



City of Walnut

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2020
Walnut, California



CITY OF WALNUT, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2020

Prepared by:

Administrative Services Department
Karen Ogawa Administrative Services Director
Jessica Cortez Finance Officer

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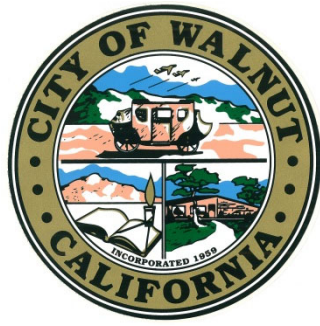
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CITY OF WALNUT

December 11, 2020

Honorable Mayor, Members of the City Council and
Citizens of the City of Walnut
California 91788-0692

It is a pleasure to submit the Comprehensive Annual Financial Report of the City of Walnut for the fiscal year ended June 30, 2020. This report is published in accordance with local ordinance and state law requirements that financial statements be presented in conformity with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants.

This report consists of management's representations concerning the finances of the City of Walnut. Subsequently, management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Internal accounting controls are implemented by the City to provide reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition and the City's financial records used for preparing financial statements are maintained in a reliable fashion and in conformance with the generally accepted accounting principle (GAAP). Because of the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. The City's internal controls accomplishes these objectives. In our opinion, the data presented are accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain maximum understanding of the City's financial affairs have been included.

Eide Bailly LLP, a firm of certified public accountants conducted the independent audit for this fiscal year. The audit was designed to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. In addition, the audit was designed to comply with the requirements of the Federal Single Audit Act of 1996 and 2 CFR part 200. The auditor's report on the basic financial statements and the combining and individual fund statements and schedules are included in the financial section of the report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

THE PROFILE OF THE CITY OF WALNUT

The City was founded in 1940 and incorporated on January 19, 1959, with a population of 1,000. The vote was 241 to 24 for approval. The size of the City at the time of incorporation was 7.5 miles. The City was named after the largest ranch, El Rancho de los Nogales (Nogales meaning "walnuts" in Spanish). The City is situated in the greater Walnut Valley, nestled in an area between San Jose Hills to the north and the Puente Hills to the south, 20

miles east of downtown Los Angeles. This picturesque valley, coupled with its colorful history, provides contemporary living. Walnut has a unique atmosphere, a pleasant mixture of country living with urban convenience. It currently occupies 8.83 square miles and serves a population of 29,929.

The City is a general law city operated under the Council-Manager form of government since 1959. Policy making and legislative authority are vested to the five-member City Council, all of whom are elected by community at large. The Council serves a four-year term with a rotating election schedule every year.

City of Walnut is a family-friendly community with a diverse population. The City was again ranked #49 on the Money Magazine's list of the "Best Places to Live" in 2015. Walnut has been on this list three previous times, once in 2009, 2011 and again in 2013. Families flock to City due to high-performing schools with Academic Performance Index (API) scores above 800's and 900's. Under the stewardship of Walnut Valley Unified School District, several elementary schools and high school received national recognition from the State of California and United States Department of Education. The U.S. Census Bureau, 2007-2011 American Community Survey found that 32.7% of residents 25 years and over have bachelor's degree and 16.8% have graduate degrees.

Residents enjoy a nice balance of commitment to family values, excellent schools, and access to active lifestyle, as well as, variety of shopping and dining options. There is a strong sense of community as residents gather at various City-sponsored events such as Concert in the Parks, July 4th Celebration, National Night Out, Snow Days, and last but not the least, the popular Walnut Family Festival. The City is home to 11 parks with area of 97 acres, 30.5 miles of equestrian/hiking trails, and 368 acres of open space. The residents value the rural atmosphere which is preserved by a well-defined general plan.

The City made contractual arrangement for major services such as engineering, building and safety services, transit services, trash collection, street maintenance, landscape and lighting maintenance, and public safety services. The Public safety services are provided by the Los Angeles County Sheriff's Department and Los Angeles County Fire Department.

The annual budget serves as the foundation for the City's financial planning and control. The budget is adopted on annual basis by the City Council in May of each year. The various departments submit revenue estimates and expenditure appropriation request for the one-year period (begin July 1). Departmental hearings are held with each department, which leads to the development of the proposed budget. The City Manager then presents the proposed budget to City Council, which is discussed with the City Council in public workshops in May and formally presented to the City Council for adoption on or before June 30 of each year. The level of budgetary control is established at the department or project level within each fund.

THE REPORTING ENTITY AND ITS SERVICES

The City of Walnut is a reporting entity, which consists of the primary government and component units. The City is the primary government. The component units are the Walnut Financing Authority and the Walnut Housing Authority.

The Walnut Public Financing Authority was established on November 9, 1988 by a joint powers agreement between the City and the Walnut Improvement Agency. Under bond law the Authority has the power to issue bonds and loan the proceeds to any local agency. The Walnut Successor Agency was established on February 1, 2012, after the dissolution of the Walnut Improvement Agency per Assembly Bill 1X 26, to wind down the recognized obligations of the dissolved Walnut Improvement Agency and is operating under the private-purpose trust. The assets and obligations of the Successor Agency are reported separately within the City of Walnut's financial statements. Additional information on this private-purpose trust fund can be found in the Notes to the financial statements (see Note 10).

The Walnut Housing Authority was established on October 9, 1996 pursuant to the State of California Health and Safety Code, Section 34200. Its purpose is to provide for new and/or improvement of existing, low and moderate housing for residents of the community.

The City is also financially accountable for both the Walnut Public Financing Authority and the Walnut Housing Authority, as a blended component of the City and therefore, has been included as an integral part of the City of Walnut's financial statement. Additional information on these legally separate component units can be found in the Notes to the financial statements (see Note 1a).

REVELANT FINANCIAL POLICIES

The City of Walnut fiscal policy provides funding to maintain the safety of the Walnut citizens at a level to insure that Walnut maintains one of the lowest crime rates in Los Angeles county, promote a mix of businesses, which contributes to a balanced community, develop program to enhance and retain existing businesses, and pursue new developments and businesses which add to the City's economic base, and utilized grants and subsidies from other agencies whenever possible. The fiscal policy, which was last updated and adopted on April 13, 2011, purpose is to reserve and maintain a minimum of 50% of the general fund budget for maintenance and operations ("rainy day fund"), maintain a \$1 million self-insured deposit fund reserve, and a \$1 million disaster recovery fund reserve for future emergencies and after the audit is completed each year, any surplus will be equally distributed between the facility maintenance fund and the capital improvement fund.

With the City of Walnut implementation of the GASB 54, Fund Balance Reporting and Governmental Fund Type Definitions, the City Council adopted the fund balance policy on June 8, 2011. Per the policy, there is fund balance committed to disaster recovery. In addition, the City assigned fund balance to community services recreation facility construction, other post-employment benefits, self insurance, and for maintenance and operations of City services.

LONG-TERM FINANCIAL PLANNING

The accompanying financial statements reflect an excellent financial condition. At the close of the fiscal year, the general fund has a fund balance of \$31.6 million. Of that balance, the unrestricted fund balance (the total of the committed, assigned, and unassigned components of the fund balance) was \$31.1 million, which is approximately 230% of the total general fund expenditures. The total net change in the general fund balance is \$457,393.

The City maintains a five-year Capital Improvement Program to ensure that its facilities, equipment, and infrastructure are well maintained and operating in peak condition. The fiscal year 2021-2025 Capital Improvement Program anticipates \$10.7 million in capital projects.

FUTURE ECONOMIC OUTLOOK

The effect of diminishing population growth as the City approaches buildout along with the reduced building related fees that have supplied a portion of the City revenue and the unstable economy due to the uncertainties of Novel Corona Virus Disease (COVID-19) will all have an impact on the future City finances. This, together with the added need for maintenance and infrastructure as the City matures, and an ever increasing public demand for services by Walnut's residential community, will require that continued prudent fiscal management not only remain desirable but absolutely necessary.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Walnut for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2019. This was the thirty-one (31) consecutive years that the

government has achieved these prestigious awards. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable program requirements.

A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year only. However, we believe that our current CAFR continues to meet the Certificate of Achievement for Excellence in Financial Reporting Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENT

The financial results of the City would not have been possible without the dedicated efforts of the finance division staff, as well as the audit firm of Eide Bailly LLP. Appreciation is also expressed to all members of the departments for their assistance in providing the data necessary to prepare this report. We also wish to recognize the commitment of the City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Walnut's finances.

Respectfully submitted,



Robert M. Wishner
City Manager



Karen Ogawa
Administrative Services Director



Jessica Cortez
Finance Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Walnut
California**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO

**CITY OF WALNUT
OFFICIALS
June 30, 2020**

CITY COUNCIL

Andrew Rodriguez, Mayor
Bob Pacheco, Mayor Pro Tem
Eric Ching, Council Member
Nancy Tragarz, Council Member
Dr. Allen Wu, Council Member

WALNUT SUCCESSOR AGENCY

Andrew Rodriguez, Mayor
Bob Pacheco, Mayor Pro Tem
Eric Ching, Council Member
Nancy Tragarz, Council Member
Dr. Allen Wu, Council Member

CITY OFFICIALS

Robert M. Wishner, City Manager
Teresa De Dios, City Clerk
Karen Ogawa, City Treasurer

WALNUT SUCCESSOR AGENCY OFFICIALS

Robert M. Wishner, Executive Director
Teresa De Dios, Agency Secretary
Karen Ogawa, Agency Treasurer

City of Walnut Organizational Chart

The City of Walnut is a contract City which utilizes contracts with the county and private businesses to provide services to our residents. The City has an Administrative Services department that manages the administration of the City, coordinates the City Budget and purchasing functions, a Community Development department that oversees the building and planning of the City, and a Community Services department that coordinates and maintains the City's parks, recreation programs, and public works.

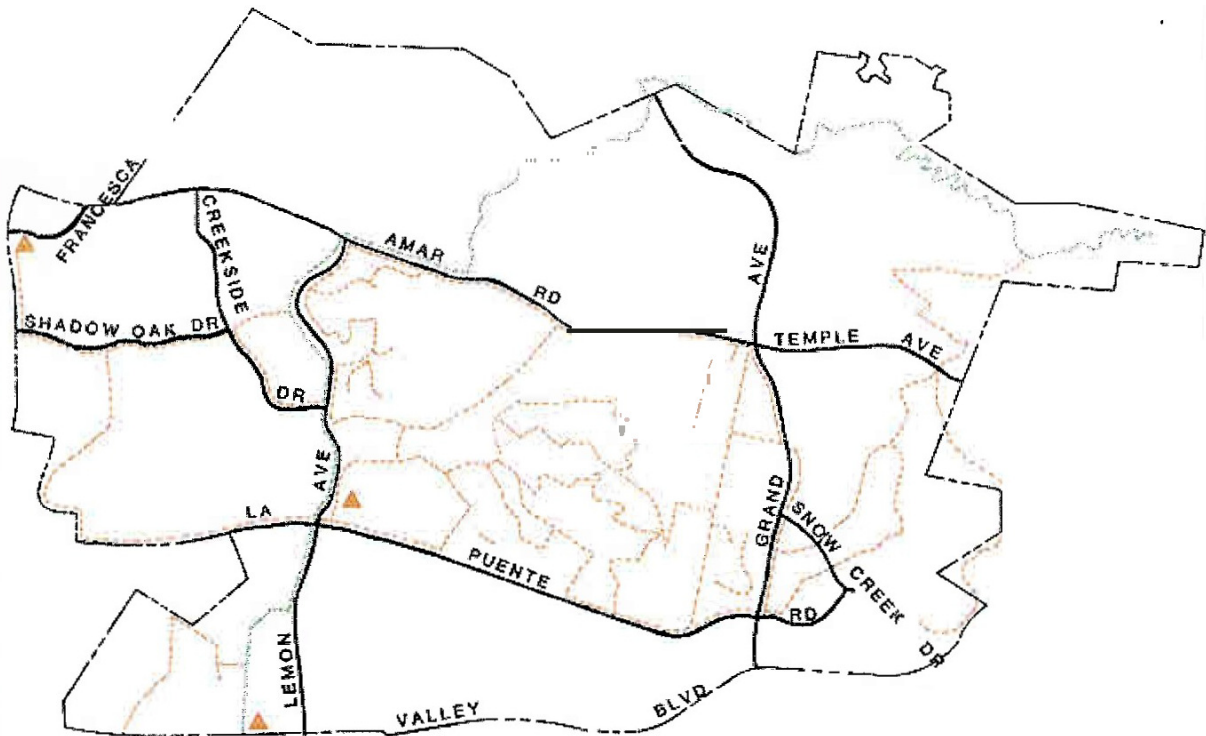


City of Walnut Trail Map



There are 30.5 miles of equestrian/hiking trails winding through Walnut's rolling hills. The area has been linked to horse-related activities for many years, and interest in an equestrian oriented lifestyle has attracted many of the City's residents to settle in this area. The scenic, natural topography provides an ideal place for riding and hiking. The equestrian/hiking trails wind through the community and take advantage of the open spaces, parks, and preserved natural areas. Along the trails are three rest areas, located on Valley Boulevard at Lemon Creek, on Nogales Street south of Francesca Drive, and on Lemon Avenue just north of La Puente Road. All three rest areas have picnic tables, trash cans, and trees to provide shade. The map below indicates the equestrian/hiking trails and rest areas.

City of Walnut
21201 La Puente Road
Walnut, CA 91789
(909) 595-7543



TOTAL CITY TRAILS	23.5 MILES
TOTAL COUNTY TRAILS	<u>7</u> MILES
TOTAL TRAIL MILES	30.5 MILES

FINANCIAL SECTION

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Independent Auditor's Report

The Honorable Members of the City Council
of the City of Walnut
Walnut, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Walnut, California (City), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 13, the budgetary comparison information on pages 55 through 62, the schedule of proportionate share of the net pension liability and the schedule of contributions on pages 63 and 64, schedule of changes in the total other post-employment benefits (OPEB) liability and related ratios on page 65, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2020, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Rancho Cucamonga, California
December 10, 2020

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Management's Discussion and Analysis

As management of the City of Walnut, we offer readers of the City of Walnut's financial statements this narrative overview and analysis of the financial activities of the City of Walnut for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

Financial Highlights

- The City of Walnut's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$101,736,815 (net position).
- The General Fund has a fund balance of \$31.6 million.
- At the end of the current fiscal year, unrestricted fund balance (the total of the committed, assigned, and unassigned components of the fund balance) for the General Fund was \$31.1 million or approximately 230% of the total general fund expenditures.
- The General Fund actual resources available for appropriation (revenue inflows and fund balance) was \$19.0 million more than budget and actual appropriations (outflows) were \$719,201 less than budget.
- At the close of the current fiscal year, the City of Walnut governmental funds reported a combined fund balance of \$38.9 million.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City of Walnut's basic financial statements. The City of Walnut's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

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

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

The statement of activities presents information showing how the City of Walnut's net position changed during the most recent fiscal year. All changes in net position 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 for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Walnut that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the City of Walnut include general government, public safety, community development, community services, and public works.

The government-wide financial statements include the blending of separate legal entities the Walnut Public Financing Authority and the Walnut Housing Authority. Although legally separate, these “component units” are, in substance, part of the City’s operations and are important because the City of Walnut is financially accountable for them.

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 of Walnut, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Walnut can be divided into two categories: governmental 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 assessing a government’s near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare 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 government’s near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statements of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of Walnut maintains 26 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, six special revenue funds, and one capital project fund, all of which are considered to be major funds. Data from the other 18 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 combining and individual fund statements and schedules section of this report.

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

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

The City of Walnut maintains two different types of fiduciary funds. The Agency funds reports resources held by the City of Walnut in a custodial capacity for individuals, and private organizations. The Private-purpose trust fund is used to accounts for all the financial transactions of the Successor Agency of the former redevelopment agency.

Notes to the Financial Statements. The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements

Combining Statements. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the Notes to the required supplementary information.

Government-wide Overall Financial Analysis

Our analysis focuses on the net position and changes in net position of the City’s governmental activities.

**City of Walnut Net Position
(In Thousands)**

	Governmental Activities	
	2020	2019
Current and other assets	\$ 42,709	\$ 41,822
Capital assets	71,060	72,284
Total assets	113,769	114,105
 Deferred outflows of resources	 1,872	 1,786
 Current liabilities	 4,150	 2,917
Noncurrent liabilities	8,637	8,159
Total liabilities	12,787	11,076
 Deferred inflows of resources	 1,117	 687
 Net Position		
Net investment in capital assets	71,060	72,284
Restricted	7,010	7,716
Unrestricted	23,667	24,129
Total net position	\$ 101,737	\$ 104,129

The City’s assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$101,736,815 at the close of the fiscal year.

The largest portion of the City of Walnut’s net position (70%) reflects its investment in capital assets (e.g. land, buildings and improvements, furniture, fixtures, equipment, and infrastructures), less any related outstanding debt that was used to acquire those assets. The City of Walnut uses

these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

An additional portion of the City of Walnut’s net position (7%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$23,666,833 is unrestricted and maybe used to meet the government’s ongoing obligations to its citizens and creditors.

At the end of the current fiscal year, the City of Walnut is able to report positive balances in all reported categories of net position, both for the government as a whole, as wells as for its separate government activities. The same situation held true for the prior fiscal year.

The City of Walnut overall net position decreased \$2,392,133. The following is an explanation of the major changes:

- Current liabilities increased approximately \$1.2 million primarily due to the timing of payments for law enforcement and capital improvement projects.
- Capital assets decreased \$1.2 million net of depreciation. The decrease was attributed to the infrastructures, furniture, and equipment that were fully depreciated and retired during the year. The changes are as follows:

City of Walnut Asset Type

Construction in progress	\$ (649,405)
Building and improvements	(126,006)
Furniture and equipment	(196,560)
Infrastructure	<u>(251,357)</u>
 Capital asset net decrease	 <u>\$ (1,223,328)</u>

- Deferred inflows and outflows of resources and noncurrent liabilities decreased mainly as a result to pension activities.

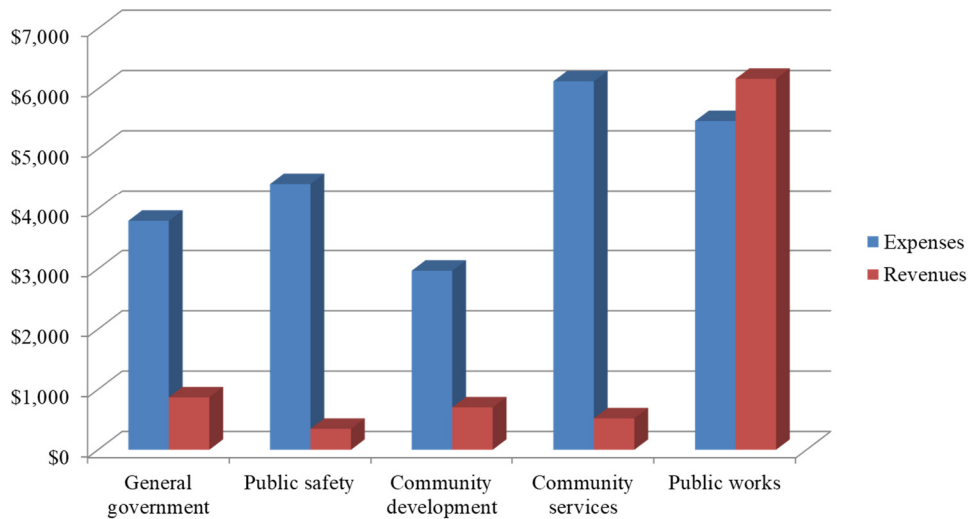
Governmental Activities. Governmental activities decreased the City of Walnut net position by \$2,392,133. Key element of the changes are as follow:

- The City of Walnut entered into a purchase and sale agreement in 2016 that included a selling price profit sharing agreement whereby the City of Walnut is to receive a percentage of the excess of net profits from the sale of 18 properties. The City of Walnut received \$2.2 million from the selling price profit sharing agreement in the prior year, which accounts for the majority of the decrease in net position.

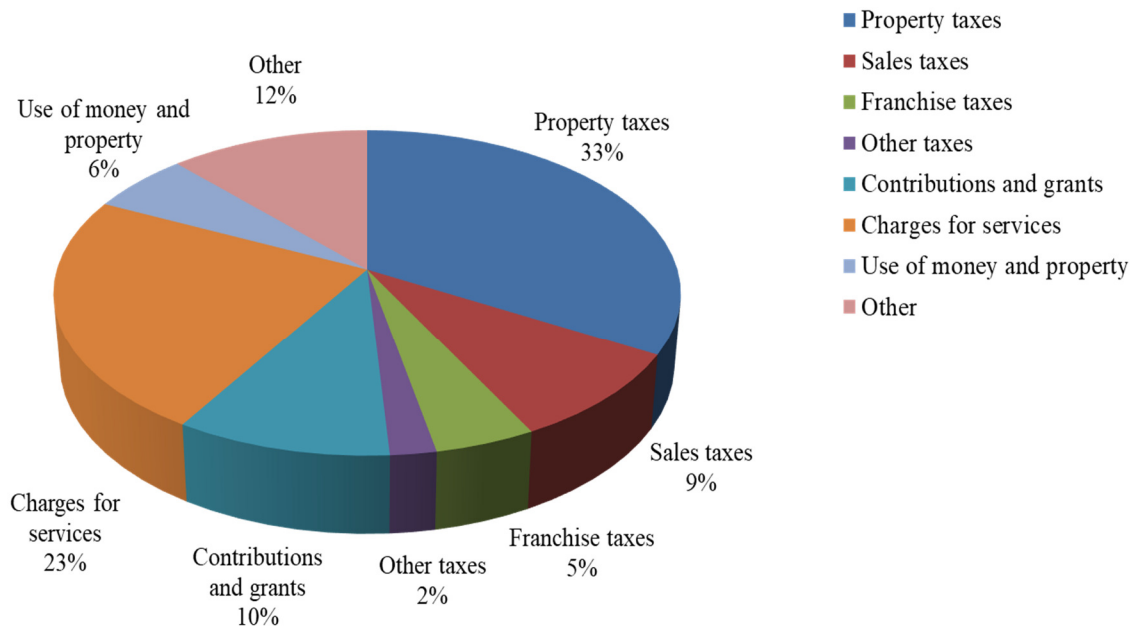
City of Walnut Changes in Net Position
(In Thousands)

	Governmental Activities	
	2020	2019
Revenues:		
Program revenues:		
Charges for services	\$ 4,787	\$ 5,343
Operating contributions and grants	1,979	1,492
Capital contributions and grants	1,844	1,907
General revenues:		
Taxes:		
Property taxes	6,790	6,328
Sales taxes	1,852	2,205
Franchise taxes	926	927
Business license taxes	123	121
Other taxes	301	332
Use of money and property	1,210	1,366
Other	578	2,373
Total revenues	20,390	22,396
Expenses:		
General government	3,798	199
Public safety	4,421	4,120
Community development	2,970	2,422
Community services	6,126	4,891
Public works	5,468	6,788
Total expenses	22,783	18,421
Change in net position	(2,393)	3,975
Beginning net position	104,129	100,154
Ending Net Position	\$ 101,736	\$ 104,129

**City of Walnut Government Activities
Expense and Program Revenues
(In Thousands)**



- General government expenses increased by \$3.6 million primarily due to pension and other post-employment benefit related expenses.
- Public Work expenses decreased \$1.3 million mainly due to less public works projects this year compared to prior fiscal year.



Financial Analysis of the City's Funds

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

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

As of the end of the current fiscal year, the City of Walnut's governmental funds reported combined fund balances of \$38,929,934. A decrease of \$333,034 in comparison to prior year. Of this balance 1% (\$434,787) are nonspendable balances for notes and loans, advances to other funds, and prepaid costs; 18% (\$7,009,577) are legally restricted to fund such areas as low and moderate housing projects, public safety, community services, and public works; 5% (\$2,000,000) are committed to disaster recovery and self-insurance; 56% (\$22,178,783) are assigned to community services, maintenance and operations, and other post-employment benefits; and the remaining 20% (\$7,306,787) are unassigned.

The general fund is the chief operating fund of the City of Walnut. At the end of the current fiscal year, the general fund reflects a fund balance of \$31,576,587. The unassigned fund balance of the general fund is \$7,306,787, which represents approximately 54% compared to the general fund expenditures, while the total fund balance represents approximately 232% of the general fund expenditures. The general fund balance increased \$457,393 compared to \$2.3 million in prior year. Key factors and components that led to this change are as follows:

- General fund revenues decreased by 12% (\$1,901,609) primarily due to prior year including \$2.2 million from the selling price profit sharing agreement whereby the City of Walnut received a percentage of the excess of net profits from the sale of 18 properties coupled with lower interest earnings and license and permits in current year.
- General fund expenditures increased by 0.18% (\$24,158). General government, public safety and capital outlay increased by \$498,764 which was offset by Community development, community services and public works decrease in expenditures of \$474,606.

The Landscape Open Space Maintenance District (LOSMD) fund accounts for assessments levied by the City to residents who have property maintained by the City. The assessments related to the LOSMD exceeds the costs by \$97,669. The assessments do not have a provision for rate increases and expenses to maintain the property continue to increase each year.

The gas tax funds are primarily used for street maintenance. Revenues exceed expenditures, which resulted in a surplus of \$173,925 due to lower street right-of-way maintenance costs.

Park improvement funds account for fees charged to residential and commercial developers for park development. Funds are accumulated until project funding requirements are met. Expenditures exceed revenues by \$232,517 due to Butterfield and Suzanne Park Improvement projects.

Proposition C funds are primarily used for public transit projects. Funds are accumulated until project funding requirements are met. Expenditures exceed revenues by \$192,343 due to Slurry Seal Area 7, City-wide Sidewalk and La Puente Road capital projects.

The non-major governmental fund balance decreased by \$396,761. Decrease primarily due to exchange of proposition A funds which is permissible provided the recipient city completes eligible projects that are consistent with the purposes of proposition A.

General Fund Budgetary Highlights

The actual charges to appropriations for the general fund at year-end were \$719,021 less than the final budget. The budget to actual variance in appropriations was due to delays in capital projects, lower park and building activities, and close control by management on spending. Actual revenues were \$270,641 less than anticipated, which is primarily due to lower building permits and deferral of state funding for water sustainability projects. Budget amendments and supplemental appropriation were made during the year to increase appropriations for unanticipated expenditures after adoption of the original budget in the amount of \$327,617.

Capital Asset and Debt Administration

Capital Assets. At the end of the fiscal year ended June 30, 2020, the City had \$71,060,405 invested in a broad range of capital assets including land, buildings, infrastructures, furniture, and equipment. The amount represents a net decrease of \$1.2 million over last year. This decrease is mainly due to the depreciation of infrastructure assets.

City of Walnut Capital Assets Net of Depreciation (In Thousands)

	Governmental Activities	
	2020	2019
Land	\$ 10,793	\$ 10,793
Construction in progress	448	1,097
Building and improvements	13,140	13,266
Furniture and equipment	1,287	1,484
Infrastructure	45,392	45,644
Total	\$ 71,060	\$ 72,284

The City's five-year Capital Improvement Program projects spending \$10.7 million through fiscal year 2024-25. Funding will come from current fund balances committed for capital projects and projected revenues over the next five years. The most significant projects include the resurfacing, slurry seal and park improvement projects.

Additional information on the capital assets can be found in Note 3 of this report.

Long-term Liabilities. At the end of the current fiscal year, the City of Walnut had total accrued employee benefits of \$558,423, which is \$102,668 more than prior year.

Economic Factors and Next Year's Budgets and Rates

On March 4, 2020, California Governor Gavin Newsom proclaimed a State of Emergency to exist in California as a result of the threat of Novel Corona Virus Disease (COVID-19) and on March 13, 2020 the President of the United States declared a National Emergency. The City of Walnut proclaimed a local emergency on March 17, 2020. The revenue and expenditure projections provided for the 2020-21

budget is based upon economic forecasts, trends for the area in which the City is located and the uncertainties from COVID-19. It is based on the information supplied by outside agencies, such as the State Department of Finance, State Board of Equalization, and the Los Angeles County Assessor's Office, to predict revenues for entitlement, grants, state subventions, sales tax and property tax. The revenue and expenditure projections are intended to serve as a guide in planning for the future.

This year, the assumptions used for forecasting the revenues included a flat sales tax projection for the next couple of years with a 2% increase on the property taxes. These projections were based on the current economic situation.

The building related revenues such as plan checks and building permits have been projected to have no changes due to new development project(s) that are currently in the beginning stages and since the City does not have definite details about the projected start dates.

The assumptions used for forecasting expenditures included a projected increase of 3% for all expenditures related to personnel and 2% increase for operations of the City. All expenditures for the City's public safety program, which includes payment for the Los Angeles County Sheriff services, have been projected to increase 5% per year. All liability and property insurance costs are projected to increase by 4%. In addition, where ever possible, any expenditures which are not "on-going", such as expenditures identified for certain capital or fixed asset items, have not been carried forward as expenditures in following years. Also taken into consideration are any costs for contracted services, in which the City has an agreement with the provider, where the fees are to remain constant for a specified number of years.

A priority of the City is to maintain a high quality of services while adopting a balanced budget. Once again the budget is balanced for the coming year.

Request for Information

The financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City of Walnut finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City's Finance Division, at the City of Walnut, 2102 La Puente Road, Walnut, California 91789.

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City of Walnut, California
Statement of Net Position
June 30, 2020

	Governmental Activities
Assets	
Current assets:	
Cash and investments	\$ 40,044,411
Receivables:	
Accounts	199,468
Accrued interest	127,181
Deferred loans	676,743
Prepaid costs	398,960
Due from other governments	708,101
Restricted assets:	
Cash with fiscal agent	554,000
Total current assets	42,708,864
Noncurrent assets	
Capital assets not being depreciated	11,240,493
Capital assets, net of depreciation	59,819,912
Total noncurrent assets	71,060,405
Total assets	113,769,269
Deferred Outflows of Resources	
Deferred amount related to pensions	1,775,656
Deferred amount related to OPEB	96,300
Total deferred outflows of resources	1,871,956
Liabilities	
Current liabilities:	
Accounts payable	2,785,628
Accrued liabilities	345,809
Unearned revenue	13,837
Due to other governments	633,656
Compensated absences	371,493
Total current liabilities	4,150,423
Noncurrent liabilities:	
Compensated absences	186,930
Net pension liability	7,274,916
Total OPEB liability	1,175,141
Total noncurrent liabilities	8,636,987
Total liabilities	12,787,410
Deferred Inflows of Resources	
Deferred amounts related to pensions	668,640
Deferred amounts related to OPEB	448,360
Total deferred inflows of resources	1,117,000
Net Position	
Net investment in capital assets	71,060,405
Restricted for:	
Community development projects	2,940,515
Public safety	369,173
Community services	460,591
Public works	3,239,298
Unrestricted	23,666,833
Total net position	\$ 101,736,815

City of Walnut, California
Statement of Activities
Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues		Governmental Activities	Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Contributions and Grants		Capital Contributions and Grants
Governmental Activities:					
General government	\$ 3,799,571	\$ 389,180	\$ 480,479	\$ -	\$ (2,929,912)
Public safety	4,421,574	192,452	155,948	-	(4,073,174)
Community development	2,969,602	1,308	116,842	585,532	(2,265,920)
Community services	4,788,315	521,120	-	-	(4,267,195)
Public works	6,803,798	3,682,827	1,225,955	1,258,926	(636,090)
Total governmental activities	\$ 22,782,860	\$ 4,786,887	\$ 1,979,224	\$ 1,844,458	(14,172,291)
General Revenues:					
Taxes:					
Property taxes, levied for general purpose					6,789,500
Sales taxes					1,851,982
Franchise taxes					926,347
Business taxes					123,188
Other taxes					300,941
Use of money and property					1,210,197
Other					578,003
Total General Revenues					11,780,158
Change in Net Position					(2,392,133)
Net Position, Beginning of Year					104,128,948
Net Position, End of Year					\$ 101,736,815

City of Walnut, California
Balance Sheet – Governmental Funds
June 30, 2020

	General	Special Revenue Funds			Gas Tax
		Community Development Block Grant	LOSMD	Low and Moderate Income Housing Fund	
Assets					
Pooled cash and investments	\$ 31,385,487	\$ -	\$ 706,161	\$ 2,014,524	\$ 207,628
Receivables:					
Accounts	189,168	-	-	-	-
Accrued interest	118,482	-	-	-	-
Deferred loans	-	633,244	-	-	-
Prepaid costs	398,960	-	-	-	-
Due from other governments	510,022	79,163	26,479	-	-
Due from other funds	47,809	-	-	-	-
Advances to other funds	35,827	-	-	-	-
Restricted assets:					
Cash and investments with fiscal agents	554,000	-	-	-	-
Total assets	\$ 33,239,755	\$ 712,407	\$ 732,640	\$ 2,014,524	\$ 207,628
Liabilities and Fund Balances					
Accounts payable	\$ 1,308,314	\$ 31,354	\$ 139,283	\$ -	\$ 27,522
Accrued liabilities	341,017	-	-	-	-
Unearned revenues	13,837	-	-	-	-
Due to other governments	-	633,244	-	-	-
Due to other funds	-	47,809	-	-	-
Advances from other funds	-	-	35,827	-	-
Total liabilities	1,663,168	712,407	175,110	-	27,522
Fund Balances					
Nonspendable	434,787	-	-	-	-
Restricted	-	-	557,530	2,014,524	180,106
Committed	2,000,000	-	-	-	-
Assigned	21,835,013	-	-	-	-
Unassigned	7,306,787	-	-	-	-
Total fund balances	31,576,587	-	557,530	2,014,524	180,106
Total liabilities and fund balances	\$ 33,239,755	\$ 712,407	\$ 732,640	\$ 2,014,524	\$ 207,628

City of Walnut, California
Balance Sheet – Governmental Funds
June 30, 2020

	Special Revenue Funds		Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
	Park Improvement	Proposition C	Capital Improvements		
Assets					
Pooled cash and investments	\$ 699,380	\$ 627,893	\$ 358,775	\$ 4,044,563	\$ 40,044,411
Receivables:					
Accounts	-	-	-	10,300	199,468
Accrued interest	-	-	-	8,699	127,181
Deferred loans	-	-	-	43,499	676,743
Prepaid costs	-	-	-	-	398,960
Due from other governments	-	-	-	92,437	708,101
Due from other funds	-	-	-	-	47,809
Advances to other funds	-	-	-	-	35,827
Restricted assets:					
Cash and investments with fiscal agents	-	-	-	-	554,000
Total assets	\$ 699,380	\$ 627,893	\$ 358,775	\$ 4,199,498	\$ 42,792,500
Liabilities and Fund Balances					
Accounts payable	\$ 425,838	\$ 390,871	\$ 15,005	\$ 447,441	\$ 2,785,628
Accrued liabilities	-	-	-	4,792	345,809
Unearned revenues	-	-	-	-	13,837
Due to other governments	-	-	-	412	633,656
Due to other funds	-	-	-	-	47,809
Advances from other funds	-	-	-	-	35,827
Total liabilities	425,838	390,871	15,005	452,645	3,862,566
Fund Balances					
Nonspendable	-	-	-	-	434,787
Restricted	273,542	237,022	-	3,746,853	7,009,577
Committed	-	-	-	-	2,000,000
Assigned	-	-	343,770	-	22,178,783
Unassigned	-	-	-	-	7,306,787
Total fund balances	273,542	237,022	343,770	3,746,853	38,929,934
Total liabilities and fund balances	\$ 699,380	\$ 627,893	\$ 358,775	\$ 4,199,498	\$ 42,792,500

City of Walnut, California
 Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
 June 30, 2020

Fund Balances of Governmental Funds	\$ 38,929,934
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>	
Capital assets net of depreciation have not been included as financial resources in governmental fund activity.	71,060,405
Compensated absences have not been included in the governmental fund activity	(558,423)
<p>Governmental funds report all pension contributions to the plan as expenditures, however, in the statement of net position contributions are recorded as deferred outflows of resources to reduce the net pension liability at a future date. Additionally, the pension liability is recorded in the statement of net position as a long-term liability. The following reconciles adjustments related to the net pension liability:</p>	
Deferred outflows related to pensions	1,775,656
Net pension liability	(7,274,916)
Deferred inflows related to pensions	(668,640)
<p>Governmental funds report all OPEB payments to beneficiaries as expenditures, however, in the statement of net position such amounts are recorded as deferred outflows of resources to reduce the total OPEB liability at a future date. Additionally, the OPEB liability is recorded in the statement of net position as a long-term liability. The following reconciles adjustments related to the total OPEB liability:</p>	
Deferred outflows related to OPEB	96,300
Total OPEB liability	(1,175,141)
Deferred inflows related to OPEB	(448,360)
Net Position of Governmental Activities	<u><u>\$ 101,736,815</u></u>

City of Walnut, California
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds
Year Ended June 30, 2020

	General	Special Revenue Funds			
		Community Development Block Grant	LOSMD	Low and Moderate Income Housing Fund	Gas Tax
Revenues					
Taxes	\$ 9,959,422	\$ -	\$ -	\$ -	\$ -
Assessments	-	-	2,377,816	-	-
Licenses and permits	669,135	-	-	-	-
Intergovernmental	458,286	102,042	-	-	662,470
Charges for services	1,453,707	-	-	-	-
Use of money and property	1,048,626	-	-	39,138	3,312
Fines and forfeitures	21,960	-	-	-	-
Miscellaneous	418,263	-	-	-	-
Total revenues	14,029,399	102,042	2,377,816	39,138	665,782
Expenditures					
Current:					
General government	2,803,967	-	-	-	-
Public safety	4,233,789	-	-	-	-
Community development	1,546,251	102,042	-	-	-
Community services	3,711,379	-	-	-	-
Public works	1,228,732	-	2,382,141	-	491,857
Capital outlay	12,077	-	93,344	-	-
Total expenditures	13,536,195	102,042	2,475,485	-	491,857
Excess (Deficiency) of Revenues over (Under) Expenditures	493,204	-	(97,669)	39,138	173,925
Other Financing Sources (Uses)					
Transfers in	51,550	-	-	-	-
Transfers out	(87,361)	-	-	-	-
Total other financing sources (uses)	(35,811)	-	-	-	-
Net Changes in Fund Balances	457,393	-	(97,669)	39,138	173,925
Fund Balances, Beginning of Year	31,119,194	-	655,199	1,975,386	6,181
Fund Balances, End of Year	\$ 31,576,587	\$ -	\$ 557,530	\$ 2,014,524	\$ 180,106

City of Walnut, California
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds
Year Ended June 30, 2020

	Special Revenue Funds		Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
	Park Improvement	Proposition C	Capital Improvements		
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 9,959,422
Assessments	224,419	-	-	-	2,602,235
Licenses and permits	-	-	-	-	669,135
Intergovernmental	-	485,700	-	2,184,537	3,893,035
Charges for services	-	-	-	-	1,453,707
Use of money and property	12,792	13,009	-	93,281	1,210,158
Fines and forfeitures	-	-	-	79,710	101,670
Miscellaneous	-	-	31,552	51,550	501,365
Total revenues	237,211	498,709	31,552	2,409,078	20,390,727
Expenditures					
Current:					
General government	-	-	-	-	2,803,967
Public safety	-	-	-	178,983	4,412,772
Community development	-	-	-	1,321,309	2,969,602
Community services	469,728	-	-	69,821	4,250,928
Public works	-	691,052	81,704	1,177,289	6,052,775
Capital outlay	-	-	34,048	94,248	233,717
Total expenditures	469,728	691,052	115,752	2,841,650	20,723,761
Excess (Deficiency) of Revenues over (Under) Expenditures	(232,517)	(192,343)	(84,200)	(432,572)	(333,034)
Other Financing Sources (Uses)					
Transfers in	-	-	-	87,361	138,911
Transfers out	-	-	-	(51,550)	(138,911)
Total other financing sources (uses)	-	-	-	35,811	-
Net Changes in Fund Balances	(232,517)	(192,343)	(84,200)	(396,761)	(333,034)
Fund Balances, Beginning of Year	506,059	429,365	427,970	4,143,614	39,262,968
Fund Balances, End of Year	\$ 273,542	\$ 237,022	\$ 343,770	\$ 3,746,853	\$ 38,929,934

City of Walnut, California

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental
Funds to the Statement of Activities
Year Ended June 30, 2020

Net Change in Fund Balances - Total Governmental Funds	\$ (333,034)
Amounts reported for governmental activities in the statement of different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives as depreciation expense. Adjustments for capital outlay net of asset deletions and the net depreciation is reported in the governmental activities.	(1,223,328)
Capital assets, net of gains/loss on disposal	\$ 1,379,987
Depreciation	<u>(2,603,315)</u>
Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This represents the net change in the compensated absences liability.	(102,668)
Governmental funds report OPEB contributions as expenditures. However, in the Statement of Activities, OPEB expense is measured as a change in the total OPEB liability and the amortization of deferred outflows and inflows. This amount represents the change in OPEB related amounts.	(45,506)
Governmental funds report pension contributions as expenditures. However, in the Statement of Activities, pension expense is measured as a change in the net pension liability and the amortization of deferred outflows and inflows related to pensions. This amount represents the change in pension related amounts.	<u>(687,597)</u>
Change in Net Position of Governmental Activities	<u>\$ (2,392,133)</u>

City of Walnut, California
Statement of Fiduciary Net Position – Fiduciary Funds
June 30, 2020

	Agency Fund	Private Purpose Trust Fund <u>Successor Agency of the Former RDA</u>
Assets		
Pooled cash and investments	\$ 1,526,399	\$ 33,481
Receivables:		
Accrued interest	6,684	94
Total assets	\$ 1,533,083	33,575
Liabilities		
Accounts payable	32,896	-
Deposits payable	1,500,187	-
Total liabilities	\$ 1,533,083	-
Net Position		
Held in trust for other purposes		33,575
Total net deficit		\$ 33,575

City of Walnut, California
Statement of Changes in Fiduciary Net Position – Fiduciary Funds
Year Ended June 30, 2020

	<u>Private Purpose Trust Fund</u> <u>Successor Agency of the Former RDA</u>
Additions	
Taxes	\$ 60,815
Interest and change in fair value of investments	<u>1,248</u>
Total additions	<u>62,063</u>
Deductions	
Administrative expenses	<u>207,026</u>
Total deductions	<u>207,026</u>
Changes in Net Position	(144,963)
Net Position - Beginning of the Year	<u>178,538</u>
Net Position - End of the Year	<u><u>\$ 33,575</u></u>

I. SIGNIFICANT ACCOUNTING POLICIES

Note 1 - Summary of Significant Accounting Policies

a. Description of Reporting Entity

The City of Walnut (City) is a reporting entity, which consists of the primary government and component units:

Reporting Entity:

Primary Government:
City of Walnut

Component Unit:
Walnut Public Financing Authority
Walnut Housing Authority

As required by generally accepted accounting principles, these financial statements present the City (the primary government) and its component units. Component units are entities for which the government is considered to be financially accountable either because the component unit will provide a financial benefit or impose a financial burden on the primary government.

The City was incorporated on January 19, 1959, under the laws of the State of California and enjoys all the rights and privileges applicable to a General Law City.

The Walnut Public Financing Authority was established on November 9, 1988, by a joint exercise of powers agreement between the City and the Improvement Agency. Under the bond law the Authority has the power to issue bonds and loan the proceeds to any local agency.

The Walnut Housing Authority was established on October 9, 1996, pursuant to the State of California Health and Safety Code, Section 34200. Its purpose is to provide for new and/or improvement of existing low and moderate housing stock for residents of the community.

Blended Component Units

The Walnut Public Financing Authority and the Walnut Housing Authority, although legally separate entities, are, in substance, part of the City's operations and so data from these units are combined with data of the City of Walnut.

The component units are governed by the City Council of the City. The economic resources received or held by the Walnut Public Financing Authority and the Walnut Housing Authority are entirely or almost entirely for the direct benefit of the City. The City is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the Walnut Public Financing Authority and the Walnut Housing Authority. Therefore, they are included in this financial presentation using the blending method.

b. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report on the government as a whole. They include the City and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

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

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of related cash flows. 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. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

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

The private-purpose trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. Agency funds are reported on the accrual basis of accounting.

The City reports the following major governmental funds:

- The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The Community Development Block Grant (CDBG) Fund is a federal grant administered by the County of Los Angeles Department of Community Development under the provisions of the 1974 Housing and Community Development Act. The funds are available to cities and restricted to provide improvements to those considered "blighted" under the definitions set forth by the Act.
- The Lighting and Open Space Maintenance District (LOSMD) is comprised of approximately 369 acres of landscape areas throughout the City that is divided into twelve zones and generates revenue based on property tax assessments per zone. The funds are restricted for the landscape maintenance, rodent control, weed abatement, and other related expenses within the LOSMD.
- The Low & Moderate Income Housing Fund accounts for resources received from the Redevelopment Property Tax Trust Fund and are restricted for the implementation, administration and monitoring of the Low and Moderate income housing affordability and other requirements of the State housing and redevelopment.
- The Gas Tax Fund accounts for the City's proportionate share of gas tax monies collected by the State of California, which are restricted for street construction and maintenance.
- The Park Improvement Fund accounts for fees charged to residential and commercial developers for park development purposes.
- The Proposition C Fund accounts for the City's portion of the additional ½ cents sales tax approved in Los Angeles County for public transit purposes.
- The Capital Improvement Fund accounts for purchases of land, major capital outlay and infrastructure improvements.

Additionally, the government reports the following fiduciary funds:

- The Agency Fund is used to report resources held by the City in a purely custodial capacity which involves only the receipt, temporary investment and remittance of fiduciary resources to individuals, private organizations or other governments. The City has one Agency Fund. The Agency Fund accounts for refundable deposits.
- The Private Purpose Trust fund accounts for the activities of the former redevelopment agency and is allocated revenue to pay estimated installment payments of enforceable obligations until obligations of the former redevelopment agency are paid in full and assets have been liquidated.

d. Policy for Eliminating Internal Activity in Government-Wide Statement of Activities

Eliminations have been made in the Statement of Activities so that certain allocated expenses are recorded only once (by the function to which they were allocated). However, general government expenses have not been allocated as indirect expenses to the various functions of the City.

e. Assets, Liabilities and Net Position or Equity

1. Cash and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. For financial statement presentation purposes, cash and cash equivalents are shown as both restricted and unrestricted cash and investments in the Governmental Funds.

Investments for the City as well as for its component units are reported at fair value. The City's policy is generally to hold investments until maturity. The State Treasurer's and Los Angeles County's Investment Pools operate in accordance with appropriate state laws and regulations. The investment pools value participant shares on an amortized costs basis during the year and adjusts to fair value at year-end.

Fair Value Measurements

Governmental Accounting Standards Board ("GASB") Statement No. 72, *Fair Value Measurements and Application*, provides guidance for determining a fair value measurement for reporting purposes and applying fair value to certain investments and disclosures related to all fair value measurements. The City categorized the fair value measurements for its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

2. Receivables and Payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans).

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

All trade and property tax receivables are shown net of an allowance for uncollectible amounts. Property tax revenue is recognized in the fiscal year for which the taxes have been levied providing they become available. Available means then due or past due, and receivable within the current period and collected within the current period, or expected to be collected soon enough thereafter (not to exceed 60 days) to be used to pay liabilities of the current period. The County of Los Angeles collects property taxes for the City. Tax liens attach annually as of 12:01 A.M. on the first day in January preceding the fiscal year for which the taxes are levied. The tax levy

covers the fiscal period July 1 to June 30. All secured personal property taxes and one-half of the taxes on real property are due November 1, the second installment is due February 1. All taxes are delinquent if unpaid on December 10 and April 10, respectively. Unsecured personal property taxes become due on the first of March each year and are delinquent on August 31.

3. Prepaid Costs

Payments to vendors for services that will benefit periods beyond June 30, 2020, are recorded as prepaid items. A portion of the relevant funds' balances equal to the prepaid items is shown as nonspendable to indicate that it is not available for appropriation. The City utilizes the consumption method of accounting for purchases, and accounts for prepaid costs in the period that the benefit was received and recognizes expenditures or expenses as consumed.

4. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the government-wide financial statements. Capital assets other than infrastructure assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Infrastructure assets have a capitalization threshold of \$25,000. General infrastructure assets acquired in current and prior years have been reported. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	40 - 50*
Building improvements	25
Public domain infrastructure	25 - 100
Infrastructure	30 - 50
Vehicles	7
Office equipment	7
Computer equipment	7
Furniture	10

* Buildings acquired before June 30, 2002, are depreciated over 40 years.
Buildings built after July 1, 2003, are depreciated over 50 years.

5. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government reports deferred outflows of resources for pensions and OPEB.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. In the government-wide statement of net position, the government reports deferred inflows of resources for pensions and OPEB.

6. Net Pension Liability

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. CalPERS audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

7. Total OPEB Liability

The City provides healthcare benefits for all eligible retirees and their spouses through the Public Employees' Medical and Hospital Care Act (PEMHCA). The other postemployment benefit (OPEB) plan is a single-employer defined benefit healthcare plan administered by the California Public Employees Retirement System (PERS). No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

8. Compensated Absences

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Vacation pay is payable to employees at the time a vacation is taken or upon separation of employment, upon completion of one year of service. Sick leave is payable when an employee is unable to work because of illness. Sick leave accruals over 160 hours may be paid at the rate of 50 percent in December of each calendar year.

Upon separation, sick leave accrued will be paid based on the following:

- Up to five years of continuous service, employee will be paid all accrued sick leave over 160 hours at the rate of one-half of the employee's current rate of pay.
- After five years of continuous service, employee will be paid all accrued sick leave at the rate of one-half of the employee's current rate of pay.

Each full time classified employee has the option on an annual basis to cash out up to 40 hours of vacation time at the employee's current rate of pay. To be eligible for the cash out option, employees must have used at least 40 hours of vacation time within the preceding calendar year, and must have a balance of 160 vacation hours after the cash out.

Any or all of the vacation cash out will be paid, upon written request of the employee, once a year at the employee's current wage at the time of payment. Said payment is to be made on the first day of February, or at such time as the City Manager may determine at his/her absolute discretion as appropriate.

All vacation and sick leave pay is accrued when incurred in the government-wide financial statements. 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. Compensated absences are paid, if matured, out of the general fund.

9. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

10. Fund Equity and Flow Assumptions

The City Council adopts fund balance policies that amend committed fund balance amounts through a resolution. The City Manager authorizes assigned amounts for specific purposes pursuant to the policy-making powers granted through the Municipal Code and the adoption of the budget. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted amounts to be used first, then unrestricted. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, they are considered to be spent in the order as follows: committed, assigned and then unassigned.

11. Unearned Revenue

Revenues were received in the General Fund of \$13,837 for advance payment of class registration and other various fees that have been recorded as unearned revenue until such time as those revenues meet the recognition criteria.

12. 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 and disclosures at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

13. New GASB Pronouncements

Accounting Pronouncements Effective in the Current Year

GASB Statement No. 95 – In May 2020, the GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authority Guidance*. The objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. The requirements of this Statement are effective immediately as they delayed the effective dates of several GASB Statements. The effective dates listed in the Future Governmental Accounting Standards Board (GASB) Pronouncement section have been updated to reflect the postponed effective dates.

Accounting Pronouncements Effective Future Fiscal Years

The effect of these statements is currently under review by the City:

GASB Statement No. 84 – In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement is effective for reporting periods beginning after December 15, 2019.

GASB Statement No. 87 – In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases; enhancing the comparability of financial statements between governments; and also enhancing the relevance, reliability (representational faithfulness), and consistency of information about the leasing activities of governments. This Statement is effective for reporting periods beginning after June 15, 2021.

GASB Statement No. 89 – In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. The objectives of this Statement are (a) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (b) to simplify accounting for certain interest costs. This Statement is effective for reporting periods beginning after December 15, 2020.

GASB Statement No. 90 – In September 2018, the GASB issued Statement No. 90, *Majority Equity Interests, An Amendment of GASB Statements No. 14 and No. 61*. The objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The Statement is effective for reporting periods beginning after December 15, 2019.

GASB Statement No. 91 – In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*. The objective of this Statement is to provide a single method of reporting conduit debt obligations by issues and eliminate diversity in practice. The Statement is effective for reporting periods beginning after December 15, 2021.

GASB Statement No. 92 – In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting to improve the consistency of authoritative literature by addressing practices issues that have been identified during implementation and application of certain GASB Statements. The Statement is effective for reporting periods beginning after June 15, 2021.

GASB Statement No. 93 – In March 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objective of this Statement is to address the accounting and financial reporting implications that result from the replacement of an IBOR. The Statement is effective for reporting periods beginning after June 15, 2021.

GASB Statement No. 94 – In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The Statement is effective for reporting periods beginning after June 15, 2022.

GASB Statement No. 96 – In May 2020, the GASB issued Statement No. 96, *Subscription-based Information Technology Arrangements*. The objective of this Statement is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The Statement is effective for reporting periods beginning after June 15, 2022.

GASB Statement No. 97– In June 2020, the GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statement No.14 and No.84 and A Supersession of GASB Statement No.32*. The objective of this Statement is (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The Statement is effective for reporting periods beginning after June 15, 2021.

II. DETAILED NOTES ON ALL FUNDS

Note 2 - Cash and Investments

Cash and investments as of June 30, 2020, are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and investments	\$ 40,044,411
Cash with fiscal agent	554,000
Statement of fiduciary net position:	
Cash and investments	<u>1,559,880</u>
Total cash and investments	<u><u>\$ 42,158,291</u></u>

Cash and investments as of June 30, 2020, consists of the following:

Cash on hand	\$ 5,671,627
Petty cash	1,300
Cash and investments with fiscal agent	554,000
Investments	<u>35,931,364</u>
Total cash and investments	<u><u>\$ 42,158,291</u></u>

The City of Walnut maintains a cash and investment pool that is available for use for all funds. Each fund type's position in the pool is reported as cash and investments. The City has adopted an investment policy which authorizes it to invest in various investments.

Custodial Credit Risk

The custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

The California Government Code requires California banks and savings and loan associations to secure a City's deposits by pledging government securities with a value of 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 Treasurer may waive the collateral requirement for deposits which are fully insured up to \$250,000 by the FDIC. The collateral for deposits in federal and state chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department of Banking.

The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an Agent of Depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an “Agent of Depository” has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California Agents of Depository are considered to be held for, and in the name of, the local governmental agency.

Cash Deposits

At June 30, 2020, the carrying amount of the City’s deposits was \$5,671,627 and the bank balance was \$5,988,458. The \$316,831 difference represents outstanding checks and other reconciling items.

Investments Authorized by the California Government Code and the City’s Investment Policy

Under provision of the City’s investment policy, and in accordance with the California Government Code, the following investments are authorized:

- Certificates of Deposit (or time deposits)
- Local Agency Investment Fund (State Pool)
- Securities of the U.S. Government or its Agencies
- Bankers Acceptances
- Commercial Paper
- Passbook Savings Account Demand Deposits
- Los Angeles County Treasurer’s Investment Pool
- Money Market Mutual Fund
- Medium-Term Notes

Fair Value Measurements

Investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that Generally Accepted Accounting Principles (GAAP) require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Deposits and withdrawals in the County Investment Pool and LAIF are made on the basis of \$1 and not fair value. The investments in money market funds are valued at net asset value \$1 per share (amortized cost). Accordingly, under the fair value hierarchy, the investments held by the City at June 30, 2020 are uncategorized.

Investments in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The State Treasurer's Office audits the fund annually. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. LAIF is not registered with the Securities and Exchange Commission and is not rated.

Los Angeles County Pooled Investment Fund

The City is also a voluntary participant in the Los Angeles County Pooled Investment Fund. The Los Angeles County Pooled Investment Fund (LACPIF) is a pooled investment fund program governed by the County of Los Angeles Board of Supervisors, and administered by the County of Los Angeles Treasurer and Tax Collector. Investments in LACPIF are highly liquid as deposits and withdrawals can be made at any time without penalty. LACPIF imposes a minimum investment limit of \$50,000. As of June 30, 2020, the City's participation is 0.014 percent. LACPIF has a weighted average maturity of 590 days.

Pool detail is included in the County of Los Angeles' Comprehensive Annual Financial Report (CAFR). Copies of the CAFR may be obtained from the County of Los Angeles Auditor-Controller's Office at 500 West Temple Street, Los Angeles, California 90012.

Credit Risk

As of June 30, 2020, the City's investment in LAIF and LACPIF are unrated.

Concentration of Credit Risk

The City's investment policy does not impose restrictions for certain types of investments with any one issuer beyond that stipulated by the California Government Code.

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits the City's portfolio to maturities of less than five years.

The City has elected to use the segmented time distribution method of disclosure for its interest rate risk. As of June 30, 2020, the City had the following investments and original maturities:

	Remaining Investment Maturities		Fair Value
	6 months or less		
Los Angeles County Investment Pool	\$ 4,710,294	\$ 4,710,294	\$ 4,710,294
California Local Agency Investment Fund	31,221,070	31,221,070	31,221,070
Money Market Account	554,000	554,000	554,000
	<u>\$ 36,485,364</u>	<u>\$ 36,485,364</u>	<u>\$ 36,485,364</u>

Note 3 - Capital Assets

Capital asset activity for the year ended June 30, 2020, was as follows:

Governmental Activities:	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets Not Being Depreciated:				
Land	\$ 10,792,506	\$ -	\$ -	\$ 10,792,506
Construction in progress	1,097,392	447,987	1,097,392	447,987
Total capital assets not being depreciated	<u>11,889,898</u>	<u>447,987</u>	<u>1,097,392</u>	<u>11,240,493</u>
Capital Assets Being Depreciated:				
Buildings	23,123,993	463,354	-	23,587,347
Equipment	5,087,617	98,720	54,374	5,131,963
Infrastructure	103,428,034	1,491,236	-	104,919,270
Total capital assets being depreciated	<u>131,639,644</u>	<u>2,053,310</u>	<u>54,374</u>	<u>133,638,580</u>
Less Accumulated Depreciation for:				
Buildings	9,857,833	589,360	-	10,447,193
Equipment	3,603,665	271,362	30,456	3,844,571
Infrastructure	57,784,311	1,742,593	-	59,526,904
Total accumulated depreciation	<u>71,245,809</u>	<u>2,603,315</u>	<u>30,456</u>	<u>73,818,668</u>
Total Capital Assets Being Depreciated, Net	<u>60,393,835</u>	<u>(550,005)</u>	<u>23,918</u>	<u>59,819,912</u>
Governmental Activities Capital Assets, Net	<u>\$ 72,283,733</u>	<u>\$ (102,018)</u>	<u>\$ 1,121,310</u>	<u>\$ 71,060,405</u>

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

Governmental Activities:		
General government	\$	159,833
Public safety		8,802
Community services		537,387
Public works		1,897,293
		1,897,293
Total depreciation expense - governmental activities	\$	2,603,315

Note 4 - Compensated Absences

Changes in Compensated Absences

Long-term liability activity for the year ended June 30, 2020, was as follows:

	Beginning Balance July 1, 2019	Additions	Deletions	Ending Balance June 30, 2020	Due within one year
Governmental Activities:					
Compensated Absences	\$ 455,755	\$ 405,861	\$ 303,193	\$ 558,423	\$ 371,493

For the governmental activities, compensated absences benefits are generally liquidated by the General Fund.

Note 5 - Interfund Receivable, Payable and Transfers

The composition of interfund balances as of June 30, 2020, is as follows:

Due From Other Funds	Due To Other Funds	Amount
General Fund	CDBG	\$ 47,809

The due to the General Fund of \$47,809 from the CDBG fund resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Transfers In	Transfers Out	Amount
General Fund	Non-major Governmental Funds	\$ 51,550
Non-major Governmental Funds	General Fund	87,361
		\$ 138,911

Transfers are used to: (1) move revenues from the fund that statute or budget requires to collect them, to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Advances to Other Funds	Advances From Other Funds	Amount
General Fund	LOSMD	\$ 35,827
		\$ 35,827

The purpose of the \$35,827 advance from the General Fund is to fund various expenditures in the LOSMD Fund.

Note 6 - Fund Balance

In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable Fund Balance – This amount indicates the portion of fund balances which cannot be spent because they are either not in spendable form, such as prepaid cost, inventories, land held for resale, notes and loans, Advances to other funds, or legally or contractually required to be maintained intact.

Restricted Fund Balance – This amount indicates the portion of fund balances which has been restricted for amounts that are: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other government or b) imposed by law through constitutional provisions or enabling legislation. The City uses the restricted fund balances for the following purposes within each function.

- Community development purposes such as implementation and monitoring of affordable housing, implementation of air quality programs to reduce mobile pollution.
- Public works purposes such as maintenance of the landscape and lighting assessment district, engineering, general maintenance of street, storm drains, traffic signals, update the pavement management system, and transit related street projects.
- Community services purposes such as park maintenance and improvements, transportation for recreation excursions and maintenance of the Senior Center.
- Public Safety purpose such as law enforcement, crime prevention, traffic safety and vehicle code and citizen option for public safety programs.

Committed Fund Balance – This amount indicates the portion of fund balances which can only be used for specific purposes pursuant to formal resolution of the City Council. The City maintains a disaster recovery reserve of \$1,000,000 and a self-insurance reserve of \$1,000,000 included in the general fund. The purpose of this reserve is to meet unexpected circumstances such as a natural disaster or other catastrophic event.

Assigned Fund Balance – This amount indicates the portion of fund balances which is constrained by the City’s intent to be used for specific purpose, but it is neither restricted nor committed. The City Manager authorizes assigned amounts for specific purposes pursuant to the policy-making powers granted through the Municipal Code and the adoption of the budget.

Unassigned Fund Balance – This amount indicates the amount in excess of what can be properly classified as nonspendable, restricted, committed, or assigned to specific purposes. The general fund is the only fund that reports a positive unassigned fund balance amount.

	Special Revenue Funds							Capital Projects Fund		Totals
	General	Community Development Block Grant	LOSMD	Low and Moderate Income Housing	Gas Tax	Park Improvement	Proposition C	Capital Improvement	Other Governmental Funds	
Nonspendable:										
Prepaid items	\$ 398,960	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 398,960
Advances to other funds	35,827	-	-	-	-	-	-	-	-	35,827
Total nonspendable	434,787	-	-	-	-	-	-	-	-	434,787
Restricted:										
Community development	-	-	-	2,014,524	-	-	-	-	925,991	2,940,515
Public safety	-	-	-	-	-	-	-	-	369,173	369,173
Community services	-	-	-	-	-	273,542	-	-	187,049	460,591
Public works	-	-	557,530	-	180,106	-	237,022	-	2,264,640	3,239,298
Total restricted	-	-	557,530	2,014,524	180,106	273,542	237,022	-	3,746,853	7,009,577
Committed:										
Disaster recovery	1,000,000	-	-	-	-	-	-	-	-	1,000,000
Self insurance	1,000,000	-	-	-	-	-	-	-	-	1,000,000
Total committed	2,000,000	-	-	-	-	-	-	-	-	2,000,000
Assigned:										
Community services	14,816,767	-	-	-	-	-	-	-	-	14,816,767
Maintenance & operations	6,274,070	-	-	-	-	-	-	-	-	6,274,070
Capital projects	-	-	-	-	-	-	-	343,770	-	343,770
OPEB	744,176	-	-	-	-	-	-	-	-	744,176
Total assigned	21,835,013	-	-	-	-	-	-	343,770	-	22,178,783
Unassigned:	7,306,787	-	-	-	-	-	-	-	-	7,306,787
Total	\$ 31,576,587	\$ -	\$ 557,530	\$ 2,014,524	\$ 180,106	\$ 273,542	\$ 237,022	\$ 343,770	\$ 3,746,853	\$ 38,929,934

Note 7 - Pension Plan

General Information about the Pension Plan

Plan Descriptions

The City contributes to the California Public Employee Retirement System (CalPERS), a cost-sharing multiple-employer defined benefit plan that acts as a common investment and administrative agent for participating entities within the State of California. The CalPERS plan consists of a miscellaneous plan and safety plan (referred to as "risk pools"), which are comprised of individual employer miscellaneous and safety rate plans,

respectively. The risk pools are included within the Public Employees' Retirement Fund C (PERF C). CalPERS provides retirement, disability, and death benefits to plan members and beneficiaries. The benefits for the public agencies are established by contract with CalPERS in accordance with the provisions of the Public Employees Retirement Law. CalPERS issues publicly available reports that includes a full description of the pension plans regarding benefit provisions, assumptions, membership information, and related financial information can be found on the CalPERS website at www.calpers.ca.gov.

Benefits Provided

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

The Public Employees Pension Reform Act of 2013 (PEPRA) became effective January 1, 2013. This means that the City now has two defined benefit pension plan "tiers" for eligible employees. Tier 1 (established on July 1, 2003), provides a defined benefit plan formula for Miscellaneous employees of 2.0 percent at 55. Tier 1 applies to all eligible employees hired on or before January 1, 2013.

The PEPRA Tier (Tier 2) is in effect for new employees hired after January 1, 2013, who have a sixth-month break in CalPERS service or have never worked for a CalPERS covered agency. Miscellaneous employees have a benefit formula of 2.0 percent at 62.

The Plans' provisions and benefits in effect at June 30, 2020, are summarized as follows:

	<u>Miscellaneous</u>	<u>PEPRA Miscellaneous</u>
	Prior to	On or after
Hire Date	<u>January 1, 2013</u>	<u>January 1, 2013</u>
Benefit formula	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	55 and up	62
Monthly benefits, as a % of eligible compensation	2.0%	2.0%
Required employee contribution rates	7.0%	6.75%
Required employer contribution rates	10.221%	6.985%

Contributions

Section 20814(c) of the California Public Employees’ Retirement Law (PERL) requires that the employer contribution rates for all public employees be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Miscellaneous Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance the unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rates of employees. Contributions to the pension plan were \$780,912 for the year ended June 30, 2020.

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

As of June 30, 2020, the City reported a net pension liability for its proportionate share of the net pension liability of the plan as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous	\$ 7,274,916

The City's net pension liability for the Plan is measured as of June 30, 2019, and the total pension liability for the Miscellaneous Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019 using standard update procedures. The City’s proportion of the net pension liability was based on a projection of the City’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

The City’s proportionate share of the net pension liability for the Miscellaneous Plan as of June 30, 2019 and 2020 were as follows:

	Miscellaneous
Proportion - June 30, 2019	0.06908%
Proportion - June 30, 2020	0.07100%
Change - Increase (Decrease)	0.00192%

For the year ended June 30, 2020, the City recognized a pension expense of \$1,468,509. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Miscellaneous Plan</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of assumptions	\$ 346,902	\$ 122,974
Differences between expected and actual experience	505,273	39,149
Net difference between projected and actual earnings on pension plan investments	-	127,188
Differences between employer's contributions and proportionate share of contributions	-	379,329
Change in employer's proportion	142,569	-
Pension contributions made subsequent to measurement date	<u>780,912</u>	<u>-</u>
Total	<u>\$ 1,775,656</u>	<u>\$ 668,640</u>

The amount of \$780,912 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ended June 30,</u>	<u>Deferred Outflows/(Inflows) of Resources</u>
2021	\$ 399,684
2022	(133,589)
2023	34,308
2024	<u>25,701</u>
Total	<u>\$ 326,104</u>

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The total pension liabilities in the June 30, 2018 actuarial valuation were determined using the following actuarial assumptions:

Valuation Date	June 30, 2018
Measurement Date	June 30, 2019
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Payroll Growth	3.00%
Projected Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.15%
Mortality Rate Table	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA

All other actuarial assumptions used in the June 30, 2018, valuation were based on the results of an actuarial experience study from December 2017, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website under Forms and Publications.

Discount Rate

The discount rate used to measure the total pension liability was 7.15 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that the City's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employment rate. Based on the assumptions, each pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

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

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (1)	Real Return Years 11 + (2)
Global equity	50.0%	4.80%	5.98%
Fixed income	28.0%	1.00%	2.62%
Inflation assets	0.0%	0.77%	1.81%
Private equity	8.0%	6.30%	7.23%
Real assets	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.92%
Total	<u>100.0%</u>		

(1) An expected inflation of 2.00% used for this period

(2) An expected inflation of 2.92% used for this period

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

The following presents the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 7.15 percent, as well as what the net pension liability/(asset) would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15 percent) or 1 percentage-point higher (8.15 percent) than the current rate:

	Discount Rate - 1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate +1% (8.15%)
City's proportionate share of the net pension liability	\$ 11,373,790	\$ 7,274,916	\$ 3,891,585

Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS' financial reports.

Note 8 - Other Post-Employment Benefits (OPEB)

Plan Description

The City provides OPEB through the Public Employees' Medical and Hospital Care Act (PEMHCA), a single-employer defined benefit healthcare plan administered by the California Public Employees Retirement System (PERS). Benefit provisions are established pursuant to memoranda of understanding between the City and its employer bargaining units and can be amended by renegotiating the MOUs. The plan does not issue a publicly available financial report. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits Provided

The plan provides lifetime healthcare insurance for eligible retirees and their spouses. Employees may retire directly from the City under CalPERS (age 55 and 5 years of CalPERS services, age 62 and 5 years of CalPERS service for hires after 1/1/2013), and receive a City contribution. The City contributes the PEMHCA minimum under the unequal method. The contribution was \$74.80 per month for retirees for the fiscal year ending June 30, 2020.

Employees Covered by Benefit Terms

At June 30, 2019, the most recent valuation date, the following current and former employees were covered by the benefit terms under the plan:

Inactive employees or beneficiaries currently receiving benefits	4	
Active employees	43	
Total Participants Covered by OPEB Plan	47	

Total OPEB Liability

The City’s total OPEB liability of \$1,175,141 was measured as of June 30, 2019, and was determined by an actuarial valuation as of June 30, 2019.

Actuarial Assumptions and Other Inputs

The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	3.13%
Salary Increases	3.00%
Inflation Rate	3.00%
Healthcare Trend Rate	6.00% for 2019; 5.90% for 2020; 5.80% for 2021; and decreasing 0.10% per year to an ultimate rate of 5.00% for 2029 and later years

The discount rate was based on the Bond Buyer 20-Bond GO Index.

Pre-retirement mortality rates were based on the RP-2014 Employee Mortality Table for Males or Females, as appropriate, without projection. Post-retirement mortality rates were based on the RP-2014 Health Annuitant Mortality Table for Males or Females, as appropriate, without projection.

Changes in the Total OPEB Liability

The changes in the total OPEB liability as of June 30, 2020 is as follows:

	Total OPEB Liability
Total OPEB Liability, July 1	\$ 1,405,152
Service cost	61,417
Interest	52,971
Changes in assumptions	104,720
Differences between expected and actual experience	(442,509)
Benefit payments	(6,610)
Net changes	(230,011)
Total OPEB Liability, June 30	\$ 1,175,141

Sensitivity of the total OPEB liability to changes in the discount rate

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.13 percent) or 1-percentage-point higher (4.13 percent) than the current discount rate:

	Current Discount	
1% Decrease (2.13%)	Rate (3.13%)	1% Increase (4.13%)
\$ 1,365,556	\$ 1,175,141	\$ 1,022,640

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates.

1% Decrease (5% decreasing to 4%)	Current Trend (6% decreasing to 5%)	1% Increase (7% decreasing to 6%)
\$ 1,004,936	\$ 1,175,141	\$ 1,392,439

OPEB Expense and Deferred Outflows of Resources Related to OPEB

For the year ended June 30, 2020, the City recognized OPEB expense of \$58,772. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows related to OPEB from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB benefits paid subsequent to measurement date as they became due	\$ 4,047	\$ -
Difference between expected and actual experience	-	389,829
Changes in assumptions or other inputs	92,253	58,531
	\$ 96,300	\$ 448,360

The amount of \$4,047 reported as deferred outflows of resources is related to OPEB payments made subsequent to the measurement date and will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2021. Other amounts reported as deferred inflows related to OPEB will be recognized in OPEB expense as follow:

Year Ended June 30,		
2021	\$	(55,616)
2022		(55,616)
2023		(55,616)
2024		(52,535)
2025		(40,213)
Therafter		(96,511)
Total	\$	(356,107)

Note 9 - Risk Management

a. Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The City is a member of the California Joint Powers Insurance Authority (Authority). The Authority is composed of 118 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

b. Self-Insurance Programs of the Authority

Each member pays an annual contribution at the beginning of the coverage period. A retrospective adjustment is then conducted annually thereafter, for coverage years 2012-13 and prior. Coverage years 2013-14 and forward are not subject to routine annual retrospective adjustment.

The total funding requirement for self-insurance programs is based on an actuarial analysis. Costs are allocated to individual agencies based on payroll and claims history, relative to other members of the risk-sharing pool. Additional information regarding the cost allocation methodology is provided below.

Liability

In the liability program, claims are pooled separately between police and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$30,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$30,000 to \$750,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$750,000 to \$50 million, are distributed based on the outcome of cost allocation within the first and second loss layers.

The overall coverage limit for each member, including all layers of coverage, is \$50 million per occurrence. Costs of covered claims for subsidence losses have a sublimit of \$40 million per occurrence. The coverage structure includes retained risk that is pooled among members, reinsurance, and excess insurance. More detailed information about the various layers of coverage is available on the following website:
<https://cjpia.org/coverage/risk-sharing-pools/>.

Workers' Compensation

In the workers' compensation program claims are pooled separately between public safety (police and fire) and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$50,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$50,000 to \$100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$100,000 to statutory limits are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2019-20, the Authority's pooled retention is \$1 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to \$1 million. Coverage from \$1 million to \$5 million is purchased through reinsurance policies, and Employer's Liability losses from \$5 million to \$10 million are pooled among members.

c. Purchased Insurance

Property Insurance

The City participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. City property is currently insured according to a schedule of covered property submitted by the City to the Authority. City of Walnut property currently has all-risk property insurance protection in the amount of \$33,102,404. There is a \$10,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$2,500 deductible.

Crime Insurance

The City purchases crime insurance coverage in the amount of \$1,000,000 with a \$2,500 deductible. The fidelity coverage is provided through the Authority.

Special Event Tenant User Liability Insurance

The City further protects against liability damages by requiring tenant users of certain property to purchase low-cost tenant user liability insurance for certain activities on agency property. The insurance premium is paid by the tenant user and is paid to the City according to a schedule. The City then pays for the insurance. The insurance is facilitated by the Authority.

d. Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage.

There were also no significant reductions in pooled or insured liability coverage in 2019-20.

The CJPIA has published its own financial report for the year ended June 30, 2020, which can be obtained from California Joint Powers Insurance Authority, La Palma, California.

Note 10 - Successor Agency Trust for Assets of Former Redevelopment Agency

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 (“the Bill”) that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

The Bill provides that upon dissolution of a redevelopment agency, either the city or another unit of local government will agree to serve as the “successor agency” to hold the assets until they are distributed to other units of state and local government. On January 25, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

The Bill 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.

Management believes, in consultation with legal counsel, that the 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 issue is not a position of settled law and there is considerable legal uncertainty regarding this issue. It is reasonably possible that a legal determination may be made at a later date by an appropriate judicial authority that would resolve this issue unfavorably to the City.

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.

a. Cash and Investments

Cash and investments reported in the accompanying financial statements consisted of the following:

Cash and investments pooled with the City	<u>\$ 33,481</u>
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b. Insurance

The Successor Agency is covered under the City's insurance policies. Therefore, the limitation and self-insured retentions applicable to the City also apply to the Successor Agency. Additional information as to coverage and self-insured retentions can be found in Note 9.

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Required Supplementary Information
June 30, 2020

City of Walnut, California

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City of Walnut, California
 Budgetary Comparison Schedule
 General Fund
 Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 15,568,555	\$ 11,881,589	\$ 31,119,194	\$ 19,237,605
Resources (Inflows)				
Taxes	9,872,300	9,872,300	9,959,422	87,122
Licenses and permits	1,220,100	1,220,100	669,135	(550,965)
Intergovernmental	226,000	651,750	458,286	(193,464)
Charges for services	1,219,700	1,219,700	1,453,707	234,007
Use of money and property	908,440	908,440	1,048,626	140,186
Fines and forfeitures	20,000	20,000	21,960	1,960
Miscellaneous	382,200	382,200	418,263	36,063
Transfers in	77,100	77,100	51,550	(25,550)
Amounts Available for Appropriations	<u>29,494,395</u>	<u>26,233,179</u>	<u>45,200,143</u>	<u>18,966,964</u>
Charges to Appropriations (Outflows)				
General government				
City council	112,350	112,350	87,973	24,377
City manager	256,090	264,380	263,037	1,343
Human resources	116,630	166,820	158,941	7,879
Risk management	356,340	418,690	418,470	220
City clerk	291,520	291,520	287,501	4,019
Elections	1,000	1,000	1,000	-
City treasurer	67,710	63,330	46,157	17,173
Finance	746,870	732,690	729,615	3,075
Computer services	-	15,420	2	15,418
City attorney	121,120	194,520	194,510	10
Administrative services	467,990	451,660	449,964	1,696
Community promotions	17,060	15,460	13,750	1,710
Family festival	54,430	56,930	52,504	4,426
Cable TV administration	3,580	5,180	2,147	3,033
Planning	633,670	768,797	671,697	97,100
Code enforcement	328,710	328,980	309,140	19,840
Building and safety	549,060	460,500	364,722	95,778
Environmental services	238,600	198,380	179,285	19,095
Successor agency admin	121,630	121,630	98,396	23,234
Economic development	3,400	23,400	21,407	1,993
Engineering admin	83,250	171,810	171,801	9

City of Walnut, California
 Budgetary Comparison Schedule
 General Fund
 Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Public Works admin	\$ 320,660	\$ 322,760	\$ 316,731	\$ 6,029
Street R-O-W maintenance	472,060	495,740	482,651	13,089
LOSMD	287,970	287,970	257,549	30,421
Public safety administration	153,190	138,630	125,881	12,749
Business license enforcement	71,190	71,190	68,888	2,302
General law enforcement	3,596,000	3,599,820	3,599,705	115
Helicopter services	1,500	8,410	8,402	8
S.T.A.R. program	156,500	156,500	153,924	2,576
Animal control	115,000	145,100	145,088	12
Emergency preparedness	34,670	36,670	36,507	163
Hazard mitigation	-	48,750	28,750	20,000
Weed abatement	50,000	66,650	66,644	6
Volunteers on patrol	1,200	1,200	-	1,200
Recreation services	424,620	421,570	387,599	33,971
July 4 fireworks	67,800	67,800	60,482	7,318
Park maintenance	1,371,070	1,328,530	1,255,292	73,238
Equestrian trial maintenance	125,590	125,590	121,279	4,311
Building maintenance	30,000	64,170	507,544	(443,374)
Norm Ashley Park	200,000	200,000	-	200,000
Special events	152,760	152,760	122,222	30,538
Aquatics	119,200	119,200	52,188	67,012
Excursions	84,340	84,340	56,377	27,963
Sports & gymnasium	637,970	563,148	479,033	84,115
Leisure classes	110,980	110,980	92,257	18,723
Senior citizens center	445,030	445,530	369,658	75,872
Teen center	210,830	210,202	170,725	39,477
After school programs	25,820	25,820	15,045	10,775
Future rec facility	70,000	70,000	21,678	48,322
Capital outlay	10,000	12,100	12,077	23
Transfers out	98,000	98,000	87,361	10,639
	14,014,960	14,342,577	13,623,556	719,021
Total Charges to Appropriations				
Budgetary Fund Balance, End of Year	\$ 15,479,435	\$ 11,890,602	\$ 31,576,587	\$ 19,685,985

City of Walnut, California
 Budgetary Comparison Schedule
 Community Development Block Grant
 Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows)				
Intergovernmental	<u>180,790</u>	<u>180,790</u>	<u>102,042</u>	<u>(78,748)</u>
Amounts available for appropriations	<u>180,790</u>	<u>180,790</u>	<u>102,042</u>	<u>(78,748)</u>
Charges to Appropriations (Outflows)				
Community development	<u>180,790</u>	<u>392,290</u>	<u>102,042</u>	<u>290,248</u>
Total charges to appropriations	<u>180,790</u>	<u>392,290</u>	<u>102,042</u>	<u>290,248</u>
Budgetary Fund Balance, End of Year	<u><u>\$ -</u></u>	<u><u>\$ (211,500)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 211,500</u></u>

City of Walnut, California
 Budgetary Comparison Schedule
 Lighting and Open Space Maintenance District
 Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 156,808	\$ 125,508	\$ 655,199	\$ 529,691
Resources (Inflows)				
Assessments	<u>2,487,970</u>	<u>2,487,970</u>	<u>2,377,816</u>	<u>(110,154)</u>
Amounts available for appropriations	<u>2,644,778</u>	<u>2,613,478</u>	<u>3,033,015</u>	<u>419,537</u>
Charges to Appropriations (Outflows)				
Public works	2,572,130	2,570,865	2,382,141	188,724
Capital outlay	<u>145,660</u>	<u>146,925</u>	<u>93,344</u>	<u>53,581</u>
Total charges to appropriations	<u>2,717,790</u>	<u>2,717,790</u>	<u>2,475,485</u>	<u>242,305</u>
Budgetary Fund Balance, End of Year	<u><u>\$ (73,012)</u></u>	<u><u>\$ (104,312)</u></u>	<u><u>\$ 557,530</u></u>	<u><u>\$ 661,842</u></u>

City of Walnut, California
 Budgetary Comparison Schedule
 Low and Moderate Income Housing Fund
 Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,941,706	\$ 1,941,706	\$ 1,975,386	\$ 33,680
Resources (Inflows)				
Use of money and property	-	-	39,138	39,138
Amounts available for appropriations	1,941,706	1,941,706	2,014,524	72,818
 Budgetary Fund Balance, End of Year	 <u>\$ 1,941,706</u>	 <u>\$ 1,941,706</u>	 <u>\$ 2,014,524</u>	 <u>\$ 72,818</u>

City of Walnut, California
 Budgetary Comparison Schedule
 Gas Tax Fund
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (52,082)	\$ (223,082)	\$ 6,181	\$ 229,263
Resources (Inflows)				
Intergovernmental	628,000	628,000	662,470	34,470
Use of money and property	-	-	3,312	3,312
Amounts available for appropriations	<u>575,918</u>	<u>404,918</u>	<u>671,963</u>	<u>267,045</u>
Charges to Appropriations (Outflows)				
Public works	<u>603,600</u>	<u>603,600</u>	<u>491,857</u>	<u>111,743</u>
Total charges to appropriations	<u>603,600</u>	<u>603,600</u>	<u>491,857</u>	<u>111,743</u>
Budgetary Fund Balance, End of Year	<u>\$ (27,682)</u>	<u>\$ (198,682)</u>	<u>\$ 180,106</u>	<u>\$ 378,788</u>

City of Walnut, California
 Budgetary Comparison Schedule
 Park Improvement
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 515,387	\$ (115,789)	\$ 506,059	\$ 621,848
Resources (Inflows)				
Assessment	230,000	230,000	224,419	(5,581)
Use of money and property	-	-	12,792	12,792
Amounts available for appropriations	745,387	114,211	743,270	629,059
Charges to Appropriations (Outflow)				
Community services	575,000	575,000	469,728	105,272
Total charges to appropriations	575,000	575,000	469,728	105,272
Budgetary Fund Balance, End of Year	\$ 170,387	\$ (460,789)	\$ 273,542	\$ 734,331

City of Walnut, California
 Budgetary Comparison Schedule
 Proposition C
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 722,847	\$ 127,887	\$ 429,365	\$ 301,478
Resources (Inflows)				
Intergovernmental	506,820	506,820	485,700	(21,120)
Use of money and property	5,000	5,000	13,009	8,009
Amounts available for appropriations	<u>1,234,667</u>	<u>639,707</u>	<u>928,074</u>	<u>288,367</u>
Charges to Appropriations (Outflows)				
Public works	<u>650,000</u>	<u>882,686</u>	<u>691,052</u>	<u>191,634</u>
Total charges to appropriations	<u>650,000</u>	<u>882,686</u>	<u>691,052</u>	<u>191,634</u>
Budgetary Fund Balance, End of Year	<u>\$ 584,667</u>	<u>\$ (242,979)</u>	<u>\$ 237,022</u>	<u>\$ 480,001</u>

City of Walnut, California
 Cost Sharing Multiple Employer Benefit Plan
 Schedule of Proportionate Share of the Net Pension Liability
 Last Ten Years*
 June 30, 2020

Miscellaneous Plan	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Proportion of the net pension liability	0.0710%	0.0691%	0.0686%	0.0676%	0.0651%	0.0685%
Proportionate share of the net pension liability	\$ 7,274,916	\$ 6,656,634	\$ 6,798,916	\$ 5,847,350	\$ 4,464,984	\$ 4,261,023
Covered Payroll	\$ 3,416,878	\$ 3,271,007	\$ 2,934,611	\$ 3,052,439	\$ 2,974,602	\$ 2,802,665
Proportionate Share of the Net Pension Liability as Percentage of Covered Payroll	212.91%	203.50%	231.68%	191.56%	150.10%	152.03%
Plan Fiduciary Net Position						
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.73%	75.30%	73.3%	74.06%	78.40%	79.82%

Notes to Schedule:

* Historical information is required only for measurement for which GASB 68 is applicable. However, until ten years of data is available, the City will present information only for those years for which information is available.

City of Walnut, California
 Cost Sharing Multiple Employer Benefit Plan
 Schedule of Contributions
 Last Ten Years*
 June 30, 2020

Miscellaneous Plan	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially Determined Contribution	\$ 780,912	\$ 671,490	\$ 570,892	\$ 515,915	\$ 464,293	\$ 339,472
Contribution in Relation to the Actuarially Determined	<u>(780,912)</u>	<u>(671,490)</u>	<u>(570,892)</u>	<u>(515,915)</u>	<u>(464,293)</u>	<u>(339,472)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 3,497,623	\$ 3,416,878	\$ 3,271,007	\$ 2,934,611	\$ 3,052,439	\$ 2,974,602
Contributions as a Percentage of Covered Payroll	22.33%	19.65%	17.45%	17.58%	15.21%	11.41%

* Historical information is required only for measurement for which GASB 68 is applicable. However, until ten years of data is available, the City will present information only for those years for which information is available.

City of Walnut, California
 Schedule of Changes in the Total OPEB Liability and Related Ratios
 Last Ten Years*
 June 30, 2020

	2020	2019	2018
Total OPEB Liability			
Service cost	\$ 61,417	\$ 55,330	\$ 53,718
Interest on the total OPEB liability	52,971	43,767	40,976
Differences between actual and expected experience	(442,509)	-	-
Changes in assumptions	104,720	(89,337)	-
Benefit payments	(6,610)	(5,805)	(5,228)
Net change in total OPEB liability	<u>(230,011)</u>	<u>3,955</u>	<u>89,466</u>
Total OPEB Liability - beginning	<u>1,405,152</u>	<u>1,401,197</u>	<u>1,311,731</u>
Total OPEB Liability - ending	<u><u>\$ 1,175,141</u></u>	<u><u>\$ 1,405,152</u></u>	<u><u>\$ 1,401,197</u></u>
Covered-employee payroll	\$ 3,401,309	\$ 3,225,250	\$ 3,102,220
Total OPEB liability as a percentage of covered-employee payroll	35%	44%	45%

Notes to Schedule:

Funding Policy: The City funds the benefits on a pay-as-you-go basis. No assets are accumulated in a trust.

*Fiscal year 2018 was the first year of implementation. However, until ten years of data is available, the City will present information only for those years for which information is available.

Note 1 - General Budget Policies

The City Council approves each year's budget submitted by the City Manager prior to the beginning of the new fiscal year. The Council conducts public meetings prior to its adoption. The budget is prepared by fund, function and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year. Supplemental appropriations, when required during the period, are also approved by the Council. Intradepartmental budget changes are approved by the City Manager.

In most cases, expenditures may not exceed appropriations at the department level. At fiscal year-end, all operating budget appropriations at the departmental level lapse and any remaining amounts are credited to their respective fund balances. During the year, several supplementary appropriations were necessary. The General Fund exceeded amounts available for appropriation for Building Maintenance in the amount of \$443,374.

Basis of Accounting:

Budget for governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

Supplementary Information

June 30, 2020

City of Walnut, California

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The Road Maintenance Rehabilitation Fund accounts for monies received from the State related to Senate Bill 1 (SB1), to address deferred maintenance on the state highway system and the local street and road system.

The Traffic Safety Fund accounts for the vehicle code fines expended for traffic safety enforcement.

The Citizen's Options for Public Safety (COPS) Fund accounts for the distribution of funds to local agencies on a per capita basis for the purpose of first line law enforcement services. AB 3229 authorized this distribution in July 1996.

The Air Quality Improvements Fund accounts for the City's portion of the imposition of an additional motor vehicle registration fee of two dollars to be sued to reduce air pollution from motor vehicles as approved by the State of California.

The Waste Management Administration Fund accounts for funds received as part of the resident's refuse bill to fund the City's source reduction and recycling programs.

The Bikeway Fund accounts for Senate Bill 821 monies from the State for the construction of bikeways, ramps and pedestrian facilities.

The Measure M Fund accounts for the City's portion of the additional ½ cent sales tax approved in Los Angeles County for transportation projects.

The Proposition A Fund accounts for the City's share of the ½ cent sales tax levied in Los Angeles County for local transit.

The State Park Grant Fund accounts for various grant monies restricted for park purposes.

The Traffic Congestion Fund accounts for monies received from the State related to Senate Bill 1 (SB1), requires loan repayments pursuant to Government Code (GC) section 16321.

The Used Oil Recycling Grant Fund accounts for monies received from the California Integrated Waste Management Board to be spent on used motor oil recycling and awareness programs.

The General Recycling Grant Fund accounts for monies received from the State Department of Conservation to be spent on recycling and waste reduction programs.

The Cable TV Education Fund accounts for franchise and other fees designated for Cable TV.

The Walnut Housing Authority (WHA) accounts for new and/or improvement of existing low and moderate housing stock for residents of the community.

The Los Angeles County Metropolitan Transportation Authority (LACMTA) accounts for the receipt of STP-L federal funds.

The Measure R Fund accounts for the City's portion of the ½ cent sales tax approved during the November 2008 election in Los Angeles County for transportation projects.

The Measure A (M&S) Fund accounts for annual special tax of 1.5 cents per square foot of building floor area on all taxable real property in the County. Funds are in accordance with the LA County, Clean Neighborhood Parks and Beaches Measure of 2016

The Measure W Fund accounts for accounts for the City's portion of a 2.5 cent per square foot parcel tax collected from property taxes approved during the 2018 election in Los Angeles County for the Safe Clean Water Program to improve local water supply and quality.

City of Walnut, California
Combining Balance Sheet – Non-Major Governmental Funds
June 30, 2020

	Special Revenue Funds		
	Road Maintenance Rehabilitation	Traffic Safety	COPS
Assets			
Pooled cash and investments	\$ 343,564	\$ 476	\$ 381,813
Receivables			
Accounts	-	1,327	-
Accrued interest	-	-	-
Deferred loans	-	-	-
Due from other governments	80,802	2,074	-
Total assets	\$ 424,366	\$ 3,877	\$ 381,813
Liabilities and Fund Balances			
Liabilities			
Accounts payable	\$ 222,420	\$ 1,343	\$ 12,597
Accrued liabilities	-	2,534	43
Due to other governments	-	-	-
Total liabilities	222,420	3,877	12,640
Fund Balances:			
Restricted for			
Community development	-	-	-
Public safety	-	-	369,173
Community services	-	-	-
Public works	201,946	-	-
Total fund balances	201,946	-	369,173
Total liabilities and fund balances	\$ 424,366	\$ 3,877	\$ 381,813

City of Walnut, California
Combining Balance Sheet – Non-Major Governmental Funds
June 30, 2020

	Special Revenue Funds		
	Air Quality Improvements	Waste Management Administration	Bikeway
Assets			
Pooled cash and investments	\$ 6,679	\$ -	\$ -
Receivables			
Accounts	-	-	-
Accrued interest	-	-	-
Deferred loans	-	-	-
Due from other governments	9,561	-	-
	<u>16,240</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 16,240</u>	<u>\$ -</u>	<u>\$ -</u>
Liabilities and Fund Balances			
Liabilities			
Accounts payable	\$ 20	\$ -	\$ -
Accrued liabilities	-	-	-
Due to other governments	-	-	-
	<u>20</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>20</u>	<u>-</u>	<u>-</u>
Fund Balances:			
Restricted for			
Community development	16,220	-	-
Public safety	-	-	-
Community services	-	-	-
Public works	-	-	-
	<u>16,220</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>16,220</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 16,240</u>	<u>\$ -</u>	<u>\$ -</u>

City of Walnut, California
Combining Balance Sheet – Non-Major Governmental Funds
June 30, 2020

	Special Revenue Funds		
	Measure M	Proposition A	State Park Grant
Assets			
Pooled cash and investments	\$ 376,780	\$ 1,463,197	\$ 17,339
Receivables			
Accounts	-	-	-
Accrued interest	-	-	-
Deferred loans	-	-	-
Due from other governments	-	-	-
	<u>\$ 376,780</u>	<u>\$ 1,463,197</u>	<u>\$ 17,339</u>
Liabilities and Fund Balances			
Liabilities			
Accounts payable	\$ 30,743	\$ 14,545	\$ 17,339
Accrued liabilities	-	2,215	-
Due to other governments	-	-	-
	<u>30,743</u>	<u>16,760</u>	<u>17,339</u>
Fund Balances:			
Restricted for			
Community development	-	-	-
Public safety	-	-	-
Community services	-	-	-
Public works	346,037	1,446,437	-
	<u>346,037</u>	<u>1,446,437</u>	<u>-</u>
Total fund balances	<u>346,037</u>	<u>1,446,437</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 376,780</u>	<u>\$ 1,463,197</u>	<u>\$ 17,339</u>

City of Walnut, California
Combining Balance Sheet – Non-Major Governmental Funds
June 30, 2020

	Special Revenue Funds		
	Traffic Congestion	Used Oil Recycling Grant	General Recycling Grant
Assets			
Pooled cash and investments	\$ 106,336	\$ 16,673	\$ 13,206
Receivables			
Accounts	-	-	-
Accrued interest	-	-	-
Deferred loans	-	-	-
Due from other governments	-	-	-
	<u>\$ 106,336</u>	<u>\$ 16,673</u>	<u>\$ 13,206</u>
Liabilities and Fund Balances			
Liabilities			
Accounts payable	\$ -	\$ 8,352	\$ -
Accrued liabilities	-	-	-
Due to other governments	-	-	-
	<u>-</u>	<u>8,352</u>	<u>-</u>
Fund Balances:			
Restricted for			
Community development	-	-	-
Public safety	-	-	-
Community services	-	-	13,206
Public works	106,336	8,321	-
	<u>106,336</u>	<u>8,321</u>	<u>13,206</u>
Total fund balances	<u>106,336</u>	<u>8,321</u>	<u>13,206</u>
Total liabilities and fund balances	<u>\$ 106,336</u>	<u>\$ 16,673</u>	<u>\$ 13,206</u>

City of Walnut, California
Combining Balance Sheet – Non-Major Governmental Funds
June 30, 2020

	Special Revenue Funds		
	Cable TV Education	Walnut Housing Authority	LACMTA Exchange
Assets			
Pooled cash and investments	\$ 235,341	\$ 893,179	\$ 6,965
Receivables			
Accounts	8,973	-	-
Accrued interest	-	8,699	-
Deferred loans	-	43,499	-
Due from other governments	-	-	-
	<u>\$ 244,314</u>	<u>\$ 945,377</u>	<u>\$ 6,965</u>
Liabilities and Fund Balances			
Liabilities			
Accounts payable	\$ 70,471	\$ 42,159	\$ -
Accrued liabilities	-	-	-
Due to other governments	-	412	-
	<u>70,471</u>	<u>42,571</u>	<u>-</u>
Fund Balances:			
Restricted for			
Community development	-	902,806	6,965
Public safety	-	-	-
Community services	173,843	-	-
Public works	-	-	-
	<u>173,843</u>	<u>902,806</u>	<u>6,965</u>
Total fund balances	<u>173,843</u>	<u>902,806</u>	<u>6,965</u>
Total liabilities and fund balances	<u>\$ 244,314</u>	<u>\$ 945,377</u>	<u>\$ 6,965</u>

City of Walnut, California
Combining Balance Sheet – Non-Major Governmental Funds
June 30, 2020

	Special Revenue Funds			Total Nonmajor Governmental Funds
	Measure R	Measure A (M&S)	Measure W	
Assets				
Pooled cash and investments	\$ 155,563	\$ 20,178	\$ 7,274	\$ 4,044,563
Receivables				
Accounts	-	-	-	10,300
Accrued interest	-	-	-	8,699
Deferred loans	-	-	-	43,499
Due from other governments	-	-	-	92,437
	<u>\$ 155,563</u>	<u>\$ 20,178</u>	<u>\$ 7,274</u>	<u>\$ 4,199,498</u>
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ -	\$ 20,178	\$ 7,274	\$ 447,441
Accrued liabilities	-	-	-	4,792
Due to other governments	-	-	-	412
	<u>-</u>	<u>20,178</u>	<u>7,274</u>	<u>452,645</u>
Fund Balances:				
Restricted for				
Community development	-	-	-	925,991
Public safety	-	-	-	369,173
Community services	-	-	-	187,049
Public works	155,563	-	-	2,264,640
	<u>155,563</u>	<u>-</u>	<u>-</u>	<u>3,746,853</u>
Total liabilities and fund balances	<u>\$ 155,563</u>	<u>\$ 20,178</u>	<u>\$ 7,274</u>	<u>\$ 4,199,498</u>

City of Walnut, California
Combining Statement of Revenues, Expenditures and Changes
in Fund Balances – Non-Major Governmental Funds
Year Ended June 30, 2020

	Special Revenue Funds		
	Road Maintenance Rehabilitation	Traffic Safety	COPS
Revenues			
Intergovernmental	\$ 529,139	\$ -	\$ 155,948
Use of money and property	7,702	-	8,492
Fines and forfeitures	-	79,710	-
Miscellaneous	-	-	-
Total revenues	<u>536,841</u>	<u>79,710</u>	<u>164,440</u>
Expenditures			
Current			
Public safety	-	88,781	90,202
Community development	-	-	-
Community services	-	-	-
Public works	478,969	-	-
Capital outlay	-	-	-
Total expenditures	<u>478,969</u>	<u>88,781</u>	<u>90,202</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>57,872</u>	<u>(9,071)</u>	<u>74,238</u>
Other Financing Sources (Uses)			
Transfers in	-	9,071	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>9,071</u>	<u>-</u>
Net Change in Fund Balances	57,872	-	74,238
Fund Balances, Beginning of Year	<u>144,074</u>	<u>-</u>	<u>294,935</u>
Fund Balances, End of Year	<u>\$ 201,946</u>	<u>\$ -</u>	<u>\$ 369,173</u>

City of Walnut, California
Combining Statement of Revenues, Expenditures and Changes
in Fund Balances – Non-Major Governmental Funds
Year Ended June 30, 2020

	<u>Special Revenue Funds</u>		
	<u>Air Quality Improvements</u>	<u>Waste Management Administration</u>	<u>Bikeways</u>
Revenues			
Intergovernmental	\$ 38,599	\$ -	\$ 14,800
Use of money and property	-	-	-
Fines and forfeitures	-	-	-
Miscellaneous	-	51,550	-
Total revenues	<u>38,599</u>	<u>51,550</u>	<u>14,800</u>
Expenditures			
Current			
Public safety	-	-	-
Community development	35,731	-	-
Community services	-	-	14,800
Public works	-	-	-
Capital outlay	-	-	-
Total expenditures	<u>35,731</u>	<u>-</u>	<u>14,800</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,868</u>	<u>51,550</u>	<u>-</u>
Other Financing Sources (Uses)			
Transfers in	-	-	-
Transfers out	-	(51,550)	-
Total other financing sources (uses)	<u>-</u>	<u>(51,550)</u>	<u>-</u>
Net Change in Fund Balances	2,868	-	-
Fund Balances, Beginning of Year	<u>13,352</u>	<u>-</u>	<u>-</u>
Fund Balances, End of Year	<u><u>\$ 16,220</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

City of Walnut, California
Combining Statement of Revenues, Expenditures and Changes
in Fund Balances – Non-Major Governmental Funds
Year Ended June 30, 2020

	Special Revenue Funds		
	Measure M	Proposition A	State Park Grant
Revenues			
Intergovernmental	\$ 409,472	\$ 585,532	\$ -
Use of money and property	9,194	40,748	-
Fines and forfeitures	-	-	-
Miscellaneous	-	-	-
Total revenues	418,666	626,280	-
Expenditures			
Current			
Public safety	-	-	-
Community development	-	932,643	-
Community services	-	-	34,843
Public works	325,051	-	-
Capital outlay	-	17,780	-
Total expenditures	325,051	950,423	34,843
Excess (Deficiency) of Revenues Over (Under) Expenditures	93,615	(324,143)	(34,843)
Other Financing Sources (Uses)			
Transfers in	-	-	34,843
Transfers out	-	-	-
Total other financing sources (uses)	-	-	34,843
Net Change in Fund Balances	93,615	(324,143)	-
Fund Balances, Beginning of Year	252,422	1,770,580	-
Fund Balances, End of Year	\$ 346,037	\$ 1,446,437	\$ -

City of Walnut, California
Combining Statement of Revenues, Expenditures and Changes
in Fund Balances – Non-Major Governmental Funds
Year Ended June 30, 2020

	Special Revenue Funds		
	Traffic Congestion	Used Oil Recycling Grant	General Recycling Grant
Revenues			
Intergovernmental	\$ 34,346	\$ 8,321	\$ 7,809
Use of money and property	2,052	-	-
Fines and forfeitures	-	-	-
Miscellaneous	-	-	-
Total revenues	<u>36,398</u>	<u>8,321</u>	<u>7,809</u>
Expenditures			
Current			
Public safety	-	-	-
Community development	-	8,352	-
Community services	-	-	-
Public works	-	-	-
Capital outlay	-	-	2,386
Total expenditures	<u>-</u>	<u>8,352</u>	<u>2,386</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>36,398</u>	<u>(31)</u>	<u>5,423</u>
Other Financing Sources (Uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	36,398	(31)	5,423
Fund Balances, Beginning of Year	<u>69,938</u>	<u>8,352</u>	<u>7,783</u>
Fund Balances, End of Year	<u>\$ 106,336</u>	<u>\$ 8,321</u>	<u>\$ 13,206</u>

City of Walnut, California
Combining Statement of Revenues, Expenditures and Changes
in Fund Balances – Non-Major Governmental Funds
Year Ended June 30, 2020

	Special Revenue Funds		
	Cable TV Education	Walnut Housing Authority	LACMTA Exchange
Revenues			
Intergovernmental	\$ 36,817	\$ -	\$ -
Use of money and property	4,959	19,697	157
Fines and forfeitures	-	-	-
Miscellaneous	-	-	-
Total revenues	<u>41,776</u>	<u>19,697</u>	<u>157</u>
Expenditures			
Current			
Public safety	-	-	-
Community development	-	344,583	-
Community services	-	-	-
Public works	-	-	-
Capital outlay	74,082	-	-
Total expenditures	<u>74,082</u>	<u>344,583</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(32,306)</u>	<u>(324,886)</u>	<u>157</u>
Other Financing Sources (Uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(32,306)	(324,886)	157
Fund Balances, Beginning of Year	<u>206,149</u>	<u>1,227,692</u>	<u>6,808</u>
Fund Balances, End of Year	<u>\$ 173,843</u>	<u>\$ 902,806</u>	<u>\$ 6,965</u>

City of Walnut, California
Combining Statement of Revenues, Expenditures and Changes
in Fund Balances – Non-Major Governmental Funds
Year Ended June 30, 2020

	Special Revenue Funds			Total Nonmajor Governmental Funds
	Measure R	Measure A (M&S)	Measure W	
Revenues				
Intergovernmental	\$ 363,754	\$ -	\$ -	\$ 2,184,537
Use of money and property	280	-	-	93,281
Fines and forfeitures	-	-	-	79,710
Miscellaneous	-	-	-	51,550
	<u>364,034</u>	<u>-</u>	<u>-</u>	<u>2,409,078</u>
Expenditures				
Current				
Public safety	-	-	-	178,983
Community development	-	-	-	1,321,309
Community services	-	20,178	-	69,821
Public works	350,000	-	23,269	1,177,289
Capital outlay	-	-	-	94,248
	<u>350,000</u>	<u>20,178</u>	<u>23,269</u>	<u>2,841,650</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>14,034</u>	<u>(20,178)</u>	<u>(23,269)</u>	<u>(432,572)</u>
Other Financing Sources (Uses)				
Transfers in	-	20,178	23,269	87,361
Transfers out	-	-	-	(51,550)
	<u>-</u>	<u>20,178</u>	<u>23,269</u>	<u>35,811</u>
Net Change in Fund Balances	14,034	-	-	(396,761)
Fund Balances, Beginning of Year	<u>141,529</u>	<u>-</u>	<u>-</u>	<u>4,143,614</u>
Fund Balances, End of Year	<u>\$ 155,563</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,746,853</u>

City of Walnut, California
 Budgetary Comparison Schedule
 Road Maintenance Rehabilitation
 Year Ended June 30, 2020

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ (164,500)	\$ (157,525)	\$ 144,074	\$ 301,599
Resources (Inflows)				
Intergovernmental	511,000	511,000	529,139	18,139
Use of money and property	500	500	7,702	7,202
	<u>347,000</u>	<u>353,975</u>	<u>680,915</u>	<u>326,940</u>
Amounts available for appropriations				
Charges to Appropriations (Outflows)				
Public works	<u>500,000</u>	<u>505,980</u>	<u>478,969</u>	<u>27,011</u>
	<u>500,000</u>	<u>505,980</u>	<u>478,969</u>	<u>27,011</u>
Total charges to appropriations				
Budgetary Fund Balance, End of Year	<u>\$ (153,000)</u>	<u>\$ (152,005)</u>	<u>\$ 201,946</u>	<u>\$ 353,951</u>

City of Walnut, California
 Budgetary Comparison Schedule
 Traffic Safety
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 7,817	\$ (3,283)	\$ -	\$ 3,283
Resources (Inflows)				
Fines and forfeitures	100,420	100,420	79,710	(20,710)
Transfers in	-	-	9,071	9,071
Amounts available for appropriations	<u>108,237</u>	<u>97,137</u>	<u>88,781</u>	<u>(8,356)</u>
Charges to Appropriations (Outflows)				
Public safety	<u>100,420</u>	<u>100,420</u>	<u>88,781</u>	<u>11,639</u>
Total charges to appropriations	<u>100,420</u>	<u>100,420</u>	<u>88,781</u>	<u>11,639</u>
Budgetary Fund Balance, End of Year	<u>\$ 7,817</u>	<u>\$ (3,283)</u>	<u>\$ -</u>	<u>\$ 3,283</u>

City of Walnut, California
 Budgetary Comparison Schedule
 COPS
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 207,440	\$ 171,440	\$ 294,935	\$ 123,495
Resources (Inflows)				
Intergovernmental	140,000	140,000	155,948	15,948
Use of money and property	-	4,000	8,492	4,492
Amounts available for appropriations	<u>347,440</u>	<u>315,440</u>	<u>459,375</u>	<u>143,935</u>
Charges to Appropriations (Outflows)				
Public safety	<u>93,510</u>	<u>93,510</u>	<u>90,202</u>	<u>3,308</u>
Total charges to appropriations	<u>93,510</u>	<u>93,510</u>	<u>90,202</u>	<u>3,308</u>
Budgetary Fund Balance, End of Year	<u>\$ 253,930</u>	<u>\$ 221,930</u>	<u>\$ 369,173</u>	<u>\$ 147,243</u>

City of Walnut, California
 Budgetary Comparison Schedule
 Air Quality Improvements
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 3,936	\$ 3,936	\$ 13,352	\$ 9,416
Resources (Inflows)				
Intergovernmental	<u>36,900</u>	<u>36,900</u>	<u>38,599</u>	<u>1,699</u>
Amounts available for appropriations	<u>40,836</u>	<u>40,836</u>	<u>51,951</u>	<u>11,115</u>
Charges to Appropriations (Outflows)				
Community development	<u>39,000</u>	<u>39,000</u>	<u>35,731</u>	<u>3,269</u>
Total charges to appropriations	<u>39,000</u>	<u>39,000</u>	<u>35,731</u>	<u>3,269</u>
Budgetary Fund Balance, End of Year	<u><u>\$ 1,836</u></u>	<u><u>\$ 1,836</u></u>	<u><u>\$ 16,220</u></u>	<u><u>\$ 14,384</u></u>

City of Walnut, California
 Budgetary Comparison Schedule
 Waste Management Administration
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 25,605	\$ 25,605	\$ -	\$ (25,605)
Resources (Inflows)				
Miscellaneous	<u>77,100</u>	<u>77,100</u>	<u>51,550</u>	<u>(25,550)</u>
Amounts available for appropriations	<u>102,705</u>	<u>102,705</u>	<u>51,550</u>	<u>(51,155)</u>
Charges to Appropriations (Outflows)				
Transfer out	<u>77,100</u>	<u>77,100</u>	<u>51,550</u>	<u>25,550</u>
Total charges to appropriations	<u>77,100</u>	<u>77,100</u>	<u>51,550</u>	<u>25,550</u>
Budgetary Fund Balance, End of Year	<u><u>\$ 25,605</u></u>	<u><u>\$ 25,605</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (25,605)</u></u>

City of Walnut, California
 Budgetary Comparison Schedule
 Bikeway
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 38,910	\$ 38,910	\$ -	\$ (38,910)
Resources (Inflows)				
Intergovernmental	<u>25,000</u>	<u>25,000</u>	<u>14,800</u>	<u>(10,200)</u>
Amounts available for appropriations	<u>63,910</u>	<u>63,910</u>	<u>14,800</u>	<u>(49,110)</u>
Charges to Appropriations (Outflows)				
Community services	<u>25,000</u>	<u>25,000</u>	<u>14,800</u>	<u>10,200</u>
Total charges to appropriations	<u>25,000</u>	<u>25,000</u>	<u>14,800</u>	<u>10,200</u>
Budgetary Fund Balance, End of Year	<u><u>\$ 38,910</u></u>	<u><u>\$ 38,910</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (38,910)</u></u>

City of Walnut, California
 Budgetary Comparison Schedule
 Measure M
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 8,640	\$ (96,960)	\$ 252,422	\$ 349,382
Resources (Inflows)				
Intergovernmental	430,800	430,800	409,472	(21,328)
Use of money and property	500	500	9,194	8,694
Amounts available for appropriations	<u>439,940</u>	<u>334,340</u>	<u>671,088</u>	<u>336,748</u>
Charges to Appropriations (Outflows)				
Public works	<u>337,710</u>	<u>454,800</u>	<u>325,051</u>	<u>129,749</u>
Total charges to appropriations	<u>337,710</u>	<u>454,800</u>	<u>325,051</u>	<u>129,749</u>
Budgetary Fund Balance, End of Year	<u>\$ 102,230</u>	<u>\$ (120,460)</u>	<u>\$ 346,037</u>	<u>\$ 466,497</u>

City of Walnut, California
 Budgetary Comparison Schedule
 Proposition A
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,803,683	\$ 1,407,683	\$ 1,770,580	\$ 362,897
Resources (Inflows)				
Intergovernmental	611,010	10,000	585,532	575,532
Use of money and property	611,010	10,000	40,748	30,748
Amounts available for appropriations	<u>3,025,703</u>	<u>1,427,683</u>	<u>2,396,860</u>	<u>969,177</u>
Charges to Appropriations (Outflows)				
Community development	1,077,460	1,120,760	932,643	188,117
Capital outlay	20,500	19,100	17,780	1,320
Total charges to appropriations	<u>1,097,960</u>	<u>1,139,860</u>	<u>950,423</u>	<u>189,437</u>
Budgetary Fund Balance, End of Year	<u>\$ 1,927,743</u>	<u>\$ 287,823</u>	<u>\$ 1,446,437</u>	<u>\$ 1,158,614</u>

City of Walnut, California
 Budgetary Comparison Schedule
 State Park Grant
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows)				
Intergovernmental	30,000	30,000	-	(30,000)
Transfers in	-	-	34,843	34,843
	<u>30,000</u>	<u>30,000</u>	<u>34,843</u>	<u>4,843</u>
Amounts available for appropriations				
Charges to Appropriations (Outflows)				
Community services	30,000	34,843	34,843	-
	<u>30,000</u>	<u>34,843</u>	<u>34,843</u>	<u>-</u>
Total charges to appropriations				
Budgetary Fund Balance, End of Year	<u>\$ -</u>	<u>\$ (4,843)</u>	<u>\$ -</u>	<u>\$ 4,843</u>

City of Walnut, California
 Budgetary Comparison Schedule
 Traffic Congestion Relief
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 34,300	\$ 34,300	\$ 69,938	\$ 35,638
Resources (Inflows)				
Intergovernmental	34,500	34,500	34,346	(154)
Use of money and property	1,000	1,000	2,052	1,052
Amounts available for appropriations	<u>69,800</u>	<u>69,800</u>	<u>106,336</u>	<u>36,536</u>
Charges to Appropriations (Outflows)				
Public works	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>
Total charges to appropriations	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>
Budgetary Fund Balance, End of Year	<u>\$ 69,800</u>	<u>\$ (30,200)</u>	<u>\$ 106,336</u>	<u>\$ 136,536</u>

City of Walnut, California
 Budgetary Comparison Schedule
 Used Oil Recycling Grant
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ 8,352	\$ 8,352
Resources (Inflows)				
Intergovernmental	<u>8,360</u>	<u>8,360</u>	<u>8,321</u>	<u>(39)</u>
Amounts available for appropriations	<u>8,360</u>	<u>8,360</u>	<u>16,673</u>	<u>8,313</u>
Charges to Appropriations (Outflows)				
Community development	<u>8,360</u>	<u>8,360</u>	<u>8,352</u>	<u>8</u>
Total charges to appropriations	<u>8,360</u>	<u>8,360</u>	<u>8,352</u>	<u>8</u>
Budgetary Fund Balance, End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 8,321</u></u>	<u><u>\$ 8,321</u></u>

City of Walnut, California
 Budgetary Comparison Schedule
 General Recycling Grant
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ 7,783	\$ 7,783
Resources (Inflows)				
Intergovernmental	<u>7,800</u>	<u>7,800</u>	<u>7,809</u>	<u>9</u>
Amounts available for appropriations	<u>7,800</u>	<u>7,800</u>	<u>15,592</u>	<u>7,792</u>
Charges to Appropriations (Outflows)				
Capital outlay	<u>7,800</u>	<u>7,800</u>	<u>2,386</u>	<u>5,414</u>
Total charges to appropriations	<u>7,800</u>	<u>7,800</u>	<u>2,386</u>	<u>5,414</u>
Budgetary Fund Balance, End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 13,206</u></u>	<u><u>\$ 13,206</u></u>

City of Walnut, California
 Budgetary Comparison Schedule
 Cable TV Education
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 126,533	\$ 126,533	\$ 206,149	\$ 79,616
Resources (Inflows)				
Intergovernmental	34,000	34,000	36,817	2,817
Use of money and property	3,000	3,000	4,959	1,959
Amounts available for appropriations	<u>163,533</u>	<u>163,533</u>	<u>247,925</u>	<u>84,392</u>
Charges to Appropriations (Outflows)				
Community development	3,550	3,550	-	3,550
Capital outlay	25,000	72,000	74,082	(2,082)
Total charges to appropriations	<u>28,550</u>	<u>75,550</u>	<u>74,082</u>	<u>1,468</u>
Budgetary Fund Balance, End of Year	<u>\$ 134,983</u>	<u>\$ 87,983</u>	<u>\$ 173,843</u>	<u>\$ 85,860</u>

City of Walnut, California
 Budgetary Comparison Schedule
 Walnut Housing Authority
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 772,426	\$ 721,126	\$ 1,227,692	\$ 506,566
Resources (Inflows)				
Intergovernmental	350,150	350,150	-	(350,150)
Use of money and property	-	-	19,697	19,697
Amounts available for appropriations	1,122,576	1,071,276	1,247,389	176,113
Charges to Appropriations (Outflows)				
Community development	350,150	357,040	344,583	12,457
Total charges to appropriations	350,150	357,040	344,583	12,457
Budgetary Fund Balance, End of Year	\$ 772,426	\$ 714,236	\$ 902,806	\$ 188,570

City of Walnut, California
 Budgetary Comparison Schedule
 LACMTA Exchange
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 836	\$ (519,164)	\$ 6,808	\$ 525,972
Resources (Inflows)				
Use of money and property	-	-	157	157
Amounts Available for Appropriations	836	(519,164)	6,965	526,129
Budgetary Fund Balance, End of Year	<u>\$ 836</u>	<u>\$ (519,164)</u>	<u>\$ 6,965</u>	<u>\$ 526,129</u>

City of Walnut, California
 Budgetary Comparison Schedule
 Measure R
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (47,084)	\$ (227,084)	\$ 141,529	\$ 368,613
Resources (Inflows)				
Intergovernmental	380,160	380,160	363,754	(16,406)
Use of money and property	5,000	5,000	280	(4,720)
	<u>338,076</u>	<u>158,076</u>	<u>505,563</u>	<u>347,487</u>
Charges to Appropriations (Outflows)				
Public works	10,000	350,000	350,000	-
	<u>10,000</u>	<u>350,000</u>	<u>350,000</u>	<u>-</u>
Budgetary Fund Balance, End of Year	<u>\$ 328,076</u>	<u>\$ (191,924)</u>	<u>\$ 155,563</u>	<u>\$ 347,487</u>

City of Walnut, California
 Budgetary Comparison Schedule
 Measure A (M&S)
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows)				
Intergovernmental	<u>25,350</u>	<u>25,350</u>	<u>20,178</u>	<u>(5,172)</u>
Amounts available for appropriations	<u>25,350</u>	<u>25,350</u>	<u>20,178</u>	<u>(5,172)</u>
Charges to Appropriations (Outflows)				
Community services	<u>25,000</u>	<u>25,000</u>	<u>20,178</u>	<u>4,822</u>
Total charges to appropriations	<u>25,000</u>	<u>25,000</u>	<u>20,178</u>	<u>4,822</u>
Budgetary Fund Balance, End of Year	<u><u>\$ 350</u></u>	<u><u>\$ 350</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (350)</u></u>

City of Walnut, California
 Budgetary Comparison Schedule
 Measure W
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows)				
Intergovernmental	250,000	250,000	-	(250,000)
Use of money and property	2,000	2,000	-	(2,000)
Transfers in	-	-	23,269	23,269
Amounts available for appropriations	<u>252,000</u>	<u>252,000</u>	<u>23,269</u>	<u>(228,731)</u>
Charges to Appropriations (Outflows)				
Public Works	<u>87,000</u>	<u>87,000</u>	<u>23,269</u>	<u>63,731</u>
Total charges to appropriations	<u>87,000</u>	<u>87,000</u>	<u>23,269</u>	<u>63,731</u>
Budgetary Fund Balance, End of Year	<u>\$ 165,000</u>	<u>\$ 165,000</u>	<u>\$ -</u>	<u>\$ (165,000)</u>

City of Walnut, California
 Budgetary Comparison Schedule
 Capital Improvements
 Year Ended June 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (2,168,924)	\$ (336,353)	\$ 427,970	\$ 764,323
Resources (Inflows)				
Miscellaneous	-	-	31,552	31,552
Amounts available for appropriations	(2,168,924)	(336,353)	459,522	795,875
Charges to Appropriations (Outflows)				
Public works	325,940	321,270	81,704	239,566
Capital outlay	5,000	34,207	34,048	159
Total charges to appropriations	330,940	355,477	115,752	239,725
Budgetary Fund Balance, End of Year	<u>\$ (2,499,864)</u>	<u>\$ (691,830)</u>	<u>\$ 343,770</u>	<u>\$ 1,035,600</u>

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

The Agency Funds accounts for various refundable deposits.

City of Walnut, California

Agency Funds

Year Ended June 30, 2020

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
Assets				
Pooled cash and investments	\$ 1,991,032	\$ 207,474	\$ 672,107	\$ 1,526,399
Receivables:				
Accounts	-	11,584	4,900	6,684
Total assets	\$ 1,991,032	\$ 219,058	\$ 677,007	\$ 1,533,083
Liabilities				
Accounts payable	\$ 14,853	\$ 431,192	\$ 413,149	\$ 32,896
Deposits payable	1,976,179	232,226	708,218	1,500,187
Total liabilities	\$ 1,991,032	\$ 663,418	\$ 1,121,367	\$ 1,533,083

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Statistical Section

June 30, 2020

City of Walnut, California

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Financial Trend Information – These schedules contain trend information to assist readers to understand how the City of Walnut’s financial position has changed over time.

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Debt Capacity Information – These schedules contain trend information to assist readers to understand the City of Walnut’s outstanding debt, the capacity to repay that debt, and the ability to issue additional debt in the future.

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Demographic and Economic Information – These schedules contain trend information to assist readers to understand the socioeconomic environment within which the City of Walnut operates and facilitates comparison of financial information over time and among governments.

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Operating Information – These schedules assist readers in using financial statement information to understand and assess the City of Walnut’s operation and resources as well as economic condition.

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Miscellaneous Statistics – This information may provide readers with more insight in the City of Walnut’s financial and demographic status.

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City of Walnut, California
 Net Position
 Last Ten Fiscal Years
 (accrual basis of accounting)

Fiscal Year	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Governmental Activities:				
Net investment in capital assets	\$ 48,251,887	\$ 78,094,495	\$ 75,278,786	\$ 73,612,972
Restricted	13,095,293	14,388,254	13,450,385	8,289,678
Unrestricted	24,845,765	21,046,710	22,305,101	21,025,425
Total governmental activities net position	<u>86,192,945</u>	<u>113,529,459</u>	<u>111,034,272</u>	<u>102,928,075</u>
Primary government:				
Net investment in capital assets	48,251,887	78,094,495	75,278,786	73,612,972
Restricted	13,095,293	14,388,254	13,450,385	8,289,678
Unrestricted	24,845,765	21,046,710	22,305,101	21,025,425
Total primary government net position	<u>86,192,945</u>	<u>113,529,459</u>	<u>111,034,272</u>	<u>102,928,075</u>

Note:

In fiscal year 2011-12, per State of California ABX1 26 all redevelopment agency in California was dissolved effective 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 fund (private-purpose trust fund) in the financial statements of the City of Walnut as the Successor Agency for the Walnut Improvement Agency.

City of Walnut, California
 Net Position
 Last Ten Fiscal Years
 (accrual basis of accounting)

2015	2016	2017	2018	2019	2020
\$ 73,439,900	\$ 72,963,855	\$ 71,066,062	\$ 73,720,055	\$ 72,283,733	\$ 71,060,405
8,212,469	7,115,326	10,917,855	7,320,794	7,715,804	7,009,577
14,584,364	15,184,940	10,661,289	19,113,026	24,129,411	23,666,833
<u>96,236,733</u>	<u>95,264,121</u>	<u>92,645,206</u>	<u>100,153,875</u>	<u>104,128,948</u>	<u>101,736,815</u>
73,439,900	72,963,855	71,066,062	73,720,055	72,283,733	71,060,405
8,212,469	7,115,326	10,917,855	7,320,794	7,715,804	7,009,577
14,584,364	15,184,940	10,661,289	19,113,026	24,129,411	23,666,833
<u>96,236,733</u>	<u>95,264,121</u>	<u>92,645,206</u>	<u>100,153,875</u>	<u>104,128,948</u>	<u>101,736,815</u>

City of Walnut, California
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

Fiscal Year	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Expenses:				
Governmental activities:				
General government	\$ 3,345,592	\$ 3,850,781	\$ 2,408,514	\$ 2,555,368
Public safety	3,592,626	3,465,289	3,613,692	3,619,393
Community development	2,549,053	1,879,309	1,936,171	8,238,967
Public works	6,652,419	6,574,810	7,910,304	7,909,282
Community services	3,540,411	3,539,714	3,527,499	3,623,037
Interest on long-term debt	1,557,845	255,031	-	-
Total governmental activities	<u>21,237,946</u>	<u>19,564,934</u>	<u>19,396,180</u>	<u>25,946,047</u>
 Total expenses	 <u>21,237,946</u>	 <u>19,564,934</u>	 <u>19,396,180</u>	 <u>25,946,047</u>
Program revenues:				
Governmental activities:				
Charges for services:				
General government	355,674	343,681	688,295	580,639
Public safety	666,807	550,996	645,562	726,423
Community development	1,832	101,770	351,829	1,934
Public works	4,045,899	3,348,448	3,302,673	3,375,124
Community services	737,898	782,859	770,891	929,590
Operating contributions and grants	1,508,654	1,338,736	1,339,739	1,491,009
Capital contributions and grants	1,269,905	1,383,509	1,207,294	1,337,784
Total governmental activities	<u>8,586,669</u>	<u>7,849,999</u>	<u>8,306,283</u>	<u>8,442,503</u>
Total program revenues	<u>8,586,669</u>	<u>7,849,999</u>	<u>8,306,283</u>	<u>8,442,503</u>
Net (expenses) revenues				
Governmental Activities	(12,651,277)	(11,714,935)	(11,089,897)	(17,503,544)
Total Net Expense	<u>(12,651,277)</u>	<u>(11,714,935)</u>	<u>(11,089,897)</u>	<u>(17,503,544)</u>

City of Walnut, California
 Changes in Net Position
 Last Ten Fiscal Years
 (accrual basis of accounting)

2015	2016	2017	2018	2019	2020
\$ 2,618,229	\$ 2,559,043	\$ 3,086,260	\$ 5,857,903	\$ 199,215	\$ 3,799,571
3,581,460	3,772,824	3,900,642	4,032,897	4,120,065	4,421,574
2,192,492	2,248,657	2,879,006	2,435,173	2,422,267	2,969,602
6,929,084	5,778,712	7,219,860	5,766,110	6,951,774	4,788,315
3,711,593	5,441,949	4,069,437	5,273,197	4,727,263	6,803,798
-	-	-	-	-	-
<u>19,032,858</u>	<u>19,801,185</u>	<u>21,155,205</u>	<u>23,365,280</u>	<u>18,420,584</u>	<u>22,782,860</u>
<u>19,032,858</u>	<u>19,801,185</u>	<u>21,155,205</u>	<u>23,365,280</u>	<u>18,420,584</u>	<u>22,782,860</u>
595,221	539,554	563,889	590,870	510,179	389,180
330,047	380,909	233,541	253,506	189,444	192,452
1,541	2,868	1,942	1,960	1,738	1,308
3,186,757	3,759,518	4,304,184	3,504,523	3,852,219	3,682,827
583,746	840,018	664,425	824,103	789,858	521,120
1,292,365	956,559	985,419	1,157,759	1,492,075	1,979,224
1,797,984	1,334,924	1,878,825	1,693,386	1,907,232	1,844,458
<u>7,787,661</u>	<u>7,814,350</u>	<u>8,632,225</u>	<u>8,026,107</u>	<u>8,742,745</u>	<u>8,610,569</u>
<u>7,787,661</u>	<u>7,814,350</u>	<u>8,632,225</u>	<u>8,026,107</u>	<u>8,742,745</u>	<u>8,610,569</u>
(11,245,197)	(11,986,835)	(12,522,980)	(15,339,173)	(9,677,839)	(14,172,291)
<u>(11,245,197)</u>	<u>(11,986,835)</u>	<u>(12,522,980)</u>	<u>(15,339,173)</u>	<u>(9,677,839)</u>	<u>(14,172,291)</u>

City of Walnut, California
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

Fiscal Year	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Revenues:				
Governmental activities:				
Taxes				
Property taxes	\$ 9,108,449	\$ 9,347,081	\$ 5,641,664	\$ 5,995,275
Sales tax	1,410,358	1,322,741	1,413,944	1,345,722
Franchise tax	850,101	872,593	902,198	950,452
Business license tax	101,437	102,540	105,198	104,661
Other taxes	304,384	285,819	316,607	325,627
Motor vehicle in lieu, unrestricted	184,471	25,938	24,158	24,386
Use of money and property	477,150	496,394	158,230	582,911
Other general revenues	14,044	78,242	32,711	68,313
Proceeds from sale of donated property	-	-	-	-
Extraordinary gain/(loss) on dissolution of redevelopment agency	-	26,520,101	-	-
Total general revenues, transfers, & special item	<u>12,450,394</u>	<u>39,051,449</u>	<u>8,594,710</u>	<u>9,397,347</u>
Total primary government	<u>12,450,394</u>	<u>39,051,449</u>	<u>8,594,710</u>	<u>9,397,347</u>
Change in net position				
Governmental activities	<u>(200,883)</u>	<u>27,336,514</u>	<u>(2,495,187)</u>	<u>(8,106,197)</u>
Total Change in net position	<u>(200,883)</u>	<u>27,336,514</u>	<u>(2,495,187)</u>	<u>(8,106,197)</u>

Note:

In fiscal year 2011-12, the extraordinary gain/(loss) is mainly due to the transfer of assets and obligations of the former Walnut Improvement Agency that was dissolved on 02/01/2012 per ABX1 26 of the State of California dissolution of all redevelopment agency. The City of Walnut elected to become the Successor Agency for the dissolved Walnut Improvement Agency.

City of Walnut, California
 Changes in Net Position
 Last Ten Fiscal Years
 (accrual basis of accounting)

2015	2016	2017	2018	2019	2020
\$ 6,238,354	\$ 6,408,855	\$ 5,700,002	\$ 6,009,959	\$ 6,328,288	\$ 6,789,500
1,573,976	1,890,516	1,962,759	2,065,336	2,204,841	1,851,982
963,244	936,650	897,264	926,430	927,083	926,347
99,520	109,615	126,642	124,843	121,447	123,188
330,536	359,008	386,766	398,431	331,742	300,941
24,009	22,377	23,307	-	-	-
468,085	447,621	468,435	729,648	1,366,080	1,210,197
18,248	839,581	338,890	576,349	2,373,431	578,003
-	-	-	12,487,410	-	-
-	-	-	-	-	-
9,715,972	11,014,223	9,904,065	23,318,406	13,652,912	11,780,158
9,715,972	11,014,223	9,904,065	23,318,406	13,652,912	11,780,158
(1,529,225)	(972,612)	(2,618,915)	7,979,233	3,975,073	(2,392,133)
(1,529,225)	(972,612)	(2,618,915)	7,979,233	3,975,073	(2,392,133)

City of Walnut, California
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Fund:					
Nonspendable:					
Prepaid costs	\$ 343,093	\$ 348,764	\$ 363,096	\$ 388,722	\$ 33,268
Advances to other Funds	121,470	121,470	146,470	250,870	250,870
Long term receivable	95,948	95,948	95,948	-	-
Committed to:					
Disaster recovery	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Self-insurance	1,000,000	400,000	1,000,000	1,000,000	1,000,000
Facility maintenance	3,916,439	3,457,687	2,922,039	2,805,957	2,764,643
Assigned to:					
Three Oaks Recreation Facility	2,350,000	2,450,000	2,800,000	2,800,000	2,799,845
Maintenance and operations	5,400,817	5,489,465	5,682,585	6,047,785	6,311,725
Other post-employment benefits	774,840	763,637	763,331	762,422	760,142
Self Insurance	-	-	-	-	-
Unassigned	-	89,005	670,835	1,247,058	1,179,125
Total General Fund	<u>15,002,607</u>	<u>14,215,976</u>	<u>15,444,304</u>	<u>16,302,814</u>	<u>16,099,618</u>
All other governmental funds:					
Nonspendable:					
Prepaid costs	-	-	-	-	-
Notes and loans	165,972	2,121,598	2,111,948	1,940,827	1,935,130
Advances to other Funds	1,955,626	-	-	-	-
Restricted for:					
Community development	10,495,156	9,910,551	9,054,401	2,992,384	2,958,326
Public safety	50,922	103,733	95,674	71,092	78,868
Community services	127,786	106,197	130,906	155,615	140,630
Public works	2,078,885	2,146,175	2,640,498	3,129,760	3,099,515
Debt service	342,544	-	-	-	-
Committed to:					
Capital projects	7,651,616	7,072,472	6,630,620	5,180,132	4,088,292
Assigned to:					
Capital Projects	-	-	-	-	-
Unassigned	(172,254)	(190,021)	-	-	(13,348)
Total all other governmental funds	<u>22,696,253</u>	<u>21,270,705</u>	<u>20,664,047</u>	<u>13,469,810</u>	<u>12,287,413</u>

Note:

In fiscal year 2011-12, Upon dissolution of the redevelopment agency on 02/01/12. The non-spendable Advances to other funds and the restricted for debt service fund balances were transferred to the Successor Agency private-purpose trust fund in the City's financial statement.

City of Walnut, California
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$ 626,512	\$ 303,719	\$ 12,066	\$ 388,918	\$ 398,960
250,870	250,870	250,870	35,827	35,827
-	-	-	-	-
1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
-	1,000,000	1,000,000	1,000,000	1,000,000
-	-	-	-	-
2,766,250	2,666,801	14,946,188	14,838,444	14,816,767
8,467,719	8,149,560	7,227,578	6,871,759	6,274,070
757,275	754,593	751,614	748,223	744,176
1,000,000	-	-	-	-
2,010,433	2,775,032	3,628,234	6,236,023	7,306,787
<u>16,879,059</u>	<u>16,900,575</u>	<u>28,816,550</u>	<u>31,119,194</u>	<u>31,576,587</u>
2,738	-	-	-	-
1,848,575	90,649	-	-	-
-	-	-	-	-
2,079,538	3,832,963	3,488,456	3,223,238	2,940,515
134,169	162,113	218,613	294,935	369,173
1,026,385	1,327,325	819,654	719,991	460,591
3,875,234	4,160,230	2,794,070	3,477,640	3,239,298
-	-	-	-	-
-	-	-	-	-
2,065,878	1,456,260	264,280	427,970	343,770
-	(10,516)	-	-	-
<u>11,032,517</u>	<u>11,019,024</u>	<u>7,585,073</u>	<u>8,143,774</u>	<u>7,353,347</u>

City of Walnut, California
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	2011	2012	2013	2014
Revenues:				
Taxes	\$ 11,630,777	\$ 11,948,178	\$ 8,401,800	\$ 8,774,933
Assessments	1,734,099	2,395,879	2,528,470	2,279,176
Licenses and permits	2,145,139	763,812	551,181	754,435
Intergovernmental	2,828,261	2,722,436	2,818,365	2,910,075
Charges for services	1,022,936	1,094,615	1,374,600	1,602,320
Use of money and property	477,150	496,394	158,230	582,911
Fines and forfeitures	546,526	412,855	513,458	555,806
Miscellaneous	340,414	596,470	796,899	433,390
Total Revenues	<u>20,725,302</u>	<u>20,430,639</u>	<u>17,143,003</u>	<u>17,893,046</u>
Expenditures				
Current:				
General government	3,100,614	3,630,711	2,176,693	2,371,357
Public safety	3,582,217	3,436,171	3,552,795	3,573,524
Community development	2,489,606	1,879,309	1,874,757	2,030,856
Community services	3,115,808	3,105,704	3,122,136	3,214,069
Public works	3,774,075	3,737,040	5,099,226	4,732,064
Capital outlay	7,273,355	1,935,343	695,726	2,156,903
Debt service:				
Principal	1,865,000	1,935,000	-	-
Interest ¹ and fiscal charges	1,587,674	776,240	-	-
Refunding bond issuance costs	-	-	-	-
Total Expenditures	<u>26,788,349</u>	<u>20,435,518</u>	<u>16,521,333</u>	<u>18,078,773</u>
Excess (deficiency) of Revenues over Expenditures	<u>(6,063,047)</u>	<u>(4,879)</u>	<u>621,670</u>	<u>(185,727)</u>
Other financing sources (uses):				
Transfer in	8,711,865	6,754,359	291,609	2,614,325
Transfer out	(8,711,865)	(6,754,359)	(291,609)	(2,614,325)
Sale of capital assets	-	-	-	-
Contribution to Successor Agency	-	-	-	(6,150,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,150,000)</u>
Special Item:				
Proceeds from sale of donated property	-	-	-	-
Extraordinary gain/(loss) on dissolution of improvement agency ²	-	(2,207,300)	-	-
Net change in fund balances	<u>(6,063,047)</u>	<u>(2,212,179)</u>	<u>621,670</u>	<u>(6,335,727)</u>
Debt service as a percentage of noncapital expenditures	17.14%	14.28%	0.00%	0.00%

Note:

¹ In fiscal year 2011-12, this is the Interest payment made on the final seven months of redevelopment activities before the transfer of obligation to the Successor Agency.

² In fiscal year 2011-12, this is the extraordinary gain/(loss), is mainly due to the transfer of assets and obligations of the former Walnut Improvement Agency that was dissolved on 02/01/2012 per ABX1 26 of the State of California dissolution of all redevelopment agency. The City of Walnut elected to become the Successor Agency for the dissolved Walnut Improvement Agency.

City of Walnut, California
 Changes in Fund Balances of Governmental Funds
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020
\$	9,093,952	\$ 9,614,804	\$ 9,274,951	\$ 9,499,733	\$ 9,891,270	\$ 9,959,422
	2,159,654	3,107,981	2,562,970	2,500,410	2,651,930	2,602,235
	785,402	961,563	1,829,914	805,839	895,016	669,135
	3,127,876	2,368,358	2,924,159	2,951,513	3,513,073	3,893,035
	1,174,295	1,839,232	1,297,286	1,457,384	1,448,413	1,453,707
	468,085	446,575	466,272	721,284	1,350,718	1,210,158
	205,560	277,011	131,631	157,374	127,235	101,670
	363,783	372,189	250,625	328,692	2,518,002	501,365
	<u>17,378,607</u>	<u>18,987,713</u>	<u>18,737,808</u>	<u>18,422,229</u>	<u>22,395,657</u>	<u>20,390,727</u>
	2,382,053	2,536,035	2,392,349	2,547,402	2,592,697	2,803,967
	3,570,802	3,765,218	3,894,564	4,025,458	4,111,941	4,412,772
	2,135,562	2,248,657	2,879,006	2,435,173	2,422,267	2,969,602
	3,302,231	5,006,833	3,586,537	4,815,620	4,221,073	4,250,928
	4,709,398	5,385,612	5,789,502	8,657,998	6,039,178	6,052,775
	2,664,154	520,813	187,827	380,964	147,156	233,717
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	<u>18,764,200</u>	<u>19,463,168</u>	<u>18,729,785</u>	<u>22,862,615</u>	<u>19,534,312</u>	<u>20,723,761</u>
	(1,385,593)	(475,455)	8,023	(4,440,386)	2,861,345	(333,034)
	896,984	209,969	541,537	448,808	444,737	138,911
	(896,984)	(209,969)	(541,537)	(448,808)	(444,737)	(138,911)
	-	-	-	435,000	-	-
	-	-	-	-	-	-
	-	-	-	435,000	-	-
	-	-	-	12,487,410	-	-
	-	-	-	-	-	-
	(1,385,593)	(475,455)	8,023	8,482,024	2,861,345	(333,034)
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

City of Walnut, California
 Assessed Value and Estimated Actual Value of Taxable Property
 Last Ten Fiscal Years
 (in thousands of dollars)

Fiscal Year	2011	2012	2013	2014	2015
Residential	\$ 3,477,315	\$ 3,593,986	\$ 3,754,176	\$ 3,990,406	\$ 4,201,218
Commercial	161,741	164,172	163,934	168,050	170,585
Industrial	95,932	96,149	97,942	100,711	106,086
Institutional	10,682	15,638	11,375	15,777	12,184
Miscellaneous	393	396	710	415	257
Vacant	17,762	72,477	57,513	53,830	62,733
SBE Nonunitary	168	168	168	168	168
Cross Reference	147	181	628	492	421
Unsecured	37,997	35,539	37,569	41,643	36,556
Exempt	[8,728]	[8,728]	[8,728]	[8,728]	[8,728]
Grand Total	<u>3,802,137</u>	<u>3,978,706</u>	<u>4,124,015</u>	<u>4,371,492</u>	<u>4,590,208</u>
Total Direct Rate	0.65386%	0.63601%	0.62656%	0.07616%	0.07479%

Note:

- 1 Exempt values are not included in Total.
- 2 Includes City and Successor Agency Project Area
- 3 In 1978 the voters of the State of California passed Proposition 13 which limited taxes to a total maximum rate of 1%, based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to maximum of 2%). With few exceptions, property is only reassessed as a result of new construction activity or at the time it is sold to a new owner. At that point, the property is reassessed based upon the added value of the construction or at the purchase price (market value) or economic value of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

Source: HdL, Coren & Cone, L.A. County Assessor 2010/11-2019/20 Combined Tax Rolls

City of Walnut, California
 Assessed Value and Estimated Actual Value of Taxable Property
 Last Ten Fiscal Years
 (in thousands of dollars)

2016	2017	2018	2019	2020
\$ 4,419,416	\$ 4,583,083	\$ 4,805,033	\$ 5,049,771	\$ 5,270,204
175,748	181,003	190,586	222,309	229,933
109,988	112,303	114,888	112,516	115,071
11,916	11,319	11,530	13,641	11,996
262	266	272	277	282
69,406	98,475	100,501	115,226	118,954
168	168	168	168	-
237	218	269	656	1,547
35,976	36,800	38,656	45,441	48,273
[8,596]	[8,596]	(8,596)	(8,455)	(8,455)
<u>4,823,117</u>	<u>5,023,635</u>	<u>5,261,903</u>	<u>5,560,005</u>	<u>5,796,260</u>
0.07362%	0.07264%	0.07047%	0.06783%	0.06968%

City of Walnut, California
 Special Benefit Assessment Billings and Collections
 Last Ten Fiscal Years
 (Unaudited)

Fiscal Year	2011	2012	2013	2014	2015
Assessment Billings	1,723,680	2,392,180	2,522,580	2,274,560	2,138,800
Assessment Collected	1,734,099	2,395,879	2,538,270	2,279,177	2,159,654
Percentage Collected	100.6%	100.2%	100.6%	100.2%	101.0%

Source: City Finance Department

City of Walnut, California
Special Benefit Assessment Billings and Collections
Last Ten Fiscal Years
(Unaudited)

2016	2017	2018	2019	2020
2,138,800	2,139,080	2,373,930	2,512,250	2,487,970
2,109,527	2,265,338	2,381,316	2,613,019	2,377,816
98.6%	105.9%	100.3%	104.0%	95.6%

City of Walnut, California
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Fiscal Years	2011	2012	2013	2014	2015
City Direct Rates:					
General Levy ¹	1.00000	1.00000	1.00000	1.00000	1.00000
Overlapping Rates:					
Metropolitan Water District	0.00370	0.00370	0.00350	0.00350	0.00350
Mt. San Antonio Community College	0.02636	0.02642	0.02896	0.02023	0.02129
Covina Valley Unified School District	0.09003	0.08999	0.09500	0.11472	0.11426
Pomona Valley Unified School District	0.17721	0.14943	0.18488	0.16407	0.16599
Pomona Usd 2008 Series C	0.00000	0.02421	0.00000	0.00000	0.00000
Rowland Unified School District	0.07538	0.09195	0.10053	0.12297	0.14313
Rowland Unified School District 2012 Series	0.00000	0.00000	0.00000	0.00000	0.00000
Walnut Valley Unified School District	0.11839	0.11735	0.12554	0.11342	0.11510
Total Direct and Overlapping ² Tax Rates	1.49107	1.50305	1.53841	1.53892	1.56328
City's Share of 1% Levy Per Prop 13 ³	0.05202	0.05202	0.05202	0.05202	0.05202
General Obligation Debt Rate	-	-	-	-	-
Redevelopment Rate ⁴	1.00370	1.00370	-	-	-
Total Direct Rate ⁵	0.65386%	0.63601%	0.62656%	0.07616%	0.07479%

Note:

- 1 In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.
- 2 Overlapping rates are those of local and county governments that apply to property owners within the City of Walnut. Not all overlapping rates apply to all City of Walnut property owners.
- 3 City's share of 1% Levy is based on the City of Walnut's share of the general fund tax rate area with the largest net taxable value within the City of Walnut. ERAF general fund tax shifts may not be included in tax ratio figures.
- 4 Redevelopment rate is based on the largest RDA tax rate area (TRA) and only includes rate(s) from indebtedness adopted prior to 1989 per California State Statute. RDA direct and overlapping rates are applied only to the incremental property values. The approval of ABX1 26 eliminated Redevelopment from State of California for the fiscal year 2012-13 and years thereafter.
- 5 Since basic and debt rates vary by tax rate area individual rates cannot be summed. Total Direct Rate is the weighted average of all individual direct rates applied by the City of Walnut.

Source: HdL, Coren & Cone, L.A. County Assessor 2010/11-2019/20 Tax Rate Table

City of Walnut, California
 Direct and Overlapping Property Tax Rates
 Last Ten Fiscal Years

2016	2017	2018	2019	2020
1.00000	1.00000	1.00000	1.00000	1.00000
0.00350	0.00350	0.00350	0.00350	0.00350
0.02154	0.02400	0.02371	0.02435	0.04781
0.11062	0.12581	0.14205	0.13976	0.13521
0.15364	0.14368	0.17292	0.16942	0.20671
0.00000	0.00000	0.00000	0.00000	0.00000
0.12426	0.10939	0.11841	0.11861	0.10760
0.00000	0.01505	0.00000	0.00000	0.00000
0.09285	0.06601	0.07388	0.10582	0.09538
1.50641	1.48744	1.53448	1.56146	1.59621
0.05202	0.05202	0.05202	0.05202	0.05202
-	-	-	-	-
-	-	-	-	-
0.07362%	0.07264%	0.07047%	0.07077%	0.06968%

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City of Walnut, California
Principal Property Tax Payers
Current Year and Nine Years Ago

<u>Taxpayer</u>	2020		2011		<u>Business Type</u>
	Taxable	Percent of	Taxable	Percent of	
	Assessed Value	Total City Taxable Assessed Value	Assessed Value	Total City Taxable Assessed Value	
Wesco Properties Inc	36,802,692	0.63%	-	0.00%	Commercial
Essex CA WA Limited Partnership	31,079,618	0.54%	26,767,781	0.70%	Apartments
Sunjoint Development LLC	29,089,565	0.50%	-	0.00%	Vacant
Snow Creek Village West Partners	23,920,724	0.41%	20,672,128	0.54%	Commercial
Walnut Tech Business Center	21,481,686	0.37%	18,566,129	0.49%	Industrial/Commercial
Vogel Properties, Inc.	21,236,410	0.37%	18,075,462	0.48%	Industrial/Commercial
Pacwall LLC	14,482,368	0.25%	-	0.00%	Commercial
Orange Grove Service Inc	14,172,327	0.24%	12,247,617	0.32%	Commercial
9429 Walnut Cake LLC	12,484,800	0.22%	12,558,996	0.33%	Commercial
Canton M Elizabeth Cotrustee Canon Family	10,965,000	0.19%	-	0.00%	Commercial
Ruey Cher & Tsu Kao	-	0.00%	18,640,951	0.49%	Commercial (Stater Bros)
Henn's Investment Company	-	0.00%	8,856,623	0.23%	Industrial
Margaret Wang Trust	-	0.00%	8,000,000	0.21%	Commerical
Standard Pacific of Walnut Hills	-	0.00%	33,350,122	0.88%	Residential
Total	215,715,190	3.72%	177,735,809	4.67%	

Note:

The amounts shown above include assessed value data for both the City and the Successor Agency.

Per State of California ABX1 26 all redevelopment agency in California was dissolved effective February 1, 2012.

Source: Hdl, Coren & Cone, L.A. County Assessor 2019/20 Combined Tax Rolls and the SBE Non Unitary Tax Roll

City of Walnut, California
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	2011	2012	2013	2014
Taxes levied for the fiscal year	1,226,747	1,278,806	1,315,489	1,390,157
Collected within the fiscal year:				
Amount	1,125,382	1,117,322	1,260,893	1,348,701
Percent of Levy	92%	87%	96%	97%
Total Tax Collection				
Amount	1,125,382	1,117,322	1,260,893	1,348,701
Delinquent Tax Collection	1,442	(22)	1,651	1,325
Collection in subsequent years	N/A	N/A	N/A	N/A
Total Collection to date in Dollars	N/A	N/A	N/A	N/A
Total Collection to date as a percentage of levy	N/A	N/A	N/A	N/A

Note:

The amounts presented include City Property taxes, not Successor Agency property taxes.

Per State of California ABX1 26 all redevelopment agency in California was dissolved effective February 1, 2012.

Source: County of Los Angeles, Auditor-Controller

City of Walnut, California
Property Tax Levies and Collections
Last Ten Fiscal Years

2015	2016	2017	2018	2019	2020
1,435,551	1,399,452	2,718,998	1,497,691	1,555,482	1,623,343
1,384,713	1,367,680	2,348,388	1,468,139	1,519,185	1,558,394
96%	98%	86%	98%	98%	96%
1,384,713	1,367,680	2,348,388	1,468,139	1,519,185	1,558,394
1,082	1,079	(2,041)	(2,345)	(7,822)	(7,256)
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A

City of Walnut, California
Ratios of Outstanding Debt
Last Ten Fiscal Years

Fiscal Year	2011	2012	2013	2014
Walnut Improvement Agency: ¹ Tax Allocation Refunding Bonds, Series 1999A	10,840,000	-	-	-
Walnut Public Financing Authority: Tax Allocation Revenue Bonds, Series 1992	-	-	-	-
Tax Allocation Revenue Bonds, Series 2002	19,755,000	-	-	-
Total Governmental Activities	30,595,000	-	-	-
Personal Income City of Walnut (in thousands) ²	1,022,357	985,249	996,456	1,019,743
Ratio of outstanding debt	2.99%	0.00%	0.00%	0.00%
Population	29,439	29,661	29,947	30,112
Total debt per capita	1,039	-	-	-

Note:

1 As a result of the dissolution of all the redevelopment agency in California, indebtedness of the former Walnut Improvement Agency was transferred to the Successor Agency. Note 10 of the notes to the financial statements on page 50-51 will provide in depth information on the Successor Agency Trust for assets of former redevelopment agency.

2 Schedule of Demographics Statistics for personal income data for calendar year 2019.

Source: California Department of Finance, U.S. Bureau of Census decennial census data, HdI, Coren & Cone

City of Walnut, California
 Ratios of Outstanding Debt
 Last Ten Fiscal Years

2015	2016	2017	2018	2019	2020
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,041,477	1,045,685	1,077,615	1,099,822	1,105,292	1,173,576
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
30,257	30,152	30,134	30,457	30,551	29,929
-	-	-	-	-	-

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City of Walnut, California
Direct and Overlapping Debt
June 30, 2020

	Outstanding Debt 6/30/20	Percentage Applicable To City	Estimated Share of Overlapping Debt
Metropolitan Water District*	18,151,752	0.188%	34,144
Mt. San Antonio CCD DS 2008 Series 2013A	161,708,000	6.003%	9,707,939
Mt. San Antonio CCD DS 2008 Series 2013B	3,805,000	6.003%	228,428
Mt. San Antonio CCD DS 2013 Ref Series A	23,500,000	6.003%	1,410,793
Mt. San Antonio CCD DS 2013 Ref Series B	27,185,000	6.003%	1,632,018
Mt. San Antonio CCD DS 2008 Ref Series 2015C	10,870,000	6.003%	652,567
Mt. San Antonio CCD DS 2015 Ref Bonds	17,365,000	6.003%	1,042,486
Mt. San Antonio CCD DS 2018 Series 2019A	401,245,000	6.003%	24,088,244
Pomona USD DS Refunding 2000 Series A	10,930,000	0.118%	12,880
Pomona USD DS Refunding 2001 Series A	8,770,000	0.118%	10,335
Pomona USD DS 2008 Series B	1,965,000	0.118%	2,316
Pomona USD DS 2008 Series C	37,920,000	0.118%	44,685
Pomona USD DS 2012 Refunding Bond Series B	18,195,000	0.118%	21,441
Pomona USD DS 2008 Series D QSCBS	20,105,000	0.118%	23,692
Pomona USD DS 2008 Series E	13,200,000	0.118%	15,555
Pomona USD DS 2008 Series F	21,550,000	0.118%	25,395
Pomona USD DS 2015 Ref Bonds	15,085,000	0.118%	17,776
Pomona USD DS 2016 Ref Bonds Series B	19,793,209	0.118%	23,324
Pomona USD DS 2008 Series G	24,265,000	0.118%	28,594
Pomona USD DS 2016 Ref Bonds	5,590,000	0.118%	6,587
Pomona USD DS 2016 Series A	42,100,000	0.118%	49,611
Pomona USD DS 2016 Series B	6,815,000	0.118%	8,031
Pomona USD DS 2016 Series C	55,000,000	0.118%	64,812
Rowland Heights USD DS 2005 Ref Bonds	6,984,432	10.591%	739,715
Rowland Heights USD DS 2006 Series B	19,272,549	10.591%	2,041,138
Rowland Heights USD DS 2019	14,355,000	10.591%	1,520,325
Rowland Heights USD DS 2006 Series D QSCB	14,075,000	10.591%	1,490,670
Rowland Heights USD DS 2006 Series E	557,451	10.591%	59,039
Rowland Heights USD DS 2012 Series A	40,330,000	10.591%	4,271,313
Rowland Heights USD DS 2013 Ref Bonds	23,840,000	10.591%	2,524,872
Rowland Heights USD DS 2012 Series B	65,999,972	10.591%	6,989,996
Rowland Heights USD DS 2015 Ref Bonds	41,420,000	10.591%	4,386,754
Walnut Valley USD DS 2000 Series D	11,428,114	33.641%	3,844,553
Walnut Valley USD DS 2000 Series E	4,509,459	33.641%	1,517,035
Walnut Valley USD DS 2011 Refunding	745,000	33.641%	250,627
Walnut Valley USD DS 2007 Series B Meas. S	10,284,601	33.641%	3,459,862
Walnut Valley USD DS 2007 Series C	310,547	33.641%	104,472
Walnut Valley USD DS 2014 Ref Bonds Series A	3,260,000	33.641%	1,096,703
Walnut Valley USD DS 2014 Ref Bonds Series B	2,345,000	33.641%	788,886
Walnut Valley USD DS 2016 Ref Bonds	39,205,000	33.641%	13,189,026
Walnut Valley USD DS 2018 2019	66,730,000	33.641%	22,448,762
Total Overlapping Bonded Debt			<u>109,875,400</u>
Total Direct and Overlapping Bonded Debt			<u>109,875,400</u>

2019-20 Assessed Valuation:

\$2,423,322,508 after deducting \$3,372,938,139 Incremental value

Debt to Assessed Valuation Ratios:

0.00%
4.53%
4.53%

Note:

*This fund is a portion of a larger agency, and is responsible for debt in areas outside of the City of Walnut.

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

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City of Walnut. The percentage of overlapping debt applicable is estimated by using taxable assessed values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City of Walnut boundaries and dividing it by each unit's total taxable assessed value.

Source: HdL, Coren & Cone, L.A. County Assessor and Auditor Combined 2019/20 Lien Date Tax Rolls

City of Walnut, California
 Computation of Legal Debt Margin Information
 Last Ten Fiscal Years

Fiscal Year	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Assessed valuation	3,802,137,343	3,978,706,380	4,124,015,117	4,371,491,627
Conversion percentage	25%	25%	25%	25%
Adjusted assessed valuation	950,534,336	994,676,595	1,031,003,779	1,092,872,907
Debt limit percentage	15%	15%	15%	15%
Debt Limit	142,580,150	149,201,489	154,650,567	163,930,936
Total net debt applicable to limit: General Obligation bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin	<u>142,580,150</u>	<u>149,201,489</u>	<u>154,650,567</u>	<u>163,930,936</u>
Total debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%

Note:

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the state. This is 3.75% of full market value.

The City of Walnut has no bonded indebtedness.

Source: HdL, Coren & Cone, L.A. County Assessor 2019/20 Combined Tax Rolls

City of Walnut, California
 Legal Debt Margin Information
 Last Ten Fiscal Years

2015	2016	2017	2018	2019	2020
4,590,208,614	4,823,117,151	5,023,635,701	5,261,903,783	5,560,005,060	5,796,260,647
25%	25%	25%	25%	25%	25%
1,147,552,154	1,205,779,288	1,255,908,925	1,315,475,946	1,390,001,265	1,449,065,162
15%	15%	15%	15%	15%	15%
172,132,823	180,866,893	188,386,339	197,321,392	208,500,190	217,359,774
-	-	-	-	-	-
172,132,823	180,866,893	188,386,339	197,321,392	208,500,190	217,359,774
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

City of Walnut, California
Demographic Statistics
Last Ten Fiscal Years (Unaudited)

Fiscal Year	2011	2012	2013	2014
Square Miles ¹	8.83	8.83	8.83	8.83
Number of Housing Units ²	8,808	8,867	8,908	8,909
Population (City of Walnut) ²	29,439	29,661	29,947	30,112
Personal Income City of Walnut (in thousands) ³	1,022,357	985,249	996,456	1,019,743
Per Capita Personal Income City of Walnut ³	31,304	33,217	33,274	33,865
Unemployment Rate City of Walnut ⁴	6.2%	6.0%	4.5%	3.6%
Average Annual Population % change ²	-9.86%	0.75%	0.96%	0.55%

Source:

- 1 City Finance Department
- 2 Population: California State Department of Finance
- 3 California State Department of Finance. U.S. Bureau of Census. ESRI-Demographic Estimates are based on the last available Census. Demographic Data is totaled from Census Block Groups that overlap the City's boundaries.
- 4 Unemployment Data: California Employment Development Department

City of Walnut, California
Demographic and Economic Statistics
Last Ten Fiscal Years (Unaudited)

2015	2016	2017	2018	2019	2020
8.83	8.83	8.83	8.83	8.83	8.83
8,911	8,925	8,937	9,022	9,046	9,061
30,257	30,152	30,134	30,457	30,551	29,929
1,041,477	1,045,685	1,077,615	1,099,822	1,105,292	1,173,576
34,573	34,680	35,760	36,110	36,178	39,211
5.9%	4.8%	3.7%	3.5%	3.6%	3.4%
0.48%	-0.35%	-0.06%	1.07%	0.31%	-2.04%

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City of Walnut, California
Principal Employer
Current Year and Nine Years Ago

<u>Employer</u>	<u>2020</u>		<u>Product/Services</u>	<u>2011</u>	
	<u>Number of Employees</u>	<u>Percent of Employment</u>		<u>Number of Employees</u>	<u>Percent of Employment</u>
Mount San Antonio College	3,250	45%	Community College	3,074	52%
Ninas Mexican Foods, Inc.	140	2%	Manufacturer	118	2%
Edro Engineering Company, Inc.	117	2%	Engineering	86	1%
Stater Brothers Market #168	81	1%	Grocery Store	63	1%
Vons #2167	76	1%	Grocery Store	57	1%
Ronsin Photocopy Inc.	75	1%	Photocopy Manufacturer	122	2%
Applebee's Neighborhood Grill	73	1%	Restaurant	67	1%
Home Goods #282	72	1%	Retail	-	0%
Alliance Industrial Refrigeration	66	1%	Industrial Refrigeration	-	0%
XLB Dumpling Bar	62	1%	Restaurant	-	0%
TJ Maxx #682	61	1%	Retail	-	0%
McDonald's	60	1%	Fast-food	62	1%
Fairway Injections Molds, Inc	60	1%	Manufacture Mold Bases	64	1%
24 Hour Fitness	59	1%	Health Fitness Facility	-	0%
Sodexo, Inc	56	1%	Food Services Mgmt.	-	0%
Panera Bread #1630	46	1%	Restaurant	-	0%
Ten Ren's Tea Time	44	1%	Restaurant	-	0%
Albertsons #6888	-	0%	Grocery Store	70	1%

Source: City Finance Department & HDL, Coren & Cone 2019-20 Business License Data

City of Walnut, California
Full-Time Employees
Last Ten Fiscal Years

Fiscal Year	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Function:					
General government	12	12	11	10	9
Public safety	2	2	2	2	2
Public works	4	4	4	4	6
Community development	9	9	9	9	9
Community services	<u>13</u>	<u>11</u>	<u>11</u>	<u>11</u>	<u>10</u>
Total	<u>40</u>	<u>38</u>	<u>37</u>	<u>36</u>	<u>36</u>

Note:

Public safety which includes police and fire services were provided by Los Angeles County.

Source: City Finance Department

City of Walnut, California
Full-Time Employees
Last Ten Fiscal Years

2016	2017	2018	2019	2020
9	9	10	10	11
2	2	2	2	1
6	6	6	6	6
10	10	10	10	10
10	10	10	10	10
37	37	38	38	38

City of Walnut, California
Construction and Bank Deposit Activity
Last Ten Fiscal Years

Fiscal Year	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Number of New Residential Units	121	2	3	4
Building Permit Valuation				
Residential	57,836,267	10,016,161	7,162,387	6,956,379
Non-Residential	282,322	1,298,793	652,506	1,654,042
Total	<u>58,118,589</u>	<u>11,314,954</u>	<u>7,814,893</u>	<u>8,610,421</u>
Number of Building Permit Issued	476	466	450	441
Bank Deposits	656,199,000	580,175,000	689,651,000	766,390,000

Source: FDIC: Deposit Market Share Report June 30, 2020, City of Walnut Finance Department, and City of Walnut Building Department

City of Walnut, California
 Construction and Bank Deposit Activity
 Last Ten Fiscal Years

2015	2016	2017	2018	2019	2020
14	22	97	72	18	3
12,822,312	15,959,112	39,160,875	11,597,194	16,206,324	8,672,560
397,517	573,580	1,982,436	628,931	514,493	2,046,217
13,219,829	16,532,692	41,143,311	12,226,125	16,720,817	10,718,777
434	689	587	511	414	948
860,801,000	1,023,415,000	1,211,609,000	1,379,363,000	1,444,420,000	1,773,297,000

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City of Walnut, California

Insurance in Force

June 30, 2020 (Unaudited)

<u>CARRIER</u>	<u>POLICY #</u>	<u>COVERAGE</u>	<u>AMOUNT OF COVERAGE</u>	<u>TERM</u>
Alliant Insurance	01-606-08-20	Public Employees "O"	\$ 1,000,000	07/01/2019-06/30/2020
		Theft "C"	\$ 1,000,000	
		Forgery "B"	\$ 1,000,000	
		Computer Fraud "F"	\$ 1,000,000	
California Joint Powers Insurance Authority	B128410009W18	Property	\$ 33,102,404	07/01/2019-06/30/2020
		Earthquake & Flood	No Coverage	
		Other Vehicles Physical Damage	\$ 493,195	
		Mechanical Breakdown	\$ 29,800,518	
		Fire and Ambulance Physical Damage	No Coverage	
California Joint Powers Insurance Authority		General Liability	\$ 30,000,000	07/01/2019-06/30/2020
		Auto Liability	\$ 30,000,000	
		Workers' Compensation	\$ 10,000,000	
		Environmental/Pollution	No Coverage	
		Cyber Liability	\$ 1,000,000	

Source: City Risk Management

City of Walnut, California
 Operating Indicators by Function
 Last Ten Fiscal Years

Fiscal Year	2011	2012	2013	2014
Public Safety:				
Number of Employees Trained on Emergency Operation	16	60	60	60
Number of Volunteers on Patrol	15	12	9	12
Parking Citation Issued	2,490	2,423	1,779	1,436
Community Development:				
Planning Application Processed	153	148	136	150
Code Enforcement Complaint Response	453	535	601	789
Dial-A-Ride Members	4,192	4,447	4,618	4,069
Metrolink Passes Sold	2,328	2,264	2,028	1,729
Public Works:				
Street Resurfacing (Square Feet)	661,025	301,545	21,000	228,360
Parks and recreation:				
Number of Recreation Classes	400	236	500	750
Number of Youth Registered	4,800	4,706	6,000	6,500

Source: City of Walnut Departments

City of Walnut, California
 Operating Indicators by Function
 Last Ten Fiscal Years

2015	2016	2017	2018	2019	2020
50	50	50	50	46	63
15	30	20	13	15	18
2,275	3,688	1,337	2,223	1,514	1,026
154	156	105	148	128	88
775	801	817	846	1,061	763
4,338	4,521	4,645	4,834	5,094	5,162
1,524	1,421	1,368	1,347	1,110	745
1,944,687	2,303,654	3,234,562	3,234,562	2,674,770	2,862,703
683	650	757	935	817	575
5,500	5,250	5,821	4,200	5,175	2,931

City of Walnut, California
 Capital Assets Statistics by Function
 Last Ten Fiscal Years

Fiscal Year	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Public Works:					
Street (Miles)	112	112	112	111	111
Street lights	1,814	1,831	1,835	1,853	1,934
Traffic signals	39	40	40	40	40
Parks and recreation:					
Parks	11	11	11	11	11
Teen Center	1	1	1	1	1
Senior Center	1	1	1	1	1
Total	<u>1,978</u>	<u>1,996</u>	<u>2,000</u>	<u>2,017</u>	<u>2,098</u>

Source: City Finance Department, RKA Civil Engineers, Inc., and Southern California Edison Company

City of Walnut, California
 Capital Assets Statistics by Function
 Last Ten Fiscal Years

2016	2017	2018	2019	2020
111	111	111	111	111
1,934	1,934	1,912	1,920	1,916
40	41	41	41	41
11	11	11	11	11
1	1	1	1	1
1	1	1	1	1
2,098	2,099	2,077	2,085	2,081

Walnut incorporated January 19, 1959 and is located in the greater Walnut Valley, nestled in the area between the San Jose Hills to the north and the Puente Hills to the south, 20 miles east of downtown Los Angeles.

The climate of Walnut is mild and dry, with the average temperatures ranging from 54 degrees in the winter to 79 degrees in the summer. The annual rainfall for the area is 17 inches.

Elevation is 519 feet above sea level with gently rolling hills in the south rising to the rugged, steep hills of 1,375 to the north. The impressive backdrop of the Walnut Valley is the towering San Gabriel mountain range, with snow-capped Mt. Baldy as well as the San Geronio and San Jacinto ranges.

Type of City	General Law-January 19, 1959
Form of Government	Council/Manager
Population	29,929
Land Area	8.83 Square Miles
Number of Parks	11
Park Areas	97 Acres
Equestrian/Hiking Trails	30.5 Miles
Water Utility	Walnut Valley Water District Suburban Water Systems Golden State Water Company
Electric Utility	Southern California Edison Company
Gas Utility	Southern California Gas Company
Employees	38 Full-time
Cost per Capita	\$692

Source: City Finance Department



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