

CITY OF WALNUT

ANNUAL COMPREHENSIVE FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED JUNE 30, 2023
WALNUT, CALIFORNIA



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ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2023

Prepared by:

Finance Department
Karen Ogawa, Director of Finance

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CITY OF WALNUT

December 8, 2023

Honorable Mayor, Members of the City Council and
Citizens of the City of Walnut
California 91789-2018

It is a pleasure to submit the Annual Comprehensive Financial Report of the City of Walnut (City) for the fiscal year ended June 30, 2023. 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. 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 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 accomplish these objectives.

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 independent auditor's report is located at the front of the financial section of this 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 27,553.

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 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 in February 2012 and dissolved in February 2021 per Assembly Bill 1X 26.

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).

RELEVANT FINANCIAL POLICIES

The City of Walnut fiscal policy provides funding to ensure the City maintains one of the lowest crime rates in Los Angeles county, promote a mix of businesses to influence a balanced community, develops programs to enhance and retain existing businesses, pursues new developments and businesses to 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 \$32 million. Of that balance, the unrestricted fund balance (the total of the committed, assigned, and unassigned components of the fund balance) was \$30.1 million, which is approximately 183% of the total general fund expenditures. The total net change in the general fund balance is an increase of \$1.7 million.

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 2024-2028 Capital Improvement Program anticipates \$12 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 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 Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2022. This was the thirty-fourth (34th) consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized ACFR 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 ACFR 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.

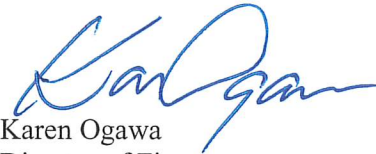
ACKNOWLEDGEMENT

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,



Tom Weiner
City Manager



Karen Ogawa
Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Walnut
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO

**CITY OF WALNUT
OFFICIALS
June 30, 2023**

CITY COUNCIL

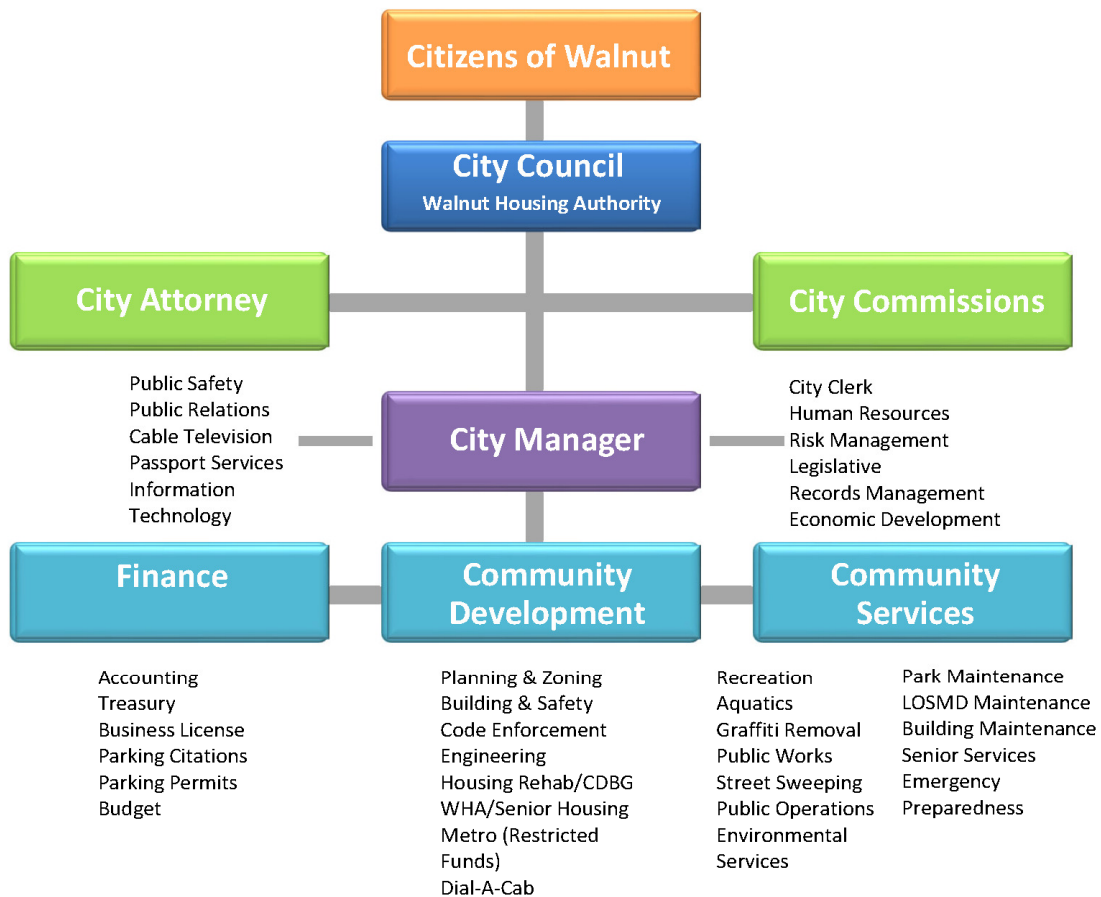
Dr. Allen Wu, Mayor
Nancy Tragarz, Mayor Pro Tem
Ritchie Cajulis, Council Member
Eric Ching, Council Member
Linda Freedman, Council Member

CITY OFFICIALS

Tom Weiner, City Manager
Teresa De Dios, City Clerk
Karen Ogawa, City 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 constituents. The City is comprised of the City Manager’s Office, Finance department, Community Development, and Community Services. The City Manager’s Office oversees administration of the city, Public Information, Human Resources, City Clerk, Economic Development, Legislation, Information Technology, Public Safety, and Risk Management. The Finance department coordinates the City’s budget, contracts, payroll, accounts payable/receivable, and other purchasing functions. Community Development oversees the building and planning of the City, while Community Services department coordinates and maintains the City’s parks, recreation programs, and public works.

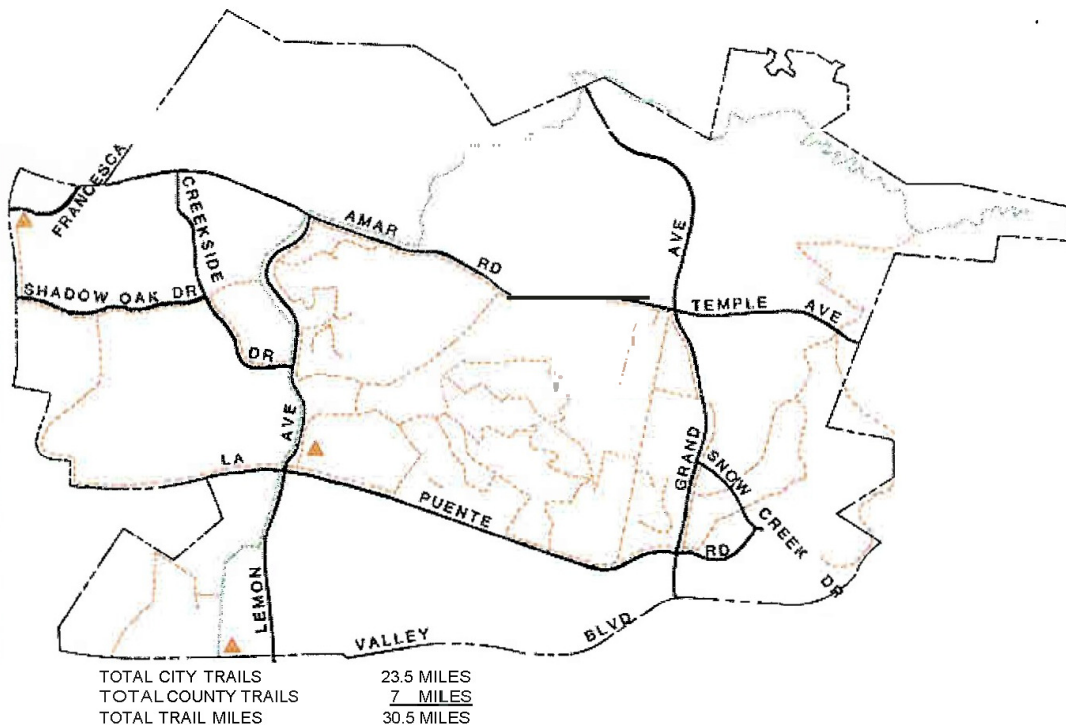


City of Walnut Trail Map



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

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.



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 Audit of the Financial Statements

Opinions

We have audited the 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, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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, 2023, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of proportionate share of the net pension liability, schedule of contributions, schedule of changes in the total OPEB liability and related ratios, and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary 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 combining and individual fund financial statements and schedules are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2023, 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 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 City's internal control over financial reporting and compliance.



Rancho Cucamonga, California
December 8, 2023

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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, 2023. 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 \$105.1 million (net position).
- The General Fund has a fund balance of \$32 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 \$30.4 million or approximately 183% of the total general fund expenditures.
- The General Fund actual resources available for appropriation (revenue inflows and fund balance) was \$27.4 million more than budget and actual appropriations (outflows) were \$133,750 over than budget.
- At the close of the current fiscal year, the City of Walnut governmental funds reported a combined fund balance of \$44.8 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 28 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 and four special revenue funds, all of which are considered to be major funds. Data from the other 23 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 and special revenue funds. Budgetary comparison statements have been provided for the general fund and special revenue funds 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.

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

As noted earlier, net position over time may serve as a useful indicator of a government’s financial position. In the case of the City of Walnut, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$105.1 million at the close of the fiscal year. 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	
	June 30, 2023	June 30, 2022
Current and other assets	\$ 56,673	\$ 47,550
Capital assets	68,830	68,084
Total assets	125,503	115,634
 Deferred outflows of resources	 4,367	 2,163
Current liabilities	12,356	8,388
Noncurrent liabilities	11,124	6,397
Total liabilities	23,480	14,785
 Deferred inflows of resources	 1,296	 4,564
 Net Position		
Net investment in capital assets	68,830	68,084
Restricted	11,199	9,193
Unrestricted	25,065	21,172
Total net position	\$ 105,094	\$ 98,449

The largest portion of the City of Walnut’s net position (65%) 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 (11%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$25 million 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 increased \$6.6 million. The following is an explanation of the major changes:

- Cash and investments increased by \$9.1 million due to the American Rescue Plan Act (ARPA) funds received from the United States Department of Treasury and increase in park in-lieu fees from developments.
- Current liabilities increased \$4 million primarily due to unearned ARPA revenues.
- Noncurrent liabilities increased by \$4.7 million due to the increase in net pension liabilities and OPEB liabilities.
- Capital assets increased \$0.7 million net of depreciation. The increase was attributed primarily to the increase in construction in progress. The changes are as follows:

City of Walnut Asset Type

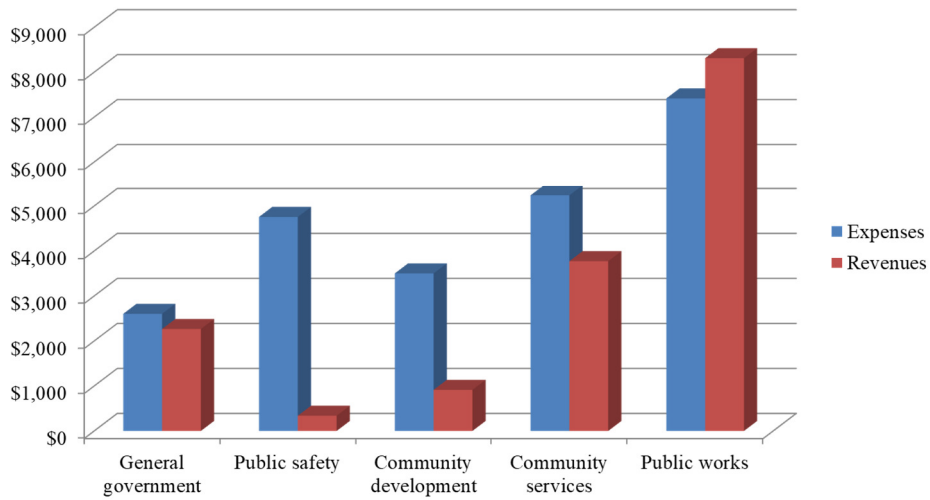
Construction in progress	\$ 2,387,877
Building and improvements	(610,543)
Furniture and equipment	315,466
Infrastructure	<u>(1,347,423)</u>
Capital asset net increase	<u><u>\$ 745,377</u></u>

Governmental Activities. Governmental activities increased the City of Walnut net position by \$6.6 million. Key element of the changes is due to the increase in park in-lieu fees and use of money and property. Refer to the analysis on the next page.

City of Walnut Changes in Net Position
(In Thousands)

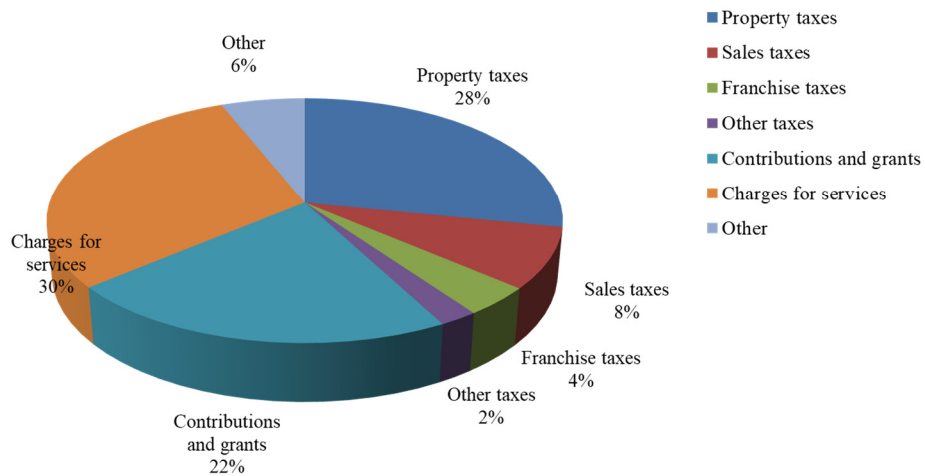
	<u>Governmental Activities</u>	
	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Revenues:		
Program revenues:		
Charges for services	\$ 9,066	\$ 5,080
Operating contributions and grants	3,570	2,309
Capital contributions and grants	2,968	2,883
General revenues:		
Taxes:		
Property taxes	8,502	7,733
Sales taxes	2,429	2,352
Franchise taxes	1,162	1,032
Business license taxes	139	131
Other taxes	499	504
Use of money and property	1,278	(251)
Other	548	561
Total revenues	<u>30,161</u>	<u>22,334</u>
Expenses:		
General government	2,604	3,442
Public safety	4,757	4,592
Community development	3,502	2,807
Community services	5,237	4,572
Public works	7,417	7,661
Total expenses	<u>23,517</u>	<u>23,074</u>
Change in net position	6,644	(740)
Beginning net position	98,450	99,190
Ending Net Position	<u>\$ 105,094</u>	<u>\$ 98,450</u>

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



- Charges for services, operating contributions and grants, and use of money and property revenues increased by \$6.8 million, which is primarily due to the increase in park in-lieu fees and use of money and property.
- Community Services expenses increased by \$0.7 million primarily due to restoring recreation activities due to lessening of COVID-19 restrictions.
- Community Development expense increased by \$0.7 million primarily due to sale of Proposition A funds.

**City of Walnut Governmental Activities
Revenue by Source
(% of Total Revenues)**



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 \$44.8 million, an increase of \$5.3 million in comparison to prior year. Of this balance 0.1% (\$0.06 million) are nonspendable balances for notes and loans, advances to other funds, and prepaid costs; 29% (\$13.1 million) are legally restricted to fund such areas as low and moderate housing projects, public safety, community services, and public works; 5% (\$2.0 million) are committed to disaster recovery and self-insurance; 49% (\$22.2 million) are assigned to community services, maintenance and operations, and other post-employment benefits; and the remaining 17% (\$7.5 million) 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 \$32.0 million. The unassigned fund balance of the general fund is \$7.5 million, which represents approximately 46% compared to the general fund expenditures. The total general fund balance represents approximately 195% of the general fund expenditures. The general fund balance increased \$1.7 million.

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 costs exceeded the assessments related to the LOSMD by \$41,203. The assessments do not have a provision for rate increases and expenses to maintain the property continue to increase each year.

The park improvement fund balance increased by \$2.5 million. Increase primarily due to increase revenues from park in-lieu fees from developments.

The non-major government fund balance increased by \$1.1 million primarily due to transfers from general fund to fund various programs.

General Fund Budgetary Highlights

The actual charges to appropriations for the general fund at year-end were \$133,750 more than the final budget. The budget to actual variance in appropriations was due to lower recreation activities and close control by management on spending. Actual revenues were \$2,468,148 more than anticipated, which is primarily due to increase in property taxes and use of money and property. 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 \$348,506.

Capital Asset and Debt Administration

Capital Assets. At the end of the fiscal year ended June 30, 2023, the City had \$68,829,695 invested in a broad range of capital assets including land, buildings, infrastructures, furniture, and equipment. The amount represents a net increase of \$0.7 million over last year. This increase is mainly due to construction in progress.

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

	Governmental Activities	
	<u>2023</u>	<u>2022</u>
Land	\$ 10,793	\$ 10,793
Construction in progress	2,932	544
Building and improvements	11,357	11,968
Furniture and equipment	1,230	914
Infrastructure	<u>42,518</u>	<u>43,865</u>
Total	<u>\$ 68,830</u>	<u>\$ 68,084</u>

The City's five-year Capital Improvement Program projects spending \$12 million through fiscal year 2027-28. Funding will come from current fund balances assigned for capital projects and projected revenues over the next five years. The most significant projects include the flood plain rehabilitation, 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 compensated absences of \$719,705, which is \$174,743 more than prior year. Additional information can be found in Note 4.

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 state of emergency continued through fiscal year 2021-22. Walnut is allocated \$7.1 million in American Rescue Plan Act Funds (ARPA) and received \$3.6 million in July 2021 and July 2022 for a total of \$7.2 million. The City will expend the funds in accordance to the federal regulations. The revenue and expenditure projections provided for the 2023-24 budget is based upon economic forecasts, trends for the area in which the City is located. 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 2% increase in sales tax and 3% increase in property taxes for the next couple of years. 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 4% 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 3% 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, 21201 La Puente Road, Walnut, California 91789.

City of Walnut, California
Statement of Net Position
June 30, 2023

	Governmental Activities
Assets	
Current assets	
Cash and investments	\$ 51,944,338
Receivables	
Accounts	244,259
Accrued interest	331,191
Deferred loans	743,492
Prepaid costs	23,750
Due from other governments	972,522
Restricted cash and investments	2,413,618
Total current assets	56,673,170
Noncurrent assets	
Capital assets not being depreciated	13,724,597
Capital assets, net of depreciation	55,105,098
Total noncurrent assets	68,829,695
Total assets	125,502,865
Deferred Outflows of Resources	
Deferred amount related to pensions	3,982,417
Deferred amount related to OPEB	384,442
Total deferred outflows of resources	4,366,859
Liabilities	
Current liabilities	
Accounts payable	3,124,689
Deposits payable	1,959,139
Accrued liabilities	378,717
Unearned revenue	5,664,394
Due to other governments	733,016
Compensated absences	495,786
Total current liabilities	12,355,741
Noncurrent liabilities	
Compensated absences	223,919
Net pension liability	9,390,177
Total OPEB liability	1,509,813
Total noncurrent liabilities	11,123,909
Total liabilities	23,479,650
Deferred Inflows of Resources	
Deferred amounts related to pensions	621,822
Deferred amounts related to OPEB	674,328
Total deferred inflows of resources	1,296,150
Net Position	
Net investment in capital assets	68,829,695
Restricted for	
Community development projects	1,385,783
Public safety	625,979
Community services	3,318,223
Public works	5,869,167
Unrestricted	25,065,077
Total net position	\$ 105,093,924

City of Walnut, California
Statement of Activities
Year Ended June 30, 2023

Functions/Programs	Expenses	Program Revenues		Capital Contributions and Grants	Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Contributions and Grants		
					Governmental Activities
Governmental Activities					
General government	\$ 2,603,771	\$ 337,141	\$ 1,928,697	\$ -	\$ (337,933)
Public safety	4,757,078	173,908	165,271	-	(4,417,899)
Community development	3,501,557	-	130,125	784,204	(2,587,228)
Community services	5,237,536	3,773,285	-	-	(1,464,251)
Public works	7,416,782	4,782,140	1,345,949	2,183,727	895,034
Total governmental activities	<u>\$ 23,516,724</u>	<u>\$ 9,066,474</u>	<u>\$ 3,570,042</u>	<u>\$ 2,967,931</u>	<u>(7,912,277)</u>
General Revenues					
Taxes					
Property taxes, levied for general purpose					8,502,073
Sales taxes					2,428,566
Franchise taxes					1,161,511
Business taxes					139,483
Other taxes					
Realty stamp					240,602
Development					25,608
Public Safety Augmentation Fund (PSAF)					232,893
Unrestricted investments earnings					1,277,748
Miscellaneous					548,300
Total General Revenues					<u>14,556,784</u>
Change in Net Position					<u>6,644,507</u>
Net Position, Beginning of Year					<u>98,449,417</u>
Net Position, End of Year					<u>\$ 105,093,924</u>

City of Walnut, California
Balance Sheet – Governmental Funds
June 30, 2023

	Special Revenue Funds					Other Governmental Funds	Total Governmental Funds
	General	Community Development Block Grant	LOSMD	ARPA	Park Improvement		
Assets							
Pooled cash and investments	\$ 32,560,901	\$ -	\$ 178,817	\$ 5,508,404	\$ 3,402,861	\$ 10,293,355	\$ 51,944,338
Receivables							
Accounts	232,176	-	-	-	-	12,083	244,259
Accrued interest	330,149	-	-	-	-	1,042	331,191
Deferred loans	-	699,993	-	-	-	43,499	743,492
Prepaid costs	23,750	-	-	-	-	-	23,750
Due from other governments	683,258	111,604	44,583	-	-	133,077	972,522
Due from other funds	109,145	-	-	-	-	-	109,145
Advances to other funds	35,827	-	-	-	-	-	35,827
Restricted cash and investments	2,413,618	-	-	-	-	-	2,413,618
Total assets	\$ 36,388,824	\$ 811,597	\$ 223,400	\$ 5,508,404	\$ 3,402,861	\$ 10,483,056	\$ 56,818,142
Liabilities and Fund Balances							
Accounts payable	\$ 1,548,437	\$ 4,060	\$ 187,572	\$ 309,723	\$ 249,025	\$ 825,872	\$ 3,124,689
Deposits payable	1,959,139	-	-	-	-	-	1,959,139
Accrued liabilities	370,471	-	-	6,526	-	1,720	378,717
Unearned revenues	514,339	-	-	5,150,055	-	-	5,664,394
Due to other governments	-	699,993	-	-	-	33,023	733,016
Due to other funds	-	107,537	-	-	-	1,608	109,145
Advances from other funds	-	-	35,827	-	-	-	35,827
Total liabilities	4,392,386	811,590	223,399	5,466,304	249,025	862,223	12,004,927
Fund Balances							
Nonspendable	59,577	-	-	-	-	-	59,577
Restricted	1,859,618	7	1	42,100	3,153,836	8,003,208	13,058,770
Committed	2,000,000	-	-	-	-	-	2,000,000
Assigned	20,589,729	-	-	-	-	1,617,625	22,207,354
Unassigned	7,487,514	-	-	-	-	-	7,487,514
Total fund balances	31,996,438	7	1	42,100	3,153,836	9,620,833	44,813,215
Total liabilities and fund balances	\$ 36,388,824	\$ 811,597	\$ 223,400	\$ 5,508,404	\$ 3,402,861	\$ 10,483,056	\$ 56,818,142

City of Walnut, California
 Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
 June 30, 2023

Fund Balances of Governmental Funds	\$ 44,813,215
<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.	68,829,695
Compensated absences have not been included in the governmental fund activity.	(719,705)
<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	3,982,417
Net pension liability	(9,390,177)
Deferred inflows related to pensions	(621,822)
<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	384,442
Total OPEB liability	(1,509,813)
Deferred inflows related to OPEB	(674,328)
Net Position of Governmental Activities	<u>\$ 105,093,924</u>

City of Walnut, California
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds
Year Ended June 30, 2023

	Special Revenue Funds					Other Governmental Funds	Total Governmental Funds
	General	Community Development Block Grant	LOSMD	ARPA	Park Improvement		
Revenues							
Taxes	\$ 12,686,102	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,686,102
Assessments	-	-	2,437,628	-	3,039,317	-	5,476,945
Licenses and permits	1,474,111	-	-	-	-	-	1,474,111
Intergovernmental	604,634	130,125	-	1,324,271	-	4,560,207	6,619,237
Charges for services	1,641,885	-	-	-	-	-	1,641,885
Use of money and property	1,068,224	-	-	83,023	18,532	107,968	1,277,747
Fines and forfeitures	35,224	-	-	-	-	98,815	134,039
Miscellaneous	353,276	-	-	-	-	505,671	858,947
Total revenues	17,863,456	130,125	2,437,628	1,407,294	3,057,849	5,272,661	30,169,013
Expenditures							
Current							
General government	3,051,109	-	-	-	-	-	3,051,109
Public safety	4,553,993	-	-	81,991	-	115,221	4,751,205
Community development	1,556,780	130,118	-	297,146	-	1,517,513	3,501,557
Community services	4,335,640	-	-	3,411	-	314,227	4,653,278
Public works	1,388,362	-	2,597,438	810,958	576,982	3,032,382	8,406,122
Capital outlay	16,753	-	42,762	130,766	-	323,710	513,991
Total expenditures	14,902,637	130,118	2,640,200	1,324,272	576,982	5,303,053	24,877,262
Excess (Deficiency) of Revenues over (Under) Expenditures	2,960,819	7	(202,572)	83,022	2,480,867	(30,392)	5,291,751
Other Financing Sources (Uses)							
Transfers in	239,852	-	161,369	-	-	1,821,470	2,222,691
Transfers out	(1,532,839)	-	-	-	-	(689,852)	(2,222,691)
Total other financing sources	(1,292,987)	-	161,369	-	-	1,131,618	-
Net Changes in Fund Balances	1,667,832	7	(41,203)	83,022	2,480,867	1,101,226	5,291,751
Fund Balances, Beginning of Year	30,328,606	-	41,204	(40,922)	672,969	8,519,607	39,521,464
Fund Balances, End of Year	\$ 31,996,438	\$ 7	\$ 1	\$ 42,100	\$ 3,153,836	\$ 9,620,833	\$ 44,813,215

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, 2023

Net Change in Fund Balances - Total Governmental Funds \$ 5,291,751

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.

Capital assets, net of gains/loss on disposal	\$ 3,387,617	
Depreciation	<u>(2,642,240)</u>	745,377

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. (174,743)

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. (94,024)

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. 876,146

Change in Net Position of Governmental Activities \$ 6,644,507

I. SIGNIFICANT ACCOUNTING POLICIES

Note 1 - Summary of Significant Accounting Policies

a. Description of Reporting Entity

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

Reporting Entity:

Primary Government:
City of Walnut

Component Units:
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. 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, special assessments, 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 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 American Rescue Plan Act (ARPA) Fund accounts for monies received from the United States Department of the Treasury for purposes authorized under the applicable regulations, such as community assistance, small businesses support, revenue replacement to maintain critical government services, housing and homelessness, community health, transit, and infrastructure.
- The Park Improvement Fund accounts for fees charged to residential and commercial developers for park development purposes.

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, Deferred Outflows/Inflows, 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.

The City categorizes 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 governmental 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 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. Deferred Loans – CDBG Home Improvement Program

CDBG and the Walnut Housing Agency implemented a Home Improvement Loan Program designed to assist homeowners with their required contribution to the cost of a home improvement project. The program provided interest free loans up to \$30,000 to cover up to 100% of the homeowner's contribution. The loans are secured by a Deed of Trust and become due upon the sale, refinancing, or transfer of the property. The total outstanding is \$743,492.

4. Prepaid Costs

Payments to vendors for services that will benefit future periods, 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.

5. 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. Right to use subscription assets in excess of \$50,000 are capitalized. 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 assets 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 or constructed before June 30, 2002, are depreciated over 40 years.
Buildings acquired or constructed after July 1, 2003, are depreciated over 50 years.

6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position includes a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources until then. The City has two items that qualify for reporting in this category. It is the deferred amounts related to pension and OPEB. These amounts relate to differences between estimated and actual investment earnings, changes in actuarial assumptions, and other pension and OPEB related changes.

In addition to liabilities, the statement of financial position includes a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that qualify for reporting in this category. In the government-wide financial statements the City reports deferred amounts related to pension and OPEB.

7. 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.

8. 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*.

9. 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.

10. Net Position Flow Assumption

Sometimes the City 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 City’s policy to consider restricted net position to have been depleted before unrestricted net position is applied.

11. 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.

12. Unearned Revenue

Monies or funding collected in advance of incurring eligible expenses or performing recognition criteria are recorded as Unearned Revenue and recognized in the period to which they apply. As of June 30, 2023, the City has unearned revenues of \$5,664,394.

13. 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.

14. Effect of New Governmental Accounting Standards Board (GASB) Pronouncements

Accounting Pronouncements Effective in this Fiscal Year

GASB Statement No. 91 – In May 2019, 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. The City has determined that there was no material impact on the City’s financial statements.

GASB Statement No. 94 – In March 2020, 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. The City has determined that there was no material impact on the City’s financial statements.

GASB Statement No. 96 – In May 2020, 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. The City has determined that there was no material impact on the City’s financial statements.

GASB Statement No. 99 – In April 2022, GASB issued Statement No. 99, *Omnibus 2022*. This Statement will enhance comparability in accounting and financial reporting and improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements and accounting and financial reporting for financial guarantees. The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The City has determined that there was no material impact on the City’s financial statements.

Accounting Pronouncements Effective Future Fiscal Years

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

GASB Statement No. 100 – In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections*. This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

GASB Statement No. 101 – In June 2022, GASB issued Statement No. 101, *Compensated Absences*. This Statement requires that liabilities for compensated absences be recognized for leave that has not been used and leave that has been used but not yet paid in cash or settled through noncash means. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

II. DETAILED NOTES ON ALL FUNDS

Note 2 - Cash and Investments

Cash and investments as of June 30, 2023, are classified in the accompanying financial statements as follows:

Statement of Net Position	
Cash and investments	\$ 51,944,338
Restricted cash and investments	
Section 115 trust	1,859,618
Mutual Funds - Money Market	<u>554,000</u>
Total cash and investments	<u><u>\$ 54,357,956</u></u>

Cash and investments as of June 30, 2023, consists of the following:

Deposits with financial institutions	\$ 7,135,539
Petty cash	1,200
Investments	
Los Angeles County Investment Pool	4,619,153
Mutual Funds - Money Market	554,000
California Local Agency Investment Fund	35,202,646
U.S Government Securities	4,985,800
Section 115 trust	
Mutual Funds - Money Market	105,761
Mutual Funds - Equity	530,140
Mutual Funds - Fixed Income	<u>1,223,717</u>
Total investments	<u>47,221,217</u>
Total cash and investments	<u><u>\$ 54,357,956</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, 2023, the carrying amount of the City's deposits was \$7,135,539 and the bank balance was \$7,476,778. The \$341,239 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

Investment in Section 115 Trust

The City entered into an agreement with Public Agency Retirement Services (PARS) to establish a Section 115 Trust. PARS is the Trust Administrator while U.S. Bank was appointed as an investment manager or trustee. Investments in the Section 115 Trust follows investment strategy/guidelines outlined within the agreement between the trust administrator, the trustee and the City.

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, 2023, the City's participation is 0.0089 percent. LACPIF has a weighted average maturity of 753 days.

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

Fair Value Measurements

The City and the City's Section 115 Trust categorizes the fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the City has the ability to access.

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical of similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement. Unobservable inputs reflect the City's own assumptions about the inputs market participants would use in pricing the asset or liability (including assumptions about risk). Unobservable inputs are developed based on the best information available in the circumstances and may include the City's own data.

The asset's level within the hierarchy is based on the lowest level of input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The determination of what constitutes observable requires judgment by the City's management. City management considers observable data to be that market data, which is readily available, regularly distributed or updated, reliable, and verifiable, not proprietary, and provided by multiple independent sources that are actively involved in the relevant market. The categorization of an investment within the hierarchy is based upon the relative observability of the inputs to its fair value measurement and does not necessarily correspond to City management's perceived risk of that investment.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The City's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability. LAIF is not registered with the Security and Exchange Commission (SEC) and is not rated.

The City reports its investments in LAIF at the fair value amount provided by LAIF, which is the same as the value of the pool share. The balance is available for withdrawal on demand and is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Investments in money market mutual funds are reported at amortized costs (\$1.00 in absolute dollar amounts per share), which approximates fair value. Accordingly, the City's proportionate share in these types of investments is an uncategorized input not defined as a Level 1, Level 2, or Level 3 input.

The following is a description of the valuation methods and assumptions used by the City to estimate the fair value of its investments. There have been no changes in the methods and assumptions used at June 30, 2023. The methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. City management believes its valuation methods are appropriate and consistent with other market participants. The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

When available, quoted prices are used to determine fair value. When quoted prices in active markets are available, investments are classified within Level 1 of the fair value hierarchy.

For investments classified within Level 2 of the fair value hierarchy, the City's custodians generally use a multi-dimensional relational model. Inputs to their pricing models are based on observable market inputs in active markets. The inputs to the pricing models are typically benchmark yields, reported trades, broker-dealer quotes, issuer spreads and benchmark securities, among others. The City does not have any investments that are measured using Level 3 inputs.

Investments by fair value	Fair Value	Fair Value Measurements Using:		
		Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
City Investments				
U.S. Government Agency Securities Federal Home Loan Bank (FHLB)	\$ 4,985,800	\$ -	\$ 4,985,800	\$ -
Section 115 Trust				
Mutual Funds - Money Market	105,761	105,761	-	-
Mutual Funds - Equity	530,140	530,140	-	-
Mutual Funds - Fixed Income	1,223,717	1,223,717	-	-
Total city investments measured at fair value	<u>6,845,418</u>	<u>1,859,618</u>	<u>4,985,800</u>	<u>-</u>
Investments Held with Fiscal Agent				
Mutual Funds - Money Market	\$ 554,000	\$ 554,000	\$ -	\$ -
Total fiscal agent investments measured at fair value	<u>554,000</u>	<u>554,000</u>	<u>-</u>	<u>-</u>
Investments Not Measured at Fair Value or Subject to Fair Value Hierarchy				
Los Angeles County Investment Pool	\$ 4,619,153			
Local Agency Investment Fund	35,202,646			
Total Investments not measured at Fair Value or Subject to Fair Value Hierarchy	<u>39,821,799</u>			
Total investments	<u>\$ 47,221,217</u>			

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

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

Investment Type	Total as of June 30, 2023	Minimum Legal Rating	Aaa/AAA	Unrated
	Los Angeles County Investment Pool	\$ 4,619,153	(1)	\$ -
Local Agency Investment Fund	35,202,646	(1)	-	35,202,646
U.S. Government Agency Securities Federal Home Loan Bank (FHLB)	4,985,800	(1)	4,985,800	-
Section 115 Trust				
Mutual Funds - Money Market	105,761	Aaa/AAA	105,761	-
Mutual Funds - Equity	530,140	(1)	-	530,140
Mutual Funds - Fixed Income	1,223,717	(1)	-	1,223,717
Held with fiscal agent				
Mutual Funds - Money Market	554,000	Aaa/AAA	554,000	-
Total investments	<u>\$ 47,221,217</u>		<u>\$ 5,645,561</u>	<u>\$ 41,575,656</u>

(1) Not Applicable

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. As of June 30, 2023, the following investments represented 5% or more of the City's total investment.

Issuer	Percentage as of June 30, 2023	Total of Total Investments
U.S. Government Agency Securities FHLB	10.56%	\$ 4,985,800

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, 2023, the City had the following investments and original maturities:

Investment Type	Remaining Investment Maturities			Fair Value
	12 months or less	1 to 3 years	3 to 5 years	
City Investments				
Los Angeles County Investment Pool	\$ 4,619,153	\$ -	\$ -	\$ 4,619,153
Local Agency Investment Fund	35,202,646	-	-	35,202,646
U.S. Government Agency Securities Federal Home Loan Bank (FHLB)	-	4,985,800	-	4,985,800
Section 115 Trust				
Mutual Funds - Money Market	105,761	-	-	105,761
Mutual Funds - Equity	530,140	-	-	530,140
Mutual Funds - Fixed Income	1,223,717	-	-	1,223,717
Total investments held by the City	<u>41,681,417</u>	<u>4,985,800</u>	<u>-</u>	<u>46,667,217</u>
Held with fiscal agent				
Mutual Funds - Money Market	554,000	-	-	554,000
Total investments with fiscal agent	<u>554,000</u>	<u>-</u>	<u>-</u>	<u>554,000</u>
Total investments	<u>\$ 42,235,417</u>	<u>\$ 4,985,800</u>	<u>\$ -</u>	<u>\$ 47,221,217</u>

Section 115 Trust

In March 2021, the City Council approved the creation of a Section 115 trust Agreement with U.S. Bank National Association, and Public Agency Retirement Services (PARS), Trust Administrator. The Section 115 trust was established as a means to set aside monies to fund the City's pension obligations. Contributions to Section 115 trust are irrevocable, the assets are held to reduce pension contributions in the future, and the assets are protected from creditors of the City. The purpose of the creation of the Section 115 trust was to address the City's pension obligations by accumulating assets. In accordance with generally accepted accounting principles, the assets in the Section 115 trust are considered assets of the City. Accordingly, the Section 115 trust's assets are recorded as restricted for pension benefits in the General Fund rather than assets of the Pension plan during the measurement of the net pension liability. The assets held in the trust will be considered assets of the pension plan at the time they are transferred out of the trust into the plan. At the time the trust was created, the City deposited \$2,000,000 into the trust. As of June 30, 2023, the trust holds a total of \$1,859,618.

Note 3 - Capital Assets

Capital asset activity for the year ended June 30, 2023, 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	544,214	2,797,948	(410,071)	2,932,091
Total capital assets not being depreciated	<u>11,336,720</u>	<u>2,797,948</u>	<u>(410,071)</u>	<u>13,724,597</u>
Capital Assets Being Depreciated:				
Buildings	23,686,651	28,450	-	23,715,101
Equipment	5,274,301	569,001	(268,037)	5,575,265
Infrastructure	106,964,518	410,071	-	107,374,589
Total capital assets being depreciated	<u>135,925,470</u>	<u>1,007,522</u>	<u>(268,037)</u>	<u>136,664,955</u>
Less Accumulated Depreciation for:				
Buildings	11,718,701	638,993	-	12,357,694
Equipment	4,359,553	245,753	(260,255)	4,345,051
Infrastructure	63,099,618	1,757,494	-	64,857,112
Total accumulated depreciation	<u>79,177,872</u>	<u>2,642,240</u>	<u>(260,255)</u>	<u>81,559,857</u>
Total Capital Assets Being Depreciated, Net	<u>56,747,598</u>	<u>(1,634,718)</u>	<u>(7,782)</u>	<u>55,105,098</u>
Governmental Activities Capital Assets, Net	<u>\$ 68,084,318</u>	<u>\$ 1,163,230</u>	<u>\$ (417,853)</u>	<u>\$ 68,829,695</u>

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

Governmental Activities	
General government	\$ 160,041
Public safety	5,873
Community services	584,258
Public works	<u>1,892,068</u>
Total depreciation expense - governmental activities	<u><u>\$ 2,642,240</u></u>

Note 4 - Compensated Absences

Changes in Compensated Absences

Long-term liability activity for the year ended June 30, 2023, was as follows:

	Beginning Balance July 01, 2022	Additions	Deletions	Ending Balance June 30, 2023	Due within one year
Compensated Absences	<u>\$ 544,962</u>	<u>\$ 550,153</u>	<u>\$ 375,410</u>	<u>\$ 719,705</u>	<u>\$ 495,786</u>

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, 2023, is as follows:

Due From Other Funds	Due To Other Funds	Amount
General Fund	CDBG	\$ 107,537
General Fund	Non-major Governmental Funds	<u>1,608</u>
		<u><u>\$ 109,145</u></u>

The due to the General Fund of \$107,537 from the CDBG fund and \$1,608 from non-major governmental funds 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	\$ 239,852
LOSMD	General Fund	161,369
Non-major Governmental Funds	General Fund	1,371,470
Non-major Governmental Funds	Non-major Governmental Funds	450,000
		<u>\$ 2,222,691</u>

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
		<u>\$ 35,827</u>

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.
- Section 115 Trust purpose is to fund City’s pension obligations.

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						Totals
	General	Community Development Block Grant	LOSMD	ARPA	Park Improvement	Other Governmental Funds	
Nonspendable:							
Prepaid items	\$ 23,750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,750
Advances to other funds	35,827	-	-	-	-	-	35,827
Total nonspendable	59,577	-	-	-	-	-	59,577
Restricted:							
Community development	-	7	-	-	-	1,385,776	1,385,783
Public safety	-	-	-	-	-	625,979	625,979
Community services	-	-	-	-	3,153,836	164,387	3,318,223
Public works	-	-	1	42,100	-	5,827,066	5,869,167
Section 115 trust	1,859,618	-	-	-	-	-	1,859,618
Total restricted	1,859,618	7	1	42,100	3,153,836	8,003,208	13,058,770
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	12,365,720	-	-	-	-	-	12,365,720
Maintenance & operations	7,499,135	-	-	-	-	-	7,499,135
Capital projects	-	-	-	-	-	1,617,625	1,617,625
OPEB	724,874	-	-	-	-	-	724,874
Total assigned	20,589,729	-	-	-	-	1,617,625	22,207,354
Unassigned:	7,487,514	-	-	-	-	-	7,487,514
Total	\$ 31,996,438	\$ 7	\$ 1	\$ 42,100	\$ 3,153,836	\$ 9,620,833	\$ 44,813,215

Note 7 - Pension Plan

General Information about the Pension Plan are described below.

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, 2023, are summarized as follows:

	<u>Miscellaneous</u>	<u>PEPRA</u>
	Prior to	Miscellaneous
	January 1, 2013	On or after
	January 1, 2013	January 1, 2013
Hire Date	2.0% @ 55	2.0% @ 62
Benefit formula	5 years of service	5 years of service
Benefit vesting schedule	monthly for life	monthly for life
Benefit payments	62	62
Retirement age	2.0%	2.0%
Monthly benefits, as a % of eligible compensation	7.0%	6.75%
Required employee contribution rates	10.870%	7.470%
Required employer contribution rates		

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 \$1,034,784 for the year ended June 30, 2023.

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

As of June 30, 2023, the City reported a net pension liability for its proportionate share of the net pension liability of the plan as follows:

	<u>Proportionate Share</u>
	<u>of Net Pension Liability</u>
Miscellaneous	<u>\$ 9,390,177</u>

The City's net pension liability for the Plan is measured as of June 30, 2022, 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, 2021 rolled forward to June 30, 2022 using standard update procedures. The General Fund is the primary fund used to liquidate the pension liabilities. 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, 2022 and 2023 were as follows:

	Miscellaneous
Proportion - June 30, 2022	0.23099%
Proportion - June 30, 2023	0.20068%
Change - Increase (Decrease)	-0.03031%

For the year ended June 30, 2023, the City recognized a pension expense of \$158,639. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Miscellaneous Plan	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 962,220	\$ -
Differences between expected and actual experience	188,573	126,298
Net difference between projected and actual earnings on pension plan investments	1,720,031	-
Differences between employer's contributions and proportionate share of contributions	-	457,659
Change in employer's proportion	76,809	37,865
Pension contributions made subsequent to measurement date	1,034,784	-
Total	\$ 3,982,417	\$ 621,822

The amount of \$1,034,784 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, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2024	\$ 526,080
2025	476,101
2026	271,599
2027	1,052,031
Total	\$ 2,325,811

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The total pension liabilities in the June 30, 2021 actuarial valuation were determined using the following actuarial assumptions:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.90% (2)
Inflation	2.30%
Payroll Growth	3.00%
Projected Salary Increases	Varies by Entry Age and Service
Mortality Rate Table (1)	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.3% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.3% thereafter

(1) The mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website.

(2) Effective with the June 30, 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%.

Changes of Assumptions

Effective with the June 30, 2021 valuation date (2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%.

Long -Term Expected Rate of Return

In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return.

Asset Class	Assumed Asset Allocation	Real Return (1) (2)
Global Equity - Cap-weighted	30.0%	4.54%
Global Equity Non-Cap-weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed Securities	5.0%	0.50%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real assets	15.0%	3.21%
Leverage	-5.0%	-0.59%
Total	<u>100.0%</u>	

(1) An expected price inflation of 2.30% used for this period

(2) Figures are based on the 2021-22 Asset Liability Management study.

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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 6.90 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90 percent) or 1 percentage-point higher (7.90 percent) than the current rate:

	Discount Rate - 1% (5.90%)	Current Discount Rate (6.90%)	Discount Rate +1% (7.90%)
City's proportionate share of the net pension liability	\$ 14,363,037	\$ 9,390,177	\$ 5,298,747

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).

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 is \$92.95 per month for retirees for 2021 and \$104.30 per month for retirees for 2022. Survivor benefits are available. The City also pays the CalPERS administrative fee. The City does not offer vision, dental, or life benefits for retirees.

Employees Covered by Benefit Terms

At June 30, 2021, the most recent valuation date, the following current and former employees were covered by the benefit terms under the plan:

Retirees or beneficiaries receiving benefit payments	4
Active eligible employees	<u>44</u>
Total Participants Covered by OPEB Plan	<u><u>48</u></u>

Contributions

The City’s required contribution is based on projected pay-as-you-go financing requirements. No assets are accumulated in an irrevocable OPEB trust.

Total OPEB Liability

The City’s total OPEB liability of \$1,509,813 was measured as of June 30, 2022, and was determined by an actuarial valuation as of June 30, 2021. The General Fund is the primary fund used to liquidate the OPEB liabilities.

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	3.69%
Salary Increases	3.00%
Inflation Rate	2.50%
Healthcare Trend Rate	5.20% for 2022 through 2034; 5% for 2035 through 2049; 4.5% for 2050 through 2064; and 4% for 2065 and later years

The actuarial assumptions used in the June 30, 2021, valuation were based on results of an actuarial experience study for the period and a review of plan experience during the period July 1, 2019 to June 30, 2021.

The discount rate use to measure the total OPEB liability was based on the Fidelity GO AA 20-year municipal index. The rate increased from 1.92% to 3.69%.

Changes in the Total OPEB Liability

The changes in the total OPEB liability as of June 30, 2023, is as follows:

	<u>Total OPEB Liability</u>
Total OPEB Liability, July 1	<u>\$ 1,825,212</u>
Service cost	135,662
Interest	37,395
Changes in assumptions	(461,843)
Benefit payments	<u>(26,613)</u>
Net changes	<u>(315,399)</u>
Total OPEB Liability, June 30	<u><u>\$ 1,509,813</u></u>

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 (2.69 percent) or 1-percentage-point higher (4.69 percent) than the current discount rate:

<u>1% Decrease (2.69%)</u>	<u>Current Discount Rate (3.69%)</u>	<u>1% Increase (4.69%)</u>
\$ 1,748,371	\$ 1,509,813	\$ 1,316,522

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 (4.20% current, 3% ultimate, 3% Medicare)	Current Trend (5.20% current, 4% ultimate, 4% Medicare)	1% Increase (6.20% current, 5% ultimate, 5% Medicare)
\$ 1,268,078	\$ 1,509,813	\$ 1,824,712

OPEB Expense and Deferred Outflows of Resources Related to OPEB

For the year ended June 30, 2023, the City recognized OPEB expense of \$120,637. At June 30, 2023, 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
Difference between expected and actual experience	\$ -	\$ 238,974
Changes in assumptions or other inputs	384,442	435,354
	\$ 384,442	\$ 674,328

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources
2024	\$ (49,339)
2025	(37,017)
2026	(37,017)
2027	(37,017)
2028	(14,554)
Thereafter	(114,942)
Total	\$ (289,886)

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 124 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 primary 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.

Primary 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 \$100,000 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 \$100,000 to \$500,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$500,000 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. Subsidence losses also have a \$50 million per occurrence limit. The coverage structure is composed of a combination of pooled self-insurance, reinsurance, and excess insurance. Additional information concerning the coverage structure is available on the Authority's website: <https://cjpia.org/coverage/risk-sharing-pools/>.

Primary 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 \$75,000 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 \$75,000 to \$200,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$200,000 to statutory limits are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2022-23, 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 \$32,414,673. There is a \$10,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$2,500 deductible.

Earthquake and Flood Insurance

The City of Walnut purchases earthquake and flood insurance on a portion of its property. The earthquake insurance is part of the property protection insurance program of the Authority. City of Walnut property currently has earthquake protection in the amount of Non Participant. There is a deductible of 5% per unit of value with a minimum deductible of \$100,000.

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.

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 2022-23.

The CJPIA has published its own financial report for the year ended June 30, 2023, which can be obtained from California Joint Powers Insurance Authority, La Palma, California.

Required Supplementary Information
June 30, 2023
City of Walnut, California

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City of Walnut, California
 Budgetary Comparison Schedule
 General Fund
 Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 10,829,956	\$ 5,441,526	\$ 30,328,606	\$ 24,887,080
Resources (Inflows)				
Taxes	11,751,420	11,751,420	12,686,102	934,682
Licenses and permits	1,306,830	1,306,830	1,474,111	167,281
Intergovernmental	393,300	603,300	604,634	1,334
Charges for services	1,348,090	1,347,940	1,641,885	293,945
Use of money and property	436,420	436,420	1,068,224	631,804
Fines and forfeitures	88,140	88,140	35,224	(52,916)
Miscellaneous	47,960	48,110	353,276	305,166
Transfers in	53,000	53,000	239,852	186,852
Total resources	15,425,160	15,635,160	18,103,308	2,468,148
Amounts available for appropriations	26,255,116	21,076,686	48,431,914	27,355,228
Charges to Appropriations (Outflows)				
City council	\$ 101,100	\$ 101,100	\$ 90,977	\$ 10,123
City manager	279,070	277,470	274,233	3,237
Human resources	145,310	232,670	232,240	430
Risk management	453,060	503,480	502,187	1,293
City clerk	317,160	324,090	323,356	734
Elections	47,000	910	304	606
City treasurer	75,050	77,570	62,055	15,515
Finance	870,450	1,048,030	871,671	176,359
Computer services	-	11,570	1,166	10,404
City attorney	121,120	106,340	104,870	1,470
Administrative services	519,850	518,630	518,011	619
Community promotions	17,400	19,190	18,811	379
Family festival	64,180	61,510	56,539	4,971
Cable TV administration	3,100	2,600	1,579	1,021
Planning	601,420	490,110	455,330	34,780
Code enforcement	330,180	241,180	217,400	23,780
Building and safety	703,770	645,870	639,787	6,083
Environmental services	147,030	151,106	148,626	2,480
Economic development	36,330	102,110	95,637	6,473
Engineering admin	136,500	277,500	277,002	498

City of Walnut, California
 Budgetary Comparison Schedule
 General Fund
 Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Public Works admin	\$ 372,100	\$ 331,060	\$ 311,928	\$ 19,132
Street R-O-W maintenance	560,830	562,030	524,829	37,201
LOSMD	328,330	309,170	274,603	34,567
Public safety administration	188,420	178,170	177,979	191
Business license enforcement	79,670	107,070	84,442	22,628
General law enforcement	3,907,000	3,902,420	3,900,930	1,490
Helicopter services	10,000	1,700	-	1,700
S.T.A.R. program	170,500	170,500	167,213	3,287
Animal control	115,000	115,000	96,282	18,718
Emergency preparedness	37,110	37,110	25,937	11,173
Weed abatement	80,000	101,300	101,212	88
Volunteers on patrol	1,200	350	-	350
Recreation services	454,520	450,520	423,776	26,744
July 4 fireworks	86,200	73,400	55,144	18,256
Park maintenance	1,535,230	1,510,130	1,362,873	147,257
Equestrian trial maintenance	140,700	140,700	135,301	5,399
Building maintenance	544,030	544,030	477,607	66,423
Norm Ashley Park	-	196,630	196,624	6
Special events	181,480	180,580	149,638	30,942
Aquatics	88,210	88,210	68,566	19,644
Excursions	89,540	75,540	69,239	6,301
Sports & gymnasium	629,620	647,370	614,900	32,470
Leisure classes	91,530	90,530	86,417	4,113
Senior citizens center	474,180	476,180	473,813	2,367
Teen center	215,580	215,830	203,162	12,668
After school programs	26,450	26,450	25,577	873
Future rec facility	-	-	2,864	(2,864)
Transfers out	576,710	576,710	1,532,839	(956,129)
	15,953,220	16,301,726	16,435,476	(133,750)
Total charges to appropriations				
Budgetary Fund Balance, End of Year	\$ 10,301,896	\$ 4,774,960	\$ 31,996,438	\$ 27,221,478

City of Walnut, California
 Budgetary Comparison Schedule
 Community Development Block Grant
 Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ (161,635)	\$ -	\$ 161,635
Resources (Inflows)				
Intergovernmental	<u>127,370</u>	<u>127,370</u>	<u>130,125</u>	<u>2,755</u>
Amounts available for appropriations	<u>127,370</u>	<u>(34,265)</u>	<u>130,125</u>	<u>164,390</u>
Charges to Appropriations (Outflows)				
Community development	<u>127,370</u>	<u>130,370</u>	<u>130,118</u>	<u>252</u>
Total charges to appropriations	<u>127,370</u>	<u>130,370</u>	<u>130,118</u>	<u>252</u>
Budgetary Fund Balance, End of Year	<u><u>\$ -</u></u>	<u><u>\$ (164,635)</u></u>	<u><u>\$ 7</u></u>	<u><u>\$ 164,642</u></u>

City of Walnut, California
 Budgetary Comparison Schedule
 Lighting and Open Space Maintenance District
 Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (251,750)	\$ (283,050)	\$ 41,204	\$ 324,254
Resources (Inflows)				
Assessments	2,431,910	2,431,910	2,437,628	5,718
Transfers in	504,930	504,930	161,369	(343,561)
Amounts available for appropriations	<u>2,685,090</u>	<u>2,653,790</u>	<u>2,640,201</u>	<u>(13,589)</u>
Charges to Appropriations (Outflows)				
Public works	2,803,590	2,826,490	2,597,438	229,052
Capital outlay	133,250	110,350	42,762	67,588
Total charges to appropriations	<u>2,936,840</u>	<u>2,936,840</u>	<u>2,640,200</u>	<u>296,640</u>
Budgetary Fund Balance, End of Year	<u><u>\$ (251,750)</u></u>	<u><u>\$ (283,050)</u></u>	<u><u>\$ 1</u></u>	<u><u>\$ 283,051</u></u>

City of Walnut, California
 Budgetary Comparison Schedule
 ARPA Fund
 Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ (916,062)	\$ (40,922)	\$ 875,140
Resources (Inflows)				
Intergovernmental	-	-	1,324,271	1,324,271
Fines and forfeitures	19,100	19,100	83,023	63,923
Amounts available for appropriations	<u>19,100</u>	<u>(896,962)</u>	<u>1,366,372</u>	<u>2,263,334</u>
Charges to Appropriations (Outflows)				
Public safety	100,000	100,000	81,991	18,009
Community development	550,000	550,000	297,146	252,854
Community services	9,000	9,000	3,411	5,589
Public works	3,732,640	4,175,640	810,958	3,364,682
Capital outlay	1,046,230	1,046,230	130,766	915,464
Total charges to appropriations	<u>5,437,870</u>	<u>5,880,870</u>	<u>1,324,272</u>	<u>4,556,598</u>
Budgetary Fund Balance, End of Year	<u>\$ (5,418,770)</u>	<u>\$ (6,777,832)</u>	<u>\$ 42,100</u>	<u>\$ 6,819,932</u>

City of Walnut, California
 Budgetary Comparison Schedule
 Park Improvement Fund
 Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,145,157	\$ 324,961	\$ 672,969	\$ 348,008
Resources (Inflows)				
Assessment	580,050	580,050	3,039,317	2,459,267
Use of money and property	7,100	7,100	18,532	11,432
Amounts available for appropriations	<u>1,732,307</u>	<u>912,111</u>	<u>3,730,818</u>	<u>2,818,707</u>
Charges to Appropriations (Outflow)				
Public works	<u>500,000</u>	<u>1,518,790</u>	<u>576,982</u>	<u>941,808</u>
Budgetary Fund Balance, End of Year	<u><u>\$ 1,232,307</u></u>	<u><u>\$ (606,679)</u></u>	<u><u>\$ 3,153,836</u></u>	<u><u>\$ 3,760,515</u></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, 2023

Miscellaneous Plan	2023	2022	2021	2020	2019	2018	2017	2016	2015
Proportion of the net pension liability	0.2007%	0.2310%	0.0727%	0.0710%	0.0691%	0.0686%	0.0676%	0.0651%	0.0685%
Proportionate share of the net pension liability	\$ 9,390,177	\$ 4,386,079	\$ 7,905,055	\$ 7,274,916	\$ 6,656,634	\$ 6,798,916	\$ 5,847,350	\$ 4,464,984	\$ 4,261,023
Covered Payroll	\$ 3,622,237	\$ 3,613,425	\$ 3,497,623	\$ 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 a percentage of covered payroll	259.24%	121.38%	226.01%	212.91%	203.50%	231.68%	191.56%	150.10%	152.03%
Plan Fiduciary Net Position as a Percentage of the total Pension Liability	78.19%	90.49%	77.71%	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, 2023

Miscellaneous Plan	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 1,034,784	\$ 1,045,185	\$ 881,904	\$ 780,912	\$ 671,490	\$ 570,892	\$ 515,915	\$ 464,293	\$ 339,472
Contribution in Relation to the Actuarially Determined	(1,034,784)	(1,045,185)	(881,904)	(780,912)	(671,490)	(570,892)	(515,915)	(464,293)	(339,472)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 3,459,528	\$ 3,622,237	\$ 3,613,425	\$ 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	29.91%	28.85%	24.41%	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.

Notes to Schedule	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012
Valuation Date									

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry-Age Normal Cost Method
Amortization Method	Amortization payments are determined as a level dollar amount.
Remaining Amortization Period	22 Years as of the Valuation Date
Asset Valuation Method	Market Value of Assets
Inflation	2.50%
Salary Increases	Annual increases vary by category, entry age, and duration of service.
Investment Rate of Return	7.00% (net of administration expenses)
Retirement Age	The probabilities of retirement are based on the 2017 CalPERS Experience Study for the period from 1995 to 2015.
Mortality	The post-retirement mortality rates above include 15 years of projected on-going mortality improvement using 90 percent of Scale MP 2016 published by the Society of Actuaries

City of Walnut, California
Schedule of Changes in the Total OPEB Liability and Related Ratios
Last Ten Years*
June 30, 2023

	2023	2022	2021	2020	2019	2018
Total OPEB Liability						
Service cost	\$ 135,662	\$ 93,043	\$ 72,571	\$ 61,417	\$ 55,330	\$ 53,718
Interest on the total OPEB liability	37,395	36,770	38,949	52,971	43,767	40,976
Differences between actual and expected experience	-	(8,697)	-	(442,509)	-	-
Changes in assumptions	(461,843)	300,133	131,647	104,720	(89,337)	-
Benefit payments	(26,613)	(7,562)	(6,783)	(6,610)	(5,805)	(5,228)
Net change in total OPEB liability	(315,399)	413,687	236,384	(230,011)	3,955	89,466
Total OPEB liability - beginning	1,825,212	1,411,525	1,175,141	1,405,152	1,401,197	1,311,731
Total OPEB liability - ending	\$ 1,509,813	\$ 1,825,212	\$ 1,411,525	\$ 1,175,141	\$ 1,405,152	\$ 1,401,197
Covered-employee payroll	\$ 3,721,918	\$ 3,618,866	\$ 3,468,572	\$ 3,401,309	\$ 3,225,250	\$ 3,102,220
Total OPEB liability as a percentage of covered-employee payroll	40.57%	50.44%	40.69%	34.55%	43.57%	45.17%

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 Major and Non-Major Funds below exceeded amounts available for appropriation as of June 30, 2023.

	Final Budget	Actual	Excess Over Appropriation
Major Fund			
General Fund			
Future rec facilities	\$ -	\$ 2,864	\$ (2,864)
Transfers out	576,710	1,532,839	(956,129)
Non-Major Fund			
Traffic Safety			
Transfers out	\$ -	\$ 84,465	\$ (84,465)
Waste Management Administration			
Transfers out	53,000	105,950	(52,950)
State Park Grant			
Transfers out	-	26,775	(26,775)

Basis of Accounting:

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

Supplementary Information

June 30, 2023

City of Walnut, California

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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 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 used 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 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 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 Low and 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 Los Angeles County Metropolitan Transportation Authority (LACMTA) Exchange 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.

The Measure A (Category 1) 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 Capital Improvement Fund accounts for purchases of land, major capital outlay and infrastructure improvements.

City of Walnut, California
Combining Balance Sheet – Non-Major Governmental Funds
June 30, 2023

	Special Revenue Funds			
	Gas Tax	Road Maintenance Rehabilitation	Traffic Safety	COPS
Assets				
Pooled cash and investments	\$ 435,748	\$ 622,231	\$ -	\$ 630,641
Receivables				
Accounts	-	-	3,353	-
Accrued interest	-	-	-	-
Deferred loans	-	-	-	-
Due from other governments	62,607	56,958	4,142	-
	<u>62,607</u>	<u>56,958</u>	<u>4,142</u>	<u>-</u>
Total assets	<u>\$ 498,355</u>	<u>\$ 679,189</u>	<u>\$ 7,495</u>	<u>\$ 630,641</u>
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ 55,163	\$ 27,717	\$ 4,562	\$ 4,644
Accrued liabilities	-	-	1,325	18
Due to other governments	-	-	-	-
Due to other funds	-	-	1,608	-
	<u>55,163</u>	<u>27,717</u>	<u>7,495</u>	<u>4,662</u>
Total liabilities	<u>55,163</u>	<u>27,717</u>	<u>7,495</u>	<u>4,662</u>
Fund Balances				
Restricted for				
Community development	-	-	-	-
Public safety	-	-	-	625,979
Community services	-	-	-	-
Public works	443,192	651,472	-	-
Assigned to				
Capital projects	-	-	-	-
	<u>443,192</u>	<u>651,472</u>	<u>-</u>	<u>625,979</u>
Total fund balances	<u>443,192</u>	<u>651,472</u>	<u>-</u>	<u>625,979</u>
Total liabilities and fund balances	<u>\$ 498,355</u>	<u>\$ 679,189</u>	<u>\$ 7,495</u>	<u>\$ 630,641</u>

City of Walnut, California
Combining Balance Sheet – Non-Major Governmental Funds
June 30, 2023

	Special Revenue Funds			
	Air Quality Improvements	Waste Management Administration	Proposition C	Bikeway
Assets				
Pooled cash and investments	\$ 26,667	\$ -	\$ 1,489,087	\$ -
Receivables				
Accounts	-	-	-	-
Accrued interest	-	-	-	-
Deferred loans	-	-	-	-
Due from other governments	9,370	-	-	-
	<u>36,037</u>	<u>-</u>	<u>1,489,087</u>	<u>-</u>
Total assets	<u>\$ 36,037</u>	<u>\$ -</u>	<u>\$ 1,489,087</u>	<u>\$ -</u>
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ 20	\$ -	\$ 500,000	\$ -
Accrued liabilities	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
	<u>20</u>	<u>-</u>	<u>500,000</u>	<u>-</u>
Total liabilities	<u>20</u>	<u>-</u>	<u>500,000</u>	<u>-</u>
Fund Balances				
Restricted for				
Community development	36,017	-	-	-
Public safety	-	-	-	-
Community services	-	-	-	-
Public works	-	-	989,087	-
Assigned to				
Capital projects	-	-	-	-
	<u>36,017</u>	<u>-</u>	<u>989,087</u>	<u>-</u>
Total fund balances	<u>36,017</u>	<u>-</u>	<u>989,087</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 36,037</u>	<u>\$ -</u>	<u>\$ 1,489,087</u>	<u>\$ -</u>

City of Walnut, California
Combining Balance Sheet – Non-Major Governmental Funds
June 30, 2023

	Special Revenue Funds			
	Measure M	Proposition A	State Park Grant	Traffic Congestion
Assets				
Pooled cash and investments	\$ 833,845	\$ 1,351,152	\$ 10,860	\$ 6,698
Receivables				
Accounts	-	-	-	-
Accrued interest	-	-	-	-
Deferred loans	-	-	-	-
Due from other governments	-	-	-	-
Total assets	\$ 833,845	\$ 1,351,152	\$ 10,860	\$ 6,698
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ 42,318	\$ 29,641	\$ 10,860	\$ -
Accrued liabilities	-	377	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Total liabilities	42,318	30,018	10,860	-
Fund Balances				
Restricted for				
Community development	-	-	-	-
Public safety	-	-	-	-
Community services	-	-	-	-
Public works	791,527	1,321,134	-	6,698
Assigned to				
Capital projects	-	-	-	-
Total fund balances	791,527	1,321,134	-	6,698
Total liabilities and fund balances	\$ 833,845	\$ 1,351,152	\$ 10,860	\$ 6,698

City of Walnut, California
Combining Balance Sheet – Non-Major Governmental Funds
June 30, 2023

	Special Revenue Funds			
	Used Oil Recycling Grant	General Recycling Grant	Cable TV Education	Walnut Housing Authority
Assets				
Pooled cash and investments	\$ -	\$ 9,074	\$ 146,692	\$ 108,469
Receivables				
Accounts	-	-	8,730	-
Accrued interest	-	-	-	1,042
Deferred loans	-	-	-	43,499
Due from other governments	-	-	-	-
Total assets	\$ -	\$ 9,074	\$ 155,422	\$ 153,010
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ -	\$ -	\$ 109	\$ 34,988
Accrued liabilities	-	-	-	-
Due to other governments	-	-	-	31,140
Due to other funds	-	-	-	-
Total liabilities	-	-	109	66,128
Fund Balances				
Restricted for				
Community development	-	-	-	86,882
Public safety	-	-	-	-
Community services	-	9,074	155,313	-
Public works	-	-	-	-
Assigned to				
Capital projects	-	-	-	-
Total fund balances	-	9,074	155,313	86,882
Total liabilities and fund balances	\$ -	\$ 9,074	\$ 155,422	\$ 153,010

City of Walnut, California
Combining Balance Sheet – Non-Major Governmental Funds
June 30, 2023

	Special Revenue Funds			
	Low and Moderate Income Housing Fund	LACMTA Exchange	Measure R	Measure A (M&S)
Assets				
Pooled cash and investments	\$ 1,269,359	\$ 7,033	\$ 1,064,783	\$ 600
Receivables				
Accounts	-	-	-	-
Accrued interest	-	-	-	-
Deferred loans	-	-	-	-
Due from other governments	-	-	-	-
Total assets	\$ 1,269,359	\$ 7,033	\$ 1,064,783	\$ 600
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ 11,632	\$ -	\$ 85,808	\$ 600
Accrued liabilities	-	-	-	-
Due to other governments	1,883	-	-	-
Due to other funds	-	-	-	-
Total liabilities	13,515	-	85,808	600
Fund Balances				
Restricted for				
Community development	1,255,844	7,033	-	-
Public safety	-	-	-	-
Community services	-	-	-	-
Public works	-	-	978,975	-
Assigned to				
Capital projects	-	-	-	-
Total fund balances	1,255,844	7,033	978,975	-
Total liabilities and fund balances	\$ 1,269,359	\$ 7,033	\$ 1,064,783	\$ 600

City of Walnut, California
Combining Balance Sheet – Non-Major Governmental Funds
June 30, 2023

	<u>Special Revenue Funds</u>		<u>Capital Projects Fund</u>	<u>Total Nonmajor Governmental Funds</u>
	<u>Measure W</u>	<u>Measure A (Category 1)</u>	<u>Capital Improvements</u>	
Assets				
Pooled cash and investments	\$ 662,259	\$ -	\$ 1,618,157	\$ 10,293,355
Receivables				
Accounts	-	-	-	12,083
Accrued interest	-	-	-	1,042
Deferred loans	-	-	-	43,499
Due from other governments	-	-	-	133,077
	<u>662,259</u>	<u>-</u>	<u>1,618,157</u>	<u>10,483,056</u>
Total assets	<u>\$ 662,259</u>	<u>\$ -</u>	<u>\$ 1,618,157</u>	<u>\$ 10,483,056</u>
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ 17,278	\$ -	\$ 532	\$ 825,872
Accrued liabilities	-	-	-	1,720
Due to other governments	-	-	-	33,023
Due to other funds	-	-	-	1,608
	<u>17,278</u>	<u>-</u>	<u>532</u>	<u>862,223</u>
Total liabilities	<u>17,278</u>	<u>-</u>	<u>532</u>	<u>862,223</u>
Fund Balances				
Restricted for				
Community development	-	-	-	1,385,776
Public safety	-	-	-	625,979
Community services	-	-	-	164,387
Public works	644,981	-	-	5,827,066
Assigned to				
Capital projects	-	-	1,617,625	1,617,625
	<u>644,981</u>	<u>-</u>	<u>1,617,625</u>	<u>9,620,833</u>
Total fund balances	<u>644,981</u>	<u>-</u>	<u>1,617,625</u>	<u>9,620,833</u>
Total liabilities and fund balances	<u>\$ 662,259</u>	<u>\$ -</u>	<u>\$ 1,618,157</u>	<u>\$ 10,483,056</u>

City of Walnut, California
Combining Statement of Revenues, Expenditures and Changes
in Fund Balances – Non-Major Governmental Funds
Year Ended June 30, 2023

	Special Revenue Funds			
	Gas Tax	Road Maintenance Rehabilitation	Traffic Safety	COPS
Revenues				
Intergovernmental	\$ 717,999	\$ 627,950	\$ -	\$ 165,271
Use of money and property	8,148	1,620	-	11,099
Fines and forfeitures	-	-	98,815	-
Miscellaneous	-	-	-	-
Total revenues	<u>726,147</u>	<u>629,570</u>	<u>98,815</u>	<u>176,370</u>
Expenditures				
Current				
Public safety	-	-	104,256	10,965
Community development	-	-	-	-
Community services	-	-	-	-
Public works	679,330	35,373	-	-
Capital outlay	-	-	-	59,000
Total expenditures	<u>679,330</u>	<u>35,373</u>	<u>104,256</u>	<u>69,965</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>46,817</u>	<u>594,197</u>	<u>(5,441)</u>	<u>106,405</u>
Other Financing Sources (Uses)				
Transfers in	-	-	89,906	-
Transfers out	-	-	(84,465)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>5,441</u>	<u>-</u>
Net Change in Fund Balances	46,817	594,197	-	106,405
Fund Balances, Beginning of Year	<u>396,375</u>	<u>57,275</u>	<u>-</u>	<u>519,574</u>
Fund Balances, End of Year	<u><u>\$ 443,192</u></u>	<u><u>\$ 651,472</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 625,979</u></u>

City of Walnut, California
Combining Statement of Revenues, Expenditures and Changes
in Fund Balances – Non-Major Governmental Funds
Year Ended June 30, 2023

	Special Revenue Funds			
	Air Quality Improvements	Waste Management Administration	Proposition C	Bikeways
Revenues				
Intergovernmental	\$ 37,086	\$ -	\$ 650,475	\$ -
Use of money and property	209	-	18,236	-
Fines and forfeitures	-	-	-	-
Miscellaneous	-	105,950	-	-
Total revenues	37,295	105,950	668,711	-
Expenditures				
Current				
Public safety	-	-	-	-
Community development	32,273	-	-	-
Community services	-	-	-	-
Public works	-	-	600,001	-
Capital outlay	-	-	-	-
Total expenditures	32,273	-	600,001	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,022	105,950	68,710	-
Other Financing Sources (Uses)				
Transfers in	-	-	-	-
Transfers out	-	(105,950)	-	-
Total other financing sources (uses)	-	(105,950)	-	-
Net Change in Fund Balances	5,022	-	68,710	-
Fund Balances, Beginning of Year	30,995	-	920,377	-
Fund Balances, End of Year	\$ 36,017	\$ -	\$ 989,087	\$ -

City of Walnut, California
Combining Statement of Revenues, Expenditures and Changes
in Fund Balances – Non-Major Governmental Funds
Year Ended June 30, 2023

	Special Revenue Funds			
	Measure M	Proposition A	State Park Grant	Traffic Congestion
Revenues				
Intergovernmental	\$ 551,711	\$ 784,204	\$ -	\$ -
Use of money and property	11,974	29,003	-	681
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>563,685</u>	<u>813,207</u>	<u>-</u>	<u>681</u>
Expenditures				
Current				
Public safety	-	-	-	-
Community development	-	995,134	-	-
Community services	-	-	-	-
Public works	304,454	-	676,470	-
Capital outlay	-	16,712	-	-
Total expenditures	<u>304,454</u>	<u>1,011,846</u>	<u>676,470</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>259,231</u>	<u>(198,639)</u>	<u>(676,470)</u>	<u>681</u>
Other Financing Sources (Uses)				
Transfers in	-	-	703,245	-
Transfers out	-	-	(26,775)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>676,470</u>	<u>-</u>
Net Change in Fund Balances	259,231	(198,639)	-	681
Fund Balances, Beginning of Year	<u>532,296</u>	<u>1,519,773</u>	<u>-</u>	<u>6,017</u>
Fund Balances, End of Year	<u>\$ 791,527</u>	<u>\$ 1,321,134</u>	<u>\$ -</u>	<u>\$ 6,698</u>

City of Walnut, California
Combining Statement of Revenues, Expenditures and Changes
in Fund Balances – Non-Major Governmental Funds
Year Ended June 30, 2023

	Special Revenue Funds			
	Used Oil Recycling Grant	General Recycling Grant	Cable TV Education	Walnut Housing Authority
Revenues				
Intergovernmental	\$ -	\$ 7,340	\$ 36,630	\$ -
Use of money and property	-	-	4,092	1,412
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	-	7,340	40,722	1,412
Expenditures				
Current				
Public safety	-	-	-	-
Community development	-	-	3,550	411,577
Community services	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	5,984	106,264	-
Total expenditures	-	5,984	109,814	411,577
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	1,356	(69,092)	(410,165)
Other Financing Sources (Uses)				
Transfers in	-	-	-	450,000
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	450,000
Net Change in Fund Balances	-	1,356	(69,092)	39,835
Fund Balances, Beginning of Year	-	7,718	224,405	47,047
Fund Balances, End of Year	\$ -	\$ 9,074	\$ 155,313	\$ 86,882

City of Walnut, California
Combining Statement of Revenues, Expenditures and Changes
in Fund Balances – Non-Major Governmental Funds
Year Ended June 30, 2023

	Special Revenue Funds			
	Low and Moderate Income Housing Fund	LACMTA Exchange	Measure R	Measure A (M&S)
Revenues				
Intergovernmental	\$ -	\$ -	\$ 487,715	\$ -
Use of money and property	3,744	146	9,714	-
Fines and forfeitures	-	-	-	-
Miscellaneous	399,721	-	-	-
Total revenues	403,465	146	497,429	-
Expenditures				
Current				
Public safety	-	-	-	-
Community development	74,979	-	-	-
Community services	-	-	-	-
Public works	-	-	85,808	555,657
Capital outlay	-	-	-	-
Total expenditures	74,979	-	85,808	555,657
Excess (Deficiency) of Revenues Over (Under) Expenditures	328,486	146	411,621	(555,657)
Other Financing Sources (Uses)				
Transfers in	-	-	-	578,319
Transfers out	(450,000)	-	-	(22,662)
Total other financing sources (uses)	(450,000)	-	-	555,657
Net Change in Fund Balances	(121,514)	146	411,621	-
Fund Balances, Beginning of Year	1,377,358	6,887	567,354	-
Fund Balances, End of Year	\$ 1,255,844	\$ 7,033	\$ 978,975	\$ -

City of Walnut, California
Combining Statement of Revenues, Expenditures and Changes
in Fund Balances – Non-Major Governmental Funds
Year Ended June 30, 2023

	Special Revenue Funds		Capital Projects Fund	Total Nonmajor Governmental Funds
	Measure W	Measure A (Category 1)	Capital Improvements	
Revenues				
Intergovernmental	\$ 493,826	\$ -	\$ -	\$ 4,560,207
Use of money and property	7,890	-	-	107,968
Fines and forfeitures	-	-	-	98,815
Miscellaneous	-	-	-	505,671
Total revenues	501,716	-	-	5,272,661
Expenditures				
Current				
Public safety	-	-	-	115,221
Community development	-	-	-	1,517,513
Community services	314,227	-	-	314,227
Public works	95,289	-	-	3,032,382
Capital outlay	-	-	135,750	323,710
Total expenditures	409,516	-	135,750	5,303,053
Excess (Deficiency) of Revenues Over (Under) Expenditures	92,200	-	(135,750)	(30,392)
Other Financing Sources (Uses)				
Transfers in	-	-	-	1,821,470
Transfers out	-	-	-	(689,852)
Total other financing sources (uses)	-	-	-	1,131,618
Net Change in Fund Balances	92,200	-	(135,750)	1,101,226
Fund Balances, Beginning of Year	552,781	-	1,753,375	8,519,607
Fund Balances, End of Year	<u>\$ 644,981</u>	<u>\$ -</u>	<u>\$ 1,617,625</u>	<u>\$ 9,620,833</u>

City of Walnut, California
 Budgetary Comparison Schedule
 Gas Tax Fund
 Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 135,698	\$ (35,302)	\$ 396,375	\$ 431,677
Resources (Inflows)				
Intergovernmental	730,000	730,000	717,999	(12,001)
Use of money and property	220	220	8,148	7,928
Amounts available for appropriations	865,918	694,918	1,122,522	427,604
Charges to Appropriations (Outflows)				
Public works	989,200	989,200	679,330	309,870
Budgetary Fund Balance, End of Year	\$ (123,282)	\$ (294,282)	\$ 443,192	\$ 737,474

City of Walnut, California
 Budgetary Comparison Schedule
 Road Maintenance Rehabilitation
 Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (19,030)	\$ (271,025)	\$ 57,275	\$ 328,300
Resources (Inflows)				
Intergovernmental	630,000	630,000	627,950	(2,050)
Use of money and property	250	250	1,620	1,370
Amounts available for appropriations	<u>611,220</u>	<u>359,225</u>	<u>686,845</u>	<u>327,620</u>
Charges to Appropriations (Outflows)				
Public works	<u>600,000</u>	<u>600,000</u>	<u>35,373</u>	<u>564,627</u>
Total charges to appropriations	<u>600,000</u>	<u>600,000</u>	<u>35,373</u>	<u>564,627</u>
Budgetary Fund Balance, End of Year	<u>\$ 11,220</u>	<u>\$ (240,775)</u>	<u>\$ 651,472</u>	<u>\$ 892,247</u>

City of Walnut, California
 Budgetary Comparison Schedule
 Traffic Safety
 Year Ended June 30, 2023

	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	35,000	35,000	98,815	63,815
Transfers in	71,780	71,780	89,906	18,126
Amounts available for appropriations	<u>114,597</u>	<u>103,497</u>	<u>188,721</u>	<u>85,224</u>
Charges to Appropriations (Outflows)				
Public safety	106,780	106,780	104,256	2,524
Transfer out	-	-	84,465	(84,465)
Total charges to appropriations	<u>106,780</u>	<u>106,780</u>	<u>188,721</u>	<u>(81,941)</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 Fund
 Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 300,460	\$ 203,460	\$ 519,574	\$ 316,114
Resources (Inflows)				
Intergovernmental	163,000	163,000	165,271	2,271
Use of money and property	1,800	1,800	11,099	9,299
Amounts available for appropriations	<u>465,260</u>	<u>368,260</u>	<u>695,944</u>	<u>327,684</u>
Charges to Appropriations (Outflows)				
Public safety	107,910	107,910	10,965	96,945
Capital outlay	70,000	70,000	59,000	11,000
Total charges to appropriations	<u>177,910</u>	<u>177,910</u>	<u>69,965</u>	<u>107,945</u>
Budgetary Fund Balance, End of Year	<u><u>\$ 287,350</u></u>	<u><u>\$ 190,350</u></u>	<u><u>\$ 625,979</u></u>	<u><u>\$ 435,629</u></u>

City of Walnut, California
 Budgetary Comparison Schedule
 Air Quality Improvements
 Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (4,284)	\$ (4,284)	\$ 30,995	\$ 35,279
Resources (Inflows)				
Intergovernmental	40,000	40,000	37,086	(2,914)
Use of money and property	80	80	209	129
Amounts available for appropriations	<u>35,796</u>	<u>35,796</u>	<u>68,290</u>	<u>32,494</u>
Charges to Appropriations (Outflows)				
Community development	<u>41,000</u>	<u>41,000</u>	<u>32,273</u>	<u>8,727</u>
Budgetary Fund Balance, End of Year	<u>\$ (5,204)</u>	<u>\$ (5,204)</u>	<u>\$ 36,017</u>	<u>\$ 41,221</u>

City of Walnut, California
 Budgetary Comparison Schedule
 Waste Management Administration
 Year Ended June 30, 2023

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 25,605	\$ 25,605	\$ -	\$ (25,605)
Resources (Inflows)				
Miscellaneous	<u>53,000</u>	<u>53,000</u>	<u>105,950</u>	<u>52,950</u>
Amounts available for appropriations	<u>78,605</u>	<u>78,605</u>	<u>105,950</u>	<u>27,345</u>
Charges to Appropriations (Outflows)				
Transfer out	<u>53,000</u>	<u>53,000</u>	<u>105,950</u>	<u>(52,950)</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
 Proposition C
 Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 606,097	\$ (363,639)	\$ 920,377	\$ 1,284,016
Resources (Inflows)				
Intergovernmental	600,000	600,000	650,475	50,475
Use of money and property	1,500	1,500	18,236	16,736
Amounts available for appropriations	<u>1,207,597</u>	<u>237,861</u>	<u>1,589,088</u>	<u>1,351,227</u>
Charges to Appropriations (Outflows)				
Public works	<u>900,000</u>	<u>1,069,020</u>	<u>600,001</u>	<u>469,019</u>
Budgetary Fund Balance, End of Year	<u>\$ 307,597</u>	<u>\$ (831,159)</u>	<u>\$ 989,087</u>	<u>\$ 1,820,246</u>

City of Walnut, California
 Budgetary Comparison Schedule
 Bikeways
 Year Ended June 30, 2023

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
Budgetary Fund Balance, July 1	\$ 32,410	\$ 32,410	\$ -	\$ (32,410)
Resources (Inflows)				
Intergovernmental	25,000	25,000	-	(25,000)
Amounts available for appropriations	57,410	57,410	-	(57,410)
Charges to Appropriations (Outflows)				
Community services	25,000	25,000	-	25,000
Budgetary Fund Balance, End of Year	\$ 32,410	\$ 32,410	\$ -	\$ (32,410)

City of Walnut, California
 Budgetary Comparison Schedule
 Measure M
 Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 91,160	\$ (157,260)	\$ 532,296	\$ 689,556
Resources (Inflows)				
Intergovernmental	510,000	510,000	551,711	41,711
Use of money and property	960	960	11,974	11,014
Amounts available for appropriations	<u>602,120</u>	<u>353,700</u>	<u>1,095,981</u>	<u>742,281</u>
Charges to Appropriations (Outflows)				
Public works	<u>564,000</u>	<u>579,000</u>	<u>304,454</u>	<u>274,546</u>
Budgetary Fund Balance, End of Year	<u>\$ 38,120</u>	<u>\$ (225,300)</u>	<u>\$ 791,527</u>	<u>\$ 1,016,827</u>

City of Walnut, California
 Budgetary Comparison Schedule
 Proposition A
 Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,945,063	\$ (114,887)	\$ 1,519,773	\$ 1,634,660
Resources (Inflows)				
Intergovernmental	700,000	700,000	784,204	84,204
Use of money and property	3,650	3,650	29,003	25,353
Amounts available for appropriations	<u>2,648,713</u>	<u>588,763</u>	<u>2,332,980</u>	<u>1,744,217</u>
Charges to Appropriations (Outflows)				
Community development	812,500	1,112,500	995,134	117,366
Capital outlay	18,500	18,500	16,712	1,788
Total charges to appropriations	<u>831,000</u>	<u>1,131,000</u>	<u>1,011,846</u>	<u>119,154</u>
Budgetary Fund Balance, End of Year	<u>\$ 1,817,713</u>	<u>\$ (542,237)</u>	<u>\$ 1,321,134</u>	<u>\$ 1,863,371</u>

City of Walnut, California
 Budgetary Comparison Schedule
 State Park Grant
 Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ (39,743)	\$ -	\$ 39,743
Resources (Inflows)				
Intergovernmental	680,000	680,000	-	(680,000)
Transfers in	-	-	703,245	703,245
Amounts available for appropriations	<u>680,000</u>	<u>640,257</u>	<u>703,245</u>	<u>62,988</u>
Charges to Appropriations (Outflows)				
Public works	680,000	680,000	676,470	3,530
Transfer out	-	-	26,775	(26,775)
Total charges to appropriations	<u>680,000</u>	<u>680,000</u>	<u>703,245</u>	<u>(23,245)</u>
Net Change in Fund Balance	<u>-</u>	<u>(39,743)</u>	<u>-</u>	<u>(39,743)</u>
Budgetary Fund Balance, End of Year	<u><u>\$ -</u></u>	<u><u>\$ (39,743)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 39,743</u></u>

City of Walnut, California
 Budgetary Comparison Schedule
 Traffic Congestion
 Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (30,080)	\$ (206,880)	\$ 6,017	\$ 212,897
Resources (Inflows)				
Use of money and property	300	300	681	381
Amounts available for appropriations	(29,780)	(206,580)	6,698	213,278
Budgetary Fund Balance, End of Year	\$ (29,780)	\$ (206,580)	\$ 6,698	\$ 213,278

City of Walnut, California
 Budgetary Comparison Schedule
 Used Oil Recycling Grant
 Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows)				
Intergovernmental	-	-	-	-
Amounts available for appropriations	-	-	-	-
Charges to Appropriations (Outflows)				
Community development	5,000	5,000	-	5,000
Budgetary Fund Balance, End of Year	<u>\$ (5,000)</u>	<u>\$ (5,000)</u>	<u>\$ -</u>	<u>\$ 5,000</u>

City of Walnut, California
 Budgetary Comparison Schedule
 General Recycling Grant
 Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ 7,718	\$ 7,718
Resources (Inflows)				
Intergovernmental	7,690	7,690	7,340	(350)
Amounts available for appropriations	7,690	7,690	15,058	7,368
Charges to Appropriations (Outflows)				
Capital outlay	7,690	7,690	5,984	1,706
Budgetary Fund Balance, End of Year	\$ -	\$ -	\$ 9,074	\$ 9,074

City of Walnut, California
 Budgetary Comparison Schedule
 Cable TV Education
 Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 154,023	\$ 107,023	\$ 224,405	\$ 117,382
Resources (Inflows)				
Intergovernmental	37,500	37,500	36,630	(870)
Use of money and property	320	320	4,092	3,772
Amounts available for appropriations	<u>191,843</u>	<u>144,843</u>	<u>265,127</u>	<u>120,284</u>
Charges to Appropriations (Outflows)				
Community development	3,550	3,550	3,550	-
Capital outlay	100,000	110,000	106,264	3,736
Total charges to appropriations	<u>103,550</u>	<u>113,550</u>	<u>109,814</u>	<u>3,736</u>
Budgetary Fund Balance, End of Year	<u>\$ 88,293</u>	<u>\$ 31,293</u>	<u>\$ 155,313</u>	<u>\$ 124,020</u>

City of Walnut, California
 Budgetary Comparison Schedule
 Walnut Housing Authority
 Year Ended June 30, 2023

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
Budgetary Fund Balance, July 1	\$ (25,934)	\$ (79,124)	\$ 47,047	\$ 126,171
Resources (Inflows)				
Use of money and property	3,000	3,000	1,412	(1,588)
Transfers in	450,000	450,000	450,000	
Amounts available for appropriations	427,066	373,876	498,459	124,583
Charges to Appropriations (Outflows)				
Community development	432,300	432,300	411,577	20,723
Budgetary Fund Balance, End of Year	\$ (5,234)	\$ (58,424)	\$ 86,882	\$ 145,306

City of Walnut, California
 Budgetary Comparison Schedule
 Low and Moderate Income Housing Fund
 Year Ended June 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,932,716	\$ 1,347,716	\$ 1,377,358	\$ 29,642
Resources (Inflows)				
Use of money and property	9,300	9,300	3,744	(5,556)
Miscellaneous	-	-	399,721	399,721
Amounts available for appropriations	<u>1,942,016</u>	<u>1,357,016</u>	<u>1,780,823</u>	<u>423,807</u>
Charges to Appropriations (Outflows)				
Community development	139,740	139,740	74,979	64,761
Transfer out	450,000	450,000	450,000	-
Total charges to appropriations	<u>589,740</u>	<u>589,740</u>	<u>524,979</u>	<u>-</u>
Budgetary Fund Balance, End of Year	<u>\$ 1,352,276</u>	<u>\$ 767,276</u>	<u>\$ 1,255,844</u>	<u>\$ 488,568</u>

City of Walnut, California
 Budgetary Comparison Schedule
 LACMTA Exchange
 Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 996	\$ (519,004)	\$ 6,887	\$ 525,891
Resources (Inflows)				
Use of money and property	<u>20</u>	<u>20</u>	<u>146</u>	<u>126</u>
Amounts Available for Appropriations	<u>1,016</u>	<u>(518,984)</u>	<u>7,033</u>	<u>526,017</u>
Budgetary Fund Balance, End of Year	<u><u>\$ 1,016</u></u>	<u><u>\$ (518,984)</u></u>	<u><u>\$ 7,033</u></u>	<u><u>\$ 526,017</u></u>

City of Walnut, California
 Budgetary Comparison Schedule
 Measure R
 Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 522,616	\$ 2,616	\$ 567,354	\$ 564,738
Resources (Inflows)				
Intergovernmental	450,000	450,000	487,715	37,715
Use of money and property	1,060	1,060	9,714	8,654
Amounts available for appropriations	<u>973,676</u>	<u>453,676</u>	<u>1,064,783</u>	<u>611,107</u>
Charges to Appropriations (Outflows)				
Public works	<u>600,000</u>	<u>600,000</u>	<u>85,808</u>	<u>514,192</u>
Budgetary Fund Balance, End of Year	<u>\$ 373,676</u>	<u>\$ (146,324)</u>	<u>\$ 978,975</u>	<u>\$ 1,125,299</u>

City of Walnut, California
 Budgetary Comparison Schedule
 Measure A (M&S)
 Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 670	\$ (128,130)	\$ -	\$ 128,130
Resources (Inflows)				
Intergovernmental	170,000	170,000	-	(170,000)
Transfers in	-	-	578,319	578,319
Amounts available for appropriations	<u>170,670</u>	<u>41,870</u>	<u>578,319</u>	<u>536,449</u>
Charges to Appropriations (Outflows)				
Public works	170,000	577,330	555,657	21,673
Transfers out	-	22,670	22,662	8
Total charges to appropriations	<u>170,000</u>	<u>600,000</u>	<u>578,319</u>	<u>21,681</u>
Budgetary Fund Balance, End of Year	<u>\$ 670</u>	<u>\$ (558,130)</u>	<u>\$ -</u>	<u>\$ 558,130</u>

City of Walnut, California
 Budgetary Comparison Schedule
 Measure W
 Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 210,510	\$ 150,510	\$ 552,781	\$ 402,271
Resources (Inflows)				
Intergovernmental	500,000	500,000	493,826	(6,174)
Use of money and property	960	960	7,890	6,930
Amounts available for appropriations	<u>711,470</u>	<u>651,470</u>	<u>1,054,497</u>	<u>403,027</u>
Charges to Appropriations (Outflows)				
Community services	205,000	577,263	314,227	263,036
Public Works	250,000	206,200	95,289	110,911
Total charges to appropriations	<u>455,000</u>	<u>783,463</u>	<u>409,516</u>	<u>373,947</u>
Budgetary Fund Balance, End of Year	<u>\$ 256,470</u>	<u>\$ (131,993)</u>	<u>\$ 644,981</u>	<u>\$ 776,974</u>

City of Walnut, California
 Budgetary Comparison Schedule
 Measure A (Category 1)
 Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 19,900	\$ 19,900	\$ -	\$ (19,900)
Resources (Inflows)				
Intergovernmental	85,000	85,000	-	(85,000)
Amounts available for appropriations	104,900	104,900	-	(104,900)
Charges to Appropriations (Outflows)				
Community services	85,000	85,000	-	85,000
Total charges to appropriations	85,000	85,000	-	85,000
Budgetary Fund Balance, End of Year	<u>\$ 19,900</u>	<u>\$ 19,900</u>	<u>\$ -</u>	<u>\$ (19,900)</u>

City of Walnut, California
 Budgetary Comparison Schedule
 Capital Improvement
 Year Ended June 30, 2023

	Budget Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (3,370,345)	\$ (1,938,383)	\$ 1,753,375	\$ 3,691,758
Charges to Appropriations (Outflows)				
Capital outlay	<u>477,180</u>	<u>755,870</u>	<u>135,750</u>	<u>620,120</u>
Total charges to appropriations	<u>477,180</u>	<u>755,870</u>	<u>135,750</u>	<u>620,120</u>
Net Change in Fund Balance	<u>(2,893,165)</u>	<u>(1,182,513)</u>	<u>1,889,125</u>	<u>4,311,878</u>
Budgetary Fund Balance, End of Year	<u><u>\$ (3,847,525)</u></u>	<u><u>\$ (2,694,253)</u></u>	<u><u>\$ 1,617,625</u></u>	<u><u>\$ 4,311,878</u></u>

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Statistical Section

June 30, 2023

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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Fund Balances of Governmental Funds - Last Ten Fiscal Years	102
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Revenue Capacity Information - These schedules contain information to assist readers to understand and assess factors affecting the City of Walnut's ability and capacity to raise revenues.

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

Fiscal Year	2014	2015	2016	2017
Governmental Activities:				
Net investment in capital assets	73,612,972	73,439,900	72,963,855	71,066,062
Restricted	8,289,678	8,212,469	7,115,326	10,917,855
Unrestricted	21,025,425	14,584,364	15,184,940	10,661,289
Total governmental activities net position	102,928,075	96,236,733	95,264,121	92,645,206
Primary government:				
Net investment in capital assets	73,612,972	73,439,900	72,963,855	71,066,062
Restricted	8,289,678	8,212,469	7,115,326	10,917,855
Unrestricted	21,025,425	14,584,364	15,184,940	10,661,289
Total primary government net position	102,928,075	96,236,733	95,264,121	92,645,206

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 by Component
 Last Ten Fiscal Years
 (accrual basis of accounting)

2018	2019	2020	2021	2022	2023
73,720,055	72,283,733	71,060,405	70,436,085	68,084,318	68,829,695
7,320,794	7,715,804	7,009,577	9,512,999	9,192,858	11,199,152
19,113,026	24,129,411	23,666,833	19,240,635	21,172,241	25,065,077
100,153,875	104,128,948	101,736,815	99,189,719	98,449,417	105,093,924
73,720,055	72,283,733	71,060,405	70,436,085	68,084,318	68,829,695
7,320,794	7,715,804	7,009,577	9,512,999	9,192,858	11,199,152
19,113,026	24,129,411	23,666,833	19,240,635	21,172,241	25,065,077
100,153,875	104,128,948	101,736,815	99,189,719	98,449,417	105,093,924

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

Fiscal Year	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Expenses:				
Governmental activities:				
General government	2,555,368	2,618,229	2,559,043	3,086,260
Public safety	3,619,393	3,581,460	3,772,824	3,900,642
Community development	8,238,967	2,192,492	2,248,657	2,879,006
Public works	7,909,282	6,929,084	5,778,712	7,219,860
Community services	3,623,037	3,711,593	5,441,949	4,069,437
Interest on long-term debt	-	-	-	-
Total governmental activities	<u>25,946,047</u>	<u>19,032,858</u>	<u>19,801,185</u>	<u>21,155,205</u>
 Total expenses	 <u>25,946,047</u>	 <u>19,032,858</u>	 <u>19,801,185</u>	 <u>21,155,205</u>
 Program revenues:				
Governmental activities:				
Charges for services:				
General government	580,639	595,221	539,554	563,889
Public safety	726,423	330,047	380,909	233,541
Community development	1,934	1,541	2,868	1,942
Public works	3,375,124	3,186,757	3,759,518	4,304,184
Community services	929,590	583,746	840,018	664,425
Operating contributions and grants	1,491,009	1,292,365	956,559	985,419
Capital contributions and grants	1,337,784	1,797,984	1,334,924	1,878,825
Total governmental activities	<u>8,442,503</u>	<u>7,787,661</u>	<u>7,814,350</u>	<u>8,632,225</u>
 Total program revenues	 <u>8,442,503</u>	 <u>7,787,661</u>	 <u>7,814,350</u>	 <u>8,632,225</u>
 Net (expenses) revenues				
Governmental Activities	(17,503,544)	(11,245,197)	(11,986,835)	(12,522,980)
 Total Net Expense	 <u>(17,503,544)</u>	 <u>(11,245,197)</u>	 <u>(11,986,835)</u>	 <u>(12,522,980)</u>

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

2018	2019	2020	2021	2022	2023
5,857,903	199,215	3,799,571	3,426,121	3,441,453	2,603,771
4,032,897	4,120,065	4,421,574	4,394,513	4,592,533	4,757,078
2,435,173	2,422,267	2,969,602	3,686,498	2,807,467	3,501,557
5,766,110	6,951,774	4,788,315	7,623,175	7,660,909	7,416,782
5,273,197	4,727,263	6,803,798	3,883,235	4,572,065	5,237,536
-	-	-	-	-	-
<u>23,365,280</u>	<u>18,420,584</u>	<u>22,782,860</u>	<u>23,013,542</u>	<u>23,074,427</u>	<u>23,516,724</u>
<u>23,365,280</u>	<u>18,420,584</u>	<u>22,782,860</u>	<u>23,013,542</u>	<u>23,074,427</u>	<u>23,516,724</u>
590,870	510,179	389,180	403,914	145,306	337,141
253,506	189,444	192,452	115,847	149,149	173,908
1,960	1,738	1,308	234	196	-
3,504,523	3,852,219	3,682,827	3,819,585	4,279,991	4,782,140
824,103	789,858	521,120	76,327	505,187	3,773,285
1,157,759	1,492,075	1,979,224	2,320,940	2,309,339	3,570,042
1,693,386	1,907,232	1,844,458	2,435,822	2,883,373	2,967,931
<u>8,026,107</u>	<u>8,742,745</u>	<u>8,610,569</u>	<u>9,172,669</u>	<u>10,272,541</u>	<u>15,604,447</u>
<u>8,026,107</u>	<u>8,742,745</u>	<u>8,610,569</u>	<u>9,172,669</u>	<u>10,272,541</u>	<u>15,604,447</u>
(15,339,173)	(9,677,839)	(14,172,291)	(13,840,873)	(12,801,886)	(7,912,277)
<u>(15,339,173)</u>	<u>(9,677,839)</u>	<u>(14,172,291)</u>	<u>(13,840,873)</u>	<u>(12,801,886)</u>	<u>(7,912,277)</u>

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

Fiscal Year	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues:				
Governmental activities:				
Taxes				
Property taxes	5,995,275	6,238,354	6,408,855	5,700,002
Sales tax	1,345,722	1,573,976	1,890,516	1,962,759
Franchise tax	950,452	963,244	936,650	897,264
Business license tax	104,661	99,520	109,615	126,642
Other taxes	325,627	330,536	359,008	386,766
Motor vehicle in lieu, unrestricted	24,386	24,009	22,377	23,307
Use of money and property	582,911	468,085	447,621	468,435
Other general revenues	68,313	18,248	839,581	338,890
Unrestricted Investments Earnings (loss)	-	-	-	-
Proceeds from sale of donated property	-	-	-	-
Extraordinary gain/(loss) on dissolution of redevelopment agency	-	-	-	-
Total general revenues, transfers & special item	<u>9,397,347</u>	<u>9,715,972</u>	<u>11,014,223</u>	<u>9,904,065</u>
Total primary government	<u>9,397,347</u>	<u>9,715,972</u>	<u>11,014,223</u>	<u>9,904,065</u>
Change in net position				
Governmental activities	<u>(8,106,197)</u>	<u>(1,529,225)</u>	<u>(972,612)</u>	<u>(2,618,915)</u>
Total Change in net position	<u>(8,106,197)</u>	<u>(1,529,225)</u>	<u>(972,612)</u>	<u>(2,618,915)</u>

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

2018	2019	2020	2021	2022	2023
6,009,959	6,328,288	6,789,500	6,992,655	7,732,639	8,502,073
2,065,336	2,204,841	1,851,982	1,946,958	2,351,911	2,428,566
926,430	927,083	926,347	958,206	1,032,204	1,161,511
124,843	121,447	123,188	119,228	131,468	139,483
398,431	331,742	300,941	369,902	504,346	499,103
-	-	-	-	-	-
729,648	1,366,080	1,210,197	407,790	-	-
576,349	2,373,431	578,003	499,038	560,790	548,300
-	-	-	-	(251,774)	1,277,748
12,487,410	-	-	-	-	-
-	-	-	-	-	-
<u>23,318,406</u>	<u>13,652,912</u>	<u>11,780,158</u>	<u>11,293,777</u>	<u>12,061,584</u>	<u>14,556,784</u>
<u>23,318,406</u>	<u>13,652,912</u>	<u>11,780,158</u>	<u>11,293,777</u>	<u>12,061,584</u>	<u>14,556,784</u>
<u>7,979,233</u>	<u>3,975,073</u>	<u>(2,392,133)</u>	<u>(2,547,096)</u>	<u>(740,302)</u>	<u>6,644,507</u>
<u>7,979,233</u>	<u>3,975,073</u>	<u>(2,392,133)</u>	<u>(2,547,096)</u>	<u>(740,302)</u>	<u>6,644,507</u>

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

Fiscal Year	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General Fund:				
Reserved	-	-	-	-
Unreserved	-	-	-	-
Nonspendable:				
Prepaid costs	388,722	33,268	626,512	303,719
Notes and loans	-	-	-	-
Advances to other Funds	250,870	250,870	250,870	250,870
Long term receivable	-	-	-	-
Restricted for:				
Section 115 trust	-	-	-	-
Committed to:				
Disaster recovery	1,000,000	1,000,000	1,000,000	1,000,000
Self-insurance	1,000,000	1,000,000	-	1,000,000
Facility maintenance	2,805,957	2,764,643	-	-
Assigned to:				
Recreation facility	2,800,000	2,799,845	2,766,250	2,666,801
Maintenance and operations	6,047,785	6,311,725	8,467,719	8,149,560
Other post-employment benefits	762,422	760,142	757,275	754,593
Self Insurance	-	-	1,000,000	-
Unassigned	1,247,058	1,179,125	2,010,433	2,775,032
Total General Fund	<u>16,302,814</u>	<u>16,099,618</u>	<u>16,879,059</u>	<u>16,900,575</u>
All other governmental funds:				
Unreserved, reported in:				
Special Revenue Funds	-	-	-	-
Capital Project Funds	-	-	-	-
Nonspendable:				
Prepaid costs	-	-	2,738	-
Notes and loans	1,940,827	1,935,130	1,848,575	90,649
Advances to other Funds	-	-	-	-
Restricted for:				
Community development	2,992,384	2,958,326	2,079,538	3,832,963
Public safety	71,092	78,868	134,169	162,113
Community services	155,615	140,630	1,026,385	1,327,325
Public works	3,129,760	3,099,515	3,875,234	4,160,230
Committed to:				
Capital projects	5,180,132	4,088,292	-	-
Assigned to:				
Capital Projects	-	-	2,065,878	1,456,260
Unassigned	-	(13,348)	-	(10,516)
Total all other governmental funds	<u>13,469,810</u>	<u>12,287,413</u>	<u>11,032,517</u>	<u>11,019,024</u>

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

2018	2019	2020	2021	2022	2023
-	-	-	-	-	-
-	-	-	-	-	-
12,066	388,918	398,960	200	381,038	23,750
-	-	-	-	-	-
250,870	35,827	35,827	35,827	35,827	35,827
-	-	-	-	-	-
-	-	-	2,021,362	1,799,873	1,859,618
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	1,000,000	1,000,000	1,000,000
-	-	-	-	-	-
14,946,188	14,838,444	14,816,767	14,787,452	13,561,031	12,365,720
7,227,578	6,871,759	6,274,070	7,499,137	7,499,138	7,499,135
751,614	748,223	744,176	739,944	734,074	724,874
-	-	-	-	-	-
3,628,234	6,236,023	7,306,787	3,037,764	4,317,625	7,487,514
28,816,550	31,119,194	31,576,587	30,121,686	30,328,606	31,996,438
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
3,488,456	3,223,238	2,940,515	1,945,155	1,462,287	1,385,783
218,613	294,935	369,173	448,371	519,574	625,979
819,654	719,991	460,591	427,873	905,093	3,318,223
2,794,070	3,477,640	3,239,298	2,851,761	4,593,451	5,869,167
-	-	-	-	-	-
264,280	427,970	343,770	1,818,477	1,753,375	1,617,625
-	-	-	-	(40,922)	-
7,585,073	8,143,774	7,353,347	7,491,637	9,192,858	12,816,777

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

Fiscal Year	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Revenues:				
Taxes	8,774,933	9,093,952	9,614,804	9,274,951
Assessments	2,279,176	2,159,654	3,107,981	2,562,970
Licenses and permits	754,435	785,402	961,563	1,829,914
Intergovernmental	2,910,075	3,127,876	2,368,358	2,924,159
Charges for services	1,602,320	1,174,295	1,839,232	1,297,286
Use of money and property	582,911	468,085	446,575	466,272
Fines and forfeitures	555,806	205,560	277,011	131,631
Miscellaneous	433,390	363,783	372,189	250,625
Total Revenues	<u>17,893,046</u>	<u>17,378,607</u>	<u>18,987,713</u>	<u>18,737,808</u>
Expenditures				
Current:				
General government	2,371,357	2,382,053	2,536,035	2,392,349
Public safety	3,573,524	3,570,802	3,765,218	3,894,564
Community development	2,030,856	2,135,562	2,248,657	2,879,006
Community services	3,214,069	3,302,231	5,006,833	3,586,537
Public works	4,732,064	4,709,398	5,385,612	5,789,502
Capital outlay	2,156,903	2,664,154	520,813	187,827
Total Expenditures	<u>18,078,773</u>	<u>18,764,200</u>	<u>19,463,168</u>	<u>18,729,785</u>
Excess (deficiency) of Revenues over Expenditures	<u>(185,727)</u>	<u>(1,385,593)</u>	<u>(475,455)</u>	<u>8,023</u>
Other financing sources (uses):				
Transfer in	2,614,325	896,984	209,969	541,537
Transfer out	(2,614,325)	(896,984)	(209,969)	(541,537)
Sale of capital assets	-	-	-	-
Contribution to Successor Agency	(6,150,000)	-	-	-
Total other financing sources (uses)	<u>(6,150,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Special Item:				
Proceeds from sale of donated property	-	-	-	-
Net change in fund balances	<u>(6,335,727)</u>	<u>(1,385,593)</u>	<u>(475,455)</u>	<u>8,023</u>
Debt service as a percentage of noncapital expenditures	0.00%	0.00%	0.00%	0.00%

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

2018	2019	2020	2021	2022	2023
9,499,733	9,891,270	9,959,422	10,356,755	11,702,205	12,686,102
2,500,410	2,651,930	2,602,235	2,397,019	2,855,757	5,476,945
805,839	895,016	669,135	932,147	1,236,394	1,474,111
2,951,513	3,513,073	3,893,035	4,879,178	5,293,827	6,619,237
1,457,384	1,448,413	1,453,707	617,404	1,186,622	1,641,885
721,284	1,350,718	1,210,158	407,790	(251,774)	1,277,747
157,374	127,235	101,670	58,893	99,615	134,039
328,692	2,518,002	501,365	817,260	211,479	858,947
18,422,229	22,395,657	20,390,727	20,466,446	22,334,125	30,169,013
2,547,402	2,592,697	2,803,967	2,657,459	2,982,262	3,051,109
4,025,458	4,111,941	4,412,772	4,386,462	4,585,722	4,751,205
2,435,173	2,422,267	2,969,602	3,686,498	2,807,467	3,501,557
4,815,620	4,221,073	4,250,928	3,302,681	3,987,224	4,653,278
8,657,998	6,039,178	6,052,775	6,820,561	5,866,933	8,406,122
380,964	147,156	233,717	929,396	196,376	513,991
22,862,615	19,534,312	20,723,761	21,783,057	20,425,984	24,877,262
(4,440,386)	2,861,345	(333,034)	(1,316,611)	1,908,141	5,291,751
448,808	444,737	138,911	1,902,171	257,586	2,222,691
(448,808)	(444,737)	(138,911)	(1,902,171)	(257,586)	(2,222,691)
435,000	-	-	-	-	-
-	-	-	-	-	-
435,000	-	-	-	-	-
12,487,410	-	-	-	-	-
8,482,024	2,861,345	(333,034)	(1,316,611)	1,908,141	5,291,751
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	2014	2015	2016	2017	2018
Residential	3,990,406	4,201,218	4,419,416	4,583,083	4,805,033
Commercial	168,050	170,585	175,748	181,003	190,586
Industrial	100,711	106,086	109,988	112,303	114,888
Government Owned	-	-	-	-	-
Institutional	15,777	12,184	11,916	11,319	11,530
Miscellaneous	415	257	262	266	272
Recreational	-	-	-	-	-
Vacant	53,830	62,733	69,406	98,475	100,501
SBE Nonunitary	168	168	168	168	168
Cross Reference	492	421	237	218	269
Unsecured	41,643	36,556	35,976	36,800	38,656
Exempt	(8,728)	(8,728)	(8,596)	(8,596)	(8,596)
Grand Total	4,371,492	4,590,208	4,823,117	5,023,635	5,253,307
Total Direct Rate	0.07616%	0.07479%	0.07362%	0.07264%	0.07047%

Note:

1 Includes City and Successor Agency Project Area

2 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 2013/14-2022/23 Combined Tax Rolls

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

2019	2020	2021	2022	2023
5,049,771	5,270,204	5,435,577	5,565,243	5,801,157
222,309	229,933	232,531	234,888	249,005
112,516	115,071	120,294	129,845	223,964
-	-	-	-	-
13,641	11,996	14,357	14,506	14,796
277	282	288	291	297
-	-	-	-	558
115,226	118,954	119,317	121,017	118,672
168	-	-	-	-
656	1,547	1,418	1,078	1,084
45,441	48,273	49,912	50,271	53,308
(8,455)	(8,455)	(8,455)	(8,455)	(9,082)
5,551,550	5,787,805	5,965,239	6,117,139	6,453,759
0.06783%	0.06968%	0.06900%	0.13628%	0.05683%

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

Fiscal Year	2014	2015	2016	2017	2018
Assessment Billings	2,274,560	2,138,800	2,138,800	2,139,080	2,373,930
Assessment Collected	2,279,177	2,159,654	2,109,527	2,265,338	2,381,316
Percentage Collected	100.2%	101.0%	98.6%	105.9%	100.3%

Source: City Finance Department

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

2019	2020	2021	2022	2023
2,512,250	2,487,970	2,768,771	2,712,871	2,936,840
2,613,019	2,377,816	2,397,019	2,400,733	2,598,997
104.0%	95.6%	86.6%	88.5%	88.5%

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

Fiscal Years	2014	2015	2016	2017	2018
City Direct Rates:					
General Levy ¹	1.00000	1.00000	1.00000	1.00000	1.00000
Overlapping Rates:					
Metropolitan Water District	0.00350	0.00350	0.00350	0.00350	0.00350
Mt. San Antonio Community College	0.02023	0.02129	0.02154	0.02400	0.02371
Covina Valley Unified School District	0.11472	0.11426	0.11062	0.12581	0.14205
Pomona Unified School District	0.16407	0.16599	0.15364	0.14368	0.17292
Pomona Usd 2008 Series C	0.00000	0.00000	0.00000	0.00000	0.00000
Rowland Heights Unified	0.12297	0.14313	0.12426	0.10939	0.11841
Rowland Unified School District	0.00000	0.00000	0.00000	0.01505	0.00000
	0.11342	0.11510	0.09285	0.06601	0.07388
Total Direct and Overlapping ² Tax Rates	1.53892	1.56328	1.50641	1.48744	1.53448
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	-	-	-	-	-
Total Direct Rate ⁵	0.07616%	0.07479%	0.07362%	0.07264%	0.07047%

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
- 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 2013/14-2022/23 Tax Rate Table

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

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
1.00000	1.00000	1.00000	1.00000	1.00000
0.00350	0.00350	0.00350	0.00350	0.00350
0.02435	0.04781	0.04459	0.04608	0.04267
0.13976	0.13521	0.12658	0.12995	0.12612
0.16942	0.20671	0.15081	0.14056	0.14579
0.00000	0.00000	0.00000	0.00000	0.00000
0.11861	0.10760	0.10905	0.00000	0.00000
0.00000	0.00000	0.00000	0.11128	0.10909
0.10582	0.09538	0.09893	0.10066	0.10118
<u>1.56146</u>	<u>1.59621</u>	<u>1.53346</u>	<u>1.53202</u>	<u>1.52834</u>
0.05202	0.05202	0.05202	0.05202	0.05202
-	-	-	-	-
-	-	-	-	-
0.07077%	0.06968%	0.06900%	0.13628%	0.05683%

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

<u>Taxpayer</u>	2023		2014		<u>Business Type</u>
	Taxable Assessed Value	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Percent of Total City Taxable Assessed Value	
Valley Industrial	108,600,000	1.68%	-	0.00%	Industrial
Wesco Properties Inc	38,686,195	0.60%	-	0.00%	Commercial
Essex Cal Walp	32,670,915	0.51%	26,350,546	0.60%	Residential
CRC Home	30,578,323	0.47%		0.00%	Vacant
Snow Creek Village West Partners	25,144,922	0.39%	21,669,204	0.50%	Commercial
Walnut Tech Business Center Inc	22,581,075	0.35%	19,461,638	0.45%	Commercial
Extra Space Properties Twenty One LLC	16,104,053	0.25%	7,418,155	0.17%	Industrial
9429 Walnut Cake LLC	15,276,381	0.24%	13,164,754	0.30%	Commercial
Pacwall LLC	15,223,551	0.24%	-	0.00%	Commercial
Orange Grove Service Inc	14,897,636	0.23%	8,150,000	0.19%	Commercial
Vogel Properties	-	0.00%	18,941,655	0.43%	Industrial
Margaret Wang Trust	-	0.00%	8,385,871	0.19%	Commercial
Fairway Injection Molding Systems Inc	-	0.00%	7,108,234	0.16%	Unsecured
Ruey Cher and TSU Kao	-	0.00%	19,540,077	0.45%	Commercial
Total	319,763,051	4.95%	150,190,134	3.44%	

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, 2013.

Source: Hdl, Coren & Cone, L.A. County Assessor 2022/23 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	2014	2015	2016	2017
Taxes levied for the fiscal year	1,390,157	1,435,551	1,399,452	2,718,998
Collected within the fiscal year:				
Amount	1,348,701	1,384,713	1,367,680	2,348,388
Percent of Levy	97%	96%	98%	86%
Total Tax Collection				
Amount	1,348,701	1,384,713	1,367,680	2,348,388
Delinquent Tax Collection	1,325	1,082	1,079	(2,041)
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

2018	2019	2020	2021	2022	2023
1,497,691	1,555,482	1,623,343	1,661,609	3,437,096	4,047,297
1,468,139	1,519,185	1,558,394	1,616,925	3,383,458	3,991,999
98%	98%	96%	97%	98%	99%
1,468,139	1,519,185	1,558,394	1,616,925	3,383,458	3,991,999
(2,345)	(7,822)	(7,256)	(10,387)	(9,472)	(20,267)
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	2014	2015	2016	2017
Walnut Improvement Agency: ¹ Tax Allocation Refunding Bonds, Series 1999A	-	-	-	-
Walnut Public Financing Authority: Tax Allocation Revenue Bonds, Series 1992	-	-	-	-
Tax Allocation Revenue Bonds, Series 2002	-	-	-	-
Total Governmental Activities	-	-	-	-
Personal Income City of Walnut (in thousands) ²	1,019,743	1,041,477	1,045,685	1,077,615
Ratio of outstanding debt	0.00%	0.00%	0.00%	0.00%
Population	30,112	30,257	30,152	30,134
Total debt per capita	-	-	-	-

Note:

1 Schedule of Demographics Statistics for personal income data for calendar year 2023.

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

2018	2019	2020	2021	2022	2023
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,099,822	1,105,292	1,173,576	1,232,966	1,240,889	1,318,256
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
30,457	30,551	29,929	29,835	28,094	27,553
-	-	-	-	-	-

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City of Walnut, California
Direct and Overlapping Debt
June 30, 2022

	Outstanding Debt 6/30/23	Percentage Applicable To City (1)	Estimated Share of Overlapping Debt
Overlapping Tax and Assessment Debt			
Metropolitan Water District*	19,215,000	0.178%	34,203
Mt. San Antonio CCD	882,482,780	5.830%	51,448,746
Pomona USD	459,351,706	0.104%	477,726
Rowland Heights USD	205,566,575	10.285%	21,142,522
Walnut Valley USD	230,026,115	33.987%	78,178,976
Total Overlapping Tax and Assessment Debt			151,282,173
Direct and Overlapping General Fund Debt			
Los Angeles County General Fund Obligations	2,601,551,282	0.341%	8,871,290
Los Angeles County Superintendent of Schools	3,403,487	0.341%	11,606
Los Angeles County Sanitation District No. 21 Authority	468,639	9.893%	46,362
Mt. San Antonio CCD Certificates of Participation	254,500,000	5.830%	14,837,350
Pomona USD General Fund Obligations	6,115,000	0.104%	6,360
City of Walnut	-	100%	-
Total Direct and Overlapping General Fund Debt			23,772,968
Total Direct Debt			-
Total Overlapping Debt			175,055,141
Combined Total Debt			175,055,141 (2)

2022-23 Assessed Valuation \$6,462,840,585

Ratios to 2022-23 Assessed Valuation:

Total Overlapping Tax and Assessment Debt	2.34%
Total Direct Debt (\$0)	0.00%
Combined Total Debt	2.71%

Note:

1 The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.

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

Source: HdL, Coren & Cone, L.A. County Assessor Tax rate tables 2013/14-2022/23.

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

Fiscal Year	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Assessed valuation	4,371,491,627	4,590,208,614	4,823,117,151	5,023,635,701
Conversion percentage	25%	25%	25%	25%
Adjusted assessed valuation	1,092,872,907	1,147,552,154	1,205,779,288	1,255,908,925
Debt limit percentage	15%	15%	15%	15%
Debt Limit	163,930,936	172,132,823	180,866,893	188,386,339
Total net debt applicable to limit: General Obligation bonds	-	-	-	-
Legal debt margin	<u>163,930,936</u>	<u>172,132,823</u>	<u>180,866,893</u>	<u>188,386,339</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 2022/23 Combined Tax Rolls

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

2018	2019	2020	2021	2022	2023
5,261,903,783	5,560,005,060	5,796,260,647	5,973,694,699	6,117,140,418	6,462,840,585
25%	25%	25%	25%	25%	25%
1,315,475,946	1,390,001,265	1,449,065,162	1,493,423,675	1,529,285,105	1,449,065,161.75
15%	15%	15%	15%	15%	15%
197,321,392	208,500,190	217,359,774	224,013,551	229,392,766	217,359,774
-	-	-	-	-	-
197,321,392	208,500,190	217,359,774	224,013,551	229,392,766	(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	2014	2015	2016	2017
Square Miles ¹	8.83	8.83	8.83	8.83
Number of Housing Units ²	8,909	8,911	8,925	8,937
Population (City of Walnut) ²	30,112	30,257	30,152	30,134
Personal Income City of Walnut (in thousands) ³	1,019,743	1,041,477	1,045,685	1,077,615
Per Capita Personal Income City of Walnut ³	33,865	34,573	34,680	35,760
Unemployment Rate City of Walnut ⁴	3.6%	5.9%	4.8%	3.7%
Average Annual Population % change ²	0.55%	0.48%	-0.35%	-0.06%

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 Statistics
Last Ten Fiscal Years (Unaudited)

2018	2019	2020	2021	2022	2023
8.83	8.83	8.83	8.83	8.83	8.83
9,022	9,046	9,061	9,074	9,197	9,241
30,457	30,551	29,929	29,835	28,094	27,553
1,099,822	1,105,292	1,173,576	1,232,966	1,240,889	1,318,256
36,110	36,178	39,211	41,326	44,169	47,844
3.5%	3.6%	3.4%	10.2%	6.8%	3.6%
1.07%	0.31%	-2.04%	-0.31%	-5.84%	-1.93%

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

<u>Employer</u>	<u>2023</u>		<u>Product/Services</u>	<u>2014</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	3,804	54%	Community College	3,273	44%
Edro Engineering Company, Inc.	102	1%	Engineering	96	1%
Vons #2167	89	1%	Grocery Store	64	1%
Alliance Industrial Refrigeration	81	1%	Industrial Refrigeration	-	0%
Ronsin Photocopy Inc.	78	1%	Photocopy Manufacturer	130	2%
Stater Brothers Market #168	71	1%	Grocery Store	75	1%
TJ Maxx #682	66	1%	Retail	51	1%
McDonald's	61	1%	Fast-food	61	1%
Sodexo, Inc	56	1%	Food Services Mgmt.	-	0%
Fairway Injections Molds, Inc	50	1%	Manufacture Mold Bases	67	1%
Home Goods #282	47	1%	Retail	-	0%
Panera Bread #1630	39	1%	Restaurant	-	0%
Applebee's Neighborhood Grill	34	0%	Restaurant	58	1%
Ten Ren's Tea Time	33	0%	Restaurant	-	0%
24 Hour Fitness #934	26	0%	Health Fitness Facility	-	0%
Native Fields	22	0%	Restaurant	-	0%
Taco Bell 38983	20	0%	Fast-food	-	0%
Mr. Pho	17	0%	Restaurant	-	0%

Source: City Finance Department & HDL, Coren & Cone 2022-23 Business License Data

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

Fiscal Year	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Function:				
General government	10	9	9	9
Public safety	2	2	2	2
Public works	4	6	6	6
Community development	9	9	10	10
Community services	<u>11</u>	<u>10</u>	<u>10</u>	<u>10</u>
Total	<u>36</u>	<u>36</u>	<u>37</u>	<u>37</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

2018	2019	2020	2021	2022	2023
10	10	11	11	11	11
2	2	1	1	1	1
6	6	6	6	6	6
10	10	10	10	10	9
10	10	10	10	10	10
38	38	38	38	38	37

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

Fiscal Year	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Number of New Residential Units	4	14	22	97
Building Permit Valuation				
Residential	6,956,379	12,822,312	15,959,112	39,160,875
Non-Residential	1,654,042	397,517	573,580	1,982,436
Total	<u>8,610,421</u>	<u>13,219,829</u>	<u>16,532,692</u>	<u>41,143,311</u>
Number of Building Permit Issued	441	434	689	587
Bank Deposits	766,390,000	860,801,000	1,023,415,000	1,211,609,000

Source: FDIC: Deposit Market Share Report June 30, 2023, City of Walnut Finance Department, and City of Walnut Building Department

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

2018	2019	2020	2021	2022	2023
72	18	3	29	25	52
11,597,194	16,206,324	8,672,560	18,467,667	33,804,409	9,433,991
628,931	514,493	2,046,217	607,366	509,687	408,613
12,226,125	16,720,817	10,718,777	19,075,033	34,314,096	9,842,604
511	414	948	456	509	751
1,379,363,000	1,444,420,000	1,773,297,000	2,133,975,000	2,270,676	2,424,905.000

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City of Walnut, California
Insurance in Force
June 30, 2022 (Unaudited)

<u>CARRIER</u>	<u>POLICY #</u>	<u>COVERAGE</u>	<u>AMOUNT OF COVERAGE</u>	<u>TERM</u>
Alliant Insurance	014249761	Public Employees "O"	\$ 1,000,000	07/01/2022-07/01/2023
		Theft "C"	\$ 1,000,000	
		Forgery "B"	\$ 1,000,000	
		Computer Fraud "F"	\$ 1,000,000	
California Joint Powers Insurance Authority	B128410009W22	Property	\$ 32,414,673	07/01/2022-07/01/2023
		Earthquake & Flood	No Coverage	
		Other Vehicles Physical Damage	\$ 515,652	
		Mechanical Breakdown	\$ 29,072,633	
		Fire and Ambulance Physical Damage	No Coverage	
California Joint Powers Insurance Authority		General Liability	\$ 30,000,000	07/01/2022-07/1/2023
		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	2014	2015	2016	2017
Public Safety:				
Number of employees trained on Emergency Operation	60	50	50	50
Number of volunteers on patrol	12	15	30	20
Parking Citation Issued	1,436	2,275	3,688	1,337
Community Development:				
Planning Application Processed	150	154	156	105
Code Enforcement Complaint Response	789	775	801	817
Dial-A-Ride Members	4,069	4,338	4,521	4,645
Metrolink Passes Sold	1,729	1,524	1,421	1,368
Public Works:				
Street Resurfacing (square feet)	228,360	1,944,687	2,303,654	3,234,562
Parks and recreation:				
Number of recreation classes	750	683	650	757
Number of youth registered	6,500	5,500	5,250	5,821

Source: City of Walnut Departments

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

2018	2019	2020	2021	2022	2023
50	46	63	73	40	40
13	15	18	17	22	22
2,223	1,514	1,026	675	988	1,782
148	128	88	132	134	137
846	1,061	763	894	750	727
4,834	5,094	5,162	5,173	5,222	5,341
1,347	1,110	745	25	58	62
3,234,562	2,674,770	2,862,703	185,500	2,300,000	-
935	817	575	125	379	450
4,200	5,175	2,931	901	2,524	3,250

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

Fiscal Year	2014	2015	2016	2017	2018
Public Works:					
Street (Miles)	111	111	111	111	111
Street lights	1,853	1,934	1,934	1,934	1,912
Traffic signals	40	40	40	41	41
Parks and recreation:					
Parks	11	11	11	11	11
Teen Center	1	1	1	1	1
Senior Center	1	1	1	1	1
Total	2,017	2,098	2,098	2,099	2,077

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

2019	2020	2021	2022	2023
111	111	111	111	111
1,920	1,916	1,924	1,924	1,924
41	41	41	41	41
11	11	11	11	11
1	1	1	1	1
1	1	1	1	1
2,085	2,081	2,089	2,089	2,089

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 Gorgonio and San Jacinto ranges.

Type of City	General Law-January 19, 1959
Form of Government	Council/Manager
Population	27,553
Land Area	8.9 Square Miles
Number of Parks	11
Park Areas	105.2 Acres
Equestrian/Hiking Trails	33 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	37 Full-time
Cost per Capita	\$903

Source: City Finance Department



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