



CITY OF LYNWOOD
FISCAL YEAR 2014-2015

CAFR

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDING JUNE 30, 2015

**Comprehensive Annual Financial Report
City of Lynwood, California
Year ended June 30, 2015
with Report of Independent Auditors**

Prepared by: Finance Department

	<u>PAGE</u>
INTRODUCTORY SECTION	
Letter of Transmittal	i
Organizational Chart	vi
City Officials	vii
Certificate of Achievement for Excellence in Financial Reporting (GFOA)	viii
FINANCIAL SECTION	
Report of Independent Auditors	1
Management’s Discussion and Analysis	4
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	12
Statement of Activities	13
Fund Financial Statements	
Governmental Funds	
Balance Sheet	15
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	17
Statement of Revenues, Expenditures, and Changes in Fund Balances	18
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	20
Proprietary Funds	
Statement of Net Position	21
Statement of Revenues, Expenses, and Changes in Fund Net Position	22
Statement of Cash Flows	23
Fiduciary Fund	
Statement of Fiduciary Net Position	24
Statement of Changes in Fiduciary Net Position	25
Notes to Financial Statements	26
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual – General Fund	79
Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual – HUD Home Program Special Revenue Fund	80
Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual – Prop C Special Revenue Fund	81
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Housing Authority Special Revenue Fund	82
Schedule of Changes in the Net Pension Liability and Related Ratios – Miscellaneous Plan	83
Schedule of Plan Contributions	84
Schedule of Proportionate Share of the Net Pension Liability - Safety Plan	85
Schedule of Funding Progress - OPEB	86
Notes to Required Supplementary Information	87

SUPPLEMENTARY INFORMATION

	<u>PAGE</u>
Nonmajor Governmental Funds	
Description of Nonmajor Governmental Funds	88
Combining Balance Sheet	92
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	100
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	
Retirement Special Revenue Fund	108
Traffic Safety Special Revenue Fund	109
Gas Tax Special Revenue Fund	110
SB 821 Special Revenue Fund	111
Prop A Special Revenue Fund	112
Measure R Special Revenue Fund	113
Air Quality Improvement Special Revenue Fund	114
State COPS Program Special Revenue Fund	115
Sheriff Drug Seizure Special Revenue Fund	116
Lighting Maintenance Special Revenue Fund	117
Landscape Maintenance Special Revenue Fund	118
Impact Special Fees Revenue Fund	119
Public Art Special Revenue Fund	120
Litter Abatement Special Revenue Fund	121
HUD 108 Loan Special Revenue Fund	122
Housing Community Development (HUD) Special Revenue Fund	123
Business Improvement Special Revenue Fund	124
Beverage Container Recycling Grant Special Revenue Fund	125
LA County Park Maintenance Grant Special Revenue Fund	126
Other Grants Special Revenue Fund	127
Used Oil Recycling Grant Special Revenue Fund	128
TEA/ISTEA Grant Special Revenue Fund	129
DuPont Lead Safety Grant Special Revenue Fund	130
Prop 1B Grant Special Revenue Fund	131
Justice Assistance Special Revenue Fund	132
Prop 84 Park Grant Special Revenue Fund	133
Enterprise Zone Program Special Revenue Fund	134
Refuse Special Revenue Fund	135
LACMTA TOD Planning Special Revenue Fund	136

	<u>PAGE</u>
Nonmajor Governmental Funds (continued)	
City of Lynwood Debt Service Fund	137
Public Finance Authority Debt Service Fund	138
2002 HUD Section 108 Loan Capital Projects Fund	139
CIP Loan Proceeds Capital Projects Fund	140
2010 Lease Revenue Bonds Series A Capital Projects Fund	141
Capital Improvement Projects Capital Projects Fund	142
2012 Measure R Bond Proceeds Capital Projects Fund	143
Internal Service Fund	
Description of Internal Service Funds	144
Combining Statement of Net Position	145
Combining Statement of Revenues, Expenses and Changes in Net Position	146
Combining Statement of Cash Flows	147
STATISTICAL SECTION (UNAUDITED)	
Description of Statistical Section Contents	148
Net Position by Component	149
Changes in Net Position	150
Fund Balances of Governmental Funds	152
Changes in Fund Balances of Governmental Funds	153
Tax Revenues by Source of Governmental Funds	154
Assessed Value	155
Direct and Overlapping Property Tax Rates	156
Principal Property Taxpayers	157
Property Tax Levies and Collections	158
Taxable Sales by Category	159
Direct and Overlapping Sales Tax Rates	160
Principal Sales Tax Remitters	161
Ratios of General Bonded Debt Outstanding	162
Ratios of Outstanding Debt by Type	163
Direct and Overlapping Governmental Activities Debt	164
Legal Debt Margin Information	165
Pledged Revenue Coverage	166
Demographic and Economic Statistics	167
Principal Employers	168
Full-Time Equivalent City Government Employees by Function/Program	169
Operating Indicators by Function/Program	170
Capital Asset Statistics by Function/Program	171

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J. ARNOLDO BELTRAN
City Manager

City of LYNWOOD

Incorporated 1921
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December 22, 2015

Honorable Mayor and
Members of the City Council
City of Lynwood, California

We are pleased to present to you and the Lynwood residents the City's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2015. The CAFR presents the City's financial position and changes therein, for its various funding sources. The basic financial statements and supporting schedules have been prepared in accordance with generally accepted accounting principles in the United States of America (US GAAP), as established by the Governmental Accounting Standards Board (GASB).

Our Comprehensive Annual Financial Report is presented in three sections:

The Introductory Section includes management's transmittal letter and the organizational structure and profile of the City.

The Financial Section is prepared in accordance with the GASB 34 requirements, and contains the Management's Discussion and Analysis (MD&A), the Basic Financial Statements including notes, the Required Supplemental Information, and the Disclosure of Restricted Net Position. The Basic Financial Statements include the government-wide financial statements that present an overview of the City's entire financial operations, and the fund financial statements that present the financial information of each of the City's major funds, as well as non-major governmental funds. Also included in this section is the Independent Auditor's Report.

The Statistical Section is prepared in accordance with GASB 44 requirements, and reflects the Economic Condition of Reporting entities. It includes ten years of financial data, debt computations, and a variety of demographic, economic and social information that may be of interest to potential investors in the City's bonds and to other interested readers.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed to protect the government's assets from loss, theft, or misuse, to compile sufficient reliable information for the preparation of the City's financial statements in conformity with US GAAP, and to comply with laws and regulations. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by an independent auditing firm that is licensed as certified public accountants, Vasquez & Company LLP. The objective of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2015, are free of material misstatement. The independent auditor concluded, based upon the audit, that there was reasonable basis for rendering an unmodified opinion on the City's financial statements for the fiscal year ended June 30, 2015. The Independent Auditor's Report is presented as the first component of the Financial Section of this report.

GASB Statement No. 34 (GASB 34) requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditor.

The Statistical Section has been updated to reflect GASB Statement 44 (GASB 44), Economic Condition of Reporting. The Statistical Section can be found following the Financial Section.

THE REPORTING ENTITY AND ITS SERVICES

The City has defined its reporting entity in accordance with the accounting principles generally accepted in the United States of America (US GAAP), which provide guidance for determining which governmental activities, organizations, and functions should be included in the reporting entity. The Basic Financial Statements present information on the activities of the City and its component units.

The following elements are included in the City's CAFR:

- Government-Wide Financial Reporting
- Management's Discussion and Analysis (MD&A)
- Fund Financial Statements
- Expanded Budgetary Reporting

The US GAAP requires that the component units be separated into blended or discretely presented units for reporting purposes. The City does not have any discretely presented component units, it only has blended units. The latter include the Lynwood Public Financing Authority (LPFA) and the Lynwood Utility Authority (LUA). The Lynwood Unified School District was not included due to its limited relationship with the City. The City is also represented by a number of regional agencies that are excluded from the City's reporting entity.

PROFILE OF THE GOVERNMENT

The City of Lynwood voters approved the City's incorporation on July 1, 1921. The City is situated approximately 13 miles south of downtown Los Angeles at the intersection of the 710 and 105 freeways in Los Angeles County. The City has basically grown from an agricultural area in the early 1900's to its present residential and growing industrial and commercial importance. The City covers 4.9 square miles and serves a residential population of over 71,300.

The City Council is the governing body of the City and comprises five elected officials. All Council members are elected at large to serve four-year terms. One of the Council members is elected by the other four members to be the Mayor for the upcoming year. The City Council

appoints a City Manager who carries out the City Council policies and provides administrative direction to the City.

The City provides a full range of services contemplated by statute, including those functions delegated to cities under state law. These services include public safety (which are contracted to Los Angeles County), public works, recreational and cultural activities, public improvements, planning, zoning, and general administrative services. Other services – such as sanitation, flood control and transportation – are provided by special districts with the City being a member.

The City's budget is a detailed operating plan that identifies estimated costs in relation to estimated revenues. The budget includes: (1) the programs, services, and activities to be carried out during the fiscal year; (2) the estimated revenue available to finance the operating plan; and (3) the estimated spending requirements for the operating plan. The budget represents a process wherein policy decisions by the City Council are adopted, implemented and controlled. The Notes to the Basic Financial Statements summarize the budgetary roles of various City officials and the timetable for their budgetary actions according to City policy.

City policy prohibits expending monies for which there is no legal appropriation. The City Manager is authorized to administer the budget and may transfer monies from one activity, program, or project to another within the same fund and department. Supplemental appropriations or transfer of appropriations that affect a fund or department level budget must be approved by the City Council.

The City also maintains an encumbrance accounting system to provide budgetary controls for governmental funds. Encumbrances, which would result in an overrun of an account balance, are suspended until additional funding is made available via budget change requests or are withdrawn due to a lack of funding. Encumbrances outstanding at June 30 and carried forward are reported as reservations of the appropriate governmental fund's fund balance. They represent the estimated amount of the expenditure ultimately to result if unperformed contracts in-process at fiscal year-end are completed. They do not constitute expenditures or liabilities.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City operates.

ECONOMIC CONDITION

General Fund revenues have remained flat and have not increased to cover projected expenditure growth. The costs to provide services and commodities have continued to increase. The City continues to explore additional sources of revenue to meet expectations for community services. Law Enforcement and Fire Suppression services remain a top priority. The budget for Public Safety is the largest General Fund Expenditure at over 55% of the General Fund budget. The cost for providing Sheriff and Fire Suppression services continues to climb annually. The FY 16 Budget for both services is \$15.5 million.

The City's FY 16 Budget includes funding for increased use of technology to improve the efficiency of overall operations and to increase revenues. Revenue enhancement is important in regards to prudent long-term financial planning and to avoid depleting General Fund reserves. The budget also provides for a continuation of the ongoing capital improvement program, funded by various funding sources that will provide better facilities and services for citizen use and enjoyment. The City has been able to balance each year's budget through a combination of expenditure spending limits, budget cuts, some increases in fees and the prudent use of

reserves.

CASH MANAGEMENT POLICIES AND PRACTICES

To maximize interest income and maintain liquidity, the City pools operating cash for its various funds and invests the monies in securities of various maturities. City and Agency funds are invested pursuant to the City's Investment Policy in compliance with Section 53601 of the California Government Code. The objectives of the Investment Policy are to preserve capital, provide adequate liquidity to meet cash disbursements of the City, and to achieve market-average rates of return. Investments are secured by collateral as required under law, with maturity dates staggered to ensure that cash is available as needed. The City Council receives regular reports on the performance of the City's pooled investment program and on the cash position of all funds.

Investment of debt proceeds held by bond trustees are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's Investment Policy. The investment types authorized for investment by the City include the Local Agency Investment Fund (State Pool), U.S. Treasury Obligations, U.S. Government Agency Issues, Certificates of Deposit, Commercial Paper, as well as Mutual Funds and Money Market Funds comprised of eligible securities.

The City manages its exposure to interest rate risk by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

RISK MANAGEMENT

To finance its risks of general liability and worker's compensation, the City maintains its membership in the Independent Cities Risk Management Authority (ICRMA). The ICRMA is a joint powers authority which consists of 21 cities, whose purpose is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurances or reinsurances, and to arrange for group-purchased insurance for property and other coverage.

The City participates in programs for worker's compensation and general liability coverage administered by ICRMA. The Worker's Comp limit is \$100,000,000 with the City's retention of \$500,000 for each occurrence. General liability coverage is \$30,000,000 with the City's retention set at \$100,000 for each occurrence. The City Attorney believes that the above designation is adequate to cover any losses. Costs related to litigation of claims are expensed as incurred.

In addition, the City participates in the ICRMA Property Insurance Program including earthquake and flood insurance. The "all risk", including earthquake and flood, property coverage is \$125,000,000 with \$10,000 for each occurrence deductible. The property coverage limit is shared by 20 cities. Premiums for these policies are paid annually and not subject to retroactive adjustments.

During the past three fiscal (claim) years, none of the above programs of protection have had statements or judgments that exceeded pooled or insured coverage nor have there been any significant reductions in pooled or insured liability coverage from the prior year.

LONG-TERM FINANCIAL PLANNING

The unassigned FY 15 fund balance in the General Fund is \$4.5 million (including a \$493,320 balance for the Contingency Fund). This amount falls within the management budget guidelines as approved by the Council for budgetary and planning purposes. The City is projected to end FY 16 with a \$3.5 million ending General Fund balance, inclusive of all budget amendments approved by City Council during the first quarter of FY 16. The projected fund balance is in compliance with the City's General Fund reserve policy, which requires the City to maintain a minimum reserve level equal to 10% of the current-year adopted operating budget.

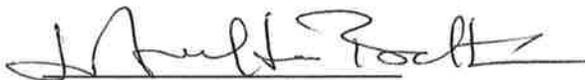
The Finance Department will continue to meet quarterly with all departments in FY 16 to better monitor department quarterly spending, track revenue performance and identify any unforeseen issues that may arise and affect the budget. The Finance Department will present quarterly budget reports to City Council on the overall condition of the City throughout the year.

The City continues to explore additional sources of revenue to meet expectations for community services. The City utilizes a combination of expenditure spending limits, budget cuts, some increases in fees and the prudent use of reserves to balance each year's budget. The City must continue to be conservative and manage its fiscal affairs in a prudent manner.

ACKNOWLEDGMENTS

We would like to express our sincere appreciation to the entire staff of the Finance and Administration Department and most particularly the Accounting staff, for their professionalism, dedication, and efficiency in the preparation of this report. We also thank Vasquez & Company LLP, Certified Public Accountants, for their assistance and guidance. Finally, we would like to thank the Mayor and members of the City Council for their interest and continued support in planning and conducting the City's financial operations in a responsible and progressive manner.

Respectfully submitted,

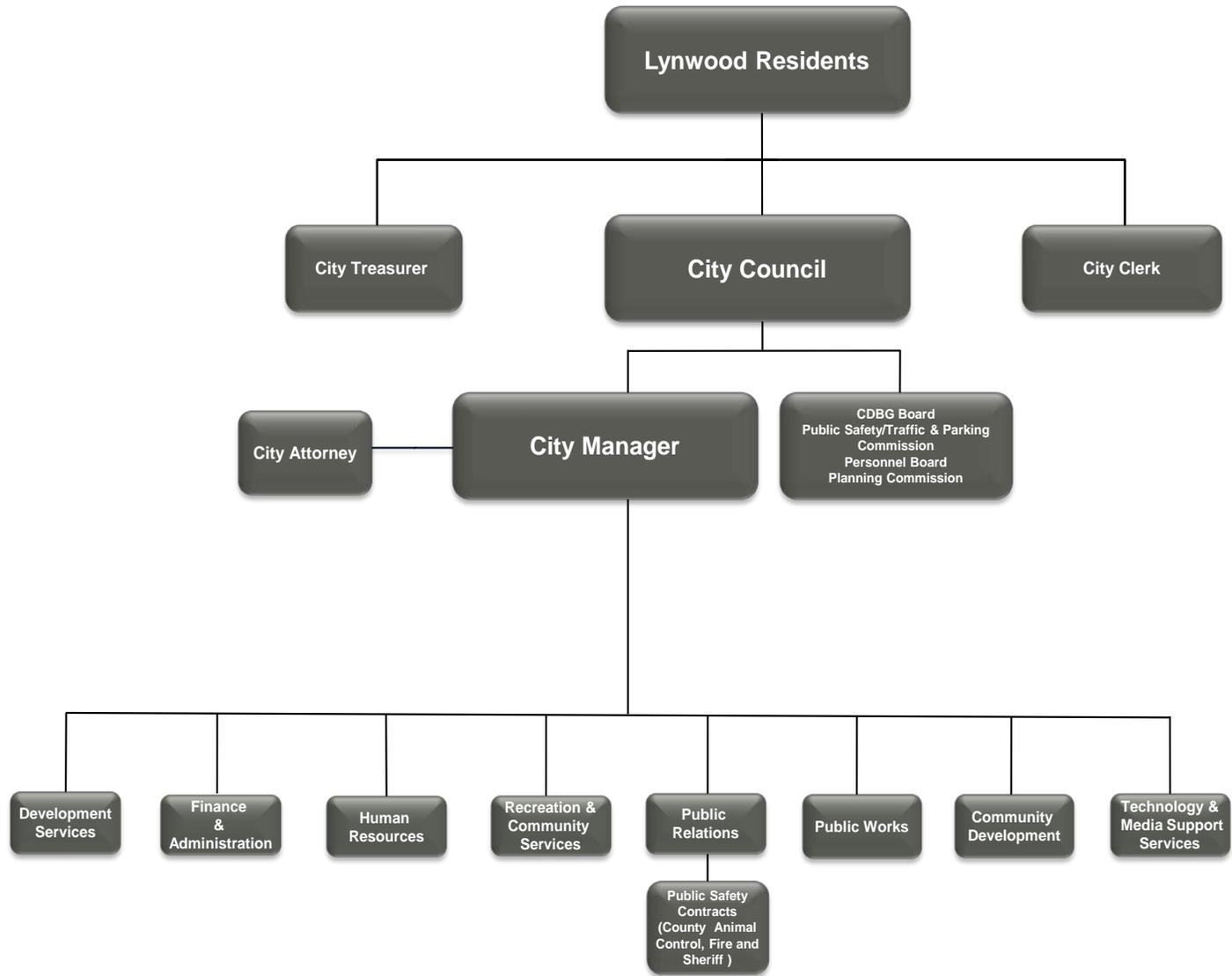


J. Arnoldo Beltrán
City Manager



Amanda Hall
Director of Finance

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**CITY OF LYNWOOD
ELECTED OFFICIALS**

**MAYOR JOSE LUIS SOLACHE
MAYOR PRO-TEM MARIA TERESA SANTILLAN-BEAS
COUNCILMAN SALVADORE ALATORRE
COUNCILWOMAN AIDE CASTRO
COUNCILMAN EDWIN HERNANDEZ
CITY TREASURER YOLANDA RODRIGUEZ-GONZALEZ
CITY CLERK MARIA QUINONEZ**

ADMINISTRATIVE STAFF

**CITY MANAGER J. ARNOLDO BELTRAN
FINANCE DIRECTOR..... AMANDA HALL
SHERIFF CAPTAIN..... CAPTAIN ERNIE CHAVEZ
INTERIM DIRECTOR OF PUBLIC WORKS WILLIAM STRACKER
INTERIM DIRECTOR OF DEVELOPMENT SERVICES ERIKA RAMIREZ
INTERIM DIRECTOR OF TECHNOLOGY & MEDIA SUPPORT.....PETER HAN
HUMAN RESOURCES DIRECTOR HAYDEE M. SAINZ
DIRECTOR OF RECREATION & COMMUNITY SVCS..... MARK FLORES
DIRECTOR OF PUBLIC RELATIONS..... DEBORAH JACKSON**



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Lynwood
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

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FINANCIAL SECTION

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REPORT OF INDEPENDENT AUDITORS

The Honorable Mayor and Members of the City Council City of Lynwood, California

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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



Opinion

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 11 and the required supplementary information on pages 79 through 86 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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



Implementation of New Accounting Standards

As discussed in Note 1, City has implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*, effective for the fiscal year ended June 30, 2015. As a result of this required implementation, the City's beginning net position was restated to retroactively report the net pension liability as of the beginning of the fiscal year. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23 2015, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Vasquez + Company LLP

**Los Angeles, California
December 23, 2015**

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The discussion and analysis of the City of Lynwood's financial performance provides readers of the City's financial statements an overview and analysis of the City's financial activities for the fiscal year ended June 30, 2015. We encourage readers to consider information noted below in conjunction with the basic financial statements.

FINANCIAL HIGHLIGHTS

- The City's total assets and deferred outflows of resources as of June 30, 2015 were \$209 million and total liabilities and deferred inflow of resources were \$92.7 million. The assets and deferred outflow of resources exceeded liabilities and deferred inflow of resources by \$116.4 million (net position).
- During the fiscal year, the City's general fund uses (including expenditures and transfers out) exceeded sources (including revenues and transfers in) by approximately \$67 thousand. The year-end fund balance for the General Fund was \$4.5 million.
- Total revenues from all sources were \$56.4 million and total expenses were \$54.6 million. Of the total revenues, program revenues were \$26.8 million and general revenues were \$31.5 million. Program revenues are broken into two categories: Charges for services at \$22.2 million and operating grants and contributions at \$4.5 million. General revenues comprised of property taxes in the amount of \$13.8 million, utility taxes in the amount of \$5.4 million, sales and use tax in the amount of \$7.1 million, franchise tax and business license tax in the amount of \$2.7 million.

ROAD MAP FOR THE FY 2014-2015 FINANCIAL AUDIT REPORT

The Management's Discussion and Analysis section is intended to serve as the introduction to the City's basic financial statements, which contain the basic financial data, as well as important supplemental information. Included in this report are the activities of the City of Lynwood and its component units (the Lynwood Public Financing Authority and the Lynwood Utility Authority). The activities are presented using the integrated approach prescribed by the Government Accounting Standards Board (GASB) Statement No. 34. Also per GASB Statement No. 34, certain interfund receivables, payables, and other interfund activities have been eliminated from the financial statements as they do not have a net impact.

The City's basic financial statements contain a number of elements. The Statement of Net Position and the Statement of Activities provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund Financial Statements explain how these services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements, by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government.

Reporting the City as a Whole: Statement of Net Position and Statement of Activities

One of the most important questions on the City's finances is, "Is the City as a whole better off or worse off as a result of this year's activities?" The Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements provide detail on the City's net position and changes affecting it. The City's net position – the difference between the total assets & deferred outflows of resources and liabilities & deferred inflow of resources – are a way to measure the City's overall financial health, or financial position. Over time, increases or decreases in the City's net position may be a good indicator of whether its financial health is improving or deteriorating. However, the need exists to consider other non-financial factors, such as changes in the City's property tax base and the condition of the City's roads, to assess the overall health of the City.

The Statement of Net Position and the Statement of Activities present information about the following:

- **Governmental Activities** - All of the City's basic services are considered to be governmental activities, including general government, community development, public safety, public works and parks and recreation. Property taxes, sales taxes, charges for services, franchise fees and other similar revenue sources pay for most of these activities.
- **Component Units** - The City's governmental activities include the blending of the Lynwood Public Financing Authority. Although legally separate, this "component unit" is important because the City is financially accountable for it. The Lynwood Utility Authority is included in the business-type activities in the Statement of Net Position and Activities.

Reporting the City's Most Significant Funds: Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds, and not the City as a whole. Some funds are required to be established by State law and by bond covenants. However, the City Council establishes many other funds to help control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other restricted sources. The City's two kinds of funds – governmental and proprietary – use different accounting approaches.

- **Governmental Funds** - Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds, and the balance left at year-end that is available for spending. These funds are reported using an accounting method called the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps to determine whether there are more or less financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in the reconciliation following the fund financial statements.
- **Proprietary Funds** – Proprietary funds are used to account for operations that are financed and operated in a manner similar to business enterprises. When the City charges other entities or its own department for certain services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way as in the Statement of Net Position and the Statement of Activities. The City uses internal service funds to report activities that provide services for the City's other programs and activities, such as the City's Garage Fund and Insurance Fund.

Reporting the City's Fiduciary Responsibilities: Fiduciary Fund

The City maintains separate funds to report the activities of the Successor Agency to the Dissolved Redevelopment Agency. The Successor Agency is presented as a Private-purpose Trust Fund in the financial statements. The accounting used for fiduciary funds is much like that used for proprietary funds.

Implementation of New Accounting Pronouncements

During the fiscal year ended June 30, 2015, the City implemented the following new Statements of the Governmental Accounting Standards Board (GASB): GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statements No. 27 and 50* and GASB Statement No. 71, *Pension Transition for Contributions made subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. These statements required the City to report unfunded pension liability in the City's financial statements starting in fiscal year 2014-2015.

THE CITY AS A WHOLE

Table 1 below provides a summary of the City's net position, for the Governmental and Business-Type Activities. Table 2 reflects change in the net position due to differences in actual revenues and expenses. The City reports its sewer, water, and transportation activities as business-type activities.

Table 1
Summary of Net Position

	Fiscal Year 2014-15 (CURRENT)			Fiscal Year 2013-14 (PRIOR)		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Assets:						
Current Assets & Other Assets	\$ 44,700,206	\$ 21,652,332	\$ 66,352,538	\$ 48,649,462	\$21,486,833	\$ 70,136,295
Capital Assets	128,703,291	10,908,892	139,612,183	128,085,658	11,331,244	139,416,902
Total assets	173,403,497	32,561,224	205,964,721	176,735,120	32,818,077	209,553,197
Deferred outflows of resources	2,530,880	540,161	3,071,041	477,257	209,506	686,763
Liabilities:						
Other Liabilities	8,837,264	818,232	9,655,496	8,110,031	970,142	9,080,173
Long-Term Debt Outstanding	53,471,148	23,875,722	77,346,870	34,686,443	19,884,221	54,570,664
Total liabilities	62,308,412	24,693,954	87,002,366	42,796,474	20,854,363	63,650,837
Deferred inflows of resources	4,805,433	856,012	5,661,445	-	-	-
Net Position						
Net investment in capital assets	113,437,149	2,437,864	115,875,013	112,653,436	2,556,555	115,209,991
Restricted	28,759,008	4,256,517	33,015,525	30,716,429	4,375,458	35,091,887
Unrestricted	(33,375,625)	857,038	(32,518,587)	(8,953,962)	5,241,207	(3,712,755)
Total net position	\$ 108,820,532	\$ 7,551,419	\$ 116,371,951	\$ 134,415,903	\$12,173,220	\$146,589,123

City of Lynwood
Management's Discussion and Analysis
June 30, 2015

The City's overall assets decreased to \$205.9 million in FY 2014-2015, and the overall liabilities increased to \$87 million over the same period. The net position decreased from \$146.6 million (prior to restatement) to \$116.4 million in FY 2014-2015 primarily as a result of implementing GASB Statement No. 68 which required reporting of unfunded pension liability in the City's financial statements starting in fiscal year 2014-2015.

The net position balance at the beginning of fiscal year 2015 was restated to retroactively report the net pension liability as of the beginning of the fiscal year as a result of implementing GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The net pension liability reported at the beginning of the fiscal year was \$30.2 million. For purposes of presenting the summarized comparative statement of activities in this section of the report, the 2014 financial statements were not restated due to lack of information.

Table 2
Change in Net Position

	Fiscal Year 2014-15 (CURRENT)			Fiscal Year 2013-14 (PRIOR)		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
REVENUES						
Program Revenues						
Charges for services	\$ 11,933,354	\$ 10,305,166	\$ 22,238,520	\$ 12,498,840	\$ 10,176,697	\$ 22,675,537
Operating grants and contributions	4,545,181	-	4,545,181	4,708,968	-	4,708,968
Capital grants and contributions	-	-	-	-	-	-
Subtotal	16,478,535	10,305,166	26,783,701	17,207,808	10,176,697	27,384,505
General Revenues						
Property taxes	13,782,140	-	13,782,140	13,318,023	-	13,318,023
Utility users tax	5,381,381	-	5,381,381	5,421,499	-	5,421,499
Sales and use taxes	7,107,526	-	7,107,526	6,721,146	-	6,721,146
Franchise taxes	1,533,036	-	1,533,036	2,380,457	-	2,380,457
Business license taxes	1,181,547	-	1,181,547	1,084,625	-	1,084,625
Other taxes	236,343	-	236,343	179,237	-	179,237
Use of money and property	177,832	65,441	243,273	387,805	69,463	457,268
Miscellaneous	115,568	-	115,568	227,155	-	227,155
Subtotal	29,515,373	65,441	29,580,814	29,719,947	69,463	29,789,410
Total	45,993,908	10,370,607	56,364,515	46,927,755	10,246,160	57,173,915
EXPENSES						
General government	10,299,740	-	10,299,740	7,985,070	-	7,985,070
Public safety	17,091,786	-	17,091,786	17,090,835	-	17,090,835
Public works	10,458,752	-	10,458,752	9,929,011	-	9,929,011
Community development	1,580,382	-	1,580,382	1,779,007	-	1,779,007
Parks and recreation	3,013,387	-	3,013,387	3,201,757	-	3,201,757
Interest and fiscal charges	1,282,689	-	1,282,689	1,508,889	-	1,508,889
Water and sewer	-	9,771,870	9,771,870	-	9,138,793	9,138,793
Transit	-	1,049,545	1,049,545	-	885,536	885,536
Total	43,726,736	10,821,415	54,624,042	41,494,569	10,024,329	51,518,898
Excess of revenue over expenses before transfers	2,267,172	(450,808)	2,267,172	5,433,186	221,831	5,655,017
Transfers	(693,613)	693,613	-	1,784,644	(1,784,644)	-
Change in net position	1,573,559	242,805	1,816,364	7,217,830	(1,562,813)	5,655,017
Net position, beginning as restated (for 2015)	107,246,973	7,308,614	114,555,587	127,198,073	13,736,033	140,934,106
Net position, ending	\$ 108,820,532	\$ 7,551,419	\$ 116,371,951	\$ 134,415,903	\$ 12,173,220	\$ 146,589,123

The City's overall net position decreased since the beginning of the year, from \$146.6 million to \$116.4 million as a result of implementing GASB Statement No. 68, as previously discussed. There is a surplus between the actual revenues of \$56.4 million and the actual expenses of \$54.6 million. As reflected in the above table, the difference in revenue and expenses is a net surplus of \$1.7 million. Governmental Activities resulted in a surplus of \$1.5 million; and Business-Type Activities had a surplus of \$243 thousand.

Compared to FY 2013-14, the City's overall revenues decreased from \$57.1 million to \$56.4 million. The decrease is revenue primarily related to the decrease in franchise taxes, rental income, refuse charges and operating grants received during FY 2015. The overall expenses increased from \$51.5 million to \$54.6 million primarily due to the increase in general government expenses during FY 2015.

GOVERNMENTAL ACTIVITIES

Table 3 presents the cost of each of the City's Governmental Activities: general government, public safety, public works, community development, parks and recreation, and interest on long-term debt, along with each program's net cost (total cost less revenues generated by the activities.) The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions.

Table 3
Governmental Activities
Net Cost of Services

	Fiscal Year 2014-15 (CURRENT)			Fiscal Year 2013-14 (PRIOR)		
	Expenses	Program Revenues	Net (Expense) Revenue	Expenses*	Program Revenues	Net (Expense) Revenue
FUNCTIONS/ PROGRAMS						
General government	\$ 10,299,740	\$ 6,966,009	\$ (3,333,731)	\$ 7,985,070	\$ 8,006,991	\$ 21,921
Public safety	17,091,786	1,960,524	(15,131,262)	17,090,835	2,438,429	(14,652,406)
Public works	10,458,752	3,899,042	(6,559,710)	9,929,011	3,014,718	(6,914,293)
Community development	1,580,382	2,983,886	1,403,504	1,779,007	3,014,747	1,235,740
Parks and recreation	3,013,387	669,074	(2,344,313)	3,201,757	732,923	(2,468,834)
Interest and fiscal charges	1,282,689	-	(1,282,689)	1,508,889	-	(1,508,889)
Total	\$ 43,726,736	\$16,478,535	\$ (27,248,201)	\$41,494,569	\$ 17,207,808	\$ (24,286,761)

The cost of the City's Governmental Activities increased from \$41.5 million in FY 2013-14 to \$43.8 million in FY 2014-15 primarily due to increased costs of general government expenses. The program revenue generated by these activities slightly decreased from \$17.2 million to \$16.5 million. The decrease was due to the decrease in general government program revenues received in FY 2015. As a result of the respective changes in the revenues and expenses, the net cost of Government Activities was \$27.2 million in FY 2014-15, \$3 million higher than the net cost of \$24.3 million recorded in FY 2013-14.

Overall, ***the cost of government in FY 2014-15 exceeded the program revenues generated to support it.***

BUSINESS-TYPE ACTIVITIES

Table 4 reflects the cost of the City's Business-Type Activities: water, sewer and transit, along with the programs' net cost. The net cost for these activities was \$516,248 in FY 2014-15, with the transit services having a net cost of approximately \$a million, as opposed to the net revenue of \$526 thousand recorded in the water and sewer program.

Table 4
Business-Type Activities
Net Cost of Services

	Fiscal Year 2014-15 (CURRENT)			Fiscal Year 2013-14 (PRIOR)		
	Expenses	Program Revenues	Net (Expense) Revenue	Expenses	Program Revenues	Net (Expense) Revenue
FUNCTIONS/PROGRAMS						
Water & Sewer	\$ 9,771,869	\$10,298,091	\$ 526,222	\$ 9,138,793	\$ 10,167,149	\$ 1,028,356
Transit	1,049,545	7,075	(1,042,470)	885,536	9,548	(875,988)
Total	\$ 10,821,414	\$10,305,166	\$ (516,248)	\$10,024,329	\$ 10,176,697	\$ 152,368

The cost of the City's Business-Type Activities was \$10.8 million in FY 2014-15 and \$10 million in FY 2013-14. The program revenue generated by these activities was \$10.3 million in FY 2014-15 and \$10.2 million in FY 2013-14. As a result, the net cost (loss) of the Business-Type Activities in FY 2014-15 was \$516,246. Overall, ***the revenues generated from the City's business operations was lower than the costs incurred by these activities.***

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

At fiscal year-end, the City's governmental funds reported combined fund balances of \$32.7 million, which is a \$3.4 million decrease from the prior fiscal year. The decrease is primarily due to the full settlement of the HUD Section 108 Loan of \$4 million during the year. The General Fund had a net decrease of \$143 thousand in its fund balance, from \$4.6 million in fiscal year 2013-2014 to \$4.5 million in fiscal year 2014-2015.

General Fund Budgetary Highlights

The year-end actual revenues for the General Fund (including transfers in) were \$27.6 million; while the actual expenditures (including transfers out) totaled \$27.7 million. The actual revenues including transfers, was \$1.1 million above the final budget estimate, while the actual spending (expenditures) with transfers was \$997 thousand below the final budget.

The actual revenues in the general fund were higher than budgeted amounts primarily due to unanticipated revenues from RDA asset distribution, pass-through payments and state mandated costs reimbursement received during fiscal year 2015. The actual expenditures were lower than budgeted amounts primarily due to decrease in overall cost in most of the departments.

Capital Assets

At the end of Fiscal Year 2014-15, the City had \$139.6 million invested in capital assets. Of this amount, \$128.7 million is related to Governmental Activities and \$10.9 million to Business-type Activities. These amounts represent a slight increase from the previous year (FY 2013-14), when the City's overall capital assets were \$139.4 million, including \$128.1 million in Governmental Activities and \$11.3 million in Business-type Activities.

Table 5
Capital Assets

	Fiscal Year 2014-15 (CURRENT)			Fiscal Year 2013-14 (CURRENT)		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Capital assets not being depreciated	\$ 75,389,219	\$ 36,341	\$ 75,425,560	\$ 72,917,727	\$ 36,341	\$ 72,954,068
Capital assets, net of accumulated depreciation	53,314,072	10,872,551	64,186,623	55,167,931	11,294,903	66,462,834
Total	\$ 128,703,291	\$ 10,908,892	\$ 139,612,183	\$ 128,085,658	\$ 11,331,244	\$ 139,416,902

Additional information on the City's Capital Assets can be found in the notes to the basic financial statements (Note 7).

Long-Term Debt

At fiscal year-end, the City's governmental activities accounted for approximately \$53.5 million in total long-term debt, which consist of revenue bonds, claims payable, compensated absences, accrual for postemployment benefits and net pension liability which was reported starting in fiscal year 2014-2015. Another \$23.9 million in long term debt was outstanding for the business-type activities.

Table 6
Outstanding Long-Term Debt

	Balance			Balance	Due Within
	July 1, 2014	Additions	Repayments		
Governmental Activities:					
Compensated absences	\$ 1,413,375	\$ 736,994	\$ (842,880)	\$ 1,307,489	\$ 980,617
Net pension liability	32,923,854	9,233,210	(19,398,714)	22,758,350	-
Other postemployment benefits	8,194,297	1,763,000	(1,251,634)	8,705,663	-
Claims payable	2,064,308	1,568,871	(1,092,743)	2,540,436	-
HUD loan payable	4,025,000	-	(4,025,000)	-	-
CEC loan	122,241	-	(39,173)	83,068	40,719
Revenue bonds and certificates	18,867,222	8,920	(800,000)	18,076,142	830,000
Total	\$ 67,610,297	\$ 13,310,995	\$ (27,450,144)	\$ 53,471,148	\$ 1,851,336
Business-type Activities:					
Compensated absences	\$ 255,511	\$ 401,627	\$ (282,381)	\$ 374,757	\$ 167,562
Net pension liability	5,229,170	1,488,084	(2,360,105)	4,357,149	-
Revenue bonds	19,628,710	5,105	(490,000)	19,143,815	505,000
Total	\$ 25,113,391	\$ 1,894,816	\$ (3,132,486)	\$ 23,875,721	\$ 672,562

Additional information on the City's long-term debt can be found in the notes to the basic financial statements (Note 8).

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

General Fund revenues have remained flat and have not increased to cover projected expenditure growth. The costs to provide services and commodities have continued to increase. The City continues to explore additional sources of revenue to meet expectations for community services. Law Enforcement and Fire Suppression services remain a top priority. The budget for Public Safety is the largest General Fund Expenditure at over 55% of the General Fund budget. The cost for providing Sheriff and Fire Suppression services continues to climb annually. The FY 16 Budget for both services is \$15.5 million.

The City's FY 16 Budget includes funding for increased use of technology to improve the efficiency of overall operations and to increase revenues. Revenue enhancement is important in regards to prudent long-term financial planning and to avoid depleting General Fund reserves. The budget also provides for a continuation of the ongoing capital improvement program, funded by various funding sources, that will provide better facilities and services for citizen use and enjoyment. The City has been able to balance each year's budget through a combination of expenditure spending limits, budget cuts, some increases in fees and the prudent use of reserves.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This Comprehensive Annual Financial Report is intended to provide Lynwood citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances. If you have any questions about this report, or need additional fiscal information, contact the Department of Finance and Administration at 11330 Bullis Road, Lynwood, CA 90262, phone (310) 603-0220.

City of Lynwood
Statement of Net Position
June 30, 2015

	Governmental Activities	Business-type Activities	Total
Assets:			
Cash and investments	\$ 30,418,483	\$ 15,887,711	\$ 46,306,194
Receivables:			
Intergovernmental	977,421	-	977,421
Accounts	1,711,810	1,501,845	3,213,655
Interest	9,722	6,259	15,981
Notes and loans	3,620,385	-	3,620,385
Internal balances	30,931	(30,931)	-
Restricted assets:			
Cash and investments	7,327	-	7,327
Cash and investments with fiscal agents	6,575,803	4,287,448	10,863,251
Land held for resale	1,348,324	-	1,348,324
Capital assets not being depreciated	75,389,219	36,341	75,425,560
Capital assets, net of accumulated depreciation	53,314,072	10,872,551	64,186,623
Total assets	173,403,497	32,561,224	205,964,721
Deferred outflows of resources:			
Unamortized loss on defeasance of debt	384,921	193,046	577,967
Pension contribution and other pension items	2,145,959	347,115	2,493,074
Total deferred outflows of resources	2,530,880	540,161	3,071,041
Liabilities:			
Accounts payable and accrued liabilities	5,537,128	703,705	6,240,833
Accrued interest payable	786,458	56,980	843,438
Due to Successor Agency	957,380	-	957,380
Unearned revenues	6,183	-	6,183
Deposits	1,550,115	57,547	1,607,662
Noncurrent liabilities:			
Due within one year	2,901,336	672,562	3,573,898
Due in more than one year	50,569,812	23,203,160	73,772,972
Total liabilities	62,308,412	24,693,954	87,002,366
Deferred inflows of resources:			
Net difference between projected and actual earnings on pension plan investments	4,805,433	856,012	5,661,445
Total deferred inflows of resources	4,805,433	856,012	5,661,445
Net position:			
Net investment in capital assets	113,437,149	2,437,864	115,875,013
Restricted for:			
Community services	16,817,723	-	16,817,723
Public works projects	1,549,981	-	1,549,981
Debt service	8,943,098	4,256,517	13,199,615
Retirement	1,448,206	-	1,448,206
Unrestricted	(33,375,625)	857,038	(32,518,587)
Total net position	\$ 108,820,532	\$ 7,551,419	\$ 116,371,951

See notes to financial statements.

Functions/Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
Governmental activities:			
General government	\$ 10,299,740	\$ 6,966,009	\$ -
Public safety	17,091,786	9,113	1,951,411
Public works	10,458,752	3,485,305	413,737
Community development	1,580,382	803,853	2,180,033
Parks and recreation	3,013,387	669,074	-
Interest and fiscal charges	1,282,689	-	-
Total governmental activities	<u>43,726,736</u>	<u>11,933,354</u>	<u>4,545,181</u>
Business-type activities:			
Water and sewer	9,771,870	10,298,091	-
Transit	1,049,545	7,075	-
Total business-type activities	<u>10,821,415</u>	<u>10,305,166</u>	<u>-</u>
Total	<u>\$ 54,548,151</u>	<u>\$ 22,238,520</u>	<u>\$ 4,545,181</u>

General revenues:

Taxes:

Property taxes

Utility users

Sales and use taxes

Franchise taxes

Business license taxes

Other taxes

Use of money and property

Miscellaneous

Transfers

Total general revenues and transfers

Change in net position

Net position - beginning of year as restated

Net position - end of year

See notes to financial statements.

**City of Lynwood
Statement of Activities
Year ended June 30, 2015**

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
\$ (3,333,731)	\$ -	\$ (3,333,731)
(15,131,262)	-	(15,131,262)
(6,559,710)	-	(6,559,710)
1,403,504	-	1,403,504
(2,344,313)	-	(2,344,313)
(1,282,689)	-	(1,282,689)
(27,248,201)	-	(27,248,201)
-	526,221	526,221
-	(1,042,470)	(1,042,470)
-	(516,249)	(516,249)
(27,248,201)	(516,249)	(27,764,450)
13,782,140	-	13,782,140
5,381,381	-	5,381,381
7,107,526	-	7,107,526
1,533,036	-	1,533,036
1,181,547	-	1,181,547
236,343	-	236,343
177,832	65,441	243,273
115,568	-	115,568
(693,613)	693,613	-
28,821,760	759,054	29,580,814
1,573,559	242,805	1,816,364
107,246,973	7,308,614	114,555,587
\$ 108,820,532	\$ 7,551,419	\$ 116,371,951

See notes to financial statements.

		Special Revenue Funds
	General	HUD Home Program
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Assets		
Cash and investments	\$ 7,524,984	\$ 4,891
Receivables:		
Intergovernmental	642,341	198,577
Accounts	838,532	-
Interest	3,445	-
Notes and loans	-	1,894,587
Due from other funds	1,375,292	-
Restricted assets:		
Cash and investments	7,327	-
Cash and investments with fiscal agents	-	-
Land held for resale	-	497,694
Total assets	<u>10,391,921</u>	<u>2,595,749</u>
Deferred outflows of resources	-	-
Total assets and deferred outflows of resources	<u>\$ 10,391,921</u>	<u>\$ 2,595,749</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
Liabilities		
Accounts payable and accrued liabilities	\$ 3,340,903	\$ 160,100
Due to other funds	-	-
Unearned revenue	-	-
Deposits	1,550,115	-
Advances from successor agency	957,380	-
Total liabilities	<u>5,848,398</u>	<u>160,100</u>
Deferred inflows of resources		
Unavailable revenue	-	2,056,452
Fund balances		
Nonspendable:		
Land held for resale	-	497,694
Restricted:		
Special revenue funds	-	-
Capital projects funds	-	-
Debt service funds	-	-
Unassigned	4,543,523	(118,497)
Total fund balances	<u>4,543,523</u>	<u>379,197</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 10,391,921</u>	<u>\$ 2,595,749</u>

See notes to financial statements.

**City of Lynwood
Governmental Funds
Balance Sheet
June 30, 2015**

<u>Special Revenue Funds</u>			
<u>Prop C</u>	<u>Housing Authority</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 5,919,853	\$ 26,529	\$ 16,328,297	\$ 29,804,554
-	-	136,503	977,421
-	-	861,429	1,699,961
2,130	-	4,147	9,722
-	1,142,055	583,743	3,620,385
-	-	195,181	1,570,473
-	-	-	7,327
-	-	6,575,803	6,575,803
-	850,630	-	1,348,324
<u>5,921,983</u>	<u>2,019,214</u>	<u>24,685,103</u>	<u>45,613,970</u>
-	-	-	-
<u>\$ 5,921,983</u>	<u>\$ 2,019,214</u>	<u>\$ 24,685,103</u>	<u>\$ 45,613,970</u>
\$ -	\$ -	\$ 1,857,786	\$ 5,358,789
21,437	-	1,116,168	1,137,605
-	-	6,183	6,183
-	-	-	1,550,115
-	-	-	957,380
<u>21,437</u>	<u>-</u>	<u>2,980,137</u>	<u>9,010,072</u>
-	1,142,055	644,630	3,843,137
-	850,630	-	1,348,324
5,900,546	26,529	12,338,854	18,265,929
-	-	8,943,098	8,943,098
-	-	1,549,981	1,549,981
-	-	(1,771,597)	2,653,429
<u>5,900,546</u>	<u>877,159</u>	<u>21,060,336</u>	<u>32,760,761</u>
<u>\$ 5,921,983</u>	<u>\$ 2,019,214</u>	<u>\$ 24,685,103</u>	<u>\$ 45,613,970</u>

See notes to financial statements.

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City of Lynwood
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2015

Total governmental fund balances		\$ 32,760,761
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds		
Governmental capital assets	\$ 158,045,430	
Less accumulated depreciation	<u>(30,244,216)</u>	127,801,214
Governmental funds report the effect of premiums, discounts and gains or losses on debt refundings when the debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities		
Loss on defeasance of debt (net of accumulated amortization)		384,921
Unavailable revenues are not available to pay for current period expenditures and therefore are deferred in the funds but recognized as revenue in the Statement of Activities.		
		3,843,137
Long-term liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds:		
Compensated absences	(1,307,489)	
CEC loan	(83,068)	
Claims payable	(1,012,231)	
Revenue bonds and certificates	(18,076,142)	
Other postemployment benefits	(8,705,663)	
Net pension liability	<u>(22,758,350)</u>	(51,942,943)
Accrued interest payable due on long-term debt has not been reported in the governmental funds.		
		(786,458)
Deferred outflows of resources related to pensions are not financial resources and therefore, are not reported in the governmental funds		
		2,145,959
Deferred inflows of resources related to pensions are not reported in the governmental funds, but are amortized in the government-wide financial statements		
		(4,805,433)
Internal service funds are used by management to charge the costs of certain activities, such as self-insurance, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position		
		<u>(580,626)</u>
Net position of governmental activities		<u>\$ 108,820,532</u>

See notes to financial statements.

	Special Revenue Funds	
	General	HUD Home Program
Revenues		
Taxes and assessments	\$ 18,651,768	\$ -
Licenses and permits	1,371,384	-
Fines, forfeitures and penalties	1,399,482	-
Use of money and property	272,504	-
Intergovernmental	322,658	872,568
Charges for services	1,121,100	-
Administrative support	1,118,246	-
Miscellaneous	710,415	-
Total revenues	<u>24,967,557</u>	<u>872,568</u>
Expenditures		
Current:		
General government	4,196,260	-
Public safety	16,860,686	-
Public works	2,114,245	-
Community development	402,474	980,250
Parks and recreation	2,939,850	-
Capital outlay	-	-
Debt service:		
Principal payment	-	-
Interest and fiscal charges	-	-
Total expenditures	<u>26,513,515</u>	<u>980,250</u>
Excess (deficiency) of revenues over expenditures	<u>(1,545,958)</u>	<u>(107,682)</u>
Other financing sources (uses)		
Transfers in	2,636,135	-
Transfers out	<u>(1,157,605)</u>	<u>-</u>
Net other financing sources (uses)	<u>1,478,530</u>	<u>-</u>
Net change in fund balances	(67,428)	(107,682)
Fund balances - beginning of year (as restated)	<u>4,610,951</u>	<u>486,879</u>
Fund balances - end of year	<u>\$ 4,543,523</u>	<u>\$ 379,197</u>

See notes to financial statements.

**City of Lynwood
Governmental Funds**

Statement of Revenues, Expenditures, and Changes in Fund Balances
Year ended June 30, 2015

Special Revenue Funds			Nonmajor Governmental Funds	Total Governmental Funds
Prop C	Housing Authority			
\$ 1,442,261	\$ -	\$	8,005,389	\$ 28,099,418
-	-		164,371	1,535,755
-	-		31,588	1,431,070
20,640	-		72,530	365,674
-	-		4,490,894	5,686,120
-	-		2,979,774	4,100,874
-	-		-	1,118,246
-	-		20,366	730,781
1,462,901	-		15,764,912	43,067,938
-	-		1,464,097	5,660,357
-	-		165,912	17,026,598
-	-		6,716,000	8,830,245
-	-		599,026	1,981,750
-	-		-	2,939,850
-	-		2,471,492	2,471,492
-	-		4,864,154	4,864,154
-	-		1,175,937	1,175,937
-	-		17,456,618	44,950,383
1,462,901	-		(1,691,706)	(1,882,445)
-	-		5,347,077	7,983,212
(199,038)	-		(8,097,859)	(9,454,502)
(199,038)	-		(2,750,782)	(1,471,290)
1,263,863	-		(4,442,488)	(3,353,735)
4,636,683	877,159		25,502,824	36,114,496
\$ 5,900,546	\$ 877,159	\$	21,060,336	\$ 32,760,761

See notes to financial statements.

**City of Lynwood
Governmental Funds**

**Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
Year ended June 30, 2015**

Net change in fund balances - governmental funds \$ (3,353,735)

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense.

Capital outlay	\$ 2,497,834	
Depreciation expense	<u>(1,984,351)</u>	513,483

Revenues that are measurable but not available. Amounts are recorded as deferred or unavailable revenue under the modified accrual basis of accounting		420,332
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Repayment of debt principal is an expenditure in the governmental funds, but in the Statement of Net Position, the repayment reduces long-term liabilities.

Neither transaction, however, has any effect on net position.

Principal retirement of CEC loan	39,173	
Principal repayment of HUD loan payable	4,025,000	
Principal repayment of revenue bonds	<u>800,000</u>	4,864,173

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:

Pension expense	(1,737,328)	
Interest on bonds and loan payable	(5,515)	
Net change in other postemployment benefits	(511,366)	
Net change in claims payable	(406,717)	
Net change in compensated absences	<u>105,886</u>	(2,555,040)

Contribution to pension plan made after the measurement date are reported as expense in the governmental funds but are deferred in the government-wide financial statements		1,627,890
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Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the Statement of Activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available.

This adjustment combines the net changes of the following balances:

Amortization of debt discount	(8,920)	
Amortization of deferred amount on refunding	<u>(92,336)</u>	
Combined adjustment		(101,256)

Internal service funds are used by management to charge the costs of certain activities, such as self-insurance, to individual funds. The net revenues (expenses) of the internal service funds are reported with governmental activities.		<u>157,712</u>
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Change in net position of governmental activities \$ 1,573,559

See notes to financial statements.

City of Lynwood
Statement of Net Position
Proprietary Funds
June 30, 2015

	Business-type Activities - Enterprise Funds			Governmental
	Transit	Water and Sewer	Totals	Activities Internal Service Funds
ASSETS				
Current assets				
Cash and investments	\$ 81,661	\$ 15,806,050	\$ 15,887,711	\$ 613,929
Receivables:				
Accounts	-	1,501,845	1,501,845	11,849
Interest	-	6,259	6,259	-
Total current assets	<u>81,661</u>	<u>17,314,154</u>	<u>17,395,815</u>	<u>625,778</u>
Noncurrent assets				
Restricted assets:				
Cash and investments with fiscal agents	-	4,287,448	4,287,448	-
Capital assets, not depreciated	-	36,341	36,341	-
Capital assets, depreciated, net	-	10,872,551	10,872,551	902,077
Total noncurrent assets	<u>-</u>	<u>15,196,340</u>	<u>15,196,340</u>	<u>902,077</u>
Total assets	<u>81,661</u>	<u>32,510,494</u>	<u>32,592,155</u>	<u>1,527,855</u>
DEFERRED OUTFLOWS OF RESOURCES				
Unamortized loss on defeasance of debt	-	193,046	193,046	-
Pension contribution	-	347,115	347,115	-
Total deferred outflows of resources	<u>-</u>	<u>540,161</u>	<u>540,161</u>	<u>-</u>
LIABILITIES				
Current liabilities				
Accounts payable	81,661	622,044	703,705	178,339
Accrued interest payable	-	56,980	56,980	-
Deposits	-	57,547	57,547	-
Due to other funds	-	30,931	30,931	401,937
Current portion of long-term debt	-	672,562	672,562	-
Total current liabilities	<u>81,661</u>	<u>1,440,064</u>	<u>1,521,725</u>	<u>580,276</u>
Noncurrent liabilities				
Noncurrent portion of long-term debt:				
Compensated absences	-	207,196	207,196	-
Claims payable	-	-	-	1,528,205
Net pension liability	-	4,357,149	4,357,149	-
Revenue bonds payable	-	18,638,815	18,638,815	-
Total noncurrent liabilities	<u>-</u>	<u>23,203,160</u>	<u>23,203,160</u>	<u>1,528,205</u>
Total liabilities	<u>81,661</u>	<u>24,643,224</u>	<u>24,724,885</u>	<u>2,108,481</u>
DEFERRED INFLOWS OF RESOURCES				
Difference between actual and projected earnings on pension plan investments	-	856,012	856,012	-
NET POSITION				
Net investment in capital assets	-	2,437,864	2,437,864	902,077
Restricted for debt service	-	4,256,517	4,256,517	-
Unrestricted	-	857,038	857,038	(1,482,703)
Total net position	<u>\$ -</u>	<u>\$ 7,551,419</u>	<u>\$ 7,551,419</u>	<u>\$ (580,626)</u>

See notes to financial statements.

City of Lynwood
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
Year ended June 30, 2015

	Business-type Activities - Enterprise Funds			Governmental
	Transit	Water and Sewer	Totals	Internal Service Funds
Operating revenues				
Sales and service charges	\$ 7,075	\$ 10,298,091	\$ 10,305,166	\$ 2,906,016
Total operating revenues	<u>7,075</u>	<u>10,298,091</u>	<u>10,305,166</u>	<u>2,906,016</u>
Operating expenses				
Administration	-	1,218,489	1,218,489	-
Insurance	-	-	-	750,148
Claims	-	-	-	2,339,510
Water utility	-	5,692,177	5,692,177	-
Sewer utility	-	1,503,353	1,503,353	-
Garage	-	-	-	292,482
Transit	1,049,545	-	1,049,545	-
Depreciation	-	429,063	429,063	163,795
Total operating expenses	<u>1,049,545</u>	<u>8,843,082</u>	<u>9,892,627</u>	<u>3,545,935</u>
Operating income (loss)	<u>(1,042,470)</u>	<u>1,455,009</u>	<u>412,539</u>	<u>(639,919)</u>
Nonoperating revenues (expenses)				
Gain from sale of assets	-	-	-	19,954
Use of money and property	-	65,441	65,441	-
Interest expense	-	(928,788)	(928,788)	-
Net nonoperating revenues (expenses)	<u>-</u>	<u>(863,347)</u>	<u>(863,347)</u>	<u>19,954</u>
Income (loss) before transfers	<u>(1,042,470)</u>	<u>591,662</u>	<u>(450,808)</u>	<u>(619,965)</u>
Transfers				
Transfers in	1,042,470	-	1,042,470	778,594
Transfers out	-	(348,857)	(348,857)	(917)
Change in net position	<u>-</u>	<u>242,805</u>	<u>242,805</u>	<u>157,712</u>
Net position - beginning, as restated	<u>-</u>	<u>7,308,614</u>	<u>7,308,614</u>	<u>(738,338)</u>
Net position - ending \$	<u>-</u>	<u>\$ 7,551,419</u>	<u>\$ 7,551,419</u>	<u>\$ (580,626)</u>

See notes to financial statements.

City of Lynwood
Statement of Cash Flows
Proprietary Funds
Year ended June 30, 2015

	Business-type Activities - Enterprise Funds			Governmental
	Transit	Water and	Totals	Internal
		Sewer		Service Funds
Cash flows from operating activities				
Receipts from customers and users	\$ 7,075	\$ 10,833,310	\$ 10,840,385	\$ 3,163,657
Payments to suppliers and employees	(1,149,243)	(8,494,066)	(9,643,309)	(1,080,245)
Payments for claims	-	-	-	(2,672,596)
Net cash provided by (used in) operating activities	<u>(1,142,168)</u>	<u>2,339,244</u>	<u>1,197,076</u>	<u>(589,184)</u>
Cash flows from noncapital financing activities				
Received from other funds	1,042,470	-	1,042,470	778,594
Paid to other funds	-	(348,857)	(348,857)	(917)
Net cash provided by (used in) noncapital financing activities	<u>1,042,470</u>	<u>(348,857)</u>	<u>693,613</u>	<u>777,677</u>
Cash flows from capital and related financing activities				
Acquisition of capital assets, net	-	(6,710)	(6,710)	(267,944)
Proceeds from sale of assets	-	-	-	19,954
Principal payments on long-term debt	-	(490,000)	(490,000)	-
Interest paid on long-term debt	-	(930,637)	(930,637)	-
Net cash used in capital and related financing activities	<u>-</u>	<u>(1,427,347)</u>	<u>(1,427,347)</u>	<u>(247,990)</u>
Cash flows from investing activities				
Decrease in cash and investments with fiscal agents	-	271,028	271,028	-
Interest received	-	63,024	63,024	-
Net cash provided by investing activities	<u>-</u>	<u>334,052</u>	<u>334,052</u>	<u>-</u>
Net change in cash and investments	<u>(99,698)</u>	<u>897,092</u>	<u>797,394</u>	<u>(59,497)</u>
Cash and investments - beginning of year	181,359	\$ 14,908,958	15,090,317	673,426
Cash and investments - end of year	<u>\$ 81,661</u>	<u>\$ 15,806,050</u>	<u>\$ 15,887,711</u>	<u>\$ 613,929</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ (1,042,470)	\$ 1,455,009	\$ 412,539	\$ (639,919)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	-	429,063	429,063	163,795
Changes in operating assets and liabilities:				
Decrease in accounts receivables	-	552,210	552,210	7,641
Decrease in due from other funds	-	-	-	250,000
Decrease in accounts payable	(99,698)	(10,369)	(110,067)	(37,615)
Increase in compensated absences	-	119,246	119,246	-
Decrease in claims payable	-	-	-	69,311
Decrease in deposits	-	(16,991)	(16,991)	-
Decrease in due to other funds	-	(188,924)	(188,924)	(402,397)
Total adjustments	<u>(99,698)</u>	<u>884,235</u>	<u>784,537</u>	<u>50,735</u>
Net cash provided by (used in) operating activities	<u>\$ (1,142,168)</u>	<u>\$ 2,339,244</u>	<u>\$ 1,197,076</u>	<u>\$ (589,184)</u>

See notes to financial statements.

City of Lynwood
Statement of Fiduciary Net Position
June 30, 2015

		Successor Agency to the Dissolved Redevelopment Agency Private Purpose Trust Fund
Assets		
Cash and investments	\$	3,543,110
Cash and investments with fiscal agents		22,294,680
Accounts receivable, net		13,244
Due from City of Lynwood		957,380
Capital assets - land held for development		388,996
Property held for resale, net		423,500
Total assets		<u>27,620,910</u>
 Liabilities		
Accounts payable		201,630
Interest payable		676,485
Deposits payable		25,386
Long-term liabilities:		
Due within one year		1,120,000
Due in more than one year		31,350,259
Total liabilities		<u>33,373,760</u>
 Fiduciary Net Position (Deficit)		
Unrestricted Net Position (Deficit)	\$	<u><u>(5,752,850)</u></u>

See notes to financial statements.

City of Lynwood
Statement of Changes in Fiduciary Net Position
Year ended June 30, 2015

		Successor Agency to the Dissolved Redevelopment Agency Private Purpose Trust Fund
Additions:		
Taxes	\$	3,703,525
Use of money and property		4,651
Miscellaneous		49,104
Total revenues		<u>3,757,280</u>
 Deductions:		
Community development		786,684
Debt service:		
Interest and fiscal charges		2,044,649
Total expenditures		<u>2,831,333</u>
 Excess (deficiency) of revenues over expenditures		<u>925,947</u>
 Net position (deficit) held in trust - beginning, as restated		<u>(6,678,797)</u>
 Net position (deficit) held in trust - ending	\$	<u><u>(5,752,850)</u></u>

See notes to financial statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Description of the Reporting Entity

The City of Lynwood was incorporated in 1921, under the laws of the State of California. The City of Lynwood's reporting entity includes the Lynwood Public Financing Authority and the Lynwood Utility Authority.

As required by accounting principles generally accepted in the United States of America, these financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The City is considered to be financially accountable for an organization if the City appoints a voting majority of that organization's governing body and the City is either able to impose its will on that organization, or there is a potential for that organization to provide specific financial benefits to or impose specific financial burdens on the City. The City is also considered to be financially accountable if an organization is fiscally dependent upon the City (i.e., it is unable to adopt its budget, levy taxes, set rates or charges, or issue bonded debt without approval from the City). In certain cases, other organizations are included as component units if the nature and significance of their relationship with the City are such that their exclusion would cause the City's financial statements to be misleading or incomplete.

The City's component units are considered to be blended component units because the City Council serves as the governing board for the component units and the City has operational responsibility over these entities. Blended component units, although legally separate entities, are, in substance, part of the City's operations, therefore data from these units are reported with the interfund data of the primary government.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Lynwood Public Financing Authority

The Lynwood Public Financing Authority was formed in 1993, by a joint powers agreement between the City of Lynwood and the former Lynwood Redevelopment Agency. It was created to acquire and finance the acquisition of public capital improvements necessary or convenient for the operation of the City or Agency.

Lynwood Utility Authority

The Lynwood Utility Authority was formed in 2003, by a joint powers agreement between the City of Lynwood and the former Lynwood Redevelopment Agency. It was created to acquire, operate and maintain the utility system. The Lynwood Utility Authority is included in the business-type activities in the City's Statements of Net Position and Activities.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the fiscal year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in other funds.

HUD Home Program Special Revenue Fund - This fund accounts for revenue received from the US Department of Housing and Urban Development and the State of California to provide financial assistance for affordable housing programs.

Housing Authority Special Revenue Fund - This fund accounts for assets used for low and moderate income housing activities in accordance with the applicable housing-related regulations. The City has elected to show this fund as major for the year ended June 30, 2015.

Prop C Special Revenue Fund – This fund is used to record the City's portion of sales tax dedicated to transportation programs.

The City reports the following major proprietary funds:

The Transit Enterprise Fund - This fund accounts for revenue received from Dial-A-Taxi fares and Prop "A" and Prop "C" transfers to cover costs of transportation programs such as Dial-A-Taxi and transportation administration.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Water and Sewer Enterprise Fund - This fund accounts for revenue received from user fees for water and sewer usage. The Water and Sewer Enterprise Fund also pays for water billing, water utility, sewer services, and improvements to the water system.

The City reports the following other fund types:

The Internal Service Funds account for financial transactions related to City's Garage Department, Information Technology, and self-insurance programs. These services are provided to other City departments or agencies on a cost reimbursement basis.

The City reports the following fiduciary fund:

Successor Agency Private-Purpose Trust Fund - This is a fiduciary fund type used by the City to report trust arrangements under which principal and income benefit other governments. This fund reports the assets, liabilities and activities of the Successor Agency to the Dissolved Lynwood Redevelopment Agency. Unlike the limited reporting typically utilized for Agency Fund, the Private-purpose Trust Fund reports a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position.

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 62, *Codification of Financial Reporting Guidance contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board (GASB). For proprietary fund type activities, the City applies all applicable GASB pronouncements as well as any applicable pronouncements of the Financial Accounting Standards Board (FASB), the Accounting Principles Board (APB), or any Accounting Research Bulletins (ARB) issued on or before November 30, 1989, unless they contradict or conflict with GASB pronouncements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's proprietary funds function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions and 3) capital grants and contributions, including special assessments.

Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Enterprise Funds and of the Internal Service Funds are charges to customers for sales and services. Operating expenses for the Enterprise Funds and the Internal Service Funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Balance Reporting

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions* establishes the following fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds:

Nonspendable fund balance includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The City's nonspendable fund balance represents inventory, prepaid expenses, land held for resale, and loans receivable.

Restricted fund balance includes resources that are subject to externally enforceable legal restrictions. It includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. All special revenue funds are classified as restricted.

Committed fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The City Council, as the City's highest level of decision-making authority, may commit, through a resolution, fund balance for specific purposes pursuant to constraints imposed by such formal actions taken. Committed amounts cannot be used for any other purpose unless the City Council removes or changes the specific use through the same type of formal action taken to establish the commitment. The City had no committed fund balance at June 30, 2015.

Assigned fund balance consists of funds that are set aside for specific purposes by the City's highest level of decision making authority or a body or official that has been given the authority to assign funds. The City Council delegates the authority to assign fund balance to the City Manager for purposes of reporting in the annual financial report.

Unassigned fund balance is the residual classification for the City's fund balance and includes all spendable amounts not contained in the other classifications. This category also provides the resources necessary to meet unexpected expenditures and revenue shortfalls.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The City considers the restricted fund balances to have been spent when expenditure is incurred for purposes for which both unrestricted and restricted fund balance is available. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the policy of the City to reduce the committed amounts first, followed by assigned amounts, and then unassigned amounts.

Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Net Position or Equity

Cash and Cash Equivalents

For purposes of the statement of cash flows, the City considers cash and cash equivalents as short-term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. The City follows the practice of pooling cash and investments of all funds except for funds required to be held by outside fiscal agents. Cash equivalents have an original maturity date of three months or less from the date of purchase.

Cash and Investments

Investments are reported in the accompanying balance sheet at fair value, except for nonparticipating certificates of deposit and investment contracts that are reported at cost because they are not transferable and they have terms that are not affected by changes in market interest rates. Changes in fair value that occur during a fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation, maturity, or sale of investments. The City pools cash and investments of all funds, except assets held by fiscal agents. Each fund's share in this pool is displayed in the accompanying financial statements as cash and investments. Investment income earned by the pooled investments is allocated to the various funds based on each fund's average cash and investment balance.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as interfund receivables/interfund payables (i.e., the current portion of interfund loans) or advances to/from other funds (the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as internal balances.

Advances between funds, as reported in the fund financial statements, are classified as nonspendable fund balance.

All trade and tax receivables are shown net of any allowance for uncollectible accounts, if applicable, and estimated refunds due.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property Taxes

Property taxes in the State of California are administered for all local agencies at the County level, and consist of secured, unsecured, and utility tax rolls. The following is a summary of major policies and practices relating to property taxes:

Property Valuations - are established by the Assessor of the County of Los Angeles for the secured and unsecured property tax rolls; the utility property tax rolls are valued by the State Board of Equalization. Under the provisions of Article XIII A of the State Constitution (Proposition 13 adopted by the voters on June 6, 1978) properties are assessed at 100% of full value. From this base of assessment, subsequent annual increases in valuation are limited to a maximum of 2%. However, increases to full value are allowed for property improvements or upon change in ownership. Personal property is excluded from these limitations, and is subject to annual reappraisal.

Tax Levies - are limited to 1% of full value which results in a tax rate of \$1.00 per \$100 assessed valuation under the provisions of Proposition 13. Tax rates for voter-approved indebtedness are excluded from this limitation. The City's share of the \$1.00 varies depending on the tax rate area and it ranges from \$0.0125 to \$0.0730.

Tax Levy Dates - are attached annually on January 1 preceding the fiscal year for which the taxes are levied. The fiscal year begins July 1 and ends June 30 of the following year. Taxes are levied on both real and unsecured personal property as it exists at that time. Liens against real estate, as well as the tax on personal property, are not relieved by subsequent renewal or change in ownership.

Tax Levy Apportionments – Because of the nature of the City-wide maximum levy, it is not possible to identify general purpose tax rates for specific entities. Under state legislation adopted subsequent to the passage of Proposition 13, apportionments to local agencies are made by the county auditor-controller based primarily on the ratio that each agency represented of the total City-wide levy for the three years prior to fiscal year 1979.

Property Tax Administration Fees - The State of California FY 1990-91 Budget Act authorized counties to collect an administrative fee for collection and distribution of property taxes. Property taxes are recorded as net of administrative fees withheld during the fiscal year.

Restricted Assets

Certain proceeds of the City's long-term debt, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position because they are maintained in separate bank accounts and their use is limited by applicable bond covenants.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In the absence of specific statutory provisions governing the issuance of bonds, certificates, or leases, these funds may be invested in accordance with the ordinance, resolutions, and indentures specifying the types of investments its trustees or fiscal agents may make. These ordinances, resolutions, and indentures are generally more restrictive than the City's general investment policy. In no instance have additional types of investments been authorized that are not permitted by the City's general investment policy.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, traffic lights and signals, street lights, and similar items), are reported in the applicable governmental or business-type activities in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 (including infrastructure) or more and an estimated useful life in excess of one year. Such capital assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the capital asset or materially extend capital asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No interest was capitalized during the year ended June 30, 2015.

The provision for depreciation of capital assets is computed using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	30 to 50
Improvements other than buildings	30 to 50
Infrastructure	35 to 50
Utility systems	75
Vehicles	7 to 15
Other equipment and furnishings	5 to 15

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement Nos. 63 and 65, the City recognizes deferred outflows and inflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. A deferred inflow of resources is defined as an acquisition of net position by the government that is applicable to a future reporting period. Refer to Note 15 for the list of deferred outflows and deferred inflows of resources the City has recognized as of June 30, 2015.

Claims and Judgments

The City records a liability for litigation, judgments, and claims when it is probable that an asset has been impaired or a liability has been incurred prior to fiscal year end and the probable amount of loss (net of any insurance coverage) can be reasonably estimated. This liability is recorded in the internal service fund which accounts for the City's self-insurance activities.

Compensated Absences

In accordance with GASB Statement No. 16, an employee benefits liability is recorded for unused vacation and similar compensatory leave balances since the employees' entitlement to these balances are attributable to services already rendered and it is probable that virtually all of these balances will be liquidated by either paid time off or payments upon termination or retirement.

Generally, compensated absences are liquidated through the City's general fund. Under GASB Statement No. 16, a liability is recorded for unused sick leave balances only to the extent that it is probable that the unused balances will result in termination payments. Other amounts of unused sick leave are excluded from the liability since their payment is contingent solely upon the occurrence of a future event (illness) which is outside the control of the City and the employee.

Vacation pay is payable to employees at the time a vacation is taken or upon termination of employment. Normally, an employee can not accrue more than one and one-half times their regular annual entitlement.

Other Postemployment Benefits

The liability for accrued other postemployment benefits related to governmental activities is primarily liquidated from the general fund while the liability for business-type activities is liquidated from the enterprise funds. Refer to Note 10 for disclosures regarding other postemployment benefits.

Long-term Obligations

In the government-wide financial statements and proprietary fund types fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of applicable bond premium or discount. In accordance with GASB Statement No. 65, bond issuance costs are reported as expenditures during

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Estimates

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

Pensions

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

Implementation of New Accounting Pronouncements

During the fiscal year ended June 30, 2015, the City adopted the following new GASB Statements:

- GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statements No. 27 and 50*. This statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures of pensions that are provided by local governmental employers through pension plans that are administered through trusts that meet certain conditions. For defined benefit pensions, this statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service.
- GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - An Amendment of GASB Statement No. 68*. This statement amends paragraph 137 of Statement No. 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Encumbrances

Encumbrances are estimations of costs related to unperformed contracts for goods and services. These commitments are recorded for budgetary control purposes in the General, Special Revenue, and similar governmental funds. Encumbrances outstanding at fiscal year-end are reported as committed or assigned fund balance. They represent the estimated amount of the expenditure ultimately to result if unperformed contracts in-process at fiscal year-end are completed. They do not constitute expenditures or estimated liabilities. There were no significant amounts of encumbrances outstanding as of June 30, 2015.

Continuing Appropriations

The unexpended and unencumbered appropriations that are available and recommended for continuation are approved by the City Council for carryover to the following fiscal year. These commitments are reported as committed or assigned fund balance.

Budget Basis of Accounting

Budgets for governmental funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America (US GAAP).

Deficit Fund Balances/Net Position

The following funds contained a deficit fund balance/net position as of June 30, 2015:

Fund	Amount
Internal Service Fund:	
Self-insurance	\$ 1,924,008
Nonmajor Governmental Funds:	
Special Revenue Funds	
Lighting Maintenance	101,721
Litter Abatement	33,975
Housing Community Development	62,708
Other Grants	51,327
Justice Assistance	6,183
Prop 84 Park Grant	1,209,314
LACMTA TOD Planning Grant	306,369

Five of the funds deficit above will be reimbursed through grants. The deficit in Self-Insurance Fund includes noncurrent liabilities of \$1.5 million.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

Excess of Expenditures Over Appropriations

The following funds contained excess of expenditures over budget as of June 30, 2015:

Fund	Final Appropriations	Expenditures	Excess
Major Governmental Funds:			
General Fund:			
General government:			
Development Services	\$ 562,017	\$ 566,676	\$ 4,659
Nonmajor Governmental Funds:			
Special Revenue Funds:			
Lighting Maintenance			
Public works	901,826	916,726	14,900

NOTE 3 CASH AND INVESTMENTS

Cash and investments at June 30, 2015, are classified in the accompanying financial statements as follows:

	Government-wide Statement of Net Position	Statement of Fiduciary Net Position	Totals
Cash and investments	\$ 46,306,194	\$ 3,543,110	\$ 49,849,304
Restricted cash and investments:			
Cash and investments	7,327	-	7,327
Cash and investments with fiscal agents	<u>10,863,251</u>	<u>22,294,680</u>	<u>33,157,931</u>
	<u>\$ 57,176,772</u>	<u>\$ 25,837,790</u>	<u>\$ 83,014,562</u>

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

Petty cash	\$ 3,100
Deposits with financial institutions	7,537,261
Investments	<u>75,474,201</u>
	<u>\$ 83,014,562</u>

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

a. Investments Authorized by the California Government Code and the City's Investment Policy

The table below identifies the investment types that are authorized for the City by the California Government Code (or the City's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City's investment policy.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Investment Fund (State Pool)	N/A	None	\$30 million
U.S. Treasury Obligations	5 years	None	None
U.S. Government Agency Issues	5 years	None	None
Time Deposits	N/A	25%	None
Insured Passbook Savings Deposits with Banks and Savings and Loans	N/A	None	None
Negotiable Certificates of Deposit	5 years	30%	None
Commercial Paper	180 days	15%	10%
Mutual Funds (must be comprised of eligible securities permitted under this policy)	N/A	None	None
Money Market Funds (must be comprised of eligible securities permitted under this policy)	N/A	None	None
Medium Term Corporate Notes	5 years	30%	15%

b. Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustees are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the Agency's investment policy. The table below identifies the investment types that are authorized for investments held by bond trustees. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Investment Fund (State Pool)	N/A	None	\$40 million
U.S. Treasury Obligations	N/A	None	None
U.S. Government Agency Issues	N/A	None	None
Certificates of Deposit	N/A	None	None
Commercial Paper	N/A	None	None
Mutual Funds (must be comprised of eligible securities permitted under this policy)	N/A	None	None
Money Market Funds (must be comprised of eligible securities permitted under this policy)	N/A	None	None

c. Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter-term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the City's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

Investment Type	Totals	12 Months or Less	13 to 24 Months	25 to 60 Months
State investment pool	\$ 25,026,337	\$ 25,026,337	\$ -	\$ -
Money market funds	3,883,506	3,883,506	-	-
Certificates of deposits	5,599,275	1,239,244	1,887,909	2,472,122
Federal Agency Securities	3,980,455	-	1,498,041	2,482,414
Held by bond trustees:				
State investment pool	3,070,630	3,070,630	-	-
Money market funds	33,913,998	33,913,998	-	-
Totals	\$ <u>75,474,201</u>	\$ <u>67,133,715</u>	\$ <u>3,385,950</u>	\$ <u>4,954,536</u>

d. Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

The City has no investments (including investments held by bond trustees) that are highly sensitive to interest rate fluctuations (to a greater degree than already indicated in the information provided above).

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

e. Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating by Standard and Poor's required by (where applicable) the California Government Code, the City's investment policy, or debt agreements, and the actual rating as of year-end for each investment type:

<u>Investment Type</u>	<u>Totals</u>	<u>AAA</u>	<u>AA+</u>	<u>Not Rated</u>
State investment pool	\$ 25,026,337	\$ -	\$ -	\$ 25,026,337
Money market funds	3,883,506	-	-	3,883,506
Certificates of deposits	5,599,275	-	-	5,599,275
Federal Agency Securities	3,980,455	-	3,980,455	-
Held by bond trustees:				
State investment pool	3,070,630	-	-	3,070,630
Money market funds	33,913,998	-	-	33,913,998
Totals \$	<u>75,474,201</u>	<u>\$ -</u>	<u>\$ 3,980,455</u>	<u>\$ 71,493,746</u>

f. Concentration of Credit Risk

The investment policy of the City contains limitations on the amount that can be invested in any one issuer. As of June 30, 2015, there were no investment in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represents 5% or more of total City investments.

g. Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits; The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the government unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. At June 30, 2015, the City's deposits (bank balances) were fully insured by the Federal Deposit Insurance Corporation (FDIC).

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

h. Investment 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 portion in the investment pool is the same as the value of the pool shares.

NOTE 4 NOTES AND LOANS RECEIVABLE

U.S. Department of Housing and Urban Development (HUD) Loans

The City has received funding from the U.S. Department of Housing and Urban Development for the purpose of assisting (through zero or low interest deferred loans) residents and commercial enterprises to rehabilitate their homes and businesses. Some of the loans have maturity dates while others are due upon sale of the underlying property. Also, parcels of land have been sold to commercial real estate developers in exchange for various loans. Such loans have terms ranging from 3 to 10 years, with interest rates ranging from 3% to 10%. The recognition of revenue from the sale of the land has been deferred on such loans until they are repaid since the amounts do not meet the availability criteria. In several loan agreements, a portion of the entire principal amount will be forgiven upon the completion of the project. In this circumstance, an allowance account is established to reduce the balance of loans receivable. As of June 30, 2015, the long-term receivables balance, net of allowance for the future amount expected to be forgiven of \$3,658,897, was \$2,478,330.

Housing Authority

Pursuant to AB X1 26, the Housing Authority was created to manage the housing function of the former Lynwood Redevelopment Agency. As a result, certain loans made by the former Lynwood Redevelopment Agency are now reported under the Housing Authority. Parcels of land were sold to commercial real estate developers by the former Lynwood Redevelopment Agency in exchange for various loans. Such loans have terms ranging from 3 to 10 years, with interest rates ranging from 3% to 10%. The recognition of revenue from the sale of the land has been deferred on such loans until they are repaid since the amounts do not meet the availability criteria. In several loan agreements, a portion of the entire principal amount will be forgiven upon the completion of the project. In this case, an allowance account is established to reduce the balance of loans receivable. The City also extended rehabilitation loans to property owners for the rehabilitation and improvements of commercial buildings. As of June 30, 2015, the long-term receivables balance was \$1,142,055. Details of notes and loans receivables are as follows:

NOTE 4 NOTES AND LOANS RECEIVABLE (CONTINUED)

		<u>Outstanding Balance June 30, 2015</u>
<p>The former Lynwood Redevelopment Agency entered into a Loan Agreement with Habitat for Humanity of Greater Los Angeles to purchase foreclosed homes with Federal HOME funds and 20% Housing Set Aside funds; rehabilitate said home with 20% Housing Set Aside funds; and deed restrict and resell to a low income household. 3076 Redwood was purchased for \$315,000. \$61,906 of 20% Housing Set Aside funds were budgeted and utilized for rehabilitation of the unit.</p>	\$	30,126
<p>The former Lynwood Redevelopment Agency entered into a Loan Agreement with Habitat for Humanity of Greater Los Angeles to purchase foreclosed homes with Federal HOME funds and 20% Housing Set Aside funds; rehabilitate said home with 20% Housing Set Aside funds; and deed restrict and resell to a low income household. 5525 Clark was purchased for \$299,500. \$48,970 of 20% Housing Set Aside funds were budgeted and utilized for rehabilitation of the unit.</p>		2,905
<p>In February 2009, the former Lynwood Redevelopment Agency extended a non-interest bearing note in the amount of \$710,000 to a developer for financial assistance on an affordable housing project located at 11300 Atlantic Avenue (the Property). The total amount represents the cash contribution from the Agency for the Insurance Payment of \$454,000 and the Rehabilitation Loan of \$256,000 for the project. Upon each anniversary of the date of the issuance of a Certificate of Completion and provided all material covenants set forth in the agreement have been performed during the previous year, a credit of 1/55 of the Insurance Payment principal amount shall be applied to the note, and the outstanding principal amount of the note shall be reduced by such amount.</p>		412,727
<p>In July 2009, the former Lynwood Redevelopment Agency extended a noninterest-bearing Set Aside Note in the amount of \$454,100 to Habitat for Humanity to assist in the cost of developing 10 low income ownership homes. Upon the subdivision of the Site into individual lots for development, the Set Aside Note shall be divided by the number of units constructed and each unit shall be responsible for the repayment of an equal share of the Set Aside Note amount.</p>		453,197

NOTE 4 NOTES AND LOANS RECEIVABLE (CONTINUED)

In April 2009, the former Lynwood Redevelopment Agency extended a noninterest-bearing Set Aside Note in the amount of \$243,100 to Habitat for Humanity to assist in the cost of redeveloping a low income triplex at 3254 Palm Avenue for sale to low income households. Pursuant to the Loan Agreement the Agency shall contribute the land and \$243,100 to build the affordable homes. Upon the subdivision of the Site into individual lots for development, the Set Aside Note shall be divided by the number of units constructed and each unit shall be responsible for the repayment of an equal share of the Set Aside Note amount.

\$ 243,100

Notes and loans receivables \$ 1,142,055

NOTE 5 ACCOUNTS RECEIVABLE

The following is a list of accounts receivable at June 30, 2015:

	Receivable	Allowance for Uncollectible Accounts	Net Amount
Governmental Activities:			
Intergovernmental	\$ 977,421	\$ -	\$ 977,421
Accounts (including taxes)	1,768,393	(56,583)	1,711,810
Interest	9,722	-	9,722
	\$ 2,755,536	\$ (56,583)	\$ 2,698,953
 Business-type Activities:			
Accounts	\$ 1,901,332	\$ (399,487)	\$ 1,501,845
Interest	6,259	-	6,259
	\$ 1,907,591	\$ (399,487)	\$ 1,508,104

NOTE 6 INTERFUND ACTIVITY

The following represents the City's interfund activity for the fiscal year ended June 30, 2015.

Current Interfund Balances

Current interfund receivables and payables were due to (1) short-term borrowings to eliminate negative cash, and (2) reimbursement of certain administrative costs which arise in the normal course of business and are expected to be repaid shortly after the end of the year. The following is a summary of current interfund balances as of June 30, 2015:

Payable Fund	Amount	Receivable Fund	Amount
Major Funds:		Major Funds:	
Prop C	\$ 21,437	General Fund	\$ 1,375,292
Nonmajor Funds:		Nonmajor Funds:	
Lighting Maintenance	63,109	Capital Improvement Projects	195,181
Litter Abatement	38,253		
Housing Community Development	61,016		
Other Grants	2,409		
Justice Assistance	30,401		
Prop 84 Park Grant	568,922		
LACMTA TOD Planning Grant	45,656		
CIP Loan Proceeds	99,341		
2003 Lease Revenue Refunding	43,474		
2012 Measure R Bond Proceeds	163,587		
Proprietary Fund:			
Water and Sewer	30,931		
Internal Service Fund:			
Self-insurance	401,937		
Totals	\$ 1,570,473	Totals	\$ 1,570,473

Interfund Advances

Advances from Successor Agency

Noncurrent Advances from the Successor Agency to the City (General Fund) at June 30, 2015 were as follows:

Receivable Fund	Payable Fund	Amount
Successor Agency Private Purpose Trust Fund	General	\$ 957,380

NOTE 6 INTERFUND ACTIVITY (CONTINUED)

Transfers

With Council approval, resources may be transferred from one City fund to another. Interfund transfers were principally used to set aside tax increment revenues, to transfer monies to make debt service payments on outstanding bonds, and to transfer monies to the General Fund and other nonmajor governmental funds for the payment of retirement contribution, public works and improvement project costs.

Funds	Transfer in	Transfer out
Major Governmental Funds:		
General	\$ 2,636,135	\$ 1,157,605
Prop C	-	199,038
Nonmajor Governmental Funds:		
Refuse	-	800,000
Retirement	-	2,390,861
Traffic Safety	1,963,476	-
Gas Tax	-	2,056,673
Prop A	-	1,025,229
Measure R	-	446,608
Lighting Maintenance	-	295,306
Landscape Maintenance	365,822	238,426
Impact Fees	-	62,445
Public Art	-	200,903
LA County Park Maintenance Grant	-	42,333
Prop 84 Park Grant	388,955	167,254
City of Lynwood Debt Service	1,642,344	-
Public Financing Authority	16,092	-
CIP Loan Proceeds	-	99,341
2003 Lease Revenue Refunding Bonds	-	43,473
Capital Improvement Projects	970,388	-
2012 Measure R Bond Proceeds	-	229,006
Internal Service Fund:		
Self-insurance	778,594	-
Information Technology	-	917
Major Enterprise Fund:		
Transit	1,042,470	-
Water and Sewer	-	348,858
Totals	\$ 9,804,276	\$ 9,804,276

NOTE 7 CAPITAL ASSETS

Governmental Activities

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

	Balance July 1, 2014	Additions	Deletions	Balance June 30, 2015
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 48,039,074	\$ -	\$ -	\$ 48,039,074
Rights of way	22,904,315	-	-	22,904,315
Trees	287,627	-	-	287,627
Construction in progress	1,686,711	2,471,492	-	4,158,203
Total capital assets not being depreciated	<u>72,917,727</u>	<u>2,471,492</u>	<u>-</u>	<u>75,389,219</u>
Capital assets being depreciated:				
Buildings and improvements	11,086,295	-	-	11,086,295
Machinery and equipment	3,833,084	26,343	(9,664)	3,849,763
Infrastructure				
Roadways, curbs and gutters	56,382,944	-	-	56,382,944
Sidewalks and medians	6,119,100	-	-	6,119,100
Other street appurtenances	5,218,109	-	-	5,218,109
Total capital assets being depreciated	<u>82,639,532</u>	<u>26,343</u>	<u>(9,664)</u>	<u>82,656,211</u>
Less accumulated depreciation for:				
Buildings and improvements	(5,786,591)	(166,125)	-	(5,952,716)
Machinery and equipment	(2,853,182)	(207,176)	8,678	(3,051,680)
Infrastructure				
Roadways, curbs and gutters	(13,983,468)	(1,369,874)	-	(15,353,342)
Sidewalks and medians	(3,037,864)	(127,880)	-	(3,165,744)
Other street appurtenances	(2,608,425)	(112,309)	-	(2,720,734)
Total accumulated depreciation	<u>(28,269,530)</u>	<u>(1,983,364)</u>	<u>8,678</u>	<u>(30,244,216)</u>
Capital assets being depreciated, net	<u>54,370,002</u>	<u>(1,957,021)</u>	<u>(986)</u>	<u>52,411,995</u>
Governmental activities capital assets, net	<u>\$ 127,287,729</u>	<u>\$ 514,471</u>	<u>\$ (986)</u>	<u>\$ 127,801,214</u>

Internal Service Fund (Allocated to Governmental Activities)

	Balance June 30, 2014	Additions	Deletions	Balance June 30, 2015
Capital assets being depreciated:				
Machinery and equipment	\$ 2,204,331	\$ 267,966	\$ (29,377)	\$ 2,442,920
Total capital assets being depreciated	<u>2,204,331</u>	<u>267,966</u>	<u>(29,377)</u>	<u>2,442,920</u>
Less accumulated depreciation for:				
Machinery and equipment	(1,406,402)	(163,818)	29,377	(1,540,843)
Total accumulated depreciation	<u>(1,406,402)</u>	<u>(163,818)</u>	<u>29,377</u>	<u>(1,540,843)</u>
Capital assets being depreciated, net	<u>\$ 797,929</u>	<u>\$ 104,148</u>	<u>\$ -</u>	<u>\$ 902,077</u>

NOTE 7 CAPITAL ASSETS (CONTINUED)

Total Governmental Activities

	<u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u>
	<u>July 1, 2014</u>			<u>June 30, 2015</u>
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 48,039,074	\$ -	\$ -	\$ 48,039,074
Rights of way	22,904,315	-	-	22,904,315
Trees	287,627	-	-	287,627
Construction in progress	1,686,711	2,471,492	-	4,158,203
Total capital assets not being depreciated	<u>72,917,727</u>	<u>2,471,492</u>	<u>-</u>	<u>75,389,219</u>
Capital assets, being depreciated:				
Buildings and improvements	11,086,295	-	-	11,086,295
Machinery and equipment	6,037,415	294,309	(39,041)	6,292,683
Infrastructure				
Roadways, curbs and gutters	56,382,944	-	-	56,382,944
Sidewalks and medians	6,119,100	-	-	6,119,100
Other street appurtenances	5,218,109	-	-	5,218,109
Total capital assets being depreciated	<u>84,843,863</u>	<u>294,309</u>	<u>(39,041)</u>	<u>85,099,131</u>
Less accumulated depreciation for:				
Buildings and improvements	(5,786,591)	(166,125)	-	(5,952,716)
Machinery and equipment	(4,259,584)	(370,994)	38,055	(4,592,523)
Infrastructure				
Roadways, curbs and gutters	(13,983,468)	(1,369,874)	-	(15,353,342)
Sidewalks and medians	(3,037,864)	(127,880)	-	(3,165,744)
Other street appurtenances	(2,608,425)	(112,309)	-	(2,720,734)
Total accumulated depreciation	<u>(29,675,932)</u>	<u>(2,147,182)</u>	<u>38,055</u>	<u>(31,785,059)</u>
Capital assets being depreciated, net	<u>55,167,931</u>	<u>(1,852,873)</u>	<u>(986)</u>	<u>53,314,072</u>
Governmental activities capital assets, net	<u>\$ 128,085,658</u>	<u>\$ 618,619</u>	<u>\$ (986)</u>	<u>\$ 128,703,291</u>

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

	<u>Governmental</u>	<u>Internal</u>	<u>Total</u>
		<u>Service</u>	
General government	\$ 249,234	\$ -	\$ 249,234
Public safety	15,389	-	15,389
Public works	1,642,740	163,818	1,806,558
Community development	2,463	-	2,463
Parks and recreation	73,538	-	73,538
	<u>\$ 1,983,364</u>	<u>\$ 163,818</u>	<u>\$ 2,147,182</u>

NOTE 7 CAPITAL ASSETS (CONTINUED)

Business-type Activities

Capital asset business-type activity (Water activity) for the year ended June 30, 2015 was as follows:

	Balance June 30, 2014	Additions	Deletions	Balance June 30, 2015
Water Activity:				
Capital assets not being depreciated				
Land	\$ 36,341	\$ -	\$ -	\$ 36,341
Total capital assets not being depreciated	<u>36,341</u>	<u>-</u>	<u>-</u>	<u>36,341</u>
Capital assets being depreciated:				
Buildings and improvements	35,499	-	-	35,499
Machinery and equipment	697,401	6,711	-	704,112
Infrastructure	17,568,369	-	-	17,568,369
Total capital assets being depreciated	<u>18,301,269</u>	<u>6,711</u>	<u>-</u>	<u>18,307,980</u>
Less accumulated depreciation for:				
Buildings and improvements	(13,490)	(710)	-	(14,200)
Machinery and equipment	(201,559)	(72,695)	-	(274,254)
Infrastructure	<u>(6,791,317)</u>	<u>(355,658)</u>	<u>-</u>	<u>(7,146,975)</u>
Total accumulated depreciation	<u>(7,006,366)</u>	<u>(429,063)</u>	<u>-</u>	<u>(7,435,429)</u>
Capital assets being depreciated, net	<u>11,294,903</u>	<u>(422,352)</u>	<u>-</u>	<u>10,872,551</u>
Water capital assets, net	<u>\$ 11,331,244</u>	<u>\$ (422,352)</u>	<u>\$ -</u>	<u>\$ 10,908,892</u>

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

Business-type Activities:	
Water	<u>\$ 429,063</u>

NOTE 8 LONG-TERM LIABILITIES

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

	Balance July 1, 2014	Additions	Repayments/ Deductions	Balance June 30, 2015	Due Within One Year
Governmental Activities:					
Compensated absences	\$ 1,413,375	\$ 736,994	\$ (842,880)	\$ 1,307,489	\$ 980,617
Net pension liability	32,923,854	9,233,210	(19,398,714)	22,758,350	-
Other postemployment benefits	8,194,297	1,763,000	(1,251,634)	8,705,663	-
Claims payable	2,064,308	1,568,871	(1,092,743)	2,540,436	1,050,000
HUD loan payable	4,025,000	-	(4,025,000)	-	-
CEC loan	122,241	-	(39,173)	83,068	40,719
Revenue bonds and certificates	18,867,222	8,920	(800,000)	18,076,142	830,000
Total	<u>\$ 67,610,297</u>	<u>\$ 13,310,995</u>	<u>\$ (27,450,144)</u>	<u>\$ 53,471,148</u>	<u>\$ 2,901,336</u>
Business-type Activities:					
Compensated absences	\$ 255,511	\$ 401,628	\$ (282,381)	\$ 374,758	\$ 167,562
Net pension liability	5,229,170	1,488,084	(2,360,105)	4,357,149	-
Revenue bonds	19,628,710	5,105	(490,000)	19,143,815	505,000
Total	<u>\$ 25,113,391</u>	<u>\$ 1,894,817</u>	<u>\$ (3,132,486)</u>	<u>\$ 23,875,722</u>	<u>\$ 672,562</u>

Debt service payments for governmental activities are made from Debt Service Funds. The other postemployment benefits obligation is primarily liquidated from the General Fund. Governmental activities long-term debt at June 30, 2015 consisted of the following:

Claims Payable

The City is self insured for general liability and workers' compensation claims. The City records losses for claims incurred but not reported when the probable amount of loss can be reasonably estimated. Total amount of estimated claims outstanding at June 30, 2015 is \$2,540,436.

HUD Section 108 Loan Payable

On August 8, 2002, the Department of Housing and Urban Development loaned \$7 million to the City of Lynwood. The funds are to be used for expansion, rehabilitation, and development of the Plaza De Mexico project. The interest rate charged on the loan varies from 5.0% to 6.0% and the final maturity date of the loan is August 8, 2021. Principal payments are due every August 1 starting in 2004 and interest is to be paid semi-annually. The City has received \$875,000 in Federal Brownfield Grant funds to assist in the payment of principal and interest. The loan was fully settled during the fiscal year 2014-2015.

CEC Loan

On May 28, 2008, the State of California, Energy Resources Conservation and Development Commission loaned \$265,100 to the City. The funds are to be used to finance energy efficiency projects. The interest rate charged in the loan is 3.95% per annum and final maturity date of the loan is June 22, 2017. Principal and interest payments are due every December and June. The balance of the loan outstanding at June 30, 2015 was \$83,068.

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

Lynwood Public Financing Authority 2003 Lease Revenue Refunding Bonds Series A and B

On September 3, 2003, the Lynwood Public Financing Authority issued \$8,630,000 of 2003 Lease Revenue Refunding Bonds. The proceeds along with remaining funds from the 1993 issue were used to advance refund the 1993 Lynwood Public Financing Authority Revenue Bonds Series A, pay costs of issuance, fund a reserve account, and fund certain projects within the City (corporate yard land purchase and improvements to the City owned property). Interest on the Bonds is payable semi-annually each March 1 and September 1 beginning on March 1, 2004. Principal matures each September 1 beginning in 2004 and maturing in 2018. Interest rates on the bonds vary between 2.125% and 5.00% for the Series A bonds and 1.65% and 2.36% for the Series B bonds. The outstanding balance of the bonds at June 30, 2015 was \$2,810,000.

Lynwood Public Financing Authority 2010 Lease Revenue Refunding Bonds Series A

On August 4, 2010, the Lynwood Public Financing Authority issued \$8,985,000 of 2010 Lease Revenue Refunding Bonds. The proceeds were used to finance the costs of the acquisition, construction, installation and equipping of certain public capital improvements for the City and refund the outstanding Lynwood Public Financing Authority Lease Revenue Bonds, Series 1999, fund a reserve account and pay cost of issuance of the bonds. Interest on the bonds is payable semi-annually each March 1 and September 1, beginning March 1, 2011. Principal matures each September 1 beginning 2019 and maturing in 2040. Interest rates on the bonds vary between 4.125% and 5.77%. The principal balance outstanding at June 30, 2015 including unamortized discount of \$223,858 was \$8,761,142.

City of Lynwood Measure R Sales Tax Revenue Certificates, Series 2012

On December 5, 2012, the City issued \$6,850,000, of Measure R Sales Tax Revenue Certificates, Series 2012. The proceeds were used to finance the costs of the acquisition, construction, installation and equipping of certain public capital improvements for the City, fund a reserve account and pay cost of issuance of the bonds. Interest on the bonds is payable semi-annually each June 1 and December 1, beginning June 1, 2013. Principal matures each June 1 beginning 2014 and maturing in 2039. Interest rates on the bonds vary between 1.75% and 4.00%. The principal balance outstanding at June 30, 2015, was \$6,505,000.

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

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

Lynwood Utility Authority 2008 Series A Enterprise Revenue Bonds

On November 25, 2008, the Lynwood Utility Authority issued \$9,755,000 of 2008 Series A Enterprise Revenue Bonds, the proceeds of which were used to refund, on a current basis, the outstanding Lynwood Public Financing Authority Water Revenue Bonds Series 1995, finance certain new improvements to the water distribution systems, finance certain capital improvements for the City, fund a reserve fund for the bonds and pay the costs of issuance of the bonds.

The bonds consist of \$3,855,000 of serial bonds maturing from 2009 through 2025 and \$5,900,000 of term bonds maturing on June 1 of 2028, 2033, and 2038.

The serial bonds carry interest at rates of 3.00% to 5% and mature June 1, 2025. Interest is payable semi-annually every December 1 and June 1 with principal due June 1. The term bonds carry interest at rates of 4.875% to 5.375%.

The bonds will be paid from and secured by the net revenues of the water and sewer enterprise of the City. The Lynwood Utility Authority has covenanted, to the maximum extent permitted by law, to set rates and charges for the service and facilities of water and sewer enterprise sufficient to provide net revenues each year equal to at least 1.25 times the aggregate annual amount of debt service payments on these bonds and any other parity debt.

The principal balance outstanding at June 30, 2015 including unamortized discount of \$38,972 was \$8,471,028.

Lynwood Utility Authority 2009 Series A Enterprise Revenue Bonds

On May 28, 2009, the Lynwood Utility Authority issued \$5,735,000 of 2009 Series A Enterprise Revenue Bonds, the proceeds which were used to refund, on a current basis, the outstanding Lynwood Public Financing Authority Water Revenue Bonds Series 1999, fund a reserve fund for the bonds and pay the costs of issuance of the bonds.

The bonds consist of \$3,745,000 of serial bonds maturing from 2012 through 2026 and \$1,990,000 of term bonds maturing on June 1 of 2029.

The serial bonds carry interest at rates of 2.50% to 5.00% and mature June 1, 2026. Interest is payable semi-annually every December 1 and June 1 with principal due June 1. The term bonds carry interest at rates of 5.00%.

The bonds will be paid from and secured by the net revenues of the water and sewer enterprise of the City. The Lynwood Utility Authority has covenanted, to the maximum extent permitted by law, to set rates and charges for the service and facilities of water and sewer enterprise sufficient to provide net revenues each year equal to at least 1.25 times the aggregate annual amount of debt service payments on these bonds and any other parity debt.

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

The principal balance outstanding at June 30, 2015 including unamortized discount of \$72,213 was \$5,382,787.

Lynwood Utility Authority 2014 Enterprise Revenue Bonds

On January 8, 2014, the Lynwood Utility Authority issued \$5,660,000 Enterprise Revenue Bonds, Series 2014A, to advance refund \$5,480,000 of the outstanding 2003 Enterprise Revenue Bonds and to pay the cost of issuing the bonds. Principal installments are due annually ranging in amounts from \$180,000 to \$390,000 plus interest at 4.130% through June 1, 2034. The bonds will be paid from and secured by the net revenues of the water and sewer enterprise of the City. The City has covenanted that the net revenues in each year will be greater than or equal to the debt service payments on these bonds and any other parity debt.

Of the Series 2014A proceeds, \$5,532,517 were used to purchase U.S. Government securities to refund in full the 2003 Enterprise Revenue Bonds. Those securities were placed in an irrevocable trust with an escrow agent to provide for all future debt service payments on the entire balance of the 2003 Enterprise Revenue Bonds in the amount of \$5,480,000. As a result, the entire 2003 Enterprise Revenue Bonds are considered to be defeased and the liability for has been removed from the Statement of Net Position in the accompanying financial statements. The principal balance outstanding at June 30, 2015 was \$5,290,000.

The advance refunding resulted in an economic gain (difference between the present value of the debt service payments on the new and old debt) of \$265,453 and a reduction of total debt service payments of \$416,902.

Governmental Long-term Debt Amortization

The schedules of annual requirements to amortize all governmental (except for compensated absences and claims payable) long-term debt outstanding as of June 30, 2015 including interest are as follows:

Total Long-term Debt			
Year ending June 30,	Principal	Interest	Total
2016	\$ 870,718	\$ 808,547	\$ 1,679,265
2017	917,350	766,341	1,683,691
2018	915,000	722,356	1,637,356
2019	1,250,000	677,681	1,927,681
2020	525,000	643,256	1,168,256
2021-2025	2,980,000	2,866,950	5,846,950
2026-2030	3,500,000	2,174,781	5,674,781
2031-2035	3,475,000	1,415,606	4,890,606
2036-2040	3,950,000	551,444	4,501,444
Less - discount	(223,858)	-	(223,858)
Totals	\$ 18,159,210	\$ 10,626,964	\$ 28,786,173

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

Governmental Long-term Debt Amortization (continued)

Public Financing Authority 2003 Lease Revenue Refunding Bonds			
Year ending June 30,	Principal	Interest	Total
2016	\$ 650,000	\$ 124,250	\$ 774,250
2017	685,000	90,875	775,875
2018	720,000	55,750	775,750
2019	755,000	18,875	773,875
Totals	\$ <u>2,810,000</u>	\$ <u>289,750</u>	\$ <u>3,099,750</u>

Public Financing Authority 2010 Series A Lease Revenue Refunding Bonds			
Year ending June 30,	Principal	Interest	Total
2016	\$ -	\$ 470,600	\$ 470,600
2017	-	470,600	470,600
2018	-	470,600	470,600
2019	290,000	470,600	760,600
2020	315,000	458,638	773,638
2021-2025	1,820,000	2,065,306	3,885,306
2026-2030	2,155,000	1,552,150	3,707,150
2031-2035	1,905,000	1,013,375	2,918,375
2036-2040	2,500,000	427,075	2,927,075
Less - discount	<u>(223,858)</u>	-	<u>(223,858)</u>
Totals	\$ <u>8,761,142</u>	\$ <u>7,398,944</u>	\$ <u>16,160,086</u>

City of Lynwood 2012 Series Measure R Sales Tax Revenue Certificates			
Year ending June 30,	Principal	Interest	Total
2016	\$ 180,000	\$ 210,806	\$ 390,806
2017	190,000	203,606	393,606
2018	195,000	196,006	391,006
2019	205,000	188,206	393,206
2020	210,000	184,619	394,619
2021-2025	1,160,000	801,644	1,961,644
2026-2030	1,345,000	622,631	1,967,631
2031-2035	1,570,000	402,231	1,972,231
2036-2039	1,450,000	124,369	1,574,369
Totals	\$ <u>6,505,000</u>	\$ <u>2,934,119</u>	\$ <u>9,439,119</u>

CEC Loan			
Year ending June 30,	Principal	Interest	Total
2016	\$ 40,718	\$ 2,891	\$ 43,609
2017	42,350	1,260	43,610
Totals	\$ <u>83,068</u>	\$ <u>4,151</u>	\$ <u>87,219</u>

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

Business-type Long-term Debt Amortization

The schedules of annual requirements to amortize all business-type long-term debt outstanding as of June 30, 2015 including interest are as follows:

Total Long-term Debt			
Year ending June 30,	Principal	Interest	Total
2016	\$ 505,000	\$ 902,233	\$ 1,407,233
2017	530,000	879,949	1,409,949
2018	555,000	856,289	1,411,289
2019	570,000	831,472	1,401,472
2020	600,000	807,499	1,407,499
2021-2025	4,985,000	3,523,528	8,508,528
2026-2030	5,960,000	2,193,857	8,153,857
2031-2035	3,825,000	1,003,845	4,828,845
2036-2039	1,725,000	188,663	1,913,663
Less - discount	(111,185)	-	(111,185)
Totals	\$ 19,143,815	\$ 11,187,333	\$ 30,331,148

2008 Enterprise Revenue Bonds			
Year ending June 30,	Principal	Interest	Total
2016	\$ 210,000	\$ 428,631	\$ 638,631
2017	220,000	418,131	638,131
2018	235,000	407,131	642,131
2019	240,000	395,381	635,381
2020	255,000	384,881	639,881
2021-2025	1,450,000	1,741,838	3,191,838
2026-2030	1,825,000	1,362,400	3,187,400
2031-2035	2,350,000	848,350	3,198,350
2035-2038	1,725,000	188,663	1,913,663
Less - discount	(38,972)	-	(38,972)
Totals	\$ 8,471,028	\$ 6,175,406	\$ 14,646,434

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

Business-type Long-term Debt Amortization

2009 Enterprise Revenue Bonds			
Year ending June 30,	Principal	Interest	Total
2016	\$ 105,000	\$ 255,125	\$ 360,125
2017	110,000	251,188	361,188
2018	115,000	246,788	361,788
2019	120,000	242,188	362,188
2020	125,000	237,388	362,388
2021-2025	2,285,000	1,000,088	3,285,088
2026-2029	2,595,000	330,488	2,925,488
Less - discount	<u>(72,213)</u>	-	<u>(72,213)</u>
Totals	<u>\$ 5,382,787</u>	<u>\$ 2,563,250</u>	<u>\$ 7,946,037</u>

2014 Enterprise Revenue Bonds			
Year ending June 30,	Principal	Interest	Total
2016	\$ 190,000	\$ 218,477	\$ 408,477
2017	200,000	210,630	410,630
2018	205,000	202,370	407,370
2019	210,000	193,904	403,904
2020	220,000	185,231	405,231
2021-2025	1,250,000	781,603	2,031,603
2026-2030	1,540,000	500,969	2,040,969
2031-2035	<u>1,475,000</u>	<u>155,495</u>	<u>1,630,495</u>
Totals	<u>\$ 5,290,000</u>	<u>\$ 2,448,677</u>	<u>\$ 7,738,677</u>

NOTE 9 DEFINED BENEFIT PENSION PLAN

Plan Description

The City contributes to two single-employer defined benefit pension plans: Employees Retirement Plan (Miscellaneous Plan) and Fire Retirement Plan (Safety Plan). Each plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. The Miscellaneous Plan is part of the Public Agency portion of the California Public Employees Retirement System (CalPERS), an agent multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for the participating public employers within the State of California. Benefit provisions under the Plan are established by State statute and City resolution.

NOTE 9 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Plan Description (continued)

Effective November 1, 2000, the City's fire department was transferred to Los Angeles County (County). As a result, certain safety members (employees of the fire department) of CalPERS have ceased to be employed by the fire department of the City and have been employed by the County, and upon such transfer, these safety members have become members of Los Angeles County Employees Retirement Association (LACERA). This transfer did not apply to safety members who have retired on or before the effective date of the transfer. Those retirees will continue to receive their pension benefits from the City's Safety Plan with CalPERS.

The City of Lynwood's Safety Plan is currently part of the CalPERS Inactive Agency Risk Pool, a cost-sharing multiple-employer defined benefit plan.

Benefits Provided

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

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

	Miscellaneous	
	Prior to 1-Jan-13	On or after 1-Jan-13
Hire date		
Benefit formula	2.0% @ 55	2% @ 60
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	52 - 67
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	1.0% to 2.5%
Required employee contribution rates	7%	7%
Required employer contribution rates	23.69%	23.69%

NOTE 9 DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

	Safety	
	Prior to 1-Jan-13	On or after 1-Jan-13
Hire date	2% @ 50	2.7% @ 57
Benefit formula	5 years service	5 years service
Benefit vesting schedule	monthly for life	monthly for life
Benefit payments	50	50-57
Retirement age	3%	2.0% to 2.7%
Monthly benefits, as a % of eligible compensation	0%	0%
Required employee contribution rates	0%	0%
Required employer contribution rates	0%	0%

Employees Covered

At June 30, 2015, the following employees were covered by the benefit terms of the Plans:

	Miscellaneous	Safety
Inactive employees or beneficiaries currently receiving benefits	210	125
Inactive employees entitled to but not yet receiving benefits	190	8
Active employees	140	-
Total	540	133

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

Net Pension Liability

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

NOTE 9 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Actuarial Assumptions

The total pension liability in the June 30, 2013 actuarial valuations was determined using the following actuarial assumptions:

	Miscellaneous	Safety
Valuation Date	30-Jun-13	30-Jun-13
Measurement Date	30-Jun-14	30-Jun-14
Actuarial Cost Method	Entry-Age Normal Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:		
Discount Rate	7.50%	7.50%
Inflation	2.75%	2.75%
Payroll Growth	3.00%	3.00%
Projected Salary Increase	3.3% - 14.2% (1)	3.3% - 14.2% (1)
Investment Rate of Return	7.5% (2)	7.5% (2)
Mortality	(3)	(3)

(1) Varies by entry age and service

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

(3) Derived using CalPERS' Membership Data for all funds

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

Discount Rate

The discount rate used to measure the total pension liability was 7.50% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.50 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

NOTE 9 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Discount Rate (Continued)

According to Paragraph 30 of Statement No. 68, the long-term discount rate should be determined without reduction for pension plan administrative expenses. The 7.50% investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65%. Using this lower discount rate has resulted in a slightly higher Total Pension Liability and Net Pension Liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference.

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

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

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

NOTE 9 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Asset Class	New		
	Strategic Allocation	Real Return Years 1 - 10(a)	Real Return Years 11+(b)
Global Equity	47.00%	5.25%	5.71%
Global Fixed Income	19.00%	0.99%	2.43%
Inflation Sensitive	6.00%	0.45%	3.36%
Private Equity	12.00%	6.83%	6.95%
Real Estate	11.00%	4.50%	5.13%
Infrastructure and Forestland	3.00%	4.50%	5.09%
Liquidity	2.00%	-0.55%	-1.05%
Total	<u>100%</u>		

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

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

Changes in the Net Pension Liability

The following table shows the changes in net pension liability over the measurement period:

	Miscellaneous Plan		
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance, June 30, 2013	\$ 80,878,575	\$ 54,719,644	\$ 26,158,931
Changes recognized for the			
Service cost	1,448,697	-	1,448,697
Interest on the total pension liability	5,995,447	-	5,995,447
Contributions from the employer	-	1,823,737	(1,823,737)
Contributions from the employee	-	601,654	(601,654)
Net investment income	-	9,381,042	(9,381,042)
Benefit payments, including refunds of employee contributions	(3,327,245)	(3,327,245)	-
Net changes during 2013-2014	<u>4,116,899</u>	<u>8,479,188</u>	<u>(4,362,289)</u>
Balance, June 30, 2014	<u>\$ 84,995,474</u>	<u>\$ 63,198,832</u>	<u>\$ 21,796,642</u>

NOTE 9 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Changes in the Net Pension Liability (continued)

	Safety Plan		
	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability (Asset)</u>
Balance, June 30, 2013	\$ 24,162,633	\$ 17,397,710	\$ 6,764,923
Changes recognized for the			
Service cost	-	-	-
Interest on the total pension liability	1,789,066	-	1,789,066
Differences in proportions	-	(342,644)	342,644
Differences in actual and proportionate share in contributions		(360,449)	360,449
Contributions from the employer	-	927,126	(927,126)
Contributions from the employee	-	(1,408)	1,408
Net investment income	-	3,012,507	(3,012,507)
Benefit payments, including refunds of employee contributions	(616,831)	(616,831)	-
Net changes during 2013-2014	<u>1,172,235</u>	<u>2,618,301</u>	<u>(1,446,066)</u>
Balance, June 30, 2014	<u>\$ 25,334,868</u>	<u>\$ 20,016,011</u>	<u>\$ 5,318,857</u>

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

The following presents the net pension liability of the City, calculated using the discount rate as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	Miscellaneous	
	<u>Plan</u>	<u>Safety Plan</u>
1% Decrease	6.50%	6.50%
Net Pension Liability	\$ 33,698,667	\$ 8,712,400
Current Discount Rate	7.50%	7.50%
Net Pension Liability	\$ 21,796,642	\$ 5,318,857
1% Increase	8.50%	8.50%
Net Pension Liability	\$ 11,993,668	\$ 2,522,725

NOTE 9 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Plan Fiduciary Net Position

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

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

For the year ended June 30, 2015, the City recognized pension expense of \$2,085,884. At June 30, 2015, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Miscellaneous Plan		Safety Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 1,736,338	\$ -	\$ 238,588	\$ -
Difference between actual and proportionate share in contributions	-	-	265,594	-
Differences in proportions	-	-	252,475	-
Net differences between projected and actual earnings on plan investments	-	(4,282,198)	-	(1,379,246)
Total	\$ 1,736,338	\$ (4,282,198)	\$ 518,069	\$ (1,379,246)

Pension contribution made subsequent to measurement date amounting to \$1,736,338 and \$238,588 for Miscellaneous and Safety plan, respectively, were reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2016.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	Amount
2016	\$ (1,230,336)
2017	(1,230,336)
2018	(1,267,341)
2019	(1,415,362)
Thereafter	-

NOTE 9 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Payable to the Pension Plan

At June 30, 2015, the City did not have any outstanding amount of contributions to the pension plan required for the year ended June 30, 2015.

Allocation to Proprietary Funds

The City allocated net pension liability and other pension items to Water and Sewer Enterprise Funds based upon the enterprise funds' proportionate share of the total pension contribution during the fiscal year ended June 30, 2015.

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS

In addition to the retirement plan described in Note 9, the City provides healthcare and life insurance benefits, in accordance with memorandum of understandings, to eligible retired employees. As of June 30, 2015, there is no separate audited financial report available for the said plan.

Eligible participants to the plan at June 30, 2013, the date of the latest actuarial valuation are:

Retirees receiving benefits	103
Active/full-time employees	<u>153</u>
	<u>256</u>

The following table shows the components of the City's annual Other Postemployment Benefits (OPEB) cost for the year (based on 30-year amortization period), the amount of contribution and benefits and/or insurance premiums actually paid and the City's Net OPEB obligation as of June 30, 2015:

	<u>Amount</u>
Annual required contribution	\$ 2,106,000
Interest on net OPEB obligation	458,000
Adjustment to annual required contribution	<u>(801,000)</u>
Annual OPEB cost (expense)	1,763,000
Contributions and benefit payments	<u>(1,251,634)</u>
Increase in net OPEB obligation	511,366
Net OPEB obligation - beginning of year	<u>8,194,297</u>
Net OPEB obligation - end of year	<u>\$ 8,705,663</u>

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

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Projections of benefits are based on the substantive plan (the plan as understood by the employer and plan members) and include the type of benefits in force at the valuation date and the pattern of sharing benefit costs between the City and the plan members at that point. Actuarial calculations reflect a long-term perspective and employ methods and assumptions that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

In the June 30, 2013 actuarial valuation, the entry age normal actuarial cost method was used to value liabilities. Wherever normal cost is stated, this cost method is assumed. The actuarial assumptions included a 7.25% discount rate, an annual non-Medicare eligible medical cost trend rate for 2015 of 8.0% and 2016 of 7.5% decreasing to 5.0% on year 2021, a 3% general inflation rate, and a 3.25% aggregate payroll increase. The UAAL is being amortized as a level percentage of projected payroll over 30 years on a closed group basis.

Trend information for annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation is as follows:

Three-Year Trend Information - OPEB

Fiscal Year Ended	Annual Pension Cost (APC)	Annual Contribution	Percentage of APC contributed	Net Pension Obligation
6/30/2009	\$ 2,482,000	\$ 508,403	20%	\$ 2,482,000
6/30/2010	2,551,076	449,092	18%	4,075,581
6/30/2011	2,614,456	449,092	17%	5,721,861

The City joined and contributed to CalPERS California Employers' Retiree Benefit Trust (CERBT) Fund. Based on the latest Actuarial Study of the Plan as of June 30, 2013, the Actuarial Accrued Liability (UAAL) was \$20 million while the actuarial value of plan assets was \$823 thousand.

The funded status of the plan as of June 30, 2013, the plan's most recent actuarial valuation date, was:

Actuarial Accrued Liability (AAL)	\$ 20,125,000
Actuarial Value of Assets	<u>823,000</u>
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$ 19,302,000</u>
Funded Ratio	<u>4%</u>
Covered Payroll	<u>\$ 7,472,000</u>
UAAL as a % of Payroll	<u>258%</u>
Normal Cost	<u>\$ 774,000</u>

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

As of June 30, 2015, the Plan assets have a market value of \$2,416,563.

Actual valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The required schedule of funding progress presented as required supplementary information provides multiyear trend information that shows whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

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

NOTE 11 FUND BALANCES AND NET POSITION

Fund Balances

Fund balances at June 30, 2015, consisted of the following:

	General	HUD Home Program Special Revenue	Prop C Special Revenue	Housing Authority Special Revenue	Other Governmental Funds	Total
Nonspendable						
Land held for resale	\$ -	\$ 497,694	\$ -	\$ 850,630	\$ -	\$ 1,348,324
Restricted						
Community services	-	-	-	26,529	10,744,563	10,771,092
Retirement	-	-	-	-	1,594,291	1,594,291
Public works projects	-	-	5,900,546	-	8,943,098	14,843,644
Debt service	-	-	-	-	1,549,981	1,549,981
Subtotal	<u>-</u>	<u>-</u>	<u>5,900,546</u>	<u>26,529</u>	<u>22,831,933</u>	<u>28,759,008</u>
Unassigned	<u>4,543,523</u>	<u>(118,497)</u>	<u>-</u>	<u>-</u>	<u>(1,771,597)</u>	<u>2,653,429</u>
Total fund balances	<u>\$ 4,543,523</u>	<u>\$ 379,197</u>	<u>\$ 5,900,546</u>	<u>\$ 877,159</u>	<u>\$ 21,060,336</u>	<u>\$ 32,760,761</u>

Net Position

Net investment in capital assets - This represents the City's total investment in capital assets, net of outstanding debt obligations related to those capital assets.

Restricted net position - Restricted net position include resources in which the City is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties or by enabling legislation adopted by the City.

NOTE 11 FUND BALANCES AND NET POSITION (CONTINUED)

Included in restricted net position are those which are restricted due to enabling legislation. The total amount of restricted net position due to enabling retirement legislation is \$1,448,206.

Unrestricted net position - Unrestricted net position represents resources available to be used for transactions relating to the general operations of the City, and may be used at the discretion of the governing board, as designated, to meet current expenses for specific future purposes.

NOTE 12 RISK MANAGEMENT

The City is a member of Independent Cities Risk Management Authority (ICRMA). The ICRMA was established in 1980 to provide excess insurance coverage, risk management and self-insurance services for California cities. ICRMA is a Joint Powers Authority JPA directed by a Governing Board consisting of one representative from each Member City. ICRMA offers members excess liability, excess workers' compensation, property and special events coverage. Currently there are twenty-two member cities. ICRMA maintains a management services agreement with Bickmore Risk Services to provide staff services to the Authority.

Liability Program

ICRMA provides coverage on an occurrence basis to Members of the Liability Program between the Members' Self-Insured Retentions (SIR's) and \$2 million. The City of Lynwood currently has a SIR of \$200,000. Members pay an annual premium consisting of two components:

- risk premium - to fund losses as estimated by ICRMA's independent actuary and to fund the cost of reinsurance
- administrative premium - to pay management and operations costs

The combination of self-funding and the ability to attract reinsurance provides ICRMA Members with affordable and broad coverage in all stages of the commercial insurance market. The Liability Program Bylaws set forth claims handling and risk management guidelines and other program terms and conditions. Currently, coverage is provided as noted below:

	ICRMA	Reinsurer
Public Officials Errors & Omissions Liability	\$2,000,000 each occurrence*	\$18,000,000 each occurrence & annual aggregate excess of ICRMA
Employment Practices Liability	\$2,000,000 each occurrence*	\$18,000,000 each occurrence & annual aggregate excess of ICRMA
Other Liability	\$2,000,000 each occurrence*	\$18,000,000 each occurrence excess of ICRMA

*Less City of Lynwood's Self Insured Retention of \$200,000 each occurrence

NOTE 12 RISK MANAGEMENT (CONTINUED)

Workers' Compensation Program

The Workers' Compensation Program combines self-funding and group purchased excess insurance. Sixteen ICRMA Members participate in this program. Members gain lower costs by combining to purchase excess coverage as one large entity and they gain cost stability by joining together to fund losses between the Members' SIRs and the excess insurance attachment point.

Currently, the ICRMA Workers' Compensation program covers the difference between the City's \$500,000 SIR and \$5 million each accident. Commercial excess insurance attaches above the ICRMA \$5 million limit and extends to \$100 million each accident.

Members pay an annual premium consisting of two components:

- risk premium - to fund losses as estimated by ICRMA's independent actuary and to fund the cost of excess insurance.
- administrative premium - to pay management and operations costs.

All Risk Property Program

The City of Lynwood participates in the Property Insurance Program including earthquake and flood insurance. The property coverage limit is \$125 million with a \$10,000 per loss deductible for perils other than flood and earthquake. The deductible for flood caused by Named Storms is 5% of insured values, \$1 million minimum and \$100,000 for other floods. The deductible for earthquake is 5% of insured value per location, minimum \$100,000. Due to the cost of earthquake insurance, the City only covers essential buildings for this insurance. Premiums for these policies are paid annually and are not subject to retroactive adjustments.

While the ultimate amount of losses incurred through June 30, 2015 are dependent on future developments, based upon information from the City Attorney, outside counsel, third party administrators, and others involved with the administration of the programs, management believes that the designation is adequate to cover such losses. Costs relating to the litigation of claims are expensed as incurred. Losses for claims incurred but not reported are recorded when the probable amount of loss can be reasonably estimated.

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

	<u>Workers'</u> <u>Compensation</u>	<u>General</u> <u>Liability</u>	<u>Total</u>
Claims and judgments at July 1, 2014	\$ 1,458,894	\$ 605,414	\$ 2,064,308
Claims incurred and changes in estimates	820,643	748,228	1,568,871
Claims payment	<u>(751,232)</u>	<u>(341,511)</u>	<u>(1,092,743)</u>
Claims and judgments at June 30, 2015	<u>\$ 1,528,305</u>	<u>\$ 1,012,131</u>	<u>\$ 2,540,436</u>

NOTE 12 RISK MANAGEMENT (CONTINUED)

As of June 30, 2015 the unpaid workers' compensation claims in the amount of \$1,528,305 was reported in the Self-Insurance Internal Service Fund. The unpaid general liability claims in the amount of \$1,012,131 are reported as long-term debt in the City's governmental activities.

The City purchases fidelity coverage for its key officials in the amounts of \$10,000 to \$50,000 with no deductible. Premiums for these policies are paid annually and are not subject to retroactive adjustments.

During the past three fiscal (claim) years, none of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage.

There have been no significant reductions in pooled or insured liability coverage from the prior year.

NOTE 13 DEFERRED COMPENSATION PLANS

The City offers a deferred compensation plan (Plan), created in accordance with the Internal Revenue Code Section 457, to its employees. Amounts deferred may not be paid to the employee during employment with the City, except for a catastrophic circumstance creating an undue financial hardship for the employee. The Plan is administered by an independent financial institution that has fiduciary responsibilities over the Plan assets. Consistent with the amended IRC Section 457, which took effect on January 1, 1997, and GASB Statement No. 32, the City no longer reports the Plan assets and liabilities on its financial statements.

NOTE 14 COMMITMENTS AND CONTINGENCIES

There are other claims against the former Lynwood Redevelopment Agency which have been denied and referred to the Lynwood Redevelopment Agency's insurance carrier. The Successor Agency believes that none of these claims will exceed insurance coverage.

Under the terms of federal, county, and state grants, periodic audits are required and certain costs may be questioned as not appropriate expenditures under the terms of the grants. Such audits could lead to reimbursements to the grantor agencies. If expenditures were disallowed, the City believes such disallowances, if any, would be immaterial.

The City is a defendant in certain legal claims and actions arising from the normal course of operations. In the opinion of management and legal counsel, such claims and actions will not have a material adverse effect on the City's financial position.

NOTE 15 DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

Pursuant to GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position" and GASB Statement No. 65, "Items Previously Reported as Assets and Liabilities," the City recognized deferred outflows of resources in the City's financial statements. The deferred outflow of resources pertains to the unamortized loss on defeasance of debt. This deferred outflow of resources is recognized as a component of interest expense in a systematic and rational manner over the remaining life of the old debt or the life of the new debt, whichever is shorter.

	Governmental Activities Balance at June 30, 2015	Business-type Activities Balance at June 30, 2015
Deferred outflows of resources:		
Unamortized loss on defeasance of debt	\$ 384,921	\$ 193,046

The deferred inflow of resources pertains to unavailable revenues which represent receivables that are long-term or were not received within the availability period.

	Governmental Activities Balance at June 30, 2015
Deferred inflow of resources:	
Unavailable Revenue - Receivables that were not received within the availability period and were not recognized as revenues	\$ 3,843,137

Refer to Note 9 for deferred outflows and deferred inflows of resources related to pensions.

NOTE 16 SUCCESSOR AGENCY TRUST FOR ASSETS OF THE DISSOLVED LYNWOOD REDEVELOPMENT AGENCY

The accompanying financial statements also include the Private-Purpose Trust Fund for the Successor Agency to the City's former Redevelopment Agency (Successor Agency). The City, as the Successor Agency, serves in a fiduciary capacity, as custodian for the assets and to wind down the affairs of the former Redevelopment Agency. Its assets are held in trust for the benefit of the taxing entities within the former Redevelopment Agency's boundaries and as such, are not available for the use of the City.

Disclosure of Successor Agency Debts

Details of the Successor Agency's long-term debt as of June 30, 2015 follow:

	Balance			Balance	Due Within
	June 30, 2014	Additions	Repayments	June 30, 2015	One Year
2011 Tax Allocation Bonds Series A	\$ 17,755,000	\$ -	\$ (435,000)	\$ 17,320,000	\$ 450,000
2011 Tax Allocation Bonds Series B	5,335,000	-	(130,000)	5,205,000	140,000
2013 Tax Allocation Bonds Project Area A	9,785,000	-	(595,000)	9,190,000	470,000
2013 Tax Allocation Bonds Alameda	810,000	-	(75,000)	735,000	60,000
Net premium (discount) on bonds	37,915	-	(17,656)	20,259	-
Total	\$ 33,722,915	\$ -	\$ (1,252,656)	\$ 32,470,259	\$ 1,120,000

2011 Taxable Tax Allocation Bonds

On March 7, 2011, the former Lynwood Redevelopment Agency issued Tax Allocation Bonds Series A in the amount of \$18,480,000 and Tax Allocation Bonds Series B in the amount of \$5,660,000. For Series A, the interest rates vary from 6.75% to 7.25% and for Series B, the interest rates vary from 9% to 9.5%.

The primary purpose of the issuance of the 2011 Tax Allocation Bonds is to finance redevelopment activities within or of benefit to the Agency and finance low and moderate income housing projects throughout the geographic boundaries of the City of benefit to the Agency's redevelopment project areas. The principal balance outstanding as of June 30, 2015, including unamortized discount of \$431,312, is \$22,093,688. Future debt service principal and interest payments on the 2011 Tax Allocation Bonds are as follows:

NOTE 16 SUCCESSOR AGENCY TRUST FOR ASSETS OF THE DISSOLVED LYNWOOD REDEVELOPMENT AGENCY (CONTINUED)

2011 Tax Allocation Bonds Series A			
Year ending June 30,	Principal	Interest	Total
2016	\$ 450,000	\$ 1,141,400	\$ 1,591,400
2017	465,000	1,119,650	1,584,650
2018	490,000	1,095,775	1,585,775
2019	515,000	1,069,363	1,584,363
2020	540,000	1,039,675	1,579,675
2021-2025	3,435,000	4,624,138	8,059,138
2026-2030	4,910,000	3,271,100	8,181,100
2031-2035	4,700,000	1,190,631	5,890,631
2036-2039	1,815,000	275,319	2,090,319
Less - discount	(272,754)	-	(272,754)
Totals	\$ 17,047,246	\$ 14,827,050	\$ 31,874,296

2011 Tax Allocation Bonds Series B			
Year ending June 30,	Principal	Interest	Total
2016	\$ 140,000	\$ 451,425	\$ 591,425
2017	145,000	442,869	587,869
2018	155,000	433,106	588,106
2019	165,000	421,894	586,894
2020	175,000	409,350	584,350
2021-2025	1,115,000	1,796,675	2,911,675
2026-2030	1,435,000	1,217,156	2,652,156
2031-2035	1,280,000	481,100	1,761,100
2036-2039	595,000	119,463	714,463
Discount	(158,558)	-	(158,558)
Totals	\$ 5,046,442	\$ 5,773,038	\$ 10,819,480

2013A Tax Allocation Bonds (Project Area A)

On December 24, 2013, the Successor Agency of the former Lynwood Redevelopment Agency issued \$9,785,000 of Tax Allocation Refunding Bonds (Project Area A), Series 2013A, to advance refund \$9,840,000 of the outstanding 1999 Tax Allocation Bonds Series A, and to pay the cost of issuing the bonds. Principal installments are due annually ranging in amounts from \$470,000 to \$880,000 plus interest at 4.0% to 5.0% through September 1, 2028. The interest and principal of the bonds are payable from pledged tax increment revenues of the Redevelopment Property Tax Fund (RPTF).

Of the Series 2013A proceeds, \$10,129,688 were used to purchase U.S. Government securities to refund in full the 1999 Tax Allocation Bonds Series A. Those securities were placed in an irrevocable trust with an escrow agent to provide for all future debt service payments on the entire balance of the 1999 Tax Allocation Bonds Series A in the amount of \$9,840,000. As a result, the entire 1999 Tax Allocation Bonds Series A, are considered to be defeased and the liability has been removed from the Statement of Fiduciary Net Position in the accompanying financial statements.

NOTE 16 SUCCESSOR AGENCY TRUST FOR ASSETS OF THE DISSOLVED LYNWOOD REDEVELOPMENT AGENCY (CONTINUED)

The advance refunding resulted in an economic gain (difference between the present value of the debt service payments on the new and old debt) of \$1,008,941 and a reduction of total debt service payments of \$1,409,794.

The principal balance outstanding as of June 30, 2015, including unamortized premium of \$445,621, is \$9,635,621. Future debt service principal and interest payments on the 2013 Tax Allocation Bonds Project Area A are as follows:

2013 Tax Allocation Bonds Project Area A			
Year ending June 30,	Principal	Interest	Total
2016	\$ 470,000	\$ 427,394	\$ 897,394
2017	490,000	405,744	895,744
2018	515,000	380,619	895,619
2019	540,000	354,244	894,244
2020	570,000	326,494	896,494
2021-2025	3,330,000	1,165,369	4,495,369
2026-2030	3,275,000	326,803	3,601,803
Premium	445,621	-	445,621
Totals	\$ 9,635,621	\$ 3,386,666	\$ 13,022,287

2013A Tax Allocation Bonds Alameda Project Area

On December 24, 2013, the Successor Agency of the former Lynwood Redevelopment Agency issued \$810,000 Tax Allocation Refunding Bonds - Alameda Project Area, Series 2013A, to advance refund \$820,000 of the outstanding 1999 Tax Allocation Bonds Alameda Project Area, and to pay the cost of issuing the bonds. Principal installments are due annually ranging in amounts from \$60,000 to \$85,000 plus interest at 2.0% to 4.125% through September 1, 2024. The interest and principal of the bonds are payable from pledged tax increment revenues of the Redevelopment Property Tax Fund (RPTF).

Of the Series 2013A proceeds, \$845,830 were used to purchase U.S. Government securities to refund in full the 1999 Tax Allocation Bonds Alameda Project Area. Those securities were placed in an irrevocable trust with an escrow agent to provide for all future debt service payments on the entire balance of the 1999 Tax Allocation Bonds Alameda Project Area in the amount of \$820,000. As a result, the entire 1999 Tax Allocation Bonds Alameda Project Area, are considered to be defeased and the liability for has been removed from the Statement of Fiduciary Net Position in the accompanying financial statements.

The advance refunding resulted in an economic gain (difference between the present value of the debt service payments on the new and old debt) of \$43,260 and a reduction of total debt service payments of \$182,457.

NOTE 16 SUCCESSOR AGENCY TRUST FOR ASSETS OF THE DISSOLVED LYNWOOD REDEVELOPMENT AGENCY (CONTINUED)

The principal balance outstanding as of June 30, 2015, including unamortized premium of \$5,949, is \$740,949. Future debt service principal and interest payments on the 2013A Tax Allocation Bonds Alameda Project Area are as follows:

2013A Tax Allocation Bonds Alameda Project Area			
Year ending June 30,	Principal	Interest	Total
2016	\$ 60,000	23,838	\$ 83,838
2017	65,000	21,963	86,963
2018	70,000	19,938	89,938
2019	70,000	17,838	87,838
2020	75,000	15,663	90,663
2021-2025	395,000	40,025	435,025
Premium	5,949	-	5,949
	\$ 740,949	\$ 139,263	\$ 880,212

Disclosure of Successor Agency’s Commitments and Contingencies

Set forth below are commitments and contingencies pertaining to the former Lynwood Redevelopment Agency, which have been assumed by the Successor Agency.

Multi-Family Housing Project: Park Place

On March 15, 2011, the Agency approved the First Amendment to the Amended Restated Disposition and Development Agreement which provided additional funds to the Park Place project. The total amount of Agency funds is in the form of a development loan in the amount of \$10,956,150. The loan is equal to the value of the site, the “purchase price” for the land (\$7,060,000), and \$3,000,000 from the Agency’s Taxable Tax Allocation Bonds proceeds and Agency reserve funds to cover closing costs, and the interest on the Agency’s loan (\$896,150), which shall be repaid from the residual receipts over the 55 year affordability period. The project also received \$191,711 from HOME funds. The Agency loan bears a 3% simple interest rate per annum and shall have a term commencing upon closing and ending fifty-five years from the issuance of the final Certificate of Completion for the Project. The 99 apartment units is located at the northwest side of Atlantic Avenue and Carlin Avenue and will include a community center, computer lab, child care facility, several tot lots, landscaped gardens and a swimming pool and spa area. The project was completed and Certificate of Completion was received on January 6, 2014.

NOTE 16 SUCCESSOR AGENCY TRUST FOR ASSETS OF THE DISSOLVED LYNWOOD REDEVELOPMENT AGENCY (CONTINUED)

Disclosure of Successor Agency's Commitments and Contingencies (continued)

Others

In prior years, a Los Angeles Superior Court trial court ordered the former Lynwood Redevelopment Agency to pay for plaintiffs' attorneys' fees and costs in the sum of approximately \$600,000 in connection with a case settled in March 2009. The plaintiffs appealed that order and filed their opening brief in the Court of Appeals requesting a higher amount. The Lynwood Redevelopment Agency filed a respondent's brief in October 2010. In May 2011, the Court of Appeals issued an opinion reversing the award of attorney fees and remanding the matter to the superior court to re-determine the amount of the attorney fees awarded. Activity transpired in the Los Angeles trial court at the time of redevelopment dissolution between June 28, 2011 and February 1, 2012 continuing liability on the former Lynwood Redevelopment Agency. After February 1, 2012, in the redevelopment dissolution process under AB X1 26, payment for the plaintiffs' attorneys' fees and costs were denied by the California Department of Finance. In connection with that denial for payment, plaintiffs filed a petition for writ of mandate on November 14, 2014 in the Sacramento Superior Court as Case No. 34-2014-80001977. The City of Lynwood, as the Successor to the Lynwood Redevelopment Agency, and Lynwood Housing Authority, as housing successor to the Lynwood Redevelopment Agency filed a statement of no position in the Sacramento case on December 22, 2014. The plaintiffs stipulated with the County of Los Angeles Auditor-Controller and State of California Department of Finance to continue the hearing on the plaintiffs' writ petition to February 26, 2015.

NOTE 17 PRIOR PERIOD ADJUSTMENTS AND IMPLEMENTATION OF NEW ACCOUNTING STANDARDS

Fund Financial Statements

The beginning fund balance of the Self-Insurance Internal Service fund has been restated to properly report contributions made to OPEB in prior years.

	Self-Insurance Internal Service Fund
Net position (deficit) beginning of year, as previously reported	\$ (380,924)
Adjustment:	
Adjustment to properly report irrevocable contribution to OPEB	(1,860,444)
Net position (deficit) beginning of year, as restated	\$ (2,241,368)

Government-Wide Statements

The beginning balance of net position of governmental activities in the government-wide Statement of Activities has been restated to reflect the adjustment above.

Moreover, the beginning balance of net position of governmental and business-type activities in the government-wide Statement of Activities has been restated to retroactively report the net pension liability as of the beginning of the fiscal year as a result of implementing GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The City made adjustments for these items as a cumulative effect of change in accounting principle in the current fiscal year. This resulted in a decrease in the beginning balance of net position by \$30,172,992.

	Government-wide Statement of Activities	
	Governmental Activities	Business-type Activities
Net position, beginning of year, as previously reported	\$ 134,415,803	\$ 12,173,220
Prior period adjustments:		
Adjustment to properly report irrevocable contribution to OPEB	(1,860,444)	-
Adjustment of record retroactive effect of implementing GASB Statement No. 68	(25,308,386)	(4,864,606)
Net position, beginning of year, as restated	\$ 107,246,973	\$ 7,308,614

**NOTE 17 PRIOR PERIOD ADJUSTMENTS AND IMPLEMENTATION OF NEW
ACCOUNTING STANDARDS (CONTINUED)**

Fiduciary Funds

A prior period adjustment of \$462 thousand was made to decrease the beginning net position (deficit) of the Successor Agency Private-Purpose Trust Fund. The adjustment was made to remove the prior period cost of a property that was transferred to a developer in the prior year.

**NOTE 18 GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) STATEMENTS
ISSUED, NOT YET EFFECTIVE**

The Governmental Accounting Standards Board (GASB) has issued several pronouncements prior to June 30, 2015, that have effective dates that may impact future financial presentations. Management has not yet determined any impact the implementation of the following statements may have on the financial statements of the City.

GASB No. 72 - Fair Value Measurement and Application. The requirements of this Statement will enhance comparability of financial statements among governments by requiring measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and accepted valuation techniques. This Statement also will enhance fair value application guidance and related disclosures in order to provide information to financial statement users about the impact of fair value measurements on a government's financial position. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2015.

**NOTE 18 GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) STATEMENTS
ISSUED, NOT YET EFFECTIVE**

GASB No. 73 - Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68. The requirements of this Statement will improve financial reporting by establishing a single framework for the presentation of information about pensions, which will enhance the comparability of pension-related information reported by employers and nonemployer contributing entities. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2016.

GASB No. 74 - Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans. The requirements of this Statement will improve financial reporting primarily through enhanced note disclosures and schedules of required supplementary information that will be presented by OPEB plans that are administered through trusts that meet the specified criteria. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2016.

GASB No. 75 - Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. The requirements of this Statement will improve the decision-usefulness of information in employer and governmental nonemployer contributing entity financial reports and will enhance its value for assessing accountability and interperiod equity by requiring recognition of the entire OPEB liability and a more comprehensive measure of OPEB expense. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2017.

GASB No. 76 - The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments. The requirements in this Statement improve financial reporting by (1) raising the category of GASB Implementation Guides in the GAAP hierarchy, thus providing the opportunity for broader public input on implementation guidance; (2) emphasizing the importance of analogies to authoritative literature when the accounting treatment for an event is not specified in authoritative GAAP; and (3) requiring the consideration of consistency with the GASB Concepts Statements when evaluating accounting treatments specified in nonauthoritative literature. The provisions of this Statement are effective for financial statements for periods beginning after June 15, 2015.

GASB No. 77 - Tax Abatement Disclosures. The requirements of this Statement improve financial reporting by giving users of financial statements essential information that is not consistently or comprehensively reported to the public at present. Disclosure of information about the nature and magnitude of tax abatements will make these transactions more transparent to financial statement users. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2015.

NOTE 19 SUBSEQUENT EVENTS

The City has evaluated events subsequent to June 30, 2015 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through December 23, 2015, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that no other subsequent events occurred that require recognition or additional disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

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City of Lynwood
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual
General Fund
Year ended June 30, 2015

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Revenues				
Taxes and assessments	\$ 18,318,289	\$ 18,318,289	\$ 18,651,768	\$ 333,479
Licenses and permits	1,267,950	1,267,950	1,371,384	103,434
Fines, forfeitures and penalties	1,580,000	1,580,000	1,399,482	(180,518)
Use of money and property	313,000	313,000	272,504	(40,496)
Intergovernmental	89,973	89,973	322,658	232,685
Charges for services	843,559	843,559	1,121,100	277,541
Administrative support	1,118,246	1,118,246	1,118,246	-
Miscellaneous	151,900	151,900	710,415	558,515
Total revenues	<u>23,682,917</u>	<u>23,682,917</u>	<u>24,967,557</u>	<u>1,284,640</u>
Expenditures				
Current:				
General government				
City Council	271,414	272,530	222,865	49,665
City Clerk	329,387	301,820	240,667	61,153
City Treasurer	190,967	190,967	175,989	14,978
City Manager	638,201	876,867	821,703	55,164
Finance & Administration	955,467	1,031,972	1,002,924	29,048
Human Resources	333,470	673,269	620,380	52,889
Development Services	629,397	562,017	566,676	(4,659)
Total general government	<u>3,348,303</u>	<u>3,909,442</u>	<u>3,651,204</u>	<u>258,238</u>
Public safety				
Police and Fire	15,078,450	15,120,450	14,961,980	158,470
Development Services	431,385	431,138	391,126	40,012
Public Relations	1,523,552	1,629,517	1,507,580	121,937
Total public safety	<u>17,033,387</u>	<u>17,181,105</u>	<u>16,860,686</u>	<u>320,419</u>
Public works				
Water and Sanitation	1,456,398	1,677,576	1,629,874	47,702
Development Services	459,136	531,472	484,371	47,101
Total public works	<u>1,915,534</u>	<u>2,209,048</u>	<u>2,114,245</u>	<u>94,803</u>
Community development				
	<u>385,997</u>	<u>450,318</u>	<u>402,474</u>	<u>47,844</u>
Parks and recreation				
	<u>2,778,360</u>	<u>3,078,564</u>	<u>2,939,850</u>	<u>138,714</u>
Technology & Media Support				
	<u>592,195</u>	<u>610,226</u>	<u>545,056</u>	<u>65,170</u>
Total expenditures	<u>26,053,776</u>	<u>27,438,703</u>	<u>26,513,515</u>	<u>925,188</u>
Excess (deficiency) of revenues over expenditures	<u>(2,370,859)</u>	<u>(3,755,786)</u>	<u>(1,545,958)</u>	<u>2,209,828</u>
Other financing sources (uses)				
Transfers in	2,733,850	2,823,850	2,636,135	(187,715)
Transfers out	(967,893)	(1,284,699)	(1,157,605)	127,094
Net other financing sources (uses)	<u>1,765,957</u>	<u>1,539,151</u>	<u>1,478,530</u>	<u>(60,621)</u>
Change in fund balance	<u>(604,902)</u>	<u>(2,216,635)</u>	<u>(67,428)</u>	<u>2,149,207</u>
Fund balances - beginning of year	<u>4,610,951</u>	<u>4,610,951</u>	<u>4,610,951</u>	<u>-</u>
Fund balances - end of year	<u>\$ 4,006,049</u>	<u>\$ 2,394,316</u>	<u>\$ 4,543,523</u>	<u>\$ 2,149,207</u>

City of Lynwood
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual
HUD Home Program Special Revenue Fund
Year ended June 30, 2015

		<u>Budgeted Amounts</u>			Variance
		<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
Revenues					
	Intergovernmental	\$ 527,237	\$ 727,237	\$ 872,568	\$ 145,331
	Total revenues	<u>527,237</u>	<u>727,237</u>	<u>872,568</u>	<u>145,331</u>
Expenditures					
Current:					
	Community development	315,000	1,315,384	980,250	335,134
	Total expenditures	<u>315,000</u>	<u>1,315,384</u>	<u>980,250</u>	<u>335,134</u>
Excess (deficiency) of revenues over expenditures		212,237	(588,147)	(107,682)	480,465
Fund balances - beginning of year		<u>486,879</u>	<u>486,879</u>	<u>486,879</u>	<u>-</u>
Fund balances - end of year		<u>\$ 699,116</u>	<u>\$ (101,268)</u>	<u>\$ 379,197</u>	<u>\$ 480,465</u>

City of Lynwood
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual
Prop C Special Revenue Fund
Year ended June 30, 2015

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
Revenues				
Taxes and assessments	\$ 1,050,000	\$ 1,050,000	\$ 1,442,261	\$ 392,261
Use of money and property	-	-	20,640	20,640
Total revenues	<u>1,050,000</u>	<u>1,050,000</u>	<u>1,462,901</u>	<u>412,901</u>
Expenditures				
Current:				
General government	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	1,050,000	1,050,000	1,462,901	412,901
Other financing sources (uses)				
Transfers out	<u>(2,467,081)</u>	<u>(2,740,287)</u>	<u>(199,038)</u>	<u>2,541,249</u>
Change in fund balance	(1,417,081)	(1,690,287)	1,263,863	2,954,150
Fund balances - beginning of year	<u>4,636,683</u>	<u>4,636,683</u>	<u>4,636,683</u>	<u>-</u>
Fund balances - end of year	<u>\$ 3,219,602</u>	<u>\$ 2,946,396</u>	<u>\$ 5,900,546</u>	<u>\$ 2,954,150</u>

City of Lynwood
Schedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual
Housing Authority Special Revenue Fund
Year ended June 30, 2015

	Budgeted Amounts		Actual	Variance Final Budget Positive (Negative)
	Original	Final		
Revenues				
Miscellaneous	\$ 166	\$ -	\$ -	\$ -
Total revenues	<u>166</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures				
Current:				
Community development	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	166	-	-	-
Fund balances - beginning of year	<u>877,159</u>	<u>877,159</u>	<u>877,159</u>	<u>-</u>
Fund balances - end of year	<u>\$ 877,325</u>	<u>\$ 877,159</u>	<u>\$ 877,159</u>	<u>\$ -</u>

City of Lynwood
California Public Retirement System
Schedule of Changes in the Net Pension Liability and Related Ratios
Miscellaneous Plan
Last Ten Years*

	Miscellaneous Plan 2013-14
Measurement Period	
Total Pension Liability	
Service Cost	\$ 1,448,697
Interest on total pension liability	5,995,447
Differences between expected and actual experience	-
Changes in assumptions	-
Changes in benefits	-
Benefit payments, including refunds of employee contributions	(3,327,245)
Net change in total pension liability	4,116,899
Total pension liability - beginning	80,878,575
Total pension liability - ending (a)	\$ 84,995,474
Plan Fiduciary Net Position	
Contributions - employer	\$ 1,823,737
Contributions - employee	601,654
Net investment income	9,381,042
Benefit payments	(3,327,245)
Net change in plan fiduciary net position	8,479,188
Plan fiduciary net position - beginning	54,719,644
Plan fiduciary net position - ending (b)	\$ 63,198,832
Net pension liability - ending (a)-(b)	\$ 21,796,642
Plan fiduciary net position as a percentage of the total pension liability	74.36%
Covered - employee payroll	\$ 7,884,919
Net pension liability as percentage of covered-employee payroll	276.43%

Notes to Schedule:

Benefit changes - The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2013. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes)

Changes in assumption - There were no changes in assumptions as of the measurement date, June 30, 2014.

* Fiscal year 2015 was the first year of implementation, therefore only one year is shown.

**City of Lynwood
California Public Retirement System
Schedule of Plan Contributions
Last Ten Years***

	FY 2013-2014	
	Miscellaneous Plan	Safety Plan
Actually determined contributions	\$ 1,823,737	\$ 927,126
Contributions in relation to the actuarially determined contributions	(1,823,737)	(927,126)
Contribution deficiency / (excess)	\$ -	\$ -
 Covered-Employee Payroll	\$ 7,884,919	N/A (1)
 Contributions as a percentage of Covered-Employee Payroll	23.13%	N/A (1)

(1) The plan has no active members, and therefore, no covered-employee payroll.

Notes to Schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2013-14 were from the June 30, 2011 public agency valuations.

Actuarial Cost Method	Entry age normal
Amortization method / Period	Level percent of payroll
Asset valuation method	15 year Smoothed Market
Inflation	2.75%
Salary increases	Varies by Entry age and Service
Payroll Growth	3.00%
Investment rate of return	7.50%, net of pension plan investment expense and administrative expenses including inflation.
Retirement age	The probabilities of retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.
Mortality	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and Post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

Safety Plan:

Change in Benefit Terms: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2013 as they have minimal cost impact. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a Golden Handshakes).

Changes in assumption - There were no changes in assumptions as of the measurement date.

* Fiscal year 2015 was the first year of implementation, therefore only one year is shown.

**City of Lynwood
California Public Retirement System
Schedule of Proportionate Share of the Net Pension Liability - Safety Plan
Last Ten Years***

	Safety Plan
Proportion of the net pension liability (asset)	0.08548%
Proportionate Share of the net pension liability (asset)	\$ 5,318,857
Covered - employee payroll ⁽¹⁾	N/A
Proportionate Share of the net pension liability (asset) as percentage of covered-employee payroll	N/A
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	79.01%
Plan's Proportionate Share of Aggregate Employer Contributions	\$ 566,677

(1) The plan has no active members, and therefore, no covered-employee payroll.

* Fiscal year 2015 was the first year of implementation, therefore only one year is shown.

City of Lynwood
Schedule of Funding Progress - OPEB

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll (c)/(b-a)
6/30/2009	\$ -	\$ 18,395,000	\$ (18,395,000)	0.0%	\$ 9,340,000	196.95%
6/30/2011	506,000	18,979,000	(18,473,000)	2.7%	9,245,000	199.82%
6/30/2013	823,000	20,125,000	(19,302,000)	4.1%	7,472,000	258.32%

NOTE 1 BUDGETARY CONTROL AND ACCOUNTING

The City's basis of budgeting for its major fund groups (General Fund, Special Revenue Funds, Enterprise Funds, Internal Service Funds, and Capital Projects Funds) is modified accrual.

Revenues are budgeted according to when they are both measurable and available. Revenues are considered to be available when they are collected within the current period, or soon enough thereafter to pay liabilities of the current period. The City considers property taxes, franchise taxes, licenses, and interest associated with the current fiscal year period susceptible to accrual if they are collected within 60 days of the end of the current fiscal year. 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. Expenditures are budgeted according to when the liability is incurred, regardless of the timing of related cash flow. The exceptions are debt service, compensated absences, claims and judgments, which are budgeted as expenditures according to when the payments are due.

The following procedures establish the budgetary data reflected in the financial statements:

The City Council approves each fiscal year's budget submitted by the City Manager prior to the beginning of the new fiscal year. Public hearings are conducted prior to its adoption by the City Council. Supplemental appropriations, where required during the period, are also approved by the City Council. Budget transfers that affect the total appropriations for any fund require City Council approval. Budget transfers within a budget code with no change in appropriation are approved by the City Manager only and do not require approval by the City Council.

A budget code could be a program or a division of a department or a department. In most cases, expenditures may not legally exceed appropriations at the budget code level for the General fund, and fund level for Special Revenue, Capital Projects, and Debt Service Funds.

Legally adopted budgets for all governmental funds are established on a basis consistent with accounting principles generally accepted in the United States of America. At fiscal year-end, all operating budget appropriations lapse with the exception of encumbered and continuing appropriations. During the fiscal year, several supplementary appropriations were necessary.

Budgets are adopted for all general, special revenue, capital projects, and debt service funds except for Safe School Special Revenue Fund.

SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenue (other than those for major capital projects) that are restricted legally to expenditures for particular purposes.

Retirement Fund - This fund accounts for revenue received from property tax levy to cover retirement costs.

Traffic Safety Fund - This fund accounts for Gas Tax transfers and street sweeping fees, which are used to cover costs of street and traffic signal maintenance.

Gas Tax Fund - This fund accounts for Gas Tax revenue received from the State of California to cover costs of street maintenance and improvements.

SB 821 Fund - This fund accounts for revenue received from the State of California for the development of bicycle and pedestrian facilities.

Prop "A" Fund – This fund is used to record the City's portion of sales tax dedicated to transportation programs. These programs include the Dial-A-Taxi service for senior citizens and the handicapped, the trolley system, MTA bus fare discounts, and transit route projects/programs.

Measure R – These funds are used to account for revenues and monies spent on critical transit and highway projects.

Air Quality Improvement Fund - This fund accounts for AB 2766 revenues collected by the State of California on motor vehicle license registration fees. Revenues are used solely for the purpose of reducing air pollution from mobile sources.

State COPS Program Fund - This fund accounts for the California statewide sales and use tax allocated by the State for local public safety services.

Sheriff Drug Seizure Fund - This fund accounts for revenue received from the Lynwood Sheriff Department's drug confiscations. These monies are used to fund various law enforcement and public safety programs.

Lighting Maintenance Fund - This is a special assessment fund whereby revenue is received from the County of Los Angeles for which an assessment has been charged against property owners' front footage. Monies in this fund are used to pay the cost of maintenance and operations of the citywide streetlights.

Landscape Maintenance Fund - This is a special assessment fund whereby revenue is received from the County of Los Angeles for which an assessment has been charged against property owners' front footage. Monies in this fund are used to provide services such as tree maintenance, park maintenance, and capital improvements.

Impact Fees Fund - This fund accounts for the fees collected from new developments, which will be used to construct public infrastructure.

Public Art Fund - This fund accounts for the fees collected from new developments in-lieu of the developer placing an art piece. Funds will be used for the placement of public art.

SPECIAL REVENUE FUNDS

Litter Abatement Fund - This fund accounts for Environmental Service Fees and Street Sweeping Charges for the City. This revenue funds a portion of the cost for the Right of Way Division and Stormwater Division.

HUD 108 Loan Fund - This fund accounts for loan monies received from HUD to assist in funding the construction of a new community center and street improvements.

Housing Community Development (HUD) Fund - This fund accounts for revenue received from the Federal Government's Community Development Block Grant Program. The City utilizes this grant to provide community programs such as housing rehabilitation loans, code enforcement, and capital improvement projects.

Business Improvement District Fund - This fund accounts for special tax assessments imposed on businesses in the District to promote various activities within the District.

Beverage Container Recycling Grant Fund- This fund accounts for grants received from the State of California for the purpose of implementing a Beverage Container Recycling Program.

LA County Park Maintenance Grant Fund - This fund accounts for grant funds allocated by the County of Los Angeles for park landscape and maintenance.

Other Grants – This fund accounts for various grant funds received by the City not included in the other funds.

Used Oil Recycling Grant Fund - This fund accounts for grants received by the City of Lynwood from the California Integrated Waste Management Board to cover costs associated with local or regional used oil collection programs.

TEA/ISTEA Grant Fund- This fund accounts for amounts due to the City for monies advanced to assist in transportation improvement projects.

Dupont Lead Safety Grant Fund - This fund accounts for funds received to assist in the elimination of lead based paint and materials.

Justice Assistance Fund - This fund accounts for the financial assistance received from the U.S. Department of Justice to be used for supporting a broad range of activities to prevent and control crime and to improve the criminal justice system.

Prop 84 Park Grant – This fund accounts for grant funds to be used for the development of community center and public parks.

Enterprise Zone Program – This fund accounts for funds to be used for economic development and to promote job creation and significant private investment that will assist economically distressed areas of the City.

Refuse Special Revenue Fund – This fund accounts for the collection and removal of trash and debris. Financing is provided by special tax, waste collection and other administrative fees.

DEBT SERVICE FUNDS

Debt Service Funds are used to account for the accumulation of resources for and the payment of the City's long-term debt, principal and interest.

City of Lynwood Fund - This fund accounts for a debt service reserve held by a trustee as well as payments on all interest and principal on outstanding debt incurred by the City of Lynwood.

Public Financing Authority Fund - This fund accounts for the proceeds of debt issued by the City and Agency, debt service payments, and administration for long-term debt.

CAPITAL PROJECTS FUND

Capital Projects Funds are used to account for resources used for the acquisition and construction of capital facilities by the City, except those financed by Proprietary Funds.

The 2002 HUD Section 108 Loan Capital Projects Fund - This fund accounts for the proceeds of the \$7 million loan the City received from HUD to be used for capital projects within the City.

CIP Loan Proceeds Fund - Accounts for loan proceeds which are used to rehabilitate City Hall facilities (i.e. City Hall, Bateman Hall Building, etc.).

2003 Lease Refunding Bonds Fund - Accounts for proceeds which are used to fund certain projects within the City (corporate yard land purchase and improvements to the City owned property).

2010 Lease Revenue Bonds Series A – Accounts for proceeds which are used to fund certain projects within the City (Civic Center improvement project).

Capital Improvement Projects Capital Projects Fund - This fund accounts for the financial resources used for the acquisition and construction of the City's capital projects. These improvements include improvements to the City's infrastructure, housing, and redevelopment projects.

2012 Measure R Bond Proceeds – Accounts for proceeds which are used to fund certain projects within the City (Street Improvements).

				<u>Special Revenue Funds</u>				
				<u>Retirement</u>	<u>Traffic Safety</u>	<u>Gas Tax</u>		
ASSETS								
Cash and investments			\$	1,583,791	\$	100,962	\$	620,834
Receivables:								
Intergovernmental				-	-	-		
Accounts				48,400	51	-		
Interest				-	-	385		
		Total assets	\$	<u>1,632,191</u>	\$	<u>101,013</u>	\$	<u>621,219</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
Liabilities								
Accounts payable and accrued liabilities			\$	37,900	\$	101,013	\$	-
Due to other funds				-	-	-		
		Total liabilities		<u>37,900</u>	<u>101,013</u>	<u>-</u>		
Deferred Inflows of Resources								
Unavailable revenue				-	-	-		
Fund balances (deficits)								
Restricted								
Special revenue funds				1,594,291	-	621,219		
Capital projects funds				-	-	-		
Debt service funds				-	-	-		
Unassigned				-	-	-		
		Total fund balances (deficits)		<u>1,594,291</u>	<u>-</u>	<u>621,219</u>		
		Total liabilities, deferred inflows of resources and fund balances	\$	<u>1,632,191</u>	\$	<u>101,013</u>	\$	<u>621,219</u>

City of Lynwood
Combining Balance Sheets
Nonmajor Governmental Funds
June 30, 2015

Special Revenue Funds

SB 821	Prop A	Measure R	Air Quality Improvement	State COPS Program
\$ 19,052	\$ 3,812,887	\$ 2,595,328	\$ 200,170	\$ 56,059
-	-	-	-	-
-	135,457	-	23,108	-
7	1,522	1,027	73	34
\$ 19,059	\$ 3,949,866	\$ 2,596,355	\$ 223,351	\$ 56,093
\$ -	\$ -	\$ -	\$ -	\$ 8,918
-	-	-	-	-
-	-	-	-	8,918
-	-	-	-	-
19,059	3,949,866	2,596,355	223,351	47,175
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
19,059	3,949,866	2,596,355	223,351	47,175
\$ 19,059	\$ 3,949,866	\$ 2,596,355	\$ 223,351	\$ 56,093

		Special Revenue Funds			
		Sheriff Drug Seizure	Lighting Maintenance	Landscape Maintenance	Impact Fees
ASSETS					
Cash and investments	\$	50,376	\$ -	\$ 114,329	\$ 836,470
Receivables:					
Intergovernmental		-	20,139	18,893	-
Accounts		-	-	-	-
Interest		19	-	-	323
Notes and loans		-	-	-	-
Total assets	\$	<u>50,395</u>	<u>\$ 20,139</u>	<u>\$ 133,222</u>	<u>\$ 836,793</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities					
Accounts payable and accrued liabilities	\$	2,306	\$ 58,751	\$ 24,264	\$ -
Due to other funds		-	63,109	-	-
Total liabilities		<u>2,306</u>	<u>121,860</u>	<u>24,264</u>	<u>-</u>
Deferred inflows of resources					
Unavailable revenue		-	-	-	-
Fund balances (deficits)					
Restricted					
Special revenue funds		48,089	-	108,958	836,793
Capital projects funds		-	-	-	-
Debt service funds		-	-	-	-
Unassigned		-	(101,721)	-	-
Total fund balances (deficits)		<u>48,089</u>	<u>(101,721)</u>	<u>108,958</u>	<u>836,793</u>
Total liabilities, deferred inflows of resources and fund balances	\$	<u>50,395</u>	<u>\$ 20,139</u>	<u>\$ 133,222</u>	<u>\$ 836,793</u>

**City of Lynwood
Combining Balance Sheets
Nonmajor Governmental Funds (continued)
June 30, 2015**

Special Revenue Funds						
Public Art	Litter Abatement	HUD 108 Loan	Housing Community Development (HUD)	Business Improvement District	Beverage Container Recycling Grant	LA County Park Maintenance Grant
\$ 341,598	\$ -	\$ 170,049	\$ -	\$ 620,029	\$ 158,998	\$ 265,342
-	-	-	60,887	-	-	-
-	39,263	-	-	-	-	-
177	-	-	-	233	61	116
-	-	-	583,743	-	-	-
<u>\$ 341,775</u>	<u>\$ 39,263</u>	<u>\$ 170,049</u>	<u>\$ 644,630</u>	<u>\$ 620,262</u>	<u>\$ 159,059</u>	<u>\$ 265,458</u>
\$ -	\$ 34,985	\$ -	\$ 1,692	\$ 9,417	\$ 2,385	\$ -
-	38,253	-	61,016	-	-	-
-	73,238	-	62,708	9,417	2,385	-
-	-	-	644,630	-	-	-
341,775	-	170,049	-	610,845	156,674	265,458
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	(33,975)	-	(62,708)	-	-	-
<u>341,775</u>	<u>(33,975)</u>	<u>170,049</u>	<u>(62,708)</u>	<u>610,845</u>	<u>156,674</u>	<u>265,458</u>
<u>\$ 341,775</u>	<u>\$ 39,263</u>	<u>\$ 170,049</u>	<u>\$ 644,630</u>	<u>\$ 620,262</u>	<u>\$ 159,059</u>	<u>\$ 265,458</u>

	Special Revenue Funds			
	Other Grants	Used Oil Recycling Grant	DuPont Lead Safety Grant	Prop 1B Grant
ASSETS				
Cash and investments	\$ -	\$ 27,177	\$ 106,338	20,406
Receivables:				
Intergovernmental	-	-	-	-
Accounts	-	-	-	-
Interest	-	13	40	8
Notes and loans	-	-	-	-
Total assets	\$ -	\$ 27,190	\$ 106,378	20,414
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities				
Accounts payable and accrued liabilities	\$ 48,918	\$ 5,447	\$ -	-
Due to other funds	2,409	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	51,327	5,447	-	-
Deferred inflows of Resources				
Unavailable revenue	-	-	-	-
Fund balances (deficits)				
Nonspendable				
Land held for resale	-	-	-	-
Restricted				
Special revenue funds	-	21,743	106,378	20,414
Capital projects funds	-	-	-	-
Debt service funds	-	-	-	-
Unassigned	(51,327)	-	-	-
Total fund balances (deficits)	(51,327)	21,743	106,378	20,414
Total liabilities, deferred inflows of resources and fund balances	\$ -	\$ 27,190	\$ 106,378	20,414

City of Lynwood
Combining Balance Sheets
Nonmajor Governmental Funds (continued)
June 30, 2015

Special Revenue Funds				
Justice Assistance	Prop 84 Park Grant	Enterprise Zone Program	Refuse	LACMTA TOD Planning Grant
\$ -	\$ -	\$ 163,742	\$ 290,590	-
36,584	-	-	-	-
-	-	-	615,150	-
-	-	62	47	-
-	-	-	-	-
<u>\$ 36,584</u>	<u>\$ -</u>	<u>\$ 163,804</u>	<u>\$ 905,787</u>	<u>\$ -</u>
\$ 6,183	\$ 640,392	\$ -	\$ 469,229	260,713
30,401	568,922	-	-	45,656
6,183	-	-	-	-
<u>42,767</u>	<u>1,209,314</u>	<u>-</u>	<u>469,229</u>	<u>306,369</u>
-	-	-	-	-
-	-	-	-	-
-	-	163,804	436,558	-
-	-	-	-	-
-	-	-	-	-
<u>(6,183)</u>	<u>(1,209,314)</u>	<u>-</u>	<u>-</u>	<u>(306,369)</u>
<u>(6,183)</u>	<u>(1,209,314)</u>	<u>163,804</u>	<u>436,558</u>	<u>(306,369)</u>
<u>\$ 36,584</u>	<u>\$ -</u>	<u>\$ 163,804</u>	<u>\$ 905,787</u>	<u>\$ -</u>

	<u>Debt Service Funds</u>		<u>Capital Projects Funds</u>
	<u>City of Lynwood</u>	<u>Public Financing Authority</u>	<u>2002 HUD Section 108 Loan</u>
ASSETS			
Cash and investments	\$ -	\$ -	\$ 123,667
Receivables:			
Intergovernmental	-	-	-
Accounts	-	-	-
Interest	-	-	-
Notes and loans	-	-	-
Due from other funds	-	-	-
Restricted assets:			
Cash and investments with fiscal agents	1,549,981	-	-
Total assets	<u>\$ 1,549,981</u>	<u>\$ -</u>	<u>\$ 123,667</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities			
Accounts payable and accrued liabilities	\$ -	\$ -	\$ -
Due to other funds	-	-	-
Unearned revenue	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources			
Unavailable revenue	-	-	-
Fund balances (deficits)			
Nonspendable			
Land held for resale	-	-	-
Restricted			
Special revenue funds	-	-	-
Capital projects funds	-	-	123,667
Debt service funds	1,549,981	-	-
Unassigned	-	-	-
Total fund balances (deficits)	<u>1,549,981</u>	<u>-</u>	<u>123,667</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,549,981</u>	<u>\$ -</u>	<u>\$ 123,667</u>

**City of Lynwood
Combining Balance Sheets
Nonmajor Governmental Funds (continued)
June 30, 2015**

Capital Projects Funds					
CIP Loan Proceeds	2003 Lease Revenue Refunding	2010 Lease Revenue Bonds Series A	Capital Improvement Projects	2012 Measure R Bond Proceeds	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ 223,408	\$ 3,826,695	\$ 16,328,297
-	-	-	-	-	136,503
-	-	-	-	-	861,429
-	-	-	-	-	4,147
-	-	-	-	-	583,743
-	-	-	195,181	-	195,181
<u>136,563</u>	<u>670,165</u>	<u>4,219,094</u>	<u>-</u>	<u>-</u>	<u>6,575,803</u>
<u>\$ 136,563</u>	<u>\$ 670,165</u>	<u>\$ 4,219,094</u>	<u>\$ 418,589</u>	<u>\$ 3,826,695</u>	<u>\$ 24,685,103</u>
\$ -	\$ -	\$ -	\$ 143,219	\$ 2,054	\$ 1,857,786
99,341	43,474	-	-	163,587	1,116,168
-	-	-	-	-	6,183
<u>99,341</u>	<u>43,474</u>	<u>-</u>	<u>143,219</u>	<u>165,641</u>	<u>2,980,137</u>
-	-	-	-	-	644,630
-	-	-	-	-	-
-	-	-	-	-	12,338,854
37,222	626,691	4,219,094	275,370	3,661,054	8,943,098
-	-	-	-	-	1,549,981
-	-	-	-	-	(1,771,597)
<u>37,222</u>	<u>626,691</u>	<u>4,219,094</u>	<u>275,370</u>	<u>3,661,054</u>	<u>21,060,336</u>
<u>\$ 136,563</u>	<u>\$ 670,165</u>	<u>\$ 4,219,094</u>	<u>\$ 418,589</u>	<u>\$ 3,826,695</u>	<u>\$ 24,685,103</u>

	Special Revenue Funds		
	Retirement	Traffic Safety	Gas Tax
Revenues			
Taxes and assessments	\$ 2,775,534	\$ -	\$ -
Use of money and property	-	-	3,902
Intergovernmental	-	-	1,830,276
Total revenues	<u>2,775,534</u>	<u>-</u>	<u>1,834,178</u>
Expenditures			
Current:			
General government	238,588	-	-
Public safety	-	-	-
Public works	-	1,919,866	-
Debt service:			
Principal payment	-	39,154	-
Interest and fiscal charges	-	4,456	-
Total expenditures	<u>238,588</u>	<u>1,963,476</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>2,536,946</u>	<u>(1,963,476)</u>	<u>1,834,178</u>
Other financing sources (uses)			
Transfers in	-	1,963,476	-
Transfers out	<u>(2,390,861)</u>	<u>-</u>	<u>(2,056,673)</u>
Net other financing sources (uses)	<u>(2,390,861)</u>	<u>1,963,476</u>	<u>(2,056,673)</u>
Net Change in fund balances	146,085	-	(222,495)
Fund balances (deficits) - beginning of year	<u>1,448,206</u>	<u>-</u>	<u>843,714</u>
Fund balances (deficits) - end of year	<u>\$ 1,594,291</u>	<u>\$ -</u>	<u>\$ 621,219</u>

City of Lynwood
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended June 30, 2015

Special Revenue Funds

SB 821	Prop A	Measure R	Air Quality Improvement	State COPS Program
\$ -	\$ 1,381,772	\$ 777,420	\$ -	\$ -
75	15,564	10,174	613	310
-	-	-	110,825	121,135
<u>75</u>	<u>1,397,336</u>	<u>787,594</u>	<u>111,438</u>	<u>121,445</u>
-	13,174	-	-	-
-	-	-	-	99,897
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>13,174</u>	<u>-</u>	<u>-</u>	<u>99,897</u>
<u>75</u>	<u>1,384,162</u>	<u>787,594</u>	<u>111,438</u>	<u>21,548</u>
-	-	-	-	-
<u>-</u>	<u>(1,025,229)</u>	<u>(446,608)</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>(1,025,229)</u>	<u>(446,608)</u>	<u>-</u>	<u>-</u>
75	358,933	340,986	111,438	21,548
<u>18,984</u>	<u>3,590,933</u>	<u>2,255,369</u>	<u>111,913</u>	<u>25,627</u>
<u>\$ 19,059</u>	<u>\$ 3,949,866</u>	<u>\$ 2,596,355</u>	<u>\$ 223,351</u>	<u>\$ 47,175</u>

	Special Revenue Funds			
	Sheriff Drug Seizure	Lighting Maintenance	Landscape Maintenance	Impact Fees
Revenues				
Taxes and assessments	\$ -	\$ 1,047,453	\$ 1,076,790	\$ 65,506
Licenses and permits	-	-	-	-
Fines, forfeitures and penalties	31,588	-	-	-
Use of money and property	172	13,939	12,312	3,411
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Program income	-	-	-	-
Total revenues	<u>31,760</u>	<u>1,061,392</u>	<u>1,089,102</u>	<u>68,917</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	40,158	-	-	-
Public works	-	916,726	1,035,037	-
Community development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal payment	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>40,158</u>	<u>916,726</u>	<u>1,035,037</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(8,398)</u>	<u>144,666</u>	<u>54,065</u>	<u>68,917</u>
Other financing sources (uses)				
Transfers in	-	-	365,822	-
Transfers out	-	(295,306)	(238,427)	(62,445)
Net other financing sources (uses)	<u>-</u>	<u>(295,306)</u>	<u>127,395</u>	<u>(62,445)</u>
Net change in fund balances	(8,398)	(150,640)	181,460	6,472
Fund balances (deficits) - beginning of year	<u>56,487</u>	<u>48,919</u>	<u>(72,502)</u>	<u>830,321</u>
Fund balances (deficits) - end of year	<u>\$ 48,089</u>	<u>\$ (101,721)</u>	<u>\$ 108,958</u>	<u>\$ 836,793</u>

City of Lynwood
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds (continued)
Year ended June 30, 2015

Special Revenue Funds						
Public Art	Litter Abatement	HUD 108 Loan	Housing Community Development (HUD)	Business Improvement District	Beverage Container Recycling Grant	LA County Park Maintenance Grant
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	164,371	-	-
-	-	-	-	-	-	-
1,991	78	-	-	2,199	649	1,276
-	-	-	1,238,007	-	-	-
47,790	287,292	-	-	-	-	-
-	-	-	-	-	-	-
<u>49,781</u>	<u>287,370</u>	<u>-</u>	<u>1,238,007</u>	<u>166,570</u>	<u>649</u>	<u>1,276</u>
-	11,374	-	244,098	-	-	-
-	-	-	-	-	-	-
-	346,519	-	197,016	-	-	23,540
-	-	-	132,667	40,209	10,599	-
-	-	-	-	-	-	-
-	-	-	405,000	-	-	-
-	-	-	222,933	-	-	-
<u>-</u>	<u>357,893</u>	<u>-</u>	<u>1,201,714</u>	<u>40,209</u>	<u>10,599</u>	<u>23,540</u>
<u>49,781</u>	<u>(70,523)</u>	<u>-</u>	<u>36,293</u>	<u>126,361</u>	<u>(9,950)</u>	<u>(22,264)</u>
-	-	-	-	-	-	-
<u>(200,903)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(42,333)</u>
<u>(200,903)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(42,333)</u>
(151,122)	(70,523)	-	36,293	126,361	(9,950)	(64,597)
<u>492,897</u>	<u>36,548</u>	<u>170,049</u>	<u>(99,001)</u>	<u>484,484</u>	<u>166,624</u>	<u>330,055</u>
<u>\$ 341,775</u>	<u>\$ (33,975)</u>	<u>\$ 170,049</u>	<u>\$ (62,708)</u>	<u>\$ 610,845</u>	<u>\$ 156,674</u>	<u>\$ 265,458</u>

	Special Revenue Funds			
	Other Grants	Used Oil Recycling Grant	DuPont Lead Safety Grant	Prop 1B Grant
Revenues				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-
Use of money and property	-	98	420	48
Intergovernmental	49,683	19,776	-	-
Charges for services	-	-	-	-
Miscellaneous	-	-	-	20,366
Total revenues	<u>49,683</u>	<u>19,874</u>	<u>420</u>	<u>20,414</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	23,041	-	-
Community development	98,600	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>98,600</u>	<u>23,041</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(48,917)</u>	<u>(3,167)</u>	<u>420</u>	<u>20,414</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(48,917)	(3,167)	420	20,414
Fund balances (deficits) - beginning of year	(2,410)	24,910	105,958	-
Fund balances (deficits) - end of year	<u>\$ (51,327)</u>	<u>\$ 21,743</u>	<u>\$ 106,378</u>	<u>\$ 20,414</u>

City of Lynwood
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds (continued)
Year ended June 30, 2015

Special Revenue Funds				
Justice Assistance	Prop 84 Park Grant	Enterprise Zone Program	Refuse	LACMTA TOD Planning Grant
\$ -	\$ -	\$ -	\$ 880,914	\$ -
-	-	-	-	-
-	-	628	1,676	-
50,075	1,071,117	-	-	-
-	-	26,585	2,618,107	-
-	-	-	-	-
<u>50,075</u>	<u>1,071,117</u>	<u>27,213</u>	<u>3,500,697</u>	<u>-</u>
-	-	-	296,404	-
25,857	-	-	-	-
-	-	-	2,254,255	-
-	10,582	-	-	306,369
-	2,145,471	-	-	-
<u>25,857</u>	<u>2,156,053</u>	<u>-</u>	<u>2,550,659</u>	<u>306,369</u>
<u>24,218</u>	<u>(1,084,936)</u>	<u>27,213</u>	<u>950,038</u>	<u>(306,369)</u>
-	388,955	-	-	-
-	(167,254)	-	(800,000)	-
-	221,701	-	(800,000)	-
24,218	(863,235)	27,213	150,038	(306,369)
<u>(30,401)</u>	<u>(346,079)</u>	<u>136,591</u>	<u>286,520</u>	<u>-</u>
<u>\$ (6,183)</u>	<u>\$ (1,209,314)</u>	<u>\$ 163,804</u>	<u>\$ 436,558</u>	<u>\$ (306,369)</u>

	Debt Service Funds		Capital Projects Funds
	City of Lynwood	Public Financing Authority	2002 HUD Section 108 Loan
Revenues			
Taxes and assessments	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Fines, forfeitures and penalties	-	-	-
Use of money and property	202	-	1,658
Intergovernmental	-	-	-
Charges for services	-	-	-
Miscellaneous	-	-	-
Total revenues	<u>202</u>	<u>-</u>	<u>1,658</u>
Expenditures			
Current:			
General government	-	16,092	-
Public safety	-	-	-
Public works	-	-	-
Community development	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal payment	800,000	-	3,620,000
Interest and fiscal charges	842,579	-	105,969
Total expenditures	<u>1,642,579</u>	<u>16,092</u>	<u>3,725,969</u>
Excess (deficiency) of revenues over expenditures	<u>(1,642,377)</u>	<u>(16,092)</u>	<u>(3,724,311)</u>
Other financing sources (uses)			
Transfers in	1,642,344	16,092	-
Transfers out	-	-	-
Net other financing sources (uses)	<u>1,642,344</u>	<u>16,092</u>	<u>-</u>
Net change in fund balances	(33)	-	(3,724,311)
Fund balances (deficits) - beginning of year	<u>1,550,014</u>	<u>-</u>	<u>3,847,978</u>
Fund balances (deficits) - end of year	<u>\$ 1,549,981</u>	<u>\$ -</u>	<u>\$ 123,667</u>

City of Lynwood
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds (continued)
Year ended June 30, 2015

Capital Projects Funds					
CIP Loan Proceeds	2003 Lease Revenue Refunding	2010 Lease Revenue Bonds Series A	Capital Improvement Projects	2012 Measure R Bond Proceeds	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,005,389
-	-	-	-	-	164,371
-	-	-	-	-	31,588
34	-	1,055	-	46	72,530
-	-	-	-	-	4,490,894
-	-	-	-	-	2,979,774
-	-	-	-	-	20,366
<u>34</u>	<u>-</u>	<u>1,055</u>	<u>-</u>	<u>46</u>	<u>15,764,912</u>
-	-	-	644,367	-	1,464,097
-	-	-	-	-	165,912
-	-	-	-	-	6,716,000
-	-	-	-	-	599,026
-	-	-	326,021	-	2,471,492
-	-	-	-	-	4,864,154
-	-	-	-	-	1,175,937
<u>-</u>	<u>-</u>	<u>-</u>	<u>970,388</u>	<u>-</u>	<u>17,456,618</u>
<u>34</u>	<u>-</u>	<u>1,055</u>	<u>(970,388)</u>	<u>46</u>	<u>(1,691,706)</u>
-	-	-	970,388	-	5,347,077
<u>(99,341)</u>	<u>(43,473)</u>	<u>-</u>	<u>-</u>	<u>(229,006)</u>	<u>(8,097,859)</u>
<u>(99,341)</u>	<u>(43,473)</u>	<u>-</u>	<u>970,388</u>	<u>(229,006)</u>	<u>(2,750,782)</u>
<u>(99,307)</u>	<u>(43,473)</u>	<u>1,055</u>	<u>-</u>	<u>(228,960)</u>	<u>(4,442,488)</u>
<u>136,529</u>	<u>670,164</u>	<u>4,218,039</u>	<u>275,370</u>	<u>3,890,014</u>	<u>25,502,824</u>
<u>\$ 37,222</u>	<u>\$ 626,691</u>	<u>\$ 4,219,094</u>	<u>\$ 275,370</u>	<u>\$ 3,661,054</u>	<u>\$ 21,060,336</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
Retirement Special Revenue Fund
Year ended June 30, 2015

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes and assessments	\$ 2,662,338	\$ 2,775,534	\$ 113,196
Total revenues	<u>2,662,338</u>	<u>2,775,534</u>	<u>113,196</u>
Expenditures			
Current:			
General government	238,588	238,588	-
Total expenditures	<u>238,588</u>	<u>238,588</u>	<u>-</u>
Excess of revenues over expenditures	2,423,750	2,536,946	113,196
Other financing uses			
Transfers out	<u>(2,425,511)</u>	<u>(2,390,861)</u>	<u>34,650</u>
Change in fund balance	(1,761)	146,085	147,846
Fund balances - beginning of year	<u>1,448,206</u>	<u>1,448,206</u>	<u>-</u>
Fund balances - end of year	<u>\$ 1,446,445</u>	<u>\$ 1,594,291</u>	<u>\$ 147,846</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
Traffic Safety Special Revenue Fund
Year ended June 30, 2015

	Final		Variance
	Budget	Actual	Positive
			(Negative)
Revenues			
Taxes and assessments	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Current:			
Public works	\$ 2,156,309	\$ 1,919,866	\$ 236,443
Debt service:			
Principal payment	39,164	39,154	10
Interest and fiscal charges	4,456	4,456	-
Total expenditures	<u>2,199,929</u>	<u>1,963,476</u>	<u>236,453</u>
Excess of revenues over expenditures	(2,199,929)	(1,963,476)	236,453
Other financing sources			
Transfers in	<u>2,138,933</u>	<u>1,963,476</u>	<u>(175,457)</u>
Change in fund balance	(60,996)	-	60,996
Fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - end of year	<u><u>\$ (60,996)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 60,996</u></u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
Gas Tax Fund Special Revenue Fund
Year ended June 30, 2015

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Use of money and property	\$ 663	\$ 3,902	\$ 3,239
Intergovernmental	1,837,312	1,830,276	(7,036)
Total revenues	<u>1,837,975</u>	<u>1,834,178</u>	<u>(3,797)</u>
Expenditures			
Current:			
General government	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	1,837,975	1,834,178	(3,797)
Other financing uses			
Transfers out	<u>(2,227,250)</u>	<u>(2,056,673)</u>	<u>170,577</u>
Net other financing sources (uses)	<u>(2,227,250)</u>	<u>(2,056,673)</u>	<u>170,577</u>
Change in fund balance	(389,275)	(222,495)	166,780
Fund balances - beginning of year	843,714	843,714	-
Fund balances - end of year	<u>\$ 454,439</u>	<u>\$ 621,219</u>	<u>\$ 166,780</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
SB 821 Special Revenue Fund
Year ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Intergovernmental	\$ 87,156	\$ -	\$ (87,156)
Use of investment earnings	<u>-</u>	<u>75</u>	<u>75</u>
Total revenues	<u>87,156</u>	<u>75</u>	<u>(87,081)</u>
Expenditures			
Current:			
General government	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	87,156	75	(87,081)
Other financing sources (uses)			
Transfers out	<u>(87,153)</u>	<u>-</u>	<u>87,153</u>
Change in fund balance	3	75	72
Fund balances - beginning of year	<u>18,984</u>	<u>18,984</u>	<u>-</u>
Fund balances - end of year	<u>\$ 18,987</u>	<u>\$ 19,059</u>	<u>\$ 72</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
Prop A Special Revenue Fund
Year ended June 30, 2015

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes and assessments	\$ 1,063,000	\$ 1,381,772	\$ 318,772
Use of money and property	4,000	15,564	11,564
Total revenues	1,067,000	1,397,336	330,336
Expenditures			
Current:			
General government	-	13,174	(13,174)
Total expenditures	-	13,174	(13,174)
Excess of revenues over expenditures	1,067,000	1,384,162	317,162
Other financing sources (uses)			
Transfers out	(2,500,081)	(1,025,229)	1,474,852
Change in fund balance	(1,433,081)	358,933	1,792,014
Fund balances - beginning of year	3,590,933	3,590,933	-
Fund balances - end of year	\$ 2,157,852	\$ 3,949,866	\$ 1,792,014

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
Measure R Special Revenue Fund
Year ended June 30, 2015

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes and assessments	\$ 640,000	\$ 777,420	\$ 137,420
Use of money and property	1,500	10,174	8,674
Total revenues	<u>641,500</u>	<u>787,594</u>	<u>146,094</u>
Expenditures			
Current:			
General government	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over (under) expenditures	641,500	787,594	146,094
Other financing sources (uses)			
Transfers out	(2,607,169)	(446,608)	2,160,561
Net other financing sources (uses)	<u>(2,607,169)</u>	<u>(446,608)</u>	<u>2,160,561</u>
Change in fund balance	(1,965,669)	340,986	2,306,655
Fund balances - beginning of year	<u>2,255,369</u>	<u>2,255,369</u>	<u>-</u>
Fund balances - end of year	<u>\$ 289,700</u>	<u>\$ 2,596,355</u>	<u>\$ 2,306,655</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
Air Quality Improvement Special Revenue Fund
Year ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ 257	\$ 613	\$ 356
Intergovernmental	<u>60,000</u>	<u>110,825</u>	<u>50,825</u>
Total revenues	<u>60,257</u>	<u>111,438</u>	<u>51,181</u>
Expenditures			
Current:			
General government	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	60,257	111,438	51,181
Other financing sources (uses)			
Transfers out	<u>(90,000)</u>	<u>-</u>	<u>90,000</u>
Net other financing sources (uses)	<u>(90,000)</u>	<u>-</u>	<u>90,000</u>
Change in fund balance	(29,743)	111,438	141,181
Fund balances - beginning of year	<u>111,913</u>	<u>111,913</u>	<u>-</u>
Fund balances - end of year	<u>\$ 82,170</u>	<u>\$ 223,351</u>	<u>\$ 141,181</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
State COPS Program Special Revenue Fund
Year ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ -	\$ 310	\$ 310
Intergovernmental	<u>100,000</u>	<u>121,135</u>	<u>21,135</u>
Total revenues	<u>100,000</u>	<u>121,445</u>	<u>21,445</u>
Expenditures			
Current:			
Public safety	<u>100,000</u>	<u>99,897</u>	<u>103</u>
Total expenditures	<u>100,000</u>	<u>99,897</u>	<u>103</u>
Change in fund balance	-	21,548	21,548
Fund balances - beginning of year	<u>25,627</u>	<u>25,627</u>	-
Fund balances - end of year	<u>\$ 25,627</u>	<u>\$ 47,175</u>	<u>\$ 21,548</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
Sheriff Drug Seizure Special Revenue Fund
Year ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ -	\$ 172	\$ 172
Fines, forfeitures and penalties	-	31,588	31,588
Total revenues	<u>-</u>	<u>31,760</u>	<u>31,760</u>
 Expenditures			
Current:			
Public safety	78,321	40,158	38,163
Total expenditures	<u>78,321</u>	<u>40,158</u>	<u>38,163</u>
 Change in fund balance	 (78,321)	 (8,398)	 69,923
 Fund balances - beginning of year	 56,487	 56,487	 -
Fund balances - end of year	<u>\$ (21,834)</u>	<u>\$ 48,089</u>	<u>\$ 69,923</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
Lighting Maintenance Special Revenue Fund
Year ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Taxes and assessments	\$ 1,090,315	\$ 1,047,453	\$ (42,862)
Use of money and property	<u>36,632</u>	<u>13,939</u>	<u>(22,693)</u>
Total revenues	<u>1,126,947</u>	<u>1,061,392</u>	<u>(65,555)</u>
 Expenditures			
Current:			
Public works	<u>901,826</u>	<u>916,726</u>	<u>(14,900)</u>
Total expenditures	<u>901,826</u>	<u>916,726</u>	<u>(14,900)</u>
Excess of revenues over expenditures	225,121	144,666	(80,455)
 Other financing sources (uses)			
Transfers out	<u>(295,350)</u>	<u>(295,306)</u>	<u>44</u>
Net other financing sources (uses)	<u>(295,350)</u>	<u>(295,306)</u>	<u>44</u>
Change in fund balance	(70,229)	(150,640)	(80,411)
 Fund balances - beginning of year	<u>48,919</u>	<u>48,919</u>	<u>-</u>
Fund balances - end of year	<u>\$ (21,310)</u>	<u>\$ (101,721)</u>	<u>\$ (80,411)</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
Landscape Maintenance Special Revenue Fund
Year ended June 30, 2015

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes and assessments	\$ 1,102,586	\$ 1,076,790	\$ (25,796)
Use of money and property	24,656	12,312	(12,344)
Total revenues	1,127,242	1,089,102	(38,140)
Expenditures			
Current:			
Public works	1,249,098	1,035,037	214,061
Total expenditures	1,249,098	1,035,037	214,061
Excess of revenues over expenditures	(121,856)	54,065	175,921
Other financing sources (uses)			
Transfers in	365,822	365,822	-
Transfers out	(238,450)	(238,427)	23
Net other financing sources (uses)	127,372	127,395	23
Change in fund balance	5,516	181,460	175,944
Fund balances - beginning of year	(72,502)	(72,502)	-
Fund balances - end of year	\$ (66,986)	\$ 108,958	\$ 175,944

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
Impact Fees Special Revenue Fund
Year ended June 30, 2015

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes and assessments	\$ 87,500	\$ 65,506	\$ (21,994)
Use of money and property	300	3,411	3,111
Total revenues	<u>87,800</u>	<u>68,917</u>	<u>(18,883)</u>
Expenditures			
Current:			
General government	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	87,800	68,917	(18,883)
Other financing uses			
Transfers out	<u>(1,046,611)</u>	<u>(62,445)</u>	<u>984,166</u>
Net other financing sources (uses)	<u>(1,046,611)</u>	<u>(62,445)</u>	<u>984,166</u>
Change in fund balance	(958,811)	6,472	965,283
Fund balances - beginning of year	<u>830,321</u>	<u>830,321</u>	<u>-</u>
Fund balances - end of year	<u>\$ (128,490)</u>	<u>\$ 836,793</u>	<u>\$ 965,283</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
Public Art Special Revenue Fund
Year ended June 30, 2015

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Use of money and property	\$ 500	\$ 1,991	\$ 1,491
Charges for services	20,000	47,790	27,790
Total revenues	<u>20,500</u>	<u>49,781</u>	<u>29,281</u>
Expenditures			
Current:			
General government	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	20,500	49,781	29,281
Other financing uses			
Transfers out	(207,705)	(200,903)	6,802
Net other financing sources (uses)	<u>(207,705)</u>	<u>(200,903)</u>	<u>6,802</u>
Change in fund balance	(187,205)	(151,122)	36,083
Fund balances - beginning of year	492,897	492,897	-
Fund balances - end of year	<u>\$ 305,692</u>	<u>\$ 341,775</u>	<u>\$ 36,083</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
Litter Abatement Special Revenue Fund
Year ended June 30, 2015

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Use of money and property	\$ 500	\$ 78	\$ (422)
Charges for services	<u>388,400</u>	<u>287,292</u>	<u>(101,108)</u>
Total revenues	<u>388,900</u>	<u>287,370</u>	<u>(101,530)</u>
Expenditures			
Current:			
General government	-	11,374	(11,374)
Public works	<u>414,735</u>	<u>346,519</u>	<u>68,216</u>
Total expenditures	<u>414,735</u>	<u>357,893</u>	<u>68,216</u>
Excess of revenues over expenditures	(25,835)	(70,523)	(33,314)
Other financing uses			
Transfers out	<u>(75,000)</u>	-	<u>75,000</u>
Net other financing sources (uses)	<u>(75,000)</u>	-	<u>75,000</u>
Change in fund balance	(100,835)	(70,523)	41,686
Fund balances - beginning of year	<u>36,548</u>	<u>36,548</u>	-
Fund balances - end of year	<u>\$ (64,287)</u>	<u>\$ (33,975)</u>	<u>\$ (33,314)</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
HUD 108 Loan Special Revenue Fund
Year ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Current:			
General government	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	-	-	-
Fund balances - beginning of year	<u>170,049</u>	<u>170,049</u>	<u>-</u>
Fund balances - end of year	<u>\$ 170,049</u>	<u>\$ 170,049</u>	<u>\$ -</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
Housing Community Development (HUD) Special Revenue Fund
Year ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Intergovernmental	\$ 1,296,723	\$ 1,238,007	\$ (58,716)
Total revenues	<u>1,296,723</u>	<u>1,238,007</u>	<u>(58,716)</u>
Expenditures			
Current:			
General government	289,934	244,098	45,836
Public works	213,197	197,016	16,181
Community development	166,765	132,667	34,098
Debt service:			
Principal payment	405,000	405,000	-
Interest and fiscal charges	222,933	222,933	-
Total expenditures	<u>1,297,829</u>	<u>1,201,714</u>	<u>96,115</u>
Excess of revenues over expenditures	(1,106)	36,293	37,400
Other financing sources (uses)			
Transfers out	<u>(30,479)</u>	<u>-</u>	<u>30,479</u>
Change in fund balance	(31,585)	36,293	67,878
Fund balances - beginning of year	<u>(99,001)</u>	<u>(99,001)</u>	<u>-</u>
Fund balances - end of year	<u>\$ (130,586)</u>	<u>\$ (62,708)</u>	<u>\$ 67,878</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
Business Improvement District Special Revenue Fund
Year ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Licenses and permits	\$ 155,000	\$ 164,371	\$ 9,371
Use of money and property	230	2,199	1,969
Total revenues	<u>155,230</u>	<u>166,570</u>	<u>11,340</u>
Expenditures			
Current:			
Community development	566,000	40,209	525,791
Total expenditures	<u>566,000</u>	<u>40,209</u>	<u>525,791</u>
Change in fund balance	(410,770)	126,361	537,131
Fund balances - beginning of year	<u>484,484</u>	<u>484,484</u>	<u>-</u>
Fund balances - end of year	<u>\$ 73,714</u>	<u>\$ 610,845</u>	<u>\$ 537,131</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
Beverage Container Recycling Grant Special Revenue Fund
Year ended June 30, 2015

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Use of money and property	\$ 210	\$ 649	\$ 439
Intergovernmental	<u>18,472</u>	<u>-</u>	<u>(18,472)</u>
Total revenues	<u>18,682</u>	<u>649</u>	<u>(18,033)</u>
 Expenditures			
Current:			
Community development	<u>27,150</u>	<u>10,599</u>	<u>16,551</u>
Total expenditures	<u>27,150</u>	<u>10,599</u>	<u>16,551</u>
Change in fund balance	(8,468)	(9,950)	(1,482)
 Fund balances - beginning of year	<u>166,624</u>	<u>166,624</u>	<u>-</u>
Fund balances - end of year	<u>\$ 158,156</u>	<u>\$ 156,674</u>	<u>\$ (1,482)</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
LA County Park Maintenance Grant Special Revenue Fund
Year ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ -	\$ 1,276	\$ 1,276
Total revenues	<u>-</u>	<u>1,276</u>	<u>1,276</u>
 Expenditures			
Current:			
Public works	302,000	23,540	278,460
Total expenditures	<u>302,000</u>	<u>23,540</u>	<u>278,460</u>
Excess of revenues over expenditures	(302,000)	(22,264)	279,736
 Other financing sources (uses)			
Transfers out	<u>(348,980)</u>	<u>(42,333)</u>	<u>306,647</u>
Net other financing sources (uses)	<u>(348,980)</u>	<u>(42,333)</u>	<u>306,647</u>
Change in fund balance	(650,980)	(64,597)	586,383
 Fund balances - beginning of year	<u>330,055</u>	<u>330,055</u>	<u>-</u>
Fund balances - end of year	<u>\$ (320,925)</u>	<u>\$ 265,458</u>	<u>\$ 586,383</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
Other Grants Special Revenue Fund
Year ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Intergovernmental	\$ <u>197,994</u>	\$ <u>49,683</u>	\$ <u>(148,311)</u>
Total revenues	<u>197,994</u>	<u>49,683</u>	<u>(148,311)</u>
Expenditures			
Current:			
Community development	<u>197,994</u>	<u>98,600</u>	<u>99,394</u>
Total expenditures	<u>197,994</u>	<u>98,600</u>	<u>99,394</u>
Change in fund balance	-	(48,917)	(48,917)
Fund balances - beginning of year	<u>(2,410)</u>	<u>(2,410)</u>	<u>-</u>
Fund balances - end of year	<u>\$ <u>(2,410)</u></u>	<u>\$ <u>(51,327)</u></u>	<u>\$ <u>(48,917)</u></u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
Used Oil Recycling Grant Special Revenue Fund
Year ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ -	\$ 98	\$ 98
Intergovernmental	<u>20,000</u>	<u>19,776</u>	<u>(224)</u>
Total revenues	<u>20,000</u>	<u>19,874</u>	<u>(126)</u>
Expenditures			
Current:			
Public works	<u>23,059</u>	<u>23,041</u>	<u>18</u>
Total expenditures	<u>23,059</u>	<u>23,041</u>	<u>18</u>
Change in fund balance	(3,059)	(3,167)	(108)
Fund balances - beginning of year	<u>24,910</u>	<u>24,910</u>	<u>-</u>
Fund balances - end of year	<u>\$ 21,851</u>	<u>\$ 21,743</u>	<u>\$ (108)</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
TEA/ISTEA Grant Special Revenue Fund
Year ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Grants	\$ <u>2,159,627</u>	\$ <u>-</u>	\$ <u>(2,159,627)</u>
Total revenues	<u>2,159,627</u>	<u>-</u>	<u>(2,159,627)</u>
Expenditures			
Current:			
General government	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	2,159,627	-	(2,159,627)
Other financing sources (uses)			
Transfers out	<u>(2,159,627)</u>	<u>-</u>	<u>2,159,627</u>
Net other financing sources (uses)	<u>(2,159,627)</u>	<u>-</u>	<u>2,159,627</u>
Change in fund balance	-	-	-
Fund balances - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
DuPont Lead Safety Grant Special Revenue Fund
Year ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ 123	\$ 420	\$ 297
Total revenues	<u>123</u>	<u>420</u>	<u>297</u>
Expenditures			
Current:			
Community development	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	123	420	297
Other financing sources (uses)			
Transfers out	<u>(92,424)</u>	<u>-</u>	<u>92,424</u>
Net other financing sources (uses)	<u>(92,424)</u>	<u>-</u>	<u>92,424</u>
Change in fund balance	(92,301)	420	92,721
Fund balances - beginning of year	<u>105,958</u>	<u>105,958</u>	<u>-</u>
Fund balances - end of year	<u>\$ 13,657</u>	<u>\$ 106,378</u>	<u>\$ 92,721</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
Prop 1B Grant Fund
Year ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ -	\$ 48	\$ 48
Miscellaneous	-	20,366	20,366
Total revenues	<u>-</u>	<u>20,414</u>	<u>20,414</u>
Expenditures			
Current:			
General government	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	-	20,414	20,414
Fund balances - beginning of year	-	-	-
Fund balances - end of year	<u>\$ -</u>	<u>\$ 20,414</u>	<u>\$ 20,414</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
Justice Assistance Special Revenue Fund
Year ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Intergovernmental	\$ <u>48,225</u>	\$ <u>50,075</u>	\$ <u>1,850</u>
Total revenues	<u>48,225</u>	<u>50,075</u>	<u>1,850</u>
 Expenditures			
Current:			
Public safety	<u>48,225</u>	<u>25,857</u>	<u>22,368</u>
Total expenditures	<u>48,225</u>	<u>25,857</u>	<u>22,368</u>
Change in fund balance	-	24,218	24,218
 Fund balances - beginning of year	<u>(30,401)</u>	<u>(30,401)</u>	-
Fund balances - end of year	<u><u>\$ (30,401)</u></u>	<u><u>\$ (6,183)</u></u>	<u><u>\$ 24,218</u></u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
Prop 84 Park Grant Special Revenue Fund
Year ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Grants	\$ 9,775,031	\$ -	\$ (9,775,031)
Intergovernmental	-	1,071,117	1,071,117
Total revenues	<u>9,775,031</u>	<u>1,071,117</u>	<u>(8,703,914)</u>
Expenditures			
Current:			
Community development	10,582	10,582	-
Capital outlay	<u>5,732,699</u>	<u>2,145,471</u>	<u>3,587,228</u>
Total expenditures	<u>10,582</u>	<u>2,156,053</u>	<u>3,587,228</u>
Excess of revenues over expenditures	9,764,449	(1,084,936)	(5,116,686)
Other financing sources (uses)			
Transfers in	588,955	388,955	(200,000)
Transfers out	<u>(4,927,841)</u>	<u>(167,254)</u>	<u>4,760,587</u>
Net other financing sources (uses)	<u>(4,338,886)</u>	<u>221,701</u>	<u>4,560,587</u>
Change in fund balance	5,425,563	(863,235)	(556,099)
Fund balances - beginning of year	<u>(346,079)</u>	<u>(346,079)</u>	-
Fund balances - end of year	<u>\$ 5,079,484</u>	<u>\$ (1,209,314)</u>	<u>\$ (556,099)</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
Enterprise Zone Program Special Revenue Fund
Year ended June 30, 2015

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes and assessments	\$ 20,000	\$ 26,585	\$ 6,585
Use of money and property	-	628	628
Total revenues	20,000	27,213	7,213
Expenditures			
Current:			
General government	10,000	-	10,000
Total expenditures	10,000	-	10,000
Change in fund balance	10,000	27,213	17,213
Fund balances - beginning of year	136,591	136,591	-
Fund balances - end of year	\$ 146,591	\$ 163,804	\$ 17,213

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
Refuse Special Revenue Fund
Year ended June 30, 2015

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes and assessments	\$ 690,353	\$ 880,914	\$ 190,561
Use of money and property	-	1,676	1,676
Charges for services	2,625,200	2,618,107	(7,093)
Total revenues	<u>3,315,553</u>	<u>3,500,697</u>	<u>185,144</u>
Expenditures			
Current:			
General government	299,689	296,404	3,285
Public works	2,266,085	2,254,255	11,830
Total expenditures	<u>2,565,774</u>	<u>2,550,659</u>	<u>15,115</u>
Change in fund balance	749,779	950,038	200,259
Other financing sources (uses)			
Transfers out	(800,000)	(800,000)	-
Net other financing sources (uses)	<u>(800,000)</u>	<u>(800,000)</u>	<u>-</u>
Net change in fund balances	(50,221)	150,038	200,259
Fund balances - beginning of year	286,520	286,520	-
Fund balances - end of year	<u>\$ 236,299</u>	<u>\$ 436,558</u>	<u>\$ 200,259</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
LACMTA TOD Planning Special Revenue Fund
Year ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Intergovernmental	\$ 780,000	\$ -	\$ (780,000)
Total revenues	<u>780,000</u>	<u>-</u>	<u>(780,000)</u>
Expenditures			
Current:			
Community development	780,000	306,369	473,631
Total expenditures	<u>780,000</u>	<u>306,369</u>	<u>473,631</u>
Change in fund balance	-	(306,369)	(306,369)
Fund balances - beginning of year	-	-	-
Fund balances - end of year	<u>\$ -</u>	<u>\$ (306,369)</u>	<u>\$ (306,369)</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
City of Lynwood Debt Service Fund
Year ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ 500	\$ 202	\$ (298)
Total revenues	<u>500</u>	<u>202</u>	<u>(298)</u>
Expenditures			
Debt service:			
Principal payment	800,000	800,000	-
Interest and fiscal charges	842,579	842,579	-
Total expenditures	<u>1,642,579</u>	<u>1,642,579</u>	<u>-</u>
Excess of revenues over expenditures	(1,642,079)	(1,642,377)	(298)
Other financing sources (uses)			
Transfers in	1,642,344	1,642,344	-
Net other financing sources (uses)	<u>1,642,344</u>	<u>1,642,344</u>	<u>-</u>
Change in fund balance	265	(33)	(298)
Fund balances - beginning of year	<u>1,550,014</u>	<u>1,550,014</u>	<u>-</u>
Fund balances - end of year	<u>\$ 1,550,279</u>	<u>\$ 1,549,981</u>	<u>\$ (298)</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
Public Financing Authority Debt Service Fund
Year ended June 30, 2015

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Taxes and assessments	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Current:			
General government	16,416	16,092	324
Total expenditures	<u>16,416</u>	<u>16,092</u>	<u>324</u>
Excess of revenues over expenditures	(16,416)	(16,092)	324
Other financing uses			
Transfers in	<u>16,416</u>	<u>16,092</u>	<u>(324)</u>
Change in fund balance	-	-	-
Fund balances - beginning of year	-	-	-
Fund balances - end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
2002 HUD Section 108 Capital Projects Fund
Year ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ 2,700	\$ 1,658	\$ (1,042)
Total revenues	<u>2,700</u>	<u>1,658</u>	<u>(1,042)</u>
Expenditures			
Debt service:			
Principal payment	-	3,620,000	(3,620,000)
Interest and fiscal chrges	-	105,969	(105,969)
Total expenditures	<u>-</u>	<u>3,725,969</u>	<u>(3,620,000)</u>
Excess of revenues over expenditures	2,700	(3,724,311)	(3,621,042)
Other financing uses			
Transfers out	-	-	-
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	2,700	(3,724,311)	(3,621,042)
Fund balances - beginning of year	<u>3,847,978</u>	<u>3,847,978</u>	<u>-</u>
Fund balances - end of year	<u>\$ 3,850,678</u>	<u>\$ 123,667</u>	<u>\$ (3,621,042)</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
CIP Loan Proceeds Capital Projects Fund
Year ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ -	\$ 34	\$ 34
Total revenues	<u>-</u>	<u>34</u>	<u>34</u>
Other financing uses			
Transfer out		(99,341)	
Total expenditures	<u>-</u>	<u>(99,341)</u>	<u>-</u>
Net Change in fund balance	-	(99,307)	34
Fund balances - beginning of year	136,529	136,529	-
Fund balances - end of year	<u>\$ 136,529</u>	<u>\$ 37,222</u>	<u>\$ 34</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
2010 Lease Revenue Bonds Series A Capital Projects Fund
Year ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ -	\$ 1,055	\$ 1,055
Total revenues	<u>-</u>	<u>1,055</u>	<u>1,055</u>
Expenditures			
Current:			
Public works	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	1,055	1,055
Fund balances - beginning of year	\$ 4,218,039	\$ 4,218,039	-
Fund balances - end of year	<u>\$ 4,218,039</u>	<u>\$ 4,219,094</u>	<u>\$ 1,055</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
Capital Improvement Projects Capital Projects Fund
Year ended June 30, 2015

	Final Budget	Actual	Variance Final Budget Positive (Negative)
Revenues			
Total revenues	\$ -	\$ -	\$ -
Expenditures			
Current:			
General government	1,050,000	644,367	405,633
Capital outlay	<u>28,292,722</u>	<u>326,021</u>	<u>27,966,701</u>
Total expenditures	<u>28,292,722</u>	<u>970,388</u>	<u>28,372,334</u>
Excess (deficiency) of revenues over expenditures	(28,292,722)	(970,388)	28,372,334
Other financing uses			
Transfers in	<u>28,995,502</u>	<u>970,388</u>	<u>(28,025,114)</u>
Net other financing sources (uses)	<u>28,995,502</u>	<u>970,388</u>	<u>(28,025,114)</u>
Change in fund balance	702,780	-	347,220
Fund balances - beginning of year	<u>275,370</u>	<u>275,370</u>	-
Fund balances - end of year	<u>\$ 978,150</u>	<u>\$ 275,370</u>	<u>\$ 347,220</u>

City of Lynwood
Schedule of Revenues, Expenditures and Changes in Fund Balances –
Budget and Actual
2012 Measure R Bond Proceeds Capital Projects Fund
Year ended June 30, 2015

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Use of money and property	\$ -	\$ 46	\$ 46
Total revenues	<u>-</u>	<u>46</u>	<u>46</u>
Expenditures			
Current:			
General government	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures	-	46	46
Other financing sources (uses)			
Transfers out	<u>(3,835,661)</u>	<u>(229,006)</u>	<u>3,606,655</u>
Change in fund balance	(3,835,661)	(228,960)	3,606,701
Fund balances - beginning of year	<u>3,890,014</u>	<u>3,890,014</u>	<u>-</u>
Fund balances - end of year	<u>\$ 54,353</u>	<u>\$ 3,661,054</u>	<u>\$ 3,606,701</u>

Internal service funds are used to account for transactions related to the City's garage department, information technology, and for its self-insurance programs. These services are provided to other departments on a cost reimbursement basis.

Garage Fund - This fund accounts for reimbursements from City departments for the cost of upkeep on City vehicles.

Information Technology Fund - This fund accounts for all information technology costs to the City. Funding sources are 50% from the General Fund and 50% from the Water Fund.

Self-Insurance Fund - This fund accounts for reimbursements from City departments for the cost of insurance premiums, claims and administration.

City of Lynwood
Combining Statement of Net Position
Internal Service Funds
June 30, 2015

	Internal Service Fund			
	Garage	Information Technology	Self-Insurance	Totals
ASSETS				
Current assets				
Cash and investments	\$ 454,744	\$ 79,185	\$ 80,000	\$ 613,929
Receivables:				
Accounts	-	-	11,849	11,849
Total current assets	<u>454,744</u>	<u>79,185</u>	<u>91,849</u>	<u>625,778</u>
Noncurrent assets				
Restricted assets:				
Deposit in trust	-	-	-	-
Capital assets, depreciated, net	629,901	272,176	-	902,077
Total noncurrent assets	<u>629,901</u>	<u>272,176</u>	<u>-</u>	<u>902,077</u>
Total assets	<u>1,084,645</u>	<u>351,361</u>	<u>91,849</u>	<u>1,527,855</u>
DEFERRED OUTFLOWS OF RESOURCES				
	-	-	-	-
LIABILITIES				
Current liabilities				
Accounts payable	92,624	-	85,715	178,339
Due to other funds	-	-	401,937	401,937
Total current liabilities	<u>92,624</u>	<u>-</u>	<u>487,652</u>	<u>580,276</u>
Noncurrent liabilities				
Noncurrent portion of long-term debt:				
Claims payable	-	-	1,528,205	1,528,205
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>1,528,205</u>	<u>1,528,205</u>
DEFERRED INFLOWS OF RESOURCES				
	-	-	-	-
NET POSITION				
Net investment in capital assets	629,901	272,176	-	902,077
Unrestricted	362,120	79,185	(1,924,008)	(1,482,703)
Total net position	<u>\$ 992,021</u>	<u>\$ 351,361</u>	<u>\$ (1,924,008)</u>	<u>\$ (580,626)</u>

City of Lynwood
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
Year ended June 30, 2015

	Internal Service Fund			
	Garage	Information Technology	Self-Insurance	Total
Operating revenues				
Sales and service charges	\$ 277,592	\$ -	\$ 2,628,424	\$ 2,906,016
Total operating revenues	<u>277,592</u>	<u>-</u>	<u>2,628,424</u>	<u>2,906,016</u>
Operating expenses				
Insurance	-	-	750,148	750,148
Claims	-	-	2,339,510	2,339,510
Garage	292,482	-	-	292,482
Depreciation	147,973	15,822	-	163,795
Total operating expenses	<u>440,455</u>	<u>15,822</u>	<u>3,089,658</u>	<u>3,545,935</u>
Operating income (loss)	<u>(162,863)</u>	<u>(15,822)</u>	<u>(461,234)</u>	<u>(639,919)</u>
Nonoperating revenues (expenses)				
Gain from sale of assets	19,954	-	-	19,954
Total nonoperating revenues	<u>19,954</u>	<u>-</u>	<u>-</u>	<u>19,954</u>
Income (loss) before transfers	(142,909)	(15,822)	(461,234)	(619,965)
Transfers				
Transfers in	-	-	778,594	778,594
Transfer out	-	(917)	-	(917)
Net transfers	<u>-</u>	<u>(917)</u>	<u>778,594</u>	<u>777,677</u>
Change in net position	(142,909)	(16,739)	317,360	157,712
Net position - beginning, as restated	<u>1,134,930</u>	<u>368,100</u>	<u>(2,241,368)</u>	<u>(738,338)</u>
Net position - ending	<u>\$ 992,021</u>	<u>\$ 351,361</u>	<u>\$ (1,924,008)</u>	<u>\$ (580,626)</u>

City of Lynwood
Combining Statement of Cash Flows
Internal Service Funds
Year ended June 30, 2015

	Internal Service Fund			
	Garage	Information Technology	Self-Insurance	Total
Cash flows from operating activities:				
Receipts from customers and users	\$ 528,062	\$ -	\$ 2,635,595	\$ 3,163,657
Payments to suppliers	(338,652)	-	(741,593)	(1,080,245)
Payments for claims	-	-	(2,672,596)	(2,672,596)
Net cash provided by (used in) operating activities	<u>189,410</u>	<u>-</u>	<u>(778,594)</u>	<u>(589,184)</u>
Cash flows from noncapital financing activities:				
Received from other funds	-	-	778,594	778,594
Paid / transferred to other funds	-	(917)	-	(917)
Net cash provided by noncapital financing activities	<u>-</u>	<u>(917)</u>	<u>778,594</u>	<u>777,677</u>
Cash flows from capital and related financing activities				
Acquisition of capital assets, net	(267,944)	-	-	(267,944)
Proceeds from sale of assets	19,954	-	-	19,954
Net cash used in capital and related financing activities	<u>(247,990)</u>	<u>-</u>	<u>-</u>	<u>(247,990)</u>
Net increase (decrease) in cash and investments	(58,580)	(917)	-	(59,497)
Cash and investments - beginning of year, as restated	513,324	80,102	80,000	673,426
Cash and investments - end of year	<u>\$ 454,744</u>	<u>\$ 79,185</u>	<u>\$ 80,000</u>	<u>\$ 613,929</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	(162,863)	\$ (15,822)	\$ (461,234)	\$ (639,919)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	147,973	15,822	-	163,795
Changes in operating assets and liabilities:				
Decrease in due from other funds	250,000	-	-	250,000
Decrease in accounts receivable	470	-	7,171	7,641
Increase in accounts payable	(46,170)	-	8,555	(37,615)
Decrease in claims payable	-	-	69,311	69,311
Decrease in due to other funds	-	-	(402,397)	(402,397)
Total adjustments	<u>352,273</u>	<u>15,822</u>	<u>(317,360)</u>	<u>50,735</u>
Net cash provided by (used in) operating activities	<u>\$ 189,410</u>	<u>\$ -</u>	<u>\$ (778,594)</u>	<u>\$ (589,184)</u>

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STATISTICAL SECTION

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CONTENTS	PAGE
Financial Trends These tables contain trend information that may assist the reader in the City's current financial performance by placing it in historical perspective.	149-155
Revenue Capacity These tables contain information that may help in assessing the viability of the City's most significant revenue sources.	156-161
Debt Capacity These tables present information that may assist the reader in analyzing the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	162-166
Demographic and Economic Information These tables offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	167-168
Operating Information These tables contain service and infrastructure indicators that may inform one's understanding on how the information in the City's financial statements relate to the services that the City provides and the activities that it performs.	169-171

**City of Lynwood
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)**

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental activities										
Net investment in capital assets	\$71,070,677	\$79,540,927	\$85,074,079	\$88,707,464	\$111,837,946	\$125,081,373	\$128,666,330	\$128,499,266	\$112,653,436	\$113,437,149
Restricted	34,546,018	33,396,865	34,777,084	19,520,953	14,825,579	48,274,202	23,135,330	28,658,109	30,716,429	28,759,008
Unrestricted	24,793	4,340,631	3,283,514	16,293,599	3,009,212	(44,265,718)	(26,122,820)	(30,901,533)	(8,953,962)	(33,375,725)
Total governmental activities net position	<u>105,641,488</u>	<u>117,278,423</u>	<u>123,134,677</u>	<u>124,522,016</u>	<u>129,672,737</u>	<u>129,089,857</u>	<u>125,678,840</u>	<u>126,255,842</u>	<u>134,415,903</u>	<u>108,820,432</u>
Business-type activities										
Net investment in capital assets	2,247,256	(2,167,357)	(3,167,553)	(7,686,833)	1,716,371	4,313,256	6,287,007	(2,740,381)	2,556,555	2,437,864
Restricted	9,707,252	4,891,486	988,286	1,900,804	6,454,343	6,608,583	5,384,977	4,637,967	4,375,458	4,256,517
Unrestricted	(3,107,059)	1,610,454	9,258,275	14,791,755	1,850,332	2,240,168	3,188,959	11,838,448	5,241,207	857,038
Total business-type activities net position	<u>8,847,449</u>	<u>4,334,583</u>	<u>7,079,008</u>	<u>9,005,726</u>	<u>10,021,046</u>	<u>13,162,007</u>	<u>14,860,943</u>	<u>13,736,034</u>	<u>12,173,220</u>	<u>7,551,419</u>
Primary government										
Net investment in capital assets	73,317,933	77,373,570	81,906,526	81,020,631	113,554,317	129,394,629	134,953,337	125,758,885	115,209,991	115,875,013
Restricted	44,253,270	38,288,351	35,765,370	21,421,757	21,279,922	54,882,785	28,520,307	33,296,076	35,091,887	33,015,525
Unrestricted	(3,082,266)	5,951,085	12,541,789	31,085,354	4,859,544	(42,025,550)	(22,933,861)	(19,063,085)	(3,712,755)	(32,518,687)
Total primary government net position	<u>\$114,488,937</u>	<u>\$121,613,006</u>	<u>\$130,213,685</u>	<u>\$133,527,742</u>	<u>\$139,693,783</u>	<u>\$142,251,864</u>	<u>\$140,539,783</u>	<u>\$139,991,876</u>	<u>\$146,589,123</u>	<u>\$116,371,851</u>

Lynwood Redevelopment Agency was dissolved on 1/31/2012. The Successor Agency is reported as a fiduciary fund.

Source: City of Lynwood

**City of Lynwood
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)**

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental activities:										
General government	\$6,213,553	\$8,117,721	\$9,942,569	\$12,089,347	\$14,177,616	\$13,419,540	\$13,596,071	\$14,264,425	\$7,985,070	10,299,740
Public safety	13,922,118	15,505,809	15,696,589	17,461,248	17,331,341	14,853,808	14,593,726	16,683,793	17,090,835	17,091,786
Public works	\$5,363,619	\$5,294,634	\$7,344,547	\$8,213,775	\$8,374,895	\$10,021,833	\$9,655,710	\$9,512,426	9,929,011	10,458,752
Community Development	\$4,694,655	\$6,390,638	\$5,406,955	\$3,028,869	\$4,269,655	\$7,859,391	\$6,849,463	\$1,025,932	1,779,007	1,580,382
Parks and recreation	\$2,840,996	\$3,312,944	\$3,160,255	\$3,620,892	\$3,462,998	\$3,147,286	\$2,913,640	\$3,033,225	3,201,757	3,013,387
Interest on long-term debt	\$2,377,448	\$1,984,742	\$1,941,003	\$1,728,377	\$1,527,767	\$3,108,815	\$2,926,081	\$1,090,315	1,508,889	1,282,689
Unallocated Depreciation	\$0	\$1,025,821	\$1,048,750	\$0*	\$0	\$0	\$0	\$0	\$0	-
Total governmental activities expenses	<u>\$35,412,389</u>	<u>\$41,632,309</u>	<u>\$44,540,668</u>	<u>\$46,142,508</u>	<u>\$49,144,272</u>	<u>\$52,410,673</u>	<u>\$50,534,691</u>	<u>\$45,610,116</u>	<u>\$41,494,569</u>	<u>\$43,726,736</u>
Business-type activities:										
Water	\$6,168,104	\$6,544,735	\$6,485,599	\$7,717,008	\$7,356,688	\$7,429,755	\$8,204,897	8,861,860	9,138,793	9,771,870
Transit	\$1,227,619	\$1,144,485	\$1,040,822	\$1,081,676	\$1,023,916	\$995,267	\$955,330	962,157	885,536	1,049,545
Total business-type activities expenses	<u>\$7,395,723</u>	<u>\$7,689,220</u>	<u>\$7,526,421</u>	<u>\$8,798,684</u>	<u>\$8,380,604</u>	<u>\$8,425,022</u>	<u>\$9,160,227</u>	<u>\$9,824,017</u>	<u>\$10,024,329</u>	<u>\$10,821,415</u>
Total primary government expenses	<u>\$42,808,112</u>	<u>\$49,321,529</u>	<u>\$52,067,089</u>	<u>\$54,941,192</u>	<u>\$57,524,876</u>	<u>\$60,835,695</u>	<u>\$59,694,918</u>	<u>\$55,434,133</u>	<u>\$51,518,898</u>	<u>\$54,548,151</u>
Program Revenues (see Schedule 3)										
Governmental activities:										
Charges for services:										
General government	\$693,390	\$1,652,328	\$352,691	\$1,667,834	\$4,131,395	\$5,301,748	\$5,295,201	\$5,741,982	8,006,991	6,966,009
Public safety	1,024,589	514,552	1,682,637	1,587,339	1,276,036	50,932	44,141	29,187	19,059	9,113
Public works	4,607,579	3,853,232	3,281,415	2,436,899	2,959,776	3,389,626	3,237,952	3,236,640	2,739,479	3,485,305
Community development	284,119	3,161	-	-	1,104,052	1,379,549	1,560,637	936,985	1,000,388	803,853
Parks and recreation	317,006	364,681	500,951	434,508	414,406	560,235	924,572	519,849	732,923	669,074
Operating grants and contributions	7,368,051	5,178,618	10,674,374	5,612,899	4,369,982	4,813,086	6,065,095	4,503,248	4,708,968	4,545,181
Capital grants and contributions	1,648,244	1,703,546	186,401	1,432,067	3,774,852	6,163,896	561,984	561,984	-	-
Total governmental activities program revenues	<u>15,942,978</u>	<u>13,270,118</u>	<u>16,678,469</u>	<u>13,171,546</u>	<u>18,030,499</u>	<u>21,659,072</u>	<u>17,689,582</u>	<u>15,529,875</u>	<u>17,207,808</u>	<u>16,478,535</u>
Business-type activities:										
Charges for services:										
Water	5,833,964	7,861,420	9,759,112	10,014,463	9,764,490	9,783,605	10,292,343	10,417,014	10,167,149	10,298,091
Transit	11,663	20,073	5,427	13,208	6,296	9,648	9,177	8,541	9,548	7,075
Capital grants and contributions	422,767	-	-	-	-	-	-	-	-	-
Total business-type activities program revenues	<u>6,268,394</u>	<u>7,881,493</u>	<u>9,764,539</u>	<u>10,027,671</u>	<u>9,770,786</u>	<u>9,793,253</u>	<u>10,301,520</u>	<u>10,425,555</u>	<u>10,176,697</u>	<u>10,305,166</u>
Total primary government program revenues	<u>\$22,211,372</u>	<u>\$21,151,611</u>	<u>\$26,443,008</u>	<u>\$23,199,217</u>	<u>\$27,801,285</u>	<u>\$31,452,325</u>	<u>\$27,991,102</u>	<u>\$25,955,430</u>	<u>\$27,384,505</u>	<u>\$26,783,701</u>

Lynwood Redevelopment Agency was dissolved on 1/31/2012. The Successor Agency is reported as a fiduciary fund.
Source: City of Lynwood

City of Lynwood
Changes in Net Position (Continued)
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental activities	\$(19,469,411)	\$(28,362,191)	\$(27,862,199)	\$(32,970,962)	\$ (31,113,773)	\$(30,751,601)	\$(32,845,109)	\$(30,080,241)	\$(24,286,761)	\$(27,248,201)
Business-type activities	(1,127,329)	192,273	2,238,118	1,228,987	1,390,182	1,368,231	1,141,293	601,538	152,368	(516,249)
Total primary government net expense	(20,596,740)	(28,169,918)	(25,624,081)	(31,741,975)	(29,723,591)	(29,383,370)	(31,703,816)	(29,478,703)	(24,134,393)	(27,764,450)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	13,831,194	18,209,991	17,801,044	19,303,986	18,711,265	18,352,556	16,206,403	13,833,700	13,318,023	13,782,140
Utility users tax	5,810,278	6,193,590	6,576,250	5,949,307	5,878,709	5,591,230	5,356,537	5,326,570	5,421,499	5,381,381
Franchise taxes	1,332,113	1,257,149	1,302,678	1,305,288	1,232,463	1,185,455	1,270,598	1,300,003	2,380,457	1,533,036
Sales taxes	3,247,091	3,688,238	5,401,170	4,391,476	5,304,325	5,873,372	6,178,173	6,515,224	6,721,146	7,107,526
Business license taxes	262,305	407,714	471,907	434,513	420,200	536,812	593,911	1,055,541	1,084,625	1,181,547
Other taxes	93,142	1,327,499	1,433,893	1,600,134	152,742	64,266	123,496	245,822	179,237	236,343
Payments in lieu of taxes	1,738,552	540,103	361,087	-	-	-	-	-	-	-
Investment earnings	1,897,716	2,176,869	1,402,738	638,296	402,786	175,705	123,832	254,623	387,805	177,832
Miscellaneous	488,886	1,118,246	239,172	1,250,614	870,321	57,051	177,285	802,561	227,154	115,568
Transfers	780,106	5,312,643	(346,792)	(515,313)	475,854	(9,037)	632,419	1,083,284	1,784,644	(693,613)
Total governmental activities	29,481,383	40,232,042	34,643,147	34,358,301	33,448,665	31,827,410	30,662,654	30,417,328	31,504,591	28,821,760
Business-type activities										
Investment earnings	551,608	607,504	159,515	182,418	100,992	107,207	66,053	73,346	69,463	65,441
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Transfers	(780,106)	(5,312,643)	346,792	515,313	(475,854)	9,037	(632,419)	(1,083,284)	(1,784,644)	693,613
Total business-type activities	(228,498)	(4,705,139)	506,307	697,731	(374,862)	116,244	(566,366)	(1,009,938)	(1,715,181)	759,054
Total primary government	\$ 29,252,885	\$ 35,526,903	\$ 35,149,454	\$ 35,056,032	\$ 33,073,803	\$ 31,943,654	\$ 30,096,288	\$ 29,407,390	\$ 29,789,410	\$ 29,580,814
Change in Net Position										
Governmental activities	10,011,972	12,703,331	6,780,948	2,443,121	2,334,892	1,075,809	(2,287,008)	337,087	7,217,830	1,573,559
Business-type activities	(1,355,827)	(4,512,866)	2,744,425	1,269,827	1,040,796	1,484,475	574,927	(408,401)	(1,562,813)	242,805
Total primary government	\$ 8,656,145	\$ 8,190,465	\$ 9,525,373	\$ 3,712,948	\$ 3,375,688	\$ 2,560,284	\$ (1,712,081)	\$ (71,314)	\$ 5,655,017	\$ 1,816,364

Lynwood Redevelopment Agency was dissolved on 1/31/2012. The Successor Agency is reported as a fiduciary fund. GASB 34 was implemented for the fiscal year ended June 30, 2003.

Source: City of Lynwood

City of Lynwood
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 891,712	\$ -	\$ 10,212	\$ -	\$ -
Committed	-	-	-	-	-	526,096	326,900	494,522	-	-
Unassigned	-	-	-	-	-	5,115,452	5,274,765	5,976,902	4,610,951	4,543,523
Reserved	1,000,340	1,412,294	1,450,866	164,456	4,874,307	-	-	-	-	-
Unreserved	<u>15,512,533</u>	<u>14,891,975</u>	<u>9,626,275</u>	<u>9,547,949</u>	<u>3,107,949</u>	-	-	-	-	-
Total general fund	<u>16,512,873</u>	<u>16,304,269</u>	<u>11,077,141</u>	<u>9,712,405</u>	<u>7,982,256</u>	<u>6,533,260</u>	<u>5,601,665</u>	<u>6,481,636</u>	<u>4,610,951</u>	<u>4,543,523</u>
All Other Governmental Funds										
Reserved	26,536,539	26,798,572	17,632,454	24,765,113	24,589,471	-	-	-	-	-
Nonspendable	-	-	-	-	-	9,969,438	209,078	497,694	1,348,324	1,348,324
Committed	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	(4,176,916)	(3,994,464)	(3,540,229)	(561,208)	(1,890,094)
Restricted:										
Special revenue funds	-	-	-	-	-	9,456,030	12,509,310	13,288,317	16,128,321	18,265,929
Capital projects funds	-	-	-	-	-	33,139,153	9,065,746	13,819,745	13,038,094	8,943,098
Debt service funds	-	-	-	-	-	5,679,019	1,560,274	1,550,047	1,550,014	1,549,981
Unreserved, reported in:										
Special revenue funds	1,867,118	1,641,242	(388,455)	4,899,496	4,219,342	-	-	-	-	-
Capital projects funds	1,005,908	(11,113)	(37,030)	(1,570,414)	(2,642,076)	-	-	-	-	-
Debt service funds	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 29,409,565</u>	<u>\$ 28,428,701</u>	<u>\$ 17,206,969</u>	<u>\$ 28,094,195</u>	<u>\$ 26,166,737</u>	<u>\$ 54,066,724</u>	<u>\$ 19,349,944</u>	<u>\$ 25,615,574</u>	<u>\$ 31,503,545</u>	<u>\$ 28,217,238</u>

The Lynwood Redevelopment Agency was dissolved as 1/31/12. The Successor Agency is reported as a Fiduciary Fund
GASB 54 was implemented in fiscal year 2010-2011.

Source: City of Lynwood

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

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues										
Taxes (see Schedule 6)	\$ 29,252,885	\$ 31,084,181	\$ 32,765,398	\$ 32,425,069	\$ 31,950,394	\$ 31,518,348	\$ 29,808,823	26,946,582	27,922,422	28,099,418
Licenses, fees, and permits	639,142	646,340	354,853	915,469	887,559	941,632	1,014,069	1,582,798	1,519,975	1,535,755
Fines and penalties	1,007,352	1,175,169	1,187,753	1,160,199	1,276,583	1,508,346	1,921,768	1,820,767	1,620,345	1,431,070
Use of money and property	2,137,438	2,176,869	1,481,300	638,296	402,786	362,185	340,637	393,656	369,972	365,674
Intergovernmental	7,299,319	6,247,098	9,401,941	6,925,831	8,173,257	11,085,979	7,107,176	5,329,733	4,687,146	5,686,120
Charges for services	3,338,468	4,285,276	3,840,333	3,712,006	3,740,730	3,795,430	4,063,798	3,387,777	4,322,968	4,100,874
Administrative support	3,228,043	3,060,251	1,310,366	1,208,409	1,151,040	1,118,246	1,118,246	1,118,246	1,118,246	1,118,246
Program Income	-	267,585	49,273	45,966	95,477	4,850	-	29,450	40,000	-
Other revenues	135,177	1,456,338	660,694	769,658	1,470,894	675,919	487,722	1,616,496	533,636	730,781
Total revenues	47,037,824	51,232,587	51,051,911	47,800,903	49,148,720	51,010,935	45,862,239	42,225,505	42,134,710	43,067,938
Expenditures										
General government	6,615,223	7,527,419	8,328,291	7,406,008	8,612,274	9,771,596	10,018,745	10,637,844	5,561,282	5,660,357
Public safety	13,900,407	15,505,809	15,696,589	17,453,355	17,323,198	14,844,253	14,574,856	16,667,583	17,071,643	17,026,598
Public works	5,124,278	6,042,820	7,344,547	7,273,396	7,487,773	9,139,463	8,476,626	8,499,526	8,729,833	8,830,245
Community development	6,393,455	7,935,098	5,552,608	4,856,699	5,512,018	5,696,998	6,523,478	1,022,907	1,775,426	1,981,750
Parks and recreation	2,785,317	3,312,944	3,160,255	3,535,156	3,374,547	3,043,494	2,699,254	2,849,055	2,983,717	2,939,850
Pass Through To Other Agencies	-	-	-	552,052	250,021	8,914	-	-	-	2,471,492
Capital outlay	34,153,313	13,311,825	5,983,029	6,145,649	8,136,405	6,387,861	2,130,165	642,303	1,356,431	-
Debt service										
Interest	2,207,102	1,174,979	1,335,594	1,596,989	1,531,443	1,830,643	2,744,245	971,217	900,652	4,864,154
Principal	975,682	1,826,207	1,768,237	2,079,713	1,054,502	5,613,437	929,800	1,047,136	1,411,038	1,175,937
Bond issue costs	-	-	-	-	-	559,620	-	-	-	-
Total expenditures	72,154,777	56,637,101	49,169,150	50,899,017	53,282,181	56,896,279	48,097,169	42,337,571	39,790,022	44,950,383
Excess of revenues over (under) expenditures	(25,116,953)	(5,404,514)	1,882,761	(3,098,114)	(4,133,461)	(5,885,344)	(2,234,930)	(112,066)	2,344,688	(1,882,445)
Other Financing Sources (Uses)										
Bonds proceeds	-	-	-	-	-	33,125,000	-	6,563,582	-	-
Bond Discount	-	-	-	-	-	(779,628)	-	-	-	-
Transfers in	13,085,974	41,023,249	26,879,932	15,795,814	17,061,122	14,178,639	10,711,200	11,575,810	15,574,928	7,983,212
Transfers out	(11,903,143)	(40,493,902)	(22,078,219)	(20,565,918)	(16,585,268)	(14,187,676)	(10,628,781)	(10,881,725)	(14,844,566)	(9,454,502)
Total other financing sources (uses)	1,182,831	529,347	4,801,713	(4,770,104)	475,854	32,336,335	82,419	7,257,667	730,362	(1,471,290)
Extraordinary items	-	-	-	-	-	-	(33,495,864)	-	-	-
Net change in fund balances	\$ (23,934,122)	\$ (4,875,167)	\$ 6,684,474	\$ (7,868,218)	\$ (3,657,607)	\$ 26,450,991	\$ (35,648,375)	\$ 7,145,601	\$ 3,075,050	\$ (3,353,735)
Debt service as a percentage of noncapital expenditures	9.14%	7.44%	7.74%	9.07%	6.11%	18.83%	8.69%	5.09%	6.40%	16.58%

City of Lynwood
Tax Revenues by Source - Governmental Funds
Last Ten Fiscal Years

Fiscal Year	Property	Sales Taxes	Utility Users Tax	Franchise	Property Transfer	Other	Total
2006	\$ 13,831,194	\$ 3,247,091	\$ 5,810,278	\$ 1,332,113	\$ 262,305	\$ 4,769,904	\$ 29,252,885
2007	18,209,991	3,688,238	6,193,590	1,257,149	407,714	1,327,499	31,084,181
2008	17,801,044	5,401,170	6,576,250	1,302,678	471,907	1,433,893	32,986,942
2009	19,303,986	4,391,476	5,949,307	1,305,288	434,513	1,600,134	32,984,704
2010	18,711,265	5,304,325	5,878,709	1,232,463	420,200	152,742	31,699,704
2011	18,352,556	5,873,372	5,591,230	1,185,455	175,706	64,266	31,242,585
2012	16,206,403	5,356,537	6,178,173	1,270,598	123,832	123,496	29,259,039
2013	13,833,700	6,515,224	5,326,570	1,300,003	254,623	254,822	27,484,942
2014	13,318,023	6,721,146	5,421,499	2,380,457	387,805	179,237	28,408,167
2015	13,782,140	7,107,526	5,381,381	1,533,036	-	236,343	28,040,426
Change							
2006-2015	-0.4%	118.9%	-7.4%	15.1%	-100.0%	-95.0%	-4.1%

Source: City of Lynwood

**City of Lynwood
Assessed Value
Last Ten Fiscal Years**

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Residential	\$ 1,553,834,605	\$ 1,769,041,214	\$ 1,970,733,207	\$ 2,065,073,300	\$ 1,914,425,758	\$ 1,833,560,959	\$ 1,858,607,166	\$ 1,889,584,384	\$ 1,959,709,331	\$ 2,033,412,985
Commercial	234,685,857	250,214,463	273,733,571	291,616,514	314,804,857	308,471,599	306,858,147	233,309,815	245,749,667	344,128,361
Industrial	175,850,603	180,517,681	192,759,499	211,284,405	226,310,747	224,421,914	219,249,109	319,869,481	306,219,798	250,856,840
Institutional	14,856,434	14,503,805	21,072,234	21,610,145	24,496,869	195,237,553	213,678,142	217,361,956	310,720,341	320,358,478
Miscellaneous	32,835	1,440,488	1,469,295	3,335,932	3,335,448	3,213,287	1,629,071	1,664,398	1,145,617	135,273
Recreational	210,388	284,668	290,360	296,166	302,088	301,369	303,636	309,706	315,898	317,330
Vacant Land	15,419,783	16,970,075	17,594,342	18,875,074	19,573,033	20,415,541	34,025,174	31,578,727	50,245,155	27,187,345
SBE Nonunitary	906,787	831,966	729	717	694	779	969	977	191	182
Cross Reference	4,199,252	4,601,816	4,262,361	4,376,567	3,955,210	4,399,868	4,002,550	4,122,775	4,377,782	4,691,661
Unsecured	78,080,903	79,689,348	82,205,276	83,586,372	84,371,270	74,657,976	95,395,071	87,556,507	90,669,780	90,075,523
Unknown	1,517,191	615,060	-	44	44	-	15,108,197	15,390,492	17,565,180	16,401,813
Tax Exempt	(21,827,731)	(27,645,498)	(30,246,612)	(29,585,217)	(28,473,480)	(29,135,826)	(29,455,154)	(29,940,424)	(307,087,908)	(332,003,002)
TOTALS	\$ 2,057,766,907	\$ 2,291,065,086	\$ 2,533,874,262	\$ 2,670,470,019	\$ 2,563,102,538	\$ 2,635,545,019	\$ 2,719,402,078	\$ 2,770,808,794	\$ 2,679,630,832	\$ 2,755,562,789
Total Direct Rate	0.40827	0.40358	0.40563	0.41092	0.43155	1.192470	1.201240	1.204707	1.271762	1.237191

Exempt values are deducted from totals.

Source: HDL, Coren Cole, MuniServices

City of Lynwood
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$1,000 of assessed value)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Basic Levy	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.000000	1.000000	1.000000	1.000000
Compton Community College District	0.02051	0.01975	0.01763	0.01262	0.01296	0.01487	0.020830	0.025618	0.023214	0.023799
Compton Unified School District	0.04827	0.06144	0.05976	0.06237	0.06238	0.07054	0.071252	0.075823	0.000000	0.000000
County Detention Facilities 1987 Debt	0.00080	0.00066	0.00000	0.00000	0.00000	0.00000	0.000000	0.000000	0.000000	0.000000
LA Community College District	0.01429	0.02146	0.00879	0.02212	0.02311	0.04031	0.035296	0.048750	0.000000	0.000000
LA County Flood Control	0.00005	0.00005	0.00000	0.00000	0.00000	0.00000	0.000000	0.000000	0.000000	0.000000
Los Angeles Unified School District	0.08435	0.10681	0.12334	0.12478	0.15181	0.18695	0.168187	0.175619	0.000000	0.000000
Lynwood Unified	0.04827	0.04317	0.04370	0.04498	0.04359	0.04945	0.051710	0.050589	0.120048	0.084892
Metropolitan Water District	0.00520	0.00470	0.00450	0.00430	0.00430	0.00370	0.003700	0.003500	0.003500	0.003500
Tax District	0.12500	0.12500	0.12500	0.12500	0.12500	0.12500	0.125000	0.125000	0.125000	0.125000
Total Direct & Overlapping Tax Rates	1.34674	1.38304	1.38272	1.39617	1.42315	1.49082	1.47598	1.504899	1.271762	1.237191
City's Share of 1% Levy Per Prop 13	0.11301	0.11301	0.11301	0.11301	0.11301	0.11301	0.113014	0.113014	0.113014	0.113014
General Obligation Debt Rate	0.12500	0.12500	0.12500	0.12500	0.12500	0.12500	0.125000	0.125000	0.125000	0.125000
Redevelopment Rate Total Direct Rate	1.13112	1.13048	1.12956	1.12930	1.12930	1.12870	0.00000	0.00000	0.000000	0.000000
Total Direct Rate	0.40827	0.40358	0.40563	0.41092	0.43155	1.192470	1.201240	1.204707	1.271762	1.237191

Source: Los Angeles County Auditor-Controller

**City of Lynwood
Principal Property Tax Payers
Current Year and Ten Years Ago**

Taxpayer	2006			2015		
	Value	Rank	% of Net Assessed Value	Value	Rank	% of Net Assessed Value
Placo Investment LLC	\$ 32,536,639	1	1.59%			
Lynwood Alameda Corporation	18,333,983	2	0.89%	\$ 20,903,699	4	0.76%
2700 East Imperial Highway Inc.	18,000,000	3	0.88%	17,875,134	5	0.65%
Albi Lynwood Investment LLC	11,526,000	4	0.56%			
Atlantic Lynwood LLC	10,575,000	5	0.52%			
St. Francis Medical Center	10,372,913	6	0.51%			
DV Industries Inc.	10,230,808	7	0.50%			
805 Property LLC	9,632,961	8	0.47%			
Urban LLC	9,482,983	9	0.46%			
Shapco Partnership	9,205,602	10	0.45%			
Plamex Investment LLC				43,614,188	1	1.58%
Duke Realty Ltd. Partnership				39,058,925	2	1.42%
Earl M Jorgensen Co				23,390,517	3	0.85%
Nhp Pmb St Francis Lynwood Med				17,367,490	6	0.63%
Aaron Industries Inc.				16,381,219	7	0.59%
Vk Atlantic Avenue Llc				15,750,000	8	0.57%
Southern California Airgas				15,637,235	9	0.57%
Jones Holdings Llc				15,236,795	10	0.55%
Top Ten Totals	\$ 139,896,889		6.83%	\$ 225,215,202		8.17%
City Totals	\$2,048,897,215		100%	\$ 2,755,562,789		100%

Source: HDL, Coren Cole, MuniServices

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

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2006	\$ 1,628,787	\$ 1,121,313	68.84%	\$ 293,270	\$ 1,414,583	86.85%
2007	1,785,744	1,335,441	74.78%	458,772	1,794,213	100.47%
2008	2,016,965	1,874,289	92.93%	395,019	2,269,308	112.51%
2009	2,234,886	2,113,315	94.56%	325,810	2,439,125	109.14%
2010	2,340,660	2,113,570	90.30%	260,479	2,374,049	101.43%
2011	2,397,112	2,184,554	91.13%	190,899	2,375,453	99.10%
2012	2,286,742	2,251,225	98.45%	-	2,251,225	98.45%
2013	2,375,934	2,355,554	99.14%	-	2,355,554	99.14%
2014	2,218,405	2,215,707	99.88%	-	2,215,707	99.88%
2015	2,304,908	2,305,732	100.04%	-	2,305,732	100.04%

Source: County Assessor Data and City General Ledger
Source: 2010-11 and prior, previously published CAFR Report
*Includes 1% secured apportionment only
(-) Data Unavailable
(1) Years with over 100% of levy are due to prior year collections

**City of Lynwood
Taxable Sales by Category
Last Ten Calendar Years
(in thousands of dollars)**

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Apparel Stores	\$16,034	\$16,388	\$16,341	\$14,845	\$13,671	\$9,627	\$11,970	\$14,541	\$17,146	\$18,296
General Merchandise	3,473	3,489	3,398	3,419	3,480	6,511	6,682	6,744	6,970	7,826
Food Stores	30,061	31,200	30,747	31,445	31,801	31,537	31,409	33,525	34,755	35,685
Eating and Drinking Places	51,306	56,094	57,316	55,876	53,996	52,625	56,846	61,527	63,686	69,910
Building Materials	31,626	32,968	32,302	25,376	19,980	1,459	1,281	1,446	1,877	2,509
Auto Dealers and Supplies	30,445	28,974	22,720	15,293	12,630	13,441	16,281	16,978	20,164	22,209
Service Stations	55,558	61,236	62,998	66,578	51,407	64,504	73,037	74,609	70,953	64,096
Other Retail Stores	42,698	47,984	50,214	48,831	44,589	30,172	29,338	28,728	18,124	19,063
All Other Outlets	<u>76,729</u>	<u>75,021</u>	<u>88,180</u>	<u>89,898</u>	<u>72,430</u>	<u>70,997</u>	<u>71,615</u>	<u>68,846</u>	<u>77,015</u>	<u>79,879</u>
Total	<u>\$337,930</u>	<u>\$353,354</u>	<u>\$364,216</u>	<u>\$351,561</u>	<u>\$303,984</u>	<u>\$280,873</u>	<u>\$298,459</u>	<u>\$306,944</u>	<u>\$310,689</u>	<u>\$319,473</u>

Source: HDL Coren Cole, MuniServices

**City of Lynwood
Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>City Direct Rate</u>	<u>Los Angeles County</u>
2006	1%	1%
2007	1%	1%
2008	1%	1%
2009	1%	1%
2010	1%	1%
2011	1%	1%
2012	1%	1%
2013	1%	1%
2014	1%	1%
2015	1%	1%

Source: HDL Coren Cole, MuniServices

**City of Lynwood
Principal Sales Tax Remitters
Current Year and Ten Years Ago**

2015

Tax Remitter	Business Category
99 Cents Only Stores	Department Stores
Arco AM/PM Mini Marts	Service Stations
Autozone	Auto Parts/Repair
Chevron Service Stations	Service Stations
Commerce Diesel	Auto Parts/Repair
CVS/Pharmacy	Drug Stores
EI Super	Food Markets
Encore Metals Usa	Heavy Industry
Factory 2-U	Department Stores
Food 4 Less	Food Markets
Jack In The Box Restaurants	Restaurants
Jones Lumber Company	Bldg.Matls-Whsle
King Taco Restaurant	Restaurants
La Curacao	Furniture/Appliance
Mcdonald's Restaurants	Restaurants
Rapid Gas Service Stations	Service Stations
Rite Aid Drug Stores	Drug Stores
Shell Service Stations	Service Stations
Smart & Final	Food Markets
Sun's Market Gas & Diesel	Service Stations
Superior Super Warehouse	Food Markets
TJ's Metal Manufacturing	Heavy Industry
Union 76 Service Stations	Service Stations
United Oil Service Stations	Service Stations
Walgreen's Drug Stores	Drug Stores

2006

Tax Remitter	Business Category
Airgas-West	Heavy Industry
Arco AM/PM Mini Marts	Service Stations
Autozone	Auto Parts/Repair
Cafe Canela & La Huasteca	Restaurants
Chevron Service Stations	Service Stations
Del Steel Ornamental & Tube	Bldg.Matls-Whsle
Eurostar	Apparel Stores
Factory 2-U	Department Stores
Food 4 Less	Food Markets
JJ North's Grand Buffet	Restaurants
Jones Lumber Company	Bldg.Matls-Whsle
King Taco Restaurant	Restaurants
La Curacao	Furniture/Appliance
Mcdonald's Restaurants	Restaurants
Olegario Sanchez Maldonado	Auto Sales - Used
Rapid Gas Service Stations	Service Stations
Rite Aid Drug Stores	Drug Stores
Sav-On Drug Stores	Service Stations
Shell Service Stations	Service Stations
Sun's Market Gas & Diesel	Service Stations
Superior Super Warehouse	Food Markets
U.S. Royal	Service Stations
Union 76 Service Stations	Service Stations
Valu Plus Food Warehouse	Food Markets
Walgreen's Drug Stores	Drug Stores

NOTE: California Law prohibits further detail.

Source: HDL Coren Cole, MuniServices

City of Lynwood
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

General Bonded Debt Outstanding				
<u>Fiscal</u> <u>Year</u>	<u>General</u> <u>Obligation</u> <u>Bonds</u>	<u>Redevelopment</u> <u>Bonds</u>	<u>Total</u>	<u>Per Capita</u>
2006	\$ 30,905,577	\$ 20,150,000	\$ 51,055,577	\$ 10,334
2007	28,013,865	23,743,610	51,757,475	10,823
2008	26,973,177	22,627,950	49,601,127	11,148
2009	25,036,364	22,627,950	47,664,314	11,224
2010	23,456,726	20,392,821	43,849,547	10,988
2011	31,407,995	70,053,359	101,461,354	11,941
2012	33,057,002	35,197,380	68,254,382	12,034
2013	39,291,079	34,271,450	73,562,529	12,259
2014	38,495,932	33,722,915	72,218,847	12,517
2015	37,219,957	32,470,259	69,690,216	12,484

Source: City of Lynwood

City of Lynwood
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities					Business-type Activities	Total Primary Government	Percentage of Personal Income (1)	Debt Per Capita (1)
	Tax Allocation Bonds (2)	HUD Loan Payable	Claims Payable	Revenue Bonds	Capital Leases Payable	Water Revenue Bonds			
2006	\$ 13,615,000	\$ 6,535,000	\$ 2,787,663	\$ 11,445,000	\$ 1,331,531	\$ 15,341,383	\$ 51,055,577	6.80%	\$ 702
2007	13,325,000	6,280,000	3,503,418	10,965,000	946,716	15,035,404	50,055,538	6.36%	688
2008	13,020,000	6,010,000	3,888,995	10,475,000	495,431	14,709,425	48,598,851	6.01%	670
2009	12,690,000	5,725,000	3,567,839	9,975,000	170,956	14,369,425	46,498,220	5.70%	640
2010	12,335,000	5,425,000	3,800,261	9,460,000	-	20,984,291	52,004,552	6.49%	713
2011	35,594,210	5,105,000	3,715,973	13,890,560	-	20,679,097	78,984,840	9.02%	1,078
2012	35,197,830	4,765,000	3,077,651	13,344,480	-	20,329,097	76,714,058	9.07%	1,092
2013	34,271,450	4,405,000	2,728,192	19,341,892	-	19,949,097	80,695,631	9.32%	1,142
2014	33,722,915	4,025,000	2,064,308	18,867,322	-	19,628,710	78,308,255	8.81%	1,103
2015	32,470,259	-	2,540,436	18,076,142	-	19,143,815	72,230,652	8.11%	1,012

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data

(2) Taxable allocation bonds are debts of the Dissolved Redevelopment Agency.

Source: City of Lynwood

City of Lynwood
Direct and Overlapping Governmental Activities Debt
June 30, 2015

2014-15 Assessed Valuation: \$2,784,833,989

<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	Total Debt 06/30/15	% Applicable (1)	City's Share of Debt 06/30/15
Los Angeles County Flood Control District	\$ 15,105,000	0.252%	\$ 38,065
Metropolitan Water District	110,420,000	0.120	132,504
Compton Community College District	75,625,034	15.724	11,891,280
Los Angeles Community College District	3,882,265,000	0.007	271,759
Compton and Los Angeles Unified School Districts	10,350,081,020	0.910 & 0.009	1,412,786
Lynwood Unified School District	51,183,468	98.115	50,218,660
Los Angeles County Regional Park and Open Space Assessment District	82,880,000	0.232	192,282
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			\$ 64,157,336
 <u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>			
Los Angeles County General Fund Obligations	\$ 1,885,330,518	0.232%	\$ 4,373,967
Los Angeles County Superintendent of Schools Certificates of Participation	8,719,113	0.232	20,228
Compton and Los Angeles Unified School District Certificates of Participation	328,030,000	0.910 & 0.009	217,381
Lynwood Unified School District Certificates of Participation	20,475,000	98.115	20,089,046
City of Lynwood General Fund Obligations	11,795,000	100	11,795,000
Los Angeles County Sanitation District No. 1 Authority	12,535,558	12.076	1,513,794
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT			\$ 38,009,416
Less: Los Angeles County obligations supported by landfill revenues			10,544
Los Angeles Unified School District QZABs supported by investment fund			1,538
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT			\$ 37,997,334
 <u>OVERLAPPING TAX INCREMENT DEBT:</u>			
Lynwood Successor Agency	32,450,000	100%	\$ 32,450,000
TOTAL OVERLAPPING TAX INCREMENT DEBT			\$ 32,450,000
 TOTAL DIRECT DEBT			 \$ 11,795,000
TOTAL GROSS OVERLAPPING DEBT			\$ 122,821,752
TOTAL NET OVERLAPPING DEBT			\$ 122,809,670
 GROSS COMBINED TOTAL DEBT			 \$ 134,616,752 (2)
NET COMBINED TOTAL DEBT			\$ 134,604,670

(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.

Ratios to 2014-15 Assessed Valuation:

Total Overlapping Tax and Assessment Debt	2.30%
Total Direct Debt (\$11,795,000)	0.42%
Gross Combined Total Debt	4.83%
Net Combined Total Debt	4.83%

Ratios to Redevelopment Incremental Valuation (\$659,369,710):

Overlapping Tax Increment Debt.....	4.92%
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Source: California Municipal Statistics

**City of Lynwood
Legal Debt Margin Information
Last Ten Fiscal Years**

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Assessed Valuation	\$ 2,057,766,907	\$ 2,291,065,086	\$ 2,811,856,366	\$ 2,700,055,236	\$ 2,821,047,242	\$ 2,664,680,845	\$ 2,719,402,114	\$ 2,770,808,830	\$ 2,679,630,832	\$ 2,784,833,989
Conversion percentage	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Adjusted assessed valuation	514,441,727	572,766,272	702,964,092	675,013,809	705,261,811	666,170,211	679,850,529	692,702,208	669,907,708	696,208,497
Debt limit percentage	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
Debt limit	77,166,259	85,914,941	105,444,614	101,252,071	105,789,272	99,925,532	101,977,579	103,905,331	100,486,156	104,431,275
Total net debt applicable to the limit: General obligation bonds	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ <u>77,166,259</u>	\$ <u>85,914,941</u>	\$ <u>105,444,614</u>	\$ <u>101,252,071</u>	\$ <u>105,789,272</u>	\$ <u>99,925,532</u>	\$ <u>101,977,579</u>	\$ <u>103,905,331</u>	\$ <u>100,486,156</u>	\$ <u>104,431,275</u>

Source: County of Los Angeles Auditor-Controller

**City of Lynwood
Pledged-Revenue Coverage
Last Ten Fiscal Years**

Fiscal Year	Water Revenue Bonds			Debt Service		Public Finance Authority Revenue Bonds	Tax Allocation Bonds		Other Debt		
	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service		Debt Service		Debt Service		Debt Service	
				Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2006	\$ 6,119,611	\$ 5,248,296	\$ 871,315	\$ 300,000	\$ 860,348	\$ 475,000	\$ 556,195	\$ 265,000	\$ 852,012	\$ 661,841	\$ 444,608
2007	7,508,363	5,431,047	2,077,316	310,000	848,297	480,000	545,490	290,000	832,242	702,821	410,967
2008	8,754,610	8,032,506	722,104	330,000	835,117	490,000	533,775	305,000	810,664	721,285	378,481
2009	10,183,958	7,716,303	2,467,655	340,000	820,454	500,000	519,910	330,000	787,552	621,678	412,400
2010	9,819,552	7,356,691	2,462,861	300,000	1,031,591	515,000	504,162	355,000	762,576	484,502	380,160
2011	11,803,343	10,219,367	1,583,976	350,000	1,009,893	555,000	698,763	415,000	2,329,587	374,805	289,045
2012	10,301,520	8,115,339	2,186,181	380,000	997,794	575,000	675,803	945,000	2,328,343	396,217	306,624
2013	10,425,555	8,811,081	1,614,474	380,000	1,012,936	575,000	651,554	595,000	2,310,748	396,217	287,591
2014	10,176,697	8,646,420	1,530,277	490,000	921,542	800,000	842,578	1,235,000	2,090,131	444,173	227,380
2015	10,298,091	8,843,081	1,455,010	505,000	902,233	830,000	805,656	1,120,000	2,044,056	40,719	2,891

Source: City of Lynwood

**City of Lynwood
Demographic and Economic Statistics
Last Ten Calendar Years**

Calendar Year	Population	Personal Income <i>(thousands of dollars)</i>	Per Capita Personal Income	School Enrollment	Unemployment Rate
2006	72,704	\$ 751,295	\$ 10,334	17,772	8.8%
2007	72,773	787,630	10,823	17,571	7.8%
2008	72,483	808,071	11,148	17,341	8.3%
2009	72,623	815,093	11,224	16,968	12.0%
2010	72,906	801,071	10,988	16,215	18.2%
2011	73,295	875,216	11,941	15,435	19.7%
2012	70,257	845,496	12,034	15,515	18.6%
2013	70,645	866,037	12,259	15,029	17.2%
2014	70,980	888,428	12,517	14,919	15.7%
2015	71,381	891,135	12,484	14,776	8.7%

City of Lynwood Principal Employers

Employer	2010		2011		2012		2013		2014		2015		Percent of Total Employment
	Employees	Rank											
St. Francis Medical Center			116	9	2,100	1	2,100	1	2,100	1	1,716	1	5.92%
Lynwood Unified School District	1,777	1	1,876	1	1,324	2	1,586	2	1,586	2	1,614	2	5.57%
Los Angeles County Sheriff Department	320	2	302	2	300	3	301	3	301	3	300	3	1.03%
PL Development (Formerly Aaron Industries Inc.)			250	3	276	4	279	4	279	4	260	4	0.90%
Lynwood City Hall	229	4	226	4	239	5	220	5	220	5	194	5	0.67%
Superior Warehouse Grocers Inc.							146	6	146	6	139	6	0.48%
Marlinda Convelescent Hospital DBA Bloomfield											128	8	0.44%
Country Villa Lynwood Health Care	175	7			175	6	130	7	130	7	109	7	0.38%
Earle M. Jorgensen Company			190	5	158	7	118	8	118	9	106	9	0.37%
El Super			110	10	125	9	100	10	100	10	104	10	0.36%
Bloomfield Parks (Formerly Marlinda Nursing Home)			176	6	125	8	116	9	128	8			
Country Villa Lynwood Health Care			120	8	100	10							
Pacer International / Conex Global			137	7									
Michels & Company	250	3											
EMJ Metals	200	5											
K and K Office Furniture	175	6											
Triumph Processing	160	8											
Country Villa Lynwood Health Center	150	9											
Jones Lumber	150	10											

Source: City of Lynwood

City of Lynwood
Full-time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

<u>Function/Program</u>	<u>Fiscal Year</u>									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Government										
City Council	12	12	7	2.5	2.5	2.5	2.5	2.5	2.5	2.5
City Clerk	4	3	3	3.5	3.5	3.5	7	4	4	4
City Treasurer	2	2	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
City Manager	11	11	11	7	6	5	5	5	5	4
Development Services	20	23	21	17.5	17.5	18.5	13.5	13.5	15	12
Finance & Administration	26	24	23.5	23.5	40	34	19	19	19	15.5
Human Resources	19	20	13.5	11.5	5	5	4	4	4	5
Public Relations	40	40	39.5	38	5.5	5.5	16.5	15.5	15.5	13
Public Works	72	68	68	55.5	80.5	71	68	66	66	70
Parks and Recreation	105	101	58	59.5	56	54.5	53	53	52.5	52.5
Community Development	7	11	11	9	9	9	5	8	8	8
Technology and media support	-	-	-	-	-	-	-	-	-	6

Source: City of Lynwood

City of Lynwood
Operating Indicators by Function/Program
Last Seven Fiscal Years

	Fiscal Year							
	2008	2009	2010	2011	2012	2013	2014	2015
<u>Function / Program</u>								
General government								
Building permits issued	2,182	1,570	1,590	1,561	1,259	1,110	1,157	828
Building inspections conducted	5,325	3,794	5,200	4,160	3,840	2,983	2,951	3,013
Sheriff								
Physical arrests	3,782	4,344	3,738	3,503	3,172	3,391	3,075	2,383
Fire								
Emergency responses	3,654	3,458	4,655	4,622	4,865	4,914	4,980	5,658
Fires extinguished	168	157	138	143	148	153	154	132
Inspections	1,135	1,728	1,890	1,679	1,919	1,371	1,606	1,313
Refuse collection								
Refuse collected (tons per day)	75	63	72	73	62	128	129	144
Recyclables collected (tons per day)	65	41	66	60	63	65	39	49
Other public works								
Potholes repaired	15,800	5,800	7,200	7,400	6,800	6,800	6,800	4,500
Water								
Water main breaks	6	8	3	3	2	2	-	2
Average daily consumption (thousands of gallons)	5,640	5,600	5,250	5,190	5,180	5,223	5,178	5,009

Source: City of Lynwood

City of Lynwood
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

<u>Function/Program</u>	<u>Fiscal Year</u>									
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Sheriff										
Stations	1	1	1	1	1	1	1	1	1	1
Zone offices	0	0	0	0	0	0	0	0	0	0
Patrol units	0	17	23	24	24	24	24	24	24	24
Fire Stations	2	2	2	2	2	2	2	2	2	2
Other public works										
Streets (miles)	85	90	90	90	90	90	90	90	90	90
Streetlights	2,300	2,300	2,300	4,175	4,175	4175	4175	4175	4175	4175
Parks and recreation										
Acreage	35	35	37.9	37.9	37.9	37.9	46	40.58	40.58	45.8
Playgrounds	6	6	5	5	6	6	7	5	5	9
Baseball/softball diamonds	3	3	4	4	4	4	4	4	4	4
Soccer/football fields	2	2	3	3	3	3	4	3	3	3
Community Centers	2	3	3	3	4	4	4	4	4	4
Water										
Water mains (miles)	85	90	90	90	90	90	90	90	90	90
Fire hydrants	1,100	1,100	1,100	1,100	1,100	1100	1100	1100	1100	1100
Storage capacity (thousands of gallons)	3,000	3,000	3,000	3,000	3,000	3000	3000	3000	3000	3000
Wastewater										
Sanitary sewers (miles)	81	81	81	82	82	82	82	82	82	82
Storm sewers (miles)	2	2	2	2	2	2	2	2	2	2

Source: City of Lynwood



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