

**CITY OF IRWINDALE, CALIFORNIA**

**FINANCIAL STATEMENTS**

**JUNE 30, 2007**





CITY OF IRWINDALE, CALIFORNIA

FINANCIAL STATEMENTS

JUNE 30, 2007



CITY OF IRWINDALE

JUNE 30, 2007

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CITY OF IRWINDALE

JUNE 30, 2007

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## INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the City of Irwindale, California (the City), as of and for the year ended June 30, 2007, 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 Irwindale'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 opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Irwindale as of June 30, 2007, and the respective changes in financial position thereof and the respective budgetary comparison for the General Fund and the Special Mining Tax 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 date July 18, 2008, on our consideration of the City of Irwindale'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 accompanying 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 Irwindale, 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 combining and individual fund statements, and budgetary schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying combining and individual nonmajor fund financial statements 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.

*Lance, Soll & Lunghard, LLP*

July 18, 2008

**City of Irwindale**  
**Management's Discussion and Analysis**

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As management of the City of Irwindale, we offer readers of the City of Irwindale's financial statements this narrative overview and analysis of the financial activities of the City of Irwindale for the fiscal year ended June 30, 2007.

**Financial Highlights**

- The City's net assets increased by \$11,866,207 as a result of this year's operations.
- The program and general revenues were \$55,664,563.
- The cost of governmental activities was \$43,798,356.
- The General Fund reported excess revenues over expenditures of \$1,223,718.
- For the General Fund, actual resources available for appropriation (revenue inflows and fund balance) exceeded the final budget by \$1,824,054 because of sales tax revenue, interest income, and one time revenues received for building permits and plan checks while actual appropriations (outflows) were \$387,339 less than budget.

**Overview of the Financial Statements**

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

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

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

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

Both of the government-wide financial statements distinguish functions of the City of Irwindale that are principally supported by taxes and intergovernmental revenues (government activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Irwindale include general government, public safety, public works, and parks and recreation.

The government-wide financial statements include the blending of separate legal entities - the Irwindale Community Redevelopment Agency, the Irwindale Public Financing Authority, the Irwindale Housing Authority and the Irwindale Reclamation Authority. Although legally separate, these "component units" are important because the City of Irwindale is financially accountable for them.

**City of Irwindale**  
**Management's Discussion and Analysis**

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

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

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

The City of Irwindale maintains eighteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Special Mining Tax Fund, the Irwindale Community Redevelopment Agency Capital Project Fund and the Irwindale Community Redevelopment Agency Debt Service Fund, all of which are considered to be major funds. Data for the other fourteen governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Irwindale adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City of Irwindale's own programs.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statement.

**Combining statements.** The combining statements referred to earlier in connection with nonmajor governmental are presented immediately following the notes.

**City of Irwindale  
Management's Discussion and Analysis**

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**Government-wide Financial Analysis**

Our analysis focuses on the net assets and changes in net assets of the City's governmental activities.

**City of Irwindale Net Assets  
(In Thousands)**

	Governmental Activities	
	2007	2006
Current and other assets	\$ 169,908	\$ 153,842
Capital assets	49,567	40,493
Total assets	219,475	194,335
Long-term debt outstanding	108,779	109,359
Other liabilities	7,386	6,898
Total liabilities	116,165	116,257
Net assets:		
Invested in capital assets, net of debt	42,814	33,384
Restricted	104,564	103,757
Unrestricted	(44,068)	(59,063)
Total net assets	\$ 103,310	\$ 78,078

The City's net assets from governmental activities increased to \$103,310,551. This increase of \$25,232,802 comes from the change in net assets of \$11,866,207 and a restatement of net assets of \$13,366,595 as recorded in the Statement of Activities and flows through the Statement of Net Assets.

The following is an explanation of the major changes:

- Capital assets increased \$9,074,064 net of depreciation, as follows:

**City of Irwindale Asset Type  
(In Thousands)**

Land	\$ 3,853
Buildings and Improvements	(115)
Furniture and Equipment	(9)
Infrastructure	9,199
Construction in progress	(3,854)
Capital asset net increase	<u>\$ 9,074</u>

The City of Irwindale uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

**City of Irwindale  
Management's Discussion and Analysis**

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- Long-term debt outstanding increased \$580,397 due to the refunding of the 1996 Senior Lien Tax Allocation Bonds which were refunded with the 2006 Tax Allocation Refunding Parity Bonds, and the refunding of the 1996 Subordinate Lien Tax Allocation Bonds which were refunded with the 2006 Subordinate Lien Tax Allocation Refunding bonds.
- Net Capital Assets increased \$25,232,802 as a result of operations as noted above.

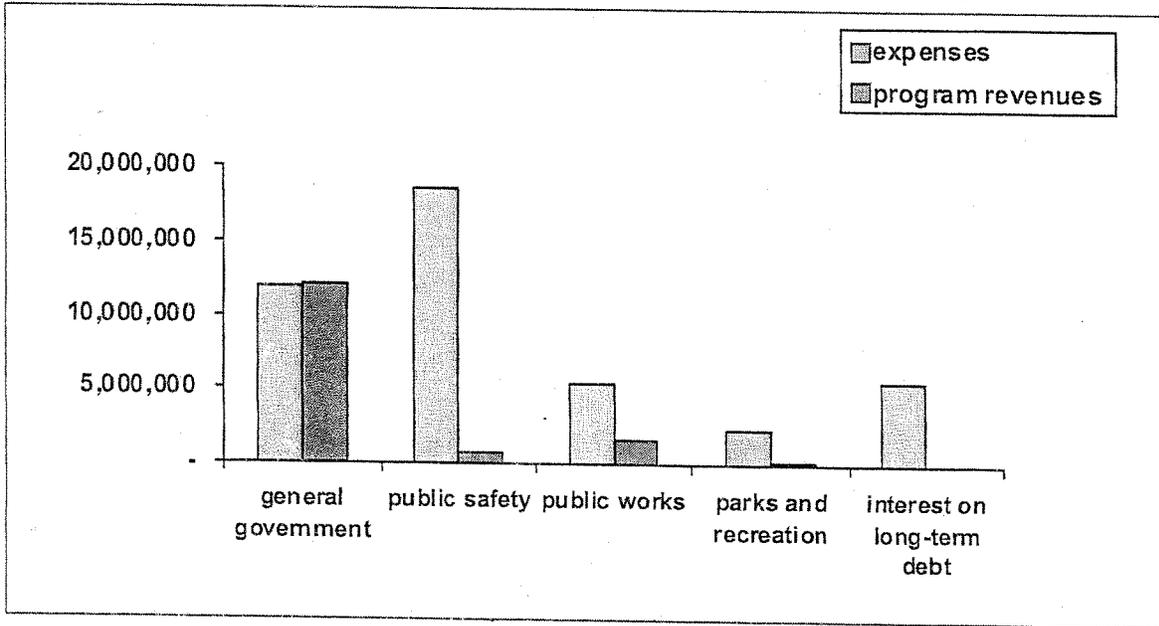
**Changes in Net Assets.** Governmental activities increased the City of Irwindale's net assets by \$11,866,207. Key elements of the increase are as follows:

**City of Irwindale Changes in Net Assets  
(In Thousands)**

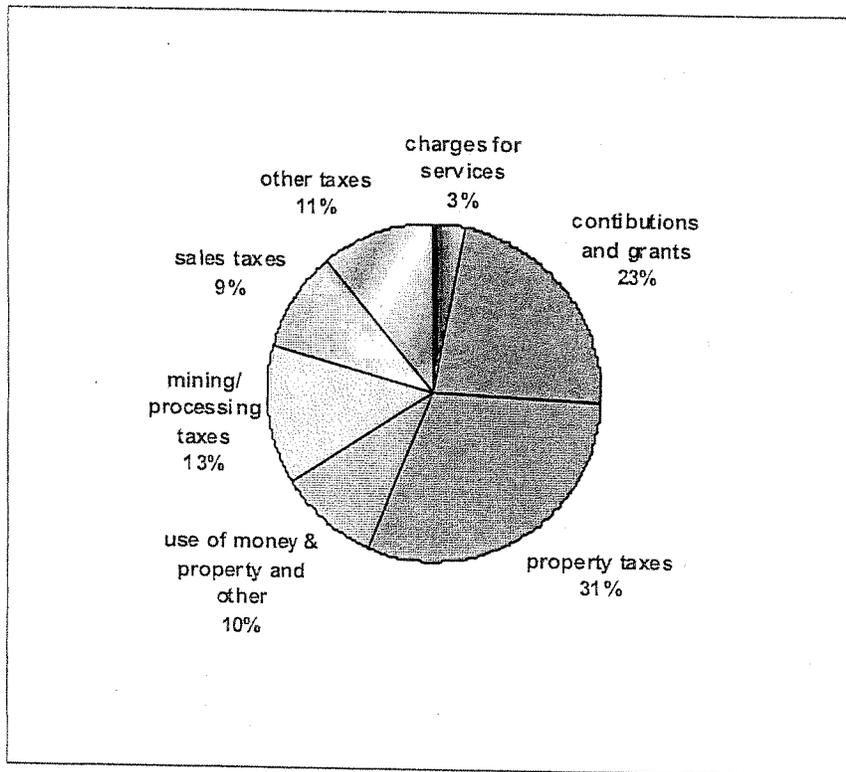
	Governmental Activities	
	2007	2006
Revenues		
Program revenues:		
Charges for services	\$ 1,697	\$ 1,903
Operating contributions and grants	12,656	5,592
General revenues:		
Taxes:		
Property taxes	17,102	12,982
Mining/Processing taxes	7,329	7,681
Sales taxes	5,273	4,780
Franchise taxes	991	871
Business License taxes	675	776
Other taxes	4,552	4,251
Motor vehicle in lieu	8	3
Use of money and property	5,302	3,627
Other	79	22
Gain on Sale of Property	-	26
Total revenues	55,664	42,514
Expenses		
General government	12,009	10,096
Public safety	18,620	10,318
Public works	5,426	3,311
Parks and recreation	2,262	2,886
Interest on long-term debt	5,481	5,321
Total expenses	43,798	31,932
Increase in net assets	\$ 11,866	\$ 10,582

The City's total revenues are \$55,664,563 while the costs of all programs and services are \$43,798,356.

City of Irwindale Government Activities  
 Expenses and Program Revenues



City of Irwindale Government Activities  
 Revenue by Source



**City of Irwindale  
Management's Discussion and Analysis**

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The following presents the cost of each of the City's five largest programs—general government, public safety, public works parks and recreation 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.

**City of Irwindale Governmental Activities  
(in Thousands)**

	Total Cost of Services <u>2007</u>	Net Cost of Services <u>2006</u>
General government	\$ 12,009	\$ 66
Public safety	18,620	(17,977)
Public works	5,426	(3,886)
Parks and recreation	2,262	(2,166)
Interest on long-term debt	5,481	(5,481)
Totals	<u>\$ 43,798</u>	<u>\$ (29,444)</u>

The net cost of services indicates that the overall cost of government is more than the revenues generated to support it. The City is not fully recovering the cost of these services with program revenues from user fees and other contributions. See the Statement of Activities for further detail on program revenues and general revenues.

**Financial Analysis of the City's Funds**

The City of Irwindale uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of the end of the current fiscal year, the City of Irwindale's governmental funds reported combined ending fund balances of \$134.1 million.

The General Fund is the chief operating fund of the City of Irwindale. At the end of the current fiscal year, excluding operating transfers, the General Fund had revenues over expenditures of \$1,223,718.

**General Fund Budgetary Highlights**

The actual expenditures for the General Fund at year-end were \$387,339 less than the final budget. The major differences between the actual expenditures and the final budget are due to public safety positions which were not filled because of the lengthy interview and selection process, and construction projects which are expected to start in the subsequent fiscal year. Actual revenues compared favorably to the final budget with a \$1,824,054 excess, which is attributed to new businesses that have come into the city in the current fiscal year and the previous fiscal years. Sales tax revenue, interest income, and building permit/plan checks were \$553,925, \$364,600 and \$444,698 respectively over their projected revenues. Budget amendments in the amounts of \$578,877 were made during the year to increase appropriations for unanticipated expenditures that occurred after adoption of the original budget.

**Capital Asset and Debt Administration**

**Capital Assets.** At the end of current fiscal year, the City had \$49.6 million invested in a broad range of capital assets, including land, buildings, infrastructure, and equipment. This amount represents a net increase (including additions and deductions) of \$9.1 million, or 22 percent, over last year.

**City of Irwindale Capital Assets**  
**(Net of Depreciation, in Thousands)**

	Government Activities	
	2007	2006
Land	\$ 14,587	\$ 14,587
Buildings and Improvements	2,615	2,730
Furniture and Equipment	1,249	1,259
Infrastructure	30,238	17,186
Construction in progress	878	4,731
Totals	\$ 49,567	\$ 40,493

The City's capital expenditures planned for the next two fiscal years amount to \$30.4 million through fiscal 2008-09. Funding will come from current fund balances and projected revenues over the next two fiscal years. The most significant projects include construction of storm drains, bridge widening, reconstruction of streets and city facilities. In addition, the Agency will participate in affordable housing projects funded from the Redevelopment Agency Low and Moderate Housing Fund.

**Long-term debt.** At the end of the current fiscal year, the City of Irwindale had total bonded debt outstanding for the Irwindale Community Redevelopment Agency and the Public Financing Authority and accrued employee benefits and capital leases payable of \$108.8 million.

**City of Irwindale Outstanding Debt  
(In Thousands)**

	Government Activities	
	2007	2006
Tax Allocation Bonds	\$ 99,350	\$101,885
Certificates of Participation	6,750	7,100
Accrued Employee Benefits	1,019	874
Capital leases payable	2	9
Unamortized original issue discount	1,657	(509)
<b>Totals</b>	<b>\$108,778</b>	<b>\$109,359</b>

Standard & Poor's Corporation and Moody's Investors Service have assigned the tax allocation bonds ratings of "AAA" and "Aaa" upon their issuance.

**Economic Factors and Next Year's Budgets And Rates**

The revenue and expenditure projections provided for the 2007-2008 budget are based upon economic forecasts and trends for the area in which the City is located. It is based on the information supplied by outside agencies, such as the State Department of Finance, State Board of Equalization, and the Los Angeles County Assessor's Office, to predict revenues for entitlement, grants, state subventions, sales tax and property tax. The revenue and expenditure projections are intended to serve as a guide in planning for the future.

This year, the assumption used for forecasting the revenues includes a projected increase of 3% in sales taxes. This increase is based upon sales tax revenues realized in fiscal year 2006-07, historical trends and development scheduled to open during the current fiscal year. Property taxes have been projected to increase at a rate of 2% in accordance with the property tax legislation. Utility Users Tax revenues included a projected increase of 2% based on year to date revenues realized and new consumers of electrical energy. Excavation/Processing tax and Business License tax have been projected to increase at a rate of 3.5% in accordance with the current consumer price index (CPI).

The assumption used for forecasting expenditures includes a projected increase of 4% for wages, and 8.75% for medical benefits. A 3% increase was projected for expenditures related to operations. In addition, where ever possible, any expenditures which are not "on-going", such as expenditures identified for certain capital or fixed asset items, have not been carried forward as expenditures in following years. Also taken into consideration, are any costs for contracted services in which the City has an agreement with the provider, where the fees are to remain constant for a specified number of years.

A priority of the City is to maintain a high quality of services while maintaining a balanced budget. Once again the proposed budget is balanced.

**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'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 Finance Department, at the City of Irwindale, 5050 North Irwindale Avenue, Irwindale, California, 91706.

CITY OF IRWINDALE

STATEMENT OF NET ASSETS  
 JUNE 30, 2007

	<u>Primary Government Governmental Activities</u>
<b>Assets:</b>	
Cash and investments	\$ 87,185,098
Receivables:	
Accounts	1,509,408
Taxes	364,938
Contract and notes	24,116,375
Interest	144,281
Prepaid costs	662,884
Deferred charges	5,609,320
Deposits	55,742
Due from other governments	1,584,939
Land held for resale	41,741,337
Restricted assets:	
Cash and investments	15,268
Cash with fiscal agent	6,918,343
Capital assets not being depreciated	15,464,791
Capital assets, net of depreciation	34,102,243
<b>Total Assets</b>	<b><u>219,474,967</u></b>
<b>Liabilities:</b>	
Accounts payable	1,840,316
Accrued liabilities	326,353
Accrued interest	2,005,411
Unearned revenue	1,896,139
Deposits payable	495,698
Due to other governments	821,843
Noncurrent liabilities:	
Due within one year	3,413,473
Due in more than one year	105,365,183
<b>Total Liabilities</b>	<b><u>116,164,416</u></b>
<b>Net Assets:</b>	
Invested in capital assets, net of related debt	42,814,561
Restricted for:	
Community development projects	26,024,065
Public safety	89,803
Capital projects	64,370,916
Debt service	14,079,521
Unrestricted	(44,068,315)
<b>Total Net Assets</b>	<b><u>\$ 103,310,551</u></b>

CITY OF IRWINDALE

STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2007

Functions/Programs	Expenses	Program Revenues		Capital Contributions and Grants	Net (Expenses) Revenues and Changes in Net Assets Primary Government
		Charges for Services	Operating Contributions and Grants		
					Governmental Activities
<b>Primary Government:</b>					
Governmental Activities:					
General government	\$ 12,008,823	\$ 5,365	\$ 12,069,824	\$ -	\$ 66,366
Public safety	18,619,724	631,617	11,239	-	(17,976,868)
Public works	5,425,969	964,154	575,373	-	(3,886,442)
Parks and recreation	2,262,166	96,338	-	-	(2,165,828)
Interest on long-term debt	5,481,674	-	-	-	(5,481,674)
<b>Total Governmental Activities</b>	<b>43,798,356</b>	<b>1,697,474</b>	<b>12,656,436</b>	<b>-</b>	<b>(29,444,446)</b>
<b>Total Primary Government</b>	<b>\$ 43,798,356</b>	<b>\$ 1,697,474</b>	<b>\$ 12,656,436</b>	<b>\$ -</b>	<b>(29,444,446)</b>
<b>General Revenues:</b>					
Taxes:					
Property taxes, levied for general purpose					17,102,425
Mining/processing taxes					7,328,634
Sales taxes					5,272,506
Franchise taxes					991,247
Business licenses taxes					674,678
Other taxes					4,552,175
Intergovernmental, unrestricted:					
Motor vehicle in lieu					7,745
Use of money and property					5,301,935
Other					79,308
<b>Total General Revenues</b>					<b>41,310,653</b>
Change in Net Assets					11,866,207
Net Assets at Beginning of Year					78,077,749
Restatement of Net Assets					13,366,595
<b>Net Assets at End of Year</b>					<b>\$ 103,310,551</b>

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## CITY OF IRWINDALE

BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2007

	General	Special Revenue Fund	Capital Project Fund
	General	Special Mining Tax	Redevelopment Agency Capital Projects
<b>Assets:</b>			
Cash and investments	\$ 21,619,468	\$ 21,021,769	\$ 24,571,420
Receivables:			
Accounts	1,380,260	62,751	16
Taxes	-	-	72,733
Contract and notes	17,243	-	24,099,132
Interest	34,932	24,610	39,843
Prepaid costs	662,884	-	-
Deposits	-	-	25,715
Due from other governments	1,565,141	-	-
Due from other funds	57,585	-	1,238,541
Advances to other funds	6,672,235	-	-
Land held for resale	-	-	41,741,337
Restricted assets:			
Cash and investments	-	-	15,268
Cash and investments with fiscal agents	-	-	695
<b>Total Assets</b>	<b>\$ 32,009,748</b>	<b>\$ 21,109,130</b>	<b>\$ 91,804,700</b>
<b>Liabilities and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 1,109,869	\$ 174,543	\$ 320,573
Accrued liabilities	299,230	18,897	-
Due to other funds	-	-	-
Deferred revenues	701,187	-	24,094,692
Unearned revenue	1,844,051	52,088	-
Advances from other funds	-	-	3,000,000
Deposits payable	470,466	6,713	18,519
Due to other governments	-	-	-
<b>Total Liabilities</b>	<b>4,424,803</b>	<b>252,241</b>	<b>27,433,784</b>
<b>Fund Balances:</b>			
Reserved:			
Reserved for encumbrances	423,227	97,466	1,112,291
Reserved for prepaid costs and deposits	662,884	-	25,715
Reserved for advances to other funds	6,671,067	-	-
Reserved for PERS Stabilization	1,381,230	-	-
Reserved for land held for resale	-	-	41,741,337
Reserved for long-term loans receivables	17,243	-	4,440
Unreserved, reported in nonmajor:			
Special revenue funds	-	-	-
Designated for equipment replacement	648,200	1,190,800	-
Designated for insurance	2,300,000	-	-
Designated for extraction and processing taxes	4,900,042	11,829,485	-
Designated for post retirement benefits	2,000,000	-	-
Designated for health and safety	7,272,368	-	-
Designated for continuing projects	1,308,684	7,739,138	21,487,133
Designated for debt service	-	-	-
<b>Total Fund Balances</b>	<b>27,584,945</b>	<b>20,856,889</b>	<b>64,370,916</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 32,009,748</b>	<b>\$ 21,109,130</b>	<b>\$ 91,804,700</b>

CITY OF IRWINDALE

BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2007

	Debt Service Fund		
	Redevelopment Agency Debt Service	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>			
Cash and investments	\$ 14,794,027	\$ 5,178,414	\$ 87,185,098
Receivables:			
Accounts	241	66,140	1,509,408
Taxes	292,205	-	364,938
Contract and notes	-	-	24,116,375
Interest	19,645	25,251	144,281
Prepaid costs	-	-	662,884
Deposits	-	30,027	55,742
Due from other governments	-	19,798	1,584,939
Due from other funds	-	-	1,296,126
Advances to other funds	-	-	6,672,235
Land held for resale	-	-	41,741,337
Restricted assets:			
Cash and investments	-	-	15,268
Cash and investments with fiscal agents	6,917,648	-	6,918,343
<b>Total Assets</b>	<b>\$ 22,023,766</b>	<b>\$ 5,319,630</b>	<b>\$ 172,266,974</b>
<b>Liabilities and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 206,215	\$ 29,116	\$ 1,840,316
Accrued liabilities	-	8,226	326,353
Due to other funds	1,238,541	57,585	1,296,126
Deferred revenues	-	-	24,795,879
Unearned revenue	-	-	1,896,139
Advances from other funds	3,672,235	-	6,672,235
Deposits payable	-	-	495,698
Due to other governments	821,843	-	821,843
<b>Total Liabilities</b>	<b>5,938,834</b>	<b>94,927</b>	<b>38,144,589</b>
<b>Fund Balances:</b>			
Reserved:			
Reserved for encumbrances	10,000	52,100	1,695,084
Reserved for prepaid costs and deposits	-	30,027	718,626
Reserved for advances to other funds	-	-	6,671,067
Reserved for PERS Stabilization	-	-	1,381,230
Reserved for land held for resale	-	-	41,741,337
Reserved for long-term loans receivables	-	-	21,683
Unreserved, reported in nonmajor:			
Special revenue funds	-	5,142,576	5,142,576
Designated for equipment replacement	-	-	1,839,000
Designated for insurance	-	-	2,300,000
Designated for extraction and processing taxes	-	-	16,729,527
Designated for post retirement benefits	-	-	2,000,000
Designated for health and safety	-	-	7,272,368
Designated for continuing projects	-	-	30,534,955
Designated for debt service	16,074,932	-	16,074,932
<b>Total Fund Balances</b>	<b>16,084,932</b>	<b>5,224,703</b>	<b>134,122,385</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 22,023,766</b>	<b>\$ 5,319,630</b>	<b>\$ 172,266,974</b>

CITY OF IRWINDALE

GOVERNMENTAL FUNDS  
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET ASSETS  
JUNE 30, 2007

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Fund balances of governmental funds	\$ 134,122,385
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.	49,567,034
Long-term debt and compensated absences are not due and payable in the current period and therefore are not reported in the governmental funds:	
Bonds payable	(107,759,647)
Compensated Absences	(1,019,009)
Accrued interest payable for the current portion of interest due on bonds has not been reported in the governmental funds.	(2,005,411)
Bond issuance cost is an expenditure in the governmental funds, but it is a deferred charges in the statement of net assets.	5,609,320
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.	<u>24,795,879</u>
<b>Net assets of governmental activities</b>	<b><u>\$ 103,310,551</u></b>

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CITY OF IRWINDALE

STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2007

	General	Special Revenue Fund	Capital Projects Fund
		Special Mining Tax	Redevelopment Agency Capital Projects
<b>Revenues:</b>			
Taxes	\$ 14,353,553	\$ 4,029,287	\$ 3,343,257
Licenses and permits	1,316,064	-	-
Intergovernmental	1,330,305	-	-
Charges for services	649,076	-	-
Use of money and property	1,580,592	664,300	1,872,844
Fines and forfeitures	407,012	-	-
Miscellaneous	99,196	-	23,893
<b>Total Revenues</b>	<b>19,735,798</b>	<b>4,693,587</b>	<b>5,239,994</b>
<b>Expenditures:</b>			
Current:			
General government	6,371,264	298,039	873,683
Public safety	6,245,145	-	12,004,552
Public works	2,529,141	717,981	-
Parks and recreation	2,136,059	-	-
Capital outlay	1,223,227	60,368	972,823
Debt service:			
Debt issuance cost	-	-	-
Principal retirement	6,923	-	875,000
Interest and fiscal charges	321	-	1,373,723
<b>Total Expenditures</b>	<b>18,512,080</b>	<b>1,076,388</b>	<b>16,099,781</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,223,718	3,617,199	(10,859,787)
<b>Other Financing Sources (Uses):</b>			
Transfers in	-	-	4,063,720
Transfers out	(634,717)	(527,201)	-
Refunding bonds issued	-	-	-
Bond premium	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(634,717)</b>	<b>(527,201)</b>	<b>4,063,720</b>
Net Change in Fund Balances	\$ 589,001	\$ 3,089,998	\$ (6,796,067)
<b>Fund Balances:</b>			
Beginning of year, as originally reported	\$ 26,672,719	\$ 17,752,363	\$ 66,997,715
Restatements	323,225	14,528	4,169,268
Beginning of year, as restated	26,995,944	17,766,891	71,166,983
End of Year	<b>\$ 27,584,945</b>	<b>\$ 20,856,889</b>	<b>\$ 64,370,916</b>

CITY OF IRWINDALE

STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2007

	Debt Service Fund		
	Redevelopment Agency Debt Service	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>			
Taxes	\$ 13,402,309	\$ 33,576	\$ 35,161,982
Licenses and permits	-	-	1,316,064
Intergovernmental	-	609,965	1,940,270
Charges for services	-	-	649,076
Use of money and property	1,000,279	183,920	5,301,935
Fines and forfeitures	-	-	407,012
Miscellaneous	-	-	123,089
<b>Total Revenues</b>	<b>14,402,588</b>	<b>827,461</b>	<b>44,899,428</b>
<b>Expenditures:</b>			
Current:			
General government	4,287,434	74,752	11,905,172
Public safety	-	47,253	18,296,950
Public works	-	348,784	3,595,906
Parks and recreation	-	-	2,136,059
Capital outlay	150,658	53,558	2,460,634
Debt service:			
Debt issuance cost	3,459,022	-	3,459,022
Principal retirement	64,550,000	-	65,431,923
Interest and fiscal charges	3,845,430	-	5,219,474
<b>Total Expenditures</b>	<b>76,292,544</b>	<b>524,347</b>	<b>112,505,140</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(61,889,956)	303,114	(67,605,712)
<b>Other Financing Sources (Uses):</b>			
Transfers in	634,717	527,201	5,225,638
Transfers out	(3,261,539)	(802,181)	(5,225,638)
Refunding bonds issued	62,540,000	-	62,540,000
Bond premium	2,209,522	-	2,209,522
<b>Total Other Financing Sources (Uses)</b>	<b>62,122,700</b>	<b>(274,980)</b>	<b>64,749,522</b>
Net Change in Fund Balances	\$ 232,744	\$ 28,134	\$ (2,856,190)
<b>Fund Balances:</b>			
Beginning of year, as originally reported	\$ 15,852,188	\$ 5,188,430	\$ 132,463,415
Restatements	-	8,139	4,515,160
Beginning of year, as restated	15,852,188	5,196,569	136,978,575
<b>End of Year</b>	<b>\$ 16,084,932</b>	<b>\$ 5,224,703</b>	<b>\$ 134,122,385</b>

CITY OF IRWINDALE

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2007

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Net change in fund balances - total governmental funds \$ (2,856,190)

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. 222,629

The issuance of long-term debt provides current financial resource to governmental funds, while the repayment of 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 cost, premiums, discounts, and simialr items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is net effect of thses differences in the treatment of long-term debt and related items. 3,819,250

Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period. 59,973

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. (144,590)

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. 10,765,135

**Change in net assets of governmental activities** \$ 11,866,207

CITY OF IRVINDALE

BUDGETARY COMPARISON STATEMENT  
 GENERAL FUND  
 YEAR ENDED JUNE 30, 2007

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1 as restated	\$ 26,995,944	\$ 26,995,944	\$ 26,995,944	\$ -
<b>Resources (Inflows):</b>				
Taxes	13,671,594	13,671,594	14,353,553	681,959
Licenses and permits	1,080,750	1,080,750	1,316,064	235,314
Intergovernmental	1,265,000	1,265,000	1,330,305	65,305
Charges for services	304,650	304,650	649,076	344,426
Use of money and property	1,201,000	1,201,000	1,580,592	379,592
Fines and forfeitures	343,100	343,100	407,012	63,912
Other	45,650	45,650	99,196	53,546
<b>Amounts Available for Appropriation</b>	<b>44,907,688</b>	<b>44,907,688</b>	<b>46,731,742</b>	<b>1,824,054</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	6,373,686	6,429,847	6,371,264	58,583
Public safety	6,048,290	6,528,580	6,245,145	283,435
Public works	3,080,879	3,112,495	2,529,141	583,354
Parks and recreation	2,289,340	2,239,581	2,136,059	103,522
Capital outlay	1,163,064	1,223,633	1,223,227	406
Debt service:				
Principal retirement	-	-	6,923	(6,923)
Interest and fiscal charges	-	-	321	(321)
Transfers to other funds	-	-	634,717	(634,717)
<b>Total Charges to Appropriations</b>	<b>18,955,259</b>	<b>19,534,136</b>	<b>19,146,797</b>	<b>387,339</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 25,952,429</b>	<b>\$ 25,373,552</b>	<b>\$ 27,584,945</b>	<b>\$ 2,211,393</b>

CITY OF IRWINDALE

BUDGETARY COMPARISON STATEMENT  
 SPECIAL MINING TAX  
 YEAR ENDED JUNE 30, 2007

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1 as restated	\$17,766,891	\$ 17,766,891	\$ 17,766,891	\$ -
<b>Resources (Inflows):</b>				
Taxes	3,390,200	3,390,200	4,029,287	639,087
Use of money and property	492,523	492,523	664,300	171,777
<b>Amounts Available for Appropriation</b>	<b>21,649,614</b>	<b>21,649,614</b>	<b>22,460,478</b>	<b>810,864</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	336,050	337,450	298,039	39,411
Public works	1,875,213	1,246,963	717,981	528,982
Capital outlay	2,700,000	2,400,000	60,368	2,339,632
Transfers to other funds	-	614,600	527,201	87,399
<b>Total Charges to Appropriations</b>	<b>4,911,263</b>	<b>4,599,013</b>	<b>1,603,589</b>	<b>2,995,424</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$16,738,351</b>	<b>\$ 17,050,601</b>	<b>\$ 20,856,889</b>	<b>\$ 3,806,288</b>

CITY OF IRWINDALE

STATEMENT OF FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
JUNE 30, 2007

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	<u>Agency Funds</u>
<b>Assets:</b>	
Cash and investments	\$ 1,448,743
Receivables:	
Accounts	8,106
Interest	1,530
Restricted assets:	
Cash with fiscal agent	<u>1,226,310</u>
<b>Total Assets</b>	<b><u>\$ 2,684,689</u></b>
<b>Liabilities:</b>	
Accounts payable	\$ 6,301
Deposits	<u>2,678,388</u>
<b>Total Liabilities</b>	<b><u>\$ 2,684,689</u></b>

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**CITY OF IRWINDALE**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2007**

**I. SIGNIFICANT ACCOUNTING POLICIES**

**Note 1: Organization and Summary of Significant Accounting Policies**

**a. Description of the Reporting Entity**

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

Reporting Entity:

Primary Government:

City of Irwindale

Component Unit:

Irwindale Community Redevelopment Agency  
Irwindale Public Financing Authority  
Irwindale Housing Authority  
Irwindale Reclamation Authority

A component unit is determined by such criteria as financial interdependency, selection of governing authority and designation of management, budget control, and the ability to significantly influence operations. As required by accounting principles generally accepted in the United States of America, these financial statements present the City of Irwindale (the primary government) and its component units.

The City of Irwindale, the primary government, was incorporated on August 7, 1957, under the laws of the State of California and enjoys all the rights and privileges applicable to a Charter City.

The Irwindale Community Redevelopment Agency was established on January 24, 1975, pursuant to the State of California Health and Safety Code, Section 33000. Its purpose is to prepare and carry out plans for the improvement, rehabilitation and development of blighted areas within the territorial limits of the City of Irwindale.

The Irwindale Housing Authority was established on August 27, 1987, by a joint exercise of powers agreement between the City and the Community Redevelopment Agency. Under the bond law, the Authority has the power to issue bonds and loan the proceeds to any local agency.

On August 17, 2004, the City of Irwindale created the Irwindale Reclamation Authority under a Joint Power Agreement between the City of Irwindale and the Irwindale Redevelopment Agency. The Authority is organized to receive and reassign the operating rights from each of the mining companies under SMARA for certain quarries located in the City of Irwindale for the purpose of complying with the California Surface Mining and Reclamation Act of 1975 (SMARA) and implementing State Mining and Geology Board Reclamation Regulations (SMGB Regulations).

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

**Note 1: Organization and Summary of Significant Accounting Policies (Continued)**

The Irwindale Community Redevelopment Agency, the Irwindale Housing Authority, and the Irwindale Reclamation Authority are governed by the City Council of the City of Irwindale. Therefore, they are included in this financial presentation using the blending method. Component unit financial statements for the Irwindale Community Redevelopment Agency have been issued under a separate cover and may be obtained from the City. Separate financial statements have not been prepared for the Irwindale Housing Authority and the Irwindale Reclamation Authority.

**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 are normally supported by taxes and intergovernmental revenues. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment 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 and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Agency funds are reported on the accrual basis of accounting.

City of Irwindale  
Notes to Financial Statements (Continued)

**Note 1: Organization and Summary of Significant Accounting Policies (Continued)**

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 accounts for all unrestricted resources except those required to be accounted for in another fund.
- The Special Mining Tax Fund accounts for the excavation taxes received from the various mining companies in the City.
- The Irwindale Community Redevelopment Agency Capital Projects Fund accounts for the financial resources segregated for the acquisition and construction of major capital facilities within the Irwindale Project Area.
- The Irwindale Community Redevelopment Agency Debt Service Fund accounts for the accumulation of resources for the payment of interest and principal on the long-term debt of the Agency.

Additionally, the City reports the following fund types:

- Agency Funds accounts for assets held by the City in a purely custodial capacity. Agency Funds involve only the receipt, temporary investment and remittance of fiduciary resources to individuals, private organizations or other governments.

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. Certain indirect costs are included in the program expense reported for individual functions and activities.

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**

**1. Investments**

Investments are reported at fair value as required under GASB Statement No. 31. The City's investment in land held for resale is stated at cost. If a disposition and development agreement has been entered into specifying a lower value for the land, then the difference between cost and this value has been reflected as an allowance for decline in value of land held.

City of Irwindale  
Notes to Financial Statements (Continued)

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

2. 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). All other outstanding balances between funds are reported as "due to/from other funds." 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.

Property tax revenue is recognized on the basis of NCGA Interpretation No. 3 (adopted by GASB); that is, in the fiscal year for which the taxes have been levied providing they become available. Available means then due, or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter (not to exceed 60 days) to be used to pay liabilities of the current period. The County of Los Angeles collects property taxes for the City. Tax liens attach annually as of 12:01 A.M. on the first day in January preceding the fiscal year for which the taxes are levied. The tax levy covers the fiscal period July 1 to June 30. All secured personal property taxes and one-half of the taxes on real property are due November 1; the second installment is due February 1. All taxes are delinquent, if unpaid, on December 10 and April 10, respectively. Unsecured personal property taxes become due on the first of January each year and are delinquent on August 31.

3. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The fund balances in the governmental fund types have been reserved for amounts equal to the prepaid items in the fund level statements since these amounts are not available for appropriation.

4. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g. roads, bridges, sidewalks and similar items), are reported in the governmental activities column in the government-wide financial statements. Capital assets other than infrastructure assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of three years. Infrastructure assets have a capitalization threshold of \$100,000. 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 its general infrastructure assets.

City of Irwindale  
Notes to Financial Statements (Continued)

**Note 1: Organization and Summary of Significant Accounting Policies (Continued)**

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

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

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

<u>Assets</u>	<u>Years</u>
Infrastructure	10 - 100
Buildings	50
Furniture, Fixtures and Equipment	3 - 7

5. Compensated Absences

Vacation pay is payable to employees at the time a vacation is taken, upon termination of employment or upon completion of six months of service. Sick leave is payable when an employee is unable to work because of illness.

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

1. 75% reimbursement from one day up to 60 days,
2. 50% reimbursement from 60 days up to 100 days, and
3. 25% reimbursement for any amount of days over 100.

6. Claims and Judgments

Only the short-term liability, if any, is reflected as a current liability in the applicable governmental fund. The short-term liability, which will be liquidated with expendable available financial resources, is the amount of settlement reached, but unpaid, related to claims and judgments entered. At June 30, 2007, there were no material long-term claims and judgments against the City and no liability has been reported.

7. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities 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 debt service expenditures.

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

**Note 1: Organization and Summary of Significant Accounting Policies (Continued)**

**8. 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.

**9. Functional Classifications**

Expenditures of the Governmental Funds are classified by function. Functional classifications are defined as follows:

- General Government includes legislative activities which have a primary objective of providing legal and policy guidelines for the City. Also included in this classification are those activities which provide management or support services across more than one functional area.
- Public Safety includes those activities which involve the protection of people and property.
- Public Works includes those activities which involve the maintenance and improvement of City streets, roads and park development and maintenance.
- Community Development includes those activities that involve the enhancing of the general quality of life.
- Parks and Recreation includes those activities, which involve the parks and recreation system.
- Capital Outlay includes those activities which involve the acquisition of capital assets.
- Debt Service includes those activities that account for the payment of long-term debt principal, interest and fiscal charges.

**e. Reconciliation of Government-Wide and Fund Financial Statements**

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

The governmental fund balance sheet includes reconciliation between fund balance - total governmental funds and net assets - governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term debt and compensated absences have not been included in the governmental funds." The detail of the (\$107,759,647) difference is as follows:

City of Irwindale  
Notes to Financial Statements (Continued)

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

Bonds payable	\$ (106,100,000)
Less: Deferred bonds discount / (premuim) to be amortized over the life of the debt	(1,657,174)
Capital leases	<u>(2,473)</u>
Net adjustment to reduce fund balance - total governmental funds to arrive at net assets - governmental activities	<u>\$ (107,759,647)</u>

2. 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 reconciliation between net changes in fund balances - 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." The detail of this \$222,629 difference is as follows:

Capital outlay	\$ 1,778,416
Depreciation expense	<u>(1,555,787)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 222,629</u>

Another element of that reconciliation states that "the issuance of long-term debt provides current financial resource to governmental funds, while repayment 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 cost, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items." The detail of this \$3,819,250 difference is as follows:

City of Irwindale  
Notes to Financial Statements (Continued)

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

Debt issued or incurred:	
2006 tax allocation refunding parity bonds	\$ (44,035,000)
2006 subordinate lien tax allocation refunding bonds	(18,505,000)
Unamortized bond premium	(2,209,522)
Unamortized bond issuance cost	3,459,022
Defeased debt:	
1996 senior lien tax allocation bonds	44,035,000
1996 subordinate lien tax allocation bonds	18,500,000
Principal repayments:	
1996 senior lien tax allocation bonds	590,000
2001 refunding certificates of participation	350,000
2002 tax allocation senior parity bonds	470,000
2003 tax allocation housing parity bonds	575,000
2005 taxable housing tax allocation parity bonds	300,000
2006 tax allocation refunding parity bonds	605,000
Capital leases payable	6,923
Bond discounts and premiums amortization	42,586
Bond defeasance loss amortization	(58,524)
Cost of issuance amortization	(306,235)
	<hr/>
Net adjustment to decrease net changes in fund balance of total governmental funds to arrive at changes in net assets of governmental activities	<u>\$ 3,819,250</u>

II. STEWARDSHIP

Note 2: Stewardship, Compliance and Accountability

a. Budgetary Data

General Budget Policies

The City Council approves each year's budget submitted by the City Manager prior to the beginning of the new fiscal year. Public meetings are conducted prior to its adoption by the Council. The budget is prepared by fund, function and activity, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year. Supplemental appropriations, where required during the period, are also approved by the Council. Intradepartmental budget changes are approved by the City Manager. In most cases, expenditures may not exceed appropriations at the departmental level. At fiscal year-end, all operating budget appropriations lapse. During the year, several supplementary appropriations were necessary.

Encumbrances

Encumbrances are estimations of costs related to unperformed contracts for goods and services. These commitments are recorded for budgetary control purposes in the General, Special Revenue and similar governmental funds. Encumbrances outstanding at year-end are reported as a reservation of fund balance. They represent the estimated amount of the expenditure ultimately to result if unperformed contracts-in-process at year-end are completed. They do not constitute expenditures or estimated liabilities.

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

**Note 2: Stewardship, Compliance and Accountability (Continued)**

Budget Basis of Accounting

Budgets for governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Accordingly, actual revenues and expenditures can be compared with related budgeted amounts without any significant reconciling items.

b. Excess of expenditures over appropriations in individual funds are as follows:

	<u>Expenditure</u>	<u>Appropriation</u>	<u>Excess</u>
Special Revenue Funds:			
State Gas Tax			
General government	\$ 33,576	\$ 33,000	\$ 576
COPS:			
Public safety	47,253	920	46,333
Proposition A:			
Public Works	25,108	21,300	3,808
Air Quality Management:			
Public Works	2,018	1,812	206
Reclamation			
General government	25,000	23,000	2,000
Debt Service Fund:			
Irwindale Community Redevelopment Agency:			
General government	4,287,434	4,161,200	126,234

**c. Fund Balance Deficit**

The following funds have a fund balance deficit as of June 30, 2007:

Special Revenue Funds:		
Aid to Cities		\$ (1,850)
Proposition A		(584)
Asset Forfeiture		(22)
River Beautification		(29,844)

The City expects to eliminate these deficits with future revenues

**III. DETAILED NOTES ON ALL FUNDS**

**Note 3: Cash and Investments**

As of June 30, 2007, cash and investments were reported in the accompanying financial statements as follows:

Governmental activities	\$ 94,118,709
Fiduciary funds	2,675,053
Total Cash and Investments	<u>\$ 96,793,762</u>

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

City of Irwindale  
Notes to Financial Statements (Continued)

**Note 3: Cash and Investments (Continued)**

Deposits

At June 30, 2007, the carrying amount of the City's deposits was (\$22,004) and the bank balance was \$755,190. The \$777,194 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 Agency 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 governmental agency. Accordingly, all collateral held by California Agents of Depository are considered to be held for, and in the name of, the local governmental agency.

Investments

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

- Bonds issued by the City
- United States treasury bills, notes and bonds
- Registered state warrants or treasury notes or bonds issued by the State of California
- Bonds, notes, warrants or other evidence of debt issued by a local agency within the State of California, including pooled investment accounts sponsored by the State of California, County Treasurers, other local agencies or Joint Powers Agencies
- Obligations issued by agencies or instrumentality of the US Government
- Bankers acceptances
- Prime commercial paper of U.S. corporations
- Negotiable certificates of deposit
- Repurchase/reverse repurchase agreements
- Medium term notes
- Money market mutual funds
- Funds held under the terms of a trust indenture or other contract or agreement
- Collateralized bank deposits with a perfected security interest
- Mortgage pass-through securities, collateralized mortgage obligation, mortgaged backed or pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, consumer receivable backed bond

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.

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

**Note 3: Cash and Investments (Continued)**

**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 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 (MTN's) to those rated "AA" or higher by Standard and Poor's (S&P) or by Moody's. As of June 30, 2007, the City had no investments in medium-term notes. In addition, the City's investments in Federal Home Loan Bank and Federal Home Loan Mortgage Corporation were rated "AAA" by Moody's and S&P. All securities were investment grade and legal under State law. Investments in U.S. treasuries are not considered to have credit risk and, therefore, their credit quality is not disclosed. As of June 30, 2007, the City's investments in external investment pools and money market mutual funds are unrated.

**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, 2007, none of the City's deposits or investments was exposed to custodial credit risk.

**Concentration of Credit Risk**

The City's investment policy imposes restrictions for certain types of investments with any one issuer for the following types of investments: Bankers Acceptances (40%), Commercial Paper (30%), Money Market Mutual Funds (15%), and Negotiable CD's (30%). With respect to concentration of credit risk, as of June 30, 2007, the City is in compliance with its investment policy's restrictions.

City of Irwindale  
Notes to Financial Statements (Continued)

Note 3: Cash and Investments (Continued)

In accordance with GASB Statement No. 40, if the City has invested more than 5% of its total investments in any one issuer then it is exposed to credit risk. As of June 30, 2007, the City had more than 5% invested in Freddie MAC Bonds, Fannie MAE Notes, Federal Home Loan Bank Notes, and First America Treasury Obligations.

Investments guaranteed by the U.S. government and investments in mutual funds and external investment pools are excluded from this requirement.

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 at least 70% of the City's portfolio shall mature in two years or less. The only exception to these maturity limits shall be the investment of the gross proceeds of tax-exempt bonds. The City has elected to use the segmented time distribution method of disclosure for its interest rate risk.

As of June 30, 2007, the City had the following investments and original maturities:

	Less 6 Months	6 Months to 1 Year	1 to 3 Years	More than 3 Years	Fair Value
Investments					
California Local Agency Investment Fund	\$ 11,602,074	\$ -	\$ -	\$ -	\$ 11,602,074
Money Market Fund	57,548	-	-	-	57,548
Federal Agency Securities	14,500,512	13,477,357	49,033,622	-	77,011,491
Investments with fiscal agents					
Money Market Mutual Fund	5,357,127	-	-	-	5,357,127
Federal Agency Securities	-	-	998,093	650,433	1,648,526
Investment Agreement	-	-	-	1,139,000	1,139,000
	<u>\$ 31,517,261</u>	<u>\$ 13,477,357</u>	<u>\$ 50,031,715</u>	<u>\$ 1,789,433</u>	<u>\$ 96,815,766</u>

City of Irwindale  
Notes to Financial Statements (Continued)

Note 4: Capital Assets

Capital asset activity for the year ended June 30, 2007, was as follows:

	Beginning Balance	Adjustments	Adjusted Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Governmental Activities:							
Capital assets, not being depreciated:							
Land	\$ 14,586,987	\$ -	\$ 14,586,987	\$ -	\$ -	\$ -	\$ 14,586,987
Construction-in-progress	4,731,473	(5,843,175)	1,888,298	1,369,233	-	(2,379,728)	877,803
Total Capital Assets, Not Being Depreciated	19,318,460	(5,843,175)	16,475,285	1,369,233	-	(2,379,728)	15,464,790
Capital assets, being depreciated:							
Buildings and improvements	5,769,269	-	5,769,269	-	-	-	5,769,269
Furniture, fixtures and equipment	3,223,167	-	3,223,167	409,183	-	-	2,632,350
Infrastructure	18,405,636	20,032,827	38,438,463	-	-	2,379,728	40,818,191
Total Capital Assets, Being Depreciated	27,398,072	20,032,827	47,430,899	409,183	-	2,379,728	49,219,810
Less accumulated depreciation:							
Buildings and improvements	3,039,337	-	3,039,337	115,386	-	-	3,154,723
Furniture, fixtures and equipment	1,964,383	-	1,096,383	418,546	-	-	2,382,929
Infrastructure	1,219,842	8,338,217	9,558,059	1,021,885	-	-	10,579,914
Total Accumulated Depreciation	6,223,562	8,338,217	13,693,779	1,555,817	-	-	16,117,566
Total Capital Assets, Being Depreciated, Net	21,174,510	11,694,610	32,869,120	(1,146,604)	-	2,379,728	34,102,244
Governmental Activities Capital Assets, Net	<u>\$ 40,492,970</u>	<u>\$ 8,851,435</u>	<u>\$ 49,344,405</u>	<u>\$ 222,629</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 49,567,034</u>

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

General government	\$ 87,997
Public safety	235,740
Public works	1,123,305
Parks and recreation	108,745
Total Depreciation Expense	<u>\$ 1,555,787</u>

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

**Note 5: Long-Term Debt**

**a. Governmental Activities Long-Term Debt**

The following is a schedule of changes in long-term debt for fiscal year ended June 30, 2007.

	Outstanding June 30, 2006	Defeasance	Additions	Payments	Outstanding June 30, 2007	Due Within One Year
<b>Tax Allocation Bonds:</b>						
1996 Senior Lien Tax Allocation Bonds	\$ 44,625,000	\$ -	\$ -	\$ 44,625,000	\$ -	\$ -
1996 Subordinate Lien Tax Allocation Bonds	18,500,000	-	-	18,500,000	-	-
2002 Tax Allocation Senior Parity Bonds	13,255,000	-	-	470,000	= 12,785,000	480,000
2003 Tax Allocation Housing Parity Bonds	8,060,000	-	-	575,000	= 7,485,000	595,000
2005 Tax Allocation Housing Parity Bonds	17,445,000	-	-	300,000	= 17,145,000	150,000
2006 Tax Allocation Refunding Parity Bonds	-	-	44,035,000	605,000	= 43,430,000	1,255,000
2006 Subordinate Lien Tax Allocation Refunding Bonds	-	-	18,505,000	-	= 18,505,000	565,000
<b>Certificates of Participation:</b>						
2001 Refunding Certificates of Participation	7,100,000	-	-	350,000	= 6,750,000	360,000
Accrued Employee Benefits	874,419	-	149,512	4,922	= 1,019,009	6,000
Capital Lease Payable	9,396	-	-	6,923	= 2,473	2,473
<b>Total</b>	<b>\$ 109,868,815</b>	<b>\$ -</b>	<b>\$ 62,689,512</b>	<b>\$ 65,436,845</b>	<b>107,121,482</b>	<b>\$ 3,413,473</b>
					Less: Unamortized original issue discount	1,657,174
					<b>Net Long-Term Debt</b>	<b>\$ 108,778,656</b>

**b. Tax Allocation Bonds**

A description of individual issues of bonds outstanding at June 30, 2007 follows:

1996 Senior Lien Tax Allocation Bonds

On May 9, 1996, the Agency issued \$52,425,000 of City Industrial Development Project Senior Lien Tax Allocation Bonds. The bonds were issued to refund the Agency's \$52,270,000 1986 Tax Allocation Bonds. Interest on the bonds is payable semi-annually on February 1 and August 1, commencing February 1, 1997. The bonds carry various interest rates ranging from 4.9% to 7.0%. Principal maturities begin February 1, 1998, and continue through August 1, 2026. On August 1, 2006, the outstanding balance of the bonds was currently refunded in total with the proceeds of the 2006 Tax Allocation Refunding Parity Bonds.

City of Irwindale  
Notes to Financial Statements (Continued)

Note 5: Long-Term Debt (Continued)

1996 Subordinate Lien Tax Allocation Bonds

On May 9, 1996, the Agency issued \$21,385,000 of City Industrial Development Project Subordinate Lien Tax Allocation Bonds. The bonds were issued to refund the Agency's \$20,000,000 1992 Subordinate Lien Tax Allocation Refunding Bonds. Interest on the bonds is payable semi-annually on each December 1 and June 1, commencing December 1, 1996. The bonds carry various interest rates ranging from 4.40% to 7.05%. Principal maturities begin December 1, 1997, and continue annually through 2026. On December 1, 2006, the outstanding balance of the bonds was currently refunded in total with the proceeds of 2006 Subordinate Lien Tax Allocation Refunding Bonds.

2002 Tax Allocation Senior Parity Bonds

On January 6, 2003, the Agency issued \$14,175,000 of City Industrial Development Project Tax Allocation Senior Parity Bonds. The bonds were issued to provide funds for certain redevelopment activities of the Agency. Interest on the bonds is payable semi-annually on January 15 and July 15, commencing July 15, 2003. The bonds carry various interest rates from 1.25% to 5.00%. Principal maturities begin July 15, 2004, and continue through 2025. The outstanding balance at June 30, 2007 was \$12,785,000.

The bonds are a special obligation of the Agency and are secured by pledged tax revenues consisting of a portion of all taxes levied upon all taxable property within the redevelopment project area, as further discussed in the official statement. The bonds are not a debt of the City of Irwindale, the State of California or any of its political subdivisions and neither said City, said State, nor any of its political subdivisions, is liable therefore. At June 30, 2007, the balance outstanding on the 2002 Tax Allocation Senior Parity Bond was \$12,785,000.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2007, including interest, are as follows:

	2002 Tax Allocation Senior Parity Bonds	
	Principal	Interest
2007 - 2008	\$ 480,000	\$ 540,783
2008 - 2009	490,000	529,613
2009 - 2010	500,000	516,243
2010 - 2011	515,000	501,003
2011 - 2012	530,000	483,488
2012 - 2017	2,965,000	2,089,858
2017 - 2022	3,670,000	1,359,324
2022 - 2027	3,635,000	373,953
Totals	<u>\$ 12,785,000</u>	<u>\$ 6,394,265</u>

City of Irwindale  
Notes to Financial Statements (Continued)

Note 5: Long-Term Debt (Continued)

2003 Taxable Housing Tax Allocation Parity Bonds

In December 2003, the Agency issued \$9,345,000 of Taxable Housing Tax Allocation Housing Bonds to advance refund the outstanding balance of the 1995 Tax Allocation Housing Bonds and to acquire property for future development for low and moderate income housing. The 2003 Taxable Housing Tax Allocation Parity Bonds are payable on a parity with certain obligations of the Agency solely from certain housing set-aside revenues of the Agency. The bonds consist of \$7,760,000 serial bonds maturing from August 2004 through August 2019, bearing annual interest ranging from 2.00% to 6.00% and \$1,585,000 term bonds due August 1, 2025 bearing annual interest at 6.25%. Interest on the bonds is payable semi annually on August 1 and February 1. The outstanding balance at June 30, 2007 was \$7,485,000.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2007, including interest, are as follows:

	2003 Taxable Housing Tax Allocation Bonds	
	Principal	Interest
2007 - 2008	\$ 595,000	\$ 378,200
2008 - 2009	620,000	353,125
2009 - 2010	650,000	325,325
2010 - 2011	680,000	294,550
2011 - 2012	710,000	260,650
2012 - 2017	2,035,000	859,656
2017 - 2022	1,075,000	523,119
2022 - 2027	1,120,000	144,688
Totals	<u>\$ 7,485,000</u>	<u>\$ 3,139,313</u>

2005 Taxable Housing Tax Allocation Parity Bonds

On August 2, 2005, the Irwindale Community Redevelopment Agency issued \$17,445,000 of Taxable Housing Tax Allocation Parity Bonds to refinance the outstanding balance of the 1998 Tax Allocation Housing Refunding Bonds and to finance low and moderate income housing activities of the Agency. The 2005 Taxable Housing Tax Allocation Parity Bonds are payable on a parity with certain obligations of the Irwindale Community Redevelopment Agency solely from certain Housing Set-Aside Revenues of the Agency. The bonds consist of \$5,225,000 serial bonds maturing from August 2006 through August 2017 bearing annual interest ranging from 4.32% to 5.25%, \$5,900,000 term bonds due August 1, 2022 bearing annual interest at 5.4%, and \$6,320,000 term bonds due August 1, 2026 bearing annual interest at 5.53%. Interest on the bonds is payable beginning February 1, 2006, and semi-annually thereafter on August 1 and February 1. The outstanding balance at June 30, 2007 was \$17,145,000.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2007, including interest, are as follows:

City of Irwindale  
Notes to Financial Statements (Continued)

Note 5: Long-Term Debt (Continued)

	2005 Taxable Housing Tax Allocation Parity Bonds	
	Principal	Interest
2007 - 2008	\$ 150,000	\$ 915,916
2008 - 2009	155,000	909,030
2009 - 2010	160,000	901,784
2010 - 2011	165,000	894,145
2011 - 2012	175,000	885,851
2012 - 2017	3,110,000	4,123,543
2017 - 2022	5,605,000	2,887,068
2022 - 2027	7,625,000	1,133,217
Totals	<u>\$ 17,145,000</u>	<u>\$ 12,650,554</u>

2006 Tax Allocation Refunding Parity Bonds

In July 2006, the Irwindale Community Redevelopment Agency issued the City Industrial Development Project 2006 Tax Allocation Refunding Parity Bonds in the amount of \$44,035,000 for the purpose of refunding, on a current basis, the Agency's 1996 Senior Lien Tax Allocation Bonds. The 2006 Tax Allocation Refunding Parity Bonds are payable on a parity with certain obligations of the Irwindale Community Redevelopment Agency solely from certain tax increment revenues allocated to the Agency as further discussed in each official statement of the issue. The bonds consist of \$18,465,000 serial bonds maturing from January 15, 2007 through July 15, 2017 bearing annual interest ranging from 4.25% to 5.25%, and term bonds ranging from \$2,275,000 to \$3,510,000 due July 15, 2018 through 2026, respectively, and bearing annual interest at 5.25% and 5.85%, respectively. Interest on the bonds is payable semi-annually on January 15 and July 15. The outstanding balance at June 30, 2007 was \$43,430,000.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2007, including interest, are as follows:

	2006 Tax Allocation Refunding Parity Bonds	
	Principal	Interest
2007 - 2008	\$ 1,255,000	\$ 2,279,190
2008 - 2009	1,325,000	2,225,109
2009 - 2010	1,455,000	2,165,515
2010 - 2011	1,565,000	2,097,205
2011 - 2012	1,645,000	2,022,491
2012 - 2017	9,535,000	8,792,338
2017 - 2022	10,935,000	6,124,481
2022 - 2027	15,715,000	2,384,636
Totals	<u>\$ 43,430,000</u>	<u>\$ 28,090,965</u>

City of Irwindale  
Notes to Financial Statements (Continued)

Note 5: Long-Term Debt (Continued)

2006 Subordinate Lien Tax Allocation Refunding Bonds

In October 2006, the Irwindale Community Redevelopment Agency issued the City Industrial Development Project 2006 Subordinate Lien Tax Allocation Refunding Bonds in the amount of \$18,505,000 for the purpose of refunding, on a current basis, the Agency's 1996 Subordinate Lien Tax Allocation Bond. The 2006 Subordinate Lien Tax Allocation Refunding Bonds are payable on a subordinate basis to certain obligations of the Irwindale Community Redevelopment Agency solely from certain tax increment revenues allocated to the Agency as further discussed in each official statement for the issue. The bonds consist of \$18,505,000 serial bonds ranging from \$565,000 to \$1,475,000 maturing from December 1, 2007 through June 1, 2026 bearing annual interest ranging from 4.50% to 5.50%, due December 1, 2007 through 2026, respectively. Interest on the bonds is payable annually on December 1. The outstanding balance at June 30, 2007 was \$18,505,000.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2007, including interest, are as follows:

	2006 Subordinate Lien Tax Allocation Refunding Bonds	
	Principal	Interest
2007 - 2008	\$ 565,000	\$ 931,413
2008 - 2009	595,000	905,313
2009 - 2010	620,000	877,975
2010 - 2011	655,000	849,288
2011 - 2012	675,000	819,363
2012 - 2017	3,910,000	3,566,850
2017 - 2022	4,990,000	2,459,375
2022 - 2027	6,495,000	895,400
Totals	<u>\$ 18,505,000</u>	<u>\$ 11,304,977</u>

All of these bonds are special obligations of the Agency and are secured by pledged tax revenues consisting of a portion of all taxes levied upon all taxable property within the redevelopment project area, as further discussed in each official statement.

c. Certificates of Participation

2001 Refunding Certificates of Participation

On August 1, 2001, the City of Irwindale issued \$8,820,000 in Certificates of Participation with interest rates ranging from 2.65% to 5.00%. Interest on the certificates is payable semi-annually on April 1 and October 1 of each year, commencing October 1, 2001. Principal maturities begin April 1, 2001, and continue annually through April 1, 2018. The certificates were issued for the purpose of currently refunding, on August 1, 2001, certain outstanding Certificates of Participation known and designated as the \$4,075,000 City of Irwindale, California, Issue of 1997. During October 2001, the remaining 1997 Certificates were currently refunded. The 1997 Certificates of Participation were issued to advance refund certain outstanding Certificates of Participation known and designated as the \$4,125,000 City of Irwindale, California, Issue of 1989. The 1989 Certificates were issued to crossover advance refund certain outstanding Certificates of Participation known and designed as the \$5,630,000 City of Irwindale, California, Certificates of Participation Issue of 1985. The 1985 Certificates financed certain structures and improvements in the City. At June 30, 2007, the outstanding balance on the 2001 Refunding Certificates of Participation was \$6,750,000.

City of Irwindale  
Notes to Financial Statements (Continued)

Note 5: Long-Term Debt (Continued)

The annual requirements to repay the outstanding indebtedness at June 30, including interest, are shown in the schedule below:

	2001 Refunding Certificates of Participation	
	Principal	Interest
2007 - 2008	\$ 360,000	\$ 310,605
2008 - 2009	375,000	297,285
2009 - 2010	390,000	283,035
2010 - 2011	405,000	267,435
2011 - 2012	420,000	250,830
2012 - 2017	2,415,000	952,860
2017 - 2022	2,385,000	305,250
Totals	<u>\$ 6,750,000</u>	<u>\$ 2,667,300</u>

d. Capital Lease Payable

Xerox Capital Lease

During fiscal year 2002-2003, the City entered into a lease purchase agreement with Xerox to acquire a copier for the Police Department. The cost of the asset acquired was \$31,951. The terms of the lease include monthly payments of \$604 for five years with an imputed interest rate of 5.13%. The outstanding balance at June 30, 2007 was \$2,473.

The annual requirements to repay the outstanding indebtedness at June 30, including interest, are shown in the schedule below:

	Capital Lease - Xerox	
	Principal	Interest
2007 - 2008	\$ 2,473	\$ 27
Totals	<u>\$ 2,473</u>	<u>\$ 27</u>

e. Compensated Absences

The City's policies relating to compensated absences are described in Note 1 of the Notes to Financial Statements. The liability will be paid in future years by the General Fund.

f. Other Special Obligations

On April 9, 1998, the City of Irwindale Community Facilities District No. 1 issued \$11,390,000 in Special Tax Refunding Bonds with interest rates varying from 4.25% to 6.00% to advance refund \$10,000,000 of outstanding 1991 Special Tax Revenue Bonds, which are considered to be defeased.

On November 30, 1998, the City of Irwindale Sewer Assessment District issued \$975,000 in limited obligation improvement bonds carrying an interest rate of 6.25% pursuant to the provision of the Improvement Bond Act of 1915.

City of Irwindale  
Notes to Financial Statements (Continued)

Note 5: Long-Term Debt (Continued)

The issues described above are not reflected in the liabilities on the statement of net assets because they are special obligations payable solely from and secured by specific revenue source described in the resolutions and official statement of the issues. Neither the faith and credit nor the taxing power of the City, the Redevelopment Agency, the State of California or any political subdivision thereof, is pledged for the payment of these bonds.

	Amount Outstanding at June 30, 2007
City of Irwindale Community Facility District No. 1 1998 Special Tax Refunding Bonds	\$ 9,435,000
City of Irwindale Sewer Assessment District (Live Oak Avenue) Limited Obligation Improvement Bonds	670,000

Note 6: Interfund Receivable, Payable and Transfer

The composition of interfund balances as of June 30, 2007 is as follows:

a. Due To/From Other Funds

Funds	Due To Other Funds:		Total
	Irwindale Community Redevelopment Agency - Debt Service Fund	Nonmajor Governmental Funds	
Due From Other Funds:			
General Fund	\$ -	\$ 57,585	\$ 57,585
Irwindale Community Redevelopment Agency Capital Projects Fund	1,238,541	-	1,238,541
Total	\$ 1,238,541	\$ 57,585	\$ 1,296,126

The due to General Fund of \$57,585 from various non-major funds was to cover temporary deficit cash balances at June 30, 2007.

The Industrial Project Area's Project Fund loaned \$1,171,297 to the Tax Increment Fund for project operating expenditures. The Industrial Project Area's Low and Moderate Housing Fund loaned \$67,244 to the Parque Del Norte and the Nora Fraijo Tax Increment Funds to reflect the amount of the 20% set-aside that was deferred.

City of Irwindale  
Notes to Financial Statements (Continued)

Note 6: Interfund Receivable, Payable and Transfer (Continued)

b. Advances To/From Other Funds

Funds	Advances From Other Funds:		Total
	Irwindale Community Redevelopment Agency		
	Capital Project Fund	Debt Service Fund	
Advances To Other Funds:			
General Fund	\$ 3,000,000	\$ 3,672,235	\$ 6,672,235
Total	\$ 3,000,000	\$ 3,672,235	\$ 6,672,235

During the current and previous fiscal years, the City of Irwindale has made loans to the Agency. These loans bear interest at rates from 0% to 8% per year. As of June 30, 2007, the loan balance was \$6,672,235.

c. Interfund Transfers

Funds	Transfers out:				Total
	General Fund	Special Mining Tax	Irwindale Community Redevelopment Agency Debt Service Fund	Nonmajor Governmental Fund	
Transfers in:					
Irwindale Community Redevelopment Agency Capital Projects Fund	\$ -	\$ -	\$ 3,261,539	\$ 802,181	\$ 4,063,720
Irwindale Community Redevelopment Agency Debt Service Fund	634,717	-	-	-	634,717
Nonmajor Governmental Funds	-	527,201	-	-	527,201
Total	\$ 634,717	\$ 527,201	\$ 3,261,539	\$ 802,181	\$ 5,225,638

The Special Mining Tax fund transferred \$527,201 to non-major governmental funds pursuant to pay a settlement agreement with United Rock and Hanson.

The Irwindale Community Redevelopment Agency Debt Service fund transferred \$3,261,539 to the Irwindale Community Redevelopment Agency Capital Projects fund to supplement the repayment of City loans.

The General Fund transfers \$634,717 to the Irwindale Community Redevelopment Agency Debt Service fund for the lease on municipal facilities related to the 2001 refunding certificates of participation.

The Housing Authority transferred land held for resale in the amount of \$802,181 to the Irwindale Community Development Agency Capital Project Fund.

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

**Note 7: Net Assets and Fund Balance Restatement**

Fund balances and net assets have been restated as follows:

General Fund		
To reserve payroll accrual not reversed in prior year.	\$	323,225
Special Mining Tax		
To reserve payroll accrual not reversed in prior year.		14,528
Redevelopment Agency - Capital Projects		
To adjust cost of land held for resale		4,169,268
Proposition A		
To restate prior year accrual		1,364
AB 939		
To reserve payroll accrual not reversed in prior year.		6,775
		<hr/>
Total fund balances restatement		4,515,160
To restate construction in progress for project that should have been expense in prior year		(2,843,175)
To record prior infrastructure in accordance with GASB 34		11,694,610
		<hr/>
Total net assets restatement	\$	<u>13,366,595</u>

**IV. OTHER DISCLOSURES**

**Note 8: Retirement Plan**

Plan Description

The City of Irwindale contributes to the California Public Employees Retirement System (PERS) risk pool, a cost-sharing multiple-employer public employee 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. Copies of PERS' annual financial report may be obtained from their executive office located at 400 P Street, Sacramento, CA 95814.

Funding Policy

Participants are required to contribute 7% (9% for safety employees) of their annual covered salary. The City makes the contributions required of City employees on their behalf and for their account. The City is required to contribute at an actuarially determined rate; the current rate is 23.943% for safety employees and 8.051% for non-safety employees of annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by PERS.

Annual Pension Cost

For 2007, the City's annual pension cost of \$1,360,951 for PERS was equal to the City's required and actual contributions. The required contribution was determined as part of the June 30, 2006, actuarial valuation using the entry age normal actuarial cost method.

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

**Note 8: Retirement Plan (Continued)**

The following table provides salary and contribution requirements for the current and two prior fiscal years.

Three-Year Trend Information for PERS (Amounts in Thousands)			
Fiscal Years Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2005	\$ 888	100%	\$ -
6/30/2006	1,172	100%	-
6/30/2007	1,361	100%	-

The City of Irwindale participated in risk pooling. Risk pooling consists of combining assets and liabilities across employers to produce large groups where the impact of a catastrophic demographic event is shared among all employers of the same risk pool. Participation in risk pools is mandatory for all plans with less than 100 active members. Mandated participation in risk pools was initially based on the active membership of each rate plan as of June 30, 2003. The implementation of risk pools was done in a way that minimizes the impact on employer contribution rates. The first year in risk pools, the employer contributions are almost identical to what the rates would have been outside the pools. Future rates will be based on the experience of each pool. Pooling will reduce the volatility of future employer rates. Mandated participation will occur on an annual basis. If on any valuation date, starting with the June 30, 2003 valuation, a rate plan has less than 100 active members, it will be mandated in one of the risk pools effective on that valuation date.

**Note 9: Retirement Enhancement Plan**

The City of Irwindale established the PARS Retirement Enhancement Plan (PARS) for its employees to supplement the PERS retirement benefits. PARS is a 401(a) tax-qualified multiple employer trust made up of California governmental agencies. Union Bank of California is the trustee for PARS and has the duties to receive and invest plan contributions, safeguard assets of the plan, and distribute benefits to eligible plan participants or beneficiaries pursuant to the plan document. To be eligible for benefits under this plan, employees must be full-time or part-time employee on or after July 1, 2001, be at least 50 years of age, have completed at least three years of continuous employment with the City, have terminated employment with the City and concurrently retire under PERS, and have applied for benefits under this plan.

PARS supplements the current 2% at 55 PERS benefits to provide with a combined total retirement benefit equivalent to a 3% at 55 PERS benefits based on the total credited PERS years of service.

The City is required to contribute at an actuarially determined rate; the current rate is 10.04% of the annual covered payroll. The required contribution was based on the July 1, 2004 actuarial valuation, using the entry age normal actuarial cost method. The actuarial assumptions included (a) a pre-retirement investment return of 7.50% and a post-retirement investment rate of return of 6.00%, (b) an inflation rate of 3.00%, (c) projected annual payroll increases of 3.75% to 14.20% based on year of service, and (d) a cost-of-living adjustment of 2% per year.

For fiscal year ending June 30, 2007, the City's annual required contribution and actual contribution was \$376,447.

City of Irwindale  
Notes to Financial Statements (Continued)

Note 9: Retirement Enhancement Plan (Continued)

Trend Information for PARS  
(Amounts in Thousands)

Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2006	\$ 351	100 %	\$ -
6/30/2007	376	100 %	-

Schedule of Funded Status and Funding Progress for PARS  
(Amounts in Thousands)

Actuarial Valuation Date	Actuarial Accrued Liability (AAL) Entry Age	Actuarial Value of Assets	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
6/30/01	\$ 2,253	\$ -	\$ 2,253	0.0%	\$ 2,332	96.6%
6/30/04	3,224	2,940	284	91.2%	3,076	9.2%

For PARS, actuarial valuation is performed every three years.

Note 10: Post-Employment Employee Benefits

The City provides health insurance for its retired employees according to the Personnel Rules and Regulations. The authority to do so is included in the Memorandum of Understanding between the City and each of its employee groups and ultimately passed by Council action. The expenditure is accounted for within the general fund and is funded on a pay as you go (cash) basis. The total post-employment health insurance expenditure for the fiscal year 2006-2007 was \$402,796 for 42 retired employees receiving benefits.

Note 11: Risk Management

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

The City of Irwindale is a member of the California Joint Powers Insurance Authority (Authority). The Authority is composed of 114 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other coverages. The Authority's pool began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a 9-member Executive Committee.

b. Self-Insurance Programs of the Authority

General Liability

Each member government pays a primary deposit to cover estimated losses for a fiscal year (claims year). Six months after the close of a fiscal year, outstanding claims are valued. A retrospective deposit computation is then made for each open claims year.

City of Irwindale  
Notes to Financial Statements (Continued)

**Note 11: Risk Management (Continued)**

Claims are pooled separately between police and non-police. Costs are spread to members as follows: the first \$30,000 of each occurrence is charged directly to the member's primary deposit; costs from \$30,000 to \$750,000 and the loss development reserves associated with losses up to \$750,000 are pooled based on the member's share of losses under \$30,000. Losses from \$750,000 to \$10,000,000, \$18,000,000 to \$23,000,000, and \$45,000,000 to \$50,000,000 and the associated loss development reserves are pooled based on payroll. Costs of covered claims from \$10,000,000 to \$18,000,000 and \$23,000,000 to \$45,000,000 are currently paid by excess insurance. Costs of covered claims for subsidence losses from \$15,000,000 to \$25,000,000 are paid by excess insurance. The protection for each member is \$50,000,000 per occurrence and \$50,000,000 annual aggregate. Administrative expenses are paid from the Authority's investment earnings.

**Workers' Compensation**

The City of Irwindale also participates in the workers' compensation pool administered by the Authority. Each member pays a primary deposit to cover estimated losses for a fiscal year (claims year). Six months after the close of a fiscal year, outstanding claims are valued. A retrospective deposit computation is then made for each open claims year. Claims are pooled separately between public safety and non-public safety. Each member has a retention level of \$50,000 for each loss and this is charged directly to the member's primary deposit. Losses from \$50,000 to \$100,000 and the loss development reserve associated with losses up to \$100,000 are pooled based on the member's share of losses under \$50,000. Losses from \$100,000 to \$2,000,000 and loss development reserves associated with those losses are pooled based on payroll. Losses from \$2,000,000 to \$5,000,000 are pooled with California State Association of Counties – Excess Insurance Authority members. Costs from \$2,000,000 to \$200,000,000 are transferred to reinsurance carriers. Costs in excess of \$200,000,000 are pooled among the Members based on payroll. Protection is provided per statutory liability under California Workers' Compensation law. Administrative expenses are paid from the Authority's investment earnings.

**c. Purchased Insurance**

**Environmental Liability Insurance**

The City of Irwindale participates in the pollution legal liability and remediation legal liability insurance which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by The City of Irwindale. Coverage is on a claims-made basis. There is a \$50,000 deductible. The Authority has a limit of \$50,000,000 for the 3-year period from July 1, 2005 through July 1, 2008. Each member of the Authority has a \$10,000,000 limit during the 3-year term of the policy.

**Property Insurance**

The City of Irwindale participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. The City of Irwindale property is currently insured according to a schedule of covered property submitted by The City of Irwindale to the Authority. Total all-risk property insurance coverage is \$30,027,362. There is a \$5,000 deductible per occurrence except for non-emergency vehicle insurance which has \$1,000 deductible. Premiums for the coverage are paid annually and are not subject to retroactive adjustments.

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

**Note 11: Risk Management (Continued)**

Earthquake and Flood Insurance

The City of Irwindale purchases earthquake and flood insurance on a portion of its property. The earthquake insurance is part of the property protection insurance program of the Authority. The City of Irwindale property currently has earthquake protection in the amount of \$19,942,408. There is a deductible of 5% of value with a minimum deductible of \$100,000. Premiums for the coverage are paid annually and are not subject to retroactive adjustments.

Fidelity Bonds

The City of Irwindale purchases crime insurance coverage in the amount of \$1,000,000 with \$2,500 deductible. The fidelity coverage is provided through the Authority. Premiums are paid annually and are not subject to retroactive adjustments.

Special Event Tenant User Liability Insurance

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

**d. Adequacy of Protection**

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

**Note 12: Contingent Liabilities**

On August 26, 2004, the City entered into a settlement agreement and mutual general release with United Rock Products Corporation (United) whereby the City will establish and maintain the Irwindale Reclamation Authority which will provide an \$8 million financial assurance through a reclamation fund funded by the City. Before the effective date of this agreement the City made an initial contribution of \$985,715 to the Reclamation fund and will follow with annual contributions of \$328,572 until the aggregate amount of the reclamation fund equals \$8 million. On the other end, United agrees that it will not contest the existing mining taxes imposed by the City.

The City has on January 3, 2006 entered into a settlement and mutual general release with Hanson Aggregates West, Inc. (Hanson) whereby the City will provide a \$3.5 million financial assurance through the reclamation fund funded by the City. On February 14, 2006 the City made an initial contribution of \$514,285 to the Reclamation fund and will follow with annual contribution of \$171,428 until the aggregate amount of the reclamation fund equals \$11.5 million contributed, \$8 million for United and \$3.5 million for Hanson. As before United and Hanson agrees that it will not contest the existing mining taxes imposed by the City.

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

**Note 13: Subsequent Events**

The City is negotiating a settlement agreement and mutual general release with Vulcan whereby the City will provide a financial assurance through the Reclamation fund funded by the City and in turn Vulcan will not contest the existing mining taxes imposed by the City.

Subsequent to June 30, 2007, the Housing Authority purchased a 48,317 sq. ft. parcel of land which is planned for Low & Moderate Housing.

CITY OF IRWINDALE

COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2007

	Special Revenue Funds			
	Housing Authority	State Gas Tax	COPS	Aid To Cities
<b>Assets:</b>				
Cash and investments	\$ 2,024,533	\$ -	\$ 90,325	\$ -
Receivables:				
Accounts	-	3,981	-	-
Interest	21,983	-	48	-
Deposits	-	-	-	-
Due from other governments	-	-	-	-
<b>Total Assets</b>	<b>\$ 2,046,516</b>	<b>\$ 3,981</b>	<b>\$ 90,373</b>	<b>\$ -</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ 570	\$ -
Accrued liabilities	-	-	-	-
Due to other funds	-	3,981	-	1,850
<b>Total Liabilities</b>	<b>-</b>	<b>3,981</b>	<b>570</b>	<b>1,850</b>
<b>Fund Balances:</b>				
Reserved:				
Reserved for encumbrances	-	-	2,100	-
Reserved for deposits	-	-	-	-
Unreserved:				
Undesignated	2,046,516	-	87,703	(1,850)
<b>Total Fund Balances</b>	<b>2,046,516</b>	<b>-</b>	<b>89,803</b>	<b>(1,850)</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 2,046,516</b>	<b>\$ 3,981</b>	<b>\$ 90,373</b>	<b>\$ -</b>

## CITY OF IRWINDALE

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2007

(Continued)

	Special Revenue Funds			
	Proposition A	Air Quality Improvement	TDA Article 3	Proposition C
<b>Assets:</b>				
Cash and investments	\$ -	\$ -	\$ -	\$ 72,016
Receivables:				
Accounts	2,329	487	417	1,932
Interest	2	-	-	79
Deposits	-	-	-	-
Due from other governments	-	-	-	-
<b>Total Assets</b>	<b>\$ 2,331</b>	<b>\$ 487</b>	<b>\$ 417</b>	<b>\$ 74,027</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 1,663	\$ -	\$ -	\$ 13,500
Accrued liabilities	-	-	-	-
Due to other funds	1,252	463	417	-
<b>Total Liabilities</b>	<b>2,915</b>	<b>463</b>	<b>417</b>	<b>13,500</b>
<b>Fund Balances:</b>				
Reserved:				
Reserved for encumbrances	-	-	-	50,000
Reserved for deposits	-	-	-	-
Unreserved:				
Undesignated	(584)	24	-	10,527
<b>Total Fund Balances</b>	<b>(584)</b>	<b>24</b>	<b>-</b>	<b>60,527</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 2,331</b>	<b>\$ 487</b>	<b>\$ 417</b>	<b>\$ 74,027</b>

CITY OF IRWINDALE

COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2007

	Special Revenue Funds			
	Community Development Block Grant	Asset Forfeiture	River Beautification	AB 939
<b>Assets:</b>				
Cash and investments	\$ -	\$ -	\$ -	\$ 525,266
Receivables:				
Accounts	-	-	-	56,994
Interest	-	-	-	570
Deposits	-	-	-	30,027
Due from other governments	19,798	-	-	-
<b>Total Assets</b>	<b>\$ 19,798</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 612,857</b>
<b>Liabilities and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 3	\$ -	\$ 13,380
Accrued liabilities	-	-	-	8,226
Due to other funds	19,759	19	29,844	-
<b>Total Liabilities</b>	<b>19,759</b>	<b>22</b>	<b>29,844</b>	<b>21,606</b>
<b>Fund Balances:</b>				
Reserved:				
Reserved for encumbrances	-	-	-	-
Reserved for deposits	-	-	-	30,027
Unreserved:				
Undesignated	39	(22)	(29,844)	561,224
<b>Total Fund Balances</b>	<b>39</b>	<b>(22)</b>	<b>(29,844)</b>	<b>591,251</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 19,798</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 612,857</b>

CITY OF IRWINDALE

COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2007

	Special Revenue Funds		Total Governmental Funds
	Reclamation	Traffic Congestion Relief	
<b>Assets:</b>			
Cash and investments	\$ 2,466,274	\$ -	\$ 5,178,414
Receivables:			
Accounts	-	-	66,140
Interest	2,569	-	25,251
Deposits	-	-	30,027
Due from other governments	-	-	19,798
<b>Total Assets</b>	<b>\$ 2,468,843</b>	<b>\$ -</b>	<b>\$ 5,319,630</b>
<b>Liabilities and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts payable	\$ -	\$ -	\$ 29,116
Accrued liabilities	-	-	8,226
Due to other funds	-	-	57,585
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>94,927</b>
<b>Fund Balances:</b>			
Reserved:			
Reserved for encumbrances	-	-	52,100
Reserved for deposits	-	-	30,027
Unreserved:			
Undesignated	2,468,843	-	5,142,576
<b>Total Fund Balances</b>	<b>2,468,843</b>	<b>-</b>	<b>5,224,703</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 2,468,843</b>	<b>\$ -</b>	<b>\$ 5,319,630</b>

CITY OF IRWINDALE

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2007

	Special Revenue Funds			
	Housing Authority	State Gas Tax	COPS	Aid To Cities
<b>Revenues:</b>				
Taxes	\$ -	\$ 33,576	\$ -	\$ -
Intergovernmental	-	-	100,000	-
Use of money and property	87,344	-	2,071	-
<b>Total Revenues</b>	<b>87,344</b>	<b>33,576</b>	<b>102,071</b>	<b>-</b>
<b>Expenditures:</b>				
Current:				
General government	-	33,576	-	-
Public safety	-	-	47,253	-
Public works	-	-	-	-
Capital outlay	28,041	-	-	-
<b>Total Expenditures</b>	<b>28,041</b>	<b>33,576</b>	<b>47,253</b>	<b>-</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	59,303	-	54,818	-
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers out	(802,181)	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(802,181)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	\$ (742,878)	\$ -	\$ 54,818	\$ -
<b>Fund Balances:</b>				
Beginning of year, as originally reported	\$ 2,789,394	\$ -	\$ 34,985	\$ (1,850)
Restatements	-	-	-	-
Beginning of year, as restated	2,789,394	-	34,985	(1,850)
Net change in fund balances	(742,878)	-	54,818	-
<b>End of Year</b>	<b>\$ 2,046,516</b>	<b>\$ -</b>	<b>\$ 89,803</b>	<b>\$ (1,850)</b>

CITY OF IRWINDALE

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2007

(Continued)

	Special Revenue Funds			
	Proposition A	Air Quality Improvement	TDA Article 3	Proposition C
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	24,027	1,720	10,000	20,023
Use of money and property	26	-	-	2,101
<b>Total Revenues</b>	<b>24,053</b>	<b>1,720</b>	<b>10,000</b>	<b>22,124</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	25,108	2,018	-	6,194
Capital outlay	-	-	10,000	13,500
<b>Total Expenditures</b>	<b>25,108</b>	<b>2,018</b>	<b>10,000</b>	<b>19,694</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,055)	(298)	-	2,430
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	\$ (1,055)	\$ (298)	\$ -	\$ 2,430
<b>Fund Balances:</b>				
Beginning of year, as originally reported	\$ (893)	\$ 322	\$ -	\$ 58,097
Restatements	1,364	-	-	-
Beginning of year, as restated	471	322	-	58,097
Net change in fund balances	(1,055)	(298)	-	2,430
<b>End of Year</b>	<b>\$ (584)</b>	<b>\$ 24</b>	<b>\$ -</b>	<b>\$ 60,527</b>

CITY OF IRWINDALE

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2007

	Special Revenue Funds			
	Community Development Block Grant	Asset Forfeiture	River Beautification	AB 939
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,949	-	-	441,166
Use of money and property	-	(3)	-	16,262
<b>Total Revenues</b>	<b>1,949</b>	<b>(3)</b>	<b>-</b>	<b>457,428</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	5,096
Public safety	-	-	-	-
Public works	91	-	-	315,373
Capital outlay	2,017	-	-	-
<b>Total Expenditures</b>	<b>2,108</b>	<b>-</b>	<b>-</b>	<b>320,469</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(159)	(3)	-	136,959
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>\$ (159)</b>	<b>\$ (3)</b>	<b>\$ -</b>	<b>\$ 136,959</b>
<b>Fund Balances:</b>				
Beginning of year, as originally reported	\$ 198	\$ (19)	\$ (29,844)	\$ 447,517
Restatements	-	-	-	6,775
Beginning of year, as restated	198	(19)	(29,844)	454,292
Net change in fund balances	(159)	(3)	-	136,959
<b>End of Year</b>	<b>\$ 39</b>	<b>\$ (22)</b>	<b>\$ (29,844)</b>	<b>\$ 591,251</b>

CITY OF IRWINDALE

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2007

	Special Revenue Funds		Total Governmental Funds
	Reclamation	Traffic Congestion Relief	
<b>Revenues:</b>			
Taxes	\$ -	\$ -	\$ 33,576
Intergovernmental	-	11,080	609,965
Use of money and property	76,119	-	183,920
<b>Total Revenues</b>	<b>76,119</b>	<b>11,080</b>	<b>827,461</b>
<b>Expenditures:</b>			
Current:			
General government	25,000	11,080	74,752
Public safety	-	-	47,253
Public works	-	-	348,784
Capital outlay	-	-	53,558
<b>Total Expenditures</b>	<b>25,000</b>	<b>11,080</b>	<b>524,347</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	51,119	-	303,114
<b>Other Financing Sources (Uses):</b>			
Transfers in	527,201	-	527,201
Transfers out	-	-	(802,181)
<b>Total Other Financing Sources (Uses)</b>	<b>527,201</b>	<b>-</b>	<b>(274,980)</b>
Net Change in Fund Balances	\$ 578,320	\$ -	\$ 28,134
<b>Fund Balances:</b>			
Beginning of year, as originally reported	\$ 1,890,523	\$ -	\$ 5,188,430
Restatements	-	-	8,139
Beginning of year, as restated	1,890,523	-	5,196,569
Net change in fund balances	578,320	-	28,134
<b>End of Year</b>	<b>\$ 2,468,843</b>	<b>\$ -</b>	<b>\$ 5,224,703</b>

CITY OF IRWINDALE

BUDGETARY COMPARISON SCHEDULE  
 HOUSING AUTHORITY  
 YEAR ENDED JUNE 30, 2007

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$2,789,394	\$ 2,789,394	\$ 2,789,394	\$ -
<b>Resources (Inflows):</b>				
Use of money and property	60,150	60,150	87,344	27,194
<b>Amounts Available for Appropriation</b>	<b>2,849,544</b>	<b>2,849,544</b>	<b>2,876,738</b>	<b>27,194</b>
<b>Charges to Appropriation (Outflow):</b>				
Capital outlay	42,000	42,000	28,041	13,959
Transfers to other funds	-	-	802,181	(802,181)
<b>Total Charges to Appropriations</b>	<b>42,000</b>	<b>42,000</b>	<b>830,222</b>	<b>(788,222)</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 2,807,544</b>	<b>\$ 2,807,544</b>	<b>\$ 2,046,516</b>	<b>\$ (761,028)</b>

CITY OF IRWINDALE

BUDGETARY COMPARISON SCHEDULE  
 STATE GAS TAX  
 YEAR ENDED JUNE 30, 2007

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
<b>Resources (Inflows):</b>				
Taxes	33,000	33,000	33,576	576
<b>Amounts Available for Appropriation</b>	<b>33,000</b>	<b>33,000</b>	<b>33,576</b>	<b>576</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	33,000	33,000	33,576	(576)
<b>Total Charges to Appropriations</b>	<b>33,000</b>	<b>33,000</b>	<b>33,576</b>	<b>(576)</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

CITY OF IRWINDALE

BUDGETARY COMPARISON SCHEDULE  
 COPS  
 YEAR ENDED JUNE 30, 2007

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 34,985	\$ 34,985	\$ 34,985	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	-	100,000	100,000	-
Use of money and property	-	-	2,071	2,071
<b>Amounts Available for Appropriation</b>	<b>34,985</b>	<b>134,985</b>	<b>137,056</b>	<b>2,071</b>
<b>Charges to Appropriation (Outflow):</b>				
Public safety	920	920	47,253	(46,333)
<b>Total Charges to Appropriations</b>	<b>920</b>	<b>920</b>	<b>47,253</b>	<b>(46,333)</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 34,065</b>	<b>\$ 134,065</b>	<b>\$ 89,803</b>	<b>\$ (44,262)</b>

CITY OF IRWINDALE

BUDGETARY COMPARISON SCHEDULE  
 PROPOSITION A  
 YEAR ENDED JUNE 30, 2007

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1 as restated	\$ 471	\$ 471	\$ 471	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	21,700	21,700	24,027	2,327
Use of money and property	200	200	26	(174)
<b>Amounts Available for Appropriation</b>	<b>22,371</b>	<b>22,371</b>	<b>24,524</b>	<b>2,153</b>
<b>Charges to Appropriation (Outflow):</b>				
Public works	21,300	21,300	25,108	(3,808)
<b>Total Charges to Appropriations</b>	<b>21,300</b>	<b>21,300</b>	<b>25,108</b>	<b>(3,808)</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 1,071</b>	<b>\$ 1,071</b>	<b>\$ (584)</b>	<b>\$ (1,655)</b>

CITY OF IRWINDALE

BUDGETARY COMPARISON SCHEDULE  
 AIR QUALITY IMPROVEMENT  
 YEAR ENDED JUNE 30, 2007

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 322	\$ 322	\$ 322	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	1,812	1,812	1,720	(92)
<b>Amounts Available for Appropriation</b>	<b>2,134</b>	<b>2,134</b>	<b>2,042</b>	<b>(92)</b>
<b>Charges to Appropriation (Outflow):</b>				
Public works	1,812	1,812	2,018	(206)
<b>Total Charges to Appropriations</b>	<b>1,812</b>	<b>1,812</b>	<b>2,018</b>	<b>(206)</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 322</b>	<b>\$ 322</b>	<b>\$ 24</b>	<b>\$ (298)</b>

CITY OF IRWINDALE

BUDGETARY COMPARISON SCHEDULE  
 TDA ARTICLE 3  
 YEAR ENDED JUNE 30, 2007

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	5,000	10,000	10,000	-
<b>Amounts Available for Appropriation</b>	<b>5,000</b>	<b>10,000</b>	<b>10,000</b>	-
<b>Charges to Appropriation (Outflow):</b>				
Capital outlay	10,000	10,000	10,000	-
<b>Total Charges to Appropriations</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	-
<b>Budgetary Fund Balance, June 30</b>	<b>\$ (5,000)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

CITY OF IRWINDALE

BUDGETARY COMPARISON SCHEDULE  
 PROPOSITION C  
 YEAR ENDED JUNE 30, 2007

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 58,097	\$ 58,097	\$ 58,097	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	18,000	18,000	20,023	2,023
Use of money and property	1,100	1,100	2,101	1,001
<b>Amounts Available for Appropriation</b>	<b>77,197</b>	<b>77,197</b>	<b>80,221</b>	<b>3,024</b>
<b>Charges to appropriation (outflow):</b>				
Public works	7,000	7,000	6,194	806
Capital outlay	50,000	50,000	13,500	36,500
<b>Total Charges to Appropriations</b>	<b>57,000</b>	<b>57,000</b>	<b>19,694</b>	<b>37,306</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 20,197</b>	<b>\$ 20,197</b>	<b>\$ 60,527</b>	<b>\$ 40,330</b>

CITY OF IRWINDALE

BUDGET COMPARISON SCHEDULE  
 COMMUNITY DEVELOPMENT BLOCK GRANT  
 YEAR ENDED JUNE 30, 2007

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 198	\$ 198	\$ 198	\$ -
<b>Resources (Inflows):</b>				
Intergovernmental	18,127	18,127	1,949	(16,178)
<b>Amounts available for appropriation</b>	<b>18,325</b>	<b>18,325</b>	<b>2,147</b>	<b>(16,178)</b>
<b>Charges to Appropriation (Outflow):</b>				
Public works	-	-	91	(91)
Capital Outlay	59,566	59,566	2,017	57,549
<b>Total Charges to Appropriations</b>	<b>59,566</b>	<b>59,566</b>	<b>2,108</b>	<b>57,458</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ (41,241)</b>	<b>\$ (41,241)</b>	<b>\$ 39</b>	<b>\$ 41,280</b>

CITY OF IRWINDALE

BUDGETARY COMPARISON SCHEDULE  
 AB 939  
 YEAR ENDED JUNE 30, 2007

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary fund balance, July 1 as restated	\$ 454,292	\$ 454,292	\$ 454,292	\$ -
<b>Resources (inflows):</b>				
Intergovernmental	424,000	424,000	441,166	17,166
Invest Income	17,000	17,000	16,262	(738)
<b>Amounts available for appropriation</b>	<b>895,292</b>	<b>895,292</b>	<b>911,720</b>	<b>16,428</b>
<b>Charges to appropriation (outflow):</b>				
General government	30,000	30,000	5,096	24,904
Public works	416,149	407,699	315,373	92,326
<b>Total Charges to Appropriations</b>	<b>446,149</b>	<b>437,699</b>	<b>320,469</b>	<b>117,230</b>
<b>Budgetary fund balance, June 30</b>	<b>\$ 449,143</b>	<b>\$ 457,593</b>	<b>\$ 591,251</b>	<b>\$ 133,658</b>

CITY OF IRWINDALE

BUDGETARY COMPARISON SCHEDULE  
 RECLAMATION  
 YEAR ENDED JUNE 30, 2007

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary fund balance, July 1	\$ 1,890,523	\$ 1,890,523	\$ 1,890,523	\$ -
<b>Resources (inflows):</b>				
Invest Income	72,150	72,150	76,119	3,969
Transfers from other funds	598,000	598,000	527,201	(70,799)
<b>Amounts available for appropriation</b>	<b>2,560,673</b>	<b>2,560,673</b>	<b>2,493,843</b>	<b>(66,830)</b>
<b>Charges to appropriation (outflow):</b>				
General government	23,000	23,000	25,000	(2,000)
Public works	75,000	75,000	-	75,000
<b>Total Charges to Appropriations</b>	<b>98,000</b>	<b>98,000</b>	<b>25,000</b>	<b>73,000</b>
<b>Budgetary fund balance, June 30</b>	<b>\$ 2,462,673</b>	<b>\$ 2,462,673</b>	<b>\$ 2,468,843</b>	<b>\$ 6,170</b>

CITY OF IRWINDALE

BUDGETARY COMPARISON SCHEDULE  
 IRWINDALE COMMUNITY REDEVELOPMENT AGENCY CAPITAL PROJECTS  
 YEAR ENDED JUNE 30, 2007

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$71,166,983	\$71,166,983	\$71,166,983	\$ -
<b>Resources (Inflows):</b>				
Taxes	3,166,100	3,166,100	3,343,257	177,157
Use of money and property	829,446	1,235,300	1,872,844	637,544
Other	5,800	1,843,470	23,893	(1,819,577)
Transfers from other funds	-	-	4,063,720	4,063,720
<b>Amounts Available for Appropriation</b>	<b>75,168,329</b>	<b>77,411,853</b>	<b>80,470,697</b>	<b>3,058,844</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	1,032,510	1,025,710	873,683	152,027
Public safety	20,860,102	16,357,071	12,004,552	4,352,519
Capital Outlay	89,000	2,069,125	972,823	1,096,302
Debt service:				
Principal retirement	988,600	988,600	875,000	113,600
Interest and fiscal charges	-	-	1,373,723	(1,373,723)
<b>Total Charges to Appropriations</b>	<b>22,970,212</b>	<b>20,440,506</b>	<b>16,099,781</b>	<b>4,340,725</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$52,198,117</b>	<b>\$56,971,347</b>	<b>\$64,370,916</b>	<b>\$ 7,399,569</b>

CITY OF IRWINDALE

BUDGETARY COMPARISON SCHEDULE  
 IRWINDALE COMMUNITY REDEVELOPMENT AGENCY DEBT SERVICE  
 YEAR ENDED JUNE 30, 2007

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 15,852,188	\$ 15,852,188	\$ 15,852,188	\$ -
<b>Resources (Inflows):</b>				
Taxes	12,999,860	12,999,860	13,402,309	402,449
Use of money and property	279,710	421,200	1,000,279	579,079
Refunding bonds issued	-	-	62,540,000	62,540,000
Other debts issued	-	-	2,209,522	2,209,522
Transfers from other funds	-	-	634,717	634,717
<b>Amounts Available for Appropriation</b>	<b>29,131,758</b>	<b>29,273,248</b>	<b>95,639,015</b>	<b>66,365,767</b>
<b>Charges to Appropriation (Outflow):</b>				
General government	4,431,200	4,161,200	4,287,434	(126,234)
Capital Outlay	13,739,293	629,633	150,658	478,975
Debt service:				
Debt issuance costs	-	-	3,459,022	(3,459,022)
Principal retirement	2,114,260	2,114,260	64,550,000	(62,435,740)
Interest and fiscal charges	220,000	220,000	3,845,430	(3,625,430)
Transfers to other funds	6,500,000	6,500,000	3,261,539	3,238,461
<b>Total Charges to Appropriations</b>	<b>27,004,753</b>	<b>13,625,093</b>	<b>79,554,083</b>	<b>(65,928,990)</b>
<b>Budgetary Fund Balance, June 30</b>	<b>\$ 2,127,005</b>	<b>\$ 15,648,155</b>	<b>\$ 16,084,932</b>	<b>\$ 436,777</b>

CITY OF IRWINDALE

COMBINING BALANCE SHEET  
 ALL AGENCY FUNDS  
 JUNE 30, 2007

	Agency	Recreation Trust	CFD #1	Live Oak Assessment District	Street Lighting District	Sewer Maintenance District	Totals
<b>Assets:</b>							
Cash and investments	\$ 65,962	\$ 7,039	\$ 852,561	\$ 47,834	\$ 16,946	\$ 458,401	\$ 1,448,743
Receivables:							
Accounts	-	-	-	8,106	-	-	8,106
Interest	-	-	1,052	28	13	437	1,530
Restricted assets:							
Cash with fiscal agent	-	-	1,139,040	87,270	-	-	1,226,310
<b>Total Assets</b>	<b>\$ 65,962</b>	<b>\$ 7,039</b>	<b>\$ 1,992,653</b>	<b>\$ 143,238</b>	<b>\$ 16,959</b>	<b>\$ 458,838</b>	<b>\$ 2,684,689</b>
<b>Liabilities:</b>							
Accounts payable	\$ -	\$ -	\$ 120	\$ 120	\$ 875	\$ 5,186	\$ 6,301
Deposits	65,962	7,039	1,992,533	143,118	16,084	453,652	2,678,388
<b>Total Liabilities</b>	<b>\$ 65,962</b>	<b>\$ 7,039</b>	<b>\$ 1,992,653</b>	<b>\$ 143,238</b>	<b>\$ 16,959</b>	<b>\$ 458,838</b>	<b>\$ 2,684,689</b>

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CITY OF IRWINDALE

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 YEAR ENDED JUNE 30, 2007

	Balance July 1, 2006	Additions	Deductions	Balance June 30, 2007
<b>Agency</b>				
<b>Assets:</b>				
Cash and investments	\$ 63,092	\$ 31,649	\$ 28,779	\$ 65,962
<b>Total Assets</b>	<b>\$ 63,092</b>	<b>\$ 31,649</b>	<b>\$ 28,779</b>	<b>\$ 65,962</b>
<b>Liabilities:</b>				
Deposits	\$ 63,092	\$ 31,649	\$ 28,779	\$ 65,962
<b>Total Liabilities</b>	<b>\$ 63,092</b>	<b>\$ 31,649</b>	<b>\$ 28,779</b>	<b>\$ 65,962</b>
<b>Recreation Trust</b>				
<b>Assets:</b>				
Cash and investments	\$ 3,585	\$ 6,917	\$ 3,463	\$ 7,039
<b>Total Assets</b>	<b>\$ 3,585</b>	<b>\$ 6,917</b>	<b>\$ 3,463</b>	<b>\$ 7,039</b>
<b>Liabilities:</b>				
Deposits	\$ 3,585	\$ 6,917	\$ 3,463	\$ 7,039
<b>Total Liabilities</b>	<b>\$ 3,585</b>	<b>\$ 6,917</b>	<b>\$ 3,463</b>	<b>\$ 7,039</b>
<b>CFD #1</b>				
<b>Assets:</b>				
Cash and investments	\$ 773,363	\$ 925,037	\$ 845,839	\$ 852,561
Receivables:				
Accounts	29,490	-	29,490	-
Interest	901	1,052	901	1,052
Restricted assets:				
Cash with fiscal agent	1,139,040	-	-	1,139,040
<b>Total Assets</b>	<b>\$ 1,942,794</b>	<b>\$ 926,089</b>	<b>\$ 876,230</b>	<b>\$ 1,992,653</b>
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 120	\$ -	\$ 120
Deposits	1,942,794	925,969	876,230	1,992,533
<b>Total Liabilities</b>	<b>\$ 1,942,794</b>	<b>\$ 926,089</b>	<b>\$ 876,230</b>	<b>\$ 1,992,653</b>
<b>Live Oak Assessment District</b>				
<b>Assets:</b>				
Cash and investments	\$ 20,066	\$ 164,013	\$ 136,245	\$ 47,834
Receivables:				
Accounts	34,354	105	26,353	8,106
Interest	23	28	23	28
Restricted assets:				
Cash with fiscal agent	87,270	-	-	87,270
<b>Total Assets</b>	<b>\$ 141,713</b>	<b>\$ 164,146</b>	<b>\$ 162,621</b>	<b>\$ 143,238</b>
<b>Liabilities:</b>				
Accounts payable	\$ 35	\$ 5,806	\$ 5,721	\$ 120
Deposits	141,678	158,340	156,900	143,118
<b>Total Liabilities</b>	<b>\$ 141,713</b>	<b>\$ 164,146</b>	<b>\$ 162,621</b>	<b>\$ 143,238</b>

CITY OF IRWINDALE

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 YEAR ENDED JUNE 30, 2007

	Balance July 1, 2006	Additions	Deductions	Balance June 30, 2007
<b>Street Lighting District</b>				
<b>Assets:</b>				
Cash and investments	\$ 9,964	\$ 15,066	\$ 8,084	\$ 16,946
Receivables:				
Accounts	4,253	-	4,253	-
Interest	12	13	12	13
<b>Total Assets</b>	<b>\$ 14,229</b>	<b>\$ 15,079</b>	<b>\$ 12,349</b>	<b>\$ 16,959</b>
<b>Liabilities:</b>				
Accounts payable	\$ 104	\$ 4,130	\$ 3,359	\$ 875
Deposits	14,125	10,949	8,990	16,084
<b>Total Liabilities</b>	<b>\$ 14,229</b>	<b>\$ 15,079</b>	<b>\$ 12,349</b>	<b>\$ 16,959</b>
<b>Street Maintenance District</b>				
<b>Assets:</b>				
Cash and investments	\$ 321,133	\$ 161,377	\$ 24,109	\$ 458,401
Receivables:				
Accounts	40,419	-	40,419	-
Interest	374	437	374	437
<b>Total Assets</b>	<b>\$ 361,926</b>	<b>\$ 161,814</b>	<b>\$ 64,902</b>	<b>\$ 458,838</b>
<b>Liabilities:</b>				
Accounts payable	\$ 3,026	\$ 24,880	\$ 22,720	\$ 5,186
Deposits	358,900	136,934	42,182	453,652
<b>Total Liabilities</b>	<b>\$ 361,926</b>	<b>\$ 161,814</b>	<b>\$ 64,902</b>	<b>\$ 458,838</b>
<b>Total</b>				
<b>Assets:</b>				
Cash and investments	\$ 1,191,203	\$1,304,059	\$ 1,046,519	\$ 1,448,743
Receivables:				
Accounts	108,516	105	100,515	8,106
Interest	1,310	1,530	1,310	1,530
Restricted assets:				
Cash with fiscal agent	1,226,310	-	-	1,226,310
<b>Total Assets</b>	<b>\$ 2,527,339</b>	<b>\$1,305,694</b>	<b>\$ 1,148,344</b>	<b>\$ 2,684,689</b>
<b>Liabilities:</b>				
Accounts payable	\$ 3,165	\$ 34,936	\$ 31,800	\$ 6,301
Deposits	2,524,174	1,270,758	1,116,544	2,678,388
<b>Total Liabilities</b>	<b>\$ 2,527,339</b>	<b>\$1,305,694</b>	<b>\$ 1,148,344</b>	<b>\$ 2,684,689</b>

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