and certain construction projects. Money market mutual funds may be purchased as allowed under California Government Code. Only funds holding U.S. Treasury or Agency obligations can be utilized.

Interest Rate Risk

Interest rate risk, as defined under Governmental Accounting Standards Board (GASB) Statement No. 40, is the risk that changes in interest rates will adversely affect the fair value of an investment. Most of the City's investments are held in trust by the fiscal agents as required by the bond indenture. The following table summarizes the distribution of the City's investments according to maturity at June 30, 2012.

NOTE 4 CASH AND INVESTMENTS (CONTINUED)

	Less than 1 year	1 -5 years	More than 5 years	Total
Pooled cash and investments	\$ 35,922,631	\$ -	\$ -	\$ 35,922,631
Unrestricted cash and investments	<u>35,922,631</u>	<u>-</u>	<u>-</u>	<u>35,922,631</u>
Cash and investments with fiscal agents	-	-	2,684,215	2,684,215
Restricted cash and investments	<u>-</u>	<u>-</u>	<u>2,684,215</u>	<u>2,684,215</u>
Total cash and investments	\$ 35,922,631	\$ -	\$ 2,684,215	\$ 38,606,846

Concentration of Credit Risk

Under GASB Statement No. 40, concentration of credit risk is the risk of loss attributable to the magnitude of the City's investment in a single issuer. As of June 30, 2012, the City's investments in First American Treasury Obligation Fund amounted to \$1,217,219.

Credit Risk on Pooled Deposits

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The California Government Code requires California banks and savings and loan associations to secure a city's deposits by pledging government securities as collateral. The market value of pledged securities must equal at least 110% of a city's deposits. California law also allows financial institutions to secure city deposits by pledging first trust deed mortgage notes having a value of 150% of a city's total deposits. The City may waive collateral requirements for deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC).

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. In accordance with GASB Statement 40, deposits are exposed to custodial credit risk if they are uninsured and either:

- a. Uncollateralized
- b. Collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the depositor-government's name

Credit Risk and Fair Value of Investments

Investments are exposed to custodial credit risk if they are uninsured, unregistered and held by either:

- a. The counterparty
- b. The counterparty's trust department or agent but not in the government's name

The City's investments are in external investment pools and in mutual funds, which are not exposed to custodial credit risk.

NOTE 4 CASH AND INVESTMENTS (CONTINUED)

Presented below is the minimum rating as required by (where applicable) the California Government Code, the City's investment policy, or debt agreement and the actual rating as reported by Standard & Poor's as of year end for each investment type.

Investment Type	Totals as of 30-Jun-12	Minimum Legal Rating	Rating not available	Not required to be rated	Unrated
Local Agency Investment Fund	\$ 35,922,631	(1)	\$ -	\$ -	\$ 35,922,631
Held by bond trustee:					
Money Market Mutual Fund	1,271,942	(1)	-	1,271,942	-
Investment Agreement	1,412,273	(2)	1,412,273	-	-
Total cash and investments	\$ 38,606,846		\$ 1,412,273	\$ 1,271,942	\$ 35,922,631

- (1) Not applicable
(2) Acceptable to the Municipal Bond Insurer

Local Agency Investment Fund (LAIF)

Cash on deposit with LAIF represents short-term demand deposits with the State Treasurer, who invests available cash balances of participating California government entities. The management of LAIF has indicated to the City that as of June 30, 2012, the estimated fair value of the pool, including accrued interest, was approximately \$60.6 billion. The City's proportionate share of the estimated fair value is \$35.9 million. LAIF's (and the City's) exposure to risk (credit, market or legal) is not currently available.

Restricted Cash and Investments

The City has monies held by financial institutions, which are restricted for the payment of certain notes and bonds.

NOTE 5 LOANS RECEIVABLE AND DEFERRED REVENUES

Deferred revenues on the General Fund for a total amount of \$7,670,446 are composed of \$7,278,272 interest on interfund advances, which is not available for current operations. The remaining deferred revenues on the General Fund for a total amount of \$392,174 represent unearned grants.

Loans Receivable and Unearned Revenues at June 30, 2012 consisted of the following:

	Loans Receivable	Deferred Revenues
General Fund	\$ -	\$ 7,670,466
Special Revenue Funds:		
Loans receivable from Commercial Rehabilitation Program	44,685	44,685
Loans receivable from Residential Rehabilitation Program	319,972	319,972
Loans receivable from HOME Program	3,944,026	3,944,026
Loans receivable from CalHOME Program	134,743	134,743
Unearned grants	-	406,956
Total	\$ 4,443,426	\$ 12,520,848

NOTE 6 INTERFUND BALANCES

At June 30, 2012, the City's interfund receivables and payables were as follows:

	Due from Other Funds	Due to Other Funds	Advances to Other Funds	Advances from Other Funds
Major governmental funds				
General Fund	\$ -	-	18,427,954	\$ -
Housing and Community Development	-	247,378	-	-
Grants	-	2,027,547	-	-
Total major governmental funds	<u>-</u>	<u>2,274,925</u>	<u>18,427,954</u>	<u>-</u>
Nonmajor governmental funds	-	280,101	-	-
Total governmental funds	<u>-</u>	<u>2,555,026</u>	<u>18,427,954</u>	<u>-</u>
Proprietary funds				
Internal Service Funds	2,555,026	-	-	-
Total proprietary funds	<u>2,555,026</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fiduciary funds				
Total fiduciary funds	<u>2,622,720</u>	<u>2,622,720</u>	<u>-</u>	<u>18,427,954</u>
	<u>2,622,720</u>	<u>2,622,720</u>	<u>-</u>	<u>18,427,954</u>
Total funds \$	<u><u>5,177,746</u></u>	<u><u>5,177,746</u></u>	<u><u>18,427,954</u></u>	<u><u>\$ 18,427,954</u></u>

Due to and due from other funds:

Amounts due to the Internal Service Funds represent short-term borrowings by the Housing and Community Development, Grants funds, and other nonmajor governmental funds to compensate for negative cash balances and general operations. These balances are expected to be repaid within the next fiscal year.

The majority of the Fiduciary Funds due from and due to represent borrowings from the 20% set aside low-moderate income by the Successor Agency (formerly Redevelopment) Debt Service Funds to pay the Supplemental Educational Revenue Augmentation Funds (SERAF) obligation for FY 2009-2010 and FY 2010-11. The housing set-aside fund is scheduled to repay \$1,312,140 borrowed from FY2009-10 by June 30, 2015, and \$294,933 borrowed from FY 2010-11 by June 30, 2016 with no interest to accrue on the loan.

If not repaid by the deadline, then the housing set-aside allocation is increased to 25% permanently as required by Assembly Trailer Bill ABX4 26.

NOTE 6 INTERFUND BALANCES (CONTINUED)

Advances to and advances from other funds

General Fund advances to Redevelopment Agency

The City has an agreement with the Baldwin Park Successor Agency (formerly Redevelopment Agency) providing for the advance of funds to finance improvements and operations relating to and within the project areas. The Agency accrues interest on the original advances at LAIF's prevailing interest rate. At June 30, 2012, the City has advanced \$18,427,954 which includes accrued interest of \$7,345,372.

In June 2011, Assembly Bill 26 (1st extraordinary session) dissolved the former Agency, effective (after some litigation on the matter) February 1, 2012. As part of the dissolution process set forth in that bill and a later bill clarifying and modifying the terms of the dissolution (Assembly Bill 1484, adopted in June 2012), the existing loan from the City to the Agency was considered by the Department of Finance to be not enforceable. The successor agency to the former redevelopment agency has sought reconsideration by the Department of Finance as to the enforceability of the loan. In addition, the loan may be reinstated (but is not required to be) under Assembly Bill 1484 following the completion of a due diligence process currently being undertaken by the successor agency. Resolution of the enforceability of the loan and the potential for the loan to be reinstated following the due diligence process is expected to be completed by June of 2013.

The City's interfund transfers during the year were as follows:

	Transfers in	Transfers out
Major governmental funds		
General Fund	\$ -	\$ 1,878,293
Housing and Community Development	369,000	501,380
Grants	269,730	-
Housing Authority	-	41,654
Total major governmental funds	638,730	2,421,327
Nonmajor governmental funds	2,951,155	1,926,798
Total governmental funds	3,589,885	4,348,125
Proprietary funds		
Enterprise Funds	41,654	-
Total proprietary funds	41,654	-
Fiduciary fund	2,839,355	2,122,768
Total fiduciary funds	2,839,355	2,122,768
Total funds	\$ 6,470,893	\$ 6,470,893

NOTE 6 INTERFUND BALANCES (CONTINUED)

The Baldwin Park Financing Authority Debt Service Fund received resources from General Fund and Successor Agency Fund (formerly from the Redevelopment Debt Service Funds) for debt service payments.

Transfers to other governmental funds were to fund the matching requirements on certain grants and capital projects. Transfers to proprietary funds were to provide funds for expenditures.

NOTE 7 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2012 was as follows:

	Balance July 1, 2011	Increases	Decreases	Balance June 30 2012
Capital assets, not being depreciated:				
Land	\$ 1,804,151	-	-	1,804,151
Construction in progress	4,185,725	3,720,344	-	7,906,069
Capital assets, not being depreciated	<u>5,989,876</u>	<u>3,720,344</u>	<u>-</u>	<u>9,710,220</u>
Capital assets, being depreciated:				
Buildings and improvements	31,906,755	508,335	-	32,415,090
Equipment	9,144,897	441,824	152,080	9,434,641
Vehicles and related equipment	4,372,184	-	-	4,372,184
Infrastructure	190,853,031	-	27,190	190,825,841
Capital assets, being depreciated	<u>236,276,867</u>	<u>950,159</u>	<u>179,270</u>	<u>237,047,756</u>
Less accumulated depreciation for:				
Buildings and improvements	11,347,572	535,452	-	11,883,024
Equipment	7,300,705	382,775	-	7,683,480
Vehicles and related equipment	3,930,439	251,239	60,416	4,121,262
Infrastructure	100,175,605	7,243,759	-	107,419,364
Total accumulated depreciation	<u>122,754,322</u>	<u>8,413,225</u>	<u>60,416</u>	<u>131,107,131</u>
Capital assets being depreciated, net	<u>113,522,545</u>	<u>(7,463,066)</u>	<u>118,854</u>	<u>105,940,625</u>
Capital asset activity, net	<u>\$ 119,512,421</u>	<u>(3,742,722)</u>	<u>118,854</u>	<u>115,650,845</u>

Depreciation expense was charged to functions of the governmental activities as follows:

General government	\$ 212,921
Public safety	156,400
Public works, including depreciation of general infrastructure assets	7,429,226
Parks and recreation	95,751
Community development	293,715
Capital assets held by internal insurance funds are charged to various functions based on their usage of the assets	<u>225,212</u>
Total depreciation expense - governmental activities	<u>\$ 8,413,225</u>

NOTE 8 ACCOUNTS PAYABLE AND OTHER CURRENT LIABILITIES

Composition of accounts payable and other current liabilities is as follows:

	<u>Vendors</u>	<u>Accrued Liabilities</u>	<u>Deposits</u>	<u>Total</u>
Major governmental funds				
General Fund	\$ 740,488	\$ 613,005	\$ -	\$ 1,353,493
Housing and Community				
Development Grant	54,896	9,879	-	64,775
Housing Authority	130,855	-	-	130,855
Grants	987,324	-	-	987,324
Total major governmental fund	<u>1,913,563</u>	<u>622,884</u>	<u>-</u>	<u>2,536,447</u>
Nonmajor governmental funds	682,016	-	401,966	1,083,982
Total funds	<u>\$ 2,595,579</u>	<u>\$ 622,884</u>	<u>\$ 401,966</u>	<u>\$ 3,620,429</u>

NOTE 9 LONG-TERM LIABILITIES

Changes in Long-term Liabilities

Summary of changes in long-term liabilities during the year ended June 30, 2012 (in \$ thousands):

	<u>Balance July 1, 2011</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers Fiduciary</u>	<u>Balance June 30, 2012</u>	<u>Due Within One Year</u>
Bonded indebtedness	\$ 41,818	-	2,418	21,415	\$ 17,985	\$ 1,375
Notes payable	6,827	-	585	273	5,969	614
County deferral	17,969	443	2	18,410	-	-
Compensated absences	1,337	41	-	-	1,378	92
Other postemployment benefits	3,038	1,750	637	-	4,151	-
Capital leases	248	211	170	-	289	153
Total	<u>\$ 71,237</u>	<u>2,445</u>	<u>3,812</u>	<u>40,098</u>	<u>\$ 29,772</u>	<u>\$ 2,234</u>

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Bonded Indebtedness

At June 30, 2012, bonded indebtedness consisted of (in \$ thousands):

	<u>Date Issued</u>	<u>Final Maturity</u>	<u>Interest Rate %</u>	<u>Amount Issued</u>	<u>Outstanding</u>
Lease Revenue Bonds:					
Financing Authority					
Community Center	Oct-04	Aug-34	3.75 - 5.0	\$ 10,840	\$ 9,290
Pension Obligation Bonds					
2007- Series A-1	Apr-07	Jun-18	5.06-5.30	12,810	8,695
Total bonded indebtedness				\$ 23,650	\$ 17,985
Fiduciary Funds:					
Tax Allocation Bonds:					
Financing Authority Series A	Jan-90	Aug-19	6.65 - 7.75	\$ 14,205	\$ 3,775
San Gabriel River Project	May-98	Aug-21	3.75 - 5.25	11,875	4,875
Merged Project	Jun-00	Sep-30	4.20 - 5.75	10,215	8,680
Financing Authority					
Series 2003	Dec-03	Aug-21	1.75 - 5.25	6,265	4,085
Total bonded indebtedness - Fiduciary				42,560	21,415
Total bonded indebtedness				\$ 66,210	\$ 39,400

Sources of Debt Service

Special assessment bonds interest and principal redemptions are to be funded by future assessments against properties in the Districts. Interest and principal redemptions for lease revenue bonds and certificates of participation are payable solely from lease payments made by the City to the Financing Authority as the rental for the Community Center and City's corporation yard, respectively. Tax allocation bonds interest and principal redemptions are to be funded by incremental tax revenues derived from the redevelopment project areas.

Bond Covenants and Other Requirements

The City is in compliance with all the provisions of the bond covenants and the requirements regarding arbitrage rebates.

City of Baldwin Park
Notes to Financial Statements
Year ended June 30, 2012

NOTE 10 CAPITAL LEASES

The City has lease agreements for vehicles and equipment that meet the criteria for capitalization. The City reserves the right to purchase these items on any lease payment date. For the year ended June 30, 2012, the City entered into a new lease agreement for the police patrol cars for a total of \$211,000. The total capital lease obligations at June 30, 2012 amounted to \$289,000, net of interest of \$11,000. Lease payments for the fiscal year ended June 30, 2012 amounted to approximately \$170,000.

NOTE 11 FUND BALANCE

	<u>Special Revenue</u>						Total Governmental Funds
	General	Housing and Community Development Grant	Future Development	Housing Authority	Grants	Other Governmental Funds	
Fund Balances:							
Nonspendable							
Prepays	\$ 23,730	\$ 23,808	\$ -	\$ 259,756	\$ -	\$ 3,000	\$ 310,294
Advances to other funds, net of accrued interest	11,149,522	-	-	-	-	-	11,149,522
Loans receivable, net of deferred revenue	-	-	-	-	-	179,428	179,428
Restricted for							
Housing and Community	-	91,137	-	-	-	-	91,137
Future Development	-	-	10,469,425	-	-	-	10,469,425
Business Improvement Fees	-	-	-	-	-	190,557	190,557
Air Quality Improvement	-	-	-	-	-	565,001	565,001
Proposition C	-	-	-	-	-	2,820,250	2,820,250
Street Light and Landscape	-	-	-	-	-	575,343	575,343
Residential Development Tax	-	-	-	-	-	4	4
Integrated Waste Management	-	-	-	-	-	275,589	275,589
Summer Food Program	-	-	-	-	-	1,129	1,129
Federal Surface Transportation Program	-	-	-	-	-	676,025	676,025
Assessment District	-	-	-	-	-	348,789	348,789
State Asset Forfeiture	-	-	-	-	-	167,629	167,629
Local Law Enforcement Block Grant	-	-	-	-	-	14,493	14,493
Economic Development Administration	-	-	-	-	-	512	512
Traffic Congestion Relief AB2928	-	-	-	-	-	163,282	163,282
Grants	-	-	-	-	380,379	-	380,379
Park Land and Public Art Fees	-	-	-	-	-	847,602	847,602
Storm Drain NPDS	-	-	-	-	-	28,172	28,172
General Plan Fees	-	-	-	-	-	406,919	406,919
Housing Authority	-	-	-	1,143,266	-	1,410,462	2,553,728
City Debt Service Fund	-	-	-	-	-	32,295	32,295
Pension Obligation Debt Service	-	-	-	-	-	820	820
Baldwin Park Financing Authority Debt Service	-	-	-	-	-	1,474,543	1,474,543
Building Reserve	-	-	-	-	-	13,777	13,777
Committed to							
Economic Development Act Revolving Loan	-	-	-	-	-	1,649,753	1,649,753
10% Budget Stabilization Fund	2,477,618	-	-	-	-	-	2,477,618
Assigned to							
Loan repayment	606,926	-	-	-	-	-	606,926
Unassigned	1,826,473	-	-	-	-	(144,174)	1,682,299
Total Fund Balances	\$ 16,084,269	\$ 114,945	\$ 10,469,425	\$ 1,403,022	\$ 380,379	\$ 17,335,961	\$ 45,788,001

NOTE 11 FUND BALANCE (CONTINUED)

The City's Fund Balance Policy delegates authority to the City Chief Executive Officer to assign amounts, which are neither restricted nor committed, to be used for specific purposes for annual financial statement reporting. During the year ended June 30, 2012, the City has assigned fund balances for loan repayment for a total amount of \$606,926.

When expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) fund balances are available, the City's policy is to first apply restricted fund balance. When expenditures are incurred for purposes for which committed, assigned, or unassigned fund balances are available, the City's policy is to first apply committed fund balance, then assigned fund balance, and finally unassigned fund balance.

NOTE 12 COMMITMENTS AND CONTINGENCIES

There are various litigation and claims pending against the City, which have been considered in determining the estimated liability for self-insurance. The outcome of these cases and eventual liability to the City, if any, is unknown at this time. The City estimates that the self-insurance liability and cash reserve are adequate to cover any claims not otherwise covered by insurance.

NOTE 13 RETIREMENT PLANS

Plan Description: The City of Baldwin Park contributes to the California Public Employees Retirement System (PERS), an agent multiple-employer public employee defined benefit pension plan (miscellaneous plan) and a cost sharing plan (safety plan). PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute and City ordinance. Copies of PERS' annual financial report may be obtained from its executive office: 400 P Street, Sacramento, CA 95814.

All permanent safety (police) and general personnel working 20 hours or more a week and temporary employees who have worked 40 hours a week for over six months are eligible to participate in PERS. Benefits vest after five years of service. General employees who retire at or after age 55 and police members who retire at or after age 50 with five years of credited service are entitled to retirement benefits. PERS also provides death and disability retirement benefits. These benefit provisions and all other requirements are established by state statute and City ordinance.

NOTE 13 RETIREMENT PLANS (CONTINUED)

Funding Policy: Participants are required to contribute 7% (9% for safety employees) of their annual covered salary. The City makes the contributions required of City employees on their behalf and for their account. The City is required to contribute at an actuarially determined rate of annual covered payroll; the current rate is 13.307% for non-safety employees and 24.112% for safety employees. The contribution requirements of plan members and the City are established and may be amended by PERS.

PERS Plan Amendments: During fiscal year 2002-03, PERS required mandatory pooling of plans with less than 100 active members. As a result, the accrued actuarial liability and actuarial value of assets for the City's safety plan have been pooled with other government agencies. As of the date of pooling, differences between the City's normal cost and the pool's normal cost will be amortized over a five year period, at which time, the City's normal cost will approximate the pool's normal cost.

Annual Pension Cost: The three-year trend information for PERS (In \$ thousands) is presented below:

Miscellaneous

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Prepaid Pension Asset
6/30/2010	\$ 1,076	100%	\$ -
6/30/2011	1,251	100%	-
6/30/2012	1,389	100%	-

Safety

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Prepaid Pension Asset
6/30/2010	\$ 3,043	100%	\$ 9,103
6/30/2011	3,173	100%	7,965
6/30/2012	3,529	100%	6,827

Annual Reviews: As part of the CALPERS Board approved plan for fiscal year 2010/2011, the Office of Audit Services (OAS) began reviewing member agencies payroll reporting and member enrollment processes as they relate to retirement and health contracts with CALPERS. The City of Baldwin Park was reviewed in 2010 for processes that occurred from April 2007 to March 2010; a final Public Agency Review Report was issued in February 2012. Of the twelve processes reviewed, they determined that six areas were being reported correctly and six other areas required the current processes to be changed, if they had not been changed already, in order to report information according to the guidelines. The City has been working successfully with CALPERS and has completed five out of the six items that required corrections for prior years. Since CALPERS reviews have become common over the last several years, it is unknown if another review will be conducted in the upcoming year.

NOTE 14 OTHER POSTEMPLOYMENT BENEFITS

Plan Description and Funding Policy

The City of Baldwin Park provides postretirement health care benefits, as per the requirements of the Public Employees' Retirement System, with which the City contracts for health care benefits, for employees who retire while employed with the City. As provided by the Public Employees' Medical and Hospital and Care Act (PEMHCA), the City has been under contract with CalPERS for medical plan coverage since at least 1999. As a PEMHCA employer, the City has chosen to satisfy its retiree medical benefit commitment using equal contribution approach, where it contributes exactly the same amount for retirees as contributed toward active employee medical plan coverage.

The benefit level varies depending upon the bargaining group that represents the employee. Employees represented by S.E.I.U. Local 347 will receive a varying flat monthly amount that has been negotiated through the meet and confer process and all other employees will receive the equivalent of the single party premium for the plan of their choice that has been negotiated through the meet and confer process.

Following is a description of the current retiree benefit plan:

	<u>S.E.I.U. employees</u>	<u>Nonrepresented</u>
Benefit types provided	Medical only	Medical only
Duration of benefits	Lifetime	Lifetime
Required service	5 years	5 years
Minimum age	50	50
Dependent coverage	Yes	Yes
City Contribution	100%	100%
City Cap	\$618 per month	Minimum MEC allowed per PEMHCA

Eligible participants to the plan at January 1, 2011, the date of the latest actuarial valuation are as follows:

Eligible active employees:		
Participating		126
Not currently participating		107
	Subtotal	233
Eligible retirees		113
	Total	346

NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

As of June 30, 2012, the City has not established a trust or equivalent that contains an irrevocable transfer of assets dedicated to providing benefits to retirees in accordance with the terms of the plan and that are legally protected from creditors. The City finances these postemployment benefits on a pay-as-you-go basis. Its share of the annual premiums for these benefits are payable as they become due. The cost of retiree health care insurance benefits is recognized as expenditure as insurance premiums are paid. For fiscal year ended June 30, 2012, \$565,724 of postemployment benefit expenditures was paid.

Annual OPEB Cost and Net OPEB Obligation

The following table shows the components of the City's annual Other Post-employment Benefits (OPEB) cost for the year (based on 30-year amortization), the amount of benefits and/or insurance premiums actually paid and the City's Net OPEB obligation as of June 30, 2012:

	Amount
Annual required contribution	\$ 1,750,910
Interest on net OPEB obligation as of June 30, 2011	136,694
Adjustment to the ARC	(136,875)
Annual OPEB cost (expense)	1,750,729
Premium payments including benefit payments	(637,235)
Contributions to irrevocable trust	-
Increase in net OPEB obligation	1,113,494
Net OPEB obligation - beginning of the year	3,037,652
Net OPEB obligation - end of the year	\$ 4,151,146

The Annual Required Contribution (ARC) is an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2012, 2011 and 2010 were:

Fiscal Year End	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2012	\$ 1,750,729	36%	\$ 4,151,146
6/30/2011	1,649,385	36%	3,037,652
6/30/2010	1,613,289	36%	1,984,795

NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Funded Status and Funding Projects

The funded status of the plan as of June 30, 2012 based on the plan's most recent actuarial valuation date of January 1, 2011, was:

	<u>Amount</u>
Actuarial accrued liability (AAL)	\$ 24,666,275
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	<u>\$ 24,666,275</u>
Covered payroll	<u>\$ 11,281,105</u>
UAAL as a percentage of covered payroll	<u>219%</u>
Normal cost	<u>\$ 649,722</u>

The normal cost for the plan is the amount that the liabilities are expected to increase during the year based on increased eligibility and service. Normal cost is the value of benefits expected to be earned during the year, based on certain methods and assumptions.

The Schedule of Funding Progress for OPEB is presented below. As presented based on the Actuarial Study of Retiree Health Liabilities as of January 1, 2011, the Unfunded Actuarial Accrued Liability (UAAL) ratio to covered payroll has increased from 204% to 216%. Since the City has not established a trust, the plan is unfunded therefore the actuarial value of plan assets remains at zero.

Actuarial Valuation Date	Entry Age Actuarial Accrued Liability (AAL)	Actuarial Asset Value	Unfunded Actuarial Accrued Liability (Excess Assets) [(A)-(B)] (UAAL)	Funded Ratio [(B)/(A)]	Covered Payroll	Unfunded Accrued Actuarial Liability as Percentage of Covered Payroll {[(A)-(B)]/(E)}
(A)	(B)	(C)	(D)	(E)	(F)	
January 1, 2009	\$ 22,320,143	\$ -	\$ 22,320,143	0.00%	\$ 10,932,861	204%
January 1, 2011	23,548,132	-	23,548,132	0.00%	10,926,010	216%

Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required 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 in the required supplementary information section, 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 the benefits.

NOTE 14 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Significant methods and assumptions are as follows:

Actuarial valuation date	January 1, 2011
Actuarial cost method	Entry Age Normal cost, level percent of pay
Amortization method	Level percent of pay
Remaining amortization period	27, closed
Asset valuation method	Market value of assets (\$0; plan has not yet been funded)
Actuarial assumptions:	
Discount rate	4.50%
Investment rate of return	N/A
Projected salary increases	3.25%
Inflation rate	3.25%
Healthcare cost trend rates:	
Medical - PPO	See Table Below
Medical - HMO	See Table Below

Effective July 1	Premium Increase	Effective July 1	Premium Increase
2012	9.00%	2016	7.00%
2013	8.50%	2017	6.50%
2014	8.00%	2018	5.50%
2015	7.50%	2019 & Later	4.50%

In the January 2011 actuarial valuation, the entry age normal actuarial cost method was used to value liabilities. Under the entry age normal cost method, an average age at hire and average retirement age are determined for eligible employees. The actuarial assumptions included (1) a 4.5% discount rate, (2) a 3.25% annual salary increase and (3) medical plan premiums (cost) rate increase of 9.5% for year 2009 decreasing by .5% every year until year 2017. The UAAL is being amortized as a level percentage of projected payroll over 30 years. Amortization of the unfunded AAL has been determined on a level percent of payroll over a closed 30-year period established in the fiscal year ended June 30, 2009. The remaining amortization years used in developing the ARC for the City's fiscal year ending June 30, 2012 was 28 years.

NOTE 15 DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salaries until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The plan assets are under the participants control and are principally invested in demand deposits and mutual funds and are held in trust for the exclusive benefit of the participants and their beneficiaries. At June 30, 2012, the amount held by trustee for employees is \$6,451,900.

NOTE 16 INSURANCE PROGRAM

Self-Insurance Programs

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties.

The City is a participant in the Independent Cities Risk Management Authority (ICRMA), a public entity risk pool, formed to enable individual cities to join together to obtain certain liability and workers' compensation insurance coverages as a group, to self-insure, where necessary, and to obtain adequate liability coverages at an affordable cost. ICRMA has 31 member cities, and each city appoints one member to the ICRMA Governing Board. The City has a 2.47% participation in ICRMA, which is computed based on the City's self-insurance retention levels under the liability coverages selected. The City pays an annual premium to ICRMA for this liability and workers' compensation insurance coverage. ICRMA is considered a self-sustaining risk pool that will provide coverage for its members for up to \$20,000,000 (\$2,000,000 per occurrence) for liability claims, \$1,000,000 for workers' compensation claims and \$1,000,000 for employer's liability claims.

Changes in the balances of claims liabilities for the three years ended June 30, 2012 were as follows:

Insurance	Year Ended June 30,	Beginning Balance	Claims and Changes in Estimates	Claims Payments	Ending Balance
General Liability	2012	\$ 1,032,403	\$ (148,879)	\$ 98,749	\$ 784,775
	2011	866,128	189,980	23,705	1,032,403
	2010	862,843	10,938	7,653	866,128
Workers' Compensation	2012	6,372,899	1,679,297	778,610	7,273,586
	2011	5,331,065	1,825,315	783,481	6,372,899
	2010	5,012,604	390,948	72,487	5,331,065

There were no significant changes in insurance coverage as compared to last year and settlements have not exceeded coverage in any of the past three fiscal years.

Purchased Insurance

Property Insurance – The properties of the City of Baldwin Park are covered by commercial insurance purchased from independent third parties. The City is currently insured according to a schedule of covered property submitted by the City to the insurance company. The total property insurance coverage is \$38,397,400 at 90% coinsurance. Premiums for the coverage are paid annually and are not subject to retroactive adjustments.

Adequacy of Protection

During the past fiscal years none of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage. There have been no significant reductions in pooled or insured liability coverage from coverage in the prior year.

NOTE 17 RISKS AND UNCERTAINTIES

The City invests in various investment securities, including Local Agency Investment Fund (LAIF) which are exposed to various risks such as interest rate, market, and credit risks. Because of the level of risks associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the values of investments as of June 30, 2012. The actual amount of exposure as of December 20, 2012 is not determinable.

**NOTE 18 NEW GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB)
PRONOUNCEMENTS**

GASB No. 61 - GASB has issued Statement No. 61, *The Financial Reporting Entity: Omnibus, an amendment of GASB Statements No. 14 and No. 34*. This Statement modifies existing requirements for the assessment of potential component units in determining what should be included in the financial reporting entity, and financial reporting entity display and disclosure requirements. It applies to financial reporting by primary governments and other stand-alone governments, and to the separately issued financial statements of governmental component units. In addition, this Statement should be applied to nongovernmental component units when they are included in a governmental financial reporting entity. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2012.

GASB No. 62 - GASB has issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This Statement establishes accounting and financial reporting standards for the financial statements of state and local governments. The requirements of this Statement apply to accounting and financial reporting for governmental activities, business-type activities, and proprietary funds. The requirements in this Statement are effective for financial statements for periods beginning after December 15, 2011.

GASB No. 63 - GASB has issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This Statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources and renames the residual measure as net position, rather than net assets. The requirements of this Statement will improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effects on a government's net position. It alleviates uncertainty about reporting those financial statement elements by providing guidance where none previously existed.

The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2011.

**NOTE 18 NEW GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB)
PRONOUNCEMENTS (CONTINUED)**

GASB No. 65 - *Items Previously Reported as Assets and Liabilities*. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

This Statement also provides other financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources, such as changes in the determination of the major fund calculations and limiting the use of the term *deferred* in financial statement presentations.

The requirements of this Statement will improve financial reporting by clarifying the appropriate use of the financial statement elements deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012.

**NOTE 19 SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT
AGENCY**

Pursuant to AB X1 26, which become effective in late June 2011, as upheld by the California Supreme Court in *California Redevelopment Association, et al. v. Ana Matosantos, et al. (53 Cal.4th 231(2011))*, redevelopment agencies throughout the State of California were dissolved as of February 1, 2012. AB 1484, which became effective June 27, 2012, amended and supplemented provisions of AB X1 26. AB X1 26 and AB 1484, together, are referred to below as the "RDA Dissolution Act."

A successor agency is constituted concurrently with the dissolution of each redevelopment agency. Each successor agency is charged with the wind-down of the operations of its former redevelopment agency. A successor agency is not authorized to engage in new redevelopment activities, except for work related to existing enforceable obligations, subject to provisions of the RDA Dissolution Act. The RDA Dissolution Act also provides for the establishment of an oversight board for each successor agency. Certain successor agency actions are subject to the prior approval of the oversight board. The oversight board is also empowered to direct certain successor agency actions. Each successor agency is required to prepare a Recognized Obligation Payment Schedule ("ROPS") for each six month period (from January 1 through June 30 and from July 1 through December 31). Each ROPS must be approved by the oversight board and the State Department of Finance. A successor agency is not permitted to make payments except pursuant to an approved ROPS.

NOTE 19 SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY (CONTINUED)

Under the RDA Dissolution Act, the portion of property tax collected by the county auditor-controller that would have been tax increment of the former redevelopment agency is deposited in a Redevelopment Property Tax Trust Fund ("RPTTF"). Every six months, the county auditor-controller makes disbursements from the RPTTF to the successor agency in accordance with the RDA Dissolution Act, in amounts approved for payment of enforceable obligations and administrative costs allowance as shown on the approved ROPS. To the extent that there are residual moneys remaining in the RPTTF after the deduction for administrative expenses of the county auditor-controller, pass-through payments and disbursement to the successor agency based on the ROPS, the residual moneys are disbursed to various taxing entities.

The RDA Dissolution Act directs the State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency by the Bill.

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012.

In fiscal year 2011, the former redevelopment agency repaid the City certain advances amounting to \$3.5 million. These repayments were set aside by the City in the Future Development Fund for economic development projects. There are also unpaid obligations resulting from prior year advances from the General Fund to the former redevelopment agency amounting to \$18,427,954 which have not been repaid. The Department of Finance questioned whether these advances received from the City in prior years constitute valid enforceable obligations. However, Management believes, in consultation with legal counsel, that these obligations of the former redevelopment agency due to the City are valid enforceable obligations payable by the successor agency trust under the requirements of the Bill. The City's position on this obligation is not a position of settled law and there is considerable legal uncertainty regarding this issue. As mentioned in Note 6, the resolution of the enforceability of this obligation and the potential for this obligation to be reinstated following the due diligence process as allowed under Assembly Bill 1484 is expected to be completed by June 2013.

As previously stated, all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012. Prior to that date, the final seven months of the activity of the redevelopment agency continued to be reported in the governmental funds of the City. After the date of dissolution, the assets and activities of the dissolved redevelopment agency are reported in a fiduciary funds (successor agency fund) in the financial statements of the City.

NOTE 19 SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY (CONTINUED)

The transfer of the assets and liabilities of the former redevelopment agency as of February 1, 2012 (effectively the same date as January 31, 2012) from governmental funds of the City to fiduciary funds (successor agency fund) was reported in the governmental funds as an extraordinary gain in the governmental fund financial statements. The receipt of these assets and liabilities as of January 31, 2012 was reported in the agency trust fund as an extraordinary loss.

Because of the different measurement focus of the governmental funds (*current financial resources measurement focus*) and the measurement focus of the trust funds (*economic resources measurement focus*), the extraordinary gain recognized in the governmental funds was not the same amount as the extraordinary loss that was recognized in the fiduciary fund financial statements.

The difference between the extraordinary loss recognized in the fund financial statements and the extraordinary gain recognized in the fiduciary fund financial statements is reconciled as follows:

Total extraordinary gain reported in governmental funds - increase to net assets of the Successor Agency Trust Fund	\$	9,492,143
Loans receivable not expected to be collected in the current period are offset by unearned revenue in the funds. They have been recognized and are in net assets in the government-wide financial statements.		(2,562,586)
Interest on loans receivable not expected to be collected in the current period are offset by unearned revenue in the funds. They have been recognized and are in net assets in the government-wide financial statements.		(516,169)
Deferred charges represent costs associated with the issuance of long-term debt, which are deferred and amortized over the life of the debt. The costs are reported as expenditures of current financial resources in the governmental funds		(157,583)
Accrued bond interest reported in the government-wide financial statements - decrease to net assets of the Successor Agency Trust Fund		471,416
Long-term debt reported in the government-wide financial statements - decrease to net assets of the Successor Agency Trust Fund		
Tax allocation bonds	\$	21,415,000
Notes payable		273,490
County deferral		<u>18,136,703</u>
		39,825,193
Net decrease to net assets of the Successor Agency Trust Fund as a result of initial transfers (equal to amount of extraordinary gain reported in the government-wide financial statements of the City)	\$	<u>46,552,414</u>

Information about the Outstanding Bonds of the Successor Agency Trust Fund

Changes in Long-term Liabilities

Summary of changes in long-term liabilities during the year ended June 30, 2012 (\$ in thousands):

NOTE 19 SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY (CONTINUED)

	Balance July 1, 2011	Increases	Decreases	Balance June 30, 2012	Due Within One Year
Bonded indebtedness	\$ 21,415	-	-	\$ 21,415	\$ 1,210
Notes payable	273	-	(273)	-	-
County deferral	18,410	-	-	18,410	-
	<u>\$ 40,098</u>	<u>-</u>	<u>(273)</u>	<u>39,825</u>	<u>\$ 1,210</u>

Bonded Indebtedness

At June 30, 2012, bonded indebtedness consisted of (\$ in thousands):

	Date Issued	Final Maturity	Interest Rate %	Amount Issued	Outstanding
Tax Allocation Bonds:					
Financing Authority Series A	Jan-90	Aug-19	6.65 - 7.75	\$ 14,205	\$ 3,775
San Gabriel River Project	May-98	Aug-21	3.75 - 5.25	11,875	4,875
Merged Project	Jun-00	Sep-30	4.20 - 5.75	10,215	8,680
Financing Authority Series 2003	Dec-03	Aug-21	1.75 - 5.25	6,265	4,085
Total bonded indebtedness				<u>\$ 42,560</u>	<u>\$ 21,415</u>

Sources of Debt Service

Tax allocation bonds interest and principal redemptions are to be funded by incremental tax revenues derived from the redevelopment project areas.

Bond Covenants and Other Requirements

The Agency is in compliance with all the provisions of the bond covenants and the requirements on arbitrage rebate calculations.

County Deferral

The Agency and County entered into an agreement whereby the County will defer tax increment (County Deferral) generated within the project area to meet the Agency's debt service obligations. Only the County Deferrals for Sierra Vista accrue interest of 2.42%. The County Deferrals are to be repaid whenever there is an excess of property tax revenues received by the Agency in excess of its bonded debt payment requirements. The County Deferrals are recorded as revenue when received by the Agency. At June 30, 2012, the balance of the County Deferrals including interest was \$18,136,703.

Annual Debt Service Requirements (\$ in thousands):

Year Ending June 30,	Bonded Indebtedness - Principal	Interest	Total Debt Service
2013	\$ 1,210	\$ 1,197	\$ 2,407
2014	1,290	1,128	2,418
2015	1,370	1,053	2,423
2016	1,460	972	2,432
2017	1,555	885	2,440
2018-2022	7,900	2,964	10,864
2023-2027	4,925	1,225	6,150
2028-2032	1,705	203	1,908
Total	<u>\$ 21,415</u>	<u>\$ 9,627</u>	<u>\$ 31,042</u>

NOTE 20 CONTRACT COMMITMENT

The City has a variety of agreements with private parties relating to the construction of the Baldwin Park Transit Center Parking Structure. The financing of such contracts is provided primarily from grants and various allocations that the City expects to receive from Prop C and Measure R. The City has committed to approximately \$8.2 million of open constructions contracts as of June 30, 2012.

Project Name	Contract	Change Orders	Total Contract with Change Orders	Paid / Completed as of June 30, 2012	Balance to Complete
Transit Center Parking Structure					
Delterra	\$ 688,536	\$ -	\$ 688,536	\$ 337,665	\$ 350,871
PCL Construction Services Inc	8,631,300	714,133	9,345,433	1,438,716	7,906,717
Watry Design Inc	595,900	113,041	708,941	708,941	-
Total	\$ 9,915,736	\$ 827,174	\$ 10,742,910	\$ 2,485,322	\$ 8,257,588

NOTE 21 SUBSEQUENT EVENTS

The City has evaluated events subsequent to June 30, 2012 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through December 26, 2012, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that no subsequent events occurred that require recognition or additional disclosure in the financial statements.

NOTE 22 CALIFORNIA PUBLIC EMPLOYEES' PENSION REFORM ACT

After spending close to a year exploring and debating reforms to public pension systems in California, lawmakers in Sacramento passed Assembly Bill 340 (AB 340) on August 31, 2012. AB 340 known as the California Public Employees' Pension Reform Act of 2013 (PEPRA) which amends various provisions of the Public Employees' Retirement Law (PERL) and County Employee's Retirement Law of 1937 (CERL), was signed into law by the Governor on September 12, 2012. PEPRA will take effect on January 1, 2013. Management asserts that PEPRA will not have a significant impact on the City's June 30, 2012 financial statements.

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REQUIRED SUPPLEMENTARY INFORMATION

	General Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues				
Taxes	\$ 19,669,400	19,669,400	19,885,434	216,034
Licenses and permits	565,000	565,000	538,895	(26,105)
Fines, forfeitures and penalties	1,381,000	1,381,000	1,119,318	(261,682)
Use of money and property	250,000	250,000	218,006	(31,994)
Intergovernmental	166,120	166,120	259,153	93,033
Charges for services	1,577,530	1,577,530	1,353,864	(223,666)
Other	54,000	104,000	58,953	(45,047)
Total revenues	23,663,050	23,713,050	23,433,623	(279,427)
Expenditures				
Current:				
General government	2,222,440	2,222,440	1,999,045	223,395
Public safety	16,590,590	16,640,590	16,357,554	283,036
Public works	191,430	239,911	253,434	(13,523)
Community development	933,780	933,780	984,665	(50,885)
Recreation services	2,871,590	2,871,590	2,913,501	(41,911)
Capital outlay:				
Public works	-	-	-	-
Community development	115,000	115,000	40,015	74,985
Total expenditures	22,924,830	23,023,311	22,548,214	475,097
Excess (deficiency) of revenues over expenditures	738,220	689,739	885,409	195,670
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	(1,327,950)	(1,327,950)	(1,878,293)	(550,343)
Net other financing sources (uses)	(1,327,950)	(1,327,950)	(1,878,293)	(550,343)
Net change in fund balances before extraordinary items	(589,730)	(638,211)	(992,884)	(354,673)
Net change in fund balances	(589,730)	(638,211)	(992,884)	(354,673)
Beginning fund balances	17,077,153	17,077,153	17,077,153	-
Ending fund balances	\$ 16,487,423	16,438,942	16,084,269	(354,673)

City of Baldwin Park
Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual
Major Governmental Funds
Year ended June 30, 2012

Special Revenue							
Housing and Community Development Grant				Future Development			
Budgeted Amounts			Variance with Final Budget Positive (Negative)	Budgeted Amounts			Variance with Final Budget Positive (Negative)
Original	Final	Actual		Original	Final	Actual	
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	7,911	7,911	-	-	20,162	20,162
4,548,580	4,787,569	1,501,260	(3,286,309)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	215,408	215,408	-	-	-	-
4,548,580	4,787,569	1,724,579	(3,062,990)	-	-	20,162	20,162
115,870	115,870	935,425	(819,555)	-	-	-	-
38,330	43,016	36,956	6,060	-	-	-	-
51,000	54,506	51,002	3,504	-	-	-	-
2,687,010	2,830,185	624,487	2,205,698	-	-	-	-
87,490	63,058	57,216	5,842	-	-	-	-
1,067,500	1,179,554	112,696	1,066,858	-	-	-	-
-	-	-	-	-	-	-	-
4,047,200	4,286,189	1,817,782	2,468,407	-	-	-	-
501,380	501,380	(93,203)	(594,583)	-	-	20,162	20,162
-	-	369,000	369,000	-	-	-	-
(501,380)	(501,380)	(501,380)	-	-	-	-	-
(501,380)	(501,380)	(132,380)	369,000	-	-	-	-
-	-	(225,583)	(225,583)	-	-	20,162	20,162
-	-	(225,583)	(225,583)	-	-	20,162	20,162
340,528	340,528	340,528	-	10,449,263	10,449,263	10,449,263	-
340,528	340,528	114,945	(225,583)	-	10,449,263	10,469,425	20,162

City of Baldwin Park
Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual (Continued)
Major Governmental Funds
Year ended June 30, 2012

	Special Revenue							
	Housing Authority				Grants			
	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final			Original	Final		
Revenues								
Taxes	\$ -	-	-	-	400,000	400,000	293,287	(106,713)
Use of money and property	9,000	9,000	5,809	(3,191)	-	-	180,924	180,924
Intergovernmental	5,167,750	5,167,750	3,437,442	(1,730,308)	7,813,080	7,416,718	2,776,052	(4,640,666)
Charges for services	-	-	-	-	93,090	93,090	230,118	137,028
Other	79,000	79,000	70,073	(8,927)	44,000	44,000	18,203	(25,797)
Total revenues	<u>5,255,750</u>	<u>5,255,750</u>	<u>3,513,324</u>	<u>(1,742,426)</u>	<u>8,350,170</u>	<u>7,953,808</u>	<u>3,498,584</u>	<u>(4,455,224)</u>
Expenditures								
Current:								
General government	129,220	129,220	108,934	20,286	-	1,100	18,203	(17,103)
Public safety	-	-	-	-	508,090	533,588	559,711	(26,123)
Public works	-	-	-	-	-	15,750	10,098	5,652
Community development	5,143,940	5,144,940	4,947,023	197,917	316,080	263,003	271,210	(8,207)
Recreation services	20	20	196	(176)	-	-	7,126	(7,126)
Capital outlay:								
Community development	5,950	4,950	-	4,950	7,526,000	7,130,217	2,858,549	4,271,668
Total expenditures	<u>5,279,130</u>	<u>5,279,130</u>	<u>5,056,153</u>	<u>222,977</u>	<u>8,350,170</u>	<u>7,943,658</u>	<u>3,724,897</u>	<u>4,218,761</u>
Excess (deficiency) of revenues over expenditures	<u>(23,380)</u>	<u>(23,380)</u>	<u>(1,542,829)</u>	<u>(1,519,449)</u>	<u>-</u>	<u>10,150</u>	<u>(226,313)</u>	<u>(236,463)</u>
Other financing sources (uses)								
Transfers in	-	-	-	-	-	-	269,730	269,730
Transfers out	(13,140)	(13,140)	(41,654)	(28,514)	-	(11,250)	-	11,250
Net other financing sources (uses)	<u>(13,140)</u>	<u>(13,140)</u>	<u>(41,654)</u>	<u>(28,514)</u>	<u>-</u>	<u>(11,250)</u>	<u>269,730</u>	<u>280,980</u>
Net change in fund balances before extraordinary items	<u>(36,520)</u>	<u>(36,520)</u>	<u>(1,584,483)</u>	<u>(1,547,963)</u>	<u>-</u>	<u>(1,100)</u>	<u>43,417</u>	<u>44,517</u>
Net change in fund balances	<u>(36,520)</u>	<u>(36,520)</u>	<u>(1,584,483)</u>	<u>(1,547,963)</u>	<u>-</u>	<u>(1,100)</u>	<u>43,417</u>	<u>-</u>
Beginning fund balances	<u>2,987,505</u>	<u>2,987,505</u>	<u>2,987,505</u>	<u>-</u>	<u>336,962</u>	<u>336,962</u>	<u>336,962</u>	<u>-</u>
Ending fund balances	<u>\$ 2,950,985</u>	<u>2,950,985</u>	<u>1,403,022</u>	<u>(1,547,963)</u>	<u>-</u>	<u>335,862</u>	<u>380,379</u>	<u>-</u>

City of Baldwin Park
Schedule of Funding Progress
Year ended June 30, 2012

Defined Benefit Pension Plan
(California Public Employees' Retirement System)
(in \$ thousands)

Safety

Valuation Date	Actuarial Liabilities (A)	Actuarial Assets (B)	Unfunded Liabilities (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a % of Covered Payroll [(B-A)/C]
6/30/2007	\$ 7,986,055	6,826,599	1,159,456	85.5%	831,608	139.42%
6/30/2008	8,700,468	7,464,928	1,235,540	85.8%	914,841	135.06%
6/30/2009	9,721,675	8,027,159	1,694,517	82.6%	973,814	174.01%
6/30/2010	10,165,475	8,470,235	1,695,240	83.3%	955,981	177.33%
6/30/2011	10,951,745	9,135,654	1,816,091	83.4%	949,833	191.20%

(The schedule of the funding progress is for the entire risk pool)

(In \$ thousands)

Miscellaneous

Valuation Date	Actuarial Liabilities (A)	Actuarial Assets (B)	Unfunded Liabilities (B-A)	Funded Ratio (A/B)	Covered Payroll (C)	UAAL as a % of Covered Payroll [(B-A)/C]
6/30/2007	\$ 41,722	46,483	-4,761	111.4%	5,576	-85.38%
6/30/2008	44,632	42,337	2,295	94.9%	5,929	38.71%
6/30/2009	48,823	43,584	5,239	89.3%	5,624	93.15%
6/30/2010	53,040	45,458	7,582	85.7%	6,448	117.59%
6/30/2011	56,208	47,497	8,711	84.5%	6,977	124.85%

(The schedule of the funding progress is for the entire risk pool)

Postemployment Benefit Plan

Actuarial Valuation Date	Entry Age Actuarial Accrued Liability (AAL) (A)	Actuarial Asset Value (B)	Unfunded Actuarial Accrued Liability (Excess Assets) [(A)-(B)] (UAAL) (C)	Funded Ratio [(B)/(A)] (D)	Covered Payroll (E)	Unfunded Accrued Actuarial Liability as Percentage of Covered Payroll {[(A)-(B)]/(E)} (F)
January 1, 2009	\$ 22,320,143	\$ -	\$ 22,320,143	0.00%	\$ 10,932,861	204%
January 1, 2011	23,548,132	-	23,548,132	0.00%	10,926,010	216%

Basis of Presentation

Budgets for the General Fund and certain Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (“GAAP”). Accordingly, actual revenues and expenditures are comparable to budgeted amounts.

Budgetary Control and Accounting

The City budget is prepared under the direction of the Chief Executive Officer. Revenues are budgeted by source. Expenditures are budgeted by function, with sub classifications by department, cost center, object of expenditure, and project. A cost center represents a particular area of operations within a department; for example, within the Police Department there are cost centers for the Chief of Police, Patrol, Investigations, Administration, Communications, and Records. Total budgeted expenditures of each Governmental Fund may not legally exceed such fund’s appropriations.

The City Council approves total budgeted appropriations and any amendments to total appropriations made during the year. This “appropriated budget” covers substantially all City expenditures, with the exception of Assessment District and Low/Moderate Income Housing Special Revenue Funds and Debt Service and Capital Projects funds, which have legally authorized “nonappropriated budgets”. Department heads are authorized to transfer budgeted amounts up to \$10,000 between cost centers and any amount which does not alter total budgeted appropriations to a cost center, the Chief Executive Officer is authorized to transfer amounts in excess of \$10,000. City Council approval is required for any overall increase in total appropriations to a fund. The legal level of budgetary control is the fund level. All appropriations lapse at year-end and are appropriated and budgeted again, if necessary. Supplemental appropriations during the year ended June 30, 2012 were not significant.

Formal budgetary integration is employed as a management control device. Commitments for materials and services, such as purchase orders and contracts, are recorded during the year as encumbrances to assist in controlling expenditures. Such encumbrances are reappropriated into the City’s budget for the next fiscal year.

Under Article XIII B of the California Constitution (the Gann Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from the proceeds of taxes. If proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller or returned to the taxpayers through revised rates, revised fee schedules or other arrangements. For the fiscal year ended June 30, 2012, proceeds of taxes did not exceed allowed appropriations.

Expenditures in Excess of Appropriations

Expenditures for the year ended June 30, 2012 exceeded the appropriation by the following amounts in the following funds:

Nonmajor Special Revenue Fund		
Federal Asset Forfeiture	\$	252,657
Bicycle and Pedestrian Safety		35,202
Street Light and Landscape		136,022
Summer Food Program		55,942
Prop A Parks		8,790
Storm Drain NPDS		55,041

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SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUNDS

The Special Revenue Funds account for the proceeds of specific sources that are legally restricted for expenditures related to specific purposes. Funds included are:

<i>Business Improvement Fees</i>	To account for the Parking and Business Improvement Area Law (AB-1693) revenue. The revenue is collected through a Citywide Business Improvement District and used by the Chamber of Commerce, under agreement with the City, to promote local business activities.
<i>Air Quality Improvement</i>	To account for monies received from the South Coast Air Quality Management District. These monies are to be used for programs that reduce air pollution from motor vehicles.
<i>Federal Asset Forfeiture Fund</i>	To account for monies received from Federal agencies in Asset Forfeiture cases. These monies are restricted solely for law enforcement purposes.
<i>Park Maintenance District</i>	To account for revenues received from a City-wide Park Maintenance assessment district. The District is responsible for landscaping, tree trimming, irrigation and maintenance of parks within the City.
<i>State Gasoline Tax Fund</i>	To account for the City's share of tax revenues collected by the State on the sale of fuel for motor vehicles. The use of these funds is restricted to the construction, improvement, or maintenance of public streets.
<i>Bicycle and Pedestrian Safety</i>	To account for revenues received from the State under the Transportation Development Act. Their use is restricted to the construction of bicycle and pedestrian facilities.
<i>Prop A Fund</i>	To account for the City's share of an additional one-half percent sales tax that was approved by the electorate in November 1980 and is collected by the County of Los Angeles to finance certain transportation projects.
<i>Prop C Fund</i>	To account for the City's share of a sales tax increase approved by Los Angeles County voters in 1990 to fund transportation projects.
<i>Economic Development Act Revolving Loan Fund</i>	To account for the activity of several revolving business loan programs established with grant revenues made available through the Federal Economic Development Act.
<i>Street Light and Landscape Fund</i>	To account for revenues received from a citywide Landscape Maintenance District. The District is responsible for the maintenance of streetlights and the landscaping of median islands, parkways, street trees, and city parks.

SPECIAL REVENUE FUNDS (CONTINUED)

<i>Residential Development Tax</i>	To account for fees received from developers constructing new residential units. These monies are used to help defray the cost of providing public services for the new residents.
<i>Integrated Waste Management Fund</i>	To account for revenues received from AB939 fees. These monies are used for waste management projects.
<i>Summer Food Program Fund</i>	To account for revenues received from the USDA, which are used to provide meals to youths.
<i>Federal Surface Transportation Program Fund</i>	To account for monies received from the Federal government to improve designated public right-of-ways.
<i>Prop A Parks Fund</i>	To account for monies received from the County to construct and improve parks.
<i>Assessment District Fund</i>	To account for the revenues collected through assessments of property owners within Assessment District 93-1. Assessment District 93-1 was formed to construct certain public improvements.
<i>Supplemental Law Enforcement Service Fund</i>	To account for monies received from the State allocated by AB3229 of 1996 for the Citizen Option for Public Safety (COPS) Program.
<i>State Asset Forfeiture Fund</i>	To account for monies received from State agencies in Asset Forfeiture cases. These monies are restricted solely for law enforcement purposes.
<i>Local Law Enforcement Block Grant Fund</i>	To account for monies received from the Federal government to be used for basic law enforcement purposes.
<i>Economic Development Administration Grant</i>	To account for monies received from the Economic Development Administration to improve designated public right-of-ways.
<i>Traffic Congestion Relief AB 2928</i>	This fund was created to monitor the use of funds provided by the State of California for street and highway pavement maintenance, rehabilitation and reconstruction of necessary associated facilities such as drainage and traffic control devices.
<i>Energy Conservation</i>	This fund is used to account for the expenditures of the new energy efficient program that provides for non-energy related capital improvements. This fund is substantially funded out of current state and local grants, energy and operational savings.
<i>Parkland (Quimby)</i>	May only be solely utilized for the acquisition of new and rehabilitation of existing community park and recreational facilities.
<i>Storm Drain NPDS</i>	These are developer fees to be used for storm drain protection, master planning updates and system upgrade.
<i>CalHOME Grant</i>	This fund is used to account for revenues and expenditures for grants restricted for residential rehabilitation program.

SPECIAL REVENUE FUNDS (CONTINUED)

General Plan/Technology May be utilized toward activities that support and implement the goals and policies contained within the General Plan (i.e. Housing Element updates and Zoning Code changes). The technology portion of this fee shall only be utilized toward the purchase and on-going maintenance of an electronic permitting system for primary use by Building, Planning, Code Enforcement and Public Works.

Measure R These are similar to local return type funds to be used for traffic relief and transportation upgrades citywide over the next 30 years. These funds may be for projects such as pothole repairs, major street resurfacing, left-turn signals, bikeways, pedestrian improvements, streetscapes, traffic signal synchronization, local transit services and programs.

DEBT SERVICE FUND

Debt Service Fund is used to account for the accumulation of resources for, and the payment of debt.

City This fund is used to account for the receipts and debt service payments on the City's assessment districts.

Pension Obligation This fund is used to account for the receipts and debt service payments on the pension obligation bond.

Baldwin Park Financing Authority Debt Service Fund This fund accounts for the receipt of revenues and payment of debt incurred for the City's projects.

Redevelopment Agency Debt Service Funds Accounts for the receipt of resources and payment of debt incurred to develop the redevelopment project areas during the period July 1, 2011 through January 31, 2012.

CAPITAL PROJECTS FUND

Capital project fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Building Reserve This fund is used to account for the receipt of resources for the 2004 Community Center Lease Revenue Bonds.

Redevelopment Agency Capital Project Funds This fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities in the redevelopment project areas during the period July 1, 2011 through January 31, 2012.

**City of Baldwin Park
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2012**

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Totals
Assets				
Pooled cash and investments	\$ 16,338,672	32,856	13,832	\$ 16,385,360
Cash with fiscal agent	-	1,688,255	-	1,688,255
Intergovernmental receivables	610,092	-	-	610,092
Loans receivable	179,428	-	-	179,428
Other receivables, net	13,293	44	-	13,337
Prepays	3,000	-	-	3,000
Total assets	<u>\$ 17,144,485</u>	<u>1,721,155</u>	<u>13,832</u>	<u>\$ 18,879,472</u>
Liabilities and fund balances				
Liabilities				
Accounts payable	\$ 681,961	-	55	\$ 682,016
Deposits and others	401,966	-	-	401,966
Due to other funds	66,604	213,497	-	280,101
Deferred revenue	179,428	-	-	179,428
Total liabilities	<u>1,329,959</u>	<u>213,497</u>	<u>55</u>	<u>1,543,511</u>
Fund balances				
Nonspendable				
Loans receivable	179,428	-	-	179,428
Prepaid items	3,000	-	-	3,000
Restricted				
Special revenue funds	14,126,520	-	-	14,126,520
Debt service funds	-	1,507,658	-	1,507,658
Capital projects funds	-	-	13,777	13,777
Committed	1,649,752	-	-	1,649,752
Unrestricted				
Unassigned	(144,174)	-	-	(144,174)
Total fund balances	<u>15,814,526</u>	<u>1,507,658</u>	<u>13,777</u>	<u>17,335,961</u>
Total liabilities and fund balances	<u>\$ 17,144,485</u>	<u>1,721,155</u>	<u>13,832</u>	<u>\$ 18,879,472</u>

City of Baldwin Park
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended June 30, 2012

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Totals
Revenues				
Taxes	\$ 2,433,854	3,397,667	-	\$ 5,831,521
Licenses and permits	32,087	-	-	32,087
Fines, forfeitures and penalties	1,012,911	-	-	1,012,911
Use of money and property	50,564	63,893	5,053	119,510
Intergovernmental	7,391,677	-	-	7,391,677
Charges for services	318,459	646	-	319,105
Other	74,803	1,543,013	9,884	1,627,700
Total revenues	<u>11,314,355</u>	<u>5,005,219</u>	<u>14,937</u>	<u>16,334,511</u>
Expenditures				
Current:				
General government	250,431	-	158,814	409,245
Public safety	1,101,234	-	-	1,101,234
Public works	5,491,370	-	-	5,491,370
Community development	158,365	2,059,096	174,826	2,392,287
Recreation services	861,033	-	-	861,033
Capital outlay	1,367,497	-	-	1,367,497
Debt service:				
Principal retirement	-	3,003,000	-	3,003,000
Interest and fiscal charges	-	2,047,772	83,309	2,131,081
Total expenditures	<u>9,229,930</u>	<u>7,109,868</u>	<u>416,949</u>	<u>16,756,747</u>
Excess (deficiency) of revenues over expenditures	<u>2,084,425</u>	<u>(2,104,649)</u>	<u>(402,012)</u>	<u>(422,236)</u>
Other financing sources (uses)				
Transfers in	154,269	2,116,014	680,872	2,951,155
Transfers out	(671,536)	(577,982)	(677,280)	(1,926,798)
Net other financing sources (uses)	<u>(517,267)</u>	<u>1,538,032</u>	<u>3,592</u>	<u>1,024,357</u>
Net change in fund balances before extraordinary item	1,567,158	(566,617)	(398,420)	602,121
Extraordinary item	(8,343,589)	(854,946)	18,690,678	9,492,143
Net change in fund balances	(6,776,431)	(1,421,563)	18,292,258	10,094,264
Beginning fund balances	22,590,957	2,929,221	(18,278,481)	7,241,697
Ending fund balances	<u>\$ 15,814,526</u>	<u>1,507,658</u>	<u>13,777</u>	<u>\$ 17,335,961</u>

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	Business Improvement Fees	Air Quality Improvement	Federal Asset Forfeiture	Park Maintenance District
Assets				
Pooled cash and investments	\$ 187,804	541,613	1,661,925	22,048
Intergovernmental receivables	2,626	23,430	12,264	31,581
Loans receivable	-	-	-	-
Other receivables, net	127	365	1,367	-
Prepays	3,000	-	-	-
Total assets	\$ 193,557	565,408	1,675,556	53,629
Liabilities and fund balances				
Liabilities				
Accounts payable	\$ -	407	4,961	55,628
Deposits and others	-	-	-	-
Due to other funds	-	-	-	-
Deferred revenue	-	-	-	-
Total liabilities	-	407	4,961	55,628
Fund balances				
Nonspendable				
Loans receivable	-	-	-	-
Prepaid items	3,000	-	-	-
Restricted				
Special revenue funds	190,557	565,001	1,670,595	-
Committed	-	-	-	-
Unrestricted				
Unassigned	-	-	-	(1,999)
Total fund balances	193,557	565,001	1,670,595	(1,999)
Total liabilities and fund balances	\$ 193,557	565,408	1,675,556	53,629

**City of Baldwin Park
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2012**

State Gasoline Tax	Bicycle and Pedestrian Safety	Prop A Fund	Prop C Fund	Economic Development Act Revolving Loan	Street Light and Landscape
3,340,504	369	611,492	2,917,542	1,694,393	577,749
189,379	20,000	74	-	-	93,577
-	-	-	-	44,685	-
1,845	-	444	2,036	1,175	523
-	-	-	-	-	-
<u>3,531,728</u>	<u>20,369</u>	<u>612,010</u>	<u>2,919,578</u>	<u>1,740,253</u>	<u>671,849</u>
27,511	35,202	152,061	99,328	884	96,506
-	-	-	-	246	-
-	-	-	-	-	-
-	-	-	-	44,685	-
<u>27,511</u>	<u>35,202</u>	<u>152,061</u>	<u>99,328</u>	<u>45,815</u>	<u>96,506</u>
-	-	-	-	44,685	-
-	-	-	-	-	-
3,504,217	-	459,949	2,820,250	-	575,343
-	-	-	-	1,649,753	-
-	(14,833)	-	-	-	-
<u>3,504,217</u>	<u>(14,833)</u>	<u>459,949</u>	<u>2,820,250</u>	<u>1,694,438</u>	<u>575,343</u>
<u>3,531,728</u>	<u>20,369</u>	<u>612,010</u>	<u>2,919,578</u>	<u>1,740,253</u>	<u>671,849</u>

	Residential Development Tax	Integrated Waste Management	Summer Food Program
	<u> </u>	<u> </u>	<u> </u>
Assets			
Pooled cash and investments	\$ 4	637,353	-
Intergovernmental receivables	-	90,110	79,475
Loans receivable	-	-	-
Other receivables, net	-	456	-
Prepays	-	-	-
Total assets	<u>\$ 4</u>	<u>727,919</u>	<u>79,475</u>
Liabilities and fund balances			
Liabilities			
Accounts payable	\$ -	50,610	78,346
Deposits and others	-	401,720	-
Due to other funds	-	-	-
Deferred revenue	-	-	-
Total liabilities	<u>-</u>	<u>452,330</u>	<u>78,346</u>
Fund balances			
Nonspendable			
Loans receivable	-	-	-
Prepaid items	-	-	-
Restricted			
Special revenue funds	4	275,589	1,129
Committed	-	-	-
Unrestricted			
Unassigned	-	-	-
Total fund balances	<u>4</u>	<u>275,589</u>	<u>1,129</u>
Total liabilities and fund balances	<u>\$ 4</u>	<u>727,919</u>	<u>79,475</u>

City of Baldwin Park
Combining Balance Sheet (Continued)
Nonmajor Special Revenue Funds
June 30, 2012

Federal Surface Transportation Program	Prop A Parks	Assessment District	State Asset Forfeiture	Local Law Enforcement Block Grant
675,558	-	348,548	168,192	14,483
-	67,310	0	-	-
-	-	-	-	-
468	-	241	1,450	10
-	-	-	-	-
<u>676,026</u>	<u>67,310</u>	<u>348,789</u>	<u>169,642</u>	<u>14,493</u>
-	706	-	2,013	-
-	-	-	-	-
-	66,604	-	-	-
-	-	-	-	-
<u>-</u>	<u>67,310</u>	<u>-</u>	<u>2,013</u>	<u>-</u>
-	-	-	-	-
-	-	-	-	-
676,026	-	348,789	167,629	14,493
-	-	-	-	-
-	-	-	-	-
<u>676,026</u>	<u>-</u>	<u>348,789</u>	<u>167,629</u>	<u>14,493</u>
<u>676,026</u>	<u>67,310</u>	<u>348,789</u>	<u>169,642</u>	<u>14,493</u>

	Economic Development Administration Grant	Traffic Congestion Relief	Park Land and Public Art Fees	Storm Drain NPDS
Assets				
Pooled cash and investments	\$ 512	175,991	846,916	43,778
Intergovernmental receivables	-	-	-	-
Loans receivable	-	-	-	-
Other receivables, net	-	853	686	1
Prepays	-	-	-	-
Total assets	\$ 512	176,844	847,602	43,779
Liabilities and fund balances				
Liabilities				
Accounts payable	\$ -	13,562	-	15,607
Deposits and others	-	-	-	-
Due to other funds	-	-	-	-
Deferred revenue	-	-	-	-
Total liabilities	-	13,562	-	15,607
Fund balances				
Nonspendable				
Loans receivable	-	-	-	-
Prepaid items	-	-	-	-
Restricted				
Special revenue funds	512	163,282	847,602	28,172
Committed	-	-	-	-
Unrestricted				
Unassigned	-	-	-	-
Total fund balances	512	163,282	847,602	28,172
Total liabilities and fund balances	\$ 512	176,844	847,602	43,779

**City of Baldwin Park
Combining Balance Sheet (Continued)
Nonmajor Special Revenue Funds
June 30, 2012**

CallHome Grant	General Plan Fees	Measure R	Low/ Moderate Income Housing	Totals
7,396	417,498	1,447,004	-	\$ 16,338,672
-	266	-	-	610,092
134,743	-	-	-	179,428
5	288	953	-	13,293
-	-	-	-	3,000
<u>142,144</u>	<u>418,052</u>	<u>1,447,957</u>	<u>-</u>	<u>17,144,485</u>
-	11,133	37,495	-	681,960
-	-	-	-	401,966
-	-	-	-	66,604
134,743	-	-	-	179,428
<u>134,743</u>	<u>11,133</u>	<u>37,495</u>	<u>-</u>	<u>1,329,958</u>
134,743	-	-	-	179,428
-	-	-	-	3,000
-	406,919	1,410,462	-	14,126,520
-	-	-	-	1,649,753
(127,342)	-	-	-	(144,174)
<u>7,401</u>	<u>406,919</u>	<u>1,410,462</u>	<u>-</u>	<u>15,814,527</u>
<u>142,144</u>	<u>418,052</u>	<u>1,447,957</u>	<u>-</u>	<u>\$ 17,144,485</u>

	Business Improvement Fees	Air Quality Improvement	Federal Asset Forfeiture	Park Maintenance District
Revenues				
Taxes	\$ 89,204	-	-	645,113
Licenses and permits	-	-	-	-
Fines, forfeitures and penalties	-	-	1,012,428	-
Use of money and property	418	1,230	4,879	-
Intergovernmental	-	94,916	-	-
Charges for services	-	-	-	-
Other	-	-	72,505	-
Total revenues	<u>89,622</u>	<u>96,146</u>	<u>1,089,812</u>	<u>645,113</u>
Expenditures				
Current:				
General government	15,000	-	-	-
Public safety	-	-	1,093,376	-
Public works	-	-	-	308,093
Community development	-	10,937	-	-
Recreation services	49,740	-	-	400,513
Capital outlay	-	-	141,281	11,964
Total expenditures	<u>64,740</u>	<u>10,937</u>	<u>1,234,657</u>	<u>720,570</u>
Excess (deficiency) of revenues over expenditures	<u>24,882</u>	<u>85,209</u>	<u>(144,845)</u>	<u>(75,457)</u>
Other financing sources (uses)				
Transfers in	-	-	-	73,458
Transfers out	-	-	-	-
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>73,458</u>
Change in fund balances	<u>24,882</u>	<u>85,209</u>	<u>(144,845)</u>	<u>(1,999)</u>
Extraordinary item				
RDA dissolution transactions	-	-	-	-
Net change in fund balances	<u>24,882</u>	<u>85,209</u>	<u>(144,845)</u>	<u>(1,999)</u>
Beginning fund balances	<u>168,675</u>	<u>479,792</u>	<u>1,815,440</u>	<u>-</u>
Ending fund balances	<u>\$ 193,557</u>	<u>565,001</u>	<u>1,670,595</u>	<u>(1,999)</u>

City of Baldwin Park
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
Year ended June 30, 2012

State Gasoline Tax	Bicycle and Pedestrian Safety	Prop A Fund	Prop C Fund	Economic Development Act Revolving Loan	Street Light and Landscape
-	-	-	-	-	1,699,537
-	-	32,087	-	-	-
-	-	-	-	483	-
6,100	-	1,248	6,931	2,818	1,245
2,267,453	20,000	1,466,612	988,117	-	-
-	-	-	-	-	-
-	-	-	-	1,126	-
<u>2,273,553</u>	<u>20,000</u>	<u>1,499,947</u>	<u>995,048</u>	<u>4,427</u>	<u>1,700,782</u>
10,002	-	51,885	50,941	-	53,330
-	-	-	-	-	-
941,478	35,202	994,245	580,380	-	1,741,715
-	-	-	-	18,034	-
6,418	-	107,583	16,454	-	43,243
5,588	-	-	96,690	-	16,414
<u>963,486</u>	<u>35,202</u>	<u>1,153,713</u>	<u>744,465</u>	<u>18,034</u>	<u>1,854,702</u>
<u>1,310,067</u>	<u>(15,202)</u>	<u>346,234</u>	<u>250,583</u>	<u>(13,607)</u>	<u>(153,920)</u>
-	-	-	2,479	-	-
(518,080)	-	-	-	-	-
(518,080)	-	-	2,479	-	-
<u>791,987</u>	<u>(15,202)</u>	<u>346,234</u>	<u>253,062</u>	<u>(13,607)</u>	<u>(153,920)</u>
-	-	-	-	-	-
<u>791,987</u>	<u>(15,202)</u>	<u>346,234</u>	<u>253,062</u>	<u>(13,607)</u>	<u>(153,920)</u>
2,712,230	369	113,715	2,567,188	1,708,045	729,263
<u>3,504,217</u>	<u>(14,833)</u>	<u>459,949</u>	<u>2,820,250</u>	<u>1,694,438</u>	<u>575,343</u>

	Residential Development Tax	Integrated Waste Management	Summer Food Program
Revenues			
Taxes	\$ -	-	-
Licenses and permits	-	-	-
Fines, forfeitures and penalties	-	-	-
Use of money and property	-	1,401	-
Intergovernmental	-	322,516	209,504
Charges for services	-	11,675	-
Other	-	-	-
Total revenues	<u>-</u>	<u>335,592</u>	<u>209,504</u>
Expenditures			
Current:			
General government	-	8,097	-
Public safety	-	-	-
Public works	-	298,331	-
Community development	-	-	-
Recreation services	-	-	235,942
Capital outlay	-	-	-
Total expenditures	<u>-</u>	<u>306,428</u>	<u>235,942</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>29,164</u>	<u>(26,438)</u>
Other financing sources (uses)			
Transfers in	-	-	27,567
Transfers out	-	-	-
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>27,567</u>
Change in fund balances	<u>-</u>	<u>29,164</u>	<u>1,129</u>
Extraordinary item			
RDA dissolution transactions	-	-	-
Net change in fund balances	<u>-</u>	<u>29,164</u>	<u>1,129</u>
Beginning fund balances	<u>4</u>	<u>246,425</u>	<u>-</u>
Ending fund balances	<u>\$ 4</u>	<u>275,589</u>	<u>1,129</u>

City of Baldwin Park
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
(Continued)
Nonmajor Special Revenue Funds
Year ended June 30, 2012

Federal Surface Transportation Program	Prop A Parks	Assessment District	State Asset Forfeiture	Local Law Enforcement Block Grant
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
1,562	-	838	418	35
-	67,310	10,461	1,397	-
-	-	-	-	-
-	-	-	-	-
<u>1,562</u>	<u>67,310</u>	<u>11,299</u>	<u>1,815</u>	<u>35</u>
-	-	-	-	-
-	-	-	7,858	-
-	67,310	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>67,310</u>	<u>-</u>	<u>7,858</u>	<u>-</u>
1,562	-	11,299	(6,043)	35
-	-	-	-	-
-	-	-	-	-
<u>1,562</u>	<u>-</u>	<u>11,299</u>	<u>(6,043)</u>	<u>35</u>
-	-	-	-	-
<u>1,562</u>	<u>-</u>	<u>11,299</u>	<u>(6,043)</u>	<u>35</u>
<u>674,463</u>	<u>-</u>	<u>337,490</u>	<u>173,672</u>	<u>14,458</u>
<u>676,025</u>	<u>-</u>	<u>348,789</u>	<u>167,629</u>	<u>14,493</u>

	Economic Development Administration Grant	Traffic Congestion Relief	Park Land and Public Art Fees	Storm Drain NPDS
Revenues				
Taxes	\$ -	-	-	-
Licenses and permits	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-
Use of money and property	-	1,975	2,182	44
Intergovernmental	-	1,206,345	-	-
Charges for services	-	1,120	149,329	76,091
Other	-	-	-	-
Total revenues	<u>-</u>	<u>1,209,440</u>	<u>151,511</u>	<u>76,135</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	126,901
Community development	-	-	-	-
Recreation services	-	-	-	-
Capital outlay	-	1,095,560	-	-
Total expenditures	<u>-</u>	<u>1,095,560</u>	<u>-</u>	<u>126,901</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>113,880</u>	<u>151,511</u>	<u>(50,766)</u>
Other financing sources (uses)				
Transfers in	-	-	-	50,765
Transfers out	-	-	(153,456)	-
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(153,456)</u>	<u>50,765</u>
Change in fund balances	<u>-</u>	<u>113,880</u>	<u>(1,945)</u>	<u>(1)</u>
Extraordinary item				
RDA dissolution transactions	-	-	-	-
Net change in fund balances	<u>-</u>	<u>113,880</u>	<u>(1,945)</u>	<u>(1)</u>
Beginning fund balances	512	49,402	849,547	28,173
Ending fund balances	<u>\$ 512</u>	<u>163,282</u>	<u>847,602</u>	<u>28,172</u>

City of Baldwin Park
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
(Continued)
Nonmajor Special Revenue Funds
Year ended June 30, 2012

CalHome Grant	General Plan Fees	Measure R	Low/ Moderate Income Housing	Totals
-	-	-	-	\$ 2,433,854
-	-	-	-	32,087
-	-	-	-	1,012,911
18	963	3,080	13,179	50,564
-	-	737,046	-	7,391,677
-	80,244	-	-	318,459
915	-	-	257	74,803
933	81,207	740,126	13,436	11,314,355
-	-	33,929	27,247	250,431
-	-	-	-	1,101,234
-	-	397,715	-	5,491,370
-	38,888	-	90,506	158,365
-	-	1,140	-	861,033
-	-	-	-	1,367,497
-	38,888	432,784	117,753	9,229,930
933	42,319	307,342	(104,317)	2,084,425
-	-	-	-	154,269
-	-	-	-	(671,536)
-	-	-	-	(517,267)
933	42,319	307,342	(104,317)	1,567,158
-	-	-	(8,343,589)	(8,343,589)
933	42,319	307,342	(8,447,906)	(6,776,431)
6,468	364,600	1,103,120	8,447,906	22,590,957
7,401	406,919	1,410,462	-	\$ 15,814,526

**City of Baldwin Park
Combining Balance Sheet
Nonmajor Debt Service Funds
June 30, 2012**

	<u>Pension Obligation</u>	<u>City</u>	<u>Baldwin Park Financing Authority</u>	<u>Redevelopment Agency</u>	<u>Totals</u>
Assets					
Pooled cash and investments	\$ 584	32,272	-	-	\$ 32,856
Cash with fiscal agent	236	-	1,688,019	-	1,688,255
Other receivables, net	-	23	21	-	44
Total assets	\$ 820	32,295	1,688,040	-	\$ 1,721,155
Liabilities and fund balances					
Liabilities					
Due to other funds	\$ -	-	213,497	-	\$ 213,497
Total liabilities	-	-	213,497	-	213,497
Fund balances					
Restricted					
Debt service funds	820	32,295	1,474,543	-	1,507,658
Total fund balances	820	32,295	1,474,543	-	1,507,658
Total liabilities and fund balances	\$ 820	32,295	1,688,040	-	\$ 1,721,155

City of Baldwin Park
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Debt Service Funds
Year ended June 30, 2012

	Pension Obligation	City	Baldwin Park Financing Authority	Redevelopment Agency	Totals
Revenues					
Taxes	\$ -	-	-	3,397,667	\$ 3,397,667
Use of money and property	126	89	38,918	24,760	63,893
Charges for services	-	646	-	-	646
Other	1,541,846	-	-	1,167	1,543,013
Total revenues	<u>1,541,972</u>	<u>735</u>	<u>38,918</u>	<u>3,423,594</u>	<u>5,005,219</u>
Expenditures					
Current:					
Community development	-	-	-	2,059,096	2,059,096
Debt Service:					
Principal retirement	1,025,000	304,000	539,000	1,135,000	3,003,000
Interest and fiscal charges	516,846	226,220	542,386	762,320	2,047,772
Total expenditures	<u>1,541,846</u>	<u>530,220</u>	<u>1,081,386</u>	<u>3,956,416</u>	<u>7,109,868</u>
Excess (deficiency) of revenues over expenditures	<u>126</u>	<u>(529,485)</u>	<u>(1,042,468)</u>	<u>(532,822)</u>	<u>(2,104,649)</u>
Other financing sources (uses)					
Transfers in	-	501,380	1,079,086	535,548	2,116,014
Transfers out	-	-	(38,842)	(539,140)	(577,982)
Net other financing sources (uses)	<u>-</u>	<u>501,380</u>	<u>1,040,244</u>	<u>(3,592)</u>	<u>1,538,032</u>
Change in fund balances	<u>126</u>	<u>(28,105)</u>	<u>(2,224)</u>	<u>(536,414)</u>	<u>(566,617)</u>
Extraordinary item					
RDA dissolution transactions	-	-	-	(854,946)	(854,946)
Net change in fund balances	<u>126</u>	<u>(28,105)</u>	<u>(2,224)</u>	<u>(1,391,360)</u>	<u>(1,421,563)</u>
Beginning fund balances	<u>694</u>	<u>60,400</u>	<u>1,476,767</u>	<u>1,391,360</u>	<u>2,929,221</u>
Ending fund balances	\$ <u>820</u>	<u>32,295</u>	<u>1,474,543</u>	<u>-</u>	\$ <u>1,507,658</u>

		<u>Business Improvement Fees</u>			
		<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget- Positive (Negative)</u>
Revenues		<u>Original</u>	<u>Final</u>		
Taxes	\$	69,900	69,900	89,204	19,304
Licenses and permits		-	-	-	-
Fines, forfeitures and penalties		-	-	-	-
Use of money and property		900	900	418	(482)
Intergovernmental		-	-	-	-
Charges for services		-	-	-	-
Other		-	-	-	-
Total revenues		<u>70,800</u>	<u>70,800</u>	<u>89,622</u>	<u>18,822</u>
Expenditures					
Current:					
General government		45,500	45,500	15,000	30,500
Public safety		-	-	-	-
Public works		-	-	-	-
Community development		-	-	-	-
Recreation services		62,000	62,000	49,740	12,260
Capital outlay		-	-	-	-
Debt service		-	-	-	-
Total expenditures		<u>107,500</u>	<u>107,500</u>	<u>64,740</u>	<u>42,760</u>
Excess (deficiency) of revenues over expenditures		<u>(36,700)</u>	<u>(36,700)</u>	<u>24,882</u>	<u>61,582</u>
Other financing sources (uses)					
Capital leases		-	-	-	-
Transfers in		-	-	-	-
Transfers out		-	-	-	-
Net other financing sources (uses)		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances		<u>(36,700)</u>	<u>(36,700)</u>	<u>24,882</u>	<u>61,582</u>
Beginning fund balances		<u>168,675</u>	<u>168,675</u>	<u>168,675</u>	<u>-</u>
Ending fund balances	\$	<u><u>131,975</u></u>	<u><u>131,975</u></u>	<u><u>193,557</u></u>	<u><u>61,582</u></u>

City of Baldwin Park
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
Nonmajor Special Revenue Funds
Year ended June 30, 2012

Air Quality Improvement			
Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
Original	Final		
-	-	-	-
-	-	-	-
-	-	-	-
1,700	1,700	1,230	(470)
96,900	96,900	94,916	(1,984)
-	-	-	-
-	-	-	-
<u>98,600</u>	<u>98,600</u>	<u>96,146</u>	<u>(2,454)</u>
3,000	3,000	-	3,000
-	-	-	-
-	-	-	-
21,900	21,900	10,937	10,963
-	-	-	-
-	-	-	-
-	-	-	-
<u>24,900</u>	<u>24,900</u>	<u>10,937</u>	<u>13,963</u>
<u>73,700</u>	<u>73,700</u>	<u>85,209</u>	<u>11,509</u>
-	-	-	-
-	-	-	-
-	-	-	-
<u>73,700</u>	<u>73,700</u>	<u>85,209</u>	<u>11,509</u>
479,792	479,792	479,792	-
<u>553,492</u>	<u>553,492</u>	<u>565,001</u>	<u>11,509</u>

		Federal Asset Forfeiture			
		Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
Revenues		Original	Final		
Taxes	\$	-	-	-	-
Licenses and permits		-	-	-	-
Fines, forfeitures and penalties		100,000	300,000	1,012,428	712,428
Use of money and property		10,000	10,000	4,879	(5,121)
Intergovernmental		-	75,000	-	(75,000)
Charges for services		-	-	-	-
Other		-	-	72,505	72,505
Total revenues		<u>110,000</u>	<u>385,000</u>	<u>1,089,812</u>	<u>704,812</u>
Expenditures					
Current:					
General government		-	-	-	-
Public safety		607,000	882,000	1,093,376	(211,376)
Public works		-	-	-	-
Community development		-	-	-	-
Recreation services		-	-	-	-
Capital outlay		100,000	100,000	141,281	(41,281)
Debt service		-	-	-	-
Total expenditures		<u>707,000</u>	<u>982,000</u>	<u>1,234,657</u>	<u>(252,657)</u>
Excess (deficiency) of revenues over expenditures		<u>(597,000)</u>	<u>(597,000)</u>	<u>(144,845)</u>	<u>452,155</u>
Other financing sources (uses)					
Capital leases		-	-	-	-
Transfers in		-	-	-	-
Transfers out		-	-	-	-
Net other financing sources (uses)		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances		<u>(597,000)</u>	<u>(597,000)</u>	<u>(144,845)</u>	<u>452,155</u>
Beginning fund balances		<u>1,815,440</u>	<u>1,815,440</u>	<u>1,815,440</u>	<u>-</u>
Ending fund balances	\$	<u><u>1,218,440</u></u>	<u><u>1,218,440</u></u>	<u><u>1,670,595</u></u>	<u><u>452,155</u></u>

City of Baldwin Park
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual (Continued)
Nonmajor Special Revenue Funds
Year ended June 30, 2012

Park Maintenance District				State Gasoline Tax			
Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
Original	Final			Original	Final		
630,000	630,000	645,113	15,113	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	6,600	6,600	6,104	(496)
-	-	-	-	1,268,220	2,468,220	2,267,454	(200,766)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>630,000</u>	<u>630,000</u>	<u>645,113</u>	<u>15,113</u>	<u>1,274,820</u>	<u>2,474,820</u>	<u>2,273,558</u>	<u>(201,262)</u>
-	-	-	-	12,590	7,590	10,002	(2,412)
-	-	-	-	-	-	-	-
291,260	291,260	308,093	(16,833)	775,700	1,975,700	941,478	1,034,222
-	-	-	-	-	-	-	-
546,500	546,500	400,513	145,987	2,690	7,690	6,418	1,272
9,500	9,500	11,964	(2,464)	-	-	5,588	(5,588)
-	-	-	-	-	-	-	-
<u>847,260</u>	<u>847,260</u>	<u>720,570</u>	<u>126,690</u>	<u>790,980</u>	<u>1,990,980</u>	<u>963,486</u>	<u>1,027,494</u>
<u>(217,260)</u>	<u>(217,260)</u>	<u>(75,457)</u>	<u>141,803</u>	<u>483,840</u>	<u>483,840</u>	<u>1,310,072</u>	<u>826,232</u>
-	-	-	-	-	-	-	-
217,260	217,260	73,458	(143,802)	-	-	-	-
-	-	-	-	(403,800)	(403,800)	(518,080)	(114,280)
<u>217,260</u>	<u>217,260</u>	<u>73,458</u>	<u>(143,802)</u>	<u>(403,800)</u>	<u>(403,800)</u>	<u>(518,080)</u>	<u>(114,280)</u>
-	-	(1,999)	(1,999)	80,040	80,040	791,992	711,952
-	-	-	-	2,712,230	2,712,230	2,712,230	-
-	-	(1,999)	(1,999)	<u>2,792,270</u>	<u>2,792,270</u>	<u>3,504,222</u>	<u>711,952</u>

Bicycle and Pedestrian Safety				
	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget-
Revenues				Positive (Negative)
Taxes	\$ -	-	-	-
Licenses and permits	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-
Use of money and property	-	-	-	-
Intergovernmental	-	-	20,000	20,000
Charges for services	-	-	-	-
Other	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>20,000</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	35,202	(35,202)
Community development	-	-	-	-
Recreation services	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>35,202</u>	<u>(35,202)</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>(15,202)</u>	<u>(15,202)</u>
Other financing sources (uses)				
Capital leases	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>(15,202)</u>	<u>(15,202)</u>
Beginning fund balances	<u>369</u>	<u>369</u>	<u>369</u>	<u>-</u>
Ending fund balances	<u>\$ 369</u>	<u>369</u>	<u>(14,833)</u>	<u>(15,202)</u>

City of Baldwin Park
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual (Continued)
Nonmajor Special Revenue Funds
Year ended June 30, 2012

Prop A Fund				Prop C Fund			
Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
Original	Final			Original	Final		
-	-	-	-	-	-	-	-
44,000	44,000	32,087	(11,913)	-	-	-	-
-	-	-	-	-	-	-	-
1,080	1,080	1,248	168	11,390	11,390	6,931	(4,459)
1,191,700	1,191,700	1,466,612	274,912	931,660	3,312,480	988,117	(2,324,362)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>1,236,780</u>	<u>1,236,780</u>	<u>1,499,947</u>	<u>263,167</u>	<u>943,050</u>	<u>3,323,870</u>	<u>995,048</u>	<u>(2,328,821)</u>
51,050	51,050	51,885	(835)	51,730	51,730	50,941	790
-	-	-	-	-	-	-	-
1,055,720	1,055,720	994,245	61,475	526,180	526,180	580,380	(54,199)
-	-	-	-	-	-	-	-
80,580	80,580	107,583	(27,003)	17,950	17,950	16,454	1,496
-	-	-	-	300,000	2,680,820	96,690	2,584,130
-	-	-	-	-	-	-	-
<u>1,187,350</u>	<u>1,187,350</u>	<u>1,153,713</u>	<u>33,637</u>	<u>895,860</u>	<u>3,276,680</u>	<u>744,465</u>	<u>2,532,217</u>
49,430	49,430	346,234	296,804	47,190	47,190	250,583	203,396
-	-	-	-	-	-	-	-
-	-	-	-	-	-	2,479	2,479
-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,479</u>	<u>2,479</u>
49,430	49,430	346,234	296,804	47,190	47,190	253,062	205,875
113,715	113,715	113,715	-	2,567,188	2,567,188	2,567,188	-
<u>163,145</u>	<u>163,145</u>	<u>459,949</u>	<u>296,804</u>	<u>2,614,378</u>	<u>2,614,378</u>	<u>2,820,250</u>	<u>205,875</u>

<u>Economic Development Act Revolving Loan</u>				
				Variance with Final Budget Positive (Negative)
		<u>Budgeted Amounts</u>		
Revenues	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Taxes	\$ -	-	-	-
Licenses and permits	-	-	-	-
Fines, forfeitures and penalties	1,500	1,500	483	(1,017)
Use of money and property	6,500	6,500	2,818	(3,682)
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Other	19,000	19,000	1,126	(17,874)
Total revenues	<u>27,000</u>	<u>27,000</u>	<u>4,427</u>	<u>(22,573)</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Community development	171,380	171,380	18,034	153,346
Recreation services	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	<u>171,380</u>	<u>171,380</u>	<u>18,034</u>	<u>153,346</u>
Excess (deficiency) of revenues over expenditures	<u>(144,380)</u>	<u>(144,380)</u>	<u>(13,607)</u>	<u>130,773</u>
Other financing sources (uses)				
Capital leases	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(144,380)</u>	<u>(144,380)</u>	<u>(13,607)</u>	<u>130,773</u>
Beginning fund balances	<u>1,708,045</u>	<u>1,708,045</u>	<u>1,708,045</u>	<u>-</u>
Ending fund balances	<u>\$ 1,563,665</u>	<u>1,563,665</u>	<u>1,694,438</u>	<u>130,773</u>

City of Baldwin Park
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual (Continued)
Nonmajor Special Revenue Funds
Year ended June 30, 2012

Street Light and Landscape				Residential Development Tax			
Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
Original	Final			Original	Final		
1,733,810	1,733,810	1,699,537	(34,273)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
720	720	1,245	525	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>1,734,530</u>	<u>1,734,530</u>	<u>1,700,782</u>	<u>(33,748)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
47,830	47,830	53,330	(5,500)	-	-	-	-
-	-	-	-	-	-	-	-
1,627,750	1,627,750	1,741,715	(113,965)	-	-	-	-
-	-	-	-	-	-	-	-
43,100	43,100	43,243	(143)	-	-	-	-
-	-	16,414	(16,414)	-	-	-	-
-	-	-	-	-	-	-	-
<u>1,718,680</u>	<u>1,718,680</u>	<u>1,854,702</u>	<u>(136,022)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
15,850	15,850	(153,920)	(169,771)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>15,850</u>	<u>15,850</u>	<u>(153,920)</u>	<u>(169,771)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
729,263	729,263	729,263	-	4	4	4	-
<u>745,113</u>	<u>745,113</u>	<u>575,343</u>	<u>(169,771)</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>-</u>

Integrated Waste Management				
	Budgeted Amounts			Variance with Final Budget-
	Original	Final	Actual	Positive (Negative)
Revenues				
Taxes	\$ -	-	-	-
Licenses and permits	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-
Use of money and property	2,240	2,240	1,401	(839)
Intergovernmental	341,000	341,000	322,516	(18,484)
Charges for services	7,600	7,600	11,675	4,075
Other	-	-	-	-
Total revenues	<u>350,840</u>	<u>350,840</u>	<u>335,592</u>	<u>(15,247)</u>
Expenditures				
Current:				
General government	7,590	7,590	8,097	(507)
Public safety	-	-	-	-
Public works	309,090	309,090	298,331	10,759
Community development	-	-	-	-
Recreation services	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	<u>316,680</u>	<u>316,680</u>	<u>306,428</u>	<u>10,252</u>
Excess (deficiency) of revenues over expenditures	<u>34,160</u>	<u>34,160</u>	<u>29,164</u>	<u>(4,996)</u>
Other financing sources (uses)				
Capital leases	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>34,160</u>	<u>34,160</u>	<u>29,164</u>	<u>(4,996)</u>
Beginning fund balances	<u>246,425</u>	<u>246,425</u>	<u>246,425</u>	<u>-</u>
Ending fund balances	<u>\$ <u>280,585</u></u>	<u><u>280,585</u></u>	<u><u>275,589</u></u>	<u><u>(4,996)</u></u>

City of Baldwin Park
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual (Continued)
Nonmajor Special Revenue Funds
Year ended June 30, 2012

Summer Food Program				Federal Surface Transportation Program			
Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
Original	Final			Original	Final		
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,900	1,900	1,562	(338)
140,000	140,000	209,504	69,504	600,000	600,000	-	(600,000)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>140,000</u>	<u>140,000</u>	<u>209,504</u>	<u>69,504</u>	<u>601,900</u>	<u>601,900</u>	<u>1,562</u>	<u>(600,338)</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
180,000	180,000	235,942	(55,942)	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>180,000</u>	<u>180,000</u>	<u>235,942</u>	<u>(55,942)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(40,000)</u>	<u>(40,000)</u>	<u>(26,438)</u>	<u>13,562</u>	<u>601,900</u>	<u>601,900</u>	<u>1,562</u>	<u>(600,338)</u>
-	-	-	-	-	-	-	-
40,000	40,000	27,567	(12,433)	-	-	-	-
-	-	-	-	-	-	-	-
<u>40,000</u>	<u>40,000</u>	<u>27,567</u>	<u>(12,433)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	1,129	1,129	601,900	601,900	1,562	(600,338)
-	-	-	-	-	-	-	-
-	-	-	-	674,463	674,463	674,463	-
<u>-</u>	<u>-</u>	<u>1,129</u>	<u>1,129</u>	<u>1,276,363</u>	<u>1,276,363</u>	<u>676,025</u>	<u>(600,338)</u>

				Prop A Parks			
				Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
				Original	Final		
Revenues							
Taxes	\$	-	-	-	-	-	-
Licenses and permits		-	-	-	-	-	-
Fines, forfeitures and penalties		-	-	-	-	-	-
Use of money and property		60	60	-	-	(60)	
Intergovernmental		63,000	63,000	67,310		4,310	
Charges for services		-	-	-	-	-	
Other		-	-	-	-	-	
		Total revenues		63,060	63,060	67,310	4,250
Expenditures							
Current:							
General government		-	-	-	-	-	-
Public safety		-	-	-	-	-	-
Public works		58,520	58,520	67,310		(8,790)	
Community development		-	-	-	-	-	
Recreation services		-	-	-	-	-	
Capital outlay		-	-	-	-	-	
Debt service		-	-	-	-	-	
		Total expenditures		58,520	58,520	67,310	(8,790)
Excess (deficiency) of revenues over expenditures				4,540	4,540	-	(4,540)
Other financing sources (uses)							
Capital leases		-	-	-	-	-	-
Transfers in		-	-	-	-	-	-
Transfers out		-	-	-	-	-	-
Net other financing sources (uses)				-	-	-	-
Net change in fund balances				4,540	4,540	-	(4,540)
Beginning fund balances				-	-	-	-
Ending fund balances	\$	4,540	4,540	-	-	(4,540)	

City of Baldwin Park
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual (Continued)
Nonmajor Special Revenue Funds
Year ended June 30, 2012

Assessment District				State Asset Forfeiture			
Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
Original	Final			Original	Final		
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,350	1,350	838	(512)	800	800	418	(382)
11,630	11,630	10,461	(1,169)	3,900	3,900	1,397	(2,503)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>12,980</u>	<u>12,980</u>	<u>11,299</u>	<u>(1,681)</u>	<u>4,700</u>	<u>4,700</u>	<u>1,815</u>	<u>(2,885)</u>
-	-	-	-	-	-	-	-
-	-	-	-	15,000	15,000	7,858	7,142
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,000</u>	<u>15,000</u>	<u>7,858</u>	<u>7,142</u>
<u>12,980</u>	<u>12,980</u>	<u>11,299</u>	<u>(1,681)</u>	<u>(10,300)</u>	<u>(10,300)</u>	<u>(6,043)</u>	<u>4,257</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>12,980</u>	<u>12,980</u>	<u>11,299</u>	<u>(1,681)</u>	<u>(10,300)</u>	<u>(10,300)</u>	<u>(6,043)</u>	<u>4,257</u>
<u>337,490</u>	<u>337,490</u>	<u>337,490</u>	<u>-</u>	<u>173,672</u>	<u>173,672</u>	<u>173,672</u>	<u>-</u>
<u>350,470</u>	<u>350,470</u>	<u>348,789</u>	<u>(1,681)</u>	<u>163,372</u>	<u>163,372</u>	<u>167,629</u>	<u>4,257</u>

Local Law Enforcement Block Grant				
	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget-
Revenues				(Negative)
Taxes	\$ -	-	-	-
Licenses and permits	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-
Use of money and property	200	200	35	(165)
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Other	-	-	-	-
Total revenues	<u>200</u>	<u>200</u>	<u>35</u>	<u>(165)</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	5,400	5,400	-	5,400
Public works	-	-	-	-
Community development	-	-	-	-
Recreation services	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	<u>5,400</u>	<u>5,400</u>	<u>-</u>	<u>5,400</u>
Excess (deficiency) of revenues over expenditures	<u>(5,200)</u>	<u>(5,200)</u>	<u>35</u>	<u>5,235</u>
Other financing sources (uses)				
Capital leases	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(5,200)</u>	<u>(5,200)</u>	<u>35</u>	<u>5,235</u>
Beginning fund balances	<u>14,458</u>	<u>14,458</u>	<u>14,458</u>	<u>-</u>
Ending fund balances	<u>\$ 9,258</u>	<u>9,258</u>	<u>14,493</u>	<u>5,235</u>

City of Baldwin Park
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual (Continued)
Nonmajor Special Revenue Funds
Year ended June 30, 2012

Economic Development Administration Grant				Traffic Congestion Relief			
Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
Original	Final			Original	Final		
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	4,650	4,650	1,975	(2,675)
-	-	-	-	1,150,000	1,150,000	1,206,345	56,345
-	-	-	-	1,000	1,000	1,120	120
-	-	-	-	-	-	-	-
-	-	-	-	1,155,650	1,155,650	1,209,440	53,790
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,150,000	1,150,000	-	1,150,000
-	-	-	-	-	-	-	-
-	-	-	-	-	-	1,095,560	(1,095,560)
-	-	-	-	-	-	-	-
-	-	-	-	1,150,000	1,150,000	1,095,560	54,440
-	-	-	-	5,650	5,650	113,880	108,230
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	5,650	5,650	113,880	108,230
512	512	512	-	49,402	49,402	49,402	-
512	512	512	-	55,052	55,052	163,282	108,230

		Energy Conservation			
		Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
		Original	Final		
Revenues					
	Taxes	\$ -	-	-	-
	Licenses and permits	-	-	-	-
	Fines, forfeitures and penalties	-	-	-	-
	Use of money and property	-	-	-	-
	Intergovernmental	-	-	-	-
	Charges for services	-	-	-	-
	Other	-	-	-	-
	Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures					
	Current:				
	General government	-	-	-	-
	Public safety	-	-	-	-
	Public works	-	-	-	-
	Community development	-	-	-	-
	Recreation services	-	-	-	-
	Capital outlay	-	-	-	-
	Debt service	-	-	-	-
	Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Other financing sources (uses)				
	Capital leases	-	-	-	-
	Transfers in	-	-	-	-
	Transfers out	-	-	-	-
	Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Net change in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Beginning fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Ending fund balances	<u><u>\$ -</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

City of Baldwin Park
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual (Continued)
Nonmajor Special Revenue Funds
Year ended June 30, 2012

Park Land and Public Fees			
Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
Original	Final		
-	-	-	-
-	-	-	-
-	-	-	-
3,400	3,400	2,182	(1,218)
-	-	-	-
60,000	60,000	149,329	89,329
-	-	-	-
<u>63,400</u>	<u>63,400</u>	<u>151,511</u>	<u>88,111</u>
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
20,000	20,000	-	20,000
-	-	-	-
<u>20,000</u>	<u>20,000</u>	<u>-</u>	<u>20,000</u>
<u>43,400</u>	<u>43,400</u>	<u>151,511</u>	<u>108,111</u>
-	-	-	-
-	-	-	-
-	-	(153,456)	(153,456)
-	-	(153,456)	(153,456)
<u>43,400</u>	<u>43,400</u>	<u>(1,945)</u>	<u>(45,345)</u>
<u>849,547</u>	<u>849,547</u>	<u>849,547</u>	<u>-</u>
<u>892,947</u>	<u>892,947</u>	<u>847,602</u>	<u>(45,345)</u>

Storm Drain NPDS				
	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget-
Revenues				Positive (Negative)
Taxes	\$ -	-	-	-
Licenses and permits	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-
Use of money and property	510	510	44	(466)
Intergovernmental	-	-	-	-
Charges for services	50,000	50,000	76,091	26,091
Other	-	-	-	-
Total revenues	<u>50,510</u>	<u>50,510</u>	<u>76,135</u>	<u>25,625</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	71,860	71,860	126,901	(55,041)
Community development	-	-	-	-
Recreation services	-	-	-	-
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	<u>71,860</u>	<u>71,860</u>	<u>126,901</u>	<u>(55,041)</u>
Excess (deficiency) of revenues over expenditures	<u>(21,350)</u>	<u>(21,350)</u>	<u>(50,766)</u>	<u>(29,416)</u>
Other financing sources (uses)				
Discontinued operation gain (loss)	-	-	-	-
Transfers in	-	-	50,765	50,765
Transfers out	-	-	-	-
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>50,765</u>	<u>50,765</u>
Change in fund balances, before extraordinary item	<u>(21,350)</u>	<u>(21,350)</u>	<u>(1)</u>	<u>21,349</u>
Extraordinary item				
RDA dissolution transactions	-	-	-	-
Net change in fund balances	<u>(21,350)</u>	<u>(21,350)</u>	<u>(1)</u>	<u>21,349</u>
Beginning fund balances	<u>28,173</u>	<u>28,173</u>	<u>28,173</u>	<u>-</u>
Ending fund balances	<u>\$ 6,823</u>	<u>6,823</u>	<u>28,172</u>	<u>21,349</u>

City of Baldwin Park
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual (Continued)
Nonmajor Special Revenue Funds
Year ended June 30, 2012

CalHome Grant				General Plan Fees			
Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
Original	Final			Original	Final		
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
30	30	18	(12)	1,500	1,500	963	(537)
-	-	-	-	-	-	-	-
-	-	-	-	70,000	70,000	80,244	10,244
300	300	915	615	-	-	-	-
330	330	933	603	71,500	71,500	81,207	9,707
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	53,000	53,000	38,888	14,112
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	53,000	53,000	38,888	14,112
330	330	933	603	18,500	18,500	42,319	23,819
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
330	330	933	603	18,500	18,500	42,319	23,819
-	-	-	-	-	-	-	-
330	330	933	603	18,500	18,500	42,319	23,819
6,468	6,468	6,468	-	364,600	364,600	364,600	-
6,798	6,798	7,401	603	383,100	383,100	406,919	23,819

	Measure R			Variance with Final Budget- Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
Revenues				
Taxes	\$ -	-	-	-
Licenses and permits	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-
Use of money and property	2,000	2,000	3,080	1,080
Intergovernmental	698,760	1,124,188	737,046	(387,142)
Charges for services	-	-	-	-
Other	-	-	-	-
Total revenues	<u>700,760</u>	<u>1,126,188</u>	<u>740,126</u>	<u>(386,062)</u>
Expenditures				
Current:				
General government	40,250	40,250	33,929	6,321
Public safety	-	-	-	-
Public works	619,810	1,045,238	397,715	647,523
Community development	-	-	-	-
Recreation services	-	-	1,140	(1,140)
Capital outlay	-	-	-	-
Debt service	-	-	-	-
Total expenditures	<u>660,060</u>	<u>1,085,488</u>	<u>432,784</u>	<u>652,704</u>
Excess (deficiency) of revenues over expenditures	<u>40,700</u>	<u>40,700</u>	<u>307,342</u>	<u>266,642</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balances, before extraordinary item	<u>40,700</u>	<u>40,700</u>	<u>307,342</u>	<u>266,642</u>
Extraordinary item				
RDA dissolution transactions	-	-	-	-
Net change in fund balances	<u>40,700</u>	<u>40,700</u>	<u>307,342</u>	<u>266,642</u>
Beginning fund balances	<u>1,103,120</u>	<u>1,103,120</u>	<u>1,103,120</u>	<u>-</u>
Ending fund balances	<u>\$ 1,143,820</u>	<u>1,143,820</u>	<u>1,410,462</u>	<u>266,642</u>

City of Baldwin Park
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual (Continued)
Nonmajor Special Revenue Funds
Year ended June 30, 2012

Low/Moderate Income Housing			
Budgeted Amounts		Actual	Variance with Final Budget- Positive (Negative)
Original	Final		
1,243,180	1,243,180	-	(1,243,180)
-	-	-	-
39,200	39,200	13,179	(26,021)
-	-	-	-
-	-	-	-
2,000	2,000	257	(1,743)
<u>1,284,380</u>	<u>1,284,380</u>	<u>13,436</u>	<u>(1,270,944)</u>
336,020	336,020	27,247	308,773
-	-	-	-
-	-	-	-
-	-	90,506	(90,506)
-	-	-	-
-	-	-	-
-	-	-	-
<u>336,020</u>	<u>336,020</u>	<u>117,753</u>	<u>218,267</u>
<u>948,360</u>	<u>948,360</u>	<u>(104,317)</u>	<u>(1,052,677)</u>
-	-	-	-
-	-	-	-
-	-	-	-
<u>948,360</u>	<u>948,360</u>	<u>(104,317)</u>	<u>(1,052,677)</u>
-	-	(8,343,589)	(8,343,589)
<u>948,360</u>	<u>948,360</u>	<u>(8,447,906)</u>	<u>(9,396,266)</u>
<u>8,447,906</u>	<u>8,447,906</u>	<u>8,447,906</u>	<u>-</u>
<u>9,396,266</u>	<u>9,396,266</u>	<u>-</u>	<u>(9,396,266)</u>

		Debt Service			
		Baldwin Park Financing Authority			
		Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
		Original	Final	Actual	(Negative)
Revenues					
Taxes	\$	-	-	-	-
Use of money and property		50	50	38,918	38,868
Other		-	-	-	-
Total revenues		<u>50</u>	<u>50</u>	<u>38,918</u>	<u>38,868</u>
Expenditures					
Current:					
Community development		-	-	-	-
Debt service:					
Principal retirement		539,000	539,000	539,000	-
Interest and fiscal charges		545,030	545,030	542,386	2,644
Cost of issuance and other costs		-	-	-	-
Total expenditures		<u>1,084,030</u>	<u>1,084,030</u>	<u>1,081,386</u>	<u>2,644</u>
Excess (deficiency) of revenues over expenditures		<u>(1,083,980)</u>	<u>(1,083,980)</u>	<u>(1,042,468)</u>	<u>41,512</u>
Other financing sources (uses)					
Transfers in		1,084,030	1,084,030	1,079,086	(4,944)
Transfers out		-	-	(38,842)	(38,842)
Net other financing sources (uses)		<u>1,084,030</u>	<u>1,084,030</u>	<u>1,040,244</u>	<u>(43,786)</u>
Change in fund balances		50	50	(2,224)	(2,274)
Extraordinary item					
RDA dissolution transactions		-	-	-	-
		<u>50</u>	<u>50</u>	<u>(2,224)</u>	<u>(2,274)</u>
Beginning fund balances		<u>1,476,767</u>	<u>1,476,767</u>	<u>1,476,767</u>	<u>-</u>
Ending fund balances	\$	<u>1,476,817</u>	<u>1,476,817</u>	<u>1,474,543</u>	<u>(2,274)</u>

City of Baldwin Park
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Debt Service Funds
Year ended June 30, 2012

Debt Service			
Redevelopment Agency			
Budgeted Amounts			Variance with Final Budget Positive (Negative)
Original	Final	Actual	
4,301,900	4,301,900	3,397,667	(904,233)
9,710	9,710	24,760	15,050
-	-	1,167	1,167
<u>4,311,610</u>	<u>4,311,610</u>	<u>3,423,594</u>	<u>(888,016)</u>
3,278,500	3,278,500	2,059,096	1,219,404
1,135,000	1,135,000	1,135,000	-
1,406,010	1,406,010	762,320	643,690
-	-	-	-
<u>5,819,510</u>	<u>5,819,510</u>	<u>3,956,416</u>	<u>1,863,094</u>
 (1,507,900)	 (1,507,900)	 (532,822)	 975,078
535,540	535,540	535,548	8
(535,540)	(535,540)	(539,140)	(3,600)
-	-	(3,592)	(3,592)
<u>(1,507,900)</u>	<u>(1,507,900)</u>	<u>(536,414)</u>	<u>971,486</u>
-	-	(854,946)	(854,946)
(1,507,900)	(1,507,900)	(1,391,360)	116,540
1,391,360	1,391,360	1,391,360	-
<u>(116,540)</u>	<u>(116,540)</u>	<u>-</u>	<u>116,540</u>

		Debt Service			
		Pension Obligation			
		Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
		Original	Final		
Revenues					
Use of money and property	\$	2,520	2,520	126	(2,394)
Charges for services		-	-	-	-
Other		1,537,560	1,537,560	1,541,846	4,286
Total revenues		1,540,080	1,540,080	1,541,972	1,892
Expenditures					
Debt service:					
Principal retirement		1,025,000	1,025,000	1,025,000	-
Interest and fiscal charges		515,080	515,080	516,846	(1,767)
Total expenditures		1,540,080	1,540,080	1,541,846	(1,767)
Excess (deficiency) of revenues over expenditures		-	-	126	127
Other financing sources (uses)					
Transfers in		-	-	-	-
Net other financing sources (uses)		-	-	-	-
Net change in fund balances		-	-	126	127
Beginning fund balances		694	694	694	-
Ending fund balances		\$ 694	694	820	127

City of Baldwin Park
Schedule of Revenues, Expenditures and Changes in Fund Balance –
Budget and Actual
Debt Service Funds
Year ended June 30, 2012

Debt Service			
City			
Budgeted Amounts			Variance with
Original	Final	Actual	Final Budget
			Positive
			(Negative)
210	210	89	(121)
34,050	34,050	646	(33,404)
-	-	-	-
<u>34,260</u>	<u>34,260</u>	<u>735</u>	<u>(33,525)</u>
309,420	309,420	304,000	5,420
226,220	226,220	226,220	-
<u>535,640</u>	<u>535,640</u>	<u>530,220</u>	<u>5,420</u>
<u>(501,380)</u>	<u>(501,380)</u>	<u>(529,485)</u>	<u>(28,105)</u>
501,380	501,380	501,380	-
<u>501,380</u>	<u>501,380</u>	<u>501,380</u>	<u>-</u>
-	-	(28,105)	(28,105)
60,400	60,400	60,400	-
<u>60,400</u>	<u>60,400</u>	<u>32,295</u>	<u>(28,105)</u>

		Capital Project			
		Building Reserve			
		Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
		Original	Final		
Revenues					
Use of money and property	\$	-	-	1,365	1,365
Other		-	-	-	-
Total revenues		<u>-</u>	<u>-</u>	<u>1,365</u>	<u>1,365</u>
Expenditures					
Current:					
General government		-	-	-	-
Community development		-	-	-	-
Debt service:					
Interest and fiscal charges		-	-	-	-
Total expenditures		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures		<u>-</u>	<u>-</u>	<u>1,365</u>	<u>1,365</u>
Other financing sources (uses)					
Loan proceeds		-	-	-	-
Transfers in		680,230	680,230	677,280	(2,950)
Transfers out		(680,230)	(680,230)	(677,280)	2,950
Net other financing sources (uses)		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances before transfers		<u>-</u>	<u>-</u>	<u>1,365</u>	<u>1,365</u>
Transfer of balances to fiduciary funds		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances		<u>-</u>	<u>-</u>	<u>1,365</u>	<u>1,365</u>
Beginning fund balances		<u>12,412</u>	<u>12,412</u>	<u>12,412</u>	<u>-</u>
Ending fund balances	\$	<u><u>12,412</u></u>	<u><u>12,412</u></u>	<u><u>13,777</u></u>	<u><u>1,365</u></u>

City of Baldwin Park
Schedule of Revenues, Expenditures, and Changes in Fund Balances –
Budget and Actual
Capital Projects Fund
Year ended June 30, 2012

Capital Project			
Redevelopment Agency			
Budgeted Amounts			Variance with Final Budget Positive (Negative)
Original	Final	Actual	
-	-	3,688	3,688
-	-	9,884	9,884
-	-	13,572	13,572
294,330	294,330	158,814	135,516
314,410	314,410	174,826	139,584
55,850	55,850	83,309	(27,459)
664,590	664,590	416,949	247,641
(664,590)	(664,590)	(403,377)	261,213
111,610	111,610	-	(111,610)
390,460	390,460	3,592	(386,868)
-	-	-	-
502,070	502,070	3,592	(498,478)
(162,520)	(162,520)	(399,785)	(237,265)
-	-	18,690,678	18,690,678
(162,520)	(162,520)	18,290,893	18,453,413
(18,290,893)	(18,290,893)	(18,290,893)	-
(18,453,413)	(18,453,413)	-	18,453,413

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City of Baldwin Park
Description of Internal Service Funds
June 30, 2012

Internal Service Funds are used to account for services provided to City departments and agencies on a user charge basis.

Fleet Service Fund To account for the acquisition, operation and maintenance of all City-owned or leased motorized vehicles.

Information Services Fund This fund provides printing, copying, mail, central stores and data processing services to the various departments and programs.

Internal Insurance Fund To account for the City's risk management program and various insurance-related costs. Its activities relate principally to general liability, workers' compensation, long-term disability, property damage and unemployment insurance.

City of Baldwin Park
Combining Statement of Net Assets
Internal Service Funds
June 30, 2012

	Fleet Services	Information Services	Internal Insurance	Total
ASSETS				
Current assets				
Pooled cash and investments	\$ 59,316	136,798	3,422,786	\$ 3,618,900
Cash with fiscal agent	-	-	-	-
Accounts receivable	567	83	10,389	11,039
Interest receivable	-	83	3,659	3,742
Advances to other funds	-	-	-	-
Prepaid expenses	2,706	17,642	-	20,348
Due from other funds	-	-	2,555,026	2,555,026
Total current assets	<u>62,589</u>	<u>154,606</u>	<u>5,991,860</u>	<u>6,209,055</u>
Noncurrent assets				
Capital assets				
Equipment	4,311,766	2,561,766	-	6,873,532
Less accumulated depreciation	(4,121,262)	(2,360,847)	-	(6,482,109)
Net capital assets	<u>190,504</u>	<u>200,919</u>	<u>-</u>	<u>391,423</u>
Total noncurrent assets	<u>190,504</u>	<u>200,919</u>	<u>-</u>	<u>391,423</u>
Total assets	<u>253,093</u>	<u>355,525</u>	<u>5,991,860</u>	<u>6,600,478</u>
LIABILITIES				
Current liabilities				
Accounts payable	85,869	40,052	23,738	149,659
Current portion of capital lease obligations	84,413	-	-	84,413
Current portion of insurance liabilities	-	-	1,350,000	1,350,000
Total current liabilities	<u>170,282</u>	<u>40,052</u>	<u>1,373,738</u>	<u>1,584,072</u>
Noncurrent liabilities				
Capital lease obligations	16,294	-	-	16,294
Workers' compensation liability	-	-	5,923,583	5,923,583
General insurance liability	-	-	689,475	689,475
Unemployment insurance liability	-	-	20,000	20,000
Disability insurance liability	-	-	75,000	75,000
Total noncurrent liabilities	<u>16,294</u>	<u>-</u>	<u>6,708,058</u>	<u>6,724,352</u>
Total liabilities	<u>186,576</u>	<u>40,052</u>	<u>8,081,796</u>	<u>8,308,424</u>
NET ASSETS				
Invested in capital assets, net of related debt	89,797	200,919	-	290,716
Unrestricted	(23,280)	114,554	(2,089,936)	(1,998,662)
Total net assets \$	<u>66,517</u>	<u>315,473</u>	<u>(2,089,936)</u>	<u>\$ (1,707,946)</u>

City of Baldwin Park
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets
Internal Service Funds
Year ended June 30, 2012

	Fleet Services	Information Services	Internal Insurance	Total
Operating revenues				
Charges for services	\$ 1,150,100	833,826	2,446,056	\$ 4,429,982
Other	363	6,859	-	7,222
Total operating revenue	<u>1,150,463</u>	<u>840,685</u>	<u>2,446,056</u>	<u>4,437,204</u>
Operating expenses				
Maintenance and operations	516,287	162,918	1,219	680,424
Internal service charges	72,700	34,000	12,701	119,401
Provision for insurance claims	-	-	2,324,456	2,324,456
Depreciation	251,239	34,389	-	285,628
Lease and equipment purchase expense	77	72,150	-	72,227
Interest expense	7,439	389	-	7,828
Personal services	243,022	337,418	124,690	705,130
Contractual services	204,278	176,846	92,562	473,686
Total operating expenses	<u>1,295,042</u>	<u>818,110</u>	<u>2,555,628</u>	<u>4,668,780</u>
Operating income (loss)	(144,579)	22,575	(109,572)	(231,576)
Nonoperating income				
Gain on sale/disposal of capital assets	4,584	-	-	4,584
Interest	4	282	11,786	12,072
Total nonoperating income	<u>4,588</u>	<u>282</u>	<u>11,786</u>	<u>16,656</u>
Change in net assets	(139,991)	22,857	(97,786)	(214,920)
Net assets - beginning	<u>206,508</u>	<u>292,616</u>	<u>(1,992,150)</u>	<u>(1,493,026)</u>
Net assets - ending	<u>\$ 66,517</u>	<u>315,473</u>	<u>(2,089,936)</u>	<u>\$ (1,707,946)</u>

City of Baldwin Park
Combining Statement of Cash Flows
Internal Service Funds
Year ended June 30, 2012

	Fleet Services	Information Services	Internal Insurance	Total
Cash flows from operating activities				
Receipts from customers and users	\$ 1,150,463	840,685	2,468,633	\$ 4,459,781
Payments to suppliers	(835,823)	(630,602)	(156,739)	(1,623,164)
Payments to employees	(166,141)	(175,112)	(87,235)	(428,488)
Payments for insurance	-	-	(1,671,700)	(1,671,700)
Net cash provided by (used in) operating activities	<u>148,499</u>	<u>34,971</u>	<u>552,959</u>	<u>736,429</u>
Cash flows from capital and related financing activities				
Purchases of equipment	-	(16,000)	-	(16,000)
Proceeds from sale of equipment	4,584	-	-	4,584
Additions (reductions) in capital lease obligations	(105,335)	(41,555)	-	(146,890)
Net cash used in capital and related financing activities	<u>(100,751)</u>	<u>(57,555)</u>	<u>-</u>	<u>(158,306)</u>
Cash flows from non-capital financing activities				
Interfund advances	-	-	(929,241)	(929,241)
Net cash provided by (used in) non-capital financing activities	<u>-</u>	<u>-</u>	<u>(929,241)</u>	<u>(929,241)</u>
Cash flows from investing activities				
Interest received	62	359	11,792	12,213
Net increase (decrease) in cash and cash equivalents	47,810	(22,225)	(364,490)	(338,905)
Beginning cash and cash equivalents	11,506	159,023	3,787,276	3,957,805
Ending cash and cash equivalents	<u>\$ 59,316</u>	<u>136,798</u>	<u>3,422,786</u>	<u>\$ 3,618,900</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ (144,579)	22,575	(109,572)	\$ (231,576)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	251,239	34,389	-	285,628
(Increase) decrease in accounts receivable	-	-	22,577	22,577
Increase (decrease) in accounts payable	41,839	(20,263)	(12,802)	8,774
Increase in prepaid expenses	-	(1,730)	-	(1,730)
Increase in insurance liabilities	-	-	652,756	652,756
Net cash provided by (used in) operating activities	<u>\$ 148,499</u>	<u>34,971</u>	<u>552,959</u>	<u>\$ 736,429</u>

Fiduciary funds are used to account for assets held by the City, as an agent for individuals, private organizations and other governments.

City of Baldwin Park
Statement of Changes in Assets and Liabilities - Fiduciary Funds
Year ended June 30, 2012

	<u>July 1, 2011</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2012</u>
Assets				
Pooled cash investments	\$ 549,737	474,048	365,751	\$ 658,034
Interest receivable	518	441	518	441
Total	<u>\$ 550,255</u>	<u>474,489</u>	<u>366,269</u>	<u>\$ 658,475</u>
Liabilities				
Accounts payable	\$ 16,235	409,197	396,288	\$ 29,144
Deposit accounts:				
Bail deposits	-	894	894	-
Canine donation	1,688	-	-	1,688
Crime prevention	8,899	3,464	2,144	10,219
Explorer	1,140	570	570	1,140
Leagues, etc.	22,414	50,843	56,425	16,832
Other	6,109	5,228	-	11,337
Miscellaneous trust	41,067	55,047	56,411	39,703
Court cost fees	32	-	-	32
Contingency deposits	17,910	-	-	17,910
Engineering trust	183,707	4,097	16,010	171,794
Police donations	50	-	-	50
Bicycle Rodeo	472	-	-	472
Donations	48,055	319,322	254,390	112,987
Inmate welfund	5,381	1,409	1,553	5,237
Offsite improvement bond	42,385	-	-	42,385
Police foundation	11,019	510	-	11,529
Pride program	43,575	38,469	42,194	39,850
Police training	57,133	36,080	21,965	71,248
Swimteam/Interpreting	21,563	22,405	10,650	33,318
Family impact/Domestic violence	1,553	2,251	150	3,654
Family impact	4,600	1,500	3,500	2,600
Temp wireless facility	-	20,000	-	20,000
Revolving nuisance abatement	2,911	-	-	2,911
Street signs	4,876	-	-	4,876
Fingerprints - clients	1,666	282	204	1,744
NPDES Refundable Deposit	5,815	-	-	5,815
Total	<u>\$ 550,255</u>	<u>971,568</u>	<u>863,348</u>	<u>\$ 658,475</u>

**Report of Independent Auditors on Internal Control over Financial Reporting and
on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with Government Auditing**

**The Honorable City Council of the
City of Baldwin Park, California**

We have audited the basic financial statements of the City of Baldwin Park, California (the City), as of and for the year ended June 30, 2012, and have issued our report thereon dated December 26, 2012. 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.

Internal Control Over Financial Reporting

Management of the City is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined previously.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Baldwin Park's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information of the members of the City Council, management, federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Vargay + Company LLP

**Los Angeles, California
December 26, 2012**

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This part of the City of Baldwin Park 's Comprehensive Annual Report provides information to better understand the City's overall financial condition. This has not been audited by an independent auditor.

Financial Trends Information contain information to assist the reader understand how the City's financial performance has changed over time.

Revenue Capacity Information contain information to help the reader assess the City's ability to generate its own revenue.

Debt Capacity Information contain information to assess the affordability of the City's current levels of outstanding debt and its ability to issue additional debt.

Demographic and Economic Information assist the user in understanding the environment within which the City's financial activities takes place.

Operating Information provides service and infrastructure data to help the reader understand how the City's financial statement information relates to services the City provides and the activities it performs.

Sources:

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

**City of Baldwin Park
Net Assets by Component
Last Ten Fiscal Years**

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental activities:										
Investment in capital assets, net of related debt	\$ 103,008,110	103,175,452	97,381,012	93,489,100	95,491,522	90,066,717	85,560,526	82,368,940	79,629,227	99,896,721
Restricted	7,002,415	6,461,472	6,158,056	5,507,823	6,095,674	6,133,731	6,720,929	9,097,505	13,841,440	29,720,564
Unrestricted	12,313,419	4,607,012	1,668,497	7,118,625	5,845,130	11,691,083	13,442,933	11,989,137	12,512,899	18,667,796
Total governmental activities net assets	\$ 122,323,944	114,243,936	105,207,565	106,115,548	107,432,326	107,891,531	105,724,388	103,455,582	105,983,566	148,285,081
% change from prior year	N/A	-6.6%	-7.9%	0.9%	1.2%	0.4%	-2.0%	-2.1%	2.4%	39.9%

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

City of Baldwin Park
Fund Balances of Governmental Funds
Fiscal Years 2012 and 2011

	2011	2012
General Fund		
Nonspendable	\$ 11,170,510	\$ 11,173,252
Restricted	-	
Committed	-	2,477,618
Assigned	-	606,926
Unassigned	5,906,643	1,826,473
Total General Fund	17,077,153	16,362,569
 All Other Governmental Funds		
Nonspendable	13,224,533	465,992
Restricted	20,348,744	27,732,162
Committed	-	1,649,752
Assigned	-	-
Unassigned	(22,666,590)	(144,174)
Total All Other Governmental Funds	10,906,687	29,703,732

Note: The City of Baldwin Park elected to present fund balance information under GASB#54 prospectively in the Statistical Section; refer to page 132 for reporting of the previous years under the old guidelines.

City of Baldwin Park Change in Net Assets Last Ten Fiscal Years

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Expenses:										
Governmental activities:										
General government	\$ 3,434,298	4,010,603	4,526,306	4,132,120	3,346,930	3,431,918	2,698,418	3,142,685	4,360,848	4,009,113
Public safety	10,946,225	11,747,014	14,277,853	14,934,099	15,333,496	17,695,323	18,917,403	18,810,685	18,819,467	19,929,293
Public works	13,026,398	15,112,436	18,778,723	15,699,303	14,785,160	14,278,888	13,730,184	13,549,660	13,518,003	13,442,178
Community development	8,890,421	10,178,582	9,789,023	9,145,085	10,367,871	12,586,141	11,931,976	14,060,899	10,968,474	8,885,636
Recreation services	1,796,381	1,979,193	2,229,254	2,249,912	2,429,110	3,258,992	4,666,863	4,383,579	4,462,052	4,110,432
Decline in value of property held for resale	6,308,905	-	-	-	-	-	-	-	-	-
Net Transfers out to successor agency	-	-	-	-	-	-	-	-	-	716,587
Pass through Expenditures	-	746,108	-	-	-	-	-	-	-	-
Interest and fiscal charges	3,592,259	3,058,165	5,161,613	2,601,948	3,319,921	3,910,677	3,658,849	3,424,605	3,440,701	2,140,361
Total governmental activities expenses	<u>47,994,887</u>	<u>46,832,101</u>	<u>54,762,772</u>	<u>48,762,467</u>	<u>49,582,488</u>	<u>55,161,939</u>	<u>55,603,693</u>	<u>57,372,113</u>	<u>55,569,545</u>	<u>53,233,600</u>
Program revenues:										
Governmental activities:										
Charges for services										
General government	2,017,156	2,520,410	3,003,433	3,110,259	4,651,630	5,619,213	4,769,966	229,700	608,221	250,530
Public safety	809,255	1,161,286	971,414	755,023	11,732	5,175	27,622	1,987,795	1,757,968	1,574,992
Public works	299,298	-	-	308,306	43,803	36,764	67,512	222,191	157,631	232,553
Community development	49,727	1,947	1,119	1,655	34,837	82,892	97,944	1,256,198	1,602,720	1,496,976
Recreation services	-	-	-	-	-	-	-	569,345	496,518	485,263
Operating grants and contributions										
General government	-	20,033	3,462,803	202,024	166,715	129,495	309,644	-	31,913	25,328
Public safety	2,584,955	2,878,365	2,953,966	5,326,312	4,752,495	1,325,679	1,118,516	2,422,392	798,702	1,816,475
Public works	1,826,369	1,818,597	1,762,392	1,051,285	2,255,316	1,835,967	1,768,134	3,400,330	4,104,695	4,822,508
Community development	7,934,384	7,998,365	8,489,222	9,642,460	9,471,128	8,826,627	9,120,098	8,132,297	7,421,769	5,359,522
Recreation services	248,129	198,744	182,795	195,939	125,226	216,360	551,636	216,980	175,407	276,815
Capital grants and contributions										
General government	-	-	-	-	-	-	-	-	-	44,654
Public safety	2,833,548	1,067,866	681,260	360,437	76,300	-	2,857,802	-	2,041	-
Public works	852,075	74,330	84,076	1,103,038	9,175	3,693,606	-	5,007,296	3,836,812	4,203,011
Community development	461,308	17,808	-	-	-	-	-	-	884,820	385,888
Total governmental activities revenues	<u>19,916,204</u>	<u>17,757,751</u>	<u>21,592,480</u>	<u>22,056,737</u>	<u>21,598,357</u>	<u>21,771,778</u>	<u>20,688,874</u>	<u>23,444,524</u>	<u>21,879,217</u>	<u>20,974,515</u>
Net revenues (expenses):										
Governmental activities:	(28,078,683)	(29,074,350)	(33,170,292)	(26,705,730)	(27,984,131)	(33,390,161)	(34,914,819)	(33,927,589)	(33,690,328)	(32,259,085)
General revenues and other changes in net assets:										
Taxes										
Property Taxes	15,023,648	16,291,814	17,464,924	23,929,880	23,929,880	12,510,908	13,372,060	11,944,651	11,645,328	11,420,680
Motor Vehicle in lieu	6,962,114	7,470,769	7,612,349	7,479,696	8,400,034	6,603,499	6,900,045	6,244,987	5,713,857	-
Sales Tax	4,875,329	3,130,076	5,812,422	5,845,528	6,115,126	6,456,581	5,625,840	5,251,513	5,418,895	5,324,720
Tax Increment	4,343,135	4,607,700	5,842,303	5,706,901	6,568,814	6,456,581	5,625,840	5,251,513	5,418,895	5,324,720
Franchise Tax	-	-	-	-	-	-	-	-	-	3,229,580
Utility Users Tax	1,077,977	821,946	1,223,237	1,415,181	1,556,904	1,626,176	1,997,823	2,312,090	2,239,905	2,368,974
Other Taxes	2,260,688	2,410,518	2,269,238	2,273,711	2,545,312	2,591,143	2,459,483	2,407,299	2,266,892	2,215,756
Other	379,735	980,881	517,797	1,208,863	1,444,509	1,131,261	1,129,061	1,145,692	1,084,450	1,142,083
Use of money and property										
Interest on advances to successor agency	31,320	236,594	-	-	-	-	-	-	-	745,205
Interest	869,759	352,223	566,235	768,579	2,355,107	2,177,082	1,190,007	388,977	721,172	119,287
Transfers	-	-	-	-	-	-	-	-	-	-
Other	-	-	290,340	888,560	315,103	752,715	73,358	1,963,573	7,127,812	1,441,901
Total general revenues and transfers	<u>20,800,057</u>	<u>20,010,707</u>	<u>24,133,921</u>	<u>25,587,018</u>	<u>29,300,909</u>	<u>33,849,365</u>	<u>32,747,677</u>	<u>31,658,782</u>	<u>36,218,311</u>	<u>28,008,186</u>
Changes in net assets	<u>\$ (7,278,626)</u>	<u>(8,080,009)</u>	<u>(9,036,371)</u>	<u>(1,118,711)</u>	<u>1,316,778</u>	<u>459,204</u>	<u>(2,167,142)</u>	<u>(2,268,807)</u>	<u>2,527,983</u>	<u>(4,250,899)</u>

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

**City of Baldwin Park
Fund Balances of Governmental Funds
Last Eight Fiscal Years**

	Fiscal Year								
	2003	(2)	2004	2005	2006	2007	2008	2009	2010
General fund:									
Reserved	\$ 8,870,587		9,408,848	10,263,447	10,922,656	11,933,339	12,755,776	13,268,093	13,705,002
Unreserved	3,267,129		2,353,328	3,812,188	1,953,646	3,060,821	4,829,573	5,187,803	5,213,836
Total general fund	<u>12,137,716</u>		<u>11,762,176</u>	<u>14,075,635</u>	<u>12,876,302</u>	<u>14,994,160</u>	<u>17,585,349</u>	<u>18,455,896</u>	<u>18,918,838</u>
All other governmental fund:									
Reserved	29,391,653		7,771,116 (3)	9,579,762 (4)	8,632,944	6,807,808	6,845,864	13,250,641	9,944,381
Unreserved, reported in:									
Special revenue funds	367,879		5,460,034	3,380,229	8,594,017	13,206,630	17,596,872	14,572,267	17,187,651
Capital projects funds	(17,085,858)		(7,602,948)	(7,580,988)	(10,518,294)	(13,936,874)	(15,295,561)	(16,450,152)	(17,125,366)
Debt service funds	(387,653)		221,614	37,078	597,281	492,599	58,700	(588,740)	2,465,756
Total all other governmental funds	<u>(17,105,632)</u>		<u>(1,921,300)</u>	<u>(4,163,681)</u>	<u>(1,326,996)</u>	<u>(237,645)</u>	<u>2,360,011</u>	<u>(2,466,625)</u>	<u>2,528,041</u>
Total Governmental Funds	<u>\$ 24,423,737</u>		<u>17,611,992</u>	<u>19,491,716</u>	<u>20,182,250</u>	<u>21,564,323</u>	<u>26,791,224</u>	<u>29,239,912</u>	<u>31,391,260</u>

The City of Baldwin Park has elected to show only eight years of data for this schedule.

- (1) This schedule reports using the modified accrual basis of accounting.
- (2) The City implemented GASB 34, the new reporting standard in fiscal year 2003.
- (3) Reserved fund balance at June 30, 2004 includes unexpended bond proceeds from 2003 Sales Tax & Tax allocation Refunding Bonds.
- (4) Reserved fund balance at June 30, 2005 includes unexpended bond proceeds from 2004 Lease Revenue Refunding Bonds.
- (5) In 2011 the City Adopted GASB 54 which revises the reporting of Fund Balance

City of Baldwin Park
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Revenues:										
Taxes	\$ 15,399,647	16,097,504	17,634,869	18,840,064	21,023,819	24,574,607	31,794,891	29,176,659	28,781,829	26,010,242
Licenses and permits	598,691	875,871	737,696	774,671	696,300	519,888	564,596	625,889	583,935	570,982
Fines and forfeitures	808,469	821,347	704,472	754,084	1,818,409	1,623,154	2,039,461	3,379,541	1,741,941	2,132,229
Use of money and property	1,046,916	978,227	830,195	1,199,295	1,445,053	1,387,184	723,158	449,266	563,120	552,322
Intergovernmental	21,095,301	18,675,088	21,722,936	22,490,048	22,832,101	21,568,213	14,885,994	17,611,402	17,148,467	15,365,584
Charges for services	1,071,774	1,247,760	1,606,275	1,963,498	1,751,362	2,732,913	1,546,595	1,830,657	1,900,607	1,903,087
Others	1,930,064	1,795,053	3,356,469	4,779,026	2,928,555	4,252,099	2,053,604	2,193,287	2,114,796	1,990,337
Total revenues	41,950,862	40,490,850	46,592,912	50,800,686	52,495,599	56,658,058	53,608,299	55,266,701	52,834,695	48,524,783
Expenditures										
Current:										
General government	2,309,986	2,628,791	2,989,559	4,731,895	4,275,924	4,001,214	3,031,641	2,882,320	3,071,399	3,470,852
Public safety	10,506,730	11,474,211	13,636,584	15,332,536	27,712,375	16,434,302	17,164,777	17,006,136	17,132,322	18,055,455
Public works	7,826,022	11,366,634	13,121,793	8,479,676	8,393,001	7,395,782	6,204,823	5,462,651	5,360,016	5,907,233
Community development	6,982,338	8,586,039	9,609,754	10,064,124	7,949,696	12,846,577	12,366,593	14,252,879	10,870,890	9,219,672
Recreation services	1,766,866	2,030,328	2,020,268	2,198,121	2,375,511	3,057,408	4,336,564	4,078,500	4,203,053	3,839,072
Nondepartmental	898,465	1,090,085	1,126,223							
Capital outlay:										
Public works	8,167,663	1,676,923		3,845,993	4,467,646	289,718	663,045	3,673,895	5,271,250	1,378,864
Community development	2,552,786	746,108	1,353,705	1,123,087	3,142,638	932,383	584,672		16,709	2,898,564
Debt service:										
Principal retirement	1,321,461	1,308,745	1,807,496	2,079,496	1,691,194	2,192,000	5,638,000	2,870,000	2,924,000	3,003,000
Interest and fiscal charges	3,227,829	2,833,798	2,617,225	3,149,014	3,786,350	3,899,259	3,615,036	3,148,521	2,948,628	2,131,081
Costs of issuance and other costs	360,730	529,670	620,329							
Total expenditures	45,920,876	44,271,332	48,902,936	51,003,942	63,794,335	51,048,643	53,605,150	53,374,902	51,798,267	49,903,793
Excess (deficiency) of revenues over (under) expenditures	(3,970,014)	(3,780,482)	(2,310,024)	(203,256)	(11,298,736)	5,609,415	3,149	1,891,799	1,036,428	(1,379,010)
Other financing sources (uses):										
Gain on sale of properties									522,745	
Loan Proceeds								158,922	109,869	
Transfers in	10,559,801	10,265,751	16,093,530	8,902,425	7,740,903	4,884,001	3,178,433	4,605,577	5,089,645	3,311,585
Transfers out	(10,593,166)	(10,266,751)	(16,130,727)	(9,643,422)	(7,870,091)	(5,266,514)	(3,775,309)	(4,484,544)	(5,089,645)	(4,069,825)
Issuance of bonds	4,500,884	6,329,200	10,840,000		12,810,000		3,022,000			
Capital leases		40,650	6,944	341,290						
Payment to refunded bond escrow agent		(9,400,125)	(6,620,000)							
Interest on advance from other funds	(945,887)									
Decline in value of property held for resale	(6,308,905)									
Total other financing sources (uses)	(2,787,273)	(3,031,275)	4,189,747	(399,707)	12,680,812	(382,513)	2,425,124	279,955	632,614	(758,240)
Special items										
Gain on sale of properties									4,988,913	
Items related to payment of loans									383,889	
Total special items									5,372,802	
Extraordinary items										
RDA dissolution transactions										9,492,143
Total extraordinary items										9,492,143
Net change in fund balance	\$ (6,757,287)	(6,811,757)	1,879,723	(602,963)	1,382,076	5,226,902	2,428,273	2,171,754	1,669,042	7,354,893
Debt service as a percentage of noncapital expenc	13.45%	11.43%	11.13%	11.09%	9.31%	12.05%	17.56%	11.31%	11.57%	8.75%

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

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

Fiscal year ended	City				Redevelopment Agency				Direct Tax Rate
	Secured	Unsecured	Less Exemptions	Taxable Assessed Value	Secured	Unsecured	Less Exemptions	Taxable Assessed Value	
2003	\$ 1,729,661,169	\$ 39,303,359	\$ 13,651,027	\$ 1,755,313,501	\$ 741,532,679	\$ 82,524,795	\$ 239,367,154	\$ 584,690,320	0.296%
2004	1,861,083,255	44,116,130	12,913,006	1,892,286,379	749,813,199	84,962,820	222,098,703	612,677,316	0.293%
2005	2,025,549,395	43,009,563	22,493,461	2,046,065,497	774,080,293	103,565,661	229,395,358	648,250,596	0.293%
2006	2,263,864,180	44,390,284	21,355,005	2,286,899,459	857,619,427	100,497,552	237,073,474	721,043,505	0.297%
2007	2,546,998,136	52,327,909	26,597,044	2,572,729,001	925,514,386	110,432,488	241,756,847	794,190,027	0.297%
2008	2,749,952,334	55,546,639	33,844,082	2,771,654,891	1,062,689,327	116,148,602	266,636,424	912,201,505	0.297%
2009	2,981,835,548	61,073,837	34,382,263	3,008,527,122	1,042,609,407	127,963,961	267,364,266	903,209,102	0.297%
2010	3,800,274,206	196,070,446	302,325,645	3,694,019,007	1,052,169,814	133,526,046	267,781,524	917,914,336	0.297%
2011	3,753,103,235	189,227,317	305,138,330	3,637,192,222	1,039,967,531	125,050,444	270,337,604	894,680,371	0.279%
2012	3,807,825,639	186,940,080	325,255,386	3,669,510,333	1,045,148,705	129,337,263	289,319,905	885,166,063	0.279%

Note (1): Beginning in fiscal year 1982, the valuations provided are equal to the full cash value of the property assessed. In the preceding years, the assessed valuations reflected only 25% on the full cash value. This change reflects ratification of Article XIII A of the California Constitution (Proposition 13).

Source: Los Angeles County Assessor's Office.
HdL, Coren & Cone

	2003	2004	2005	2006	2007
City Balance	\$ 1,755,313,501	1,892,286,379	2,046,065,497	2,286,899,459	2,572,729,001
Puente-Merced	32,548,202	33,523,384	30,360,600	33,966,864	37,944,823
San Gabriel River	159,312,368	168,277,026	184,956,789	185,090,403	210,499,042
West Ramona Blvd	23,027,839	25,415,939	27,631,781	30,206,884	33,947,794
Central Business District	85,100,350	98,287,728	103,558,425	111,778,180	122,697,128
Delta	26,539,683	26,981,132	28,173,917	29,464,923	32,503,459
Sierra Vista	247,075,556	260,192,107	273,569,084	330,536,251	356,597,781
Net assessed valuation	\$ 2,328,917,499	2,504,963,695	2,694,316,093	3,007,942,964	3,366,919,028

Source: Los Angeles County Assessor's Office.

**City of Baldwin Park
Assessed Valuation by Tax District
Last Ten Fiscal Years**

2008	2009	2010.	2011	2012
2,839,353,155	3,008,527,122	3,694,019,007	3,637,192,222	3,669,510,333
38,114,314	38,372,334	39,875,145	39,330,649	44,445,445
223,584,610	240,263,192	253,628,573	248,204,462	239,233,781
37,749,969	39,485,273	35,584,527	33,844,951	35,104,603
136,574,743	144,458,926	138,475,546	136,611,945	133,521,566
33,745,358	34,109,467	34,696,594	34,058,316	34,738,187
374,734,247	406,519,910	415,653,951	402,630,048	398,122,481
3,683,856,396	3,911,736,224	4,611,933,343	4,531,872,593	4,554,676,396

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

Agency	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
BASIC LEVY	1.00000									
Baldwin Park Unified	0.00389	0.08126	0.11005	0.09961	0.08877	0.1326	0.15384	0.16101	0.16673	0.17506
Bassett United School District	0.00000	0.00000	0.00000	0.09051	0.08210	0.10806	0.08990	0.10877	0.12316	0.11628
County Detention Facilities 1987 Debt	0.00103	0.00099	0.00092	0.00080	0.00066	0.00000	0.00000	0.00000	0.00000	0.00000
El Monte City School District	0.06592	0.05072	0.07247	0.08057	0.06402	0.08068	0.09045	0.11907	0.12388	0.12733
EL Monte Union High School	0.00000	0.03573	0.03928	0.05425	0.05847	0.02820	0.05160	0.09654	0.08475	0.09591
LA County Flood Control	0.00088	0.00046	0.00025	0.00005	0.00005	0.00000	0.00000	0.00000	0.00000	0.00000
Metropolitan Water District	0.00670	0.00610	0.00580	0.00520	0.00470	0.00450	0.00430	0.00430	0.00370	0.00370
Mt. San Antonio College	0.01946	0.01525	0.01473	0.02122	0.02530	0.01750	0.02333	0.02571	0.02636	0.02642
Rio Hondo Community College Dist	0.00000	0.00000	0.02170	0.01802	0.01469	0.01369	0.02320	0.02714	0.03439	0.03418
West Covina Unified	0.07985	0.05084	0.08223	0.06148	0.06511	0.05143	0.06041	0.05258	0.05920	0.05377
Total Direct & Overlapping Tax Rates	1.17773	1.24135	1.34743	1.43171	1.40387	1.43666	1.49703	1.59512	1.62217	1.63266
City Share of 1% Levy Per Prop 13	0.12058	0.12058	0.12058	0.12058	0.12058	0.12058	0.12058	0.12058	0.12058	0.12058
Redevelopment Rate	1.00861	1.00755	1.00697	1.00604	1.00541	1.00450	1.00430	1.00430	1.00370	1.00370
Total Direct Rate	0.27381	0.27104	0.27050	0.27481	0.27694	0.27360	0.26810	0.28157	0.27918	0.27179

**City of Baldwin Park
Ten Principal Property Taxpayers
Current Year and Ten Years Ago**

	2012		2003	
	Assessed value	Percentage total	Assessed value	Percentage total
In N Out Burger Inc.	\$ 33,344,120	0.91 %	\$ 21,893,715	0.94 %
Wal Mart Real Estate Business Trust	30,279,140	0.83 %		
Sierra center Investments LLC	17,990,000	0.49 %		
Kaiser Foundation Hospitals		0.00 %	27,063,408	1.16 %
Home Depot USA	19,082,816	0.52 %	15,779,620	0.68 %
J & J Warehouse Company LLC	17,017,650	0.46 %		
Baldwin Park Commerce Center	16,494,490	0.45 %		
Target Corporation		0.00 %	12,576,006	0.54 %
Otting Properties	13,032,561	0.36 %	11,113,348	0.48 %
OFT Family inc	10,998,141	0.30		%
Calwest Industrial Property		0.00 %	31,973,430	1.37 %
Dayton Hudson	14,791,466	0.40 %		0.00 %
MOM enterprises	10,567,522	0.29		
Ortel Corpration AFA Agere Systems				0.00 %
SNS Cloverleaf Company			15,631,457	0.67 %
Waste Management			15,773,494	0.68 %
J. Lawrence- Han			11,354,563	0.49 %
SDC Partners Limited			11,666,876	0.50 %
Total taxable assessed value of ten largest taxpayers	183,597,906	5.00 %	174,825,917	7.51 %
Total taxable assessed value of other taxpayers	3,485,912,427	95.00	2,154,091,582	92.49
Total taxable assessed value of all taxpayers	\$ 3,669,510,333	100.00 %	\$ 2,328,917,499	100.00 %

The amounts shown above include assessed value data for both the City and the Community Development Commission of Baldwin Park.

Source: HdL Coren & Cone
Hinderliter, deLlamas & Associates

**City of Baldwin Park
Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal year	Secured tax	Unsecured tax	Taxes Levied for the tax year	Collections within the Fiscal Year of Levy		Collections in Subsequent Years Amount	Delinquent Tax Collections Amount	Total Collections to Date	
				Amount	Percent of Levy			Amount	Percent of Levy
2003	\$ 3,667,739	\$ 29,280	\$ 3,697,019	\$ 3,901,365	106%	\$ 102,856	\$ 28,365	4,032,586	109%
2004	3,870,991	49,271	3,920,262	4,127,233	105%	123,601	37,455	4,288,289	109%
2005	4,079,647	44,155	4,123,802	4,451,357	108%	237,685	23,697	4,712,739	114%
2006	4,430,387	24,964	4,455,351	4,930,376	111%	208,527	31,781	5,170,684	116%
2007	4,839,635	35,639	4,875,274	5,409,350	111%	333,929	31,142	5,774,421	118%
2008	5,223,366	66,559	5,289,925	5,343,719	101%	(3)	(3)	5,343,719	101%
2009	3,948,959	79,045	4,028,004	5,906,716	147%	(3)	(3)	5,906,716	147%
2010	4,321,922	57,803	4,379,725	5,193,394	119%	(3)	(3)	5,193,394	119%
2011	5,157,261	68,860	5,226,121	5,220,369	100%	(3)	(3)	5,220,369	100%
2012	5,114,052	48,090	5,162,141	5,182,322	100%	(3)	(3)	5,182,322	100%

Note (1): The figures provided for property tax levies and collections are for the City of Baldwin Park only, and do not include tax increments levied and collected on behalf of the Baldwin Park Redevelopment Agency.

Note (2): Article XIII A of the California Constitution limits the amount of any ad valorem tax on real property to 1% of the full cash value, except that additional taxes may be levied to pay debt service on general obligation bonds and certain other indebtedness approved by the voters. This tax is collected by the County Tax Collector and is distributed according to a formula established by the State Legislature.

Note (3) The City of Baldwin Park combined the Property Taxes accounts into one.

Source: County of Los Angeles, Office of the Auditor/Controller.

**City of Baldwin Park
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years**

Fiscal year ended	(1) Population	Total assessed value	(2) Gross bonded debt	Less debt service funds	Net bonded debt	Capital leases	Notes payable	Total debt	Debt per capita
2003	79,600	\$ 2,593,022,002	\$ 43,145,000	\$ 6,917,645	\$ 36,227,355	\$ 1,204,000	\$ 8,207,000	\$ 45,638,355	573
2004	80,300	2,739,975,404	42,131,000	6,892,662	35,238,338	1,221,000	5,118,490	41,577,828	518
2005	81,226	2,946,204,912	44,856,000	6,496,543	38,359,457	1,148,000	4,369,000	43,876,457	540
2006	80,986	3,266,371,443	43,089,089	6,058,197	37,030,892	982,000	4,108,000	42,120,892	520
2007	81,146	3,635,272,919	54,131,045	6,588,273	47,542,772	1,019,000	5,118,490	53,680,262	662
2008	81,281	3,984,336,902	51,937,000	6,192,432	45,744,568	773,000	5,118,490	51,636,058	635
2009	81,445	4,213,482,753	46,529,000	4,977,495	41,551,505	725,000	7,910,490	50,186,995	616
2010	81,604	4,611,933,343	46,927,000	3,354,699	43,572,301	514,612	4,369,000	48,455,912	594
2011	75,664	4,531,872,593	44,264,000	1,751,761	42,512,239	247,596	4,108,000	46,867,835	619
2012	75,830	4,554,676,396	41,537,000	2,323,299	39,213,701	289,037	3,832,000	43,334,737	571

Note (1): Population figures were obtained from the State of California Department of Finance.

Note (2): The figures presented include both bonds and notes supported by property tax allocations and by special benefit assessments for the combined entity as described in note 1 to the Basic Financial Statements.

**City of Baldwin Park
Computation of Legal Debt Margin
Last Ten Fiscal Years**

Fiscal year ended	Assessed Valuation Amount	%	Adjusted	Debt Limit %	Amount	General Obligation Bonds	% of Debt Limit	Legal Debt Margin
2003	\$ 2,593,022,002	25%	\$ 648,255,501	15%	\$ 97,238,325	\$ 36,227,355	37.3%	\$ 61,010,970
2004	2,739,975,404	25%	684,993,851	15%	102,749,078	35,238,338	34.3%	67,510,740
2005	2,946,204,912	25%	736,551,228	15%	110,482,684	38,359,457	34.7%	72,123,227
2006	3,266,371,443	25%	816,592,861	15%	122,488,929	43,089,089	35.2%	79,399,840
2007	3,635,272,919	25%	908,818,230	15%	136,322,735	54,131,045	39.7%	82,191,690
2008	3,984,336,902	25%	996,084,226	15%	149,412,634	51,937,000	34.8%	97,475,634
2009	4,213,482,753	25%	1,053,370,688	15%	158,005,603	49,551,000	31.4%	108,454,603
2010	4,611,933,343	25%	1,152,983,336	15%	172,947,500	46,927,000	27.1%	126,020,500
2011	4,531,872,593	25%	1,132,968,148	15%	169,945,222	44,264,000	26.0%	125,681,222
2012	4,554,676,396	25%	1,138,669,099	15%	170,800,365	41,537,000	24.3%	129,263,365

Note (1): The Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. When this provision was enacted the assessed valuation was based on 25% of the market value. After the 1981-82 fiscal year, each parcel is assessed at 100% of the market value. The above computation converts the assessed valuation to the 25% level effective when the legal debt margin was enacted.

Source: Los Angeles County Assessor's Office.

City of Baldwin Park
Direct and Overlapping Bonded Debt
June 30, 2012

	Gross bonded debt June 30, 2012	Percent applicable to City of Baldwin Park	Baldwin Park's share of debt
Direct debt: (3)			
Baldwin Park 1915 Act AD99-1 Bogart	\$ 0	100.000	\$ 0
Baldwin Park 1915 Act AD2000-1 Baldwin	0	100.000	0
Baldwin Park 2004 Lease Revenue Bond	9,290,000	100.000	9,290,000
Pension Obligation Bonds	8,695,000	100.000	8,695,000
Certificate of Participation			
2001 Energy Conservation Bond	0	100.000	0
2002 Variable Rate Demand	2,137,000	100.000	2,137,000
Baldwin Park Redevelopment Agency			
1990 Tax Allocation Bonds Series A	3,775,000	100.000	3,775,000
1998 San Gabriel Tax Allocation Bonds	4,875,000	100.000	4,875,000
2000 Merged Project Tax Allocation Bonds	8,680,000	100.000	8,680,000
2003 Tax Allocation Bonds Series	4,085,000	100.000	4,085,000
Total direct debt			41,537,000
Overlapping debt: (4)			
Baldwin Park Unified School District 1996 Ser A Debt Service	2,306,097	93.537	2,157,051
Baldwin Park Unified School District 2001 Refunding Debt Svc.	5,455,000	93.537	5,102,437
Baldwin Park Unified School District 2002 Series S-2003 Debt Svc.	205,000	93.537	191,751
Baldwin Park Unified School District 2002 Series S-2004 Debt Svc.	5,909,106	93.537	5,527,192
Baldwin Park Unified School District 2005 Refunding Bond	9,422,618	93.537	8,813,623
Baldwin Park Unified School District DS 2002 Series 2005	4,813,699	93.537	4,502,584
Baldwin Park Unified School District DS 2002 Series 2006	17,228,384	93.537	16,114,893
Baldwin Park Unified School District DS 2002 Series 2007	23,095,000	93.537	21,602,343
Baldwin Park Unified School District DS 2002 Series 2008	13,471,140	93.537	12,600,484
Bassett Unified Debt Service 2004 Series 2005A	11,003,352	1.452	159,763
Bassett Unified Debt Service 2004 Series 2005B	10,616,192	1.452	154,142
Bassett Unified Debt Service 2006 Series 2007	13,774,566	1.452	200,000
Bassett Unified Debt Service 2006 Series B	4,999,970	1.452	72,597
West Covina Unified School District DS 2000 Series C	335,000	0.271	909
West Covina Unified School District DS 2002 Refund Bond	29,295,000	0.271	79,447
West Covina Unified School District DS 2000 Series D	695,000	0.271	1,885
Rio Hondo Comm. College Dist Refunding 2005	43,206,005	0.098	42,229
Rio Hondo Comm. College Dist Ser A 2004A	5,340,000	0.098	5,219
Rio Hondo Comm. College Dist Ser 2004 SER 2008	63,651,844	0.098	62,212
Mt. San Antonio Comm. College Dist. DS 2004 B	6,200,000	5.386	333,919
Mt. San Antonio Comm. College Dist. DS 2005 Bond	48,600,843	5.386	2,617,536
Mt. San Antonio Comm. College Dist. DS 2001, 2006 Series C	79,212,694	5.386	4,266,224
Mt. San Antonio Comm. College Dist. DS 2001, 2008 SERIES D	23,827,409	5.386	1,283,293
El Monte Union High School SD DS 2002 Series A	2,065,000	0.255	5,275
El Monte Union High School SD DS 2002 Series B	3,485,000	0.255	8,903
El Monte Union High School SD DS 2006 Refunding Bond	35,718,692	0.255	91,247
El Monte Union High School DS 2008 Series A	53,225,754	0.255	135,970
EL MONTE UN HI GS 2002 SER C	28,705,000	0.255	73,330
Metropolitan Water District (1)	94,031,705	0.340	320,094
Total overlapping debt			86,526,549
Total direct and overlapping debt			\$ 128,063,549
2011/2012 Assessed Valuation:	\$	2,938,648,178 (After deducting Redevelopment increment)	
Debt to Assessed Valuation Ratios:			
Direct debt	1.32	%	
Overlapping debt	2.94		
Total debt	4.26		

Notes: (1) This fund is a portion of a larger agency, and is responsible for debt in areas outside the City.
(2) Debt figures include general obligation debt which is being repaid through property taxes. It excludes revenue, mortgage revenue, interim financing obligations, non-bonded capital lease obligations, and certificates of participation.

Source: (3) City of Baldwin Park Department of Finance
(4) HdL Coren & Cone, Los Angeles County Assessor Combined 2008/09 Lien Date Tax Rolls

City of Baldwin Park
Full-time and Part-time City Employees
By Function
Last Ten Fiscal Years

Full-time and Part-time Employees as of June 30, 2012

Function	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General government	33	34	38	33	28	30	31	30	32	31
Public safety	125	125	130	115	108	114	111	112	109	103
Community development	35	34	32	31	26	35	33	45	45	38
Public works	56	56	54	52	46	51	35	33	34	30
Parks and recreation	208	208	208	208	191	207	232	234	186	160
Total	457	457	462	439	399	437	442	454	406	362

**City of Baldwin Park
Pledged-Revenue Coverage
Tax Allocation Bonds
Last Ten Fiscal Years**

Fiscal Year Ended June 30	Gross Revenue (1)	Pass Thru's	20% set aside	Net Available Revenue	Principal & Interest	Total	Coverage
2003	\$ 4,501,112	\$ 1,738,084	\$ 900,223	\$ 1,862,805	2,464,108	\$ 2,464,108	0.76
2004	5,688,224	2,086,384	947,101	2,654,739	2,413,569 (3)	2,413,569	1.10
2005	6,147,416	2,909,799	1,080,187	2,157,430	2,336,926	2,336,926	0.92
2006	6,614,399	3,094,273	1,198,627	2,321,499	2,436,218	2,436,218	0.95
2007	6,819,473	2,715,842	1,167,479	2,936,152	2,432,372	2,432,372	1.21
2008	6,865,848	3,022,900	1,253,629	2,589,319	2,479,255	2,479,255	1.04
2009	7,154,345	3,300,737	1,326,873	2,526,735	2,520,525	2,520,525	1.00
2010	7,050,343	2,793,546	1,312,141	2,944,656	2,524,443	2,524,443	1.17
2011	6,507,747	2,666,472	1,195,903	2,645,372	2,388,413	2,388,413	1.11
2012	3,665,710	2,247,042	647,371	771,298	2,395,605	2,395,605	0.32

Note: With the exception of the 2000 Merged Refunding Bonds, bonds were issued by the Authority to make loans to the agency to finance certain activities of the agency in or benefiting the project areas, and secured by tax revenues.

- (1) San Gabriel River Tax Allocation Bonds Series 1998 refunded the 1990 Series A
- (2) The 2000 Tax Allocation Refunding Bonds merged redevelopment project refunded four project area debt service:
 - (a) 1998 Housing Portion of San Gabriel River Tax Allocation Bonds.
 - (b) West Ramona 1989 Tax Allocation Bonds.
 - (c) 1994 Series A Sierra Vista Tax Allocation Bonds.
 - (d) 1986 Delta Assessment District.
- (3) Sales Tax & Tax Allocation Refunding Bonds Series 2003 Puente Merced refunded 1990 Series B Bonds.

Source: City of Baldwin Park Department of Finance

**City of Baldwin Park
Demographic Statistics
Last Ten Fiscal Years**

Fiscal Year	Population	Housing units (1)	Per Capita Personal Income (2)	School enrollment (3)	Rate of unemployment (4)
2003	79,596 (1)	17,677		17,270	8.1
2004	80,325 (1)	17,673		17,471	7.9
2005	80,953 (1)	17,747		17,220	5.4
2006	81,092 (1)	17,781		17,546	5.1
2007	81,146 (1)	17,781		19,187	6.3
2008	81,281 (1)	17,867		16,328	7.2
2009	81,445 (1)	17,908		17,514	15.7
2010	81,604 (1)	17,914		15,497	15.2
2011	75,664 (1)	17,736		15,202	14.8
2012	75,830 (1)	17,774		19,500	12.9

Source: (1) California Department of Finance
(2) Unable to get Data on Personal Income
(3) Baldwin Park Unified School District
(4) State Employment Development Department.

**City of Baldwin Park
Operating Indicators by Function
Last Ten Fiscal Years**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<i>Public Safety</i>										
Arrests	2,369	2,658	2,317	2,134	1,852	1,871	2,561	2,533	2,738	2,734
Parking Citations	11,615	13,755	12,305	17,393	12,766	12,415	11,464	11,604	10,256	7,809
<i>Public Works:</i>										
Street Resurfacing(miles)	30	15	6	1	2	0	0	9	1.7	4
Sewers new connections	43	44	47	35	39	16	6	34	19	18
Average Daily Sewer treatment in 1000's GAL.	6149	6155	6191	6202	6200	6293	6300	6900	7320	7800
<i>Parks & Recreation:</i>										
Number of recreation classes	358	361	374	382	423	417	452	242	257	420
Number of facility rentals	307	310	314	321	246	315	470	795	706	717

**City of Baldwin Park
Capital Assets Statistics by Function
Last Ten Fiscal Years**

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<i>Police:</i>										
Stations	2	2	2	1	1	1	1	1	1	1
Patrol Units	34	32	34	31	31	35	39	42	43	45
<i>Public Works:</i>										
Streets (Miles)	115	116	117	117	118	118	118	118	118	119
Streetlights	474	474	463	463	475	480	480	480	490	505
Traffic Signals	56	58	64	64	64	64	64	64	65	68
<i>Parks & Recreation:</i>										
Parks	5	5	5	5	5	5	5	5	5	5
Swimming Pools	1	1	1	1	1	1	1	1	1	1
Community Centers	1	2	2	3	3	3	3	3	3	3

City of Baldwin Park
Per Capita Cost – General Governmental Expenditures by Function
Last Ten Fiscal Years

Fiscal Year Ended	(1) Population	General Government	Public Safety	Public Works	Community Services and Capital Outlay	Debt Service	Other	Total
2003	79,596	\$ 27.00	\$ 124.00	\$ 126.00	\$ 133.00	\$ 64.00	\$ 10.00	484.00
2004	80,325	33.00	143.00	142.00	162.00	58.00	14.00	552.00
2005	80,953	37.00	168.00	162.00	160.00	60.00	14.00	601.00
2006	81,092	58.00	189.00	152.00	138.00	64.00	27.00	628.00
2007	81,146	53.00	342.00	158.00	137.00	67.00	29.00	786.00
2008	81,281	49.00	202.00	95.00	170.00	75.00	38.00	629.00
2009	81,445	37.00	211.00	84.00	159.00	114.00	53.00	654.00
2010	81,604	35.00	209.00	72.00	112.00	95.00	132.00	655.00
2011	75,664	36.00	226.00	71.00	165.00	43.00	56.00	597.00
2012	75,830	42.00	238.00	96.00	160.00	68.00	51.00	654.00

Notes: Includes all Governmental Fund Types (General, Special Revenue, Capital Projects and Debt Service Funds), including the Baldwin Park Redevelopment Agency and the Baldwin Park Housing Authority.

(1) Population figures were obtained from the State of California Department of Finance.

Source: City of Baldwin Park Department of Finance, except where noted above.

**City of Baldwin Park
Construction Activity
Last Ten Fiscal Years**

Calendar year ended	New construction and alterations			Total	Demolitions	New value of Construction
	Residential	Commercial	Industrial			
2003	\$ 21,891,556	\$ 3,157,493	0 (1)	\$ 25,049,049	\$ 375,650	\$ 24,673,399
2004	18,712,708	12,529,452	0 (1)	31,242,160	120,500	31,121,660
2005	32,312,393	8,312,013	0 (1)	40,624,406	230,224	40,394,182
2006	20,402,870	9,048,761	0 (1)	29,451,631	192,650	29,258,981
2007	22,301,125	6,791,846	0 (1)	29,092,971	172,045	28,920,926
2008	10,902,293	5,911,824	555,555	17,369,672	334,403	17,035,269
2009	6,442,950	7,425,132	172,000	14,040,082	129,256	13,910,826
2010	8,046,015	5,871,449	203,800	14,121,264	133,280	13,987,984
2011	9,559,585	5,748,912	0	15,557,445	251,948	15,305,497
2012	10,783,927	4,307,933	83,000	15,174,860	172,610	15,002,250

Note (1): The Building Division streamlined the monthly report format and began combining commercial & industrial occupancies as of September 2001.

Source: City of Baldwin Park Department of Community Development.

**City of Baldwin Park
Ten Principal Employers**

Employer	Business Type	Number of Employees
Baldwin School Unified School District	School District	1,975
Baldwin Park City Hall	Government	454
Walmart Supercenter	Retail	350
Durham School Services	Transportation	301
Esther Snyder Community Center	Government	300
LA Department of Public Health	Government	300
Los Angeles County Department of Parks	Government	300
Morgan Park	Government	300
Waste Management Inc	Waste Disposal	300
Target	Retail	200
	Total Top Ten Employers	4,780

Disclaimer: The City of Baldwin Park makes no claims concerning the accuracy of data provided nor assumes any liability resulting from the use of information herein.

Sources: Base on HDL Report of 2009 Principal Employers

