

City of Monrovia

Monrovia, CA



Comprehensive Annual Financial Report

Prepared By:
Department of Finance

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Finance Division Manager

Fiscal Year Ended June 30, 2008



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CITY OF MONROVIA, CALIFORNIA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2008

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Administrative Services

December 22, 2008

Honorable Mayor and City Council
City of Monrovia
Monrovia, California

It is with great pleasure that we present to you the City of Monrovia's Comprehensive Annual Financial Report (CAFR) for the 2007-08 fiscal year. This is the sixth year the report complies with the new financial reporting model developed by the Governmental Accounting Standards Board (GASB) statement 34. The new financial reporting model changed the format of the City's financial statements. It has improved financial reporting by adding significant additional information not previously available in local government financial statements. The implementation of GASB 34 has enabled the City Council and residents of Monrovia to become more aware of the benefits and information contained in the new financial reporting model.

In addition to the fund-by-fund financial information currently presented in the City's financial statements, government-wide financial statements are also included. These include a Statement of Net Assets that provides the total net equity of the City, including infrastructure, and the Statement of Activities that shows the cost of providing government services. These statements have been prepared using the accrual basis of accounting versus the modified accrual method used in the fund financial statements. A reconciliation report is provided as a key to understanding the changes between the two reporting methods. The new reporting model also includes an emphasis on the City's major funds as shown in the Governmental Fund Statements. These statements, combined with other information, are further analyzed in the narrative section called Management's Discussion and Analysis (MDA). The MDA provides financial highlights and interprets the reports by analyzing trends and by explaining changes, fluctuations, and variances in the financial data. In addition, the MDA is intended to disclose significant events or decisions that affect the financial condition of the City.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed information is accurate in all material respects and is reported in a manner designed to present fairly the financial position of the City. All disclosures necessary to enable an understanding of the City's financial activities have been included.

History

The City of Monrovia is located in Southern California and is part of the San Gabriel Valley within Los Angeles County. More specifically, Monrovia is located 20 miles northeast of the City of Los Angeles. The City was incorporated on December 15, 1887, under the laws of the State of California. Monrovia operates under all the rights and privileges applicable to a general law city.

The Redevelopment Agency was created on March 4, 1969, pursuant to redevelopment law of the State of California commencing with Health and Safety Code Section 33000. Its purpose is to prepare and carry out plans for the rehabilitation, improvement and development of blighted areas within the project area of the Agency. The City Council serves as the Agency's Board Members. As such, it is deemed to be financially accountable. Therefore, all Agency financial activities are blended with the City's financial statements.

The Monrovia Financing Authority was established on February 6, 1996. The purpose of the creation of the authority was to facilitate the proper completion of a loan refinancing with the State Department of Water Resources. The bylaws of the Authority establish the City Council as the governing body. This entity is blended into the City's combined financial statements.

The Monrovia Wilderness Preserve Foundation, Inc., a nonprofit public benefit corporation, was created on November 22, 2000, to acquire property in the foothills to be used as a wilderness preserve for the protection of existing natural resources and to provide outdoor educational activities to nearby schools. The Foundation has a separate governing board, which is comprised of City Council members, employees, and members from two local conservancy agencies.

The City of Monrovia is a full-service city with approximately 260 full time employees. Being the third oldest incorporated city in California has meant many older homes are nestled in the foothills. Historic preservation is a very high priority in our community. Monrovia is one of the leading cities in granting historic preservation status. We have granted over 100 historic preservation designations throughout the community.

Economic Condition and Outlook

Although the focus of this Comprehensive Annual Financial Report is the economic condition of the City at June 30, 2008, the future stability of the State of California's budget situation is a critical element of our economic condition. The "Major Initiatives for the Future" section, page iii, and the Management Discussion and Analysis will address this issue.

The City of Monrovia's economy is led by manufacturing and retail/wholesale. Manufacturing accounts for almost 40% of the business types, while retail/wholesale account for 22%. The sales tax generated from all industries accounts for almost 40% of all General Fund revenues (excluding transfers in).

Over the last two decades, Monrovia has actively positioned itself to be a self sustaining, well diversified economy. This diversity has created a well balanced labor pool to support the retail, manufacturing, and service based industries located within the community. Housing prices attract affluent, middle, and lower income owners and renters. Proper land use decisions, coupled with numerous redevelopment projects, have allowed Monrovia to weather any state revenue takeaways the last several years. Monrovia's varied retail and industrial base has provided a cushion against any tax revenue fluctuations.

In the early 1990's, the State of California permanently shifted 26% of locally generated property taxes away from the City to balance their budget. This amount has grown to over \$2 million annually. The State budget crisis that hit local agencies between 2003 and 2005 took almost \$1.5M from the City and Redevelopment Agency. The City cut operating expenditures from all departments, while the Redevelopment Agency froze projects temporarily.

Assessed valuation of citywide property has been a solid benchmark reflecting the state of the local economy. For 2007-08, county wide assessed valuation increased by 8%. The growth for 2008-09 is expected to be approximately 6%. The slowdown in the housing market will be felt in the next two years as growth continues to decrease. Long term planning efforts have helped sustain a solid base for growth, albeit modest at times, in the local roll value.

California continues to go through its re-evolution due to changes in industry leaders, jobs, and population. Migration to and from the State has changed the composition of the population. Monrovia has gone through many of the same population and economic trends noted above. Monrovia's diversified business base has enabled the City to benefit from economic expansion. Demographic changes are addressed through employee hiring processes, program modification and cooperative efforts between the School District, Chamber of Commerce, and the City.

The City's reserve for economic uncertainty has increased from 15% of annual General Fund appropriations to 16%. At year end, this amounted to \$4.8 million. This was in spite of flat sales tax revenue growth during the year. Retail activity has been stable the last two years, but the auto sales and construction industries have slowed down considerably in the last 12 months. The City has focused its attention the last few years in building its real estate base by assisting in office development. Monrovia has always emphasized the need to have a diversified revenue base, focusing both on retail activity and property assessed valuation.

The City has adopted a balanced budget for the 2008-09 fiscal year. Every year, based on economic changes, mid year adjustments are made to revenues and expenditures. In December of 2008, the City Council will make the necessary adjustments to reflect the economic slowdown throughout the State, but will still retain a balanced budget. It is important for the City to monitor and control all expenditure increases, as it is difficult to expect revenues to continue to keep pace. In addition, the City must continue to look at setting aside reserves for building and infrastructure needs.

Major Accomplishments for the Year:

The continued development of a "Transit Village" in the southern section of town will be a major focus of the city for the next few years. Up to 80 acres of prime real estate, with freeway visibility, is currently being assembled. Housing, retail, and commercial office space will be created around a future light rail stop. The first phase of this development is scheduled to be a housing development. In addition to this, a historic railroad depot station will be restored, and a temporary bus station parking lot has been built. A light rail station will be created for a train stop, where commuters, coming in from the east, or heading west into Pasadena and Los Angeles, will have the ability to live, dine, shop, etc. in this village.

The Colorado Commons Mixed Use Development, located in Old Town, was completed. This project, which includes 65 live to work dwelling units and 12,000 square feet of ground floor retail space, is almost 100% leased out.

Another live to work development project has broken ground in the Old Town area. This development, from the Urban Housing group, will be similar to the Colorado Commons project. It will upgrade the look and feel of the southern part of Old Town. It will also continue to expand the pedestrian footpath south towards, one, Huntington Drive, and two, eventually connecting the pedestrian corridor from Old Town to the Transit Village.

Major Initiatives for the Future:

The financial crisis that the State of California is in right now has put a lot of uncertainty into the reliability of our revenue that comes through State and county offices. Our Redevelopment Agency will lose over \$500,000 this year in property tax revenue that is being diverted to the State. There is speculation that the amount could increase, and, more importantly, it could become a permanent shift. We will continue to watch closely if the State wants to try and borrow/take additional revenues from cities. Monrovia has always positioned itself to anticipate absorbing a financial hit while still providing outstanding service to our residents. Our top priority will be to monitor the State's financial situation to ensure no other takeaway of local revenue is enacted.

There are a number of capital projects anticipated for fiscal year 2008-09:

The Redevelopment Agency acquired a valuable piece of property at the corner of Myrtle Avenue and Colorado Avenue in Old Town. Major façade improvements have been completed. The Agency is in negotiations to sell this property so that a high end restaurant or retail occupant will come in to the Old Town area.

Monrovia's East Huntington Drive is known as the "High Tech Corridor". It has become a well known, and well respected, high tech cluster in the San Gabriel Valley. With East Huntington Drive being an established cornerstone for technology, the City continues to look for opportunities to assist in the expansion of local high-technology start up firms.

The City was successful in passing a library bond measure in March of 2007. This bond measure, which approved a parcel tax on all properties within the City, generated approximately \$16M to facilitate the construction of a new library building. This construction began in early 2008, and is scheduled for completion by Spring.

The City will continue to acquire hillside properties as part of the goal to create a "wilderness preserve" in our foothills. State grants are being used to secure this open space. A grant of \$1.3M was just awarded to the City for an additional property acquisition.

Other Financial Information

Internal Controls

The management of the City is responsible for establishing and maintaining an internal control structure to ensure that the assets of the City are protected from loss, theft, or misuse, and to ensure that adequate accounting data is compiled for the preparation of financial statements, in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control structure should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgetary Controls

The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of all governmental-type funds and enterprise-type funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) adopted by City Council is established at the fund level. Formal budgetary integration is employed as a management control device. The City maintains an encumbrance accounting system for all governmental-type funds. Encumbrances and appropriations for unfinished capital projects will generally be re-appropriated as part of the following year.

The City of Monrovia operates under a philosophy of community involvement and cooperative effort. In order to outline the goals for an upcoming year, the City Council establishes a *City Council Priorities* list. Fiscal Responsibility has always been the top priority. A complete list of the 2007-08 Priorities is shown on page x.

In conjunction with establishing priorities, the City Council reviews its "Principles of Financial Management." Fourteen separate principles have been established as the foundation for meeting the Fiscal Responsibility priority. The purpose of these standards is to build a foundation for establishing balanced resource allocation and appropriation levels in the upcoming budget. The Principles reflect responsible, conservative

fiscal practices. In addition, they provide a buffer from quick fixes or solutions that could lead to long term financial problems.

Cash Management

Cash resources of the individual funds are combined to form a pool of cash and investments. Cash temporarily idle during the year was invested in obligations of the U.S. Government or its agencies, and in the Local Agency Investment Fund, consistent with the City Council Investment Policy.

The City's investment policy is designed to maximize the productive use of assets entrusted to its care and to invest and manage those funds wisely and prudently. Criteria for selecting investments and the order of priority are: (1) safety, (2) liquidity, and (3) yield. The basic premise underlying the City's investment policy is to ensure that money is always available when needed while at the same time reaping the highest and best return. Accordingly, deposits were either insured by federal depository insurance or collateralized.

Debt Administration

The City has no outstanding general obligation bonds as of June 30, 2008.

Debt outstanding for the City of Monrovia includes:

- 2002 Hillside Wilderness Preserve Lease Revenue Bonds, for \$8,200,000.
- The Water Fund has debt obligations of \$433,128. This was the result of a loan from the State of California, Department of Water Resources.
- 2007 Library Lease Revenue Bonds, for \$15,850,000.

Debt outstanding for the Monrovia Redevelopment Agency includes:

- 1998B Tax Allocation Refunding Bonds, for \$9,155,000
- 1993A Parking Lease Revenue Bonds, for \$2,735,000
- 2002 Tax Allocation Refunding Bonds, for \$9,100,000
- 2003 Taxable Tax Allocation Refunding Bonds, for \$5,380,000
- 2006A Taxable Tax Allocation Refunding Bonds, for \$22,525,000
- 2006B Tax Allocation Refunding Bonds, for \$3,400,000
- Pass thru agreement with Los Angeles County, \$5,281,167

Risk Management

The City is a member of the Independent Cities Risk Management Authority for liability risk coverage. The Authority is composed of 23 Los Angeles County member cities and is organized as an insurance pool. The purpose of the Authority is to arrange and administer programs of insurance for the pooling of self-insured losses and to purchase excess insurance coverage. The City will pay all claims up to \$300,000 per claim arising from general and automotive liability actions brought against the City and \$750,000 for workers' compensation claims. Amounts in excess of the claim limits, up to \$20,000,000 for general liability, and up to \$199,000,000 for workers' compensation claims, are covered by the Authority.

Independent Audit

The City requires an annual audit by independent certified public accountants. The accounting firm of Lance Soll & Lughard, LLP, conducted this year's audit. The auditor's report on the basic financial statements, which include the government-wide and fund financial statements, is located in the financial section of this report.

Financial Reporting Recognition

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Monrovia for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2007. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet to the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

Acknowledgements

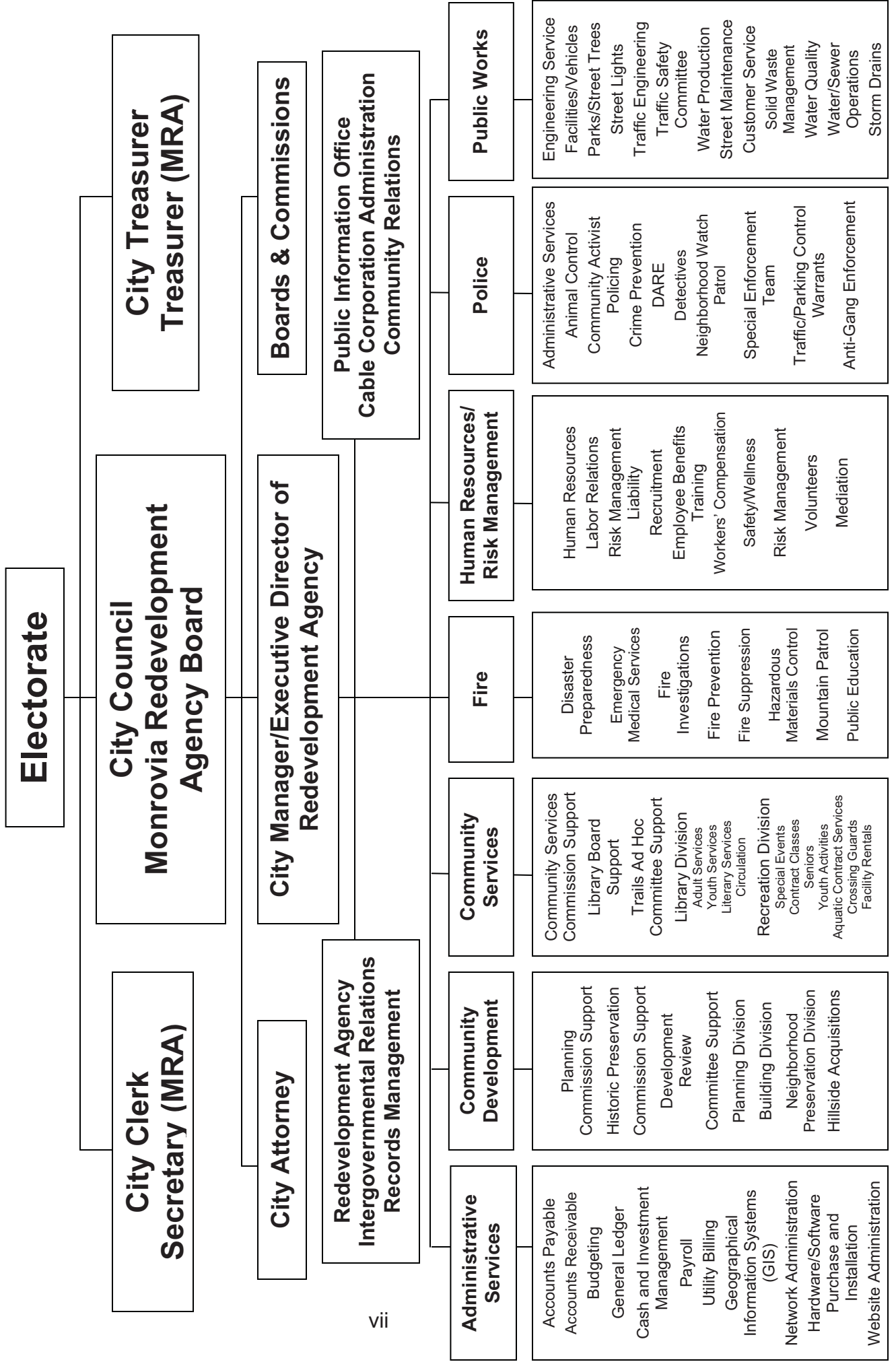
The City's Comprehensive Annual Financial Report was prepared through the combined efforts of City staff. Special recognition is due the Finance Department, in particular Buffy Bullis, Finance Division Manager, Ruth Chavez, Accounting Operations Supervisor, and the accounting staff of Julie Mak, Chuck Johnson, Marguerite Wong and Stacy Scogin, for their efforts to ensure timely and accurate reporting, and in putting this document together.

Lastly, I would like to thank the Mayor, City Council, and City Manager for their constant support in planning, conducting and improving the financial operations of the City in a progressive and professional manner.

Respectfully submitted,

Mark D. Alvarado
Administrative Services Director

City of Monrovia Organizational Chart



City of Monrovia

Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2008

CITY COUNCIL

**Rob Hammond, Mayor
Dan Kirby, Mayor Pro Tem**

**Tom Adams
Councilmember**

**Joe Garcia
Councilmember**

**Mary Ann Lutz
Councilmember**

ELECTED OFFICIALS

**Linda B. Proctor, MMC, City Clerk
Stephen R. Baker, City Treasurer**

MANAGEMENT TEAM

Scott Ochoa, City Manager

Mark D. Alvarado, Administrative Services Director/Deputy City Manager

Ronald D. Bow, Director of Public Works

Christopher Donovan, Fire Chief

Alice Griselle, Director of Community Development/Deputy City Manager

Roger Johnson, Chief of Police

April Soash, Director of Community Services

Theresa St. Peter, Director of Human Resources and Risk Management

Budget Submitted By:

***Department of Finance and
Office of the City Manager
June 2008***

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Monrovia
California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2007

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



Charles S. Cox
President

Jeffrey L. Esser
Executive Director

City Council Priorities 2008-09

I. FISCAL RESPONSIBILITY

To provide Monrovia residents with full value for their tax dollars and make certain that essential public services are properly funded.

II. PUBLIC SAFETY

To assure residents and their families will be safe in their homes and in their neighborhoods, as well as receive basic instructions on disaster protection and preparation for their property. A special emphasis shall be placed on community-oriented crisis prevention techniques.

III. ECONOMIC DEVELOPMENT/REDEVELOPMENT

To continue to revitalize Monrovia, provide a strong economic base and vital downtown, and create jobs for Monrovia residents.

IV. CITIZEN PARTICIPATION

To increase opportunities for Monrovia residents and businesses to take part in their City government, its decision-making, and the provision of critical services.

V. QUALITY CITY PERSONNEL

To attract, develop and retain high quality employees so that Monrovia residents will receive the best possible public service.

VI. QUALITY OF LIFE

To provide quality parks, modern and effective Library services, telecommunications, Code Enforcement and Community Services offerings to all Monrovia residents.

VII. CITY INFRASTRUCTURE

To maintain and properly manage the public's investment in critical infrastructure, and to upgrade deficient areas.

VIII. TRANSPORTATION

To enhance transportation services for Monrovia residents and business people. The City shall cultivate opportunities including fixed route shuttle service, para-transit and rail transit, to complement its existing programs.

IX. SUPPORT OF EDUCATION

To assist the Monrovia Unified School District in enhancing and strengthening Monrovia schools.

X. AFFORDABLE HOUSING

To maintain an adequate supply of quality affordable housing for low and moderate income residents, senior citizens, and first-time home buyers.

XI. YOUTH POLICIES

To enhance opportunities for Monrovia youth in recreation, sports, training, and personal development as an alternative to drugs, alcohol, and gangs.

XII. ENVIRONMENTAL PRESERVATION

To respond to the landfill crisis and seek progressive solutions to preserve the national resources through a variety of conservation strategies ranging from land preservation to recycling.

Principles of Financial Management

PRINCIPLE I **CITY BUDGETS MUST BALANCE**

The City Council will continue to adopt balanced budgets on an annual basis. Annual audited financial reports confirm the adoption of a balanced budget, and note any discrepancies. These financial reports are used by the financing community to gauge the City's credit worthiness, among other issues.

PRINCIPLE II **THE CITY SHALL MAINTAIN PRUDENT RESERVES**

Adequate reserves of funds shall be established to meet future capital needs, to offset economic hard times, to stabilize fluctuations in cash flow requirements, and to provide for emergency situations.

PRINCIPLE III **THE CITY SHALL ENDEAVOR TO MAINTAIN COMPETITIVE COMPENSATION**

The City wishes to continue positive labor relations, be competitive in the market place, and desires to attract and retain top talent. Competitive salary and benefits will be provided to all employees within the City's means, with the expectation that services being provided by staff will continue to be exemplary.

PRINCIPLE IV **THE CITY SHALL MAINTAIN ITS INFRASTRUCTURE**

Ongoing, preventative maintenance is an essential component of the City's operations. Adequate funding shall be allocated in current years to minimize expenditures in future years. Infrastructure maintenance includes, but is not limited to, streets, sewers, storm drains, water systems, sidewalks, lights, and parks.

PRINCIPLE V **THE CITY SHALL AMORTIZE CAPITAL COSTS**

To the extent possible, the cost of replacing or expanding existing facilities and equipment will be fully amortized as a continuing cost of doing business. With respect to equipment, rates shall be established to recover the replacement cost of each item at the end of its useful life. Facilities will be amortized to cover ongoing maintenance and cyclical repairs, and for the replacement or expansion of major structures.

PRINCIPLE VI **THE CITY SHALL ONLY BORROW WHAT IT CAN AFFORD TO REPAY**

Loans and other external obligations will be established wisely to level out costs. Refinancing of existing debt will take place when market conditions lend themselves to economic gains. The City shall not overextend indebtedness, which may cause undue financial burdens in subsequent years.

PRINCIPLE VII **THE CITY SHALL FUND ONGOING COSTS WITH ONGOING REVENUES**

Cost must be matched with revenues. Ongoing costs shall only be funded with ongoing revenues. One-time costs can be funded with one-time revenues. However, ongoing costs cannot be funded by one-time revenues.

PRINCIPLE VIII **THE CITY SHALL BASE ITS BUDGET ON REALISTIC ESTIMATES**

The City shall make its budgetary and financial decisions on conservative estimates of revenues and expenditures.

PRINCIPLE IX **THE CITY SHALL COMPETITIVELY PROCURE GOODS AND SERVICES**

Significant savings of tax dollars can be obtained through the competitive bidding of purchases of goods and services. The City shall seek market prices or proposals for all significant purchases of goods and services, including periodic market testing of internally-provided services, consistent with the City's purchasing policy. Preference will be given to Monrovia businesses.

PRINCIPLE X **THE CITY MUST KNOW ITS TRUE COSTS**

The City shall maintain current full business costs of providing each and every City-provided service. In addition, the City shall make conscious decisions about cost recovery and/or general tax subsidy of those services which benefit only portions of the tax-paying public.

PRINCIPLE XI **THE CITY SHALL PLAN AHEAD**

The City shall examine its financial condition periodically by forecasting several years into the future. In this way, adverse trends can be anticipated and better managed.

PRINCIPLE XII **THE CITY SHALL MAKE AND REPORT ITS FINANCIAL DECISIONS PUBLICLY**

Public involvement is encouraged in budgeting and financial planning. The City Council shall make all non-routine or non-administrative financial decisions in public at regularly scheduled meetings, and the results of such decision-making shall be reported in a timely manner through Comprehensive Annual Financial Reports and public information documents.

PRINCIPLE XIII **THE CITY SHALL OPPOSE MANDATED PROGRAMS WHICH ARE UNFUNDED**

Federal and State Government regularly adopt laws which mandate local compliance or implementation. The City is forced to incur additional operating costs, and no funding is provided to pay for these mandates. The City shall have a general policy against unfunded mandates that have an adverse impact to Monrovia's services and budget.

PRINCIPLE XIV **THE CITY SHALL CONSERVATIVELY INVEST ITS IDLE CASH**

The City will invest its idle cash in a conservative manner so as to safeguard public funds. Investment instruments will be chosen using safety, liquidity, and yield as the selection criteria.



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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council
City of Monrovia, California

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 Monrovia, California, as of and for the year ended June 30, 2008, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Monrovia's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Monrovia as of June 30, 2008, and the respective changes in financial position and cash flows where applicable thereof, and the respective budgetary comparison for the General Fund and Gang Violence and Drug Abuse Grants Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2008, on our consideration of the City of Monrovia's internal control over financial reporting and our tests of its compliance with certain laws, regulations, contracts, 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.



To the Honorable Mayor and Members of the City Council
City of Monrovia, California

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying introductory section, the combining and individual fund statements, schedules and statistical tables are presented for the purposes of additional analysis and are not a required part of the basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The accompanying introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Lance, Soll & Lunghard, LLP

December 22, 2008

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Monrovia, we offer readers of the City of Monrovia's financial statements this narrative overview and analysis of the financial activities of the City of Monrovia for the fiscal year ended June 30, 2008. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal and the City's financial statements.

FINANCIAL HIGHLIGHTS

- The City's governmental activities net assets decreased \$5 million, or 9.5 percent, and net assets of the business-type activities increased by \$1.78 million, or 7.7 percent.
- During the year, the City had revenues that were \$5.44 million less than the \$55.90 million expenses recorded by the City in its governmental activities.
- In the City's business-type activities, revenues were \$1.77 million more than the \$6.70 million in expenses recorded.
- The revenues available for expenditure were \$.54 million less than budgeted for in the General Fund, while expenditures were less than the budgeted appropriations by \$1.11 million.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and Statement of Activities (on pages 11 – 13) provide information about the activities of the City as a whole and present a long-term view of the City's finances. Fund financial statements start on page 16. For governmental activities, these fund statements tell 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 operation in more detail than the government-wide statements by providing information about the City's most significant funds and other funds. The remaining fiduciary (Agency) fund 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

The Statement of Net Assets and the Statement of Activities:

Our analysis of the City as a whole begins on page 11. One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the City as a whole and about its activities in a way that answers this question. These statements include all assets and liabilities of the City 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 report the City's *net assets* and *changes*. Net assets are the difference between assets and liabilities, which is one way to measure the City's financial health, or *financial position*. Over time, *increases or decreases* in the City's net assets are an indication of whether its *financial health* is improving or deteriorating. You will need to consider other non-financial factors, such as changes in the economy due to external factors that will cause a decrease in consumer spending.

In the Statement of Net Assets and the Statement of Activities, we separate the city activities as follows:

Governmental activities – Most of the City’s basic services are reported in this category, including the general administration (city manager, city clerk, finance, etc.), police and fire protection, public works, library, community services, and interest on long-term debt. Property taxes, sales tax, transient occupancy tax, interest income, franchise fees, state and federal grants, contributions from other agencies, and other revenues finance these activities.

Business-type activities – The City charges a fee to customers to cover all or most of the cost of certain services it provides. The City’s water, sewer, storm drain, street sweeping and waste management activities are reported in this category.

REPORTING THE CITY’S MOST SIGNIFICANT FUNDS

Fund Financial Statements:

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

Governmental funds – Most of the City’s basic services are reported in governmental funds, which focus on how money flows in and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* 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 determine whether there are more or fewer financial resources that can be spent in the near future to finance the City’s programs. The differences of results in the governmental fund financial statements to those in the government-wide financial statements are explained in a reconciliation following each governmental fund financial statement.

Proprietary funds – When the City charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. In fact, the City’s enterprise funds are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information such as a statement of cash flows.

THE CITY AS TRUSTEE

Reporting the City’s Fiduciary Responsibilities:

The City is the trustee, or *fiduciary*, for certain funds held on behalf of those entities outside of the government. The City’s fiduciary activities are reported in a separate Statement of Fiduciary Net Assets. We exclude these activities from the City’s other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

THE CITY AS A WHOLE

The City's combined net assets decreased \$3.22 million. A separate review of the net change in the governmental and business-type activities depicts two different stories. Our analysis below focuses on the net assets (Table 1) and changes in net assets (Table 2) of the City's governmental and business-type activities.

TABLE 1

NET ASSETS (IN MILLIONS)

As of June 30, 2008

	Governmental Activities		Business Type Activities		Total	
	2008	2007	2008	2007	2008	2007
Current and other assets	\$ 81.07	\$ 72.18	\$ 10.64	\$ 10.32	\$ 91.71	\$ 82.50
Capital assets	82.28	80.25	15.40	14.22	97.68	94.47
TOTAL ASSETS	163.35	152.43	26.04	24.54	189.39	176.97
Long term liabilities						
Outstanding	104.40	86.41	.43	.53	104.83	86.94
Other liabilities	11.65	13.72	.67	.85	12.32	14.57
TOTAL LIABILITIES	116.05	100.13	1.10	1.38	117.15	101.51
Net assets:						
Invested in capital	-	-	-	-	-	-
Assets, net of	-	-	-	-	-	-
Related debt	54.00	75.50	14.97	13.69	68.97	89.19
Restricted	20.90	43.58	-	-	20.90	43.58
Unrestricted	(27.60)	(66.78)	9.97	9.47	(17.63)	(57.31)
TOTAL NET ASSETS	\$ 47.30	\$ 52.30	\$ 24.94	\$ 23.16	\$ 72.24	\$ 75.46

Compared to the prior year, net assets of the City's governmental activities decreased by 9.5 percent, or \$5 million. The City's Net Assets are made-up of three components: Investment in Capital Assets, Net of Related Debt, Restricted Net Assets and Unrestricted Net Assets. The decrease in net assets is attributable to the issuance of long term debt. \$16 million worth of bonds were issued to finance the construction of a new public library. Cash reserves and capital assets increased \$11 million as a result of accumulating reserves for future projects and capital acquisitions.

The net assets of the business-type activities increased by \$1.78 million, or 7.7 percent. This increase was attributable to the recording of capital assets. A new Public Works administration building/corporate yard was completed during the fiscal year.

TABLE 2
CHANGES IN NET ASSETS
(IN MILLIONS)

As of June 30, 2008

	Governmental Activities		Business Type Activities		Total	
	2008	2007	2008	2007	2008	2007
REVENUES:						
Program Revenues:						
Charges for services	\$ 6.39	\$ 5.45	\$ 7.79	\$ 7.63	\$ 14.18	\$ 13.08
Operating grants and contributions	8.08	2.96	(.04)	.02	8.04	2.98
Capital grants and contributions	(.44)	7.46	-	.91	(.44)	8.37
General Revenues:						
Property Taxes	22.44	20.44	-	-	22.44	20.44
Sales Tax	7.01	6.90	-	-	7.01	6.90
Franchise Taxes	.81	.81	-	-	.81	.81
Other Taxes	.98	3.35	-	-	.98	3.35
Motor Vehicle In-Lieu	.17	.23	-	-	.17	.23
Use of Money & Property	3.30	6.59	.46	.54	3.76	7.13
Other Revenues	1.95	2.22	.03	.02	1.98	2.24
TOTAL REVENUES	50.69	56.41	8.24	9.12	58.93	65.53
EXPENSES:						
General Government	7.65	7.11	-	-	7.65	7.11
Public Safety	27.01	22.59	-	-	27.01	22.59
Community Development	4.82	4.50	-	-	4.82	4.50
Community Services	3.54	3.94	-	-	3.54	3.94
Public Works	7.57	5.57	-	-	7.57	5.57
Interest on Long-term Debt	5.31	3.82	-	-	5.31	3.82
Water	-	-	4.99	5.92	4.99	5.92
Sewer	-	-	.81	.70	.81	.70
Storm Drain	-	-	.31	.28	.31	.28
Street Sweeping	-	-	.24	.24	.24	.24
Waste Management	-	-	.35	.33	.35	.33
TOTAL EXPENSES	55.90	47.53	6.70	7.47	62.60	55.00
Increase in net assets before transfers	(5.21)	8.88	1.54	1.65	(3.67)	10.53
Transfers	(0.23)	(0.33)	0.23	0.33	0.00	0.00
INCREASE (DECREASE) IN NET ASSETS	\$ (5.44)	\$ 8.55	\$ 1.77	\$ 1.98	\$ (3.67)	\$ 10.53

Governmental Activities

The following presents the cost of each of the City's six largest programs – general government, public safety, community development, community services, public works and interest on long-term debt – as well as 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.

	Governmental Activities (In Millions)	
	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
General Government	\$ 7.65	\$ 6.93
Public Safety	27.01	18.62
Community Development	4.82	3.48
Community Services	3.54	1.98
Public Works	7.57	5.55
Interest on Long-Term Debt	5.31	5.31
Total	<u>\$ 55.90</u>	<u>\$ 41.87</u>

THE CITY'S FUNDS

On pages 16 and 17, the Governmental Funds balance sheet is shown. The combined fund balance of \$60.27 million increased from \$49.13 million, or 22.7 percent. This total includes the General Fund balance of \$5.24 million, which decreased by 2.66 million from the prior year. The City's General Fund balance has designated \$4.87 million for economic uncertainties. The City's Retirement Fund, which is established to pay for retirement costs, decreased \$.56 million during the year due to rising retirement expenses. This decrease was anticipated because the budgeted employer rate for retirement costs was higher than the expected budgeted revenue for the year. The Redevelopment Agency's Capital Project Fund balance increased by \$3.48 million, while the Agency's Long-Term Debt Service Fund balance decreased by \$3.49 million during the year. This decrease in the Long-Term Debt Service Fund was due to a transfer of excess reserves to the Agency's Economic Development Fund. Periodically, if funds are available in the Debt Service Fund, after all debt service obligations have been met, excess funds are transferred out to be made available for economic assistance.

General Fund Budgetary Highlights

During the year, with the recommendation from City staff, the City Council made several adjustments to the budget. Adjustments were made as staff requested additional appropriations to cover the cost of projects that either had change orders for additional work, or the estimated cost at the beginning of the project was underestimated. Adjustments were also made as departments requested increases to their budgets to implement new programs. All amendments that either increase or decrease appropriations are approved by the City Council.

For the City's General Fund, actual ending revenues of \$30.61 million were \$.54 million less than final budgeted revenues of \$31.15 million. The decrease was attributable to lower than expected sales tax revenue. The auto sales and leasing and construction industries are our two biggest sales tax generating areas. Our overall sales tax dropped approximately \$500,000 because of the economic slowdown in these areas.

The General Fund actual ending expenditures of \$33.31 million were \$1.11 million less than the final budget of \$34.42 million. The key component of this was savings in personnel costs. Any department that exceeded their budget was allowed to do so if they generated excess revenues, over their budget, during the year. There were no significant changes in the original budget compared to the final budget during the year.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2008, the City had \$97.69 million in land, buildings, equipment, and infrastructure capital assets. (See Table 3). This amount represents a net increase (including additions, deletions, and adjustments) of \$3.23 million. Capital Assets increased during the year \$2.04 million in Governmental Activities, and increased \$1.19 million in Business Type Activities. The increases were due to building renovations and expansions. Fire station #1 completed a \$2 million renovation, while the Public Works Department completed an expansion of their administrative building and corporate yard. To see detailed activity for Capital Assets, please see pages 46 through 48 in the notes to the financial statements.

TABLE 3
 CAPITAL ASSETS AT YEAR-END
 (NET OF DEPRECIATION, IN MILLIONS)

For the year ended June 30, 2008

	Governmental Activities		Business Type Activities		Total	
	2008	2007	2008	2007	2008	2007
Land	\$ 25.43	\$ 25.43	\$.44	\$.44	\$ 25.87	\$ 25.87
Structures and Improvements	14.25	10.84	2.69	1.37	16.94	12.21
Furniture and Equipment	3.09	3.15	.30	.43	3.39	3.58
Infrastructure	39.51	40.82	11.98	11.98	51.49	52.80
Total	<u>\$ 82.28</u>	<u>\$ 80.24</u>	<u>\$ 15.41</u>	<u>\$ 14.22</u>	<u>\$ 97.69</u>	<u>\$ 94.46</u>

As presented in the Adopted Operating Budget for Fiscal Year 2007-08, the capital improvement projects were estimated to be \$1.72 million for all categories reported by the various City departments. The amount of the budgeted projects reflects a 31% decrease from the previous fiscal year's capital improvement projects budget of \$2.49 million. The decrease is attributed to major building improvements scheduled at the police station and City Hall to be postponed due to the economic slowdown and lower revenue projections than previously anticipated.

Debt

At year-end, the City's governmental activities had \$109.07 million in bonds, loans, leases, and compensated absences versus \$93.21 million last year, an increase of \$15.86 million. The City issued \$16 million of bonds during the fiscal year. For detailed information, please see pages 50 through 62 in the notes to the financial statements.

TABLE 4
 OUSTANDING DEBT, AT YEAR-END
 (IN MILLIONS)

For the year ended June 30, 2008

	Governmental Activities		Business Type Activities		Total	
	2008	2007	2008	2007	2008	2007
Compensated Absences	\$ 1.98	\$ 1.89	\$.15	\$.15	\$ 2.13	\$ 2.04
Tax Allocation Bonds	55.15	56.78			55.15	56.78
Tax Allocation Notes	11.75	11.75			11.75	11.75
Loans	5.28	5.28	.43	.53	5.71	5.81
Capitalized Leases	.40	.58			.40	.58
Notes Payable	4.47	1.72			4.47	1.72
Claims & Judgments	4.47	4.91			4.47	4.91
Revenue Bonds	26.78	11.59			26.78	11.59
Unamortized Bond Premium	(1.21)	(1.29)			(1.21)	(1.29)
TOTALS	<u>\$ 109.07</u>	<u>\$ 93.21</u>	<u>\$.58</u>	<u>\$.68</u>	<u>\$ 109.65</u>	<u>\$ 93.89</u>

The City's business-type activities debt decreased \$.10 million, from \$.68 million to \$.58 million. Debt within the business-type activities consists of an installment sale agreement with Sanwa Bank for construction of a reservoir and pump station, and for compensated absences. For detailed information, please see pages 62 and 63 in the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

In preparing the budget for 2008-09, management looked at the following economic factors:

- The impact to the City of Monrovia's revenues due to possible negative effects as the State of California adopted its 2008-09 budget.
- The economic effects due to the slow down of the housing market in California.
- The economic effects due to the slow down of retail activity in California.

Key budget assumptions for forecasting General Fund revenues include the following:

- The State of California's current fiscal situation may result in City revenue reductions. The voters of California passed Proposition 1A in November 2004, which strengthened the ability of local government

to keep property taxes and transportation revenues earmarked for local use. This assumption will be severely tested as the State revises its current year budget and prepares to try and deliver a balanced 2009-10 budget. A State borrowing of local revenues is a possibility.

- The national economy's recent slowdown and continued fluctuations in the stock market will not have a significant adverse impact on the City's revenue stream.
- Sales Tax revenue will continue to be flat for the current year, due to a slowdown in the auto sales and leases market.
- Property Tax revenues will grow by an estimated 6%. This equates to \$260,000 in additional revenue.

The Operating Budget for Fiscal Year 2008-09 is a well-balanced budget that reflects the City's commitment to foster steady, controlled growth and provide the highest level of service to the community within the City's financial constraints and is consistent with the City Council's list of priorities. Questions or requests for information regarding the City of Monrovia's 2008-09 budget should be sent to the Administrative Services Department at the address below.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City of Monrovia's finances and to show the City's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information, should be addressed to the City's Administrative Services Department, at the City of Monrovia, 415 S. Ivy, Monrovia, CA 91016.

CITY OF MONROVIA

STATEMENT OF NET ASSETS
JUNE 30, 2008

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and investments	\$ 27,681,971	\$ 8,696,284	\$ 36,378,255
Receivables:			
Accounts	1,330,020	1,103,233	2,433,253
Taxes	2,992,143	-	2,992,143
Notes and loans	6,423,062	-	6,423,062
Accrued interest	299,536	-	299,536
Deferred loans	1,362,977	-	1,362,977
Grants	4,034,225	38,621	4,072,846
Internal balances	(799,908)	799,908	-
Prepaid costs	128,647	1,328	129,975
Inventories	2,312	-	2,312
Deferred charges	1,488,025	-	1,488,025
Land held for resale	32,040,662	-	32,040,662
Restricted assets:			
Cash with fiscal agent	4,083,768	-	4,083,768
Capital assets not being depreciated	25,434,259	438,232	25,872,491
Capital assets, net of depreciation	56,849,022	14,968,680	71,817,702
Total Assets	163,350,721	26,046,286	189,397,007
Liabilities:			
Accounts payable	4,927,527	231,547	5,159,074
Accrued liabilities	573,617	-	573,617
Accrued interest	713,209	-	713,209
Unearned revenue	33,053	15,621	48,674
Pass-through payable	515,452	-	515,452
Deposits payable	217,934	268,185	486,119
Noncurrent liabilities:			
Due within one year	4,671,108	154,214	4,825,322
Due in more than one year	104,401,478	432,215	104,833,693
Total Liabilities	116,053,378	1,101,782	117,155,160
Net Assets:			
Invested in capital assets, net of related debt	54,003,281	14,973,784	68,977,065
Restricted for:			
Community development projects	103,161	-	103,161
Public safety	923,615	-	923,615
Capital projects	14,616,486	-	14,616,486
Debt service	5,147,607	-	5,147,607
Memorial trust:			
Expendable	39,348	-	39,348
Nonexpendable	70,000	-	70,000
Unrestricted	(27,606,155)	9,970,720	(17,635,435)
Total Net Assets	\$ 47,297,343	\$ 24,944,504	\$ 72,241,847

CITY OF MONROVIA

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2008

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Contributions and Grants</u>	<u>Capital Contributions and Grants</u>
Functions/Programs				
Primary Government:				
Governmental Activities:				
General government	\$ 7,645,494	\$ 388,079	\$ 328,715	\$ -
Public safety	27,014,096	2,329,643	6,385,220	(326,720)
Community development	4,821,992	1,168,694	550,469	(376,839)
Parks and recreation	3,541,063	1,447,181	118,140	-
Public works	7,573,848	1,064,853	696,495	259,832
Interest on long-term debt	5,312,018	-	-	-
Total Governmental Activities	55,908,511	6,398,450	8,079,039	(443,727)
Business-Type Activities:				
Water	4,994,390	6,194,155	(49,780)	-
Sewer	814,118	758,157	3,000	-
Storm Drain	308,701	281,228	-	-
Street Sweeping	236,553	206,727	-	-
Waste Management	345,245	346,358	4,594	-
Total Business-Type Activities	6,699,007	7,786,625	(42,186)	-
Total Primary Government	\$ 62,607,518	\$ 14,185,075	\$ 8,036,853	\$ (443,727)

General Revenues:

Taxes:

Property taxes, levied for general purpose

Transient occupancy taxes

Sales taxes

Franchise taxes

Business licenses taxes

Other taxes

Motor vehicle in lieu - unrestricted

Use of money and property

Other

Gain on sale of capital asset

Transfers

**Total General Revenues, Contributions,
Special Items and Transfers**

Change in Net Assets

Net Assets at Beginning of Year

Restatement of Net Assets

Net Assets at End of Year

Net (Expenses) Revenues and Changes in Net Assets
Primary Government

<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
\$ (6,928,700)	\$ -	\$ (6,928,700)
(18,625,953)	-	(18,625,953)
(3,479,668)	-	(3,479,668)
(1,975,742)	-	(1,975,742)
(5,552,668)	-	(5,552,668)
(5,312,018)	-	(5,312,018)
<u>(41,874,749)</u>	<u>-</u>	<u>(41,874,749)</u>
-	1,149,985	1,149,985
-	(52,961)	(52,961)
-	(27,473)	(27,473)
-	(29,826)	(29,826)
-	5,707	5,707
<u>-</u>	<u>1,045,432</u>	<u>1,045,432</u>
<u>(41,874,749)</u>	<u>1,045,432</u>	<u>(40,829,317)</u>
22,435,934	-	22,435,934
964,056	-	964,056
7,010,354	-	7,010,354
806,372	-	806,372
602,776	-	602,776
977,743	-	977,743
174,229	-	174,229
3,295,342	464,889	3,760,231
224,366	34,568	258,934
172,529	-	172,529
(225,536)	225,536	-
<u>36,438,165</u>	<u>724,993</u>	<u>37,163,158</u>
(5,436,584)	1,770,425	(3,666,159)
52,296,044	23,158,845	75,454,889
437,883	15,234	453,117
<u>\$ 47,297,343</u>	<u>\$ 24,944,504</u>	<u>\$ 72,241,847</u>



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MONROVIA

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MAJOR GOVERNMENTAL FUNDS

The following funds have been classified as major governmental funds in the accompanying financial statements.

General Fund - To account for all revenues and expenditures of the City which are not required to be accounted for in another fund.

Gang Violence and Drug Abuse Grant Fund – In a fiduciary capacity, to account for the revenues and expenditures of a federal grant. The City is the grant recipient. A consortium of federal, state, and local law enforcement agencies oversee the management of the grant.

Capital Improvement Fund - To account for the costs associated with major capital improvement projects not financed under other funds. The many different projects undertaken by this fund are under the control of the Public Works Department. Financing for the projects includes state grants, investment earnings, and new construction taxes.

Library Bond Construction Fund – To account for the costs associated with the construction of the new City of Monrovia public library. Funds were made available through the passage of a bond measure passed in 2007.

Monrovia Redevelopment Agency Capital Projects Funds - To account for the costs associated with the financing and construction of, one, capital improvements, and two, affordable housing, within the Central Project Area No. 1. Financing of the projects are provided by property tax increment funds.

Monrovia Redevelopment Agency Long Term Debt Service Fund - To accumulate funds for payment of various long term debt, including bond issues and bank loans, which are due with varying principal and interest debt service payment schedules. This fund also provides for payment of the 1993 \$8,825,000 Parking Facilities Lease Revenue Bonds, which are due with varying principal and interest amounts until maturity. Financing is to be provided by an operating lease with the City which is provided, in turn, by a sublease with the developer of the parking facilities in an amount sufficient to service the debt.

CITY OF MONROVIA

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2008**

	General	Special	Capital Projects Funds	
		Revenue Fund Gang Violence and Drug Abuse Grants	Capital Improvement	Library Bond Construction Project
Assets:				
Pooled cash and investments	\$ 357,229	\$ 51,478	\$ -	\$ 12,819,547
Receivables:				
Accounts	691,038	-	104	-
Taxes	2,145,697	-	-	-
Notes and loans	-	-	275,000	-
Accrued interest	292,329	-	-	-
Deferred loans	-	-	-	-
Grants	-	1,811,413	1,882,000	-
Prepaid costs	4,377	-	-	-
Due from other funds	4,193,926	-	17,720	-
Land held for resale	-	-	2,438,433	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 7,684,596	\$ 1,862,891	\$ 4,613,257	\$ 12,819,547
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 547,069	\$ 1,865,194	\$ 118,499	\$ 1,272,883
Accrued liabilities	573,617	-	-	-
Deferred revenues	883,896	663,607	1,882,000	-
Unearned revenues	20,811	-	-	-
Pass-through payables	-	-	-	-
Deposits payable	174,434	-	5,000	-
Due to other funds	17,720	-	1,292,144	-
Advances from other funds	232,225	-	-	-
Total Liabilities	2,449,772	2,528,801	3,297,643	1,272,883
Fund Balances:				
Reserved:				
Reserved for encumbrances	-	-	45,751	7,207,012
Reserved for prepaid costs	4,377	-	-	-
Reserved for land held for resale	-	-	2,438,433	-
Reserved for notes and loans	-	-	275,000	-
Reserved for memorial trust	-	-	-	-
Reserved for debt service	-	-	-	-
Unreserved:				
Unreserved, reported in nonmajor:				
Special revenue funds	-	-	-	-
Capital projects funds	-	-	-	-
Debt service funds	-	-	-	-
Permanent funds	-	-	-	-
Designated for future years' appropriation	360,001	-	-	-
Designated for capital improvement projects	-	-	-	-
Designated for economic uncertainties	4,870,446	-	-	-
Undesignated	-	(665,910)	(1,443,570)	4,339,652
Total Fund Balances	5,234,824	(665,910)	1,315,614	11,546,664
Total Liabilities and Fund Balances	\$ 7,684,596	\$ 1,862,891	\$ 4,613,257	\$ 12,819,547

CITY OF MONROVIA

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2008**

	Capital Projects Fund	Debt Service Fund		
	Redevelopment Agency	Monrovia RDA Long-Term Debt Service	Other Governmental Funds	Total Governmental Funds
Assets:				
Pooled cash and investments	\$ 60,946	\$ 181,196	\$ 10,886,778	\$ 24,357,174
Receivables:				
Accounts	51,571	-	517,074	1,259,787
Taxes	117,136	275,100	454,210	2,992,143
Notes and loans	6,148,062	-	-	6,423,062
Accrued interest	-	7,207	-	299,536
Deferred loans	1,362,977	-	-	1,362,977
Grants	-	-	340,812	4,034,225
Prepaid costs	81,600	-	-	85,977
Due from other funds	-	915	-	4,212,561
Land held for resale	29,602,229	-	-	32,040,662
Restricted assets:				
Cash and investments with fiscal agents	-	4,082,715	1,053	4,083,768
Total Assets	\$ 37,424,521	\$ 4,547,133	\$ 12,199,927	\$ 81,151,872
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 227,176	\$ 2,000	\$ 485,793	\$ 4,518,614
Accrued liabilities	-	-	-	573,617
Deferred revenues	6,093,445	-	418,818	9,941,766
Unearned revenues	-	-	12,242	33,053
Pass-through payables	-	515,452	-	515,452
Deposits payable	-	-	38,500	217,934
Due to other funds	1,711,672	915	842,660	3,865,111
Advances from other funds	-	-	986,952	1,219,177
Total Liabilities	8,032,293	518,367	2,784,965	20,884,724
Fund Balances:				
Reserved:				
Reserved for encumbrances	465,073	-	-	7,717,836
Reserved for prepaid costs	81,600	-	-	85,977
Reserved for land held for resale	29,602,229	-	-	32,040,662
Reserved for notes and loans	1,417,594	-	-	1,692,594
Reserved for memorial trust	-	-	70,000	70,000
Reserved for debt service	-	4,028,766	-	4,028,766
Unreserved:				
Unreserved, reported in nonmajor:				
Special revenue funds	-	-	8,637,203	8,637,203
Capital projects funds	-	-	(450,430)	(450,430)
Debt service funds	-	-	1,118,841	1,118,841
Permanent funds	-	-	39,348	39,348
Designated for future years' appropriation	-	-	-	360,001
Designated for capital improvement projects	-	-	-	-
Designated for economic uncertainties	-	-	-	4,870,446
Undesignated	(2,174,268)	-	-	55,904
Total Fund Balances	29,392,228	4,028,766	9,414,962	60,267,148
Total Liabilities and Fund Balances	\$ 37,424,521	\$ 4,547,133	\$ 12,199,927	\$ 81,151,872

CITY OF MONROVIA

**GOVERNMENTAL FUNDS
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2008**

Fund balances of governmental funds \$ 60,267,148

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

Capital assets net of depreciation have not been included as financial resources in governmental fund activity 77,625,151

Bond issuance cost is an expenditure in the governmental funds, but it is a deferred charge in the statement of net assets 1,488,025

Long-term debt and compensated absences that have not been included in the governmental fund activity:

Long-term liabilities (102,343,652)
Compensated Absences (1,954,199)

Accrued interest payable for the current portion of interest due on Bonds has not been reported in the governmental funds (713,209)

Revenues reported as deferred revenue in the governmental funds and recognized in the Statement of Activities. These are included in the intergovernmental revenues in the governmental fund activity 9,941,766

Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net assets 2,986,313

Net assets of governmental activities \$ 47,297,343



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CITY OF MONROVIA

STATEMENT OF REVENUES
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2008

	General	Special	Capital Projects Funds	
		Revenue Fund Gang Violence and Drug Abuse Grants	Capital Improvement	Library Bond Construction Project
Revenues:				
Taxes	\$ 19,798,569	\$ -	\$ 9,224	\$ -
Assessments	-	-	-	-
Licenses and permits	239,865	-	-	-
Intergovernmental	565,578	7,056,416	698,633	-
Charges for services	1,265,166	-	-	-
Use of money and property	718,924	-	6,719	290,640
Fines and forfeitures	450,776	-	-	-
Contributions	92,679	-	76,948	75,000
Miscellaneous	280,106	120,933	-	-
Total Revenues	23,411,663	7,177,349	791,524	365,640
Expenditures:				
Current:				
General government	4,475,872	-	-	-
Public safety	20,359,876	5,154,436	-	-
Community development	126,631	-	-	912,552
Parks and recreation	3,112,987	-	-	-
Public works	1,146,756	-	162,329	-
Capital outlay	193,075	627,857	1,084,525	2,964,206
Debt service:				
Principal retirement	110,000	-	-	-
Interest and fiscal charges	3,724	-	-	-
Pass-through agreement payments	-	-	-	-
Total Expenditures	29,528,921	5,782,293	1,246,854	3,876,758
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,117,258)	1,395,056	(455,330)	(3,511,118)
Other Financing Sources (Uses):				
Transfers in	7,198,263	-	1,072,671	15,057,782
Transfers out	(3,784,862)	-	(276,360)	-
Capital leases	-	-	-	-
Refunding bonds issued	-	-	-	-
Notes and loans issued	-	-	-	-
Total Other Financing Sources (Uses)	3,413,401	-	796,311	15,057,782
Net Change in Fund Balances	(2,703,857)	1,395,056	340,981	11,546,664
Fund Balances, Beginning of Year, as previously reported	7,896,504	(2,060,966)	536,759	-
Restatements	42,177	-	437,874	-
Fund Balances, Beginning of Year, as restated	7,938,681	(2,060,966)	974,633	-
Fund Balances, End of Year	\$ 5,234,824	\$ (665,910)	\$ 1,315,614	\$ 11,546,664

CITY OF MONROVIA

STATEMENT OF REVENUES
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2008

	Capital Project Fund	Debt Service Fund		
	Redevelopment Agency	Monrovia RDA Long- Term Debt	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$ 1,658,533	\$ 6,634,129	\$ 7,108,644	\$ 35,209,099
Assessments	-	-	1,274,277	1,274,277
Licenses and permits	-	-	568,234	808,099
Intergovernmental	-	-	2,527,379	10,848,006
Charges for services	-	-	841,707	2,106,873
Use of money and property	210,861	1,129,835	533,743	2,890,722
Fines and forfeitures	-	-	498,208	948,984
Contributions	1,000	-	54,983	300,610
Miscellaneous	61,106	-	106,389	568,534
Total Revenues	1,931,500	7,763,964	13,513,564	54,955,204
Expenditures:				
Current:				
General government	2,920,802	90,684	16,186	7,503,544
Public safety	-	-	767,615	26,281,927
Community development	129,777	13,500	3,308,081	4,490,541
Parks and recreation	-	-	174,041	3,287,028
Public works	-	-	3,388,812	4,697,897
Capital outlay	47,410	-	94,761	5,011,834
Debt service:				
Principal retirement	481,286	1,868,055	208,331	2,667,672
Interest and fiscal charges	662,123	3,363,573	1,319,076	5,348,496
Pass-through agreement payments	-	2,421,339	-	2,421,339
Total Expenditures	4,241,398	7,757,151	9,276,903	61,710,278
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,309,898)	6,813	4,236,661	(6,755,074)
Other Financing Sources (Uses):				
Transfers in	3,500,000	-	3,181,537	30,010,253
Transfers out	(721,454)	(3,500,000)	(23,147,490)	(31,430,166)
Capital leases	-	-	10,240	10,240
Refunding bonds issued	-	-	15,850,000	15,850,000
Notes and loans issued	3,010,240	-	-	3,010,240
Total Other Financing Sources (Uses)	5,788,786	(3,500,000)	(4,105,713)	17,450,567
Net Change in Fund Balances	3,478,888	(3,493,187)	130,948	10,695,493
Fund Balances, Beginning of Year, as previously reported	25,913,340	7,521,953	9,326,182	49,133,772
Restatements	-	-	(42,168)	437,883
Fund Balances, Beginning of Year, as restated	25,913,340	7,521,953	9,284,014	49,571,655
Fund Balances, End of Year	\$ 29,392,228	\$ 4,028,766	\$ 9,414,962	\$ 60,267,148

CITY OF MONROVIA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
JUNE 30, 2008**

Net change in fund balances - total governmental funds \$ 10,695,493

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 costs of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period 1,546,457

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets (16,281,562)

Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period 132,045

Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds (84,683)

Revenues reported as deferred revenue in the governmental funds and recognized in the Statement of Activities. These are included in the intergovernmental revenues in the governmental fund activity (2,180,285)

Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The net revenues (expenses) of the internal service funds is reported with governmental activities 735,951

Change in net assets of governmental activities \$ (5,436,584)

CITY OF MONROVIA

**BUDGETARY COMPARISON STATEMENT BY DEPARTMENT
GENERAL FUND
YEAR ENDED JUNE 30, 2008**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1, as restated	\$ 7,938,681	\$ 7,938,681	\$ 7,938,681	\$ -
Resources (Inflows):				
Taxes	17,963,351	20,046,161	19,798,569	(247,592)
Licenses and permits	150,215	281,421	239,865	(41,556)
Intergovernmental	351,500	549,665	565,578	15,913
Charges for services	1,189,689	1,697,824	1,265,166	(432,658)
Use of money and property	304,600	372,759	718,924	346,165
Fines and forfeitures	399,560	411,685	450,776	39,091
Contributions	28,900	89,795	92,679	2,884
Miscellaneous	149,451	277,982	280,106	2,124
Transfers in	6,745,490	7,425,301	7,198,263	(227,038)
Amounts Available for Appropriation	35,221,437	39,091,274	38,548,607	(542,667)
Charges to Appropriation (Outflow):				
General government				
City council	192,595	286,295	253,453	32,842
City manager	503,274	695,183	706,439	(11,256)
Community relations	163,713	206,288	185,390	20,898
City clerk	230,222	265,428	279,865	(14,437)
City clerk elections	49,718	50,152	4,290	45,862
Passport program	80,515	105,855	124,524	(18,669)
City treasurer	17,214	18,052	15,524	2,528
City attorney	330,250	333,300	702,037	(368,737)
Finance administration	259,685	278,758	321,451	(42,693)
Finance operations	737,525	952,785	859,095	93,690
Human resources	229,829	249,509	247,362	2,147
Non-departmental	501,677	718,677	774,042	(55,365)
Community cable operations	-	-	2,400	(2,400)
Public safety				
Police administration	333,663	360,012	436,356	(76,344)
Police services	2,143,671	2,025,328	1,944,208	81,120
Police patrol	5,925,478	6,513,543	6,427,187	86,356
Communication crime analysis	693,965	854,407	877,889	(23,482)
Community Policing	596,396	630,631	656,058	(25,427)
Animal license	118,755	204,878	228,609	(23,731)
Fire administration	319,850	405,280	403,571	1,709
Fire suppression	5,472,961	6,916,812	7,196,671	(279,859)
Prevention	234,922	430,122	250,285	179,837
Emergency medical services	1,190,050	1,075,943	101,149	974,794
Emergency preparedness	10,492	28,904	16,589	12,315
Detectives	1,787,352	1,736,562	1,821,304	(84,742)
Community development				
Business license	104,873	144,785	126,631	18,154
Parks and recreation				
Community services administration	396,269	1,035,554	1,009,753	25,801
Senior program	41,870	49,387	18,248	31,139
Recreation services	-	46,200	39,750	6,450
Library	406,665	409,173	421,928	(12,755)

CITY OF MONROVIA

**BUDGETARY COMPARISON STATEMENT BY DEPARTMENT
GENERAL FUND
YEAR ENDED JUNE 30, 2008**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Youth center	133,461	146,773	32,641	114,132
Historical museum	51,904	43,102	7,559	35,543
Community center operations	535,890	548,686	380,263	168,423
Aquatics program	221,475	222,268	108,946	113,322
Concerts in the park	29,441	29,557	14,423	15,134
Contract classes	74,466	76,425	78,077	(1,652)
Urban park rental programs	35,571	35,938	17,828	18,110
Competitive Swim	24,329	24,544	30	24,514
Monrovia reads & play	-	38,410	17,283	21,127
Library reference	434,031	434,537	378,143	56,394
Childrens library	337,031	355,319	345,082	10,237
Library circulation	242,847	279,252	150,032	129,220
Public relations	89,224	93,865	53,039	40,826
Special activities	110,189	71,450	39,962	31,488
Public works				
Public works administration	279,948	296,331	312,522	(16,191)
Parks maintenance	484,285	524,932	549,798	(24,866)
Canyon park	210,345	318,459	284,436	34,023
Capital outlay	5,319	178,714	193,075	(14,361)
Debt service:				-
Principal retirement	112,000	117,940	110,000	7,940
Interest and fiscal charges	-	-	3,724	(3,724)
Transfers out	912,424	3,563,060	3,784,862	(221,802)
Total Charges to Appropriations	27,397,629	34,427,365	33,313,783	1,113,582
Budgetary Fund Balance, June 30	\$7,823,808	\$4,663,909	\$ 5,234,824	\$ 570,915

CITY OF MONROVIA

**BUDGETARY COMPARISON STATEMENT
GANG VIOLENCE AND DRUG ABUSE GRANTS
YEAR ENDED JUNE 30, 2008**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	<u>\$(2,060,966)</u>	<u>\$ (2,060,966)</u>	<u>\$(2,060,966)</u>	<u>\$ -</u>
Resources (Inflows):				
Intergovernmental	-	7,847,400	7,056,416	(790,984)
Miscellaneous	-	121,732	120,933	(799)
Amounts Available for Appropriation	<u>(2,060,966)</u>	<u>5,908,166</u>	<u>5,116,383</u>	<u>(791,783)</u>
Charges to Appropriation (Outflow):				
Public safety	-	7,534,900	5,154,436	2,380,464
Capital outlay	-	843,500	627,857	215,643
Total Charges to Appropriations	<u>-</u>	<u>8,378,400</u>	<u>5,782,293</u>	<u>2,596,107</u>
Budgetary Fund Balance, June 30	<u><u>\$(2,060,966)</u></u>	<u><u>\$ (2,470,234)</u></u>	<u><u>\$ (665,910)</u></u>	<u><u>\$ 1,804,324</u></u>

CITY OF MONROVIA

STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS
 JUNE 30, 2008

	<u>Business-Type Activities - Enterprise Funds</u>			<u>Governmental</u>
	<u>Water</u>	<u>Other Enterprise Funds</u>	<u>Totals</u>	<u>Activities- Internal Service Funds</u>
Assets:				
Current:				
Cash and investments	\$ 7,110,532	\$ 1,585,752	\$ 8,696,284	\$ 3,324,797
Receivables:				
Accounts	854,820	248,413	1,103,233	106,008
Grants	23,000	15,621	38,621	-
Prepaid costs	1,328	-	1,328	6,894
Due from other funds	-	20,637	20,637	-
Inventories	-	-	-	2,312
Total Current Assets	7,989,680	1,870,423	9,860,103	3,440,011
Noncurrent:				
Advances to other funds	1,683,625	-	1,683,625	-
Capital assets - net of accumulated depreciation	10,918,919	4,487,993	15,406,912	4,658,130
Total Noncurrent Assets	12,602,544	4,487,993	17,090,537	4,658,130
Total Assets	\$ 20,592,224	\$ 6,358,416	\$ 26,950,640	\$ 8,098,141
Liabilities and Net Assets:				
Liabilities:				
Current:				
Accounts payable	\$ 155,053	\$ 76,494	\$ 231,547	\$ 408,913
Unearned revenues	-	15,621	15,621	-
Deposits payable	174,512	93,673	268,185	-
Due to other funds	20,503	9,258	29,761	338,326
Total Current Liabilities	350,068	195,046	545,114	747,239
Noncurrent:				
Advances from other funds	-	232,224	232,224	232,224
Accrued compensated absences	103,348	49,953	153,301	23,666
Accrued claims and judgments	-	-	-	4,467,380
Bonds, notes, and capital leases	433,128	-	433,128	283,689
Total Noncurrent Liabilities	536,476	282,177	818,653	5,006,959
Total Liabilities	886,544	477,223	1,363,767	5,754,198
Net Assets:				
Invested in capital assets, net of related debt	10,485,791	4,487,993	14,973,784	4,374,441
Unrestricted	9,219,889	1,393,200	10,613,089	(2,030,498)
Total Net Assets	19,705,680	5,881,193	25,586,873	2,343,943
Total Liabilities and Net Assets	\$ 20,592,224	\$ 6,358,416	\$ 26,950,640	\$ 8,098,141
Reconciliation of Net Assets to the Statement of Net Assets				
Net Assets per Statement of Net Assets - Proprietary Funds			\$ 25,586,873	
Prior years' accumulated adjustment to reflect the consolidation of internal service funds activities related to the enterprise funds			(543,870)	
Current years' adjustments to reflect the consolidation of internal service activities related to enterprise funds			(98,499)	
Net Assets per Statement of Net Assets			\$ 24,944,504	

CITY OF MONROVIA

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2008

	Business-Type Activities - Enterprise Funds			Governmental Activities- Internal Service Funds
	Water	Other Enterprise Funds	Totals	
Operating Revenues:				
Sales and service charges	\$ 6,194,155	\$ 1,592,470	\$ 7,786,625	\$ 591,324
Interdepartmental charges	-	-	-	5,109,812
Intergovernmental	(49,780)	7,594	(42,186)	-
Miscellaneous	34,568	-	34,568	50,524
Total Operating Revenues	6,178,943	1,600,064	7,779,007	5,751,660
Operating Expenses:				
Salaries and employee benefits	1,649,082	885,962	2,535,044	1,316,418
Professional and contract services	417,073	283,867	700,940	555,217
Maintenance and supplies	1,033,731	364,180	1,397,911	1,460,009
Utilities	1,239,806	-	1,239,806	554,134
Repairs and replacements	183,359	7,708	191,067	705,865
Claims expense/(recovery)	-	-	-	(80,742)
Insurance	-	-	-	1,212,570
Depreciation expense	353,066	162,900	515,966	1,013,180
Total Operating Expenses	4,876,117	1,704,617	6,580,734	6,736,651
Operating Income (Loss)	1,302,826	(104,553)	1,198,273	(984,991)
Nonoperating Revenues (Expenses):				
Interest revenue	374,204	90,685	464,889	171,354
Interest expense	(19,774)	-	(19,774)	(16,813)
Gain (loss) on disposal of fixed assets	-	-	-	273,524
Total Nonoperating Revenues (Expenses)	354,430	90,685	445,115	428,065
Income (Loss) Before Transfers	1,657,256	(13,868)	1,643,388	(556,926)
Transfers in	1,857,793	505,832	2,363,625	2,284,447
Transfers out	(900,988)	(1,237,101)	(2,138,089)	(1,090,070)
Changes in Net Assets	2,614,061	(745,137)	1,868,924	637,451
Net Assets:				
Beginning of Year, as previously reported	17,076,385	6,626,330	23,702,715	1,706,492
Restatements	15,234	-	15,234	-
Beginning of Fiscal Year, as restated	17,091,619	6,626,330	23,717,949	1,706,492
End of Fiscal Year	\$ 19,705,680	\$ 5,881,193	\$ 25,586,873	\$ 2,343,943

Reconciliation of Changes in Net Assets to the Statement of Activities:

Changes in Net Assets, per the Statement of Revenues, Expenses and Changes in Fund Net Assets - Proprietary Funds	\$ 1,868,924
Adjustment to reflect the consolidation of current fiscal year internal service funds activities related to enterprise funds	(98,499)
Changes in Net Assets of Business-Type Activities per Statement of Activities	\$ 1,770,425

CITY OF MONROVIA

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 YEAR ENDED JUNE 30, 2008

	<u>Business-Type Activities - Enterprise Funds</u>			<u>Governmental Activities- Internal Service Funds</u>
	<u>Water</u>	<u>Other Enterprise Funds</u>	<u>Totals</u>	
Cash Flows from Operating Activities:				
Cash received from customers and users	\$ 7,143,615	\$ 1,503,559	\$ 8,647,174	\$ -
Cash received from/(paid to) interfund service provided		-	-	5,739,201
Cash paid to suppliers for goods and services	(3,131,906)	(600,650)	(3,732,556)	(4,781,770)
Cash paid to employees for services	(1,646,394)	(882,993)	(2,529,387)	(1,312,448)
Net Cash Provided (Used) by Operating Activities	2,365,315	19,916	2,385,231	(355,017)
Cash Flows from Non-Capital Financing Activities:				
Cash transfers out	(900,988)	(1,237,101)	(2,138,089)	(1,090,070)
Cash transfers in	1,857,793	505,832	2,363,625	2,284,447
Received from other funds	20,503	220,845	241,348	-
Repayment made to other funds	-	-	-	28,050
Advance from other funds	-	-	-	232,224
Advance to other funds	(1,683,625)	-	(1,683,625)	-
Net Cash Provided (Used) by Non-Capital Financing Activities	(706,317)	(510,424)	(1,216,741)	1,454,651
Cash Flows from Capital and Related Financing Activities:				
Acquisition and construction of capital assets	(1,408,604)	(281,659)	(1,690,263)	(1,503,366)
Principal paid on capital debt	(98,224)	-	(98,224)	(62,914)
Interest paid on capital debt	(19,774)	-	(19,774)	(16,813)
Proceeds from sales of capital assets	-	-	-	273,524
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,526,602)	(281,659)	(1,808,261)	(1,309,569)
Cash Flows from Investing Activities:				
Interest received	374,204	90,685	464,889	171,354
Net Cash Provided (Used) by Investing Activities	374,204	90,685	464,889	171,354
Net Increase (Decrease) in Cash and Cash Equivalents	506,600	(681,482)	(174,882)	(38,581)
Cash and Cash Equivalents at Beginning of Year	6,603,932	2,267,234	8,871,166	3,363,378
Cash and Cash Equivalents at End of Year	\$ 7,110,532	\$ 1,585,752	\$ 8,696,284	\$ 3,324,797
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	\$ 1,302,826	\$ (104,553)	\$ 1,198,273	\$ (984,991)
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:				
Depreciation	353,066	162,900	515,966	1,013,180
(Increase) decrease in accounts receivable	82,369	(96,505)	(14,136)	(12,459)
(Increase) decrease in grants receivable	882,303	-	882,303	-
(Increase) decrease in prepaid expense	(1,328)	-	(1,328)	(1,879)
(Increase) decrease in inventories	-	-	-	332
Increase (decrease) in accounts payable	(357,061)	51,258	(305,803)	75,113
Increase (decrease) in deposits payable	100,452	3,847	104,299	-
Increase (decrease) in claims and judgments	-	-	-	(447,951)
Increase (decrease) in compensated absences	2,688	2,969	5,657	3,638
Total Adjustments	1,062,489	124,469	1,186,958	629,974
Net Cash Provided (Used) by Operating Activities	\$ 2,365,315	\$ 19,916	\$ 2,385,231	\$ (355,017)
Non-Cash Investing, Capital, and Financing Activities:				
Gain/(Loss) on disposition of capital assets	\$ -	\$ -	\$ -	\$ 273,524

CITY OF MONROVIA

STATEMENT OF FIDUCIARY NET ASSETS
 FIDUCIARY FUNDS
 JUNE 30, 2008

	<u>Agency Funds</u>	<u>Private- Purpose Trust Fund</u>
	<u>Deposit</u>	<u>Bartle Memorial Trust</u>
Assets:		
Pooled cash and investments	\$ 360,128	\$ 321,923
Total Assets	<u>\$ 360,128</u>	<u>\$ 321,923</u>
Liabilities:		
Accounts payable	\$ 6,045	\$ 28
Deposits payable	354,083	-
Total Liabilities	<u>\$ 360,128</u>	<u>\$ 28</u>
Net Assets:		
Held in trust for pension and other purposes		\$ 321,895
Total Net Assets		<u>\$ 321,895</u>
Total Liabilities and Net Assets		<u>\$ 321,923</u>

CITY OF MONROVIA

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2008

	<u>Private- Purpose Trust Fund Bartle Memorial Trust</u>
Additions	
Investment earnings:	
Interest and change in fair value of investments	\$ 16,786
Total Additions	<u>16,786</u>
Deductions	
Administrative expenses	<u>10,517</u>
Total Deductions	<u>10,517</u>
Changes in Net Assets	6,269
Net Assets - Beginning of the Year	<u>315,626</u>
Net Assets - End of the Year	<u>\$ 321,895</u>

CITY OF MONROVIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

I. SIGNIFICANT ACCOUNTING POLICIES

Note 1: Summary of Significant Accounting Policies

a. Financial Reporting Entity

The financial reporting entity "City of Monrovia" includes the accounts of the City, the Community Redevelopment Agency of the City of Monrovia (the Agency) and the Monrovia Financing Authority.

The City of Monrovia was incorporated December 15, 1887, under the general laws of the State of California and follows the City Council - Manager form of government. As required by accounting principles generally accepted in the United States of America, these financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the government's operations and so data from these units are combined with data of the primary government. Each blended component unit has a June 30 year end.

Blended Component Units

The Agency was established in 1969, by the City of Monrovia. The primary purpose of the Agency is to eliminate blighted areas by encouraging development of residential, commercial, industrial, recreational and public facilities. The Agency has established one project area known as Project Area No. 1 (Central Redevelopment Project) encompassing 650 acres. The members of the City Council also act as the governing body of the Agency. The City and the Agency are financially interdependent. The City may make loans to the Agency for use on redevelopment projects. Property tax revenues of the Agency are used to repay bond indebtedness. The Agency is managed by employees of the City. A portion of the City's salary and overhead expenditures is billed to the Agency each year. The Agency's financial data and activity are reported within the debt service and capital projects fund types in the fund-level statements and in the governmental activities in the government-wide statements.

The Monrovia Financing Authority (the Authority) was established by resolution on February 6, 1996, under a Joint Exercise of Powers Agreement (the Agreement) by the City of Monrovia and the Monrovia Redevelopment Agency.

The governing body of the Authority is comprised of the consenting members of the City Council. The agreement provides for the financing of public capital improvements for the City and the Agency through the acquisition by the Authority of such public capital improvements and/or the purchase of obligations of the City and the Agency pursuant to debt purchase agreements.

City of Monrovia
Notes to Financial Statements (Continued)

Note 1: Summary of Significant Accounting Policies (Continued)

Discretely Presented Component Units

Monrovia Wilderness Preserve Foundation, Inc. - The Monrovia Wilderness Preserve Foundation, Inc., a nonprofit public benefit corporation, was created on November 20, 2000, to acquire property in the foothills to be used as a wilderness preserve for the protection of existing natural resources and to provide outdoor educational activities to nearby schools.

The Foundation has a separate governing board which is comprised of City Council members, employees, citizens and members from two local conservancy agencies.

During fiscal year 2007-2008, there was no material financial activity for the Foundation; therefore, financial data has not been presented on the City's financial statements.

Complete financial statements of the Agency and the Authority may be obtained from the Finance Department of the City of Monrovia at 415 S. Ivy Avenue, Monrovia, California 91016.

b. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets 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.

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

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

City of Monrovia
Notes to Financial Statements (Continued)

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

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

The 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 another fund.
- The Gang Violence and Drug Abuse Grants Fund accounts for the High Intensity Drug Trafficking Area funds received from the U.S. Department of Justice and the State of California, Governor's Office of Emergency Services. All expenditures are restricted to target area projects and programs.
- The Capital Improvement Fund accounts for the costs associated with major capital improvement projects not financed under other funds. The many different projects undertaken by this fund are under the control of the Public Works Department. Financing for the projects includes state grants, investment earnings and new construction taxes.
- Library Bond Construction Project Fund accounts for the costs associated with the construction of a new public library building. Funding came from the passage of "Measure L", a 2007 initiative passed by the voters in Monrovia.
- The Monrovia Redevelopment Agency Capital Projects Fund which comprises of the Monrovia Redevelopment Agency General Fund is used to account for the costs associated with the financing and construction of the capital improvements within the Central Project Area No.1. Financing of the projects are provided by property tax increment funds. The Monrovia Redevelopment Agency Set-Aside Fund accounts for the costs associated with the financing and construction of low and moderate income housing projects within the Central Project Area No. 1.
- The Monrovia Redevelopment Agency Long-Term Debt Service Fund accounts for the accumulation of funds for the payment of principal and interest of various bond issues and loans.

The City reports the following major proprietary funds:

City of Monrovia
Notes to Financial Statements (Continued)

Note 1: Summary of Significant Accounting Policies (Continued)

- The Water Fund accounts for the administration, operation, maintenance, improvement and contract costs associated with the water utility.

Additionally, the City reports the following fund types:

- The Permanent Fund is used to account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the City's programs.
- Internal Service Funds are used to account for goods and services provided by one City department to other City departments on a cost-reimbursement basis. The services provided to the departments are: facility maintenance including capital replacements, equipment pool maintenance including routine maintenance and replacement of the City's motorized fleet, central services including information services, maintenance and replacement of copy machines and specialized equipment, and the operation of the City-wide general and automotive, workers compensation and unemployment insurance programs.
- The Agency Fund is used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations and other governmental units. The purpose of the assets held by the City are for various organizations such as the Wilderness Preservation Foundation and the City of Monrovia Employees We Care Foundation, as well as some other miscellaneous activities.
- The Private Purpose Trust Fund is used to account for the Bartle Memorial Trust, which is a contribution where the principal and interest earnings are used to acquire books or other educational materials appropriate to the library.

Private-sector standards of accounting and financial reporting issued prior to December 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. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

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.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's 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 Enterprise Funds and Internal Service Funds include the cost of sales and services,

City of Monrovia
Notes to Financial Statements (Continued)

Note 1: Summary of Significant Accounting Policies (Continued)

administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

d. Assets, Liabilities and Net Assets or Equity

Cash and Investments

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

Investments for the City, as well as for its component units, are reported at fair value, the value at which a financial instrument could be exchanged in a current transaction between willing parties, other than a forced liquidation sale. The City's policy is generally to hold investments until maturity or until market values equal or exceed cost. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

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 either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

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

All trade and property tax receivables are shown net of an allowance for uncollectibles.

Inventories and Land Held for Resale

All inventories are valued at cost using the first-in/first-out (FIFO) method. The City accounts for inventory using the consumption method and is equally offset by a reservation of fund balance in the fund-level statements, which indicates that it does not constitute "available spendable resources." Inventory is capitalized when purchased and is thereafter recorded as an expenditure at the time the inventory item is consumed.

City of Monrovia
Notes to Financial Statements (Continued)

Note 1: Summary of Significant Accounting Policies (Continued)

Land purchased for resale is capitalized as inventory at acquisition costs or net realizable value, if lower. Land held for resale is offset by a fund balance reserve, which indicates that it does not constitute "available spendable resources." Other property held for resale is capitalized as inventory and is recorded at cost.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

In accordance with GASB Statement No. 34, the City has reported general infrastructure assets acquired in the current and prior years.

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

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

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

<u>Assets</u>	<u>Years</u>
Structures and Improvements	50
Equipment, Furniture, & Vehicles:	
Furniture & Fixtures	5
Machinery & Equipment	5-10
Autos & Trucks	5-20
Infrastructures:	
Reservoirs & Wells	50
Water & Sewer Mains	50-75
Meters	35
Hydrants	75
Pumping Equipment	50
Transmission & Distribution	50
Other infrastructures	15-50

City of Monrovia
Notes to Financial Statements (Continued)

Note 1: Summary of Significant Accounting Policies (Continued)

Compensated Absences

Compensated absences are accounted for in accordance with GASB Code Sec. C60. It is the government's policy to permit employees to accumulate earned but unused vacation, holiday and compensatory pay benefits. There is no liability for unpaid accumulated sick leave since the City does not have a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements.

Claims and Judgments

When it is probable that a claim liability has been incurred, and the amount of the loss can be reasonably estimated, the City records the estimated loss, net of any insurance coverage under its self-insurance program. Claims payable, which include an estimate for incurred but not reported claims (IBNR), are recorded in Internal Service Funds.

Unearned Revenue

Unearned revenues are those where asset recognition has been met, but for which the revenue recognition criteria has not. The City reported as unearned revenues the amount of \$48,674 and is related to the General Fund, Special Revenue Funds, and Proprietary Funds for which services have not yet been rendered.

Long-Term Obligations

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

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 expenditures.

Statement of Cash Flows

A substantial portion of the City's investments are in short-term instruments with maturities of one to three years. In addition, there are highly liquid funds on deposit with California Local Agency Investment Fund. For purposes of the statements of cash flows, all cash and investments held by the enterprise and internal service funds are considered to be short-term and, accordingly, are considered cash and cash equivalents.

City of Monrovia
Notes to Financial Statements (Continued)

Note 1: Summary of Significant Accounting Policies (Continued)

Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

e. Reconciliation of Government-Wide and Fund Financial Statements

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets:

The governmental fund balance sheet includes reconciliation between fund balance - governmental funds and net assets of governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term debts and compensated absences that have not been included in the governmental fund activity." The detail of the (\$102,343,652) long-term debts difference is as follows:

Long-term debt:	
Tax allocation bond payable	\$ (66,905,000)
Unamortized bond discounts	264,260
Unamortized loss on defeasance	947,329
Lease revenue bonds payable	(26,785,000)
Capitalized leases payable	(117,947)
Loans payable	(4,466,127)
Due to other governments	<u>(5,281,167)</u>
Net adjustment to reduce fund balance of total governmental funds to arrive at net assets of governmental activities	<u><u>\$ (102,343,652)</u></u>

Explanation of certain differences between the governmental fund statement of revenues, expenditures and changes in fund balances and the government-wide statement of activities:

The governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between net changes in fund balances - of total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense."

City of Monrovia
Notes to Financial Statements (Continued)

Note 1: Summary of Significant Accounting Policies (Continued)

The details of this \$1,546,457 difference are as follows:

Capital outlay	\$ 4,519,218
Depreciation expense	(2,871,766)
Loss on disposition of fixed assets	<u>(100,995)</u>
Net adjustment to increase net changes in fund balances of total governmental funds to arrive at changes in net assets of governmental activities	<u><u>\$ 1,546,457</u></u>

Another element of that reconciliation states that “the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds.” Neither transaction however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

The details of this (\$16,281,562) difference are as follows:

Debt issued or incurred:	
Issuance of lease revenue bonds	\$ (15,850,000)
Issuance of capital lease payable	(20,480)
Issuance of notes payable	<u>(3,000,000)</u>
Net debt issued	<u>(18,870,480)</u>
Principal repayments:	
Tax allocation bonds	1,625,000
Lease revenue bonds	655,000
Capital leases	134,639
Loans payable	<u>253,033</u>
Total Principal repayments	2,667,672
Amortization of bond discounts, premiums and deferred charges	<u>(78,754)</u>
Net adjustment to decrease net changes in fund balance of total governmental funds to arrive at changes in net assets of governmental activities	<u><u>\$ (16,281,562)</u></u>

II. STEWARDSHIP

Note 2: Stewardship, Compliance and Accountability

a. General Budget Policies

The City's budget is prepared under the direction of the City Manager. Revenues are budgeted based on source. The budget control level established is at the "fund level", with sub-classifications by function, department and object of expenditure.

The City Council approves total budgeted appropriations and any amendments to total appropriations during the year. This "appropriated budget" covers substantially all City expenditures, with the exception of debt service and capital projects which constitute legally authorized "non-appropriated budget." All annual appropriations lapse at year-end. There were no significant non-budgeted financial activities. The budgetary information shown for revenues and expenditures represents the original adopted budget adjusted for any changes made by the City Council or City Manager. Supplemental budgetary appropriations were necessary during the year. The effects of these amendments were not material.

Although the appropriated budget is classified by departments and objects of expenditure, the City Manager is authorized to transfer budgeted amounts between departments and object categories, and also between programs. Council approval is required only for transfers between funds, or for an increase in total appropriations.

Budgets for the General and Special Revenue Funds are adopted on a basis substantially consistent with generally accepted accounting principles (GAAP). Accordingly, actual revenues and expenditures can be compared with related budgeted amounts without any significant reconciling items. Budgetary comparisons are not presented for the Capital Projects Funds because the adopted budgets are primarily "long-term" budgets which emphasize major programs and capital outlay plans extending over a number of years. Because of the long-term nature of projects, "annual" budget comparisons are not considered meaningful, and accordingly, no budgetary information is included in the accompanying financial statements. Legally adopted budgets are not employed for Debt Service Funds because effective budgetary control is achieved through bond indentures and other instrument provisions.

Formal budgetary integration is employed as a management control device. Commitments for material and services, such as purchase orders and contracts, are recorded during the year as encumbrances to assist in controlling expenditures. Encumbrances at year-end lapse; however, encumbrances at year-end are reported as reservations of fund balance.

City of Monrovia
Notes to Financial Statements (Continued)

Note 2: Stewardship, Compliance and Accountability (Continued)

b. Deficit Fund Balances

The following funds contained deficit fund balances or net assets:

<u>Funds</u>	<u>Amount</u>
Special Revenue Fund:	
Police Grants	\$ (317,171)
Lighting and Landscape Assessment District	(477,779)
Park Maint. Assessment District	(86,768)
Development Services	(261,207)
Capital Projects Funds:	
Street Maintenance Fund	(450,430)
Internal Service Funds:	
Liability Insurance Fund	(189,115)
Workers Compensation Insurance Fund	(2,761,518)
Enterprise Funds:	
Waste Management Fund	(56,079)

The City expects to eliminate these deficits from future revenues.

c. Expenditures Exceeding Appropriations

Excesses of expenditures over appropriations by department in individual funds are as follows:

<u>Fund</u>	<u>Appropriation</u>	<u>Actual</u>	<u>Excess</u>
General Fund:			
General government			
City manager	\$ 695,183	\$ 706,439	\$ (11,256)
City clerk	265,428	279,865	(14,437)
Passport program	105,855	124,524	(18,669)
City attorney	333,300	702,037	(368,737)
Finance administration	278,758	321,451	(42,693)
Non-departmental	718,677	774,042	(55,365)
Community cable operations	-	2,400	(2,400)
Public safety			
Police administration	360,012	436,356	(76,344)
Communication crime analysis	854,407	877,889	(23,482)
Community Policing	630,631	656,058	(25,427)
Animal license	204,878	228,609	(23,731)
Fire suppression	6,916,812	7,196,671	(279,859)
Community services			
Library	409,173	421,928	(12,755)
Contract classes	76,425	78,077	(1,652)
Public works			
Public works administration	296,331	312,522	(16,191)
Parks maintenance	524,932	549,798	(24,866)
Capital outlay	178,714	193,075	(14,361)
Debt service:			
Interest and fiscal charges	-	3,724	(3,724)
Transfers out	3,563,060	3,784,862	(221,802)

III. DETAILED NOTES ON ALL FUNDS

Note 3: Cash and Investments

As of June 30, 2008, cash and investments were reported in the accompanying financial statements as follows:

Governmental activities	\$ 31,765,739
Business-Type activities	8,696,284
Fiduciary funds	<u>682,051</u>
Total Cash and Investments	<u>\$ 41,144,074</u>

The City follows the practice of pooling cash and investments of all funds, except for funds required to be held by fiscal agents under provisions of bond indentures. Interest income earned on pooled cash and investments is allocated monthly to the various funds based on monthly cash and investment balances. Interest Income from cash and investments with fiscal agents is credited directly to the related fund.

Deposits

At June 30, 2008, the carrying amount of the City's deposits was (\$576,480) and the bank balance was \$540,895. The (\$1,117,375) difference represents outstanding checks and other reconciling items.

The California Government Code requires California banks and savings and loan associations to secure a City's deposits by pledging government securities with a value of 110% of a City's deposits. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of a City's total deposits. The City Treasurer may waive the collateral requirement for deposits which are fully insured up to \$100,000 by the FDIC. The collateral for deposits in federal and state chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an Agent of Depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an "Agent of Depository" has the effect of perfecting the security interest in the name of the local government agency. Accordingly, all collateral held by California Agents of Depository are considered to be held for, and in the name of, the local governmental agency.

Investments

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

- U.S. Treasury Bills
- Federal Agency Securities
- Federal Instrumentality
- Repurchase Agreements
- Prime Commercial Paper
- Eligible Bankers Acceptances

City of Monrovia
Notes to Financial Statements (Continued)

Note 3: Cash and Investments (Continued)

- Medium Term Corporate Notes
- Negotiable and Non-negotiable Certificates of Deposit
- State of California's Local Agency Investment Fund (LAIF)
- Los Angeles County Pooled Investment Fund
- Money Market Funds

During 2007/2008, the City received shares of CVB Financial Corp. stock as a donation for the Monrovia Library Foundation. This has been included in the cash and investments in the Agency Fund.

Investments Authorized by Debt Agreements

The above investments do not address investment of debt proceeds held by a bond trustee. Investments of debt proceeds held by a bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy.

Investments in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The State Treasurer's Office audits the fund annually. The fair value of the position in the investment pool is the same as the value of the pool shares.

GASB Statement No. 31

The City adopted GASB Statement of No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, as of July 1, 1997. GASB Statement No. 31 establishes fair value standards for investments in participating interest earning investment contracts, external investment pools, equity securities, option contracts, stock warrants and stock rights that have readily determinable fair values. Accordingly, the City reports its investments at fair value in the balance sheet. All investment income, including changes in the fair value of investments, is recognized as revenue in the operating statement.

Credit Risk

The City's investment policy limits investments in Medium Term Notes to those rated in the top three rating categories by two of the three largest nationally recognized rating services at time of purchase. As of June 30, 2008, the City's investment in Medium Term Notes were rated AA by Moody's and Standard and Poor's. The City's investments in Federal Agency Securities consisted of investments with Federal Home Loan Mortgage Corp., Federal Home Loan Bank, Federal Farm Credit Banks and Federal National Mortgage Association Notes. At June, 30, 2008, the City's Federal Home Loan Mortgage Corp., Federal Home Loan Bank and Federal National Mortgage Association Notes were rated "AAA" by Standard and Poor's. The City's remaining investments in Federal Agency Securities were rated "AAA" by Moody's. All securities were investment grade and were legal under State and City law. Investments in U.S. government securities are not considered to have credit risk and, therefore, their credit quality is not disclosed. As of June 30, 2008, the City's investments in external investment pools and money market mutual funds are unrated.

City of Monrovia
Notes to Financial Statements (Continued)

Note 3: Cash and Investments (Continued)

Custodial Credit Risk

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

As of June 30, 2008, none of the City's deposits or investments were exposed to custodial credit risk.

Concentration of Credit Risk

The City's investment policy imposes restrictions on the maximum percentage it can invest in medium term notes with any one issuer. The limitation is 10% of the City's total investment portfolio. The City's investment policy does not impose restrictions on the maximum percentage it can invest in any other investment. As of June 30, 2008, the City is in compliance with the investment policy restrictions.

The City has invested more than 5% of the total investment value with the following issuers:

Investment Agreements	6%
Federal Home Loan Bank	9%

Interest Rate Risk

The City's investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The City's investment policy states that the City's investment portfolio will not directly invest in securities maturing in more than five years. The City has elected to use the segmented time distribution method of disclosure for its interest rate risk.

As of June 30, 2008, the City had the following investments and original maturities:

Investment Type:	Investment Maturities (in Years)					Fair Value
	6 months or less	6 months to 1 year	1 to 3 years	3 to 5 years	More Than 5 years	
CVB Financial Corp. Stock	\$ 253,540	\$ -	\$ -	\$ -	\$ -	\$ 253,540
Local Agency Investment Fund	29,312,763	-	-	-	-	29,312,763
US Treasury Securities	1,683,032	-	-	-	-	1,683,032
Medium Term Notes	-	-	997,620	-	-	997,620
Money Market Funds	946,491	-	-	-	-	946,491
Federal Home Loan Bank	502,031	1,021,563	1,037,813	1,007,500	-	3,568,907
Federal Farm Credit Banks	-	-	1,025,938	-	-	1,025,938
Federal National Mortgage Assn	-	-	1,531,563	-	-	1,531,563
Investment Agreement:						
AIG	-	-	-	-	514,975	514,975
FGIC	-	-	-	-	1,248,816	1,248,816
1st Interest Bank of California	-	-	-	-	636,909	636,909
	<u>\$ 32,697,857</u>	<u>\$ 1,021,563</u>	<u>\$ 4,592,934</u>	<u>\$ 1,007,500</u>	<u>\$ 2,400,700</u>	<u>\$ 41,720,554</u>

IV. OTHER INFORMATION

Note 4: Loans and Deferred Loans Receivable

a. Loans Receivable

The City of Monrovia has issued a 30-year market-rate loan in the amount of \$275,000 to the City Manager for the purchase of a residence within the City. The housing loan and all accrued but unpaid interest shall be payable in its entirety upon its maturity date. The balance at June 30, 2008, was: \$ 275,000

The Agency has issued a 30-year low interest loan of \$120,000 at 5% for rehabilitation of commercial property into a senior citizen apartment complex secured by a second trust deed on the property. Loan payments are based on residual receipts and interest has accrued since March 1, 1994. As of June 30,2008, the balance including interest was: 248,694

In 1997, the Agency executed a Shared Parking Agreement with Monrovia United Methodist Church for the construction and use of Parking Lot 2 (located between Lime and Palm Street and west of Ivy Avenue). The total loan amount of \$23,100 is to be paid over a 15-year period in the amount of \$1,540 annually. The balance of the loan outstanding at June 30, 2008, was: 7,700

In October 2002, the Agency issued a 30-year Note Receivable to Monrovia Heritage Park, L.P. for the rehabilitation of low and moderate income housing. The note bears interest at 3% per annum, compounded annually. Payments are due annually, beginning April 15, 2002, and are equal to 50% of all residual receipts after the payment of deferred developer fee notes. The full amount of the note, together with all accrued and unpaid interest, is due no later than April 15, 2032. As of June 30, 2008, the balance was : 176,724

On September 25, 2006 the Agency executed an agreement in which the Agency sold certain real property to Colorado Commons, LLC in exchange for a promissory note for \$4,900,000. The note bears interest at 8.25% per annum, compounded annually. Payment of principal and interest is due to the Agency upon the earlier of (a) the City's issuance of a Certificate of Occupancy for the public parking structure required to be constructed as a condition of the original agreement, or (b) termination of the agreement, as a result of the Developer's default of the original agreement terms. The balance at June 30, 2008, was \$4,900,000 of principal and \$739,944 of accrued interest. 5,639,944

The Agency issued a long-term note receivable due from Merengue Bakery (A&M Hospitality, LLC) for \$75,000 on March 27, 2008. The money will be used for exterior rehabilitation and the addition of a grease interceptor. The full loan amount is due at the end of three years (February 4, 2011). At the election of A&M Hospitality, LLC, the loan may be extended for an additional 7 year term. The loan will be fully amortized over the 7 years and will bear an interest rate of 7%. The balance of the loan outstanding at June 30, 2008, was: 75,000

City of Monrovia
Notes to Financial Statements (Continued)

Note 4: Loans and Deferred Loans Receivable (Continued)

b. Deferred Loans Receivable

The City has made various rehabilitation and second trust deed loans bearing interest at 5% to property owners within the City. The majority of the loans are payable upon sale of the property. However, if the property is not sold within 15 years, any principal and interest relating to the loan is forgiven. The balance of the loans outstanding at June 30, 2008, was:

1,362,977

Total Loans and Deferred Loans Receivable:

\$ 7,786,039

Note 5: Capital Assets

Capital asset activity for the year ended June 30, 2008, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 25,434,259	\$ -	\$ -	\$ 25,434,259
Total capital assets not being depreciated	<u>25,434,259</u>	<u>-</u>	<u>-</u>	<u>25,434,259</u>
Capital assets, being depreciated:				
Structures & Improvements	15,028,951	4,267,505	115,935	19,180,521
Equipment, furniture and vehicles	11,899,703	848,124	519,240	12,228,587
Infrastructure	65,494,312	906,955	-	66,401,267
Total capital assets being depreciated	<u>92,422,966</u>	<u>6,022,584</u>	<u>635,175</u>	<u>97,810,375</u>
Less accumulated depreciation				
Structures & Improvements	4,193,069	754,323	14,940	4,932,452
Equipment, furniture and vehicles	8,745,132	916,051	519,240	9,141,943
Infrastructure	24,672,386	2,214,572	-	26,886,958
Total accumulated depreciation	<u>37,610,587</u>	<u>3,884,946</u>	<u>534,180</u>	<u>40,961,353</u>
Total capital assets being depreciated, net	<u>54,812,379</u>	<u>2,137,638</u>	<u>100,995</u>	<u>56,849,022</u>
Governmental activities capital assets, net	<u><u>\$ 80,246,638</u></u>	<u><u>\$ 2,137,638</u></u>	<u><u>\$ 100,995</u></u>	<u><u>\$ 82,283,281</u></u>

City of Monrovia
Notes to Financial Statements (Continued)

Note 5: Capital Assets (Continued)

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

Governmental Activities:	
General government	\$ 20,314
Public safety	138,740
Community development	210,266
Community services	136,341
Public works	2,366,105
Internal Services Funds	<u>1,013,180</u>
Total Governmental Activities	<u><u>\$ 3,884,946</u></u>

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
Capital assets, not being depreciated:				
Land	\$ 438,232	\$ -	\$ -	\$ 438,232
Total Capital Assets Not Being Depreciated	<u>438,232</u>	<u>-</u>	<u>-</u>	<u>438,232</u>
Capital assets, being depreciated:				
Structures & Improvements	1,905,039	1,372,259	-	3,277,298
Equipment, furniture and vehicles	1,393,957	-	-	1,393,957
Infrastructure	15,637,080	333,238	-	15,970,318
Total Capital assets, being depreciated:	<u>18,936,076</u>	<u>1,705,497</u>	<u>-</u>	<u>20,641,573</u>
Less Accumulated Depreciation				
Structures & improvements	531,472	55,714	-	587,186
Machinery, Equipment & Vehicles	964,750	130,383	-	1,095,133
Infrastructure	3,660,704	329,870	-	3,990,574
Total Accumulated Depreciation:	<u>5,156,926</u>	<u>515,967</u>	<u>-</u>	<u>5,672,893</u>
Total Capital Assets, Being Depreciated, Net	<u>13,779,150</u>	<u>1,189,530</u>	<u>-</u>	<u>14,968,680</u>
Business-type Activities Capital Assets, Net	<u><u>\$ 14,217,382</u></u>	<u><u>\$ 1,189,530</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 15,406,912</u></u>

City of Monrovia
Notes to Financial Statements (Continued)

Note 5: Capital Assets (Continued)

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

Business-Type Activities:	
Water	\$ 353,066
Sewer	142,285
Storm drain	18,156
Waste management	<u>2,460</u>
Total Business-Type Activities	<u><u>\$ 515,967</u></u>

Note 6: Interfund Receivables, Payables and Transfers

The composition of interfund balances as of June 30, 2008, was as follows:

a. Due To/From Other Funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Totals</u>
Governmental Funds:	Governmental Funds:	
General Fund	Capital Improvement	\$ 1,292,144
	RDA Capital Projects	1,711,672
	Non-major Governmental	842,660
	Water	9,124
	Internal Service Funds	<u>338,326</u>
		<u>4,193,926</u>
Capital Improvement	General Fund	17,720
RDA Debt Service Fund	RDA Debt Service	915
Business-type Funds:		
Non-major business-type	Water	11,379
	Non-major business-type	<u>9,258</u>
		<u>20,637</u>
		<u><u>\$ 4,233,198</u></u>

The Capital Improvement Fund has loaned \$17,720 to the General Fund and Water Fund for the employee computer purchase program. The amounts loaned to other funds by the General Fund are to eliminate negative cash balances at June 30, 2008.

City of Monrovia
Notes to Financial Statements (Continued)

Note 6: Interfund Receivables, Payables and Transfers (Continued)

b. Interfund Transfers

Fund	Transfer In:			
	Major Governmental Funds			
	General	Capital Improvement	Library Bond Construction Project	Redevelopment Agency
Major Governmental Funds:				
General Fund	\$ -	\$ 750,000	\$ -	\$ -
HIDTA	-	-	-	-
Capital Improvement Fund	192,078	-	-	-
Redevelopment Agency	286,321	186,967	-	-
Monrovia RDA Long Term Debt	-	-	-	3,500,000
Major Business Type Funds:				
Water Fund	619,000	-	-	-
Nonmajor Governmental Funds	4,800,917	135,704	15,057,782	-
Nonmajor Business-Type Funds	209,877	-	-	-
Internal Service Funds	1,090,070	-	-	-
Totals	<u>\$ 7,198,263</u>	<u>\$ 1,072,671</u>	<u>\$ 15,057,782</u>	<u>\$ 3,500,000</u>

Fund	Transfer In:				Totals
	Nonmajor Governmental Funds	Water Fund	Nonmajor Business-Type Funds	Internal Service Funds	
Major Governmental Funds:					
General Fund	\$ 1,059,293	\$ 975,569	\$ -	\$ 1,000,000	\$ 3,784,862
Capital Improvement Fund	84,282	-	-	-	276,360
Redevelopment Agency	248,166	-	-	-	721,454
Monrovia RDA Long Term Debt Service Fund	-	-	-	-	3,500,000
Major Business Type Funds:					
Water Fund	281,988	-	-	-	900,988
Nonmajor Governmental Funds	1,392,808	-	475,832	1,284,447	23,147,490
Nonmajor Business-Type Funds	115,000	882,224	30,000	-	1,237,101
Internal Service Funds	-	-	-	-	1,090,070
Totals	<u>\$ 3,181,537</u>	<u>\$ 1,857,793</u>	<u>\$ 505,832</u>	<u>\$ 2,284,447</u>	<u>\$ 34,658,325</u>

The General Fund received \$7.2 million from various funds for retirement costs, overhead and administrative costs. The Capital Improvement Fund received \$750,000 from the General Fund, \$186,967 from the Redevelopment Capital Projects Fund and \$135,704 from various non-major funds to support capital project costs. The Water Fund received \$1.2 million from various funds and \$650,000 from the Sanitation Fund for the corporate yard renovation project. The Library Bond Construction Project Fund received \$15 million from the Library Bond Debt Service Fund to cover construction costs. The Redevelopment Capital Projects fund received \$3.5 million from the Redevelopment Long-term Debt Service Fund for administrative and project support.

City of Monrovia
Notes to Financial Statements (Continued)

Note 6: Interfund Receivables, Payables and Transfers (Continued)

c. Advances to/from other funds

Receivable Fund	Payable Fund	Totals
Business-type Funds:	Governmental Funds:	
Water Fund	General fund	\$ 232,225
	Non-major governmental funds	986,952
		<u>1,219,177</u>
	Business-type Funds:	
	Non-major enterprise funds	232,224
	Internal Service Funds	232,224
		<u>464,448</u>
		<u>\$ 1,683,625</u>

The Water Fund loaned \$1,683,625 to the General Fund and other various funds for the renovation and relocation of the corporate yard. The loan will be paid back over a 10 year period.

Note 7: Governmental Activities Long-Term Debt

The following is a summary of changes in governmental activities long-term debt of the City for the year ended June 30, 2008:

	Balance July 1, 2007	Additions	Deletions	Balance June 30, 2008	Due Within One Year
Lease revenue bonds:					
1993A Lease Revenue Bonds	\$ 3,205,000	\$ -	\$ 470,000	\$ 2,735,000	\$ 490,000
2002 Hillside Lease Revenue Bonds	8,385,000	-	185,000	8,200,000	190,000
2007 Library Bonds	-	15,850,000	-	15,850,000	-
<u>Tax allocation bonds:</u>					
1998B Tax Allocation Bonds	9,875,000	-	720,000	9,155,000	755,000
2002 Tax Allocation Refunding Bonds	9,100,000	-	-	9,100,000	-
2003 Tax Allocation Refunding Bonds	5,700,000	-	320,000	5,380,000	340,000
2006A Tax Allocation Refunding Bonds	22,955,000	-	430,000	22,525,000	450,000
2006B Tax Allocation Refunding Bonds	3,400,000	-	-	3,400,000	-
2007 Tax Allocation Bonds	5,750,000	-	155,000	5,595,000	170,000
2007 Subordinate Tax Allocation Notes	11,750,000	-	-	11,750,000	-
<u>Other long term liabilities:</u>					
Note payable	1,719,160	3,000,000	253,033	4,466,127	703,576
Leases Payable	578,708	20,480	197,553	401,635	98,214
Due to Other Governments	5,281,167	-	-	5,281,167	-
Compensated Absences	1,889,544	246,857	158,536	1,977,865	672,474
Claims and judgment	4,915,331	487,470	935,421	4,467,380	801,844
	<u>\$ 94,503,910</u>	<u>\$ 19,604,807</u>	<u>\$ 3,824,543</u>	<u>\$ 110,284,174</u>	<u>\$ 4,671,108</u>
				Unamortized bond discount (264,260)	
				Unamortized loss on defeasance (947,328)	
				<u>\$ 109,072,586</u>	

There are a number of limitations and restrictions contained in the various bond indentures. The City is in compliance with all significant limitations and restrictions.

**City of Monrovia
Notes to Financial Statements (Continued)**

Note 7: Governmental Activities Long-Term Debt (Continued)

a. Lease Revenue Bonds

1993A Lease Revenue Refunding Bonds

On September 1, 1993, the Agency issued Lease Revenue Refunding Bonds Series A in the amount of \$7,495,000. The bonds were issued to retire the Monrovia Public Parking Facilities Lease Revenue Bonds, issue of 1981. The Lease Revenue Refunding Bond Series A of \$7,495,000 consists of \$2,640,000 of Serial Bonds and \$4,855,000 of Term Bonds.

The \$2,640,000 serial bonds were fully matured on April 1, 2003. The outstanding term bonds maturing in 2013 are subject to mandatory redemption in part by lot on April 1 in each year commencing April 1, 2004, through maturity, from sinking fund payments, in the amounts of \$380,000 to \$605,000. The term bonds are additionally subject to optional redemption prior to maturity, in whole or in part, on any interest date on or after April 1, 2003, upon payment of a redemption price equal to the principal amount plus a premium. The premium is 2% of the principal amount for bonds redeemed on April 1, 2003 through March 31, 2004; 1% for bonds redeemed April 1, 2004 through March 31, 2005; and there is no premium for bonds redeemed on or after April 1, 2005.

The 1993A Lease Revenue Refunding Bonds were issued on a parity basis with the 1993B Taxable Lease Revenue Bonds. The bonds are secured by and payable from base rentals to be received under the terms of a lease agreement between the Agency and the City of Monrovia as described in Note 9.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2008, including interest, are as follows:

Year Ending June 30,	Principal	Interest	Total
2009	\$ 490,000	\$ 142,220	\$ 632,220
2010	520,000	116,740	636,740
2011	545,000	89,700	634,700
2012	575,000	61,360	636,360
2013	605,000	31,460	636,460
Total	<u>\$ 2,735,000</u>	<u>\$ 441,480</u>	<u>\$ 3,176,480</u>

2002 Hillside Lease Revenue Bonds

On July 1, 2002, the City issued Hillside Wilderness Preserve Project Lease Revenue Bonds in the amount of \$9,500,000. The proceeds of the bonds were used in conjunction with a grant from the State of California Wildlife Conservation Board to acquire certain properties located within the foothills of the San Gabriel Mountains for the purpose of creating a Wilderness Preserve.

The serial bonds mature annually each December 1 from 2002 to 2031, in amounts ranging from \$170,000 to \$415,000 and bear interest at rates ranging from 1.50% to 4.00%. Interest is payable semi-annually on June 1 and December 1, commencing December 1, 2002.

City of Monrovia
Notes to Financial Statements (Continued)

Note 7: Governmental Activities Long-Term Debt (Continued)

The term bonds maturing on December 1, 2020 and December 1, 2031, bear interest rates of 5.06% and 5.18% respectively. The bonds are subject to optional redemption prior to maturity, in whole or in part, on December 1, 2012, and on any date thereafter, at a redemption price equal to the principal amount, plus accrued interest to the redemption date, plus a premium ranging from 0% to 2%.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2008, including interest, are as follows:

Year Ending June 30,	Principal	Interest	Total
2009	\$ 190,000	\$ 406,124	\$ 596,124
2010	200,000	399,664	599,664
2011	205,000	392,264	597,264
2012	215,000	384,269	599,269
2013	220,000	375,669	595,669
2014-2018	1,290,000	1,700,595	2,990,595
2019-2023	1,655,000	1,342,913	2,997,913
2024-2028	2,110,000	877,399	2,987,399
2029-2032	2,115,000	277,776	2,392,776
Totals	<u>\$ 8,200,000</u>	<u>\$ 6,156,673</u>	<u>\$ 14,356,673</u>

2007 Library Lease Revenue Bonds

On November 15, 2007, the Monrovia Financing Authority issued Lease Revenue Bonds in the amount of \$15,850,000. The bonds are payable from lease payments to be made by the City of Monrovia to the Authority for the rental of certain property and the Monrovia Public Library facilities and all other facilities and improvements.

The bonds maturing after December 1, 2017, are subject to optional redemption prior to maturity at 100% of par, at the option of the City pursuant to the Lease Agreement, as a whole or in part on any date on or after December 1, 2017, from available funds in the Redemption Account including the amount of the Purchase Option Price in the event the City exercises its option to purchase the Project. The bonds maturing on December 1, 2027, are subject to mandatory redemption by lot in the principal amounts ranging from \$485,000 to \$605,000, without premium, on December 1 of each year, commencing on December 1, 2022. The bonds maturing on December 1, 2032, are subject to mandatory redemption by lot in the principal amounts ranging from \$630,000 to \$755,000, without premium, on December 1, of each year, commencing on December 1, 2028. The bonds maturing on December 1, 2037, are subject to mandatory redemption by lot in the principal amounts ranging from \$790,000 to \$960,000, without premium, on December 1 of each year, commencing on December 1, 2033.

City of Monrovia
Notes to Financial Statements (Continued)

Note 7: Governmental Activities Long-Term Debt (Continued)

The balance outstanding June 30 and the remaining debt service payments are as follows:

	2007 Library Lease Revenue Bond	
	Principal	Interest
2008 - 2009	\$ -	\$ 828,623
2009 - 2010	280,000	727,571
2010 - 2011	290,000	717,911
2011 - 2012	305,000	705,586
2012 - 2013	320,000	692,624
2013 - 2018	1,810,000	3,239,645
2018 - 2023	2,240,000	2,812,105
2023 - 2028	2,775,000	2,278,500
2028 - 2033	3,460,000	1,587,144
2033 - 2038	4,370,000	676,750
Totals	<u>15,850,000</u>	<u>\$ 14,266,459</u>

b. Tax Allocation Bonds

The City has pledged a portion of the future property tax increment revenue, including Low and Moderate Income Housing set-aside, which it receives to repay tax allocation bonds that were issued to provide financing for various capital projects, accomplish Low and Moderate Income Housing projects and to defease previously issued bonds. The bonds are payable solely from the property tax increment generated by the Agency. The Agency has committed to appropriate each year, from these resources, amounts sufficient to cover the principal and interest requirements on the debt. Total principal and interest remaining on the debt is \$99,163,189 payable through 2038. For the current year, principal and interest paid and total property tax increment revenues were \$5,339,278 and \$8,292,662, respectively.

1998B Tax Allocation Bonds

On June 10, 1998, the Agency issued Central Redevelopment Project Area No. 1 Subordinate Tax Allocation Refunding Bonds in the amount of \$15,160,000. The proceeds of the bonds were used to refund a portion of the 1992B Tax Allocation Bonds. The bonds mature annually each May 1 from 2000 to 2023, in amounts ranging from \$320,000 to \$1,695,000 and bear interest at rates ranging from 3.800% to 5.125%. Interest is payable semi-annually on May 1 and November 1. Bonds maturing on or after May 1, 2017, are subject to optional redemption prior to maturity, in whole or in part, on any interest payment date at a price equal to the principal amount, plus accrued interest to the redemption date, plus a premium ranging from 0% to 2%. The bonds are secured by a pledge of tax increment revenue from Project Area No. 1 and interest earned from the investment of proceeds of the bond issue.

City of Monrovia
Notes to Financial Statements (Continued)

Note 7: Governmental Activities Long-Term Debt (Continued)

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2008, including interest, are as follows:

	1998 Series B Subordinate Tax Exempt Refunding TAB	
	Principal	Interest
2008 - 2009	\$ 755,000	\$ 462,531
2009 - 2010	320,000	423,838
2010 - 2011	340,000	407,438
2011 - 2012	355,000	390,013
2012 - 2013	375,000	371,819
2013 - 2018	2,150,000	1,552,875
2018 - 2023	4,860,000	904,000
Totals	<u>\$ 9,155,000</u>	<u>\$ 4,512,514</u>

2002 Tax Allocation Refunding Bonds

On March 1, 2002, the Agency issued Central Redevelopment Project Area No. 1 Tax Allocation Refunding Bonds in the amount of \$9,100,000. The proceeds of the bonds were used to refund the remaining \$8,395,000 of 1992B Tax Allocation Bonds and provide funds for other redevelopment purposes.

The term bonds mature on May 1, 2021, and bear interest at 5.07%. Interest is payable semi-annually on May 1 and November 1. The bonds are subject to optional redemption prior to maturity in whole or in part, on May 1, 2011, and on each interest day thereafter at a price equal to the principal amount, plus accrued interest to the redemption date, plus a premium up to 2%. The bonds are secured by a pledge of tax increment revenue from Project Area 1 and by interest earned from the investment of proceeds of the bond issue.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2008, including interest, are as follows:

	2002 Refunding Tax Allocation Bonds	
	Principal	Interest
2008 - 2009	\$ -	\$ 455,000
2009 - 2010	565,000	455,000
2010 - 2011	595,000	426,750
2011 - 2012	625,000	397,000
2012 - 2013	655,000	365,750
2013 - 2018	3,840,000	1,300,500
2018 - 2023	2,820,000	287,000
Totals	<u>\$ 9,100,000</u>	<u>\$ 3,687,000</u>

**City of Monrovia
Notes to Financial Statements (Continued)**

Note 7: Governmental Activities Long-Term Debt (Continued)

2003 Taxable Tax Allocation Refunding Bonds

On May 15, 2003, the Agency issued Central Redevelopment Project Area No. 1 Taxable Tax Allocation Refunding Bonds in the amount of \$6,000,000. The proceeds of the bonds were used to refund a portion of the \$8,600,000 bank loan with Zions First National Bank.

The term bonds mature on May 1, 2013 and 2023, and bear interest at 4.51% and 5.60% respectively. Interest is payable semi-annually on May 1 and November 1, commencing November 1, 2003. The bonds are subject to mandatory redemption, in part by lot, on May 1, 2007 for the 2013 Term Bonds and May 1, 2014 for the 2023 Term Bonds and on each May 1 thereafter at a redemption price equal to the principal amount, plus accrued interest to the redemption date, without premium. The bonds are subject to optional redemption prior to maturity in whole or in part, on May 1, 2013, and on any date thereafter at a price equal to the principal amount, plus accrued interest to the redemption date, plus a premium up to 2%. The bonds are secured by a pledge of tax increment revenue from Project Area 1 and by interest earned from the investment of proceeds of the bond issue.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2008, including interest, are as follows:

	2003 Refunding Tax Allocation Bonds	
	Principal	Interest
2008 - 2009	\$ 340,000	\$ 285,475
2009 - 2010	260,000	270,141
2010 - 2011	270,000	258,415
2011 - 2012	285,000	246,238
2012 - 2013	295,000	233,385
2013 - 2018	1,710,000	918,680
2018 - 2023	2,220,000	384,440
Totals	<u>\$ 5,380,000</u>	<u>\$ 2,596,774</u>

2006 A Taxable Tax Allocation Refunding Bonds

On May 11, 2006, the Agency issued Central Redevelopment Project Area No. 1 Tax Allocation Refunding bonds in the amount of \$23,450,000. The proceeds of the bonds were used to pay off the loan agreement with Zions First National Bank in the amount of \$3,675,000 and the Agency's \$20,585,000 Subordinate Taxable Tax Allocation Refunding Bonds, Issue of 1998A currently outstanding in the principal amount of \$17,775,000 with a loss on defeasance of \$1,408,613 which will be amortized over the life of the 2006A Tax Allocation Refunding Bonds.

The 2006A Bonds are subject to mandatory redemption from sinking account payments, in part by lot, on May 1, 2017, for the 2023 Term Bonds and May 1, 2024, for the 2028 Term Bonds and on each May 1 thereafter at a redemption price equal to the principal amount thereof plus accrued interest to the redemption date, without premium. The bonds mature between 2007 and 2016, with principal payments ranging from \$495,000 to \$665,000 and interest rates from 5.380% to 5.820%. Term bonds in the

City of Monrovia
Notes to Financial Statements (Continued)

Note 7: Governmental Activities Long-Term Debt (Continued)

amount of \$5,960,000 mature on May 1, 2023, and bear interest of 6.150%. Term bonds in the amount of \$12,150,000 mature on May 1, 2028, and bear interest of 6.280%.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2008, including interest, are as follows:

	2006A Taxable Allocation Refunding Bonds	
	Principal	Interest
2008 - 2009	\$ 450,000	\$ 1,380,539
2009 - 2010	480,000	1,355,924
2010 - 2011	505,000	1,329,380
2011 - 2012	530,000	1,301,050
2012 - 2013	560,000	1,270,999
2013 - 2018	3,350,000	5,827,963
2018 - 2023	4,500,000	4,679,175
2023 - 2028	12,150,000	1,773,786
Totals	<u>\$ 22,525,000</u>	<u>\$ 18,918,816</u>

2006 B Tax Allocation Bonds

On May 11, 2006, the Agency issued Central Redevelopment Project Area No. 1 Tax Allocation bonds in the amount of \$3,400,000 for the purpose of providing moneys to finance the Redevelopment Plan. The Term Bond of \$3,400,000 matures on May 1, 2036, bearing interest of 4.750%.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2008, including interest, are as follows:

	2006B Tax Allocation Bonds	
	Principal	Interest
2008 - 2009	\$ -	\$ 161,500
2009 - 2010	-	161,500
2010 - 2011	-	161,500
2011 - 2012	-	161,500
2012 - 2013	-	161,500
2013 - 2018	-	807,500
2018 - 2023	-	807,500
2023 - 2028	10,000	807,263
2028 - 2033	3,120,000	439,613
2033 - 2038	270,000	26,125
Totals	<u>\$ 3,400,000</u>	<u>\$ 3,695,501</u>

City of Monrovia
Notes to Financial Statements (Continued)

Note 7: Governmental Activities Long-Term Debt (Continued)

2007 Taxable Tax Allocation Bonds

On April 1, 2007, the Agency issued Central Redevelopment Project Area No. 1 Taxable Tax Allocation Bonds in the amount of \$5,750,000. The proceeds of the bonds were used to provide moneys to finance the Redevelopment Plan to acquire land to serve approximately an 80-acre Transit Village, also known as "Station Square."

The term bonds mature on May 1, 2012, and bear interest at rates ranging from 5.03% to 5.94%. Interest is payable semi-annually on May 1 and November 1. The bonds are subject to optional redemption prior to maturity in whole or in part on May 1, 2017, and on each interest day thereafter at a price equal to the principal amount, plus accrued interest to the redemption date. The bonds are secured by a pledge of tax increment revenue from Project Area 1 and by interest earned from the investment of proceeds of the bond issue. The balance outstanding at June 30, less unamortized original issue discount and the remaining debt service payments are as follows:

	2007 Taxable Tax Allocation Bonds	
	Principal	Interest
2008 - 2009	\$ 170,000	\$ 312,756
2009 - 2010	180,000	304,171
2010 - 2011	190,000	295,027
2011 - 2012	195,000	285,280
2012 - 2017	1,160,000	1,376,090
2017 - 2022	-	1,068,690
2022 - 2027	3,180,000	1,068,690
2027 - 2032	-	154,440
2032 - 2037	520,000	154,440
Totals	<u>5,595,000</u>	<u>\$ 5,019,584</u>

2007 Subordinate Tax Allocation Notes

On April 1, 2007, the Agency issued Central Redevelopment Project Area No. 1 Subordinate Tax Allocation Notes in the amount of \$11,750,000. The notes are issued to finance a portion of the costs of the Redevelopment Plan which encompasses approximately 575 acres that will contain a mixture of commercial, industrial and residential uses. The Notes are also used to pay costs in connection with the issuance of the Notes and to make certain interest, reserve and other deposits as required.

The notes mature on June 1, 2012, and bear interest at 4.4%. Interest is payable semi-annually on June 1 and December 1. The bonds are subject to optional redemption prior to maturity in whole or in part on June 1, 2009, and on each interest day thereafter at a price equal to the principal amount, plus accrued interest to the redemption date. The bonds are secured by a pledge of tax increment revenue from Project Area 1 and by interest earned from the investment of proceeds of the bond issue. The balance

City of Monrovia
Notes to Financial Statements (Continued)

Note 7: Governmental Activities Long-Term Debt (Continued)

outstanding at June 30, less unamortized original issue discount and the remaining debt service payments are as follows:

Year Ending June 30,	Principal	Interest	Total
2009	\$ -	\$ 517,000	\$ 517,000
2010	-	517,000	517,000
2011	-	517,000	517,000
2012	<u>11,750,000</u>	<u>517,000</u>	<u>12,267,000</u>
Total	<u>\$ 11,750,000</u>	<u>\$ 2,068,000</u>	<u>\$ 13,818,000</u>

c. Loans Payable

On May 15, 2006, the Agency entered into a loan agreement with Richard Parker and Joan Parker in the amount of \$2,000,000, with each having an undivided 50% interest in the loan. This loan was given in accordance with certain Escrow instructions with the purchase of certain land acquisitions. Interest on the loan is 6.00% simple payable in monthly installments including principal of \$22,200 commencing on September 1, 2006. The note will mature on August 1, 2016. The outstanding principal balance at June 30, 2008, amounts to \$1,551,345.

At June 30, 2008, the annual requirement to repay the outstanding indebtedness was as follows:

Year Ending June 30	Total	Interest
2009	\$ 178,166	\$ 88,234
2010	189,155	77,245
2011	200,822	65,578
2012	213,208	53,192
2013	226,358	40,042
2014-2016	<u>543,636</u>	<u>37,732</u>
Outstanding Principal at June 30, 2008	<u>\$ 1,551,345</u>	<u>\$ 362,023</u>

On April 3, 2008, the Agency entered into a loan agreement with Foodmaker's Equipment Sales and Servicing, LLC in the amount of \$3,000,000. This loan was given in accordance with certain Escrow instructions as part of a land acquisition. Interest on the loan is 7.00%, simple interest payable in monthly installments including principal of \$59,400 commencing on May 1, 2008. The note will mature on April 1, 2013. The outstanding principal balance at June 30, 2008, is \$2,914,782.

**City of Monrovia
Notes to Financial Statements (Continued)**

Note 7: Governmental Activities Long-Term Debt (Continued)

At June 30, 2008, the annual requirement to repay the outstanding indebtedness was as follows:

Year Ending June 30	Total	Interest
2009	\$ 525,410	\$ 187,390
2010	563,392	149,408
2011	604,119	108,681
2012	647,791	65,009
2013	574,070	18,543
Outstanding Principal at June 30, 2008	<u>\$ 2,914,782</u>	<u>\$ 529,031</u>

d. Lease Payable

1. MUSD Lease Agreement

On July 7, 1995, the City entered into a 12-year lease agreement (the lease) with the Public Property Financing Corporation of California for \$960,000 maturing in annual increments ranging from \$55,000 in July 1996 to \$110,000 in July 2007, with interest payable semi-annually at 6.77%.

The proceeds of the lease were used, along with \$138,000 of 1984 Refunding Certificates of Participation (COPs) reserves and \$95,525 of other Agency funds, to pay off the \$1,120,000 outstanding COPs plus accrued interest, which had been considered Agency debt because all debt payments were made from revenues received from the District and the Agency.

In 1982, the Agency leased real property from the Monrovia Unified School District and with the proceeds from the sale of Certificates of Participation (refunded in 1984) constructed an administration building and a warehouse thereon. In consideration for construction of the new building, the District transferred the existing administration land and building to the Agency. The improvements were leased to the City pursuant to a lease-purchase agreement with annual lease payments sufficient to service the debt on the Certificates. The City sublet the improvements to the District under a lease the terms of which require the District to pay one-half the obligations on the Certificates. A reimbursement agreement was executed between the City and the Agency wherein the Agency repaid the City for the remaining liability of the Certificates as consideration for the Agency acquiring the District's old land and building site for redevelopment purposes. The building has since been demolished and the land sold for development purposes.

At the time of the execution of the lease, the sublease between the City and the District was restructured to provide for the District's payment of one-half of the Lease payments to the City. In addition, the reimbursement agreement between the City and the Agency has been terminated. At June 30, 2008, the lease was paid in full.

2. Equipment Capital Leases

During April 2002, the City entered into an equipment lease/purchase agreement with LaSalle National Bank for the purpose of having new LED lamps installed in all City owned traffic signals. The same lease also included the lease of a new fire truck and City Hall air conditioning system, which are recorded in internal service funds. The

City of Monrovia
Notes to Financial Statements (Continued)

Note 7: Governmental Activities Long-Term Debt (Continued)

equipment was leased for \$603,033, of which the LED lamp lease's portion was \$217,004.

The following is a schedule, by year, of future minimum lease payments:

Year Ending June 30,	Total
2009	\$ 28,335
2010	28,335
2011	28,335
2012	<u>28,335</u>
Total Payments	113,340
Less Amount Representing Interest	<u>(13,259)</u>
Outstanding Principal	<u>\$ 100,081</u>

3. Vehicle Capital Leases

On November 15, 2007, the City entered into a Vehicle lease agreement with GMAC Financial Services for Chevrolet Trailblazer, which has split use of 50/50 between the City and the MRA. The amount of the lease is \$20,480 with an imputed interest rate of 11.20%. Monthly principal and interest payment totaling \$526.39 began on December 15, 2007, for a period of 48 months.

The following is a schedule, by year, of future minimum lease payments:

Year Ending June 30,	Total
2009	\$ 12,634
2010	12,634
2011	12,634
2012	<u>5,264</u>
Total Payments	43,166
Less Amount Representing Interest	<u>(25,302)</u>
Outstanding Principal	<u>\$ 17,864</u>

4. Internal Service Fund Capital Leases

During March 2003, the City entered into an equipment lease/purchase agreement with Honeywell for a new air conditioning system for \$84,391. Interest on the air conditioning system accrues at various rates and monthly payments began on March 29, 2003, for a period of 10 years.

City of Monrovia
Notes to Financial Statements (Continued)

Note 7: Governmental Activities Long-Term Debt (Continued)

The following is a schedule, by years, of future minimum lease payments:

Year Ending June 30,	Total
2009	\$ 11,019
2010	11,019
2011	11,019
2012	<u>11,019</u>
Total Minimum Lease Payments	44,076
Less Amount Representing Interest	<u>(5,155)</u>
Present Value of Net Minimum Lease Payments	<u>\$ 38,921</u>

During January 2006, the City entered into an equipment lease/purchase agreement with Federal Signal Corporation for a new fire truck in the amount of \$350,978. Interest on the fire truck accrued at a rate of 4.8% and annual principal and interest payments totaling \$68,707 beginning on December 22, 2006, for a period of six years.

The following is a schedule, by years, of future minimum lease payments:

Year Ending June 30,	Total
2009	\$ 68,707
2010	68,707
2011	68,707
2012	<u>68,707</u>
Total Minimum Lease Payments	274,828
Less Amount Representing Interest	<u>(30,059)</u>
Present Value of Net Minimum Lease Payments	<u>\$ 244,769</u>

e. Due to Other Governments

In an agreement dated July 24, 1990, between the Agency, the City, the Flood Control District of Los Angeles County (District) and the County of Los Angeles (County), the Agency agreed to pay to the County and District a portion of tax increment revenue received. The Agency is entitled to the first \$3,000,000 of tax increment revenue in each fiscal year. The County and District shall receive 48.25% and 1.70%, respectively, of the tax increment revenue in excess of \$3,000,000. These payments are subordinate to certain debt service of the Agency and exclude the amount allocated to the Set-Aside Fund. Payments were deferred for 10 years. Deferred amounts shall not accrue interest. Payments of amounts deferred shall be made by the Agency annually beginning in the year following the termination of deferral until the end of the life of the redevelopment plan. The annual payments are to be determined by the Agency, such that the full amount will be paid by the end of the redevelopment plan. The total amount payable to the District and County at June 30, 2008, was \$5,281,167.

City of Monrovia
Notes to Financial Statements (Continued)

Note 7: Governmental Activities Long-Term Debt (Continued)

f. Compensated Absences

There is no fixed payment schedule for compensated absences. The long-term portion of the balance due at June 30, 2008, was \$1,977,865.

g. Claims and Judgment

The City's liability regarding self insurance is described in Note 13 of the Notes to Financial Statements. The liability will be paid as it becomes due by the Liability Insurance Fund.

h. Special Obligation Bonds

In 1984, the Agency issued Certificates of Participation for \$10,000,000 for the Hotel Project. The certificates were issued as special obligations of the Agency. They are not reflected in the accompanying financial statements since the use and disposition of the Certificates' proceeds is controlled by an outside trustee rather than the Agency, and since neither the faith and credit nor the taxing power of the Agency has been pledged to the payment of the Certificates. At June 30, 2008, the Hotel Project Certificates of Participation was paid in full.

Note 8: Business-Type Activities Long-Term Debt

The following is a summary of changes in business-type activities long-term debt for the year ended June 30, 2008:

	Balance July 1, 2007	Additions	Deletions	Balance June 30, 2008	Due Within One Year
Compensated Absences	\$ 147,644	\$ 15,811	\$ 10,154	\$ 153,301	\$ 52,122
Water Loan	531,352	-	98,224	433,128	102,092
Total	<u>\$ 678,996</u>	<u>\$ 15,811</u>	<u>\$ 108,378</u>	<u>\$ 586,429</u>	<u>\$ 154,214</u>

a. Water Loan

In 1986, the State Department of Resources provided loan funds of \$1,545,000 for construction of a reservoir and pump station. In February 1996, the City executed an installment sale agreement with Sanwa Bank to repay the balance then outstanding on the original loan. In February 2005, the City refinanced the 1996 loan with proceeds from a new loan with Citizens Business Bank. Repayments of the loan are secured by a pledge of and lien on the net revenues of the Water Fund. The new loan is payable over 7 years and bears interest at a rate of 3.90% annually.

**City of Monrovia
Notes to Financial Statements (Continued)**

Note 8: Business-Type Activities Long-Term Debt (Continued)

The annual requirement to amortize the Water Loan at June 30, 2008, was as follows:

Year Ending June 30,	Installment Sale Agreement
2009	\$ 117,998
2010	117,998
2011	117,998
2012	<u>117,998</u>
Total Payments	471,992
Less Interest	<u>(38,864)</u>
Remaining Principal	<u>\$ 433,128</u>

b. Compensated Absences

There is no fixed payment schedule for compensated absences. The long-term portion of the amount due at June 30, 2008, was \$153,301. In prior years, the liability for compensated absences has been funded by all business-type activities.

Note 9: Parking Facilities Lease

On March 1, 1981, the Agency entered into a lease agreement with the City under the terms of which the Agency agreed to finance construction of parking facilities on a site acquired by the Agency and lease it to the City for annual rental payments sufficient to service the Lease Revenue Bonds debt as described in Note 7 and payable in equal semi-annual installments on March 15 and September 15, commencing the date the parking facilities were available for use and occupancy. The lease will terminate on the later of April 1, 2013, or upon the payment of all principal and interest on the Lease Revenue Bond issue. In addition to the base rental, the City also agreed to pay the Agency as additional rent all taxes, assessments, insurance premiums and administrative costs of the Agency related to the leased premises.

Simultaneous with the execution of the Parking Facilities Lease, the City sublet the parking facilities to a developer for public parking purposes, under generally the same terms and conditions as the Parking Facilities Lease between the City and the Agency.

Upon termination of the lease, the developer shall have the option to purchase the parking facilities for one dollar plus any amount required to retire the bonds. Upon retirement of all the bonds and interest due thereon, title to the parking facilities shall vest in the City, subject to the rights of the developer to purchase the parking facilities.

Note 10: City Employees Retirement Plan (Defined Benefit Pension Plan)

Miscellaneous Plan

Plan Description

The City contributes to the California Public Employees Retirement System (PERS), an agent multiple-employer public employee defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments and

City of Monrovia
Notes to Financial Statements (Continued)

Note 10: City Employees Retirement Plan (Defined Benefit Pension Plan)

death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute and City ordinance. Copies of PERS' annual financial report may be obtained from their executive office located at 400 P Street, Sacramento, California 95814.

Funding Policy

Participants are required to contribute 8% of their annual covered salary. The City makes the contributions required of City employees on their behalf and for their account. The City is required to contribute at an actuarially determined rate; the current rate is 16.390%. The contribution requirements of plan members and the City are established and may be amended by PERS.

Annual Pension Cost

For fiscal year 2007-2008, the City's annual pension cost of \$1,805,680.89 for PERS was equal to the City's required and actual contributions. The required contribution was determined as part of the June 30, 2007, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included: a) 7.75% investment rate of return (net of administrative expenses), b) projected annual salary increases that vary by duration of service, and c) 3.25% per year cost-of-living adjustments. Both a) and b) included an inflation component of 3.0%.

The actuarial value of PERS assets was determined by using techniques that smooth the effects of short-term volatility in the market value of investments over a fifteen-year period (smoothed market value). PERS unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The average remaining amortization period at June 30, 2007, the valuation date, was 28 years for the Miscellaneous Plan.

Three-Year Trend Information for PERS			
(Amounts in Thousands)			
Fiscal Year	Annual Pension Cost (APC) (In Thousands)	Percentage of APC Contributed	Net Pension Obligation
6/30/2006	\$ 1,736	100%	-
6/30/2007	1,721	100%	-
6/30/2008	1,806	100%	-

City of Monrovia
Notes to Financial Statements (Continued)

Note 10: City Employees Retirement Plan (Defined Benefit Pension Plan) (Continued)

Schedule of Funding Progress for PERS
(Amounts in Thousands)
(Latest Information Available)

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Entry Age	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
6/30/2005	\$ 47,015	\$ 53,639	\$ 6,624	87.7 %	\$ 8,294	79.865 %
6/30/2006	52,794	58,628	5,834	90.0 %	8,934	65.301 %
6/30/2007	62,727	64,486	1,759	97.3 %	10,583	16.621 %

Safety Plan

Plan Description

The City of Monrovia contributes to the California Public Employees Retirement System (PERS), a cost-sharing multiple-employer defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by State statute and City ordinance.

Funding Policy

Participants are required to contribute 9% of their annual covered salary, which is paid by the City. The City is required to contribute at an actuarially determined rate calculated as a percentage of covered payroll. The employer contribution rate for the year ended June 30, 2008, was 32.779%. Benefit provisions and all other requirements are established by State statute and City contract with employee bargaining groups.

Annual Pension Cost

For the year ended June 30, 2008, the City's annual pension cost (employer contribution) of \$2,946,028.66 for safety employees was equal to the City's required and actual contributions. The required contribution was determined as part of the June 30, 2007, actuarial valuation using the entry age normal actuarial cost method.

City of Monrovia
Notes to Financial Statements (Continued)

Note 10: City Employees Retirement Plan (Defined Benefit Pension Plan) (Continued)

<u>Three-Year Trend Information for PERS - Safety Plan</u>			
<u>Fiscal Year</u>	<u>Annual Pension Cost (APC)*</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligations</u>
6/30/2006	3,023	100%	-
6/30/2007	2,658	100%	-
6/30/2008	2,946	100%	-

Audited annual financial statements are available from CALPERS at P.O. Box 942709, Sacramento, CA 94229-2709.

Note 11: Public Agency Retirement System (Defined Contribution Retirement Plan)

The City of Monrovia contributed to the California Public Agency Retirement System (PARS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute and City ordinance.

PARS is a defined contribution retirement plan that provides retirement benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive.

Under a defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account, the returns earned on investments of those contributions, and forfeitures of other participant's benefits that may be allocated to such participant's account.

As established by the plan, all eligible employees of the City will become a participant in the plan from the date they are hired. An eligible employee is any employee who, at any time during which the employer maintains this plan, is not accruing a benefit under the Public Employees Retirement System (See Note 10).

Contributions made by an employee and the employer vest immediately. As determined by the plan, each employee must contribute 3.75% of gross earnings to the plan. The City contributes an additional 3.75% of gross earnings. The contributions requirements of plan members and the City are established and may be amended by PARS.

During the year, the City contributed \$21,480.56 (3.75% of current year covered payroll) and employees contributed \$21,480.56 (3.75% of current year covered payroll). The total covered payroll of employees participating in the plan for the year ended June 30, 2008, was \$572,814.93.

No changes in plan provisions occurred during the year. The plan held no securities of the City or other related parties during or at the close of the fiscal year.

City of Monrovia
Notes to Financial Statements (Continued)

Note 12: Other Post-Employment Employee Benefits

Employees who retire from the City after becoming vested in PERS are eligible to receive health care benefits covering themselves and any qualified family members. These benefit provisions are established by City Council action. The City contributes a minimal amount of the monthly premium charges under a health benefit plan administered by PERS in which the individual is able to select, on an annual basis, an insurance carrier. Contributions are financed on a pay-as-you-go basis. Expenditures for post-retirement health care benefits for the fiscal year ended June 30, 2008, were \$195,780.46 for the 74 eligible participants.

Note 13: Risk Management Insurance Pool

The City of Monrovia is self-insured for its general liability program for the first \$300,000 of each general liability loss and is a member of the Independent Cities Risk Management Authority (Authority) for excess coverage up to \$20 million per occurrence. The City's risk sharing percentage is 3.83%. An amount attributable to claims incurred but not reported has been included based upon an actuarial study. The City is also self insured for worker's compensation program for the first \$750,000 of each claim. The city also purchases excess coverage for workers' compensation from the Authority for claims up to \$199 million per occurrence.

Estimates for all liabilities, up to the self-insured levels, have been accrued in the Workers' Compensation and the Liability Insurance Funds. These funds also include an estimate for incurred but not reported claims. At June 30, 2008, total estimated claims payable for workers' compensation and general liability were \$3,936,312 and \$531,068, respectively.

The Authority is comprised of 23 Southern California cities, and each member city has a representative on the governing board. The comprehensive general liability insurance includes monetary damages for personal liability, property damage and public officials' errors and omissions. Deposits made to the Authority are based on losses incurred by the insured, and rebates are possible if the losses are minimal. Changes in the balances of claims liabilities for the years ended June 30, 2007 through 2008, were as follows:

Year Ended June 30,	Balance July 1,	Claims Increases	Claims Decreases	Balance June 30,	Due Within One Year
2007	5,062,590	1,013,984	(1,161,243)	4,915,331	1,141,613
2008	4,915,331	487,470	(935,421)	4,467,380	801,844

Note 14: Property Taxes

Under California law, property taxes are assessed and collected by the counties up to 1% of assessed value, plus other increases approved by the voters. The property taxes go into a pool, and are then allocated to the cities based on complex formulas.

Accordingly, the City of Monrovia accrues only those taxes which are received within 60 days after year-end.

Lien Date:	January 1
Levy Date:	June 30
Due Date:	November 1, February 1
Collection Dates:	December 10, April 10

City of Monrovia
Notes to Financial Statements (Continued)

Note 15: Contingencies

Claims

Claims and suits have been filed against the City in the normal course of business. Based upon information received from the City Attorney and the self-insurance administrator, the estimated liability under such claims would be adequately covered by self-insurance reserves and insurance coverage.

Grants

Under the terms of federal and state grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. City management believes disallowances, if any, will be immaterial.

Note 16: Community Redevelopment Agency of the City of Monrovia

Tax Increment Financing

The Agency's primary source of revenue, other than loans and advances from the City and bond proceeds, is from property taxes. Property taxes allocated to the Agency are computed in the following manner: a) the assessed valuation of all property within the project area is determined on the date of adoption of the Redevelopment Plan, and b) property taxes related to the incremental increase in assessed values after the adoption of the Redevelopment Plan are allocated to the Agency; all taxes on the "frozen" assessed valuation of the property are allocated to the City and other districts.

The Agency has no power to levy and collect taxes, and any legislative property tax de-emphasis might necessarily reduce the amount of tax increment revenues that would otherwise be available to pay the principal of and interest on bonds or other debt of the Agency. Broadened property tax exemptions could have a similar effect. Conversely, any increase in the tax rate or assessed valuation, or any reduction or elimination of present exemptions would necessarily increase the amount of tax increment revenues that would be available to pay principal and interest on bonds or other debt of the Agency.

Note 17: Significant Commitments

On April 19, 2005, the City entered into an agreement with Colorado Commons, LLC to purchase a public parking structure for \$4,885,000. The parking structure is being constructed by Colorado Commons, LLC pursuant to a Development and Disposition Agreement with the Agency. The City will not purchase the public parking structure until construction is completed.

City of Monrovia
Notes to Financial Statements (Continued)

Note 18: Fund Balance and Net Assets Restatements

Beginning fund balance has been restated as follows:

Beginning net assets have been restated as follows:

Major Governmental Funds:

General Fund

To record prior year expenditures in the proper fund. \$ 42,177

Capital Improvement

To correct prior year revenues 423,000

To correct prior year expenditures 14,874

437,874

Nonmajor governmental funds

To record prior year expenditures in proper fund (42,168)

Total Governmental Fund Balance Restatements \$ 437,883

Major Business-type Funds:

Water

To correct prior year expenditures \$ 15,234

Total Business-type Fund Balance Restatements \$ 15,234

Beginning net assets have been restated as follows:

Governmental activities:

To correct prior year revenues and expenditures \$ 437,883

Total Restatements - Governmental Activities \$ 437,883

Business-type activities:

To correct prior year expenditures \$ 15,234

Total Restatements - Business-Type Activities \$ 15,234

Note 19: Subsequent Events

ERAF Tax Increment Revenue Shift

On September 30, 2008, the California Legislature passed AB 1389, requiring a shift in tax increment revenues during fiscal year 2008-2009 to the state Educational Revenue Augmentation Fund (ERAF). It is estimated that the Agency's share of the ERAF shift for fiscal year 2008-2009 will amount to approximately \$527,836.

Financial Concerns Relating to the California Economy

As indicated in the State of California's 2008-2009 Proposed Budget Summary – Economic Outlook:

City of Monrovia
Notes to Financial Statements (Continued)

Note 19: Subsequent Events (Continued)

“The California and national economies faced considerable headwinds - a deepening housing slump, a breakdown in mortgage markets, tighter credit, more volatile financial markets, and rising energy prices. Upward resets of subprime mortgage rates made payments unaffordable for many borrowers and helped push mortgage defaults and foreclosures to record levels. Several large financial institutions reported huge losses on subprime mortgages and securities backed by these mortgages. Uncertainty about how far the problems with these mortgages would spread increased financial market volatility and prompted lenders to tighten credit standards. The Federal Reserve injected liquidity into the financial markets and eased monetary policy on a number of occasions in the second half of the year, but as year-end neared, financial markets were still not functioning normally.”

While the values shown in the attached financial statements reflect those present at June 30, 2008, substantial changes have occurred in the economy in which the City and its component units operate. Therefore, the projection of the financial data for the City and its component units into future periods must recognize these factors and consider the effect of these on its operations and costs.

In September 2008, certain financial institutions in the United States encountered difficulties, causing volatility in the financial markets. It is not possible to determine what effect the volatility of the financial markets could have on the fair value of this asset in future fiscal periods.

Issuance of 2008 Pension Obligation Bonds

On August 5, 2008 the Council approved the issuance of the 2008 Pension Obligation Bonds in order to refinance a certain portion of the City's pension obligation for the public safety employees and to be repaid over a 20 year period.

Advance Loan to the Redevelopment Agency from the City

On September 16, 2008 the Council approved the advance loan of \$7,500,000 to facilitate the acquisition of property for future development. The Agency will use this advance toward the purchase of approximately 10 acres in the Redevelopment Agency area. These property acquisitions will assist with the Redevelopment Agency's plan in development of an 80 acre area project.

NON MAJOR GOVERNMENTAL FUNDS

The following funds have been classified as non-major governmental funds in the accompanying financial statements.

Emergency Fund - To provide for a financial reserve of funds for coping with extreme emergencies such as mountain fires and clean-up of hazardous waste.

Retirement Fund - To account for voter approved override property taxes levied for employee retirement funding. Monies are transferred from this fund to numerous other funds to reimburse them for the payment of retirement costs which are charged directly against those other funds.

Proposition A Fund - To account for ½ cent transportation sales tax, which became effective July, 1982.

Proposition C Fund - To account for ½ cent transportation sales tax, which became effective November, 1990.

AQMD Fund - To account for air quality management, pursuant to Regulation XV requirements.

Traffic Safety Fund - To account for fines and forfeitures received under Section 1463 of the Penal Code. Expenditures must be used exclusively for traffic control devices, traffic law enforcement, and traffic accident prevention.

State Gasoline Tax Fund - To account for State gasoline taxes received by the City. These funds are transferred to the Street Maintenance Fund and used for street repair, reconstruction, and maintenance.

Bikeway Fund - To account for costs under SB821 regarding State Bikeway monies for the development of facilities for the exclusive use of bicycles and pedestrians.

Library Fund - To account for state funds provided under SB555, which supplement, but not supplant, local revenues appropriated for public library expenditures.

Fire Hazmat Fund - To account for state mandated hazardous materials information collection and reporting. Expenditures included inspection of businesses for compliance with regulations.

Housing Fund - To account for Community Development Block Grant (CDBG) funds received from the Department of Housing and Urban Development (HUD) administered by the County of Los Angeles. All expenditures are restricted to target area projects and programs.

Asset Forfeiture Fund - Established to account for coordinated drug enforcement effort within the San Gabriel Valley. Expenditures incurred are restricted to targeting, investigating and prosecuting individuals who engage in high level drug-trafficking enterprises, and to seize all assets derived there from.

Police Grants Fund - To account for law enforcement grant funds received from the state.

NON MAJOR GOVERNMENTAL FUNDS

(Continued)

Lighting and Landscaping Assessment District Fund - To account for the costs associated with the City's street lighting and street tree maintenance programs. These costs are deemed to benefit all property owners who are assessed their proportionate share of the costs. The City's landscape maintenance is not billed to all property owners, but only those who specifically receive benefits from the districts. Assessments are placed on the property tax bill and collected and remitted by the County of Los Angeles.

Park Maintenance Assessment District Fund - To account for the costs associated with the City's park maintenance program.

Business Improvement District Fund - To account for special assessment collected from the Business Improvement District to be spent on promotional activities.

Development Services Fund - To account for activities derived from the engineering, building and planning departments.

Street Maintenance Fund - This fund serves as the main repository for all revenues supporting street maintenance activities. Financing for street related projects is provided by monies transferred in from the State Gasoline Tax and Capital Improvement Funds.

Hillside Acquisition Capital Project Fund - This fund accounts for the costs associated with the acquisition of all land designated for wilderness preserve (hillside open space).

Hillside Acquisition Debt Service Fund - This fund was created to account for the annual receipt of property taxes, all costs associated with the issuance of bonds, including the receipt of proceeds, the costs of issuance, and the annual debt service payments.

Library Bond Debt Service Fund - This fund was created to account for the annual receipt of property taxes, all costs associated with the issuance of bonds, including the receipt of proceeds, the costs of issuance, and the annual debt service payments related to the 2007 bond measure passed to fund the construction of a new library.

Miller Memorial Trust Fund - This fund accounts for the Joseph H. Miller Trust in which interest earnings only may be expended for library books.

CITY OF MONROVIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2008

	<u>Special Revenue Funds</u>		
	<u>Emergency</u>	<u>Retirement</u>	<u>Proposition A</u>
Assets:			
Pooled cash and investments	\$ 352,858	\$ 5,275,636	\$ 1,833,949
Receivables:			
Accounts	-	-	245,137
Taxes	-	136,794	-
Deferred loans	-	-	-
Grants	-	-	-
Restricted assets:			
Cash and investments with fiscal agents	-	-	-
Total Assets	<u>\$ 352,858</u>	<u>\$ 5,412,430</u>	<u>\$ 2,079,086</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ 197,614
Deferred revenues	-	-	93,584
Unearned revenues	-	-	-
Deposits payable	-	-	-
Due to other funds	-	-	-
Advances from other funds	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>291,198</u>
Fund Balances:			
Reserved:			
Reserved for encumbrances	-	-	-
Reserved for memorial trust	-	-	-
Unreserved:			
Designated for economic uncerntanties	352,858	5,412,430	1,787,888
Undesignated	-	-	-
Total Fund Balances	<u>352,858</u>	<u>5,412,430</u>	<u>1,787,888</u>
Total Liabilities and Fund Balances	<u>\$ 352,858</u>	<u>\$ 5,412,430</u>	<u>\$ 2,079,086</u>

CITY OF MONROVIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2008

Continued

	<u>Special Revenue Funds</u>		
	<u>Proposition C</u>	<u>AQMD</u>	<u>Traffic Safety</u>
Assets:			
Pooled cash and investments	\$ 1,281,933	\$ 93,432	\$ 394,584
Receivables:			
Accounts	-	12,268	48,123
Taxes	-	-	-
Deferred loans	-	-	-
Grants	-	-	-
Restricted assets:			
Cash and investments with fiscal agents	-	-	-
Total Assets	<u>\$ 1,281,933</u>	<u>\$ 105,700</u>	<u>\$ 442,707</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ -	\$ 2,539	\$ 252
Deferred revenues	-	-	-
Unearned revenues	-	-	-
Deposits payable	-	-	-
Due to other funds	-	-	-
Advances from other funds	-	-	-
Total Liabilities	<u>-</u>	<u>2,539</u>	<u>252</u>
Fund Balances:			
Reserved:			
Reserved for encumbrances	-	-	-
Reserved for memorial trust	-	-	-
Unreserved:			
Designated for economic uncerntanties	1,281,933	103,161	442,455
Undesignated	-	-	-
Total Fund Balances	<u>1,281,933</u>	<u>103,161</u>	<u>442,455</u>
Total Liabilities and Fund Balances	<u>\$ 1,281,933</u>	<u>\$ 105,700</u>	<u>\$ 442,707</u>

CITY OF MONROVIA

COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2008

	Special Revenue Funds		
	State Gasoline Tax	Bikeway	Library
Assets:			
Pooled cash and investments	\$ -	\$ 364	\$ 197,141
Receivables:			
Accounts	-	-	-
Taxes	229,427	-	-
Deferred loans	-	-	-
Grants	-	-	-
Restricted assets:			
Cash and investments with fiscal agents	-	-	-
Total Assets	\$ 229,427	\$ 364	\$ 197,141
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ 1,363
Deferred revenues	-	-	-
Unearned revenues	-	-	-
Deposits payable	-	-	-
Due to other funds	229,427	-	-
Advances from other funds	-	-	-
Total Liabilities	229,427	-	1,363
Fund Balances:			
Reserved:			
Reserved for encumbrances	-	-	-
Reserved for memorial trust	-	-	-
Unreserved:			
Designated for economic uncerntanties	-	364	195,778
Undesignated	-	-	-
Total Fund Balances	-	364	195,778
Total Liabilities and Fund Balances	\$ 229,427	\$ 364	\$ 197,141

CITY OF MONROVIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2008

Continued

	<u>Special Revenue Funds</u>		
	<u>Fire Hazmat</u>	<u>Housing</u>	<u>Asset Forfeiture</u>
Assets:			
Pooled cash and investments	\$ 45,222	\$ -	\$ 14,407
Receivables:			
Accounts	82,166	-	20,593
Taxes	-	-	-
Deferred loans	-	-	-
Grants	-	49,664	-
Restricted assets:			
Cash and investments with fiscal agents	-	-	-
Total Assets	<u>\$ 127,388</u>	<u>\$ 49,664</u>	<u>\$ 35,000</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ -	\$ 34,770	\$ -
Deferred revenues	27,742	-	6,344
Unearned revenues	-	-	-
Deposits payable	-	-	-
Due to other funds	-	14,894	-
Advances from other funds	-	-	-
Total Liabilities	<u>27,742</u>	<u>49,664</u>	<u>6,344</u>
Fund Balances:			
Reserved:			
Reserved for encumbrances	-	-	-
Reserved for memorial trust	-	-	-
Unreserved:			
Designated for economic uncerntanties	99,646	-	28,656
Undesignated	-	-	-
Total Fund Balances	<u>99,646</u>	<u>-</u>	<u>28,656</u>
Total Liabilities and Fund Balances	<u>\$ 127,388</u>	<u>\$ 49,664</u>	<u>\$ 35,000</u>

CITY OF MONROVIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2008

	<u>Special Revenue Funds</u>		
	<u>Police Grants</u>	<u>Lighting and Landscaping Assessment Dist</u>	<u>Park Maint. Assessment District</u>
Assets:			
Pooled cash and investments	\$ -	\$ -	\$ -
Receivables:			
Accounts	-	62,344	30,000
Taxes	-	34,175	5,729
Deferred loans	-	-	-
Grants	291,148	-	-
Restricted assets:			
Cash and investments with fiscal agents	-	-	-
Total Assets	\$ 291,148	\$ 96,519	\$ 35,729
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ 132	\$ 111,145	\$ 1,828
Deferred revenues	291,148	-	-
Unearned revenues	12,242	-	-
Deposits payable	-	-	-
Due to other funds	304,797	288,985	4,557
Advances from other funds	-	174,168	116,112
Total Liabilities	608,319	574,298	122,497
Fund Balances:			
Reserved:			
Reserved for encumbrances	-	-	-
Reserved for memorial trust	-	-	-
Unreserved:			
Designated for economic uncerntanties	-	-	-
Undesignated	(317,171)	(477,779)	(86,768)
Total Fund Balances	(317,171)	(477,779)	(86,768)
Total Liabilities and Fund Balances	\$ 291,148	\$ 96,519	\$ 35,729

CITY OF MONROVIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2008

	<u>Special Revenue Funds</u>		<u>Continued Capital Projects Funds</u>
	<u>Business Improvement District</u>	<u>Development Services</u>	<u>Street Maintenance</u>
Assets:			
Pooled cash and investments	\$ 78,528	\$ 96,612	\$ 43,061
Receivables:			
Accounts	555	14,915	973
Taxes	-	-	-
Deferred loans	-	-	-
Grants	-	-	-
Restricted assets:			
Cash and investments with fiscal agents	-	-	-
Total Assets	<u>\$ 79,083</u>	<u>\$ 111,527</u>	<u>\$ 44,034</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ 4,124	\$ 102,010	\$ 30,016
Deferred revenues	-	-	-
Unearned revenues	-	-	-
Deposits payable	-	38,500	-
Due to other funds	-	-	-
Advances from other funds	-	232,224	464,448
Total Liabilities	<u>4,124</u>	<u>372,734</u>	<u>494,464</u>
Fund Balances:			
Reserved:			
Reserved for encumbrances	-	-	-
Reserved for memorial trust	-	-	-
Unreserved:			
Designated for economic uncerntanties	74,959	-	-
Undesignated	-	(261,207)	(450,430)
Total Fund Balances	<u>74,959</u>	<u>(261,207)</u>	<u>(450,430)</u>
Total Liabilities and Fund Balances	<u>\$ 79,083</u>	<u>\$ 111,527</u>	<u>\$ 44,034</u>

CITY OF MONROVIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2008

	<u>Capital Projects Funds</u>	<u>Debt Service Funds</u>	<u>Debt Service Funds</u>
	<u>Hillside Acquisition Capital Project</u>	<u>Hillside Acquisition Debt Service</u>	<u>Library Bond Debt Service</u>
Assets:			
Pooled cash and investments	\$ -	\$ 187,485	\$ 882,218
Receivables:			
Accounts	-	-	-
Taxes	-	21,994	26,091
Deferred loans	-	-	-
Grants	-	-	-
Restricted assets:			
Cash and investments with fiscal agents	-	1,053	-
Total Assets	\$ -	\$ 210,532	\$ 908,309
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Deferred revenues	-	-	-
Unearned revenues	-	-	-
Deposits payable	-	-	-
Due to other funds	-	-	-
Advances from other funds	-	-	-
Total Liabilities	-	-	-
Fund Balances:			
Reserved:			
Reserved for encumbrances	-	-	-
Reserved for memorial trust	-	-	-
Unreserved:			
Designated for economic uncerntanties	-	-	-
Undesignated	-	210,532	908,309
Total Fund Balances	-	210,532	908,309
Total Liabilities and Fund Balances	\$ -	\$ 210,532	\$ 908,309

CITY OF MONROVIA

COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2008

	<u>Permanent Funds</u>	
	<u>Miller Memorial Trust Fund</u>	<u>Total Governmental Funds</u>
Assets:		
Pooled cash and investments	\$ 109,348	\$ 10,886,778
Receivables:		
Accounts	-	517,074
Taxes	-	454,210
Deferred loans	-	-
Grants	-	340,812
Restricted assets:		
Cash and investments with fiscal agents	-	1,053
Total Assets	<u>\$ 109,348</u>	<u>\$ 12,199,927</u>
Liabilities and Fund Balances:		
Liabilities:		
Accounts payable	\$ -	\$ 485,793
Deferred revenues	-	418,818
Unearned revenues	-	12,242
Deposits payable	-	38,500
Due to other funds	-	842,660
Advances from other funds	-	986,952
Total Liabilities	<u>-</u>	<u>2,784,965</u>
Fund Balances:		
Reserved:		
Reserved for encumbrances	-	-
Reserved for memorial trust	70,000	70,000
Unreserved:		
Designated for economic uncerntanties	-	9,780,128
Undesignated	39,348	(435,166)
Total Fund Balances	<u>109,348</u>	<u>9,414,962</u>
Total Liabilities and Fund Balances	<u>\$ 109,348</u>	<u>\$ 12,199,927</u>

CITY OF MONROVIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2008

	<u>Special Revenue Funds</u>		
	<u>Emergency</u>	<u>Retirement</u>	<u>Proposition A</u>
Revenues:			
Taxes	\$ -	\$ 4,126,733	\$ 623,045
Assessments	-	-	-
Licenses and permits	-	-	-
Intergovernmental	-	-	342,402
Charges for services	-	-	31,431
Use of money and property	18,076	297,432	64,703
Fines and forfeitures	-	-	-
Contributions	-	-	-
Miscellaneous	-	-	64,373
Total Revenues	18,076	4,424,165	1,125,954
Expenditures:			
Current:			
General government	-	-	-
Public safety	-	-	-
Community development	-	-	1,100,024
Community services	-	-	-
Public works	-	-	-
Capital outlay	-	-	82,043
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total Expenditures	-	-	1,182,067
Excess (Deficiency) of Revenues Over (Under) Expenditures	18,076	4,424,165	(56,113)
Other Financing Sources (Uses):			
Transfers in	-	600,000	-
Transfers out	-	(5,584,008)	-
Capital leases	-	-	-
Refunding bonds issued	-	-	-
Total Other Financing Sources (Uses)	-	(4,984,008)	-
Net Change in Fund Balances	18,076	(559,843)	(56,113)
Fund Balances, Beginning of Year	334,782	5,972,273	1,844,001
Restatements	-	-	-
Fund Balances, Beginning of Year, as Restated	334,782	5,972,273	1,844,001
Fund Balances, End of Year	\$ 352,858	\$ 5,412,430	\$ 1,787,888

CITY OF MONROVIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2008

(Continued)

	<u>Special Revenue Funds</u>		
	<u>Proposition C</u>	<u>AQMD</u>	<u>Traffic Safety</u>
Revenues:			
Taxes	\$ -	\$ -	\$ -
Assessments	-	-	-
Licenses and permits	-	-	-
Intergovernmental	518,469	60,341	-
Charges for services	-	6,495	-
Use of money and property	32,778	4,262	20,667
Fines and forfeitures	-	-	471,099
Contributions	-	-	-
Miscellaneous	-	-	-
Total Revenues	<u>551,247</u>	<u>71,098</u>	<u>491,766</u>
Expenditures:			
Current:			
General government	-	-	-
Public safety	-	-	387,671
Community development	-	-	-
Community services	-	-	44,295
Public works	21,486	38,850	-
Capital outlay	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total Expenditures	<u>21,486</u>	<u>38,850</u>	<u>431,966</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>529,761</u>	<u>32,248</u>	<u>59,800</u>
Other Financing Sources (Uses):			
Transfers in	3,090	-	-
Transfers out	(59,750)	-	(60,951)
Capital leases	-	-	-
Refunding bonds issued	-	-	-
Total Other Financing Sources (Uses)	<u>(56,660)</u>	<u>-</u>	<u>(60,951)</u>
Net Change in Fund Balances	<u>473,101</u>	<u>32,248</u>	<u>(1,151)</u>
Fund Balances, Beginning of Year	808,832	70,913	443,606
Restatements	-	-	-
Fund Balances, Beginning of Year, as Restated	<u>808,832</u>	<u>70,913</u>	<u>443,606</u>
Fund Balances, End of Year	<u>\$ 1,281,933</u>	<u>\$ 103,161</u>	<u>\$ 442,455</u>

CITY OF MONROVIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2008

	<u>Special Revenue Funds</u>		
	<u>State Gasoline Tax</u>	<u>Bikeway</u>	<u>Library</u>
Revenues:			
Taxes	\$ 687,872	\$ -	\$ -
Assessments	-	-	-
Licenses and permits	-	-	-
Intergovernmental	-	-	74,262
Charges for services	-	-	-
Use of money and property	-	30	10,721
Fines and forfeitures	-	-	-
Contributions	-	-	18,524
Miscellaneous	-	-	-
Total Revenues	687,872	30	103,507
Expenditures:			
Current:			
General government	-	-	-
Public safety	-	-	-
Community development	-	-	-
Community services	-	-	126,043
Public works	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total Expenditures	-	-	126,043
Excess (Deficiency) of Revenues Over (Under) Expenditures	687,872	30	(22,536)
Other Financing Sources (Uses):			
Transfers in	-	-	10,000
Transfers out	(612,724)	-	-
Capital leases	-	-	-
Refunding bonds issued	-	-	-
Total Other Financing Sources (Uses)	(612,724)	-	10,000
Net Change in Fund Balances	75,148	30	(12,536)
Fund Balances, Beginning of Year	(75,148)	334	208,314
Restatements	-	-	-
Fund Balances, Beginning of Year, as Restated	(75,148)	334	208,314
Fund Balances, End of Year	\$ -	\$ 364	\$ 195,778

CITY OF MONROVIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2008

(Continued)

	<u>Special Revenue Funds</u>		
	<u>Fire Hazmat</u>	<u>Housing</u>	<u>Asset Forfeiture</u>
Revenues:			
Taxes	\$ -	\$ -	\$ -
Assessments	-	-	-
Licenses and permits	450	-	-
Intergovernmental	-	394,600	91,754
Charges for services	167,039	-	10,308
Use of money and property	-	-	300
Fines and forfeitures	-	-	22,009
Contributions	-	-	-
Miscellaneous	-	-	-
Total Revenues	167,489	394,600	124,371
Expenditures:			
Current:			
General government	-	-	-
Public safety	100,845	-	190,911
Community development	-	506,970	-
Community services	-	-	-
Public works	-	-	-
Capital outlay	-	10,240	-
Debt service:			
Principal retirement	-	1,308	-
Interest and fiscal charges	-	535	-
Total Expenditures	100,845	519,053	190,911
Excess (Deficiency) of Revenues Over (Under) Expenditures	66,644	(124,453)	(66,540)
Other Financing Sources (Uses):			
Transfers in	-	128,378	55,194
Transfers out	(18,051)	-	-
Capital leases	-	10,240	-
Refunding bonds issued	-	-	-
Total Other Financing Sources (Uses)	(18,051)	138,618	55,194
Net Change in Fund Balances	48,593	14,165	(11,346)
Fund Balances, Beginning of Year	43,432	(14,165)	40,002
Restatements	7,621	-	-
Fund Balances, Beginning of Year, as Restated	51,053	(14,165)	40,002
Fund Balances, End of Year	\$ 99,646	\$ -	\$ 28,656

CITY OF MONROVIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2008

	Special Revenue Funds		
	Police Grants	Lighting and Landscaping Assessment Dist	Park Maint. Assessment District
Revenues:			
Taxes	\$ -	\$ -	\$ -
Assessments	-	1,041,966	182,175
Licenses and permits	-	-	-
Intergovernmental	382,379	-	30,000
Charges for services	-	-	-
Use of money and property	-	-	80
Fines and forfeitures	-	-	-
Contributions	-	-	-
Miscellaneous	-	41,842	-
Total Revenues	382,379	1,083,808	212,255
Expenditures:			
Current:			
General government	-	-	-
Public safety	88,188	-	-
Community development	-	-	-
Community services	-	-	-
Public works	-	1,239,089	221,534
Capital outlay	-	2,478	-
Debt service:			
Principal retirement	-	22,023	-
Interest and fiscal charges	-	6,313	-
Total Expenditures	88,188	1,269,903	221,534
Excess (Deficiency) of Revenues Over (Under) Expenditures	294,191	(186,095)	(9,279)
Other Financing Sources (Uses):			
Transfers in	-	183,344	31,818
Transfers out	-	(352,304)	(147,348)
Capital leases	-	-	-
Refunding bonds issued	-	-	-
Total Other Financing Sources (Uses)	-	(168,960)	(115,530)
Net Change in Fund Balances	294,191	(355,055)	(124,809)
Fund Balances, Beginning of Year	(561,573)	(122,724)	38,041
Restatements	(49,789)	-	-
Fund Balances, Beginning of Year, as Restated	(611,362)	(122,724)	38,041
Fund Balances, End of Year	\$ (317,171)	\$ (477,779)	\$ (86,768)

CITY OF MONROVIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2008

(Continued)

	<u>Special Revenue Funds</u>		<u>Capital Projects Funds</u>
	<u>Business Improvement District</u>	<u>Development Services</u>	<u>Street Maintenance</u>
		\$	\$
Revenues:			
Taxes	-	-	-
Assessments	50,136	-	-
Licenses and permits	-	452,016	115,768
Intergovernmental	-	913	632,259
Charges for services	35,238	581,448	9,748
Use of money and property	2,690	13,770	271
Fines and forfeitures	-	5,100	-
Contributions	36,109	350	-
Miscellaneous	-	-	174
Total Revenues	124,173	1,053,597	758,220
Expenditures:			
Current:			
General government	16,186	-	-
Public safety	-	-	-
Community development	54,074	1,634,379	-
Community services	-	-	-
Public works	-	625,724	1,242,129
Capital outlay	-	-	-
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total Expenditures	70,260	2,260,103	1,242,129
Excess (Deficiency) of Revenues Over (Under) Expenditures	53,913	(1,206,506)	(483,909)
Other Financing Sources (Uses):			
Transfers in	-	1,145,824	998,247
Transfers out	(7,749)	(517,400)	(623,870)
Capital leases	-	-	-
Refunding bonds issued	-	-	-
Total Other Financing Sources (Uses)	(7,749)	628,424	374,377
Net Change in Fund Balances	46,164	(578,082)	(109,532)
Fund Balances, Beginning of Year	28,795	316,875	(340,898)
Restatements	-	-	-
Fund Balances, Beginning of Year, as Restated	28,795	316,875	(340,898)
Fund Balances, End of Year	\$ 74,959	\$ (261,207)	\$ (450,430)

CITY OF MONROVIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2008

	<u>Capital Projects Funds Hillside Acquisition Capital Project</u>	<u>Debt Service Funds Hillside Acquisition Debt Service</u>	<u>Debt Service Funds Library Bond Debt Service</u>
Revenues:			
Taxes	\$ -	\$ 705,682	\$ 965,312
Assessments	-	-	-
Licenses and permits	-	-	-
Intergovernmental	-	-	-
Charges for services	-	-	-
Use of money and property	-	9,981	52,270
Fines and forfeitures	-	-	-
Contributions	-	-	-
Miscellaneous	-	-	-
Total Revenues	-	715,663	1,017,582
Expenditures:			
Current:			
General government	-	-	-
Public safety	-	-	-
Community development	12,634	-	-
Community services	-	-	-
Public works	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal retirement	-	185,000	-
Interest and fiscal charges	-	410,737	901,491
Total Expenditures	12,634	595,737	901,491
Excess (Deficiency) of Revenues Over (Under) Expenditures	(12,634)	119,926	116,091
Other Financing Sources (Uses):			
Transfers in	25,642	-	-
Transfers out	-	(105,553)	(15,057,782)
Capital leases	-	-	-
Refunding bonds issued	-	-	15,850,000
Total Other Financing Sources (Uses)	25,642	(105,553)	792,218
Net Change in Fund Balances	13,008	14,373	908,309
Fund Balances, Beginning of Year	(13,008)	196,159	-
Restatements	-	-	-
Fund Balances, Beginning of Year, as Restated	(13,008)	196,159	-
Fund Balances, End of Year	\$ -	\$ 210,532	\$ 908,309

CITY OF MONROVIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2008

	Permanent Funds Miller Memorial Trust Fund	Total Governmental Funds
Revenues:		
Taxes	\$ -	\$ 7,108,644
Assessments	-	1,274,277
Licenses and permits	-	568,234
Intergovernmental	-	2,527,379
Charges for services	-	841,707
Use of money and property	5,712	533,743
Fines and forfeitures	-	498,208
Contributions	-	54,983
Miscellaneous	-	106,389
Total Revenues	5,712	13,513,564
Expenditures:		
Current:		
General government	-	16,186
Public safety	-	767,615
Community development	-	3,308,081
Community services	3,703	174,041
Public works	-	3,388,812
Capital outlay	-	94,761
Debt service:		
Principal retirement	-	208,331
Interest and fiscal charges	-	1,319,076
Total Expenditures	3,703	9,276,903
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,009	4,236,661
Other Financing Sources (Uses):		
Transfers in	-	3,181,537
Transfers out	-	(23,147,490)
Capital leases	-	10,240
Refunding bonds issued	-	15,850,000
Total Other Financing Sources (Uses)	-	(4,105,713)
Net Change in Fund Balances	2,009	130,948
Fund Balances, Beginning of Year	107,339	9,326,182
Restatements	-	(42,168)
Fund Balances, Beginning of Year, as Restated	107,339	9,284,014
Fund Balances, End of Year	\$ 109,348	\$ 9,414,962

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
EMERGENCY
YEAR ENDED JUNE 30, 2008**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 334,782	\$ 334,782	\$ 334,782	\$ -
Resources (Inflows):				
Use of money and property	8,000	8,240	18,076	9,836
Amounts Available for Appropriation	342,782	343,022	352,858	9,836
Budgetary Fund Balance, June 30	\$ 342,782	\$ 343,022	\$ 352,858	\$ 9,836

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
RETIREMENT
YEAR ENDED JUNE 30, 2008**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 5,972,273	\$ 5,972,273	\$ 5,972,273	\$ -
Resources (Inflows):				
Taxes	3,471,700	4,046,243	4,126,733	80,490
Use of money and property	200,000	206,000	297,432	91,432
Transfers in	300,000	600,000	600,000	-
Amounts Available for Appropriation	9,943,973	10,824,516	10,996,438	171,922
Charges to Appropriation (Outflow):				
Transfers out	5,841,031	5,819,302	5,584,008	235,294
Total Charges to Appropriations	5,841,031	5,819,302	5,584,008	235,294
Budgetary Fund Balance, June 30	\$ 4,102,942	\$ 5,005,214	\$ 5,412,430	\$ 407,216

CITY OF MONROVIA

BUDGETARY COMPARISON SCHEDULE
 PROPOSITION A
 YEAR ENDED JUNE 30, 2008

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,844,001	\$ 1,844,001	\$ 1,844,001	\$ -
Resources (Inflows):				
Taxes	540,000	630,000	623,045	(6,955)
Intergovernmental	318,000	340,000	342,402	2,402
Charges for services	45,000	35,000	31,431	(3,569)
Use of money and property	40,000	40,000	64,703	24,703
Miscellaneous	4,000	43,000	64,373	21,373
Transfers in	32,551	36,751	-	(36,751)
Amounts Available for Appropriation	2,823,552	2,968,752	2,969,955	1,203
Charges to Appropriation (Outflow):				
Community development	1,149,406	1,323,281	1,100,024	223,257
Capital outlay	120,000	120,000	82,043	37,957
Total Charges to Appropriations	1,269,406	1,443,281	1,182,067	261,214
Budgetary Fund Balance, June 30	\$ 1,554,146	\$ 1,525,471	\$ 1,787,888	\$ 262,417

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
PROPOSITION C
YEAR ENDED JUNE 30, 2008**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 808,832	\$ 808,832	\$ 808,832	\$ -
Resources (Inflows):				
Intergovernmental	457,000	525,000	518,469	(6,531)
Use of money and property	15,000	15,000	32,778	17,778
Transfers in	2,662	2,965	3,090	125
Amounts Available for Appropriation	1,283,494	1,351,797	1,363,169	11,372
Charges to Appropriation (Outflow):				
Public works	18,565	20,877	21,486	(609)
Transfers out	990,000	59,750	59,750	-
Total Charges to Appropriations	1,008,565	80,627	81,236	(609)
Budgetary Fund Balance, June 30	\$ 274,929	\$ 1,271,170	\$ 1,281,933	\$ 10,763

CITY OF MONROVIA

BUDGETARY COMPARISON SCHEDULE
 AQMD
 YEAR ENDED JUNE 30, 2008

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 70,913	\$ 70,913	\$ 70,913	\$ -
Resources (Inflows):				
Intergovernmental	47,700	48,500	60,341	11,841
Charges for services	8,000	10,000	6,495	(3,505)
Use of money and property	1,000	1,000	4,262	3,262
Transfers in	1,522	1,522	-	(1,522)
Amounts Available for Appropriation	129,135	131,935	142,011	10,076
Charges to Appropriation (Outflow):				
Public works	41,872	42,842	38,850	3,992
Total Charges to Appropriations	41,872	42,842	38,850	3,992
Budgetary Fund Balance, June 30	\$ 87,263	\$ 89,093	\$ 103,161	\$ 14,068

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
TRAFFIC SAFETY
YEAR ENDED JUNE 30, 2008**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 443,606	\$ 443,606	\$ 443,606	\$ -
Resources (Inflows):				
Intergovernmental	1,800	1,800	-	(1,800)
Use of money and property	5,000	7,000	20,667	13,667
Fines and forfeitures	435,000	425,000	471,099	46,099
Transfers in	27,366	27,366	-	(27,366)
Amounts Available for Appropriation	912,772	904,772	935,372	30,600
Charges to Appropriation (Outflow):				
Public safety	351,292	361,870	387,671	(25,801)
Parks and recreation	50,981	51,690	44,295	7,395
Transfers out	57,216	51,228	60,951	(9,723)
Total Charges to Appropriations	459,489	464,788	492,917	(28,129)
Budgetary Fund Balance, June 30	\$ 453,283	\$ 439,984	\$ 442,455	\$ 2,471

CITY OF MONROVIA

BUDGETARY COMPARISON SCHEDULE
 STATE GASOLINE TAX
 YEAR ENDED JUNE 30, 2008

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (75,148)	\$ (75,148)	\$ (75,148)	\$ -
Resources (Inflows):				
Taxes	779,904	736,000	687,872	(48,128)
Amounts Available for Appropriation	704,756	660,852	612,724	(48,128)
Charges to Appropriation (Outflow):				
Transfers out	779,904	736,000	612,724	123,276
Total Charges to Appropriations	779,904	736,000	612,724	123,276
Budgetary Fund Balance, June 30	\$ (75,148)	\$ (75,148)	\$ -	\$ 75,148

CITY OF MONROVIA

BUDGETARY COMPARISON SCHEDULE
 BIKEWAY
 YEAR ENDED JUNE 30, 2008

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 334	\$ 334	\$ 334	\$ -
Resources (Inflows):				
Taxes	20,000	20,000	-	(20,000)
Use of money and property	-	-	30	30
Amounts Available for Appropriation	20,334	20,334	364	(19,970)
Charges to Appropriation (Outflow):				
Public works	20,000	22,000	-	22,000
Total Charges to Appropriations	20,000	22,000	-	22,000
Budgetary Fund Balance, June 30	\$ 334	\$ (1,666)	\$ 364	\$ 2,030

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
LIBRARY
YEAR ENDED JUNE 30, 2008**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 208,314	\$ 208,314	\$ 208,314	\$ -
Resources (Inflows):				
Intergovernmental	55,000	112,100	74,262	(37,838)
Use of money and property	5,000	5,150	10,721	5,571
Contributions	-	-	18,524	18,524
Transfers in	10,000	10,000	10,000	-
Amounts Available for Appropriation	278,314	335,564	321,821	(13,743)
Charges to Appropriation (Outflow):				
Parks and recreation	29,000	161,074	126,043	35,031
Total Charges to Appropriations	29,000	161,074	126,043	35,031
Budgetary Fund Balance, June 30	\$ 249,314	\$ 174,490	\$ 195,778	\$ 21,288

CITY OF MONROVIA

BUDGETARY COMPARISON SCHEDULE
 FIRE HAZMAT
 YEAR ENDED JUNE 30, 2008

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1, as restated	\$ 51,053	\$ 51,053	\$ 51,053	\$ -
Resources (Inflows):				
Licenses and permits	500	515	450	(65)
Intergovernmental	-	21,000	-	(21,000)
Charges for services	106,000	161,000	167,039	6,039
Use of money and property	1,500	1,545	-	(1,545)
Transfers in	36,274	36,274	-	(36,274)
Amounts Available for Appropriation	195,327	271,387	218,542	(52,845)
Charges to Appropriation (Outflow):				
Public safety	127,694	172,498	100,845	71,653
Transfers out	23,374	29,122	18,051	11,071
Total Charges to Appropriations	151,068	201,620	118,896	82,724
Budgetary Fund Balance, June 30	\$ 44,259	\$ 69,767	\$ 99,646	\$ 29,879

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
HOUSING
YEAR ENDED JUNE 30, 2008**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (14,165)	\$ (14,165)	\$ (14,165)	\$ -
Resources (Inflows):				
Intergovernmental	422,798	386,222	394,600	8,378
Transfers in	64,522	159,256	128,378	(30,878)
Capital leases	-	-	10,240	10,240
Amounts Available for Appropriation	473,155	531,313	519,053	(12,260)
Charges to Appropriation (Outflow):				
Community development	486,670	507,774	506,970	804
Capital outlay	-	-	10,240	(10,240)
Debt service:				
Principal retirement	25,950	25,950	1,308	24,642
Interest and fiscal charges	3,100	3,100	535	2,565
Total Charges to Appropriations	515,720	536,824	519,053	17,771
Budgetary Fund Balance, June 30	\$ (42,565)	\$ (5,511)	\$ -	\$ 5,511

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
ASSET FORFEITURE
YEAR ENDED JUNE 30, 2008**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 40,002	\$ 40,002	\$ 40,002	\$ -
Resources (Inflows):				
Intergovernmental	37,000	58,000	91,754	33,754
Charges for services	7,000	7,210	10,308	3,098
Use of money and property	5,000	3,000	300	(2,700)
Fines and forfeitures	17,000	25,000	22,009	(2,991)
Transfers in	51,839	53,669	55,194	1,525
Amounts Available for Appropriation	157,841	186,881	219,567	32,686
Charges to Appropriation (Outflow):				
Public safety	162,064	168,876	190,911	(22,035)
Total Charges to Appropriations	162,064	168,876	190,911	(22,035)
Budgetary Fund Balance, June 30	\$ (4,223)	\$ 18,005	\$ 28,656	\$ 10,651

CITY OF MONROVIA

BUDGETARY COMPARISON SCHEDULE
 POLICE GRANTS
 YEAR ENDED JUNE 30, 2008

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1, as restated	\$ (611,362)	\$ (611,362)	\$ (611,362)	\$ -
Resources (Inflows):				
Intergovernmental	106,250	403,250	382,379	(20,871)
Amounts Available for Appropriation	(505,112)	(208,112)	(228,983)	(20,871)
Charges to Appropriation (Outflow):				
Public safety	-	109,760	88,188	21,572
Transfers out	-	13,929	-	13,929
Total Charges to Appropriations	-	123,689	88,188	35,501
Budgetary Fund Balance, June 30	\$ (505,112)	\$ (331,801)	\$ (317,171)	\$ 14,630

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
LIGHTING AND LANDSCAPING ASSESSMENT
YEAR ENDED JUNE 30, 2008**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ (122,724)	\$ (122,724)	\$ (122,724)	\$ -
Resources (Inflows):				
Assessments	1,040,835	1,041,938	1,041,966	28
Miscellaneous	10,000	10,300	41,842	31,542
Transfers in	165,224	180,979	183,344	2,365
Amounts Available for Appropriation	1,093,335	1,110,493	1,144,428	33,935
Charges to Appropriation (Outflow):				
Public works	1,015,221	1,044,243	1,239,089	(194,846)
Capital outlay	41,000	15,000	2,478	12,522
Debt service:				
Principal retirement	20,940	22,000	22,023	(23)
Interest and fiscal charges	7,395	6,400	6,313	87
Transfers out	149,708	105,349	352,304	(246,955)
Total Charges to Appropriations	1,234,264	1,192,992	1,622,207	(429,215)
Budgetary Fund Balance, June 30	\$ (140,929)	\$ (82,499)	\$ (477,779)	\$ (395,280)

CITY OF MONROVIA

BUDGETARY COMPARISON SCHEDULE
 PARK MAINT. ASSESSMENT DISTRICT
 YEAR ENDED JUNE 30, 2008

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 38,041	\$ 38,041	\$ 38,041	\$ -
Resources (Inflows):				
Assessments	176,220	181,507	182,175	668
Intergovernmental	30,000	30,000	30,000	-
Use of money and property	-	-	80	80
Transfers in	131,636	30,555	31,818	1,263
Amounts Available for Appropriation	375,897	280,103	282,114	2,011
Charges to Appropriation (Outflow):				
Public works	218,283	212,923	221,534	(8,611)
Transfers out	40,021	33,177	147,348	(114,171)
Total Charges to Appropriations	258,304	246,100	368,882	(122,782)
Budgetary Fund Balance, June 30	\$ 117,593	\$ 34,003	\$ (86,768)	\$ (120,771)

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
BUSINESS IMPROVEMENT DISTRICT
YEAR ENDED JUNE 30, 2008**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 28,795	\$ 28,795	\$ 28,795	\$ -
Resources (Inflows):				
Assessments	45,000	46,350	50,136	3,786
Charges for services	45,010	35,160	35,238	78
Use of money and property	-	-	2,690	2,690
Contributions	50,000	50,000	36,109	(13,891)
Miscellaneous	500	500	-	(500)
Amounts Available for Appropriation	169,305	160,805	152,968	(7,837)
Charges to Appropriation (Outflow):				
General government	-	50,000	16,186	33,814
Community development	69,000	51,500	54,074	(2,574)
Transfers out	9,212	9,212	7,749	1,463
Total Charges to Appropriations	78,212	110,712	78,009	32,703
Budgetary Fund Balance, June 30	\$ 91,093	\$ 50,093	\$ 74,959	\$ 24,866

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
DEVELOPMENT SERVICES
YEAR ENDED JUNE 30, 2008**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 316,875	\$ 316,875	\$ 316,875	\$ -
Resources (Inflows):				
Licenses and permits	491,213	663,675	452,016	(211,659)
Intergovernmental	500	515	913	398
Charges for services	303,791	763,530	581,448	(182,082)
Use of money and property	25,000	7,000	13,770	6,770
Fines and forfeitures	-	10,000	5,100	(4,900)
Contributions	-	-	350	350
Transfers in	972,444	1,115,946	1,145,824	29,878
Amounts Available for Appropriation	2,109,823	2,877,541	2,516,296	(361,245)
Charges to Appropriation (Outflow):				
Community development	1,220,600	1,584,210	1,634,379	(50,169)
Public works	595,878	606,110	625,724	(19,614)
Transfers out	179,829	327,729	517,400	(189,671)
Total Charges to Appropriations	1,996,307	2,518,049	2,777,503	(259,454)
Budgetary Fund Balance, June 30	\$ 113,516	\$ 359,492	\$ (261,207)	\$ (620,699)

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
STREET MAINTENANCE
YEAR ENDED JUNE 30, 2008**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ (340,898)	\$ (340,898)	\$ (340,898)	\$ -
Resources (Inflows):				
Licenses and permits	244,180	154,800	115,768	(39,032)
Intergovernmental	-	918,252	632,259	(285,993)
Charges for services	-	-	9,748	9,748
Use of money and property	-	-	271	271
Miscellaneous	-	-	174	174
Transfers in	1,179,797	1,143,908	998,247	(145,661)
Amounts Available for Appropriation	1,083,079	1,876,062	1,415,569	(460,493)
Charges to Appropriation (Outflow):				
Public works	1,148,157	1,252,338	1,242,129	10,209
Capital outlay	5,000	5,150	-	5,150
Transfers out	180,795	191,799	623,870	(432,071)
Total Charges to Appropriations	1,333,952	1,449,287	1,865,999	(416,712)
Budgetary Fund Balance, June 30	\$ (250,873)	\$ 426,775	\$ (450,430)	\$ (877,205)

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
CAPITAL IMPROVEMENTS
YEAR ENDED JUNE 30, 2008**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1, as restated	\$ 974,633	\$ 974,633	\$ 974,633	\$ -
Resources (Inflows):				
Taxes	21,000	50,000	9,224	(40,776)
Intergovernmental	-	752,000	698,633	(53,367)
Use of money and property	50,000	50,000	6,719	(43,281)
Contributions	-	75,000	76,948	1,948
Miscellaneous	245,322	245,367	-	(245,367)
Transfers in	490,000	2,217,546	1,072,671	(1,144,875)
Amounts Available for Appropriation	1,780,955	4,364,546	2,838,828	(1,525,718)
Charges to Appropriation (Outflow):				
Public works	-	357,388	162,329	195,059
Capital outlay	-	1,050,000	1,084,525	(34,525)
Transfers out	34,837	276,360	276,360	-
Total Charges to Appropriations	34,837	1,683,748	1,523,214	160,534
Budgetary Fund Balance, June 30	\$ 1,746,118	\$ 2,680,798	\$ 1,315,614	\$ (1,365,184)

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
HILLSIDE ACQUISITION CAPITAL PROJECT
YEAR ENDED JUNE 30, 2008**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ (13,008)	\$ (13,008)	\$ (13,008)	\$ -
Resources (Inflows):				
Intergovernmental	3,810,000	3,810,000	-	(3,810,000)
Contributions	-	250,000	-	(250,000)
Transfers in	-	-	25,642	25,642
Amounts Available for Appropriation	<u>3,796,992</u>	<u>4,046,992</u>	<u>12,634</u>	<u>(4,034,358)</u>
Charges to Appropriation (Outflow):				
Community development	15,000	16,000	12,634	3,366
Capital outlay	3,810,000	3,810,000	-	3,810,000
Total Charges to Appropriations	<u>3,825,000</u>	<u>3,826,000</u>	<u>12,634</u>	<u>3,813,366</u>
Budgetary Fund Balance, June 30	<u>\$ (28,008)</u>	<u>\$ 220,992</u>	<u>\$ -</u>	<u>\$ (220,992)</u>

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
LIBRARY BOND CONSTRUCTION PROJECT
YEAR ENDED JUNE 30, 2008**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Use of money and property	-	-	290,640	290,640
Miscellaneous	-	75,000	-	(75,000)
Transfers in	-	14,614,506	15,057,782	443,276
Amounts Available for Appropriation	-	14,689,506	15,423,422	733,916
Charges to Appropriation (Outflow):				
Community development	-	600,000	912,552	(312,552)
Capital outlay	-	5,585,354	2,964,206	2,621,148
Total Charges to Appropriations	-	6,185,354	3,876,758	2,308,596
Budgetary Fund Balance, June 30	\$ -	\$ 8,504,152	\$ 11,546,664	\$ 3,042,512

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
REDEVELOPMENT AGENCY - CAPITAL PROJECTS
YEAR ENDED JUNE 30, 2008**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$25,913,340	\$25,913,340	\$25,913,340	\$ -
Resources (Inflows):				
Taxes	1,282,000	1,422,010	1,658,533	236,523
Use of money and property	80,000	2,160,750	210,861	(1,949,889)
Contributions	-	-	1,000	1,000
Miscellaneous	3,000	53,090	61,106	8,016
Transfers in	943,864	3,589,854	3,500,000	(89,854)
Notes and loans issued	-	-	3,010,240	3,010,240
Amounts Available for Appropriation	28,222,204	33,139,044	34,252,303	1,113,259
Charges to Appropriation (Outflow):				
General government	-	-	2,920,802	(2,920,802)
Community development	1,186,605	3,159,334	27,000	3,132,334
Capital outlay	-	-	47,410	(47,410)
Debt service:				
Principal retirement	152,350	250,000	481,286	(231,286)
Interest and fiscal charges	540,994	650,000	662,123	(12,123)
Transfers out	306,106	565,648	721,454	(155,806)
Total Charges to Appropriations	2,186,055	4,624,982	4,860,075	(235,093)
Budgetary Fund Balance, June 30	\$26,036,149	\$28,514,062	\$29,392,228	\$ 878,166

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
HILLSIDE ACQUISITION DEBT SERVICE
YEAR ENDED JUNE 30, 2008**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 196,159	\$ 196,159	\$ 196,159	\$ -
Resources (Inflows):				
Taxes	705,000	726,150	705,682	(20,468)
Use of money and property	1,500	1,545	9,981	8,436
Amounts Available for Appropriation	902,659	923,854	911,822	(12,032)
Charges to Appropriation (Outflow):				
Debt service:				
Principal retirement	180,000	180,000	185,000	(5,000)
Interest and fiscal charges	426,500	426,500	410,737	15,763
Transfers out	78,000	78,000	105,553	(27,553)
Total Charges to Appropriations	684,500	684,500	701,290	(16,790)
Budgetary Fund Balance, June 30	\$ 218,159	\$ 239,354	\$ 210,532	\$ (28,822)

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
MONROVIA RDA LONG-TERM DEBT SERVICE
YEAR ENDED JUNE 30, 2008**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 7,521,953	\$ 7,521,953	\$ 7,521,953	\$ -
Resources (Inflows):				
Taxes	5,873,000	4,808,417	6,634,129	1,825,712
Use of money and property	936,900	942,000	1,129,835	187,835
Miscellaneous	3,000	6,000	-	(6,000)
Refunding bonds issued	-	17,500,000	-	(17,500,000)
Amounts Available for Appropriation	<u>14,334,853</u>	<u>30,778,370</u>	<u>15,285,917</u>	<u>(15,492,453)</u>
Charges to Appropriation (Outflow):				
General government	80,000	116,000	90,684	25,316
Community development	-	-	13,500	(13,500)
Debt service:				
Principal retirement	1,515,000	1,945,000	1,868,055	76,945
Interest and fiscal charges	2,406,041	2,771,238	3,363,573	(592,335)
Pass-through agreement payments	270,000	323,000	2,421,339	(2,098,339)
Transfers out	285,000	3,500,000	3,500,000	-
Total Charges to Appropriations	<u>4,556,041</u>	<u>8,655,238</u>	<u>11,257,151</u>	<u>(2,601,913)</u>
Budgetary Fund Balance, June 30	<u>\$ 9,778,812</u>	<u>\$ 22,123,132</u>	<u>\$ 4,028,766</u>	<u>\$(18,094,366)</u>

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
LIBRARY BOND DEBT SERVICE
YEAR ENDED JUNE 30, 2008**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Taxes	-	1,000,000	965,312	(34,688)
Use of money and property	-	15,000	52,270	37,270
Refunding bonds issued	-	15,850,000	15,850,000	-
Amounts Available for Appropriation	-	16,865,000	16,867,582	2,582
Charges to Appropriation (Outflow):				
Debt service:				
Interest and fiscal charges	-	900,000	901,491	(1,491)
Transfers out	-	14,614,506	15,057,782	(443,276)
Total Charges to Appropriations	-	15,514,506	15,959,273	(444,767)
Budgetary Fund Balance, June 30	\$ -	\$ 1,350,494	\$ 908,309	\$ (442,185)

CITY OF MONROVIA

**BUDGETARY COMPARISON SCHEDULE
MILLER MEMORIAL TRUST FUND
YEAR ENDED JUNE 30, 2008**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 107,339	\$ 107,339	\$ 107,339	\$ -
Resources (Inflows):				
Use of money and property	2,500	2,575	5,712	3,137
Amounts Available for Appropriation	109,839	109,914	113,051	3,137
Charges to Appropriation (Outflow):				
Parks and recreation	5,000	5,000	3,703	1,297
Total Charges to Appropriations	5,000	5,000	3,703	1,297
Budgetary Fund Balance, June 30	\$ 104,839	\$ 104,914	\$ 109,348	\$ 4,434

NON MAJOR PROPRIETARY FUNDS

Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs of providing goods or services to the general public, on a continuing basis, be financed or recovered primarily through user charges. Funds included are:

Sewer Fund – To account for the citywide sewer maintenance services provided to all segments of the community. The city maintains 93 miles of sewer lines.

Storm Drain Fund - Established in fiscal year 1993-94 to implement and administer mandated cleanup program of storm drain system as required under Federal regulations (NPDES - National Pollution Discharge Elimination System Act). Also, to account for routine maintenance costs associated with debris and catch basin facilities.

Street Sweeping Fund - To account for citywide street sweeping services provided weekly to all segments of the community. City owned parking lots are swept as part of this activity. All costs of providing this service are accounted for in this fund, including contracted services, administration, billing, and overhead.

Waste Management Fund - To account for the state mandated AB939 Solid Waste Management activities. This fund tracks all costs associated with the preparation, adoption, and implementation of a comprehensive waste management program. Funding for this program is equitably assessed across each segment of the community.

CITY OF MONROVIA

COMBINING STATEMENT OF NET ASSETS
NON-MAJOR PROPRIETARY FUNDS
JUNE 30, 2008

	<u>Business-Type Activities - Enterprise Funds</u>				
	<u>Sewer</u>	<u>Storm Drain</u>	<u>Street Sweeping</u>	<u>Waste Management</u>	<u>Totals</u>
Assets:					
Current:					
Cash and investments	\$ 991,685	\$ 440,598	\$ 9,340	\$ 144,129	\$ 1,585,752
Receivables:					
Accounts	104,552	84,520	26,549	32,792	248,413
Grants	-	-	-	15,621	15,621
Due from other funds	13,064	-	3,374	4,199	20,637
Total Current Assets	1,109,301	525,118	39,263	196,741	1,870,423
Noncurrent:					
Capital assets - net of accumulated depreciation	3,971,472	516,521	-	-	4,487,993
Total Noncurrent Assets	\$ 3,971,472	\$ 516,521	\$ -	\$ -	\$ 4,487,993
Total Assets	\$ 5,080,773	\$ 1,041,639	\$ 39,263	\$ 196,741	\$ 6,358,416
Liabilities and Net Assets:					
Liabilities:					
Current:					
Accounts payable	\$ 3,925	\$ 42,816	\$ 15,855	\$ 13,898	\$ 76,494
Unearned revenues	-	-	-	15,621	15,621
Deposits payable	-	-	-	93,673	93,673
Due to other funds	-	9,258	-	-	9,258
Total Current Liabilities	3,925	52,074	15,855	123,192	195,046
Noncurrent:					
Advances from other funds	-	116,112	-	116,112	232,224
Accrued compensated absences	24,154	10,998	1,285	13,516	49,953
Total Noncurrent Liabilities	24,154	127,110	1,285	129,628	282,177
Total Liabilities	28,079	179,184	17,140	252,820	477,223
Net Assets:					
Invested in capital assets, net of related debt	3,971,472	516,521	-	-	4,487,993
Unrestricted	1,081,222	345,934	22,123	(56,079)	1,393,200
Total Net Assets	5,052,694	862,455	22,123	(56,079)	5,881,193
Total Liabilities and Net Assets	\$ 5,080,773	\$ 1,041,639	\$ 39,263	\$ 196,741	\$ 6,358,416

CITY OF MONROVIA

**COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS
NON-MAJOR PROPRIETARY FUNDS
JUNE 30, 2008**

	Business-Type Activities - Enterprise Funds				Totals
	Sewer	Storm Drain	Street Sweeping	Waste Management	
Operating Revenues:					
Sales and service charges	\$ 758,157	\$ 281,228	\$ 206,727	\$ 346,358	\$ 1,592,470
Intergovernmental	3,000	-	-	4,594	7,594
Total Operating Revenues	761,157	281,228	206,727	350,952	1,600,064
Operating Expenses:					
Salaries and employee benefits	437,732	180,496	27,188	240,546	885,962
Professional and contract services	6,781	46,656	192,865	37,565	283,867
Maintenance and supplies	224,230	63,394	16,500	60,056	364,180
Repairs and replacements	3,090	-	-	4,618	7,708
Depreciation expense	142,285	18,155	-	2,460	162,900
Total Operating Expenses	814,118	308,701	236,553	345,245	1,704,617
Operating Income (Loss)	(52,961)	(27,473)	(29,826)	5,707	(104,553)
Nonoperating Revenues (Expenses):					
Interest revenue	55,368	25,797	1,628	7,892	90,685
Total Nonoperating Revenues (Expenses)	55,368	25,797	1,628	7,892	90,685
Income (Loss) Before Transfers	2,407	(1,676)	(28,198)	13,599	(13,868)
Transfers in	475,832	-	30,000	-	505,832
Transfers out	(849,844)	(194,181)	(33,576)	(159,500)	(1,237,101)
Changes in Net Assets	(371,605)	(195,857)	(31,774)	(145,901)	(745,137)
Net Assets:					
Beginning of Year	5,424,299	1,058,312	53,897	89,822	6,626,330
End of Fiscal Year	\$ 5,052,694	\$ 862,455	\$ 22,123	\$ (56,079)	\$ 5,881,193

CITY OF MONROVIA

COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2008

	Business-Type Activities - Enterprise Funds				
	Sewer	Storm Drain	Street Sweeping	Waste Management	Totals
Cash Flows from Operating Activities:					
Cash received from customers and users	\$ 746,716	\$ 200,192	\$ 202,650	\$ 354,001	\$ 1,503,559
Cash paid to suppliers for goods and services	(234,506)	(69,906)	(209,010)	(87,228)	(600,650)
Cash paid to employees for services	(436,905)	(179,583)	(27,081)	(239,424)	(882,993)
Net Cash Provided (Used) by Operating Activities	75,305	(49,297)	(33,441)	27,349	19,916
Cash Flows from Non-Capital Financing Activities:					
Cash transfers out	(849,844)	(194,181)	(33,576)	(159,500)	(1,237,101)
Cash transfers in	475,832	-	30,000	-	505,832
Received from other funds	(13,064)	125,370	(3,374)	111,913	220,845
Net Cash Provided (Used) by Non-Capital Financing Activities	(387,076)	(68,811)	(6,950)	(47,587)	(510,424)
Cash Flows from Capital and Related Financing Activities:					
Acquisition and construction of capital assets	(281,659)	-	-	-	(281,659)
Net Cash Provided (Used) by Capital and Related Financing Activities	(281,659)	-	-	-	(281,659)
Cash Flows from Investing Activities:					
Interest received	55,368	25,797	1,628	7,892	90,685
Net Cash Provided (Used) by Investing Activities	55,368	25,797	1,628	7,892	90,685
Net Increase (Decrease) in Cash and Cash Equivalents	(538,062)	(92,311)	(38,763)	(12,346)	(681,482)
Cash and Cash Equivalents at Beginning of Year	1,529,747	532,909	48,103	156,475	2,267,234
Cash and Cash Equivalents at End of Year	\$ 991,685	\$ 440,598	\$ 9,340	\$ 144,129	\$ 1,585,752
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:					
Operating income (loss)	\$ (52,961)	\$ (27,473)	\$ (29,826)	\$ 5,707	\$ (104,553)
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:					
Depreciation	142,285	18,155	-	2,460	162,900
(Increase) decrease in accounts receivable	(14,441)	(81,036)	(4,077)	3,049	(96,505)
Increase (decrease) in accounts payable	(405)	40,144	355	11,164	51,258
Increase (decrease) in deposits payable	-	-	-	3,847	3,847
Increase (decrease) in compensated absences	827	913	107	1,122	2,969
Total Adjustments	128,266	(21,824)	(3,615)	21,642	124,469
Net Cash Provided (Used) by Operating Activities	\$ 75,305	\$ (49,297)	\$ (33,441)	\$ 27,349	\$ 19,916

INTERNAL SERVICE FUNDS

Established to finance and account for goods and services provided by one City department to other City departments on a cost-reimbursement basis. Such reimbursements are accounted for as quasi external interfund transactions. Accordingly, they are treated as operating revenues of the Internal Service Fund, and as current operating expenditures or operating expenses, as appropriate, of the fund(s) receiving the service. The fee charged is designed to accumulate the total costs (including depreciation and overhead) of providing the service. Funds included are:

Facilities Maintenance Fund - This fund serves as a cost center for facility maintenance activities and as a depreciation reserve to meet large cyclical and capital replacement expenses.

Equipment Pool Fund - To account for the costs of operating a central maintenance and refueling facility and providing for replacement of automotive and motorized equipment used by other City departments. In addition, this fund accounts for the operating costs of maintaining fire equipment and to accumulate monies for the replacement of depreciated fire rolling stock and specialized equipment.

Central Services Fund - To account for information systems services and the centralized purchasing of materials and supplies, including reprographic services provided to various other operating departments. This fund also accumulates monies for the maintenance and replacement of the citywide telephone system.

Liability Insurance Fund - To account for the costs to operate a City-wide general and automobile liability program.

Workers' Compensation Insurance Fund - To account for the costs to operate a City-wide self-insured workers' compensation program.

Unemployment Insurance Fund - To account for the costs to operate a City-wide self-insured unemployment insurance program.

CITY OF MONROVIA

COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
JUNE 30, 2008

	<u>Governmental Activities - Internal Service Funds</u>			
	<u>Facilities Maintenance</u>	<u>Equipment Pool</u>	<u>Central Services</u>	<u>Liability Insurance</u>
Assets:				
Current:				
Cash and investments	\$ -	\$ 1,393,650	\$ 341,169	\$ 386,544
Receivables:				
Accounts	5,987	63,106	-	-
Prepaid costs	-	-	6,894	-
Inventories	-	-	2,312	-
Total Current Assets	5,987	1,456,756	350,375	386,544
Noncurrent:				
Capital assets - net of accumulated depreciation	2,450,516	1,670,209	537,405	-
Total Noncurrent Assets	2,450,516	1,670,209	537,405	-
Total Assets	\$ 2,456,503	\$ 3,126,965	\$ 887,780	\$ 386,544
Liabilities and Net Assets:				
Liabilities:				
Current:				
Accounts payable	\$ 82,645	\$ 182,690	\$ 96,189	\$ 44,591
Due to other funds	338,326	-	-	-
Total Current Liabilities	420,971	182,690	96,189	44,591
Noncurrent:				
Advances from other funds	232,224	-	-	-
Accrued compensated absences	20,814	2,852	-	-
Accrued claims and judgments	-	-	-	531,068
Bonds, notes, and capital leases	38,921	244,768	-	-
Total Noncurrent Liabilities	291,959	247,620	-	531,068
Total Liabilities	712,930	430,310	96,189	575,659
Net Assets:				
Invested in capital assets, net of related debt	2,411,595	1,425,441	537,405	-
Unrestricted	(668,022)	1,271,214	254,186	(189,115)
Total Net Assets	1,743,573	2,696,655	791,591	(189,115)
Total Liabilities and Net Assets	\$ 2,456,503	\$ 3,126,965	\$ 887,780	\$ 386,544

CITY OF MONROVIA

COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
JUNE 30, 2008

	Governmental Activities - Internal Service Funds		
	Workers' Compensation Insurance	Unemployment Insurance	Totals
Assets:			
Current:			
Cash and investments	\$ 1,141,817	\$ 61,617	\$ 3,324,797
Receivables:			
Accounts	35,775	1,140	106,008
Prepaid costs	-	-	6,894
Inventories	-	-	2,312
Total Current Assets	1,177,592	62,757	3,440,011
Noncurrent:			
Capital assets - net of accumulated depreciation	-	-	4,658,130
Total Noncurrent Assets	-	-	4,658,130
Total Assets	\$ 1,177,592	\$ 62,757	\$ 8,098,141
Liabilities and Net Assets:			
Liabilities:			
Current:			
Accounts payable	\$ 2,798	\$ -	\$ 408,913
Due to other funds	-	-	338,326
Total Current Liabilities	2,798	-	747,239
Noncurrent:			
Advances from other funds	-	-	232,224
Accrued compensated absences	-	-	23,666
Accrued claims and judgments	3,936,312	-	4,467,380
Bonds, notes, and capital leases	-	-	283,689
Total Noncurrent Liabilities	3,936,312	-	5,006,959
Total Liabilities	3,939,110	-	5,754,198
Net Assets:			
Invested in capital assets, net of related debt	-	-	4,374,441
Unrestricted	(2,761,518)	62,757	(2,030,498)
Total Net Assets	(2,761,518)	62,757	2,343,943
Total Liabilities and Net Assets	\$ 1,177,592	\$ 62,757	\$ 8,098,141

CITY OF MONROVIA

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
JUNE 30, 2008

	Governmental Activities - Internal Service Funds			
	Facilities Maintenance	Equipment Pool	Central Services	Liability Insurance
Operating Revenues:				
Sales and service charges	\$ -	\$ 591,324	\$ -	\$ -
Interdepartmental charges	1,213,266	1,268,550	992,201	644,249
Miscellaneous	14,157	6,550	29,817	-
Total Operating Revenues	1,227,423	1,866,424	1,022,018	644,249
Operating Expenses:				
Salaries and employee benefits	357,917	31,312	536,964	161,028
Professional and contract services	54,781	63,612	57,692	300,143
Maintenance and supplies	361,745	824,739	232,183	20,977
Utilities	310,758	4,782	238,594	-
Repairs and replacements	179,021	471,910	50,416	1,096
Claims expense/(recovery)	-	-	-	(80,742)
Insurance	-	-	-	620,805
Depreciation expense	385,648	477,932	149,600	-
Total Operating Expenses	1,649,870	1,874,287	1,265,449	1,023,307
Operating Income (Loss)	(422,447)	(7,863)	(243,431)	(379,058)
Nonoperating Revenues (Expenses):				
Interest revenue	1,920	56,023	28,702	9,618
Interest expense	(2,455)	(14,358)	-	-
Gain (loss) on disposal of fixed assets	-	273,524	-	-
Total Nonoperating Revenues (Expenses)	(535)	315,189	28,702	9,618
Income (Loss) Before Transfers	(422,982)	307,326	(214,729)	(369,440)
Transfers in	1,063,415	5,646	94,554	1,079,077
Transfers out	(418,852)	(171,602)	(99,616)	-
Changes in Net Assets	221,581	141,370	(219,791)	709,637
Net Assets:				
Beginning of Year	1,521,992	2,555,285	1,011,382	(898,752)
End of Fiscal Year	\$ 1,743,573	\$ 2,696,655	\$ 791,591	\$ (189,115)

CITY OF MONROVIA

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
JUNE 30, 2008

	Governmental Activities - Internal Service Funds		
	Workers' Compensation Insurance	Unemployment Insurance	Totals
Operating Revenues:			
Sales and service charges	\$ -	\$ -	\$ 591,324
Interdepartmental charges	959,774	31,772	5,109,812
Miscellaneous	-	-	50,524
Total Operating Revenues	959,774	31,772	5,751,660
Operating Expenses:			
Salaries and employee benefits	209,823	19,374	1,316,418
Professional and contract services	78,989	-	555,217
Maintenance and supplies	20,216	149	1,460,009
Utilities	-	-	554,134
Repairs and replacements	3,422	-	705,865
Claims expense/(recovery)	-	-	(80,742)
Insurance	541,578	50,187	1,212,570
Depreciation expense	-	-	1,013,180
Total Operating Expenses	854,028	69,710	6,736,651
Operating Income (Loss)	105,746	(37,938)	(984,991)
Nonoperating Revenues (Expenses):			
Interest revenue	70,921	4,170	171,354
Interest expense	-	-	(16,813)
Gain (loss) on disposal of fixed assets	-	-	273,524
Total Nonoperating Revenues (Expenses)	70,921	4,170	428,065
Income (Loss) Before Transfers	176,667	(33,768)	(556,926)
Transfers in	38,096	3,659	2,284,447
Transfers out	(400,000)	-	(1,090,070)
Changes in Net Assets	(185,237)	(30,109)	637,451
Net Assets:			
Beginning of Year	(2,576,281)	92,866	1,706,492
End of Fiscal Year	\$ (2,761,518)	\$ 62,757	\$ 2,343,943

CITY OF MONROVIA

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2008**

	Governmental Activities - Internal Service Funds			
	Facilities Maintenance	Equipment Pool	Central Services	Liability Insurance
Cash Flows from Operating Activities:				
Cash received from/(paid to) interfund service provided	\$ 1,222,192	\$ 1,860,980	\$ 1,022,018	\$ 644,249
Cash paid to suppliers for goods and services	(988,014)	(1,267,549)	(516,013)	(1,136,042)
Cash paid to employees for services	(355,953)	(29,638)	(536,632)	(161,028)
Net Cash Provided (Used) by Operating Activities	(121,775)	563,793	(30,627)	(652,821)
Cash Flows from Non-Capital Financing Activities:				
Cash transfers out	(418,852)	(171,602)	(99,616)	-
Cash transfers in	1,063,415	5,646	94,554	1,079,077
Due to other funds	28,050	-	-	-
Advance received from other funds	232,224	-	-	-
Net Cash Provided (Used) by Non-Capital Financing Activities	904,837	(165,956)	(5,062)	1,079,077
Cash Flows from Capital and Related Financing Activities:				
Acquisition and construction of capital assets	(773,963)	(345,354)	(384,049)	-
Principal paid on capital debt	(8,564)	(54,350)	-	-
Interest paid on capital debt	(2,455)	(14,358)	-	-
Proceeds from sales of capital assets	-	273,524	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(784,982)	(140,538)	(384,049)	-
Cash Flows from Investing Activities:				
Interest received	1,920	56,023	28,702	9,618
Net Cash Provided (Used) by Investing Activities	1,920	56,023	28,702	9,618
Net Increase (Decrease) in Cash and Cash Equivalents	-	313,322	(391,036)	435,874
Cash and Cash Equivalents at Beginning of Year	-	1,080,328	732,205	(49,330)
Cash and Cash Equivalents at End of Year	\$ -	\$ 1,393,650	\$ 341,169	\$ 386,544
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	\$ (422,447)	\$ (7,863)	\$ (243,431)	\$ (379,058)
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:				
Depreciation	385,648	477,932	149,600	-
(Increase) decrease in accounts receivable	(5,231)	(5,444)	-	-
(Increase) decrease in prepaid expense	-	-	(1,879)	-
(Increase) decrease in inventories	-	-	332	-
Increase (decrease) in accounts payable	(81,709)	97,494	64,751	(7,307)
Increase (decrease) in claims and judgments	-	-	-	(266,456)
Increase (decrease) in compensated absences	1,964	1,674	-	-
Total Adjustments	300,672	571,656	212,804	(273,763)
Net Cash Provided (Used) by Operating Activities	\$ (121,775)	\$ 563,793	\$ (30,627)	\$ (652,821)
Non-Cash Investing, Capital, and Financing Activities:				
Gain/(Loss) on disposition of capital assets	\$ -	\$ 273,524	\$ -	\$ -

CITY OF MONROVIA

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2008**

	Governmental Activities - Internal Service Funds		
	Workers' Compensation Insurance	Unemployment Insurance	Totals
Cash Flows from Operating Activities:			
Cash received from/(paid to) interfund service provided	\$ 959,130	\$ 30,632	\$ 5,739,201
Cash paid to suppliers for goods and services	(823,816)	(50,336)	(4,781,770)
Cash paid to employees for services	(209,823)	(19,374)	(1,312,448)
Net Cash Provided (Used) by Operating Activities	(74,509)	(39,078)	(355,017)
Cash Flows from Non-Capital Financing Activities:			
Cash transfers out	(400,000)	-	(1,090,070)
Cash transfers in	38,096	3,659	2,284,447
Due to other funds	-	-	28,050
Advance received from other funds	-	-	232,224
Net Cash Provided (Used) by Non-Capital Financing Activities	(361,904)	3,659	1,454,651
Cash Flows from Capital and Related Financing Activities:			
Acquisition and construction of capital assets	-	-	(1,503,366)
Principal paid on capital debt	-	-	(62,914)
Interest paid on capital debt	-	-	(16,813)
Proceeds from sales of capital assets	-	-	273,524
Net Cash Provided (Used) by Capital and Related Financing Activities	-	-	(1,309,569)
Cash Flows from Investing Activities:			
Interest received	70,921	4,170	171,354
Net Cash Provided (Used) by Investing Activities	70,921	4,170	171,354
Net Increase (Decrease) in Cash and Cash Equivalents	(365,492)	(31,249)	(38,581)
Cash and Cash Equivalents at Beginning of Year	1,507,309	92,866	3,363,378
Cash and Cash Equivalents at End of Year	\$ 1,141,817	\$ 61,617	\$ 3,324,797
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	\$ 105,746	\$ (37,938)	\$ (984,991)
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:			
Depreciation	-	-	1,013,180
(Increase) decrease in accounts receivable	(644)	(1,140)	(12,459)
(Increase) decrease in prepaid expense	-	-	(1,879)
(Increase) decrease in inventories	-	-	332
Increase (decrease) in accounts payable	1,884	-	75,113
Increase (decrease) in claims and judgments	(181,495)	-	(447,951)
Increase (decrease) in compensated absences	-	-	3,638
Total Adjustments	(180,255)	(1,140)	629,974
Net Cash Provided (Used) by Operating Activities	\$ (74,509)	\$ (39,078)	\$ (355,017)
Non-Cash Investing, Capital, and Financing Activities:			
Gain/(Loss) on disposition of capital assets	\$ -	\$ -	\$ 273,524

CITY OF MONROVIA

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 YEAR ENDED JUNE 30, 2008

	<u>Balance July 1, 2007</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2008</u>
<u>Deposit</u>				
Assets:				
Pooled cash and investments	\$ 222,077	\$ 138,051	\$ -	\$ 360,128
Total Assets	<u>\$ 222,077</u>	<u>\$ 138,051</u>	<u>\$ -</u>	<u>\$ 360,128</u>
Liabilities:				
Accounts payable	\$ -	\$ 6,045	\$ -	\$ 6,045
Deposits payable	222,077	132,006	-	354,083
Total Liabilities	<u>\$ 222,077</u>	<u>\$ 138,051</u>	<u>\$ -</u>	<u>\$ 360,128</u>

Statistical Section

This part of the City of Monrovia's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.

Operating Information

These schedules contain information about the city's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.

Sources: *Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.*

CITY OF MONROVIA

Net Assets by Component
 Last Five Fiscal Years
 (Accrual Basis of Accounting)

	Fiscal Year				
	2004	2005	2006	2007	2008
Government activities					
Invested in capital assets, net of related debt	\$ 12,544,292	\$ 12,786,460	\$ 30,967,963	\$ 75,499,986	\$ 54,003,281
Restricted	31,810,893	32,312,222	33,354,955	43,580,496	20,900,217
Unrestricted	(62,326,251)	(59,890,935)	(57,027,856)	(66,784,438)	(27,606,155)
Total governmental activities net assets	\$ (17,971,066)	\$ (14,792,253)	\$ 7,295,062	\$ 52,296,044	\$ 47,297,343
Business-type activities					
Invested in capital assets, net of related debt	\$ 8,727,809	\$ 8,825,995	\$ 8,595,187	\$ 13,686,029	\$ 14,973,784
Restricted	-	-	-	-	-
Unrestricted	10,001,020	9,765,085	9,549,307	9,472,816	9,970,720
Total business-type activities net assets	\$ 18,728,829	\$ 18,591,080	\$ 18,144,494	\$ 23,158,845	\$ 24,944,504
Primary government					
Invested in capital assets, net of related debt	\$ 21,272,101	\$ 21,612,455	\$ 39,563,150	\$ 89,186,015	\$ 68,977,065
Restricted	31,810,893	32,312,222	33,354,955	43,580,496	20,900,217
Unrestricted	(52,325,231)	(50,125,850)	(47,478,549)	(57,311,622)	(17,635,435)
Total primary government activities net assets	\$ 757,763	\$ 3,798,827	\$ 25,439,556	\$ 75,454,889	\$ 72,241,847

CITY OF MONROVIA

Changes in Net Assets
Last Five Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year				
	2004	2005	2006	2007	2008
Expenses					
Governmental Activities:					
General government	\$ 3,462,611	\$ 4,140,744	\$ 5,354,350	\$ 7,115,642	\$ 7,645,494
Public safety	17,295,052	18,971,120	20,181,388	22,593,957	27,014,096
Community development	4,857,054	5,248,054	3,340,390	4,498,747	4,821,992
Community services	3,400,537	3,331,654	3,457,692	3,940,230	3,541,063
Public works	4,822,416	4,395,124	4,443,069	5,573,412	7,573,848
Interest on long-term debt	3,727,727	3,639,646	3,510,501	3,816,111	5,312,018
Total Governmental Activities Expenses	37,565,397	39,726,342	40,287,390	47,538,099	55,908,511
Business-Type Activities:					
Water	4,554,337	4,279,524	4,211,076	5,915,352	4,994,390
Sewer	540,684	766,825	573,358	704,328	814,118
Storm drain	317,786	256,581	276,469	278,523	308,701
Street sweeping	187,343	180,633	182,191	234,935	236,553
Waste management	386,826	416,137	325,196	332,997	345,245
Total Business-Type Activities Expenses	5,986,976	5,899,700	5,568,290	7,466,135	6,699,007
Total Primary Government Expenses	\$ 43,552,373	\$ 45,626,042	\$ 45,855,680	\$ 55,004,234	\$ 62,607,518
Program Revenues					
Governmental Activities:					
Charges for services:					
General government	\$ 315,089	\$ 345,068	\$ 250,730	\$ 423,435	\$ 388,079
Public safety	1,782,291	1,955,353	1,937,925	2,299,621	2,329,643
Community development	626,486	737,026	1,063,031	978,031	1,168,694
Community services	236,240	272,078	323,021	274,882	1,447,181
Public works	1,617,501	1,475,654	1,715,256	1,480,154	1,064,853
Operating Contributions	2,310,615	4,032,550	1,088,548	2,957,773	8,079,039
Capital Contributions and Grants	-	51,562	-	7,458,547	(443,727)
Total Governmental Activities Program Revenues	6,888,222	8,869,291	6,378,511	15,872,443	14,033,762
Business-Type Activities:					
Charges for services:					
Water	5,518,411	5,175,346	5,388,412	7,002,185	6,144,375
Sewer	699,115	691,874	693,724	719,721	761,157
Storm drain	280,626	279,461	280,326	279,861	281,228
Street sweeping	202,509	201,847	201,866	201,908	206,727
Waste management	289,097	288,868	312,166	353,723	350,952
Total Business-Type Activities Program Revenues	6,989,758	6,637,396	6,876,494	8,557,398	7,744,439
Total Primary Government Program Revenues	\$ 13,877,980	\$ 15,506,687	\$ 13,255,005	\$ 24,429,841	\$ 21,778,201
Net (Expense)/Revenue					
Governmental Activities	(30,677,175)	(30,857,051)	(33,908,879)	(31,665,656)	(41,874,749)
Business-Type Activities	1,002,782	737,696	1,308,204	1,091,263	1,045,432
Total primary Government Net Expense	(29,674,393)	(30,119,355)	(32,600,675)	(30,574,393)	(40,829,317)

	Fiscal Year				
	2004	2005	2006	2007	2008
General Revenues and Other Changes in Net Assets					
Governmental Activities:					
Taxes:					
Property taxes, levied for general purpose	\$ 12,807,461	\$ 12,633,307	\$ 17,806,837	\$ 20,438,899	\$ 22,435,934
Transient occupancy taxes	877,536	960,205	1,005,908	705,596	964,056
Sales taxes	8,179,708	9,344,074	7,735,663	6,895,605	7,010,354
Franchise taxes	670,567	759,554	845,939	812,583	806,372
Business licenses taxes	614,836	588,675	628,650	617,047	602,776
Other taxes	1,907,787	1,917,200	2,040,117	2,027,875	977,743
Intergovernmental, unrestricted:					
Motor Vehicle In Lieu	1,718,314	3,082,260	254,900	226,372	174,229
Use of money and property	870,254	1,037,989	3,188,923	6,594,048	3,295,342
Gain on the sale of capital asset	-	-	-	-	172,529
Other	2,323,384	1,905,138	1,606,073	2,217,914	224,366
Transfers	1,060,022	1,175,749	2,024,010	(325,360)	(225,536)
Total Governmental Activities	31,029,869	33,404,151	37,137,020	40,210,579	36,438,165
Business-Type Activities:					
Use of money and property	81,258	250,657	241,742	538,180	464,889
Other	57,969	49,647	27,478	20,092	34,568
Transfers	(1,060,022)	(1,175,749)	(2,024,010)	325,360	225,536
Total Business-Type Activities	(920,795)	(875,445)	(1,754,790)	883,632	724,993
Total Primary Government	30,109,074	32,528,706	35,382,230	41,094,211	37,163,158
Changes in Net Assets					
Governmental Activities	352,694	2,547,100	3,228,141	8,544,923	(5,436,584)
Business-Type Activities	81,987	(137,749)	(446,586)	1,974,895	1,770,425
Total Primary Government	\$ 434,681	\$ 2,409,351	\$ 2,781,555	\$ 10,519,818	\$ (3,666,159)

CITY OF MONROVIA

**Fund Balances of Governmental Funds
Last Five Fiscal Years
(Modified Accrual Basis Of Accounting)**

	Fiscal Year				
	2004	2005	2006	2007	2008
General Fund					
Reserved	-	20,621	37,317	12,030	4,377
Unreserved	4,973,380	4,610,989	5,344,723	7,884,474	5,230,447
Total General Fund	<u>4,973,380</u>	<u>4,631,610</u>	<u>5,382,040</u>	<u>7,896,504</u>	<u>5,234,824</u>
All Other Governmental Funds					
Reserved	15,597,687	16,647,743	13,387,549	28,484,270	45,631,458
Unreserved:					
Unreserved, reported in nonmajor,					
Special revenue funds	5,649,317	4,597,894	5,023,505	9,376,590	8,637,203
Capital projects funds	961,371	494,481	3,357,302	(462,787)	(450,430)
Debt service funds	632,324	166,894	170,820	196,159	1,118,841
Permanent funds	113,325	112,775	106,581	107,339	39,348
Designated for:					
Special revenue purposes	9,561,855	-	6,933,310	-	-
Capital projects	273,374	-	1,152,645	6,369,797	-
Debt service	-	-	3,544,229	2,967,264	-
Undesignated	<u>(1,904,439)</u>	<u>9,608,474</u>	<u>322,100</u>	<u>(5,801,364)</u>	<u>55,904</u>
Total all other Governmental Funds	<u>30,884,814</u>	<u>31,628,261</u>	<u>33,998,041</u>	<u>41,237,268</u>	<u>55,032,324</u>

CITY OF MONROVIA

**Changes In Fund Balances Of Governmental Funds
Last Five Fiscal Years
(Modified Accrual Basis Of Accounting)**

	<u>2004</u>	<u>2005</u>	<u>Fiscal Year 2006</u>	<u>2007</u>	<u>2008</u>
Revenues:					
Taxes	\$ 26,263,122	\$ 28,242,296	\$ 29,464,037	\$ 31,309,491	\$ 35,209,099
Assessments	1,431,801	1,222,218	1,226,381	1,240,391	1,274,277
Licenses and permits	583,191	626,902	780,707	807,651	808,099
Intergovernmental	3,650,503	4,644,226	2,423,318	5,861,651	10,848,006
Charges for services	1,773,241	1,985,392	2,332,879	2,522,054	2,106,873
Use of money and property	1,626,222	1,991,428	2,107,463	2,458,402	2,890,722
Fines and forfeitures	781,463	966,160	848,626	841,599	948,984
Contributions	74,454	120,812	107,598	344,521	300,610
Miscellaneous	645,894	469,445	860,219	1,091,232	568,534
Total revenues	<u>36,829,891</u>	<u>40,268,879</u>	<u>40,151,228</u>	<u>46,476,992</u>	<u>54,955,204</u>
Expenditures:					
Current:					
General government	3,134,018	3,325,548	5,307,314	6,949,652	7,503,544
Public safety	16,131,017	18,083,775	19,521,218	21,783,082	26,281,927
Community development	4,246,534	4,964,660	3,131,545	4,088,412	4,490,541
Community services	3,147,777	3,145,876	3,312,703	3,552,755	3,287,028
Public works	4,281,448	4,066,649	4,131,211	3,837,347	4,697,897
Capital outlay	1,839,949	1,271,054	416,510	9,316,143	5,011,834
Debt service:					
Principal retirement	1,682,783	1,762,178	6,288,849	2,517,963	2,667,672
Interest and fiscal charges	3,603,632	3,534,909	2,660,249	3,476,802	5,348,496
Bond issuance costs	-	-	775,981	421,892	-
Pass-through agreement payments	-	-	-	-	2,421,339
Total expenses	<u>38,067,158</u>	<u>40,154,649</u>	<u>45,545,580</u>	<u>55,944,048</u>	<u>61,710,278</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,237,267)</u>	<u>114,230</u>	<u>(5,394,352)</u>	<u>(9,467,056)</u>	<u>(6,755,074)</u>
Other financing sources (uses):					
Transfers in	7,829,876	10,189,951	12,207,638	29,642,794	30,010,253
Transfers out	(6,886,306)	(10,064,232)	(11,520,210)	(29,825,745)	(31,430,166)
Long-term debt issued	-	-	26,850,000	19,500,000	15,850,000
Loss on the sale of land	(103,144)	-	-	-	-
Capital leases	36,832	-	-	-	10,240
Notes and loans issued	75,000	-	-	-	3,010,240
Original bond discount	-	-	(182,035)	(81,390)	-
Payment to refunded bond	-	-	(18,823,613)	-	-
Total other financing sources (uses)	<u>952,258</u>	<u>125,719</u>	<u>8,531,780</u>	<u>19,235,659</u>	<u>17,450,567</u>
Net change in fund balances / net assets	<u>\$ (285,009)</u>	<u>\$ 239,949</u>	<u>\$ 3,137,428</u>	<u>\$ 9,768,603</u>	<u>\$ 10,695,493</u>
Debt service as a percentage of noncapital expenditures	14.09%	13.17%	19.65%	12.24%	13.32%

CITY OF MONROVIA

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

Fiscal Year	Residential Property	Commercial Property	Other Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value^a	Taxable Assessed Value as a Percentage of Actual Taxable Value
1999	1,312,465	284,214	426,008	(14,260)	2,008,427	1.00	\$2,008,427	100.0%
2000	1,386,988	310,195	423,974	(14,193)	2,106,964	1.00	\$2,106,964	100.0%
2001	1,470,338	311,541	424,573	(14,804)	2,191,648	1.00	\$2,191,648	100.0%
2002	1,570,166	346,742	439,775	(13,686)	2,342,997	1.00	\$2,342,997	100.0%
2003	1,693,868	360,844	499,813	(14,774)	2,539,751	1.00	\$2,539,751	100.0%
2004	1,851,025	395,930	489,822	(16,904)	2,719,873	1.00	\$2,719,873	100.0%
2005	2,007,183	410,298	497,287	(19,033)	2,895,735	1.00	\$2,895,735	100.0%
2006	2,215,908	428,820	514,482	(19,372)	3,139,838	1.00	\$3,139,838	100.0%
2007	2,497,602	461,248	545,446	(18,698)	3,485,598	1.00	\$3,485,598	100.0%
2008	2,725,071	512,382	570,720	(22,473)	3,785,700	1.00	\$3,785,700	100.0%

Source: HDL Coren & Cone.

CITY OF MONROVIA

**Direct and Overlapping Property Tax Rates,
Last Ten Fiscal Years**
(rate per \$100 of assessed value)

Fiscal Year	City Direct Rates		Overlapping Rates						Total Tax Rate	Direct Assessments ⁽²⁾
	General Basic Tax Levy	Total Direct Rate	Los Angeles County ⁽¹⁾	Metropolitan Water District Bonds	School District Bonds	Community College ⁽³⁾	Flood Control Bonds	Voter Approved Pension Override		
1999	1.0000	1.0000	0.001451	0.0089	0.051453	-	0.001953	0.128519	1.192276	\$233.32
2000	1.0000	1.0000	0.001422	0.0089	0.048375	-	0.001765	0.128519	1.188981	\$237.90
2001	1.0000	1.0000	0.001314	0.0088	0.050917	-	0.001552	0.128519	1.191102	\$285.96
2002	1.0000	1.0000	0.001128	0.0077	0.044417	-	0.001073	0.128519	1.182837	\$289.12
2003	1.0000	1.0000	0.000992	0.0061	0.043919	-	0.000462	0.128519	1.179992	\$379.48
2004	1.0000	1.0000	0.000923	0.0058	0.042104	0.025850	0.000245	0.128519	1.203441	\$383.62
2005	1.0000	1.0000	0.000795	0.0052	0.040647	0.017633	0.000049	0.128519	1.192843	\$388.94
2006	1.0000	1.0000	0.000800	0.0052	0.040640	0.017630	0.000050	0.128519	1.192839	\$394.87
2007	1.0000	1.0000	0.000660	0.0047	0.065280	0.003560	0.000050	0.128519	1.202769	\$423.58
2008	1.0000	1.0000	0.000000	0.0045	0.063262	0.016112	0.000000	0.128519	1.212393	\$485.58

(1) Includes County School Services.

(2) Fixed rate per household includes Flood Control District, Sanitation District, City Lighting and Landscape Maintenance Districts, Park Maintenance District, Mosquito Abatement District, L.A. County Park Maintenance District, Water District surcharges from the Metro Water District and Upper San Gabriel District, City's Wilderness Preserve Taxes, Wilderness Preserve Maintenance and Trauma and Emergency Services.

(3) Assessment commenced in the year 2004.

Source: County of Los Angeles Auditor-Controller and HDL Coren and Cone.

CITY OF MONROVIA

Principal Property Taxpayers
Current Year and Ten Years Ago

Taxpayer	2008			1998		
	Taxable Assessed Value (1)	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value (2)	Rank	Percentage of Total City Taxable Assessed Value
Foothill Technology Center I LLC	\$ 40,018,481	1	1.15%	\$ -		-
Huntington Oaks Delaware Partners LLC	33,868,659	2	0.97%	28,371,331	2	1.45%
S & F Huntington Crossing I	30,873,071	3	0.89%	-		-
Realty Associates Fund VI Limited Partnership	15,599,763	4	0.45%	-		-
Monrovia Theatres LLC	14,871,355	5	0.43%	-		-
Macerich Hunington Oaks Holdings	13,748,878	6	0.39%	-		-
Hmonrovia Realty Limited Partnership	13,291,133	7	0.38%	-		-
Addmaster Corporation	12,068,761	8	0.35%	-		-
Long Link International Company LLC	13,425,666	9	-	10,675,745	5	0.54%
Kolawa Properties	11,281,575	10	0.32%	-		-
Boone Fetter Occidental I	-		-	36,219,334	1	1.85%
Employees Retirement System	-		-	14,760,302	3	0.75%
McDonnell Douglas Corporation	-		-	31,521,599	4	1.61%
M & H Realty Partners III	-		-	8,250,000	6	0.42%
PHL Opco Limited Partnership	-		-	7,309,301	7	0.37%
Patrician Associates Inc	-		-	7,383,000	8	0.38%
Hoffman Enterprises Limited	-		-	7,270,258	9	0.37%
Ross Investment Partners	-		-	6,901,628	10	0.35%
Total	\$ 199,047,342		5.33%	\$ 158,662,498		8.10%

Source: HDL Coren & Cone.

CITY OF MONROVIA

**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
1999	2,648,525	2,497,528	94.3%	62,910	2,560,438	96.7%
2000	2,759,463	2,640,707	95.7%	65,484	2,706,191	98.1%
2001	2,931,689	2,778,943	94.8%	69,613	2,848,556	97.2%
2002	3,119,951	2,942,207	94.3%	74,108	3,016,315	96.7%
2003	3,410,755	3,193,655	93.6%	147,163	3,340,818	97.9%
2004	3,847,290	3,749,672	97.5%	79,512	3,829,184	99.5%
2005	4,110,770	4,080,544	99.3%	30,226	4,110,770	100.0%
2006	4,745,669	4,580,608	96.5%	20,243	4,600,851	96.9%
2007	5,181,171	5,173,342	99.8%	-	5,173,342	99.8%
2008	5,757,919	5,463,408	94.9%	N/A	5,463,408	94.9%

Sources:

City of Monrovia Finance Department, County of Los Angeles Office of Auditor-Controller.

* Includes 1% secured levy; does not include direct assessments or tax override. The amount presented is net of adjustments.

CITY OF MONROVIA

Ratios of Outstanding Debt by Type,
Last Five Fiscal Years

Fiscal Year	Government Activities				Business Type Activities				Total Primary Government	Resources Available for Principal	Net General Bonded Debt	Estimated Value of Taxable Property	General Bonded Debt Ratio	Percentage of Personal Income ^a	Per Capita ^a
	Bonds	Notes	Loans	Leases	Due to Other Gov'ts	Loans	Loans								
2004	58,930,000	0	3,725,000	1,019,079	5,281,167	781,579		69,736,825	5,752,493	63,984,332	2,548,569,512	2.51%	16.33%	\$1,814	
2005	57,330,000	0	3,700,000	699,700	5,281,167	716,775		67,727,642	4,911,128	62,816,514	2,730,462,548	2.30%	14.92%	1,746	
2006	64,730,000	0	0	836,815	5,281,167	625,853		71,473,835	5,808,629	65,665,206	2,974,583,870	2.21%	14.98%	1,826	
2007	68,370,000	13,469,160	0	578,709	5,281,167	531,352		88,230,388	4,612,667	83,617,721	3,305,174,608	2.53%	17.46%	2,262	
2008	81,940,000	16,216,127	0	401,635	5,281,167	433,128		104,272,057	5,030,223	99,241,834	3,602,182,441	2.76%	19.34%	2,664	

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

^a See Demographic and Economic Statistics schedule for personal income and population data.

These ratios are calculated using personal income and population for the prior calendar year.

CITY OF MONROVIA

**Direct and Overlapping Governmental Activities Debt
As of June 30, 2008**

Fiscal Year 2007-08 Assessed Valuation : \$3,111,155,101 after deducting \$674,545,045 Redevelopment Assessed Valuation.

<u>Direct Debt:</u>	<u>Gross Bonded Debt Balance</u>	<u>Percent Applicable to City</u>	<u>Net Bonded Debt</u>
City of Monrovia Retirement Fund	\$ 3,923,192	100.000%	\$ 3,923,192
Total Direct Debt			\$ 3,923,192
 <u>Overlapping Debt:</u>			
* Metropolitan Water District	150,054,336	0.392	587,876
Monrovia Unified DS 1997 Ser A	6,491,032	86.812	5,635,014
Monrovia USD DS 1997 Ser B	9,999,602	86.812	8,680,884
Monrovia Unified DS 2005 Ref Bds	12,965,000	86.812	11,255,214
Monrovia Unified DS 2006 SER A	14,450,000	86.812	12,544,377
Total Overlapping Debt			<u>\$ 38,703,365</u>
Total Direct and Overlapping Deb			<u>\$ 42,626,557</u>

Debt to Assessed Valuation Ratios :

Direct Debt	0.13%
Overlapping Debt	1.24%
Total Debt	1.37%

Note:

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

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

Source: HDL Coren & Cone and Los Angeles County Assessor

CITY OF MONROVIA

Legal Debt Margin Information
Last Ten Fiscal Years
(dollars in thousands)

Legal Debt Margin Calculation for Fiscal Year 2008

Assessed value	\$	3,785,700
Debt limit (15% of assessed value)		567,855
Debt applicable to limit:		
General obligation bonds		-
Total net debt applicable to limit		-
Legal debt margin	\$	<u>567,855</u>

Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Limit	Total Net Debt Applicable to the Limit as a Percentage of Debt Limit
1999	\$ 301,264	-	\$ 301,264	0.00%
2000	316,045	-	316,045	0.00%
2001	328,747	-	328,747	0.00%
2002	351,450	-	351,450	0.00%
2003	380,963	-	380,963	0.00%
2004	407,981	-	407,981	0.00%
2005	434,360	-	434,360	0.00%
2006	470,976	-	470,976	0.00%
2007	522,840	-	522,840	0.00%
2008	567,855	-	567,855	0.00%

CITY OF MONROVIA

Pledged-Revenue Coverage

Last Five Fiscal Years

(i n t h o u s a n d s)

1993 A Lease Revenue Bonds

Fiscal Year	Use of Money & Property	Less: Expenditures	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2004	632	5	627	380	252	0.99
2005	636	3	633	400	233	1.00
2006	640	-	640	425	217	1.00
2007	638	3	635	445	190	1.00
2008	639	3	636	470	167	1.00

2002 Hillside Lease Revenue Bonds

Fiscal Year	Taxes	Less: Expenditures	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2004 *	704	163	541	170	427	0.91
2005 *	712	204	508	175	424	0.85
2006	703	110	593	175	419	1.00
2007	692	78	614	180	414	1.03
2008	706	107	598	185	409	1.01

2007 Library Lease Revenue Bonds

Fiscal Year	Taxes	Less: Expenditures	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2003	-	-	-	-	-	N/A
2004	-	-	-	-	-	N/A
2005	-	-	-	-	-	N/A
2006	-	-	-	-	-	N/A
2007	-	-	-	-	-	N/A
2008	965	3	962	-	465	2.07

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

* Operating expenditures do not include interest, depreciation, or amortization expenses.

Operating expenditures for fiscal years 2003 thru 2005 include expenses related to prior years. Coverage is adequate to meet debt service obligations.

CITY OF MONROVIA

**Demographic and Economic Statistics
Last Ten Calendar Years**

Calendar Year	Population (1)	Personal Income * (2) <i>(millions of dollars)</i>	Per Capita * Personal Income (2)	Unemployment Rate (3)
1999	40,540	360,275	29,402	N/A
2000	41,037	385,053	31,045	4.6%
2001	37,873	403,519	32,152	4.7%
2002	37,960	412,753	32,522	6.0%
2003	38,450	427,041	33,318	6.3%
2004	38,800	452,201	35,170	5.8%
2005	39,147	482,011	37,441	4.5%
2006	39,006	513,123	39,880	3.9%
2007	39,147	539,163	41,875	4.5%
2008	39,309	N/A	N/A	6.2%

* Note: This is the data of the Los Angeles-Long Beach-Santa Ana Metropolitan Statistical Area. Data for just the City of Monrovia is not available. Information for 2008 is not yet available.

- Sources:**
- (1) State of California Department of Finance
 - (2) U.S. Department of Commerce Bureau of Economic Analysis
 - (3) State of California Economic Development Department

CITY OF MONROVIA

**Principal Employers
Current Year and Nine Years Ago**

<u>Employer</u>	<u>2007-08</u>			<u>1997-98*</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Monrovia Unified School Dist	646	1	3.09%			
Home Depot	519	2	2.48%			
Ducommun Aerostructures Inc	463	3	2.22%			
Worley Parsons	449	4	2.15%			
Sun Microsystems	315	5	1.51%			
City of Monrovia	280	6	1.34%			
TCP Acquisition Inc	250	7	1.20%			
ITT Corp	196	8	0.94%			
Green Dot Corporation	187	9	0.89%			
California Business Bureau	165	10	0.79%			
	<u>3,470</u>		<u>16.60%</u>	<u>0</u>		<u>0.00%</u>

* Information not available.

Source: City of Monrovia Business Services Department
Monrovia Unified School District

CITY OF MONROVIA

**Full-Time-Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years**

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Fiscal Years:										
Function/Program										
General government										
City Council	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Administration	28.00	28.00	28.00	29.00	29.00	29.50	30.75	32.00	32.75	36.00
Community Development										
Administration	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Planning	5.00	5.00	5.00	5.25	5.25	5.25	5.75	5.75	5.75	7.25
Inspection	4.00	5.00	5.00	6.00	6.50	6.50	6.50	6.50	6.50	7.50
Housing Services/Code Enforcement	5.00	5.00	5.00	5.00	4.00	4.00	4.50	4.50	4.50	4.50
Police										
Administration	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Patrol	41.00	41.00	40.00	40.00	41.00	38.00	38.00	38.00	38.00	38.00
Investigation/Crime Prevention	19.00	19.00	20.00	21.00	20.00	19.00	19.00	19.00	19.00	19.00
Police Services	16.00	16.00	16.00	17.00	19.00	18.00	18.00	18.00	18.00	18.00
Dispatch	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	6.00
Other PD Support	5.00	5.00	5.00	6.00	6.00	6.00	6.00	6.00	6.00	8.00
Crossing Guards	10.00	10.00	10.00	12.00	11.00	10.00	11.00	12.00	12.00	12.00
Fire										
Administration	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.50
Fire Suppression (including Paramedics)	39.00	39.00	39.00	39.00	39.00	40.00	40.00	40.00	40.00	40.00
Fire Prevention/Inspection	2.00	1.00	1.00	2.00	2.00	1.00	1.00	1.00	1.00	2.00
Public Works										
Admin/Engineering	9.00	9.00	9.00	10.00	10.00	11.00	11.00	11.00	11.00	11.00
Maintenance	44.00	44.00	44.00	45.00	46.00	46.00	46.00	48.00	48.00	49.00
Mechanic	2.00	2.00	2.00	2.00	2.00	4.00	2.00	2.00	2.00	0.00
Community Services										
Administration	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Recreation	7.00	7.00	7.00	8.00	7.00	8.00	8.00	8.00	8.00	10.00
Library	8.00	8.00	8.50	8.50	9.50	10.25	10.25	10.25	10.25	10.25
Total Authorized Personnel *	247.00	247.00	247.50	256.75	259.25	259.50	259.75	263.00	263.75	275.00

* Total Authorized Personnel - excludes part-time Council members and Crossing Guards.

Notes: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick Full-time equivalent employment is calculated by dividing total labor hours by 2080.

Source: City of Monrovia Annual Budget

CITY OF MONROVIA

Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Community development										
Number of:										
Business licenses (A)	2300	2300	2,308	2,314	2,491	2,598	2,549	2,481	2,552	2,549
Plan checks (B)	120	120	120	183	185	182	204	297	264	286
NPDES inspections	14	21	12	9	12	11	16	14	20	12
Code violations (calendar basis)	700	700	1,410	1,805	1,962	1,975	1,692	1,586	1,692	1,650
Police										
Number of:										
Part 1 Crimes	1,077	1,095	940	1,084	1,150	1,150	1,302	1,349	1,271	1,257
Parking & non-moving violations	7,871	10,906	11,024	9,228	12,225	11,284	14,492	11,400	11,320	11,163
Traffic (moving) violations	7,489	7,332	8,093	6,128	10,470	6,333	6,414	5,625	6,340	4,825
Incident & crime reports	5,604	6,178	6,014	5,674	6,185	5,967	6,055	6,413	6,107	5,754
Public works										
Miles of:										
Street resurfacing/repair	1.80	0.75	1.30	2.69	1.03	0.22	2.06	-	3.14	3.14
Street Sweeping (C)	180	180	180	180	180	180	180	180	212	212
Number of:										
Street signals maintained (intersections)	43	43	43	43	44	44	45	45	46	35
Trees pruned per year (C)	2,000	2,000	2,000	2,100	2,100	2,100	2,100	2,150	2,784	2,485
Square feet graffiti removed (C)	90,745	90,745	90,745	90,745	60,500	60,500	60,500	60,500	64,194	84,945
Recreation & community services										
Number of enrollees:										
Aquatics	N/A	N/A	N/A	4,850	4,800	4,751	4,306	3,901	3,766	3,800
Community services/seniors	N/A	N/A	N/A	1,980	2,005	2,010	1,990	2,000	1,800	1,700
Day camp	N/A	N/A	N/A	320	350	340	322	360	375	430
Park program	N/A	N/A	N/A	6,000	6,000	6,000	6,000	6,000	6,100	6,200
Classes	N/A	N/A	N/A	4,321	4,255	4,200	7,570	6,486	6,500	6,200
Special events	N/A	N/A	N/A	1,810	1,999	2,115	2,851	4,000	4,200	4,500

N/A - Data not available
 (A) - Includes new & renewal licenses, excludes temporary licenses
 (B) - Excludes temporary plan checks.
 (C) - Estimated data presented for prior fiscal years.

Sources: Various City departments.

CITY OF MONROVIA

**Capital Asset Statistics by Function/Program
Last Ten Fiscal Years**

<u>Function/Program</u>	<u>Fiscal Year</u>									
	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Community development										
Code enforcement vehicles	2	2	2	2	3	3	3	3	3	4
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol vehicles	13	13	13	13	13	13	13	13	15	14
Other vehicles	22	23	25	25	26	26	26	26	27	30
Public works										
Streets (miles)	90	90	90	90	90	90	90	90	90	90
Street lights (city-owned)	1,300	1,300	1,360	1,360	1,360	1,360	1,360	1,360	1,390	1,390
Traffic signals	43	43	43	43	44	44	45	45	46	46
Public works vehicles	40	40	42	42	43	44	44	44	47	47
Recreation & community service										
Youth centers	1	1	1	1	1	1	1	1	1	1
Community centers	1	1	1	1	1	1	1	1	1	1
Parks	7	7	7	7	7	7	7	7	7	7
Community service vehicles	1	1	1	1	1	1	1	1	3	1

Notes: No capital asset indicators are available for the general government.

Sources: Various City departments.

CITY OF MONROVIA
SCHEDULE OF INSURANCE IN FORCE
June 30, 2008

NAME OF COMPANY	POLICY NO.	EXPIRATION DATE	TYPE OF COVERAGE	TOTAL COVERAGE LIMIT
ICRMA	ICRMA2007-1GL	07/01/08	Liability	\$2,000,000 less retained limit \$300,000
Everest Reinsurance Co.	"	"	"	\$10,000,000 excess of \$2,000,000
Munich American Reinsurance	"	"	"	\$10,000,000 excess of \$10,000,000
Lloyd's, London	DZ012407D	07/01/08	Property Damage & Time Element	\$61,174,694
Hartford Fire Insurance	57FA023548407	07/01/08	Commercial Crime including bonded officials and faithful performance	\$1,000,000 \$10,000 deductible
Merchants Bonding Co.	40426565E	03/07/10	Notary Public Errors & Omissions	\$30,000
Travelers Property	QT60-3526A268	07/01/08	Automobile Physical Damage	\$4,940,358 \$10,000 deductible
Travelers	BM21-444D0722	07/01/08	Boiler & Machinery	\$100,000,000 \$25,000 deductible
ICRMA	ICRMA2007-1WC	06/30/08	Workers' Compensation Employer's Liability	\$1,000,000 \$1,000,000 \$750,000 retention self-insured
Commerce & Industry	1926593	10/19/08	Storage Tank Third-Party Liability, Corrective Action and Cleanup Costs	\$1,000,000 incident \$3,000,000 aggregate
Mt. Hawley	MDC0302921	07/01/08	Earthquake and Flood (DIC program)	Up to \$5,000,000 \$25,000 deductible
Westchester Surplus Lines Insurance	I2067877A001	"	"	\$5,000,001 to \$10,000,000
Endurance American Specialty Insurance	CPN100006969000	"	"	10,000,001 to \$20,000,000
Empire Indemnity (Arrowhead Special Risk)	307570JF-1	"	"	\$20,000,001 to \$32,206,135