

CITY OF IRWINDALE, CALIFORNIA

Comprehensive Annual Financial Report
For the fiscal year ended June 30, 2011



We are building the future. Today.

Pictured: New Corporate Headquarters for Huy Fong Foods, Inc. from initial rendering to final construction.

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

CITY OF IRWINDALE CALIFORNIA



David “Chico” Fuentes, Mayor
Julian A. Miranda, Mayor Pro Tem
Mark Breceda, Councilmember
Manuel G. Garcia, Councilmember
H. Manuel Ortiz, Councilmember

(At Date of Issuance)

John Davidson, City Manager

PREPARED BY THE CITY OF IRWINDALE FINANCE DEPARTMENT
Laura M. Nomura, Director of Finance / Treasurer

CITY OF IRWINDALE

JUNE 30, 2011

TABLE OF CONTENTS

Page
Number

INTRODUCTORY SECTION

Letter of Transmittal i
List of Principal Officials v
Organization Chart vi
Certificate of Achievement for Excellence in Financial Reporting vii

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT 1
MANAGEMENT'S DISCUSSION AND ANALYSIS 3

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements:
Statement of Net Assets 13
Statement of Activities 15
Fund Financial Statements:
Balance Sheet - Governmental Funds 16
Reconciliation of the Balance Sheet of Governmental Funds to the
Statement of Net Assets 19
Statement of Revenues, Expenditures and Changes in Fund Balances -
Governmental Funds 20
Reconciliation of the Statement of Revenues, Expenditures and Changes in
Fund Balances of Governmental Funds to the Statement of Activities 22
Budgetary Comparison Statement – General Fund 23
Budgetary Comparison Statement – Special Mining Tax 24
Statement of Fiduciary Net Assets – Fiduciary Funds 25
Notes to Financial Statements 27

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Combining Balance Sheet - Nonmajor Governmental Funds 58
Combining Statement of Revenues, Expenditures and Changes in
Fund Balances - Nonmajor Governmental Funds 62

CITY OF IRWINDALE

JUNE 30, 2011

TABLE OF CONTENTS

	<u>Page Number</u>
COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES (Continued)	
Budgetary Comparison Schedules - Special Revenue Funds:	
Housing Authority.....	66
Reclamation.....	67
AB 939.....	68
Asset Forfeiture.....	69
State Gas Tax.....	70
Air Quality Improvement.....	71
Proposition A.....	72
Proposition C.....	73
Measure R.....	74
TDA Article 3.....	75
Federal Grants.....	76
Community Development Block Grant.....	77
COPS.....	78
 Budgetary Comparison Schedules - Irwindale Community Redevelopment Agency Capital Projects.....	 79
 Budgetary Comparison Schedules - Irwindale Community Redevelopment Agency Debt Service.....	 80
 Combining Balance Sheet - All Agency Funds.....	 82
 Combining Statement of Changes in Assets and Liabilities - All Agency Funds.....	 84
 STATISTICAL SECTION	
FINANCIAL TRENDS	
Net Assets by Component – Last Nine Fiscal Years.....	88
Changes in Net Assets – Last Nine Fiscal Years.....	89
Fund Balances Governmental Funds – Last Nine Fiscal Years.....	90
Changes in Fund Balances – Governmental Funds – Last Nine Fiscal Years.....	91
 REVENUE CAPACITY	
Governmental Activities Tax Revenues by Source – Last Nine Fiscal Years.....	92
Assessed Value and Estimated Actual Value of Taxable Property – Last Ten Fiscal Years.....	93
Direct and Overlapping Property Tax Rates – Last Ten Fiscal Years.....	94
Principal Property Taxpayers.....	95
Property Tax Levies and Collections – Last Ten Fiscal Years.....	96
Taxable Sales by Category – Last Ten Fiscal Year.....	97
Top 25 Sales Tax Producers.....	98

CITY OF IRWINDALE

JUNE 30, 2011

TABLE OF CONTENTS

Page
Number

STATISTICAL SECTION

DEBT CAPACITY

Ratios of Outstanding Debt by Type – Last Ten Fiscal Years.....	99
Bonded Debt Pledged Revenue Coverage – Last Ten Fiscal Years	100
Direct and Overlapping Debt.....	101
Legal Debt Margin Information – Last Ten Fiscal Years	102

DEMOGRAPHIC AND ECONOMIC INFORMATION

Demographic and Economic Statistics – Last Ten Fiscal Years.....	103
Principal Employers – Current Year	104

OPERATING INFORMATION

Full-time and Part-time City Employees by Function – Last Five Fiscal Years	105
Operating Indicators by Function – Last Four Fiscal Years	106
Capital Assets Statistics by Function – Last Four Fiscal Years	107

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November 17, 2011

Honorable Mayor, Members of the Council
& Citizens of the City of Irwindale

It is our pleasure to submit the Comprehensive Annual Financial Report (CAFR) for the City of Irwindale (City) for the fiscal year ended June 30, 2011. The City annually issues a report on its financial position and activity, audited by an independent firm of certified public accountants. The City's Finance Department prepared this report in accordance with generally accepted accounting principles (GAAP), as set forth by the Governmental Accounting Standards Board (GASB) and other sources. This CAFR also conforms to GASB Statement 34 financial reporting standards, providing the reader a dual-perspective financial report. The report contains a citywide view of all governmental activities, as well as a focus on the financial position and operating results of the City's major funds.

Responsibility for the accuracy of the data, and the completeness and fairness of the presentations including disclosures, rests with the City. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the presentation of the City's financial statements in conformity with accounting principles generally accepted in the United States of America. Because the cost of internal controls should not outweigh their benefits, internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. Also, all disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

Lance Soll & Lunghard, LLP, Certified Public Accountants, have issued an unqualified ("clean") opinion on the City of Irwindale's financial statement for the year ended June 30, 2011. The independent auditor's report is located at the front of the financial section of this report.

GAAP requires that management provide a narrative introduction overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE GOVERNMENT

The City of Irwindale, incorporated in 1957, is located in the center of the San Gabriel Valley which is just 20 miles east from busy downtown Los Angeles. The City is located at the confluence of the 605 and 210 freeways, providing an enviable location which attracts many large, well known and successful businesses.

The City of Irwindale currently occupies a land area of about 9.5 square miles and serves a population of about 25,000 during the business day and approximately 1,800 that reside in the City.



The City of Irwindale is a full service, charter city. A charter city allows voters to determine how their city government is organized and, with respect to municipal affairs, enact legislation different than that adopted by the state. The City endeavors to create a livable community with a high quality of life through land-use policies that balance the need for housing, jobs, open space and essential services. The city is a legally separate and fiscally independent agency. It can issue debt, set and modify budgets, fees and sue and be sued.

The City of Irwindale operates under the Council-Manager form of government with a five-member council, elected at large by the city residents. The City Council acts as the legislative body of the City. City Council members appoint the City Manager and City Attorney. City Council members serve four-year terms with elections staggered every two years. The Mayor and Mayor Pro-Tem are chosen by the Council to serve as its presiding officer. Traditionally, these positions serve a one-year term. The City Manager is responsible for carrying out the policies and ordinances of the governing council, for overseeing the day-to-day operations of the City government, and working with the directors and managers of City departments.

The City provides a full range of services, including police protection; construction and maintenance of highways, streets and other infrastructure; community development; community services (such as a senior center, library, recreation programs, etc.); parks; general and administrative services. The City is financially accountable for a redevelopment agency, housing authority, and reclamation authority, all of which are reported separately with the City's financial statements. Additional information regarding these legally separate entities can be found in the notes to the financial statements.

The Council is required to adopt a final budget by no later than the close of the fiscal year. The annual budget serves as the foundation for the City of Irwindale's financial planning and established control. The appropriated budget is prepared by fund, department (e.g., police), and division (e.g., administration). Department heads may transfer resources within a department as they see fit, and the City Manager has authority to transfer resources within an individual fund. Supplemental appropriations, and transfers between funds require approval from the governing body.

REPORTING ENTITY

This report combines the financial statements of the City of Irwindale, the Irwindale Community Redevelopment Agency, the Irwindale Housing Authority, and the Irwindale Reclamation Authority to constitute a single reporting entity. This combined presentation better represents the financial activities of the City of Irwindale.

LOCAL ECONOMY

The future existence of the Irwindale Community Redevelopment Agency (ICRA) has been at risk during the California State Budget Process for FY 2011-12. The Governor released his FY 2011-12 May Budget Revision, maintaining his original proposal to eliminate redevelopment agencies and divert \$1.7 billion of tax increment to other State programs. This proposal has been declared illegal by legislative counsel and numerous constitutional and redevelopment legal experts and a lawsuit was filed by the California Redevelopment Association. Details and timing of this lawsuit are outlined in the Notes to the Financial Statements within Note 13.

Should Redevelopment be abolished, the impact to the City and the ICRA would be the loss of over \$18 million in property tax increment currently received by the ICRA, including amounts set aside for low and moderate housing programs. This loss of funding would significantly impact the ability to fund important projects that would significantly improve blighted areas throughout the City.

Should the Courts find in favor of the State Proposal, in accordance with AB1X27, the City passed a resolution of intent to continue which is a compromise agreement with the State. This reform legislation would likely result in the loss of tax increment revenue of approximately \$4.3M in FY 2011-12 and \$1.2M each year thereafter to the State. These funds would have been used for capital improvements or development opportunities to remove blight in the City.

The California economy does have one thing going for it: a large and growing population. By mid-2012, the State will have almost thirty-eight million residents, an increase of about 500,000 persons since July 1, 2010. This increasing population ensures a stable, underlying demand for housing, furniture and appliances- at least during non-recessionary times. The demand is not being met now but will boost residential construction and the associated retail sales whenever credit conditions finally loosen and the economic picture brightens.

The City's local economy is slowly rebounding. The City's main tax base comes from the mining and commercial/industrial business sectors. Both of these sectors struggled significantly during the recession, however are starting to show signs of recovery. During the 2011 calendar year, Irwindale had the largest building construction project underway in Los Angeles County, building a 655,000 square foot corporate headquarters and manufacturing facility for Huy Fong Foods - manufacturer of the world famous Sriracha Hot Sauce. The facility is set to open in the Fall/Winter of 2011 which will bring new jobs, additional tax revenues and a \$250,000 in-lieu payment for the next ten years.

LONG-TERM FINANCIAL PLANNING

During the fiscal year, the City adopted a fund balance policy in compliance with Governmental Accounting Standards Board Statement No. 54. The assigned fund balance in the general fund equals approximately 139% of general fund expenditures. These reserves are assigned or set

aside for many reasons including infrastructure and other capital replacement, employee benefit obligations (i.e. retirement programs), capital projects and economic contingencies.

The City is moving forward with implementation of the Economic Strategic Plan for Fiscal Years 2011-12 through 2015-16, approved by the City Council in October 2011. The Plan outlines the strategies to create a sustainable stream of new revenues, while maximizing/leveraging ICRA assets and resources for the greatest economic impact and return to the community. Some of the priority, near-term development opportunities include:

- Memorandum of Understanding to build a Material Recovery Facility on a 17-acre site;
- Retail/commercial development of 16 acre North Kincaid Pit;
- Retail/commercial/housing development of 36 acre Manning Pit;
- Industrial Flex developments: 6.3 acre and 2.5 acre Arrow Highway properties and 12.5 acre Los Angeles Street Property.

CONSTRUCTION IN PROGRESS (CIP)

The City of Irwindale continues to complete infrastructure projects to improve services to residents and visitors to Irwindale. Funding for CIP is almost entirely from sources outside the General Fund. Project funding sources include Irwindale Community Redevelopment Agency, Special Mining Funds, Measure R Sales Tax, State Gas Tax, CDBG, other Federal and State grants and private monies.

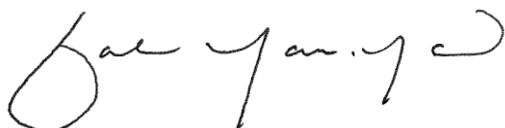
During FY 2010-11, Irwindale spent \$1.5 million in infrastructure improvements. Completed projects during FY 2010-11 totaled \$3.8 million and include the Foothill Blvd Reconstruction, Gladstone Street Reconstruction, and Citywide Bridge Retrofitting projects. In FY 2011-12, the City is budgeted to complete an additional \$6.8 in capital projects.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Irwindale for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2010. This was the first year that the City has received this prestigious award. The City received this award for publishing an easily readable and efficiently organized CAFR that satisfied both generally accepted accounting principles and applicable legal requirements.

The City's CAFR was prepared through the combined efforts of City staff. Special recognition is due the Finance Department, in particular Eva Contreras, Finance Manager. With her direction, the entire department assisted in closing the books for the year, ensuring timely and accurate reporting. Credit must also be given to the Mayor and City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,



John Davidson
City Manager



Laura M. Nomura
Director of Finance/Treasurer

CITY OF IRWINDALE
LIST OF PRINCIPAL OFFICIALS

JUNE 30, 2011

ELECTED OFFICIALS

Mayor Manuel R. Garcia
Mayor Pro Tem H. Manuel Ortiz
Councilmember Mark A. Breceda
Councilmember Larry Burrola
Councilmember David "Chico" Fuentes

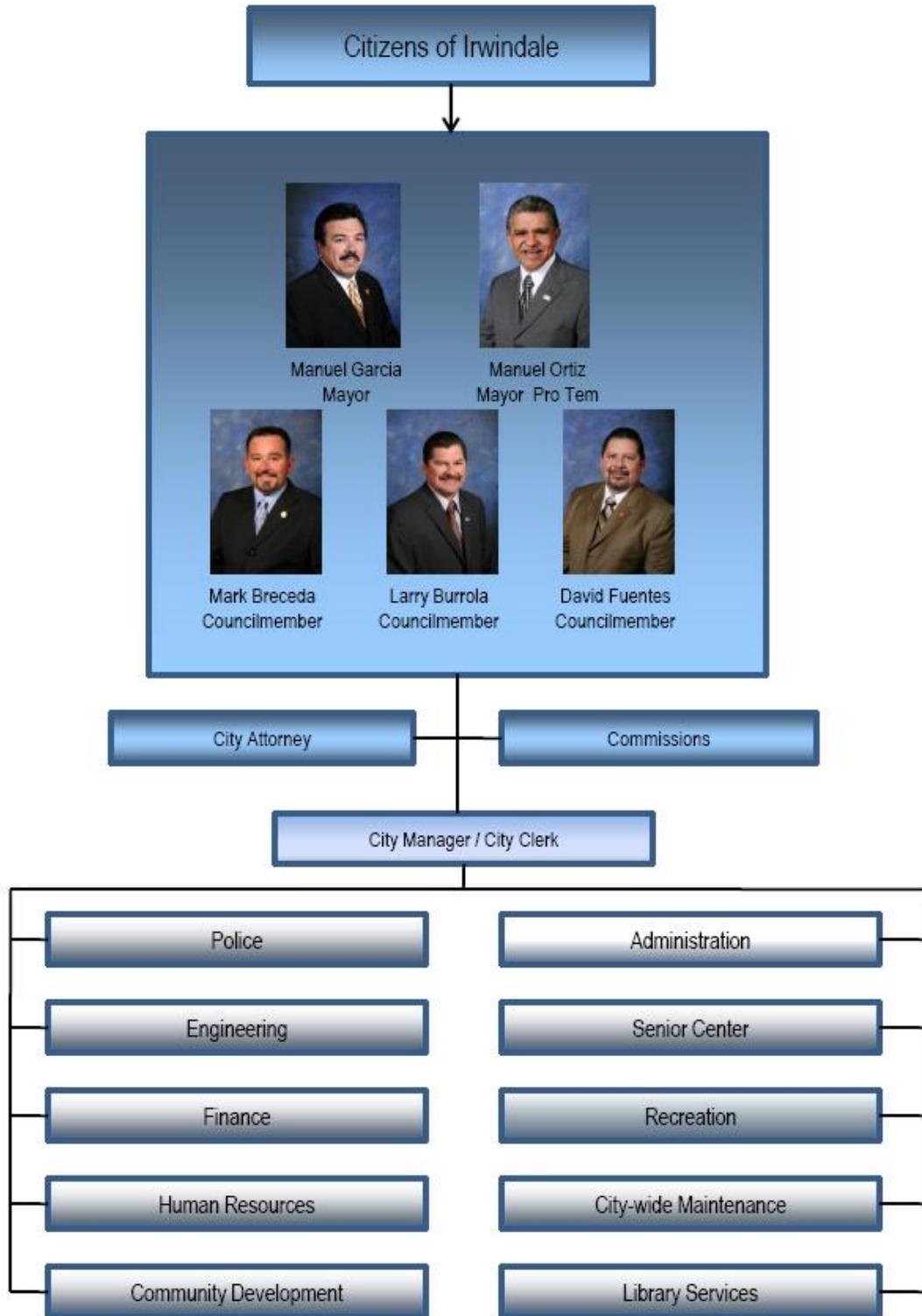
EXECUTIVE MANAGEMENT

Interim City Manager Martin Lomeli
Assistant City Manager Camille Diaz
Chief of Police Dennis Smith
Director of Finance/Treasurer Laura Nomura
Director of Planning & Community Development Ray Hamada
Director of Public Works/City Engineer Kwok Tam
Deputy City Clerk Laura Nieto
Human Resources Manager Sharmeen Bhojani

CITY ATTORNEY

Fred Galante, Aleshire & Wynder, LLP

**CITY OF IRWINDALE
ORGANIZATION CHART
June 30, 2011**



Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Irwindale
California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2010

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



President

Executive Director

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CERTIFIED PUBLIC ACCOUNTANTS

- Brandon W. Burrows, CPA
- David E. Hale, CPA, CFP
A Professional Corporation
- Donald G. Slater, CPA
- Richard K. Kikuchi, CPA
- Susan F. Matz, CPA
- Shelly K. Jackley, CPA
- Bryan S. Gruber, CPA

INDEPENDENT AUDITOR'S 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, 2011, 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, 2011, 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.

We would like to draw the reader's attention to Note 13 – "California Redevelopment Agency Uncertainty". The note provides information on two bills passed, AB1X26 and 27 which dissolve redevelopment agencies effective October 1, 2011 and provide an option to avoid dissolution by making certain defined payments.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 17, 2011, 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.



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

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Lance, Soll & Luyhard, LLP

Brea, California
November 17, 2011

MANAGEMENT DISCUSSION AND ANALYSIS

This section of the City of Irwindale's Comprehensive Annual Report (CAFR) presents management's discussion and analysis of the City's performance during the fiscal year that ended June 30, 2011. This analysis should be read in conjunction with the Transmittal Letter at the front of this report and the accompanying financial statements.

FINANCIAL HIGHLIGHTS

Long-Term Economic Resource (Government-wide) Focus – Economic resources are differentiated from financial resources in that the economic measurement focus measures changes in net assets as soon as the event occurs regardless of the timing of related cash flows. Therefore, this measurement focus includes current spendable resources and fixed non-spendable assets, and long-term claims against these assets. The resulting net asset utilizing this measurement focus provides one measure of the City's overall long-term financial condition.

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$126.3 million.
- The City's total net assets decreased by \$2.1 million.
- The City's total debt decreased by \$4 million during the current fiscal year.
- The City's non-current liabilities include \$94 million of outstanding debt, which was used to finance the acquisition of capital assets, and to fund capital improvements, economic development and housing projects. Capital assets, net of depreciation represent \$57.6 million of the \$227 million in total assets.

Short-Term Financial Resource (Fund) Focus - The financial resources focus measures inflows of current spendable assets. The resulting net difference between current financial assets and current financial liabilities otherwise known as fund balance (or net working capital in the private sector) is to measure the City's ability to finance activities in the near term.

- At the close of the current fiscal year, the City's Governmental Funds reported a combined ending fund balance of \$144 million, an increase of \$3 million. Approximately \$24.2 million are fund balances assigned for intended specific purposes and may be modified as deemed appropriate. This fund balance has been assigned towards economic contingency, debt service, future capital projects, housing, capital replacement and other special purposes.
- The General Fund reported a fund balance of \$66.7 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the comprehensive annual financial report contains the following information: *Independent Auditor's Report*, *Management's Discussion and Analysis* (this section), the *Basic Financial Statements*, and the *Supplementary Information* section, an optional section that presents combining and budgetary schedules for individual non-major funds. The *Basic Financial Statements* are comprised of three components: 1) *Government-wide Financial Statements*, 2) *Fund Financial Statements* and 3) *Notes to the Financial Statements*. The Management's Discussion and Analysis is intended to be an introduction to the Basic Financial Statements.

BASIC FINANCIAL STATEMENTS

Government-wide financial statements. The Government-wide Financial Statements are intended to provide a "Big Picture" view of the City as a whole using accounting methods similar to those used by private sector companies. The statement of net assets includes all of the City's assets (including non-spendable assets like streets and roads) and liabilities (including long-term liabilities that may be paid over many years). All of the current year revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two Government-wide Financial Statements report the City's net assets and how they have changed.

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. Net assets are one way to measure the City's financial health or position. Over time, increases or decreases in the City's net assets are an indicator of whether its financial health is improving or deteriorating, respectively. To assess the overall health of the City, one should also consider additional non-financial factors such as changes in the City's property tax base and the condition of the City's roads.

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).

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 City of Irwindale does not provide any business-type activities.

The government-wide financial statements include the blending of separate legal entities--the Irwindale Community Redevelopment Agency (ICRA), 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.

Fund Financial Statements – Funds are accounting devices that the City uses to track and control resources intended for specific purposes. The Fund Financial Statements provide more detailed information about the City's most significant funds (major funds) but not the City as a whole. Some funds are required by State and Federal law or by bond covenants. Other funds are utilized simply to control and manage resources intended for particular purposes.

The City utilizes two categories of 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 seventeen 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 from the other thirteen 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 – The City utilizes Fiduciary Funds to account for assets held by the City in a trustee capacity, or as an agent for other governmental entities, private organizations, or individuals. All of the City's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. We exclude these activities from the City's Government-wide Financial Statements because the City cannot use these assets to finance its operations.

Notes to the Financial Statements – The financial statements also include the Notes to the Financial Statements that provide important narrative details about the information contained in the financial statements. Information contained in the Notes to the Financial Statements is critical to a reader's full understanding of the Government-wide and Fund Financial Statements.

Supplementary Information – In addition to the required elements of the Basic Financial Statements, we have also included a Supplementary Information section, which includes budgetary and combining schedules that provide additional details about the City's non-major Governmental Funds and Fiduciary Funds.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Assets

Net assets serve over time as a useful indicator of a government's financial position. The City's net assets for the year ended June 30, 2011, as shown in the following table, were \$126.3 million.

City of Irwindale
Net Assets at June 30, 2011 and 2010
(in Thousands)

	Governmental Activities	
	2011	2010
Current and other assets	\$ 169,787	\$ 167,852
Capital assets	57,646	66,346
Total assets	227,433	234,198
Long-term debt outstanding	93,727	97,928
Other liabilities	7,414	7,870
Total liabilities	101,141	105,798
Net assets:		
Invested in capital assets, net of debt	52,415	60,704
Restricted	115,639	112,222
Unrestricted	(41,762)	(44,527)
Total net assets	\$ 126,292	\$ 128,399

Invested in Capital Assets – This component represents 42 percent of Net Assets and represents the amount of funds required to acquire the City’s capital assets, less any related debt used for such acquisition that is still outstanding. The City uses these capital assets to provide services to citizens. The capital assets of the City are not sources of income for repayment of debt as most assets are not revenue generating and generally are not liquidated to repay debt. Therefore, debt service payments are funded from other sources available to the City.

Restricted Assets – An additional portion of the City’s net assets, \$115.6 million, represents resources that are subject to external restrictions on how they may be used which include capital projects, debt service, grants, etc.

Unrestricted Assets – A significant portion of the bond proceeds financed economic development and housing projects, which are not capitalized. This results in the \$41.7 million negative amount in unrestricted net assets.

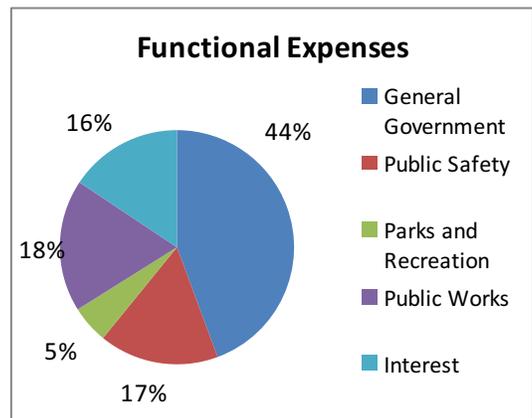
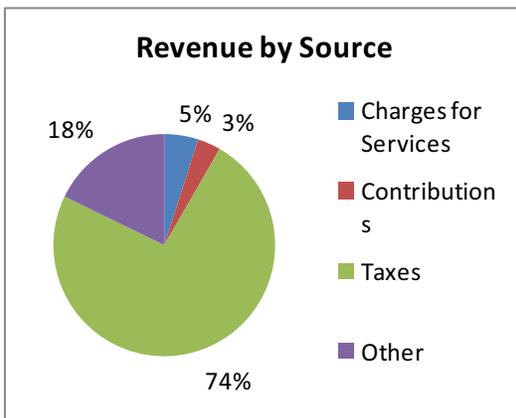
Overall the City’s net assets decreased \$2.1 million during the current fiscal year due to an increase in net assets from current year operations of \$9.9 million, offset by a restatement of \$12 million made to beginning net assets relating to adjustments made to correct land held for resale and capital assets.

Statement of Activities

The following is a condensed Statement of Activities for the fiscal year ended June 30, 2011 and 2010.

City of Irwindale – Statement of Activities
(Changes in Net Assets) as of June 30, 2011 and 2010
(in Thousands)

	<u>Governmental Activities</u>	
	<u>2011</u>	<u>2010</u>
Revenues		
Program revenues:		
Charges for services	\$ 2,214	\$ 1,739
Operating contributions and grants	1,470	1,323
Capital contributions and grants	42	586
Total program revenues	<u>3,726</u>	<u>3,648</u>
General revenues:		
Taxes:		
Property taxes	18,421	21,049
Mining/Processing taxes	4,257	3,642
Sales taxes	4,208	3,920
Franchise taxes	910	944
Business License taxes	972	674
Utility Users' Tax	3,594	3,172
Other taxes	442	435
Motor vehicle in lieu	121	122
Use of money and property	1,848	2,773
Gain on Sale of Property	4,845	-
Other	1,122	1,175
Total general revenues	<u>40,740</u>	<u>37,906</u>
Total revenues	<u>44,466</u>	<u>41,554</u>
Expenses		
General government	15,296	19,855
Public safety	5,713	7,137
Public works	1,851	5,978
Parks and recreation	6,309	1,872
Interest on long-term debt	5,428	5,702
Total expenses	<u>34,597</u>	<u>40,544</u>
Change in net assets	9,869	1,010
Net assets at beginning of year, as restated	128,399	133,404
Restatement of net assets	<u>(11,976)</u>	<u>(6,015)</u>
Net assets at end of year	<u>\$ 126,292</u>	<u>\$ 128,399</u>



Governmental Activities – The City’s activities increased net assets by \$9.9 million, which offset the \$12 million restatement to beginning net assets to reflect the overall \$2.1 million decrease in net assets.

The City reported program revenues of \$3.7 million and general revenues of \$40.7 million. Expenses for all Governmental Activities for the year totaled \$34.5 million. Therefore, as a result of operations, the City’s net assets from Governmental Activities increased by \$9.9 million in comparison with the prior year.

Program revenues increased \$78,000 (2%) from the prior year. The reason for the increase in program revenues is mainly due to increased building activity, offset by a decrease in capital grants.

General revenues increased \$2.8 million (7.5%) from the prior year primarily due to the sale of land by the Irwindale Community Redevelopment Agency in conjunction with a redevelopment project which resulted in a gain on sale of \$4.8 million. This gain was offset by a decrease in overall general revenues of \$2 million mainly due to a reduction in property tax revenue from lower assessed values and lower interest income due to continued drop in interest rates.

The total net decrease between years in expenses is \$5.9 million (15%). As outlined in Note 12 to the Financial Statements, in 2009 the State of California adopted legislation requiring a shift of monies to be deposited into the County Supplemental Educational Revenue Augmentation Fund (SERAF). Cities would be required to use redevelopment funds to make the SERAF payment which for the City was equal to \$5.9 million paid in FY 2009-10, this amount was reduced to \$1.2 million for FY 2010-11 which is reflected by a decrease in general government program expenses. Reduction of program expenses in the public safety and parks and recreation reflect continued efforts by the City to reduce operating costs by early retirements, freezing open positions and deferring costs where possible.

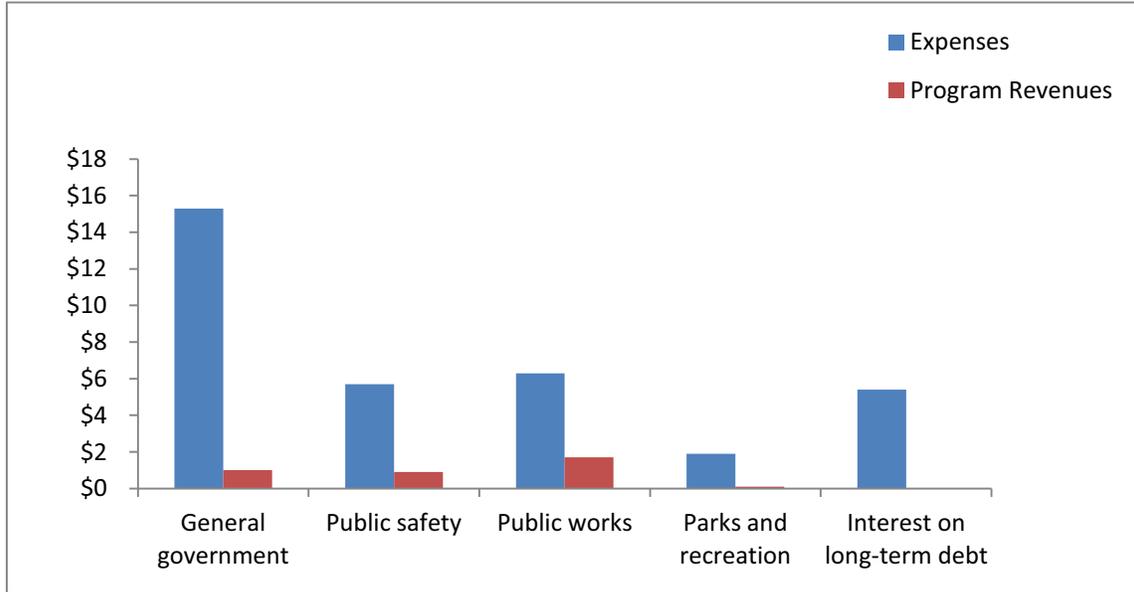
Each programs’ net cost (total cost less revenues generated by the activities) is presented in the table below. The net cost shows the extent to which the City’s general taxes support each of the City’s programs.

**City of Irwindale
Governmental Activities as of June 30, 2011 and 2010
(in Thousands)**

	Program Expenses		Program Revenues		Net Cost of Services	
	2011	2010	2011	2010	2011	2010
General government	\$ 15,296	\$ 19,855	\$ 1,006	\$ 1,084	\$ (14,290)	\$ (18,771)
Public safety	5,713	7,137	863	665	(4,850)	(6,472)
Public works	6,309	5,978	1,731	1,786	(4,578)	(4,192)
Parks and recreation	1,851	1,872	126	113	(1,725)	(1,759)
Interest on long-term debt	5,428	5,702	-	-	(5,428)	(5,702)
Totals	\$ 34,597	\$ 40,544	\$ 3,726	\$ 3,648	\$ (30,871)	\$ (36,896)

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. The table below provides an illustrative chart comparing program expenses to program revenues for governmental activities.

City of Irwindale
Program Expenses and Revenues – Governmental Activities
Fiscal Year Ended June 30, 2011
(in millions)



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, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City of Irwindale's governmental funds reported combined ending fund balances of \$144 million. Of this balance 37% are legally restricted to fund such areas as low and moderate housing projects, public safety, community services, public works and debt service; 17% are assigned to capital projects, capital asset replacement, PERS stabilization, compensated absences, post retirement benefits and economic contingency; 46% is nonspendable for prepaid costs, land held for resale, notes and loans, and advances to other funds; and less than 0% is unassigned. These designations have been made to provide resources for the future.

The General Fund ended the year with a \$66.7 million fund balance, a net increase of \$39 million from the prior fiscal year. The increase is due to a transfer agreement for the conveyance of certain redevelopment properties owned by the ICRA to the City approved by the City Council in March 2011. The City will act as the agent of the ICRA in the disposition and redevelopment of said properties pursuant to California redevelopment law.

Assigned fund balance establishes assignments of fund balance for intended specific purposes and can be modified as deemed appropriate. This category was previously reported as unreserved under the old financial reporting standards prior to implementation of GASB 54. As a measure of the general fund's

liquidity, it may be useful to compare both the total fund balance and the assigned fund balance to total general fund expenditures. The assigned fund balance totals \$24.3 million, which represents 36.4% of the total general fund balance of \$66.7 million and 140% of total general fund expenditures totaling \$17.3 million. These balances represent the results of the efforts of the City of Irwindale to remain fiscally conservative and ensure that the City maintains adequate reserves to cover economic contingencies (such as the current drop in revenues due to the recession), future employee obligations, capital improvement and infrastructure needs.

The Special Mining Tax Special Revenue fund ended the fiscal year with \$14.6 million in fund balance, a net increase of \$134,000 from prior year. The net increase is mainly due to slightly improved tax revenue collections during the fiscal year.

The Redevelopment Agency's Capital Projects Fund ended the fiscal year with \$44.4 million in fund balance, a decrease of \$43 million as compared to the prior year. As discussed above, the decrease was primarily due to a transfer agreement for the conveyance of certain redevelopment properties owned by the ICRA to the City approved by the City Council in March 2011.

The Redevelopment Agency's Debt Service Fund ended the fiscal year with \$7.7 million in fund balance, an increase of \$6.3 million from the prior year. This increase was mainly due to the SERAF payment made in FY 2010-11 which was lower than the prior year by \$4.7 million.

GENERAL FUND BUDGETARY HIGHLIGHTS

The final appropriations for the General Fund at year-end were \$795,000 more than the original budget and total actual expenditures were \$2.7 million less than the final budget. Several factors contributed to the final variance and are briefly summarized as follows:

Changes to Original Budget:

Resources (Inflows)—

- An increase of \$500,000 in Licenses and Permits and \$230,000 in Charges for Services due to additional development activity revenues.
- An increase in \$342,800 for a grant received relating to infrastructure improvements.
- An increase of \$39 million in Transfers In due to the conveyance of certain redevelopment properties owned by the ICRA to the General Fund as discussed above in the financial analysis of governmental funds.

Appropriations (Outflows)—

- An increase of \$795,000 overall, approximately \$650,000 reflects continuing appropriations and encumbrances recorded from FY 2009-10 for ongoing capital projects and the remainder relates to supplemental appropriations approved by the City Council during the year of approximately \$145,000.

Variances with Final Budget:

Resources (Inflows)—

- The positive variance between budgeted and actual Taxes was approximately \$647,000. This was primarily due to better than expected property tax and mining tax revenues.
- The negative variance between budgeted and actual for Intergovernmental was approximately \$955,000 which was due primarily to not receiving two reimbursement based grants due to the project being delayed and not started in FY 2010-11. The projects will be carried over to FY 2011-12.
- The negative variance between budgeted and actual Use of Money and Property was approximately \$265,000 and was due to lower than planned interest earned on investments.

Appropriations (Outflows)—

- The positive variance between budgeted and actual for general government, public safety, parks and recreation and public works totaled \$1.4 million. This positive reduction was due mainly to a

- concerted effort by the City to continue to control costs to minimize the general fund operating deficit. Savings were accomplished through early retirements, freezing open positions, reducing consulting services, minimizing travel costs and other operating costs.
- The positive variance between budgeted and actual capital outlay was due to some capital projects being delayed. These budgets will be carried over to Fiscal Year 2011-12 for project completion.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of FY 2010-11, the City had \$57.6 million invested in a broad range of capital assets, including land, buildings, infrastructure, and equipment. This amount represents a net decrease (including additions and deductions) of \$8.7 million, over last year.

City of Irwindale
Capital Assets as of June 30, 2011 and 2010
(Net of Depreciation, in Thousands)

	Government Activities	
	2011	2010
Land	\$ 5,907	\$ 14,587
Buildings and Improvements	2,117	2,224
Furniture and Equipment	554	608
Infrastructure	45,545	43,123
Construction in progress	3,523	5,804
Totals	<u>\$ 57,646</u>	<u>\$ 66,346</u>

As discussed in Note 11, the decrease in land is due to a restatement to write down the value of land in the amount of \$8.7 million because the asset was correctly recorded in land held for resale. The increase in infrastructure and decrease in construction in Progress was due to completion of street reconstruction and bridge retrofitting projects.

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 \$93.7 million.

City of Irwindale
Outstanding Debt as of June 30, 2011 and 2010
(in Thousands)

	Government Activities	
	2011	2010
Tax Allocation Bonds	\$ 86,155	\$ 89,735
Certificates of Participation	5,220	5,625
Accrued Employee Benefits	896	1,055
Capital leases payable	12	16
Unamortized original issue discount	1,443	1,497
Totals	<u>\$ 93,726</u>	<u>\$ 97,928</u>

During the fiscal year, the City debt decreased by \$4.2 million due to principal payments on outstanding debt.

Additional information on the City's long-term debt can be found in Note 5 of the Notes to the Financial Statements.

FACTORS AFFECTING NEXT YEAR'S BUDGET

The City's Fiscal Year 2011-12 budget includes projected General Fund revenues of \$15.8 million. Overall, General Fund revenues are estimated to be about 11% or \$2 million lower than actual FY 2010-11 revenues.

The City anticipates that general tax revenue will remain flat from prior year. Approximately \$1.5 million of the decrease is due to one-time revenues received in FY 2010-11 that are not planned in FY 2011-12 relating to intergovernmental grants and contributions received from a mining settlement. In addition, staffing reimbursements from the Redevelopment Agency projected for FY 2011-12 will be less than the prior year by approximately \$500,000 due to fewer projects planned and the outsourcing of some work previously performed by the redevelopment manager who retired at the end of FY 2010-11.

This budget also includes projected General Fund expenditures of \$18.2 million, which represents a slight increase over FY 2010-11 actual of \$18 million. The FY 2011-12 represents an 8% or \$1.6 million decrease from FY 2008-09 when the City began cost-cutting measures.

No new capital projects are planned in the general fund for FY 2011-12, however \$400,000 of fund balance has been assigned to continuing appropriations for completion of projects started in prior fiscal years.

The budget adopted by the City Council for FY 2011-12 assumes there is no change in State law. As outlined in the Transmittal Letter within this document, the future existence of the ICRA is at risk due to State budget issues. Depending on the outcome of this proposed legislation, the City's overall budget could be affected due to the potential loss of tax increment revenues.

Based on the projections noted above, the budget for FY 2011-12 results in a \$2.3 million operating deficit. With the revenue decline outpacing our expenditure decreases, it makes it difficult for the City to balance its budget. The City has been working diligently to reduce operating costs, which is very apparent by the loss of almost 23% of the City's workforce over the past three years, which has significantly reduced personnel costs by approximately \$1.6 million City-wide and \$1 million in the General Fund.

Even under the best of circumstances, the elimination of the deficit will continue to be a multi-year effort. Fortunately, in addition to an Economic Contingency Reserve equal to 44% of current year expenditures, roughly \$8 million, the City has other assigned reserves of \$14.5 million estimated at the beginning of the fiscal year totaling \$22.5 million. As noted above, the deficit for FY 2011-12 is anticipated to be \$2.3 million, which will reduce the total undesignated reserves to \$20.2 million, consisting of \$5.9 million in the Economic Contingency Reserve for future contingencies and \$14.3 million in the remaining assigned fund balance. The City Council and management will continue to work on potential revenue enhancements and cost reduction measures to reduce the deficit.

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. If you have questions about this report or need additional financial information, contact the City's Finance Department at the City of Irwindale, 5050 North Irwindale Avenue, Irwindale, California, 91706, and (626) 430-2200.

CITY OF IRWINDALE

STATEMENT OF NET ASSETS
 JUNE 30, 2011

	Governmental Activities
Assets:	
Cash and investments	\$ 77,180,042
Receivables:	
Accounts	372,903
Taxes	5,016,844
Notes and loans	28,462,610
Accrued interest	164,030
Prepaid costs	6,702
Deferred charges	4,074,520
Prepaid pension costs	738,637
Prepaid other post employment benefits	36,386
Land held for resale	46,892,053
Restricted assets:	
Cash with fiscal agent	6,841,949
Capital assets not being depreciated	9,430,440
Capital assets, net of depreciation	<u>48,215,965</u>
Total Assets	<u>227,433,081</u>
Liabilities:	
Accounts payable	2,188,031
Accrued liabilities	420,277
Accrued interest	1,782,209
Unearned revenue	1,875,667
Deposits payable	1,147,103
Due to other governments	1,415
Noncurrent liabilities:	
Due within one year	4,831,678
Due in more than one year	<u>88,894,591</u>
Total Liabilities	<u>101,140,971</u>
Net Assets:	
Invested in capital assets, net of related debt	52,415,011
Restricted for:	
Public safety	272,231
Community development projects	25,621,580
Capital projects	83,785,402
Debt service	5,959,950
Unrestricted	<u>(41,762,064)</u>
Total Net Assets	<u><u>\$ 126,292,110</u></u>

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CITY OF IRWINDALE

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2011

Functions/Programs	Program Revenues				Net
	Expenses	Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	(Expenses)
					Revenues and Changes in Net Assets
Primary Government:	Primary Government				Governmental Activities
Governmental Activities:					
General government	\$ 15,295,872	\$ -	\$ 1,005,881	\$ -	\$ (14,289,991)
Public safety	5,713,485	529,939	332,586	-	(4,850,960)
Parks and recreation	1,851,457	121,570	4,547	-	(1,725,340)
Public works	6,308,680	1,562,668	126,954	41,852	(4,577,206)
Interest on long-term debt	5,427,530	-	-	-	(5,427,530)
Total Governmental Activities	34,597,024	2,214,177	1,469,968	41,852	(30,871,027)
Total Primary Government	\$ 34,597,024	\$ 2,214,177	\$ 1,469,968	\$ 41,852	(30,871,027)
General Revenues:					
Taxes:					
Property taxes, levied for general purpose					18,421,025
Mining/processing taxes					4,256,883
Sales taxes					4,207,592
Franchise taxes					910,274
Business licenses taxes					971,720
Utility users tax					3,593,910
Other taxes					441,742
Motor vehicle in lieu - unrestricted					121,549
Use of money and property					1,847,903
Gain on sale of capital asset					4,844,874
Other					1,122,602
Total General Revenues, Contributions, Special Items and Transfers					40,740,074
Change in Net Assets					9,869,047
Net Assets at Beginning of Year					128,399,144
Restatement of Net Assets					(11,976,081)
Net Assets at End of Year					\$ 126,292,110

CITY OF IRWINDALE

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2011**

	<u>General</u>	<u>Special Revenue Fund Special Mining Tax</u>	<u>Capital Projects Fund Redevelopment Agency Capital Projects</u>
Assets:			
Cash and investments	\$ 25,372,723	\$ 15,472,338	\$ 24,333,730
Receivables:			
Accounts	216,726	20,895	4,455
Taxes	2,034,592	689,975	458,345
Notes and loans	12,233	-	28,450,377
Accrued interest	60,950	40,278	44,896
Prepaid costs	6,702	-	-
Due from other funds	89,581	-	1,459,726
Advances to other funds	3,000,000	-	2,385,644
Land held for resale	39,423,045	-	4,617,871
Restricted assets:			
Cash and investments with fiscal agents	-	-	2
Total Assets	<u>\$ 70,216,552</u>	<u>\$ 16,223,486</u>	<u>\$ 61,755,046</u>
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ 692,004	\$ 547,660	\$ 84,300
Accrued liabilities	401,879	14,127	-
Deferred revenues	511,692	-	14,077,207
Unearned revenues	784,020	1,082,068	-
Deposits payable	905,286	15,210	225,400
Due to other governments	-	-	-
Due to other funds	200,000	-	5,782
Advances from other funds	-	-	3,000,000
Total Liabilities	<u>3,494,881</u>	<u>1,659,065</u>	<u>17,392,689</u>
Fund Balances:			
Nonspendable:			
Prepaid costs	6,702	-	-
Land held for resale	39,423,045	-	4,617,871
Notes and loans	12,233	-	14,373,170
Advances to other funds	3,000,000	-	2,385,644
Restricted for:			
Continuing projects	-	-	22,985,672
Public safety	-	-	-
Public works	-	14,564,421	-
Debt service	-	-	-
Assigned to:			
Capital projects	500,000	-	-
Capital asset replacement	6,400,000	-	-
Continuing appropriations	400,182	-	-
PERS stabilization	800,000	-	-
Compensated absences liability	900,000	-	-
Post retirement benefits	6,510,000	-	-
Economic contingency	8,769,509	-	-
Unassigned	-	-	-
Total Fund Balances	<u>66,721,671</u>	<u>14,564,421</u>	<u>44,362,357</u>
Total Liabilities and Fund Balances	<u>\$ 70,216,552</u>	<u>\$ 16,223,486</u>	<u>\$ 61,755,046</u>

CITY OF IRWINDALE

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2011**

	Debt Service Fund		
	Redevelopment Agency Debt Service	Other Governmental Funds	Total Governmental Funds
Assets:			
Cash and investments	\$ 3,536,996	\$ 8,464,255	\$ 77,180,042
Receivables:			
Accounts	-	130,827	372,903
Taxes	1,833,932	-	5,016,844
Notes and loans	-	-	28,462,610
Accrued interest	-	17,906	164,030
Prepaid costs	-	-	6,702
Due from other funds	-	-	1,549,307
Advances to other funds	-	-	5,385,644
Land held for resale	-	2,851,137	46,892,053
Restricted assets:			
Cash and investments with fiscal agents	6,841,947	-	6,841,949
Total Assets	\$ 12,212,875	\$ 11,464,125	\$ 171,872,084
Liabilities and Fund Balances:			
Liabilities:			
Accounts payable	\$ 823,931	\$ 40,136	\$ 2,188,031
Accrued liabilities	-	4,271	420,277
Deferred revenues	-	43,605	14,632,504
Unearned revenues	-	9,579	1,875,667
Deposits payable	-	1,207	1,147,103
Due to other governments	1,415	-	1,415
Due to other funds	1,259,726	83,799	1,549,307
Advances from other funds	2,385,644	-	5,385,644
Total Liabilities	4,470,716	182,597	27,199,948
Fund Balances:			
Nonspendable:			
Prepaid costs	-	-	6,702
Land held for resale	-	2,851,137	46,892,053
Notes and loans	-	-	14,385,403
Advances to other funds	-	-	5,385,644
Restricted for:			
Continuing projects	-	2,098,777	25,084,449
Public safety	-	272,231	272,231
Public works	-	6,107,245	20,671,666
Debt service	7,742,159	-	7,742,159
Assigned to:			
Capital projects	-	-	500,000
Capital asset replacement	-	-	6,400,000
Continuing appropriations	-	-	400,182
PERS stabilization	-	-	800,000
Compensated absences liability	-	-	900,000
Post retirement benefits	-	-	6,510,000
Economic contingency	-	-	8,769,509
Unassigned	-	(47,862)	(47,862)
Total Fund Balances	7,742,159	11,281,528	144,672,136
Total Liabilities and Fund Balances	\$ 12,212,875	\$ 11,464,125	\$ 171,872,084

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CITY OF IRWINDALE

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2011

Fund balances of governmental funds	\$ 144,672,136
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	57,646,405
Prepaid pension costs and prepaid other post employment benefits relate to the prepayment of the funded obligations, which are recorded as an expenditure in the governmental funds statements when made, but these payments are amortized over their respective actuarial amortization period in the government-wide statements.	738,637
Bond issuance cost is an expenditure in the governmental funds, but it is a deferred charge in the statement of net assets	4,074,520
Long-term debt and compensated absences that have not been included in the governmental fund activity:	
Long-term liabilities	(92,829,785)
Compensated Absences	(896,484)
Governmental funds report all OPEB contributions as expenditures, however in the Statement of Net Assets any excesses or deficiencies in contributions in relation to the Annual Required Contribution (ARC) are recorded as a asset or liability.	36,386
Accrued interest payable for the current portion of interest due on Bonds has not been reported in the governmental funds	(1,782,209)
Revenues reported as deferred revenue in the governmental funds and recognized in the Statement of Activities. These are included in the intergovernmental revenues in the governmental fund activity.	<u>14,632,504</u>
Net assets of governmental activities	<u>\$ 126,292,110</u>

CITY OF IRWINDALE

**STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2011**

	General	Special Revenue Fund Special Mining Tax	Capital Projects Fund Redevelopment Agency Capital Projects
Revenues:			
Taxes	\$ 12,377,543	\$ 2,341,130	\$ 3,546,587
Licenses and permits	989,453	-	-
Intergovernmental	174,748	5,780	-
Charges for services	842,152	-	-
Use of money and property	712,633	89,746	1,003,169
Fines and forfeitures	382,572	-	-
Contributions	4,547	-	-
Miscellaneous	2,407,453	649,000	764
Total Revenues	17,891,101	3,085,656	4,550,520
Expenditures:			
Current:			
General government	6,702,856	366,961	2,230,323
Public safety	5,352,133	-	50,726
Parks and recreation	1,651,410	-	-
Public works	3,506,826	1,063,519	86,727
Capital outlay	125,003	842,247	483,026
Debt service:			
Principal retirement	4,657	-	845,000
Interest and fiscal charges	715	-	1,446,436
Total Expenditures	17,343,600	2,272,727	5,142,238
Excess (Deficiency) of Revenues Over (Under) Expenditures	547,501	812,929	(591,718)
Other Financing Sources (Uses):			
Transfers in	39,470,802	28,002	5,368
Transfers out	(672,428)	(707,222)	(44,217,280)
Gain on sale of land held for resale	-	-	4,844,874
Total Other Financing Sources (Uses)	38,798,374	(679,220)	(39,367,038)
Net Change in Fund Balances	\$ 39,345,875	\$ 133,709	\$ (39,958,756)
Fund Balances:			
Beginning of year as previously reported	\$ 27,375,796	\$ 14,430,712	\$ 87,617,164
Restatements	-	-	(3,296,051)
Beginning of year as restated	27,375,796	14,430,712	84,321,113
Net change in fund balances	39,345,875	133,709	(39,958,756)
End of Year	\$ 66,721,671	\$ 14,564,421	\$ 44,362,357

CITY OF IRWINDALE

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2011

	<u>Debt Service Fund</u>		<u>Total Governmental Funds</u>
	<u>Redevelopment Agency Debt Service</u>	<u>Other Governmental Funds</u>	
Revenues:			
Taxes	\$ 14,213,182	\$ 309,351	\$ 32,787,793
Licenses and permits	-	-	989,453
Intergovernmental	-	454,130	634,658
Charges for services	-	-	842,152
Use of money and property	69	42,286	1,847,903
Fines and forfeitures	-	-	382,572
Contributions	-	-	4,547
Miscellaneous	-	-	3,057,217
Total Revenues	14,213,251	805,767	40,546,295
Expenditures:			
Current:			
General government	5,345,183	636,071	15,281,394
Public safety	-	46,396	5,449,255
Parks and recreation	-	-	1,651,410
Public works	-	478,946	5,136,018
Capital outlay	-	285,023	1,735,299
Debt service:			
Principal retirement	3,140,000	-	3,989,657
Interest and fiscal charges	3,714,929	-	5,162,080
Total Expenditures	12,200,112	1,446,436	38,405,113
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,013,139	(640,669)	2,141,182
Other Financing Sources (Uses):			
Transfers in	4,311,662	1,862,222	45,678,056
Transfers out	(5,367)	(75,759)	(45,678,056)
Gain on sale of land held for resale	-	-	4,844,874
Total Other Financing Sources (Uses)	4,306,295	1,786,463	4,844,874
Net Change in Fund Balances	\$ 6,319,434	\$ 1,145,794	\$ 6,986,056
Fund Balances:			
Beginning of year as previously reported	\$ 1,422,725	\$ 10,135,734	\$ 140,982,131
Restatements	-	-	(3,296,051)
Beginning of year as restated	1,422,725	10,135,734	137,686,080
Net change in fund balances	6,319,434	1,145,794	6,986,056
End of Year	\$ 7,742,159	\$ 11,281,528	\$ 144,672,136

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, 2011**

Net change in fund balances - total governmental funds \$ 6,986,056

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 (19,150)

Prepaid pension costs and prepaid other post employment benefits relate to the prepayment of the funded obligations, which are recorded as an expenditure in the governmental funds statements when made, but these payments are amortized over their respective actuarial amortization period in the government-wide statement. (55,471)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets 3,659,403

Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period. 64,804

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 159,121

Governmental funds report all contributions in relation to the annual required contribution (ARC) for OPEB as expenditures, however in the Statement of Activities only the ARC is an expense. (618)

Revenues reported as deferred revenue in the governmental funds and recognized in the Statement of Activities. These are included in the following revenues in the governmental fund activity:

Taxes	15,353
Intergovernmental	21,993
Deferred loans	(962,444)
	<u> </u>

Change in net assets of governmental activities \$ 9,869,047

CITY OF IRWINDALE

**BUDGETARY COMPARISON STATEMENT
GENERAL FUND
YEAR ENDED JUNE 30, 2011**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$27,375,796	\$27,375,796	\$27,375,796	\$ -
Resources (Inflows):				
Taxes	11,730,380	11,730,380	12,377,543	647,163
Licenses and permits	400,000	900,000	989,453	89,453
Intergovernmental	786,467	1,129,267	174,748	(954,519)
Charges for services	476,000	706,000	842,152	136,152
Use of money and property	978,230	978,230	712,633	(265,597)
Fines and forfeitures	347,400	347,400	382,572	35,172
Contributions	1,000	1,000	4,547	3,547
Miscellaneous	2,461,668	2,461,668	2,407,453	(54,215)
Transfers in	47,750	39,470,795	39,470,802	7
Amounts Available for Appropriation	44,604,691	85,100,536	84,737,699	(362,837)
Charges to Appropriation (Outflow):				
General government	6,430,183	6,873,927	6,702,856	171,071
Public safety	6,213,534	5,873,372	5,352,133	521,239
Parks and recreation	1,897,836	1,851,523	1,651,410	200,113
Public works	3,890,996	4,038,308	3,506,826	531,482
Capital outlay	823,500	1,413,562	125,003	1,288,559
Debt service:				
Principal retirement	4,657	4,657	4,657	-
Interest and fiscal charges	715	715	715	-
Transfers out	672,435	672,435	672,428	7
Total Charges to Appropriations	19,933,856	20,728,499	18,016,028	2,712,471
Budgetary Fund Balance, June 30	\$24,670,835	\$64,372,037	\$66,721,671	\$ 2,349,634

CITY OF IRWINDALE

**BUDGETARY COMPARISON STATEMENT
SPECIAL MINING TAX
YEAR ENDED JUNE 30, 2011**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 14,430,712	\$ 14,430,712	\$ 14,430,712	\$ -
Resources (Inflows):				
Taxes	2,238,026	2,238,026	2,341,130	103,104
Intergovernmental	-	-	5,780	5,780
Use of money and property	250,000	201,500	89,746	(111,754)
Miscellaneous	500,000	500,000	649,000	149,000
Transfers in	-	-	28,002	28,002
Amounts Available for Appropriation	17,418,738	17,370,238	17,544,370	174,132
Charges to Appropriation (Outflow):				
General government	391,441	356,691	366,961	(10,270)
Public works	1,218,397	1,312,107	1,063,519	248,588
Capital outlay	1,260,000	3,661,392	842,247	2,819,145
Transfers out	660,978	660,978	707,222	(46,244)
Total Charges to Appropriations	3,530,816	5,991,168	2,979,949	3,011,219
Budgetary Fund Balance, June 30	\$ 13,887,922	\$ 11,379,070	\$ 14,564,421	\$ 3,185,351

CITY OF IRWINDALE

STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2011

	Agency Funds
Assets:	
Pooled cash and investments	\$ 1,534,201
Receivables:	
Accounts	295
Taxes	47,643
Accrued interest	3,077
Due from other governments	1,415
Restricted assets:	
Cash and investments with fiscal agents	<u>870,350</u>
Total Assets	<u>\$ 2,456,981</u>
Liabilities:	
Accounts payable	\$ 1,480
Deposits payable	<u>2,455,501</u>
Total Liabilities	<u>\$ 2,456,981</u>

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I. SIGNIFICANT ACCOUNTING POLICIES

Note 1: Organization and Summary of Significant Accounting Policies

a. Description of the Reporting Entity

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. It is governed by an elected five-member board. As required by accounting principles generally accepted in the United States of America, these financial statements present the City of Irwindale (the City) and its component units, entities for which the City is considered financially accountable.

The inclusion of an organization within the scope of the reporting entity of the City of Irwindale is based on the provisions of GASB Statement No. 14. The blended component units discussed below, although legally separate entities, are in substance part of the government operation and so data from these component units has been combined herein. The following criteria were used in the determination of the blended component units:

1. The members of the City Council also act as the governing body of the Irwindale Redevelopment Agency (the Agency), the Irwindale Public Financing Authority, the Irwindale Housing Authority, and the Irwindale Reclamation Authority.
2. The Agency, the Public Financing Authority, the Housing Authority and the Reclamation Authority are managed by employees of the City. A portion of the City's personnel costs is allocated to these component units each year.
3. The City, the Agency, the Public Financing Authority, the Housing Authority and the Reclamation Authority are financially interdependent. They provide financial benefit/burden to the City.

Blended Component Units

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 Public Financing Authority was established on October 29, 1990, pursuant to the State of California Joint Exercise of Powers Act. Its purpose is to acquire, construct, modify and rehabilitate facilities; undertake a program of local agency bond pooled financing and lending; and make more efficient use of the common powers of the City of Irwindale and the Irwindale Community Redevelopment Agency.

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.

The Irwindale Reclamation Authority was established on August 17, 2004, 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

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

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).

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 Public Financing Authority, 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. 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.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

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 and processing 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 are used to account for funds held for the benefit of parties outside the government. The resources in these agency funds are not used to support any City programs. Agency funds for the City consists of the Trust & Agency Fiduciary Fund, the Community Facilities District (CFD#1), the Live Oak Sewer Assessment District, the Street Light Assessment District, and the Sewer Maintenance Assessment District Fund.

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.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

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."

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

Governmental funds use the purchases method to account for their inventories of materials and supplies. Under the purchase method, inventories are reported as expenditure when purchased rather than capitalized as an asset.

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, infrastructure assets (e.g. roads, bridges, sidewalks and similar items) and intangible assets, 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.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2011

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

In accordance with GASB Statement No. 34, the City has reported its general infrastructure assets acquired after June 30, 1980, which include pavement, sidewalk, curb and gutter, streetlights, storm drains, bridges and traffic signals

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	25 - 100
Buildings	50
Furniture, Fixtures and Equipment	3 – 10

5. Compensated Absences

Vacation pay is payable to employees at the time a vacation is taken or upon termination of employment, 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:

- 75% reimbursement from one day up to 60 days,
- 50% reimbursement from 60 days up to 100 days, and
- 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, 2011, there were no material long-term claims and judgments against the City and no liability was 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.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

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

8. Fund Equity

In the fund financial statements, government funds report the following fund balance classification:

Nonspendable include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted include amounts that are constrained on the use of resources by either (a) external creditors, grantors, contributors, or laws of regulations of other governments or (b) by law through constitutional provisions or enabling legislation.

Committed include amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest authority, City Council. The formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is by ordinance or resolution.

Assigned include amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The City Manager is authorized to assign amounts to a specific purpose, which was established by the governing body in a resolution.

Unassigned include the residual amounts that have not been restricted, committed, or assigned to specific purposes.

The accounting policies of the City considers restricted fund balance to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the City considers committed amounts to be reduced first, followed by assigned amounts and then unassigned amounts.

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.
- Parks and Recreation includes those activities, which involve the parks and recreation system.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

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

- 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 are not due and payable in the current period and therefore are not reported in the governmental funds." The detail of the (\$92,829,785) difference is as follows:

Long-term debt:	
Tax allocation bonds	\$ (86,155,000)
Certificates of participation	(5,220,000)
Capital leases	(11,394)
Unamortized bond discount	224,611
Unamortized bond premium	<u>(1,668,002)</u>
Net adjustment to reduce fund balance of total governmental funds to arrive at net assets of governmental activities	 <u>\$ (92,829,785)</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 (\$19,150) difference is as follows:

Capital outlay	\$ 1,710,440
Depreciation expense	<u>(1,729,590)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities	 <u>\$ (19,150)</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

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2011

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

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 \$3,659,403 difference is as follows:

Principal repayments:	
2001 refunding certificates of participation	\$ 405,000
2002 tax allocation senior parity bonds	515,000
2003 tax allocation housing parity bonds	680,000
2005 taxable housing tax allocation parity bonds	165,000
2006 tax allocation refunding parity bonds	1,565,000
2006 subordinate lien tax allocation refunding bonds	655,000
Capital leases payable	4,657
Bond discounts and premiums amortization	53,446
Bond defeasance loss amortization	(58,524)
Cost of issuance amortization	<u>(325,176)</u>
Net adjustment to decrease net changes in fund balance of total governmental funds to arrive at changes in net assets of governmental activities	<u><u>\$ 3,659,403</u></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. The City Manager is authorized to transfer budgeted appropriations within the control accounts provided no change is made to the total amount for any one fund. Actual expenditures may not exceed budgeted appropriations at the fund 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.

CITY OF IRWINDALE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

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. Deficit Fund Balance

The Federal Grants fund has a deficit fund balance of (\$47,862) at June 30, 2011 which will be eliminated with future grant revenue. This is a reimbursement grant for which expenses are incurred in advance, and then submitted for reimbursement.

III. DETAILED NOTES ON ALL FUNDS

Note 3: Cash and Investments

As of June 30, 2011, cash and investments were reported in the accompanying financial statements as follows:

Governmental activities	\$ 84,021,991
Fiduciary funds	<u>2,404,551</u>
Total Cash and Investments	<u><u>\$ 86,426,542</u></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.

Deposits

At June 30, 2011, the carrying amount of the City's deposits was \$2,236,371 and the bank balance was \$2,594,242. The \$357,871 difference represents outstanding checks and other reconciling items. The California Government Code requires California banks and savings and loan associations to secure a City's deposits by pledging government securities with a value of 110% of a City's deposits. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of a City's total deposits. The City Treasurer may waive the collateral requirement for deposits which are fully insured up to \$250,000 by the FDIC. The collateral for deposits in federal and state chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an Agent of Depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an "Agent of Depository" has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California Agents of Depository are considered to be held for, and in the name of, the local governmental agency.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

Note 3: Cash and Investments (Continued)

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 & 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
- Negotiable Certificates of Deposit which are fully insured by the Federal Deposit Insurance Corporation (FDIC)
- 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

Investments Authorized by Debt Agreements

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

Investments in State Investment Pool

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

GASB Statement No. 31

The City adopted GASB Statement 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.

Note 3: Cash and Investments (Continued)

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. 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, 2011, the City had no investments in medium-term notes. In addition, the City's investments in Federal Agency investments 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, 2011, 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, 2011, 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: Medium Term Notes (30%), Medium Term of any one corporation (15%), Banker's Acceptances (20%), and Bank's acceptance of any one commercial bank (10%). With respect to concentration of credit risk, as of June 30, 2011, the Agency is in compliance with its investment policy. In accordance with GASB Statement No. 40 a separate disclosure is needed if the City has invested more than 5% of its total investments in any one issuer. As of June 30, 2011, the City has invested \$5,014,050 (6%) in Federal Home Loan Bank, \$13,290,170 (16%) in Federal National Mortgage Association, \$7,968,960 (9%) in Federal Farm Credit Bank, and \$10,983,950 (13%) in Federal Home Loan Mortgage Corporation.

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 two-thirds of the City's portfolio shall mature in three 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.

CITY OF IRWINDALE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

Note 3: Cash and Investments (Continued)

As of June 30, 2011, the City had the following investments and original maturities:

	Investment Maturities				Fair Value
	Less 6 Months	6 Months to 1 Year	1 to 3 Years	3 to 5 Years	
Investments					
California Local Agency Investment Fund	\$ 31,824,100	\$ -	\$ -	\$ -	\$ 31,824,100
Certificate of Deposit	200,824	202,474	4,000,222	2,962,925	7,366,445
Money Market Fund	30,197	-	-	-	30,197
Federal Agency Securities	-	-	3,994,800	33,262,330	37,257,130
Investments with fiscal agents					
Money Market Mutual Fund	7,712,299	-	-	-	7,712,299
	<u>\$ 39,767,420</u>	<u>\$ 202,474</u>	<u>\$ 7,995,022</u>	<u>\$ 36,225,255</u>	<u>\$ 84,190,171</u>

Note 4: Capital Assets

Capital assets activity for the year ended June 30, 2011, was as follows:

	Beginning Balance	Adjustments	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Capital assets, not being depreciated:							
Land	\$ 14,586,987	\$ (8,680,030)	\$ 5,906,957	\$ -	\$ -	\$ -	\$ 5,906,957
Construction-in-progress	5,804,200		5,804,200	1,510,837	-	(3,791,554)	3,523,483
Total Capital Assets, Not Being Depreciated	<u>20,391,187</u>	<u>(8,680,030)</u>	<u>11,711,157</u>	<u>1,510,837</u>	<u>-</u>	<u>(3,791,554)</u>	<u>9,430,440</u>
Capital assets, being depreciated:							
Buildings and improvements	5,335,098	-	5,335,098	-	-	-	5,335,098
Furniture, fixtures and equipment	3,845,945	-	3,845,945	199,603	(159,827)	-	3,885,721
Infrastructure	56,986,176	-	56,986,176	-	-	3,791,554	60,777,730
Total Capital Assets, Being Depreciated	<u>66,167,219</u>	<u>-</u>	<u>66,167,219</u>	<u>199,603</u>	<u>(159,827)</u>	<u>3,791,554</u>	<u>69,998,549</u>
Less accumulated depreciation:							
Buildings and improvements	3,110,799	-	3,110,799	106,592	-	-	3,217,391
Furniture, fixtures and equipment	3,238,315	-	3,238,315	253,568	(159,827)	-	3,332,056
Infrastructure	13,863,707	-	13,863,707	1,369,430	-	-	15,233,137
Total Accumulated Depreciation	<u>20,212,821</u>	<u>-</u>	<u>20,212,821</u>	<u>1,729,590</u>	<u>(159,827)</u>	<u>-</u>	<u>21,782,584</u>
Total Capital Assets, Being Depreciated, Net	<u>45,954,398</u>	<u>-</u>	<u>45,954,398</u>	<u>(1,529,987)</u>	<u>-</u>	<u>3,791,554</u>	<u>48,215,965</u>
Governmental Activities Capital Assets, Net	<u>\$ 66,345,585</u>	<u>\$ (8,680,030)</u>	<u>\$ 57,665,555</u>	<u>\$ (19,150)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 57,646,405</u>

CITY OF IRWINDALE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

Note 4: Capital Assets (Continued)

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

Governmental Activities:	
General government	\$ 63,346
Public safety	201,788
Parks and recreation	211,332
Public works	<u>1,253,124</u>
Total Depreciation Expense	<u>\$ 1,729,590</u>

Note 5: Long-Term Debt

The following is a schedule of changes in governmental activities long-term debt for fiscal year ended June 30, 2011.

	<u>Outstanding July 1, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Outstanding June 30, 2011</u>	<u>Due Within One Year</u>
Tax Allocation Bonds:					
2002 Tax Allocation					
Senior Parity Bonds	\$ 11,315,000	\$ -	\$ 515,000	\$ 10,800,000	\$ 530,000
2003 Tax Allocation Housing					
Parity Bonds	5,620,000	-	680,000	4,940,000	710,000
2005 Tax Allocation Housing					
Parity Bonds	16,680,000	-	165,000	16,515,000	175,000
2006 Tax Allocation Refunding					
Parity Bonds	39,395,000	-	1,565,000	37,830,000	1,645,000
2006 Subordinate Lien Tax					
Allocation Refunding Bonds	16,725,000	-	655,000	16,070,000	675,000
Certificates of Participation:					
2001 Refunding Certificates					
of Participation	5,625,000	-	405,000	5,220,000	420,000
Accrued Employee Benefits	1,055,605	631,891	791,012	896,484	671,776
Capital Lease Payable	<u>16,051</u>	<u>-</u>	<u>4,657</u>	<u>11,394</u>	<u>4,902</u>
Total	<u>\$ 96,431,656</u>	<u>\$ 631,891</u>	<u>\$ 4,780,669</u>	<u>92,282,878</u>	<u>\$ 4,831,678</u>
				<u>1,443,391</u>	
					<u>\$ 93,726,269</u>

Plus: Unamortized net original issue (discount) or premium

CITY OF IRWINDALE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

Note 5: Long-Term Debt (Continued)

a. Tax Allocation Bonds

A description of individual issues of bonds outstanding at June 30, 2011 (excluding defeased bonds) follows:

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, 2011, was \$10,800,000.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2011, including interest, are as follows:

	2002 Tax Allocation Senior Parity Bonds	
	Principal	Interest
2011-2012	\$ 530,000	\$ 483,488
2012-2013	550,000	464,038
2013-2014	570,000	442,748
2014-2015	590,000	419,833
2015-2016	615,000	395,118
2016-2021	3,505,000	1,527,020
2021-2026	4,440,000	574,379
Totals	<u>\$ 10,800,000</u>	<u>\$ 4,306,624</u>

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, 2011, was \$4,940,000.

CITY OF IRWINDALE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2011

Note 5: Long-Term Debt (Continued)

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2011, including interest, are as follows:

	2003 Taxable Housing Tax Allocation Parity Bonds	
	Principal	Interest
2011-2012	\$ 710,000	\$ 260,650
2012-2013	740,000	223,938
2013-2014	780,000	184,500
2014-2015	165,000	159,694
2015-2016	170,000	150,688
2016-2021	1,015,000	586,456
2021-2026	1,360,000	222,188
Totals	<u>\$ 4,940,000</u>	<u>\$ 1,788,114</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, 2011, was \$16,515,000.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2011, including interest, are as follows:

	2005 Taxable Housing Parity TAB	
	Principal	Interest
2011-2012	\$ 175,000	\$ 885,851
2012-2013	190,000	876,679
2013-2014	195,000	866,909
2014-2015	860,000	839,791
2015-2016	910,000	794,214
2016-2021	5,320,000	3,179,573
2021-2026	6,915,000	1,532,745
2026-2031	1,950,000	53,918
Totals	<u>\$ 16,515,000</u>	<u>\$ 9,029,680</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

CITY OF IRWINDALE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2011

Note 5: Long-Term Debt (Continued)

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, 2011, was \$37,830,000.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2011, including interest, are as follows:

	2006 Tax Allocation Refunding Parity Bonds	
	Principal	Interest
2011-2012	\$ 1,645,000	\$ 2,022,491
2012-2013	1,725,000	1,943,523
2013-2014	1,810,000	1,857,323
2014-2015	1,895,000	1,765,698
2015-2016	2,000,000	1,666,054
2016-2021	10,380,000	6,617,981
2021-2026	14,865,000	3,044,678
2026-2031	3,510,000	51,334
Totals	<u>\$ 37,830,000</u>	<u>\$ 18,969,082</u>

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, 2011, was \$16,070,000.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

Note 5: Long-Term Debt (Continued)

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2011, including interest, are as follows:

	2006 Subordinate Lien Tax Allocation Refunding Bonds	
	Principal	Interest
2011-2012	\$ 675,000	\$ 819,363
2012-2013	710,000	788,200
2013-2014	745,000	753,600
2014-2015	775,000	715,600
2015-2016	820,000	675,725
2016-2021	4,750,000	2,705,625
2021-2026	7,595,000	1,282,875
Totals	<u>\$ 16,070,000</u>	<u>\$ 7,740,988</u>

The Agency has pledged, as security for bonds it has issued, either directly or through the Financing Authority, a portion of the tax increment revenue (including Low and Moderate Income Housing set-aside) that it receives. These bonds were to provide financing for various capital projects, accomplish Low and Moderate Income Housing projects and to defease previously issued bonds. The Agency has committed to appropriate each year, from these resources amounts sufficient to cover the principal and interest requirements on the debt. Total principal and interest remaining on the debt is \$128,344,354 with annual debt service requirements as indicated below. For the current year, the total tax increment revenue, net of pass through payments, recognized by the Agency was \$13,417,583 and the debt service obligation on the bonds was \$8,216,191.

b. Certificates of Participation2001 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 for the advance refunding of 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 refunding of 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, 2011, the outstanding balance on the 2001 Refunding Certificates of Participation was \$5,220,000.

CITY OF IRWINDALE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

Note 5: Long-Term Debt (Continued)

The annual requirements to amortize the outstanding indebtedness as of June 30, 2011, including interest, are as follows:

	2001 Refunding Certificates of Participation	
	Principal	Interest
2011-2012	\$ 420,000	\$ 250,830
2012-2013	440,000	232,980
2013-2014	460,000	213,180
2014-2015	480,000	192,020
2015-2016	505,000	169,460
2016-2021	2,915,000	450,470
Totals	<u>\$ 5,220,000</u>	<u>\$ 1,508,940</u>

c. Capital Leases

In September 2008, the City entered into a capital lease agreement to acquire a copier. For accounting purposes, the lease qualifies as capital leases and, therefore, has been recorded at the present value of the future minimum lease payments as of the inception date. At June 30, 2011, the outstanding balance on the lease was \$11,394. The following is a schedule by years of future minimum lease payments:

Year Ending June 30,	Total
2012	\$ 5,372
2013	5,372
2014	1,343
Total payments	12,087
Less amount representing interest	693
Outstanding Principal	<u>\$ 11,394</u>

d. 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.

e. Other Special Obligations

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.

On July 13, 2010, the City of Irwindale Community Facilities District No. 1 issued \$7,685,000 in Special Tax Refunding Bonds with interest rates varying from 3.00% to 5.00% to refund the District's outstanding 1998 Special Tax Refunding Bonds.

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.

CITY OF IRWINDALE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2011

Note 6: Interfund Receivable, Payable and Transfer

	Amount Outstanding at June 30, 2011
City of Irwindale Sewer Assessment District (Live Oak Avenue) Limited Obligation Improvement Bonds	\$ 520,000
City of Irwindale Community Facilities District No. 1 2010 Special Tax Refunding Bonds	7,685,000

The composition of interfund balances as of June 30, 2011, is as follows:

a. Due To/From Other Funds

Funds	Due To Other Funds				Total
	General Fund	Redevelopment Agency		Nonmajor Governmental Funds	
		Capital Projects Fund	Debt Service Fund		
Due From Other Funds:					
General Fund	\$ -	\$ 5,782	\$ -	\$ 83,799	\$ 89,581
Redevelopment Agency Capital Projects	200,000	-	1,259,726	-	1,459,726
Total	<u>\$ 200,000</u>	<u>\$ 5,782</u>	<u>\$ 1,259,726</u>	<u>\$ 83,799</u>	<u>\$ 1,549,307</u>

The due to General fund of \$83,799 from various nonmajor funds was to cover temporary deficit cash balances at June 30, 2011. The \$5,782 due from the Redevelopment Agency Capital Projects funds was for operating costs allocated to the Agency.

The due to in the Redevelopment Agency Capital Projects funds of \$200,000 from the General Fund was for a developer deposit that was transferred for a redevelopment agency project.

The Industrial Project Area's Project Fund loaned \$1,171,298 to the Tax Increment Fund for operating expenditures and \$88,428 to the Parque Del Norte and the Nora Fraijo Tax Increment Funds to reflect the amount of the 20% set-aside that was deferred.

b. Advances To/From Other Funds

Funds	Advances From Other Funds:		
	Irwindale Community Redevelopment Agency		Total
	Capital Project Fund	Debt Service Fund	
Advances To Other Funds:			
General Fund	\$ 3,000,000	\$ -	\$ 3,000,000
Redevelopment Agency Capital Projects	-	2,385,644	2,385,644
Total	<u>\$ 3,000,000</u>	<u>\$ 2,385,644</u>	<u>\$ 5,385,644</u>

During the current and previous fiscal years, the City of Irwindale had made loans to the Agency. These loans bear interest at a rate of 3% per year. As of June 30, 2011, the loan balance was \$3,000,000.

During the FY 2009-2010 the Redevelopment Agency Capital Projects funds loaned to the Redevelopment Agency Debt Service funds \$2,385,644 for the payment of the Supplemental Educational Revenue Augmentation Fund.

CITY OF IRWINDALE

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011**

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

c. Interfund Transfers

Funds	Transfers out:					Total
	General Fund	Special Mining Tax	Redevelopment Agency		Nonmajor Governmental Funds	
			Capital Projects Fund	Debt Service Fund		
Transfers in:						
General Fund	\$ -	\$ -	\$ 39,423,045	\$ -	\$ 47,757	\$ 39,470,802
Special Mining Tax	-	-	-	-	28,002	28,002
Redevelopment Agency Capital Projects	-	-	-	5,367	-	5,367
Redevelopment Agency Debt Service	672,428	-	3,639,235	-	-	4,311,663
Nonmajor Governmental Funds	-	707,222	1,155,000	-	-	1,862,222
Total	\$ 672,428	\$ 707,222	\$ 44,217,280	\$ 5,367	\$ 75,759	\$ 45,678,056

The Special Mining Tax fund transferred \$707,222 to the Reclamation fund pursuant to a settlement agreement.

The General Fund transferred \$672,428 to the Irwindale Community Redevelopment Agency Debt Service fund for the lease on municipal facilities related to the 2001 refunding Certificates of Participation.

The Irwindale Community Redevelopment Agency Capital Project fund conveyed land held for resale properties in the amount of \$39,423,045 to the General Fund, which will serve as a custodial agent to the conveyed properties.

The Irwindale Community Redevelopment Agency Capital Project fund transferred \$3,639,235 to the Irwindale Community Redevelopment Agency Debt Service fund for the repayment made during the year on advances from the City.

The Irwindale Community Redevelopment Agency Capital Project fund transferred \$1,155,000 to the Housing Authority for the purchase of property and development projects.

The Irwindale Community Redevelopment Agency Debt Service fund transferred \$5,367 to the Irwindale Community Redevelopment Agency Capital Project fund for the 20% low/mod set aside owed from the Parque Del Norte and the Nora Fraijo Tax Increment funds.

The transfer to the General Fund of \$47,757 and to the Special Mining Tax fund of \$28,002 from various nonmajor funds was for street maintenance and various street projects.

IV. OTHER DISCLOSURES

Note 7: Retirement Plan

Plan Description

The City of Irwindale contributes to the California Public Employees Retirement System (PERS), 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, California 95814.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

Note 7: Retirement Plan (Continued)

Funding Policy

Participants are required to contribute 7% (9% for safety employees) of their annual covered salary. As of January 1, 2011, existing participants were required to pay 1% of the current 7% (9% for safety employees). This percentage will increase to 2% effective July 1, 2011. Participants hired after July 1, 2010 are required to pay the full 7% (9% for safety employees) of their required contribution. The City contributes the employer requirement at an actuarially determined rate. The current employer rate is 9.050% (20.880% for safety employees) of the annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by PERS.

Annual Pension Cost

During fiscal year 2010-2011, the City contributed its annual required contribution of \$1,374,171. The City annual pension cost and change in net pension asset for fiscal year ending June 30, 2011, were as follows:

Annual required contribution	\$ 1,374,171
Interest on net pension asset	61,543
Adjustment to annual required contribution	<u>(117,014)</u>
Annual pension cost	1,318,700
Contributions made	<u>1,374,171</u>
Increase (decrease) in net pension asset	(55,471)
Net pension asset beginning of year	<u>794,108</u>
Net pension asset end of year	<u><u>\$ 738,637</u></u>

The summary of principal assumptions and methods used to determine the annual required contribution is shown below:

Valuation Date	June 30, 2010
Actuarial Cost Method	Entry Age Normal Cost Method
Amortization Method	Level Percent of Payroll on a Closed Basis
Average Remaining Period	18 Years as of Valuation Date
Asset Valuation Method	15 Year Smoothed Market
Actuarial Assumptions	
Investment Rate of Return	7.75% (net of administrative expenses)
Projected Salary Increases	3.55% to 14.45% depending on Age, Service, and type of employment
Inflation	3.00%
Payroll Growth	3.25%
Individual Salary Growth	A merit scale varying by duration of employment coupled with an assumed annual inflation growth of 3.00% and an annual production growth of 0.25%.

CITY OF IRWINDALE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

Note 7: Retirement Plan (Continued)

The following table provides the annual pension cost and the percentage contributed for the current and two prior fiscal years.

(Amounts in Thousands)			
Fiscal Years Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Asset
6/30/2009	\$ 2,472	152%	\$ 846
6/30/2010	1,471	97%	794
6/30/2011	1,374	96%	739

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.

Note 8: Retirement Enhancement Plan

Plan Description

The City of Irwindale established the PARS Retirement Enhancement Plan (PARS) for its miscellaneous employees to supplement 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 a full-time or part-time employee, be at least 50 years of age, have completed at least three years of continuous employment with the City as of the last day of employment with the City if hired prior to January 1, 2007, or 10 years of continuous employment if hired on or after January 1, 2007. Employees must terminate employment with the City; 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.

Funding Policy

The City is required to contribute at an actuarially determined rate; the current rate is 10.33% of the annual covered payroll. The required contribution was based on the July 1, 2009, actuarial valuation, using the entry age normal actuarial cost method. Based on the July 1, 2010 actuarial valuation assumptions included (a) an investment return of 7.50%, (b) an inflation rate of 3.00%, (c) projected annual payroll increases of 3.85% to 12.65% based on year of service, and (d) a cost-of-living adjustment of 2% per year. Miscellaneous employees hired prior to July 1, 2010 are required to contribute .4% of the current rate, with the City contributing the remaining portion (currently 9.93%). All miscellaneous employees

CITY OF IRWINDALE

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

Note 8: Retirement Enhancement Plan (Continued)

hired after July 1, 2010 are required to pay 50% of the current rate with the City contributing the remaining 50% (currently 5.165%).

Annual Pension Cost

For fiscal year ending June 30, 2011, the City's annual required contribution and actual contribution was \$462,303. The following table provides 3 years of historical information of the Annual Pension Cost:

Trend Information for PARS (Amounts in Thousands)			
Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2009	\$ 449	100 %	\$ -
6/30/2010	448	100 %	-
6/30/2011	462	100 %	-

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

Actuarial Valuation Date	Actuarial Liability (AAL) Entry Age	Actuarial Value of Assets	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a % of Covered Payroll
6/30/06	\$ 4,894	\$ 4,212	\$ 683	86.1%	\$ 3,622	18.9%
6/30/08	5,461	4,535	926	83.1%	4,373	21.2%
6/30/10	6,957	3,974	2,983	57.1%	3,617	82.5%

Actuarial Valuation is performed every other year.

Note 9: Other Post-Employment Employee Benefits

Plan Description

The City has established a qualified OPEB trust with the California Employers' Retiree Benefit Trust Fund (CERBT) to fund future benefits. The City provides medical 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.

For employees hired before July 1, 2010, the plan provides lifetime benefits towards medical insurance for all employees who retire from the City on or after attaining the age of 50 with at least five years of service. For employees hired after July 1, 2010, retiree medical benefits will be implemented in accordance with the vesting resolution with CalPERS which mirrors the state plan for contribution levels; requiring 10 years of service for 50% contribution of state designated amount towards retiree medical premiums and 20 years of service for 100% contribution of state designated amount towards retiree medical premiums.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

Note 9: Other Post-Employment Employee Benefits (Continued)

Funding Policy

The contribution requirements of plan members and the City are established and may be amended by the City, City Council and/or the employee association. Currently, contributions are not required from plan members. The contribution amount is based on the annual required contribution (ARC) of \$961,057 for fiscal year 2010-2011, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis is projected to cover the annual normal cost and the amortization of unfunded actuarial liabilities (or funding excess) over a thirty year period.

The City pays current benefits on a pay-as-you-go basis and makes additional contribution to the California Employers' Retiree Benefit Trust Fund (CERBT) to fund future benefits. For fiscal year 2010-2011, the City paid \$623,329 for retiree benefits and contributed \$337,728 to CERBT to fund future benefits.

Annual OPEB Cost and Net OPEB Obligation

The City's annual other postemployment benefit (OPEB) cost is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB asset:

Annual required contribution (ARC)	\$ 961,057
Interest on net pension obligation	(1,758)
Adjustment to ARC	<u>2,376</u>
Annual OPEB cost	961,675
Contribution made	<u>961,057</u>
Decrease in net OPEB asset	(618)
Net OPEB asset - July 1, 2010	<u>37,004</u>
Net OPEB asset - June 30, 2011	<u><u>\$ 36,386</u></u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB asset for the 2010-2011 fiscal year and the two preceding years were as follows:

Fiscal Year End	Annual OPEB Cost	Actual Contribution (Net of Adjustments)	Percentage of Annual OPEB Cost Contributed	Net OPEB Asset
6/30/2009	\$ 1,043,125	\$ 1,080,719	103.6%	\$ 37,594
6/30/2010	1,075,009	1,074,419	99.9%	37,004
6/30/2011	961,675	961,057	99.9%	36,386

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

Note 9: Other Post-Employment Employee Benefits (Continued)

Funded Status and Funding Progress

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress below presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. The plan was implemented in fiscal year 2008-2009 and an actuarial valuation was performed during that year. A subsequent actuarial valuation was performed for fiscal year 2010-2011. In an effort to align all agencies participating in the California Employers' Retiree Benefit Trust Fund, another actuarial will be performed for fiscal year 2011-2012, then an actuarial will be performed every two years thereafter.

Actuarial Valuation Date	Actuarial Value of Assets	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	UAAL as a Percent of Covered Payroll	Interest Rate	Salary Scale
8/1/2008	\$ -	\$ 11,221,220	0.00%	\$ 6,176,705	181.67%	7.75%	3.00%
7/1/2010	1,221,250	11,392,900	0.00%	6,176,705	184.45%	7.75%	3.00%

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The actuarial valuation, dated October 6, 2010, used the Entry Age Normal actuarial cost method, a discount rate of 7.75% which is the long-term expected rate of return on the City's investment fund, an annual general inflation rate of 3.00%, and an annual aggregate payroll increase of 3.00%. The initial unfunded accrued actuarial liability (UAAL) is being amortized over a closed 30-year period and the residual UAAL is being amortized over an open 30-year period beginning with the 2010-11, fiscal year. As of the actuarial valuation date, the City had 83 active participants and 60 recipients.

Note 10: 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 121 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

Note 10: Risk Management (Continued)

b. Self-Insurance Programs of the Authority

A revised cost allocation methodology was introduced in 2010-11, however it retains many elements of the previous cost allocation methodology. Each member pays an annual contribution (formerly called the primary deposit) to cover estimated losses for the coverage period. This initial funding is paid at the beginning of the coverage period. After the close of the coverage period, outstanding claims are valued. A retrospective deposit computation is then conducted annually thereafter until all claims incurred during the coverage period are closed on a pool-wide basis. This subsequent cost re-allocation among members based on actual claim development can result in adjustments of either refunds or additional deposits required.

The total funding requirement for self-insurance programs is estimated using actuarial models and pre-funded through the annual contribution. Costs are allocated to individual agencies based on exposure (payroll) and experience (claims) relative to other members of the risk-sharing pool. Additional information regarding the cost allocation methodology is provided below.

General Liability

In the liability program claims are pooled separately between police and non-police exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$30,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$30,000 to \$750,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs in excess of \$750,000 up to the reinsurance attachment point of \$5 million are distributed based on the outcome of cost allocation within the first and second loss layers. (5) Costs of covered claims from \$5 million to \$10 million are paid under a reinsurance contract subject to a \$2.5 million annual aggregate deductible. Costs of covered claims from \$10 million to \$15 million are paid under two reinsurance contracts subject to a combined \$3 million annual aggregate deductible. On a cumulative basis for all 2010-11 reinsurance contracts the annual aggregate deductible is \$5.5 million. (6) Costs of covered claims from \$15 million up to \$50 million are covered through excess insurance policies.

The overall coverage limit for each member including all layers of coverage is \$50 million per occurrence.

Costs of covered claims for subsidence losses are paid by reinsurance and excess insurance with a pooled sub-limit of \$35 million per occurrence. This \$35 million subsidence sub-limit is composed of (a) \$5 million retained within the pool's SIR, (b) \$10 million in reinsurance and (c) \$20 million in excess insurance. The excess insurance layer has a \$20 million annual aggregate.

Note 10: Risk Management (Continued)

Workers' Compensation

In the workers' compensation program claims are pooled separately between public safety (police and fire) and non-public safety exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$50,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$50,000 to \$100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs in excess of \$100,000 up to the reinsurance attachment point of \$2 million are distributed based on the outcome of cost allocation within the first and second loss layers. (5) Costs of covered claims from \$2 million up to statutory limits are paid under a reinsurance policy. Protection is provided per statutory liability under California Workers' Compensation Law.

Employer's Liability losses are pooled among members to \$2 million. Coverage from \$2 million to \$4 million is purchased as part of a reinsurance policy, and Employer's Liability losses from \$4 million to \$10 million are pooled among members.

c. Purchased Insurance

Pollution Legal Liability Insurance

The City of Irwindale participates in the pollution legal liability insurance program (formerly called environmental 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 million for the 3-year period from July 1, 2008 through July 1, 2011. Each member of the Authority has a \$10 million sub-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. City of Irwindale property is currently insured according to a schedule of covered property submitted by the City of Irwindale to the Authority. City of Irwindale property currently has all-risk property insurance protection in the amount of \$31,330,237. There is a \$5,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$1,000 deductible. Premiums for the coverage are paid annually and are not subject to retrospective adjustments.

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. City of Irwindale property currently has earthquake protection in the amount of \$25,967,728. There is a deductible of 5% per unit of value with a minimum deductible of \$100,000. Premiums for the coverage are paid annually and are not subject to retroactive adjustments.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2011

Note 10: Risk Management (Continued)

Crime Insurance

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

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.

The CJPIA has published its own financial report for the year ended June 30, 2011, which can be obtained from California Joint Powers Insurance Authority, 8081 Moody Street, La Palma, California, 90623.

Note 11: Fund Balance and Net Assets Restatements

Beginning fund balance in the Irwindale Community Redevelopment Agency Capital Project fund was restated by (\$3,296,051) to remove land held for resale that was correctly recorded as a capital asset.

Beginning net assets were restated by (\$11,976,081). Net assets restatement in the amount of (\$3,296,051) was to adjust land held for resale that was also recorded as a capital asset. The restatement in the amount of (\$8,680,030) was to remove land recorded as a capital asset that was correctly recorded in land held for resale.

Note 12: Transactions with the State of California

SERAF Shift for fiscal year 2009-2010 and 2010-2011

On July 23, 2009, the State adopted legislation requiring a shift of monies during fiscal years 2009-2010 and 2010-2011 to be deposited into the County "Supplemental" Educational Revenue Augmentation Fund (SERAF). These monies were to be distributed to meet the State's Prop 98 obligations to schools. The California Redevelopment Association (CRA) and its member agencies filed a legal action in an attempt to stop these amounts from having to be paid; however, in May 2010 the Sacramento Superior Court upheld the legislation.

The payment of the SERAF due May 10, 2011 for fiscal year 2010-2011 was made in the amount of \$1,232,907. The payment made for fiscal year 2009-2010 was \$5,988,407. The legislation allowed these payments to be made from any available monies present in any project area(s). Subsequent legislation was passed which even allowed the funding for these payments to be borrowed from the Low and Moderate Income Housing Fund with appropriate findings from its legislative body. Any amounts borrowed from Low and Moderate Income Housing (including any suspended set-aside amounts) are to be repaid by June 30, 2015. If those amounts are not repaid, by that date, then the set-aside percentage to Low and Moderate Income Housing will increase from 20% to 25% for the remainder of the life of the Agency.

Note 12: Transactions with the State of California

To accomplish these payments, the Agency borrowed a total of \$7,221,314 over the last two fiscal years from the Irwindale Community Redevelopment Agency Capital Projects Fund (after adopting appropriate findings of necessity). Repayments of the loan have been made in the amount of \$4,835,670, leaving a balance outstanding of \$2,385,644 as of June 30, 2011. In the accompanying financial statements, the amount paid to the County has been reported in the general government expenditures of the Redevelopment Agency Debt Service Fund. Borrowings and/or suspended set-aside amounts relating to the Irwindale Community Redevelopment Agency Capital Projects Fund have been reflected as inter-fund advances between the accounting funds of the Agency.

Note 13: California Redevelopment Agency Uncertainty

On July 18, 2011, the California Redevelopment Association ("CRA") and the League of California Cities ("League") filed a petition for writ of mandate with the California Supreme Court, requesting the Court to declare unconstitutional two bills that were passed as part of the 2011-12 State Budget, AB1X 26 and 27. AB1X 26 dissolves redevelopment agencies effective October 1, 2011. AB1X 27, give redevelopment agencies an option to avoid dissolution if it commits to making defined payments for the benefit of the State, school districts and certain special districts. In 2011-12, these payments amount to a state-wide total of \$1.7 billion. In 2012-13 and subsequent years, the payments total \$400 million, annually. Each city or county's share of these payments is determined based on its proportionate share of state-wide tax increment.

CRA and the League contend that AB1X 26 and 27 are unconstitutional because they violate Proposition 22 which was passed by the voters in November, 2010. The effect of the legislation is to achieve a possible unconstitutional result, the use of redevelopment agencies' tax increment funds to benefit the State and other units of local government, by way of threatening of the dissolution of redevelopment agencies.

Therefore, the CRA and the League have requested that the Court issue a stay, suspending the effectiveness of AB1X 26 and 27 until the Court can rule on its constitutionality. CRA and the League also asked the Court to expedite the briefing and hearing of the case so that a decision can be rendered by the Court before January 15, 2012, when the first payments are due. On August 11th, the California Supreme Court agreed to hear the case and granted a partial stay which was subsequently clarified.

As of the time of the issuance of this report, the outcome of AB1X 26 and 27 upon the Agency is unknown and consequently the status and even future existence of the Agency is uncertain as such. In accordance with AB1X 27, the Agency has passed a resolution of intent to continue and will be required to make a payment to the State in the estimated amount of \$4,314,510, due in two equal installments of \$2,157,255 due by January 15, 2012 and May 15, 2012.

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Nonmajor Governmental Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for a particular purpose. Nonmajor special revenue funds for the City of Irwindale are as follows:

Housing Authority Fund – This fund accounts for the transactions of the Irwindale Housing Authority which was established to for the development of low and moderate income housing in the City.

Reclamation Fund – This fund accounts for deposits received from quarry operators, for the purpose of securing the proper reclamation of mining sites in the City.

AB 939 – This fund accounts for revenue received as a result of AB939, adopted by the state in 1989, requiring cities to develop source reduction and recycling programs. Funds for administering these programs are generated through waste collection fees and forwarded to the cities.

Asset Forfeiture – This fund accounts for proportionate funds received as a result of coordinated drug enforcement efforts. The funds then provide for expenditures in relation to targeting, investigating and prosecuting individuals engaged in drug-trafficking activities, and to seize all assets derived there from.

State Gas Tax Fund – This fund accounts for revenues apportioned to the City by the State, pursuant to the Streets and Highways Code of the State of California, which provide for street maintenance and improvements.

Air Quality Improvement – This fund accounts for the City's share of revenue received under AB 2766 to be used to reduce air pollution from motor vehicles pursuant to the California Clean Air Act of 1988.

Proposition A – This fund accounts for the City's share of the half cent sales tax levied in Los Angeles County effective July 1982, which provides for local transit related expenditures.

Proposition C – This fund accounts for the City's share of the half cent sales tax levied in Los Angeles County effective November 1990, which provides for local transit related expenditures.

Measure R – This fund accounts for the City's share of the half cent sales tax approved by Los Angeles County voters, effective July 1, 2009. Measure R funds are distributed on a per capita basis, and are to be used specifically for transportation purposes.

TDA Article 3 - This fund accounts for funds received under SB821 regarding State Bikeway monies for the development of facilities for the exclusive use of bicycles and pedestrians.

Federal Grants – This fund accounts for a grant received by the U.S. Department of Justice, Community Oriented Policing Services Office. This grant provides for the purchase of technological equipment for law enforcement purposes.

Community Development Block Grant - This fund accounts for grants received from the U.S. Department of Housing and Urban Development in the form of a Community Development Block Grant (CDBG) program, which is administered by the County of Los Angeles. The program has specific federal guidelines and all CDBG expenditures are monitored for compliance with both federally mandated rules and regulations and County of Los Angeles regulations.

Citizen's Options for Public Safety (COPS) Fund – This fund accounts for the City's portion of funds distributed to local agencies, pursuant to the AB 2339 COPS grant, which provide for law enforcement related expenditures.

CITY OF IRWINDALE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2011

	Special Revenue Funds			
	Housing Authority	Reclamation	AB939	Asset Forfeiture
Assets:				
Cash and investments	\$ 2,097,882	\$ 5,888,458	\$ 183,053	\$ 154,626
Receivables:				
Accounts	-	-	19,870	-
Accrued interest	1,953	14,547	648	317
Land held for resale	2,851,137	-	-	-
Total Assets	\$ 4,950,972	\$ 5,903,005	\$ 203,571	\$ 154,943
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 1,058	\$ -	\$ 25,179	\$ 5,388
Accrued liabilities	-	-	3,982	289
Deferred revenues	-	-	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	1,207	-
Due to other funds	-	-	-	-
Total Liabilities	1,058	-	30,368	5,677
Fund Balances:				
Nonspendable:				
Land held for resale	2,851,137	-	-	-
Restricted for:				
Community development projects	2,098,777	-	-	-
Public safety	-	-	-	149,266
Public works	-	5,903,005	173,203	-
Unassigned	-	-	-	-
Total Fund Balances	4,949,914	5,903,005	173,203	149,266
Total Liabilities and Fund Balances	\$ 4,950,972	\$ 5,903,005	\$ 203,571	\$ 154,943

CITY OF IRWINDALE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2011

(Continued)

	Special Revenue Funds			
	State Gas Tax	Air Quality Improvement	Proposition A	Proposition C
Assets:				
Cash and investments	\$ -	\$ -	\$ 1,843	\$ 13,605
Receivables:				
Accounts	6,291	222	-	-
Accrued interest	34	-	-	50
Land held for resale	-	-	-	-
Total Assets	\$ 6,325	\$ 222	\$ 1,843	\$ 13,655
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 2,000	\$ -	\$ 1,663	\$ -
Accrued liabilities	-	-	-	-
Deferred revenues	-	-	-	-
Unearned revenues	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	3,798	222	-	-
Total Liabilities	5,798	222	1,663	-
Fund Balances:				
Nonspendable:				
Land held for resale	-	-	-	-
Restricted for:				
Community development projects	-	-	-	-
Public safety	-	-	-	-
Public works	527	-	180	13,655
Unassigned	-	-	-	-
Total Fund Balances	527	-	180	13,655
Total Liabilities and Fund Balances	\$ 6,325	\$ 222	\$ 1,843	\$ 13,655

CITY OF IRWINDALE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2011

	Special Revenue Funds			
	Measure R	TDA Article 3	Federal Grants	Community Development Block Grant
Assets:				
Cash and investments	\$ 16,651	\$ -	\$ -	\$ -
Receivables:				
Accounts	-	10,000	65,217	14,707
Accrued interest	24	-	25	-
Land held for resale	-	-	-	-
Total Assets	\$ 16,675	\$ 10,000	\$ 65,242	\$ 14,707
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 4,848	\$ -
Accrued liabilities	-	-	-	-
Deferred revenues	-	-	43,605	-
Unearned revenues	-	-	9,579	-
Deposits payable	-	-	-	-
Due to other funds	-	10,000	55,072	14,707
Total Liabilities	-	10,000	113,104	14,707
Fund Balances:				
Nonspendable:				
Land held for resale	-	-	-	-
Restricted for:				
Community development projects	-	-	-	-
Public safety	-	-	-	-
Public works	16,675	-	-	-
Unassigned	-	-	(47,862)	-
Total Fund Balances	16,675	-	(47,862)	-
Total Liabilities and Fund Balances	\$ 16,675	\$ 10,000	\$ 65,242	\$ 14,707

CITY OF IRWINDALE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2011

	<u>Special Revenue Fund</u>	
	<u>COPS</u>	<u>Total Governmental Funds</u>
Assets:		
Cash and investments	\$ 108,137	\$ 8,464,255
Receivables:		
Accounts	14,520	130,827
Accrued interest	308	17,906
Land held for resale	-	2,851,137
	<u> </u>	<u> </u>
Total Assets	<u>\$ 122,965</u>	<u>\$ 11,464,125</u>
Liabilities and Fund Balances:		
Liabilities:		
Accounts payable	\$ -	\$ 40,136
Accrued liabilities	-	4,271
Deferred revenues	-	43,605
Unearned revenues	-	9,579
Deposits payable	-	1,207
Due to other funds	-	83,799
	<u> </u>	<u> </u>
Total Liabilities	<u>-</u>	<u>182,597</u>
Fund Balances:		
Nonspendable:		
Land held for resale	-	2,851,137
Restricted for:		
Community development projects	-	2,098,777
Public safety	122,965	272,231
Public works	-	6,107,245
Unassigned	-	(47,862)
	<u> </u>	<u> </u>
Total Fund Balances	<u>122,965</u>	<u>11,281,528</u>
Total Liabilities and Fund Balances	<u>\$ 122,965</u>	<u>\$ 11,464,125</u>

CITY OF IRWINDALE

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2011**

	Special Revenue Funds			
	Housing Authority	Reclamation	AB939	Asset Forfeiture
Revenues:				
Taxes	\$ -	\$ -	\$ 309,351	\$ -
Intergovernmental	-	-	-	87,493
Use of money and property	6,771	32,416	1,445	677
Total Revenues	6,771	32,416	310,796	88,170
Expenditures:				
Current:				
General government	619,071	-	15,000	-
Public safety	-	-	-	14,940
Public works	-	7,244	444,432	-
Capital outlay	-	-	-	17,756
Total Expenditures	619,071	7,244	459,432	32,696
Excess (Deficiency) of Revenues Over (Under) Expenditures	(612,300)	25,172	(148,636)	55,474
Other Financing Sources (Uses):				
Transfers in	1,155,000	707,222	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	1,155,000	707,222	-	-
Net Change in Fund Balances	542,700	732,394	(148,636)	55,474
Fund Balances, Beginning of Year	4,407,214	5,170,611	321,839	93,792
Fund Balances, End of Year	\$ 4,949,914	\$ 5,903,005	\$ 173,203	\$ 149,266

CITY OF IRWINDALE

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2011

(Continued)

	Special Revenue Funds			
	State Gas Tax	Air Quality Improvement	Proposition A	Proposition C
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	48,032	1,696	23,357	19,242
Use of money and property	77	-	-	108
Total Revenues	48,109	1,696	23,357	19,350
Expenditures:				
Current:				
General government	2,000	-	-	-
Public safety	-	-	-	-
Public works	-	-	23,270	4,000
Capital outlay	-	-	-	-
Total Expenditures	2,000	-	23,270	4,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	46,109	1,696	87	15,350
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(47,757)	(1,795)	-	(16,207)
Total Other Financing Sources (Uses)	(47,757)	(1,795)	-	(16,207)
Net Change in Fund Balances	(1,648)	(99)	87	(857)
Fund Balances, Beginning of Year	2,175	99	93	14,512
Fund Balances, End of Year	\$ 527	\$ -	\$ 180	\$ 13,655

CITY OF IRWINDALE

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2011**

	Special Revenue Funds			
	Measure R	TDA Article 3	Federal Grants	Community Development Block Grant
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	14,482	10,000	113,756	36,072
Use of money and property	50	-	56	-
Total Revenues	14,532	10,000	113,812	36,072
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	31,346	-
Public works	-	-	-	-
Capital outlay	-	-	92,177	36,072
Total Expenditures	-	-	123,523	36,072
Excess (Deficiency) of Revenues Over (Under) Expenditures	14,532	10,000	(9,711)	-
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	(10,000)	-	-
Total Other Financing Sources (Uses)	-	(10,000)	-	-
Net Change in Fund Balances	14,532	-	(9,711)	-
Fund Balances, Beginning of Year	2,143	-	(38,151)	-
Fund Balances, End of Year	\$ 16,675	\$ -	\$ (47,862)	\$ -

CITY OF IRWINDALE

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2011**

	<u>Special Revenue Fund</u>	<u>Total Governmental Funds</u>
	<u>COPS</u>	
Revenues:		
Taxes	\$ -	\$ 309,351
Intergovernmental	100,000	454,130
Use of money and property	686	42,286
	<u>100,686</u>	<u>805,767</u>
Total Revenues		
	100,686	805,767
Expenditures:		
Current:		
General government	-	636,071
Public safety	110	46,396
Public works	-	478,946
Capital outlay	139,018	285,023
	<u>139,128</u>	<u>1,446,436</u>
Total Expenditures		
	139,128	1,446,436
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(38,442)</u>	<u>(640,669)</u>
Other Financing Sources (Uses):		
Transfers in	-	1,862,222
Transfers out	-	(75,759)
	<u>-</u>	<u>1,786,463</u>
Total Other Financing Sources (Uses)		
	-	1,786,463
Net Change in Fund Balances	(38,442)	1,145,794
Fund Balances, Beginning of Year	<u>161,407</u>	<u>10,135,734</u>
Fund Balances, End of Year	<u>\$ 122,965</u>	<u>\$ 11,281,528</u>

CITY OF IRWINDALE

**BUDGETARY COMPARISON SCHEDULE
HOUSING AUTHORITY
YEAR ENDED JUNE 30, 2011**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$4,407,214	\$ 4,407,214	\$ 4,407,214	\$ -
Resources (Inflows):				
Use of money and property	7,320	7,320	6,771	(549)
Transfers in	-	1,155,000	1,155,000	-
Amounts Available for Appropriation	4,414,534	5,569,534	5,568,985	(549)
Charges to Appropriation (Outflow):				
General government	109,287	2,411,287	619,071	1,792,216
Total Charges to Appropriations	109,287	2,411,287	619,071	1,792,216
Budgetary Fund Balance, June 30	\$4,305,247	\$ 3,158,247	\$ 4,949,914	\$ 1,791,667

CITY OF IRWINDALE

BUDGETARY COMPARISON SCHEDULE
 RECLAMATION
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$5,170,611	\$ 5,170,611	\$ 5,170,611	\$ -
Resources (Inflows):				
Use of money and property	80,000	80,000	32,416	(47,584)
Transfers in	660,978	660,978	707,222	46,244
Amounts Available for Appropriation	5,911,589	5,911,589	5,910,249	(1,340)
Charges to Appropriation (Outflow):				
General government	10,000	5,000	-	5,000
Public works	18,261	18,261	7,244	11,017
Total Charges to Appropriations	28,261	23,261	7,244	16,017
Budgetary Fund Balance, June 30	\$5,883,328	\$ 5,888,328	\$ 5,903,005	\$ 14,677

CITY OF IRWINDALE

**BUDGETARY COMPARISON SCHEDULE
AB939
YEAR ENDED JUNE 30, 2011**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 321,839	\$ 321,839	\$ 321,839	\$ -
Resources (Inflows):				
Taxes	330,000	330,000	309,351	(20,649)
Use of money and property	5,400	5,400	1,445	(3,955)
Amounts Available for Appropriation	657,239	657,239	632,635	(24,604)
Charges to Appropriation (Outflow):				
General government	5,000	15,000	15,000	-
Public works	468,965	482,865	444,432	38,433
Total Charges to Appropriations	473,965	497,865	459,432	38,433
Budgetary Fund Balance, June 30	\$ 183,274	\$ 159,374	\$ 173,203	\$ 13,829

CITY OF IRWINDALE

**BUDGETARY COMPARISON SCHEDULE
ASSET FORFEITURE
YEAR ENDED JUNE 30, 2011**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 93,792	\$ 93,792	\$ 93,792	\$ -
Resources (Inflows):				
Intergovernmental	-	-	87,493	87,493
Use of money and property	-	-	677	677
Amounts Available for Appropriation	93,792	93,792	181,962	88,170
Charges to Appropriation (Outflow):				
Public safety	-	42,530	14,940	27,590
Capital outlay	-	130,776	17,756	113,020
Total Charges to Appropriations	-	173,306	32,696	140,610
Budgetary Fund Balance, June 30	\$ 93,792	\$ (79,514)	\$ 149,266	\$ 228,780

CITY OF IRWINDALE

**BUDGETARY COMPARISON SCHEDULE
STATE GAS TAX
YEAR ENDED JUNE 30, 2011**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 2,175	\$ 2,175	\$ 2,175	\$ -
Resources (Inflows):				
Intergovernmental	49,657	49,657	48,032	(1,625)
Use of money and property	100	100	77	(23)
Amounts Available for Appropriation	51,932	51,932	50,284	(1,648)
Charges to Appropriation (Outflow):				
General government	2,000	2,000	2,000	-
Transfers out	47,757	47,757	47,757	-
Total Charges to Appropriations	49,757	49,757	49,757	-
Budgetary Fund Balance, June 30	\$ 2,175	\$ 2,175	\$ 527	\$ (1,648)

CITY OF IRWINDALE

BUDGETARY COMPARISON SCHEDULE
 AIR QUALITY IMPROVEMENT
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 99	\$ 99	\$ 99	\$ -
Resources (Inflows):				
Intergovernmental	1,980	1,980	1,696	(284)
Amounts Available for Appropriation	2,079	2,079	1,795	(284)
Charges to Appropriation (Outflow):				
Transfers out	1,980	1,980	1,795	185
Total Charges to Appropriations	1,980	1,980	1,795	185
Budgetary Fund Balance, June 30	\$ 99	\$ 99	\$ -	\$ (99)

CITY OF IRWINDALE

BUDGETARY COMPARISON SCHEDULE
 PROPOSITION A
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 93	\$ 93	\$ 93	\$ -
Resources (Inflows):				
Intergovernmental	23,273	23,273	23,357	84
Amounts Available for Appropriation	23,366	23,366	23,450	84
Charges to Appropriation (Outflow):				
Public works	23,273	23,273	23,270	3
Total Charges to Appropriations	23,273	23,273	23,270	3
Budgetary Fund Balance, June 30	\$ 93	\$ 93	\$ 180	\$ 87

CITY OF IRWINDALE

BUDGETARY COMPARISON SCHEDULE
 PROPOSITION C
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 14,512	\$ 14,512	\$ 14,512	\$ -
Resources (Inflows):				
Intergovernmental	19,307	19,307	19,242	(65)
Use of money and property	900	900	108	(792)
Amounts Available for Appropriation	34,719	34,719	33,862	(857)
Charges to Appropriation (Outflow):				
Public works	4,000	4,000	4,000	-
Transfers out	16,207	16,207	16,207	-
Total Charges to Appropriations	20,207	20,207	20,207	-
Budgetary Fund Balance, June 30	\$ 14,512	\$ 14,512	\$ 13,655	\$ (857)

CITY OF IRWINDALE

**BUDGETARY COMPARISON SCHEDULE
MEASURE R
YEAR ENDED JUNE 30, 2011**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 2,143	\$ 2,143	\$ 2,143	\$ -
Resources (Inflows):				
Intergovernmental	15,138	15,138	14,482	(656)
Use of money and property	-	-	50	50
Amounts Available for Appropriation	17,281	17,281	16,675	(606)
Charges to Appropriation (Outflow):				
Capital outlay	15,138	15,138	-	15,138
Total Charges to Appropriations	15,138	15,138	-	15,138
Budgetary Fund Balance, June 30	\$ 2,143	\$ 2,143	\$ 16,675	\$ 14,532

CITY OF IRWINDALE

BUDGETARY COMPARISON SCHEDULE
TDA ARTICLE 3
YEAR ENDED JUNE 30, 2011

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

CITY OF IRWINDALE

**BUDGETARY COMPARISON SCHEDULE
FEDERAL GRANTS
YEAR ENDED JUNE 30, 2011**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (38,151)	\$ (38,151)	\$ (38,151)	\$ -
Resources (Inflows):				
Intergovernmental	-	73,500	113,756	40,256
Use of money and property	-	-	56	56
Amounts Available for Appropriation	(38,151)	35,349	75,661	40,312
Charges to Appropriation (Outflow):				
Public safety	-	69,263	31,346	37,917
Capital outlay	-	121,510	92,177	29,333
Total Charges to Appropriations	-	190,773	123,523	67,250
Budgetary Fund Balance, June 30	\$ (38,151)	\$ (155,424)	\$ (47,862)	\$ 107,562

CITY OF IRWINDALE

**BUDGETARY COMPARISON SCHEDULE
COMMUNITY DEVELOPMENT BLOCK GRANT
YEAR ENDED JUNE 30, 2011**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	43,680	43,680	36,072	(7,608)
Amounts Available for Appropriation	43,680	43,680	36,072	(7,608)
Charges to Appropriation (Outflow):				
Capital outlay	43,680	43,680	36,072	7,608
Total Charges to Appropriations	43,680	43,680	36,072	7,608
Budgetary Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -

CITY OF IRWINDALE

BUDGETARY COMPARISON SCHEDULE
 COPS
 YEAR ENDED JUNE 30, 2011

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 161,407	\$ 161,407	\$ 161,407	\$ -
Resources (Inflows):				
Intergovernmental	-	100,000	100,000	-
Use of money and property	-	-	686	686
Amounts Available for Appropriation	161,407	261,407	262,093	686
Charges to Appropriation (Outflow):				
Public safety	-	-	110	(110)
Capital outlay	-	234,003	139,018	94,985
Total Charges to Appropriations	-	234,003	139,128	94,875
Budgetary Fund Balance, June 30	\$ 161,407	\$ 27,404	\$ 122,965	\$ 95,561

CITY OF IRWINDALE

**BUDGETARY COMPARISON SCHEDULE
IRWINDALE COMMUNITY REDEVELOPMENT AGENCY CAPITAL PROJECTS
YEAR ENDED JUNE 30, 2011**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$84,321,113	\$84,321,113	\$84,321,113	\$ -
Resources (Inflows):				
Taxes	3,550,000	3,550,000	3,546,587	(3,413)
Use of money and property	1,215,953	1,114,253	1,003,169	(111,084)
Miscellaneous	5,800	1,202,340	764	(1,201,576)
Transfers in	5,800	5,800	5,368	(432)
Gain on sale of land held for resale	-	4,844,874	4,844,874	-
Amounts Available for Appropriation	89,098,666	95,038,380	93,721,875	(1,316,505)
Charges to Appropriation (Outflow):				
General government	2,478,592	3,567,137	2,230,323	1,336,814
Public safety	1,932,000	1,877,251	50,726	1,826,525
Public works	511,000	513,170	86,727	426,443
Capital outlay	932,000	5,344,697	483,026	4,861,671
Debt service:				
Principal retirement	845,000	845,000	845,000	-
Interest and fiscal charges	1,188,695	1,548,695	1,446,436	102,259
Transfers out	-	44,217,280	44,217,280	-
Total Charges to Appropriations	7,887,287	57,913,230	49,359,518	8,553,712
Budgetary Fund Balance, June 30	\$81,211,379	\$37,125,150	\$44,362,357	\$ 7,237,207

CITY OF IRWINDALE

**BUDGETARY COMPARISON SCHEDULE
IRWINDALE COMMUNITY REDEVELOPMENT AGENCY DEBT SERVICE
YEAR ENDED JUNE 30, 2011**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,422,725	\$ 1,422,725	\$ 1,422,725	\$ -
Resources (Inflows):				
Taxes	14,329,040	14,329,040	14,213,182	(115,858)
Use of money and property	-	-	69	69
Transfers in	691,684	4,311,665	4,311,662	(3)
Amounts Available for Appropriation	16,443,449	20,063,430	19,947,638	(115,792)
Charges to Appropriation (Outflow):				
General government	6,182,393	5,507,303	5,345,183	162,120
Debt service:				
Principal retirement	4,145,534	4,342,074	3,140,000	1,202,074
Interest and fiscal charges	4,074,930	3,714,930	3,714,929	1
Transfers out	25,054	25,054	5,367	19,687
Total Charges to Appropriations	14,427,911	13,589,361	12,205,479	1,383,882
Budgetary Fund Balance, June 30	\$ 2,015,538	\$ 6,474,069	\$ 7,742,159	\$ 1,268,090

Agency Funds

Agency funds are used to account for funds held for the benefit of parties outside the government. The resources in these agency funds are not used to support any City programs. Agency funds for the City of Irwindale are as follows:

Trust & Agency Fiduciary Fund – This fund accounts for deposits relative to specific programs or projects, received from external parties under the terms of established agreements.

Community Facilities District (CFD#1) – This fund accounts for the payment of debt service for bonds which were used for community facility improvements.

Live Oak Sewer Assessment District – This fund accounts for the payment of debt service for bonds which were used for sewer improvements on Live Oak Avenue.

Street Light Assessment District – This fund accounts for special assessments levied by the City for the operation and maintenance of street lights in the Irwindale Business Center.

Sewer Maintenance Assessment District – This fund accounts for special assessments levied for sewer system maintenance at the Irwindale Business Center.

CITY OF IRWINDALE

COMBINING BALANCE SHEET
 ALL AGENCY FUNDS
 JUNE 30, 2011

	<u>Agency</u>	<u>CFD #1</u>	<u>Live Oak Assessment District</u>	<u>Street Lighting District</u>
Assets:				
Cash and investments	\$ 32,005	\$ 678,741	\$ 22,672	\$ 28,837
Receivables:				
Accounts	295	-	-	-
Taxes	-	68	7,924	3,216
Accrued interest	-	1,064	-	84
Due from other governments	-	-	1,415	-
Restricted assets:				
Cash and investments with fiscal agents	-	772,850	97,500	-
Total Assets	<u>\$ 32,300</u>	<u>\$ 1,452,723</u>	<u>\$ 129,511</u>	<u>\$ 32,137</u>
Liabilities:				
Accounts payable	\$ 1,470	\$ 10	\$ -	\$ -
Deposits payable	30,830	1,452,713	129,511	32,137
Total Liabilities	<u>\$ 32,300</u>	<u>\$ 1,452,723</u>	<u>\$ 129,511</u>	<u>\$ 32,137</u>

CITY OF IRWINDALE

COMBINING BALANCE SHEET
 ALL AGENCY FUNDS
 JUNE 30, 2011

	Sewer Maintenance District	Totals
Assets:		
Cash and investments	\$ 771,946	\$ 1,534,201
Receivables:		
Accounts	-	295
Taxes	36,435	47,643
Accrued interest	1,929	3,077
Due from other governments	-	1,415
Restricted assets:		
Cash and investments with fiscal agents	-	870,350
Total Assets	\$ 810,310	\$ 2,456,981
Liabilities:		
Accounts payable	\$ -	\$ 1,480
Deposits payable	810,310	2,455,501
Total Liabilities	\$ 810,310	\$ 2,456,981

CITY OF IRWINDALE

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
YEAR ENDED JUNE 30, 2011**

	<u>Balance 7/1/2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 6/30/2011</u>
<u>Agency</u>				
Assets:				
Cash and investments	\$ 30,590	\$ 36,354	\$ 34,939	\$ 32,005
Receivables:				
Accounts	-	295	-	295
Total Assets	<u>\$ 30,590</u>	<u>\$ 36,649</u>	<u>\$ 34,939</u>	<u>\$ 32,300</u>
Liabilities:				
Accounts payable	\$ 825	\$ 31,723	\$ 31,078	\$ 1,470
Deposits payable	29,765	38,414	37,349	30,830
Total Liabilities	<u>\$ 30,590</u>	<u>\$ 70,137</u>	<u>\$ 68,427</u>	<u>\$ 32,300</u>
<u>CFD #1</u>				
Assets:				
Cash and investments	\$ 1,044,930	\$ 911,736	\$ 1,277,925	\$ 678,741
Receivables:				
Taxes	-	68	-	68
Accrued interest	2,955	3,402	5,293	1,064
Restricted assets:				
Cash and investments with fiscal agents	1,139,000	8,518,365	8,884,515	772,850
Total Assets	<u>\$ 2,186,885</u>	<u>\$ 9,433,571</u>	<u>\$ 10,167,733</u>	<u>\$ 1,452,723</u>
Liabilities:				
Accounts payable	\$ 35	\$ 5,235	\$ 5,260	\$ 10
Deposits payable	2,186,850	8,612,273	9,346,410	1,452,713
Total Liabilities	<u>\$ 2,186,885</u>	<u>\$ 8,617,508</u>	<u>\$ 9,351,670</u>	<u>\$ 1,452,723</u>
<u>Live Oak Assessment District</u>				
Assets:				
Cash and investments	\$ 34,254	\$ 83,556	\$ 95,138	\$ 22,672
Receivables:				
Taxes	-	7,924	-	7,924
Due from other governments	-	1,415	-	1,415
Restricted assets:				
Cash and investments with fiscal agents	97,500	1	1	97,500
Total Assets	<u>\$ 131,754</u>	<u>\$ 92,896</u>	<u>\$ 95,139</u>	<u>\$ 129,511</u>
Liabilities:				
Accounts payable	\$ 10	\$ 7,668	\$ 7,678	\$ -
Deposits payable	131,744	96,157	98,390	129,511
Total Liabilities	<u>\$ 131,754</u>	<u>\$ 103,825</u>	<u>\$ 106,068</u>	<u>\$ 129,511</u>

CITY OF IRWINDALE

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 YEAR ENDED JUNE 30, 2011**

	<u>Balance 7/1/2010</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 6/30/2011</u>
<u>Street Lighting District</u>				
Assets:				
Cash and investments	\$ 29,891	\$ 9,947	\$ 11,001	\$ 28,837
Receivables:				
Taxes	-	3,216	-	3,216
Accrued interest	97	253	266	84
Total Assets	<u>\$ 29,988</u>	<u>\$ 13,416</u>	<u>\$ 11,267</u>	<u>\$ 32,137</u>
Liabilities:				
Accounts payable	\$ -	\$ 2,500	\$ 2,500	\$ -
Deposits payable	29,988	12,914	10,765	32,137
Total Liabilities	<u>\$ 29,988</u>	<u>\$ 15,414</u>	<u>\$ 13,265</u>	<u>\$ 32,137</u>
<u>Sewer Maintenance District</u>				
Assets:				
Cash and investments	\$ 699,743	\$ 112,613	\$ 40,410	\$ 771,946
Receivables:				
Accounts	-	-	-	-
Taxes	-	36,435	-	36,435
Accrued interest	2,458	5,788	6,317	1,929
Total Assets	<u>\$ 702,201</u>	<u>\$ 154,836</u>	<u>\$ 46,727</u>	<u>\$ 810,310</u>
Liabilities:				
Accounts payable	\$ 1,365	\$ 4,786	\$ 6,151	\$ -
Deposits payable	700,836	142,732	33,258	810,310
Total Liabilities	<u>\$ 702,201</u>	<u>\$ 147,518</u>	<u>\$ 39,409</u>	<u>\$ 810,310</u>
<u>Totals - All Agency Funds</u>				
Assets:				
Cash and investments	\$ 1,839,408	\$1,154,206	\$ 1,459,413	\$ 1,534,201
Receivables:				
Accounts	-	295	-	295
Taxes	-	47,643	-	47,643
Accrued interest	5,510	9,443	11,876	3,077
Due from other governments	-	1,415	-	1,415
Restricted assets:				
Cash and investments with fiscal agents	1,236,500	8,518,366	8,884,516	870,350
Total Assets	<u>\$ 3,081,418</u>	<u>\$ 9,731,368</u>	<u>\$ 10,355,805</u>	<u>\$ 2,456,981</u>
Liabilities:				
Accounts payable	\$ 2,235	\$ 51,912	\$ 52,667	\$ 1,480
Deposits payable	3,079,183	8,902,490	9,526,172	2,455,501
Total Liabilities	<u>\$ 3,081,418</u>	<u>\$ 8,954,402</u>	<u>\$ 9,578,839</u>	<u>\$ 2,456,981</u>

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Statistical Section

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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends <i>These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.</i>	88-91
Revenue Capacity <i>These schedules contain information to help the reader assess the factors affecting the city's ability to generate its property and sales taxes.</i>	92-98
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the city's current levels of outstanding debt and the city's ability to issue additional debt in the future.</i>	99-102
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place and to help make comparisons over time and with other governments.</i>	103-104
Operating Information <i>These schedules contain information about the city's operations and resources to help the reader understand how the city's financial information relates to the services the city provides and the activities it performs.</i>	105-107

Sources: *Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.*

Table 1
City of Irwindale
Net Assets by Component
Last Nine Fiscal Years *
(accrual basis of accounting)

	Fiscal Year Ended June 30,								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Governmental activities									
Invested in capital assets, net of related debt	\$ 20,450,807	\$ 25,857,323	\$ 28,706,957	\$ 33,383,575	\$ 42,814,561	\$ 47,560,687	\$ 58,229,206	\$ 60,704,534	\$ 52,415,011
Restricted	102,911,967	99,975,990	102,403,844	103,757,596	104,564,305	118,259,967	113,653,485	112,221,761	115,639,163
Unrestricted	(69,237,240)	(68,735,612)	(63,785,071)	(59,063,422)	(44,068,315)	(40,036,895)	(38,478,703)	(44,527,151)	(41,762,064)
Total governmental activities net assets	\$ 54,125,534	\$ 57,097,701	\$ 67,325,730	\$ 78,077,749	\$ 103,310,551	\$ 125,783,759	\$ 133,403,988	\$ 128,399,144	\$ 126,292,110

* Reflects data since the implementation of GASB 34.

Table 2
City of Irwindale
Changes in Net Assets
Last Nine Fiscal Years *
(accrual basis of accounting)

	Fiscal Year Ended June 30,								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Expenses									
Governmental activities:									
General government	\$ 7,086,907	\$ 10,606,038	\$ 9,618,833	\$ 10,096,308	\$ 12,008,823	\$ 11,547,438	\$ 13,412,919	\$ 19,854,727	\$ 15,295,872
Public safety	6,203,971	5,835,709	7,313,871	10,317,450	18,619,724	8,063,566	8,074,775	7,137,519	5,713,485
Public Works	2,678,881	3,596,167	3,023,048	3,311,389	5,425,969	5,623,566	5,880,673	5,977,716	6,308,680
Parks and Recreation	1,509,108	1,949,082	1,866,982	2,886,369	2,262,166	2,519,073	2,225,792	1,872,053	1,851,457
Interest on long-term debt	6,042,658	7,342,928	6,296,110	5,320,746	5,481,674	5,755,469	5,676,260	5,702,436	5,427,530
Total primary government expenses	\$ 23,521,525	\$ 29,329,924	\$ 28,118,844	\$ 31,932,282	\$ 43,798,356	\$ 33,508,112	\$ 34,970,419	\$ 40,544,451	\$ 34,597,024
Program Revenues									
Governmental activities:									
Charges for services:									
General government	\$ 8,561	\$ 4,356	\$ 5,808	\$ 7,372	\$ 5,365	\$ 65,162	\$ -	\$ -	\$ -
Public safety	419,089	427,875	507,595	599,816	631,617	568,437	567,589	528,525	529,939
Public Works	923,944	483,803	898,633	1,190,418	964,154	1,210,761	688,504	1,097,721	1,562,668
Parks and Recreation	87,253	97,538	95,343	105,575	96,338	125,620	96,079	112,600	121,570
Operating grants and contributions	1,568,525	1,869,995	3,182,288	5,592,528	12,656,436	608,949	1,052,056	1,323,556	1,469,968
Capital grants and contributions	-	-	-	-	-	400,000	-	586,548	41,852
Total primary government revenues	\$ 3,007,372	\$ 2,883,567	\$ 4,689,667	\$ 7,495,709	\$ 14,353,910	\$ 2,978,929	\$ 2,404,228	\$ 3,648,950	\$ 3,725,997
Net Revenues (Expense)									
Total primary government net expense	\$ (20,514,153)	\$ (26,446,357)	\$ (23,429,177)	\$ (24,436,553)	\$ (29,444,446)	\$ (30,530,183)	\$ (32,566,191)	\$ (36,895,501)	\$ (30,871,027)
General Revenues and Other Changes in Net Assets									
Governmental activities:									
Taxes									
Property	\$ 9,924,907	\$ 14,858,896	\$ 12,780,666	\$ 12,981,637	\$ 17,102,425	\$ 15,751,809	\$ 18,718,793	\$ 21,048,420	\$ 18,421,025
Mining/processing	6,817,598	6,869,599	6,937,271	7,681,083	7,328,634	5,710,900	3,641,541	3,641,752	4,256,883
Sales	3,307,164	3,934,389	4,855,595	4,779,885	5,272,506	5,270,560	4,541,326	3,919,905	4,207,592
Utility Users	4,233,414	3,830,372	3,967,353	4,245,058	4,518,768	3,938,351	3,789,366	3,171,532	3,593,910
Franchise	779,312	746,851	822,143	871,268	991,247	916,917	982,119	943,735	910,274
Business licenses	508,443	687,343	719,143	776,361	674,678	1,300,093	1,088,467	674,410	971,720
Other	42	12,495	6,425	5,528	33,407	504,001	466,760	435,179	441,742
Motor vehicle in lieu	83,081	59,832	21,603	3,257	7,745	107,343	113,485	122,041	121,549
Use of money and property	3,979,549	2,228,302	3,471,873	3,627,387	5,301,935	5,729,773	4,277,620	2,773,276	1,847,903
Gain on sale of assets	-	-	-	25,845	-	11,795,420	205,437	-	4,844,874
Other	79,592	33,570	102,199	21,459	79,308	1,728,496	2,090,634	1,175,407	1,122,602
Total primary government	29,713,102	33,261,649	33,684,271	35,018,768	41,310,653	52,753,663	39,915,548	37,905,657	40,740,074
Change in Net Assets									
Total primary government	\$ 9,198,949	\$ 6,815,292	\$ 10,255,094	\$ 10,582,215	\$ 11,866,207	\$ 22,223,480	\$ 7,349,357	\$ 1,010,156	\$ 9,869,047

* Reflects data since the implementation of GASB 34.

Table 3
City of Irwindale
Fund Balances of Governmental Funds
Last Nine Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year Ended June 30,									**
	2003	2004	2005	2006	2007	2008	2009	2010	2011	
General fund										
Reserved	\$ 12,818,899	\$ 14,041,434	\$ 14,410,631	\$ 16,550,127	\$ 9,155,651	\$ 8,251,506	\$ 6,772,885	\$ 6,855,694	\$ -	
Unreserved	10,959,604	10,931,499	11,855,778	10,122,592	18,429,294	21,296,916	22,507,298	20,520,102	-	
General fund	-	-	-	-	-	-	-	-	42,441,980	
Nonspendable	-	-	-	-	-	-	-	-	24,279,691	
Assigned	-	-	-	-	-	-	-	-	-	
Total general fund	\$ 23,778,503	\$ 24,972,933	\$ 26,266,409	\$ 26,672,719	\$ 27,584,945	\$ 29,548,422	\$ 29,280,183	\$ 27,375,796	\$ 66,721,671	
All other governmental funds										
Reserved	\$ 22,656,566	\$ 32,030,272	\$ 40,824,606	\$ 52,004,977	\$ 43,073,376	\$ 64,370,186	\$ 57,441,039	\$ 66,445,575	\$ -	
Unreserved, reported in:										
Special revenue funds	14,208,745	16,796,203	18,355,843	21,000,573	25,901,999	28,339,516	20,917,965	21,374,947	-	
Debt service funds	10,569,401	6,558,455	17,798,493	15,799,285	16,074,932	6,296,728	4,534,733	1,422,725	-	
Capital projects funds	57,506,170	46,839,159	27,405,526	16,985,861	21,487,133	21,212,138	32,665,403	24,363,088	-	
Nonspendable	-	-	-	-	-	-	-	-	24,227,822	
Restricted:										
Community development projects	-	-	-	-	-	-	-	-	25,084,449	
Public safety	-	-	-	-	-	-	-	-	272,231	
Public works	-	-	-	-	-	-	-	-	20,671,666	
Debt service	-	-	-	-	-	-	-	-	7,742,159	
Unassigned	-	-	-	-	-	-	-	-	(47,862)	
Total all other governmental funds	\$ 104,940,882	\$ 102,224,089	\$ 104,384,468	\$ 105,790,696	\$ 106,537,440	\$ 120,218,568	\$ 115,559,140	\$ 113,606,335	\$ 77,950,465	

* Reflects data since the implementation of GASB 34.

** The City of Irwindale implemented GASB 54 in the fiscal year ended June 30, 2011.

Table 4
City of Irwindale
Changes in Fund Balances of Governmental Funds
Last Nine Fiscal Years *
(modified accrual basis accounting)

	Fiscal Year Ended June 30,								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues:									
Taxes	\$ 25,182,316	\$ 30,345,334	\$ 29,113,298	\$ 30,483,436	\$ 35,161,982	\$ 33,472,527	\$ 33,185,335	\$ 33,904,686	\$ 32,787,793
Licenses and permits	1,259,220	986,506	1,198,377	1,423,707	1,316,064	673,240	354,936	412,419	989,453
Intergovernmental	1,495,500	1,804,926	1,822,585	2,244,139	1,940,270	560,723	1,216,649	1,013,107	634,658
Charges for services	369,176	388,216	657,475	920,586	649,076	806,291	585,241	923,939	842,152
Fines and forfeitures	318,894	326,193	370,670	335,249	407,012	419,100	410,988	396,870	1,847,903
Use of money and property	3,650,693	1,455,167	3,471,873	3,653,232	5,301,935	5,734,077	4,275,780	2,775,116	382,572
Contributions								950	4,547
Miscellaneous	115,819	65,739	133,746	54,040	123,089	2,822,137	3,859,481	3,025,803	3,057,217
Total revenues	32,391,618	35,372,081	36,768,024	39,114,389	44,899,428	44,488,095	43,888,410	42,452,890	40,546,295
Expenditures:									
General government	7,066,405	10,504,849	9,486,560	9,997,298	11,905,172	11,403,642	13,353,100	19,852,391	15,281,394
Public safety	6,181,287	6,362,744	7,081,086	11,775,501	18,296,950	7,811,497	8,792,926	6,915,434	5,449,255
Public works	2,600,124	3,334,122	3,337,143	3,196,168	3,595,906	2,410,170	4,319,916	5,011,158	1,651,410
Parks and recreation	1,473,032	1,879,686	1,872,221	1,970,076	2,136,059	4,371,390	2,131,443	1,652,324	5,136,018
Capital outlay	7,791,022	5,247,943	2,127,754	3,884,914	2,460,634	5,763,547	11,755,692	3,668,526	1,735,299
Debt Service:									
Debt issuance costs	-	416,913	-	690,789	3,459,022	-	-	-	-
Refunding escrow	-	128,095	-	1,426,443	-	-	-	-	-
Principal	2,054,071	2,153,138	3,079,260	3,021,899	65,431,923 A	3,407,473	3,563,274	3,779,425	3,989,657
Interest and fiscal charges	6,623,186	7,209,486	6,303,080	5,010,424	5,219,474	5,471,191	5,399,785	5,430,824	5,162,080
Total expenditures	33,789,127	37,236,976	33,287,104	40,973,512	112,505,140	40,638,910	49,316,136	46,310,082	38,405,113
Excess of revenues over (under) expenditures	(1,397,509)	(1,864,895)	3,480,920	(1,859,123)	(67,605,712)	3,849,185	(5,427,726)	(3,857,192)	2,141,182
Other financing sources (uses):									
Transfers in	1,313,873	7,436,185	3,698,580	3,153,568	5,225,638	4,634,545	11,683,810	4,160,591	45,678,056
Transfers out	(1,313,873)	(7,436,185)	(3,698,580)	(3,153,568)	(5,225,638)	(4,634,545)	(11,683,810)	(4,160,591)	(45,678,056)
Capital leases	-	-	-	-	-	-	23,750	-	-
Gain (loss) on sale of land held	31,951	-	-	-	-	11,795,420	205,437	-	4,844,874
Bonds issued	14,175,000	9,345,000	-	17,445,000	62,540,000	-	-	-	-
Bond premium	-	-	-	-	2,209,522	-	-	-	-
Discount on bonds issued	-	(29,116)	-	(261,675)	-	-	-	-	-
Payment to refunding escrow	-	(5,130,227)	-	(13,587,457)	-	-	-	-	-
Total other financing sources (uses)	14,206,951	4,185,657	-	3,595,868	64,749,522	11,795,420	229,187	-	4,844,874
Net change in fund balances before restatements	12,809,442	2,320,762	3,480,920	1,736,745	(2,856,190)	15,644,605	(5,198,539)	(3,857,192)	6,986,056
Restatement of fund balances	(6,145,166)	(3,843,125)	(27,065)	75,793	4,515,160	-	270,872	-	(3,296,051)
Net change in fund balances, after restatement	\$ 6,664,276	\$ (1,522,363)	\$ 3,453,855	\$ 1,812,538	\$ 1,658,970	\$ 15,644,605	\$ (4,927,667)	\$ (3,857,192)	\$ 3,690,005
Debt service as a percentage of noncapital expenditures	33.38%	29.27%	30.11%	21.66%	6.84% A	25.46%	23.86%	21.60%	24.96%

A Restated to exclude \$63,125,000 of refunded bonds
* Reflects data since the implementation of GASB 34.

Table 5
City of Irwindale
Governmental Activities Tax Revenues By Source
Last Nine Fiscal Years *
(accrual basis of accounting)

Fiscal Year Ended June 30	Property Tax	Mining Tax	Sales Tax	Utility Users Tax	Other Tax	Total Taxes
2003	\$ 9,924,907	\$ 6,817,598	\$ 3,307,164	\$ 4,233,414	\$ 1,287,797	\$ 25,570,880
2004	14,858,896	6,869,599	3,934,389	3,830,373	1,446,688	30,939,945
2005	12,780,666	6,937,271	4,855,595	3,967,354	1,547,710	30,088,596
2006	12,981,637	7,681,083	4,779,885	4,245,058	1,653,154	31,340,817
2007	17,102,425	7,328,634	5,272,506	4,518,768	1,699,332	35,921,665
2008	15,751,809	5,710,900	5,270,560	3,938,351	2,721,011	33,392,631
2009	18,718,793	3,641,541	4,541,326	3,789,366	2,537,346	33,228,372
2010	21,048,420	3,641,752	3,919,905	3,171,532	2,053,324	33,834,933
2011	18,421,025	4,256,883	4,207,592	3,593,910	2,323,736	32,803,146

* Reflects data since the implementation of GASB 34.

Table 6
City of Irwindale
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30	Secured	Unsecured	Less: Exemptions	Taxable Assessed Value	Total Direct Tax Rate
2002	1,019,387,413	220,301,483	(20,903,286)	1,218,785,610	0.91362%
2003	1,046,957,356	289,350,914	(23,051,862)	1,313,256,408	0.92254%
2004	1,153,169,200	318,584,343	(33,941,267)	1,437,812,276	0.92670%
2005	1,225,645,959	305,301,265	(34,492,381)	1,496,454,843	0.92821%
2006	1,324,692,463	321,508,922	(44,975,413)	1,601,225,972	0.91990%
2007	1,444,800,417	326,549,332	(46,808,746)	1,724,541,003	0.92919%
2008	1,470,473,902	338,680,012	(46,352,157)	1,762,801,757	0.92459%
2009	1,586,761,622	366,248,086	(56,270,216)	1,896,739,492	0.92542%
2010	1,748,010,615	362,612,436	(49,768,577)	2,060,854,474	0.93193%
2011	1,733,605,084	319,707,493	(49,906,700)	2,003,405,877	0.92974%

Notes:

In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only reassessed as a result of new construction activity or at the time it is sold to a new owner. At that point, the property is reassessed based upon the added value of the construction or at the purchase price (market value) or economic value of the property sold. The assessed valuation data shown above represents the only data currently available with respect to actual market value of taxable property and is subject to the limitations described above.

Source: Hdl Coren & Cone Reports

Table 7
City of Irwindale
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Fiscal Year Ended	Overlapping Rates					Total Tax Rates
	Basic Rate	Los Angeles County	School Districts	Community College	Water District	
2002	1.00000	0.00220	0.33764	0.00000	0.00770	1.34754
2003	1.00000	0.00191	0.40006	0.01946	0.00670	1.42813
2004	1.00000	0.00146	0.44452	0.01525	0.00610	1.46733
2005	1.00000	0.00116	0.53102	0.06228	0.00580	1.60026
2006	1.00000	0.00085	0.50922	0.05687	0.00520	1.57214
2007	1.00000	0.00071	0.57112	0.04355	0.00470	1.62008
2008	1.00000	0.00000	0.55590	0.04731	0.00450	1.60771
2009	1.00000	0.00000	0.58847	0.07093	0.00430	1.66370
2010	1.00000	0.00000	0.69198	0.07682	0.00430	1.77310
2011	1.00000	0.00000	0.72929	0.08591	0.00370	1.81890

Notes:

In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of the various intergovernmental overlapping debt.

Source: Hdl Coren & Cone Reports

Table 8
City of Irwindale
Principal Property Taxpayers
June 30, 2011

Property Owner	2011			2002		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Miller Brewing Company	\$ 348,339,709	1	17.35%	\$ 242,765,288	1	19.86%
Crow Family Holdings Industrial	95,533,041	2	4.76%			
Metropolitan Life Insurance Company	61,604,319	3	3.07%	86,502,818	2	7.08%
Walton CWCA Ramona	47,231,536	4	2.35%			0.00%
Ready Pac Produce Inc.	46,460,144	5	2.31%	33,428,496	4	2.73%
Unitek Corporation	39,712,346	6	1.98%	17,129,655	10	1.40%
Davis Wire Corporation	38,012,466	7	1.89%	24,006,863	8	1.96%
Consolidated Rock Products Company	36,997,631	8	1.84%	29,182,847	5	2.39%
Hanson Aggregates West Inc.	36,965,250	9	1.84%	20,669,532	9	1.69%
California Community News Corporation	33,446,492	10	1.67%			0.00%
Vulcan Materials				39,777,914	3	3.25%
United Rock Products				26,626,818	6	2.18%
Reality Associates Fund				25,993,680	7	2.13%
Totals	\$ 784,302,934		39.07%	\$ 546,083,911		44.67%

Source: HDL., Coren and Cone

Table 9
City of Irwindale
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	City Tax Levy	Redevelopment Tax Increment	Collected within the Fiscal Year of the Levy		Collection of Delinquent Taxes	Total Fiscal Year Collections	
			City Amount	Redevelopment Amount		Amount	Percentage of Levy
2002	186,038	11,756,551	178,596	11,458,053	(187,544)	11,270,509	94.4%
2003	186,441	13,204,922	178,983	12,888,691	(1,601,455)	11,287,236	84.3%
2004	188,657	14,802,375	181,110	14,285,048	203,531	14,488,579	96.6%
2005	189,725	14,921,703	182,136	14,840,253	774,262	15,614,515	103.3%
2006	191,403	15,314,579	132,581	15,360,598	258,125	15,618,723	100.7%
2007	198,193	16,465,858	102,925	16,206,584	539,687	16,746,271	100.5%
2008	200,091	17,080,253	582,841	16,398,045	(1,405,667)	14,992,378	86.8%
2009	200,610	19,093,700	491,577	18,758,294	(868,506)	17,889,788	92.7%
2010	203,934	19,796,470	351,483	19,628,746	919,221	20,547,967	102.7%
2011	201,838	18,661,821	395,476	18,362,304	(588,490)	17,773,814	94.2%

(1)

NA - Information not available.

Source: Redevelopment remittance advices from LA County

(1) Includes taxpayer refunds

Table 10
City of Irwindale
Taxable Sales by Category
Last Ten Fiscal Years

(in thousands of dollars)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Apparel Stores	\$ 65	\$ 48	\$ 130	\$ 58	\$ 128	\$ 159	\$ 245	\$ 311	\$ 358	\$ 640
General Merchandise	-	-	-	-	77	130	1,340	1,285	451	78
Food Stores	841	(1,423)	1,153	1,445	1,920	1,542	1,790	2,841	11,789	1,258
Eating and Drinking Places	8,092	9,751	11,522	13,217	16,441	16,293	17,384	17,009	16,817	17,107
Building Materials	12,704	14,668	14,055	16,564	17,174	19,252	19,488	14,136	9,674	10,011
Auto Dealers and Supplies	3,016	2,976	4,759	5,640	4,512	14,622	10,238	10,945	6,484	5,739
Service Stations	14,359	15,616	17,159	23,234	28,055	31,599	30,447	38,581	28,289	47,432
Other Retail Stores	19,290	16,020	14,930	17,869	20,445	21,112	21,704	20,950	16,389	20,455
All Other Outlets	295,954	307,253	304,556	359,012	364,079	437,659	427,173	383,200	300,600	310,599
Total	\$ 354,321	\$ 364,909	\$ 368,264	\$ 437,039	\$ 452,831	\$ 542,368	\$ 529,809	\$ 489,258	\$ 390,851	\$ 413,319

* 2011 data not available.

Source: State of California Board of Equalization and the HdL Companies

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

Table 11
City of Irwindale
Top 25 Sales Tax Producers
June 30, 2011

2011		2001	
Business Name	Business Category	Business Name	Business Category
Airgas West	Drugs/Chemicals	Ademco Distribution	Electrical Equipment
Arco	Service Stations	All American Asphalt	Contractors
Arco AM PM	Service Stations	Applied Industrial Technologies	Heavy Industrial
Arco AM PM Mini Mart	Service Stations	Arrowpetrol	Service Stations
Arrowpetrol	Service Stations	B & B Redi Mix Concrete	Contractors
Bartley Optical Sales	Medical/Biotech	Barron/Hallet Boats	Boats/Motorcycles
Chaparral Concrete	Contractors	Chem Arrow	Drugs/Chemicals
Chem Arrow	Drugs/Chemicals	Danone Waters	Light Industrial/Printers
Decore Active Specialties	Contractors	Decore Active Specialties	Contractors
Food Makers Bakery Equipment	Food Mfg.	Digital System Technology	Light Industrial/Printers
Foothill Transit - Bus Purchase	Transportation/Rentals	Grainger Industrial Supply	Electrical Equipment
Grainger Industrial Supply	Electrical Equipment	Hanson Aggregates West	Contractors
Hanson Aggregates West	Contractors	Ingersoll Rand	Heavy Industrial
Holiday Rock Co	Contractors	L & L Building Material	Contractors
Iherb	Food Mfg.	Messer Griesheim Industries	Petroleum Prod/Equipment
Jacmar Food Service	Food Mfg.	Miller Brewing	Food Mfg.
Matheson Tri Gas	Petroleum Prod/Equipment	Montgomery Hardware	Contractors
Miller Brewing	Food Mfg.	National Offset Blanket	Contractors
National Ready Mixed Concrete	Contractors	Select Copy Systems	Office Supplies/Furniture
Scholastic Book Fairs	Light Industrial/Printers	Spenser Communications	Light Industrial/Printers
Select Copy Systems	Office Supplies/Furniture	Spragues Rock & Sand	Contractors
Spragues Rock & Sand	Contractors	Standard Concrete Products	Contractors
United Rock Products	Contractors	United Rock Products	Contractors
Unitek	Drugs/Chemicals	Unitek	Drugs/Chemicals
Vulcan Materials	Contractors	Vulcan Materials	Contractors
Percent of Fiscal Year Total	68.78%	Percent of Fiscal Year Total	68.97%
Paid by Top 25 Accounts		Paid by Top 25 Accounts	

Source: HdL Reports

Firms Listed Alphabetically (April through March data for each year)

Table 12
City of Inwindale
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Redevelopment Bonds	Housing Bonds	Certificates of Participation	Capital Leases	Total Primary Government	Percentage of Taxable Assessed Value	Per Capita
2002	68,775,000	20,100,000	8,400,000	70,812	97,345,812	7.99%	NM
2003	81,660,000	19,685,000	8,090,000	63,692	109,498,692	8.34%	NM
2004	80,285,000	23,805,000	7,770,000	45,555	111,905,555	7.78%	NM
2005	78,375,000	22,985,000	7,440,000	26,295	108,826,295	7.27%	NM
2006	76,380,000	25,505,000	7,100,000	9,396	108,994,396	6.81%	NM
2007	74,720,000	24,630,000	6,750,000	2,473	106,102,473	6.15%	NM
2008	72,420,000	23,885,000	6,390,000	-	102,695,000	5.83%	NM
2009	70,010,000	23,110,000	6,015,000	20,476	99,155,476	5.23%	NM
2010	67,435,000	22,300,000	5,625,000	16,051	95,376,051	4.63%	NM
2011	64,700,000	21,455,000	5,220,000	11,394	91,386,394	4.56%	NM

Source: City of Inwindale Note 5 to Financial Statements and Statistical Table 19.

NM - Not Meaningful, as noted in Table 14, the cities population is very small, most of the City is Commercial and Industrial businesses.

Table 13
City of Irwindale
Bonded Debt Pledged Revenue Coverage
Redevelopment Agency Tax Allocation Bonds
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Tax Increment</u>	<u>Debt Service Principal and Interest (2)</u>	<u>Coverage</u>
2002	11,270,472	10,232,934	1.10
2003	11,287,213	5,431,252	2.08
2004	14,488,570	6,704,622	2.16
2005	15,614,612	9,170,401	1.70
2006	15,618,565	10,209,370	1.53
2007	16,745,566	75,398,790	1.90 (1)
2008	14,992,197	8,741,386	1.72
2009	17,889,505	8,779,474	2.04
2010	20,547,838	8,844,877	2.32
2011	17,759,769	8,888,625	2.00

Source: City of Irwindale and Irwindale Community Redevelopment Agency Financial Statements

Note: Details regarding the city's outstanding debt can be found in Note 5 to the Financial Statements.

(1) During FY 2006-2007, the 1996 Sr Lien Tax Allocation and 1996 Subordinate Tax Allocation Bonds were refunded and are included in the debt service total for 2007, however this is excluded from the coverage rate calculation.

(2) Restatements were made for FY's 2002-2010 to correct an error found in calculations.

Table 14
City of Irwindale
Direct and Overlapping Debt
As of June 30, 2011

	Percentage Applicable to City of Irwindale	Amount Applicable to City of Irwindale
2010-11 Assessed Valuation, Direct and Overlapping Bonded Debt		<u>\$ 1,145,157,459</u>
Direct Debt:		
2001 Refunding Certificate of Participation	100%	\$ 5,220,000
Overlapping Debt:		
Metropolitan Water District	0.020%	21,229
El Monte School District	2.294%	1,779,356
El Monte Union High School District	1.214%	1,299,254
Citrus Community College District	6.066%	4,843,398
Mt San Antonion Community College District	0.991%	1,708,575
Rio Hondo Community College District	0.463%	691,491
Azusa Unified School District	16.776%	4,182,004
Azusa Unified School District	16.883%	7,514,839
Baldwin Park Unified School District	6.687%	5,789,039
Covina Valley Unified School District	5.720%	5,757,577
Duarte Unified School District	11.681%	3,738,422
Monrovia Unified School District	0.985%	667,030
West Covina Unified School District	0.011%	3,508
Total Overlapping Debt		<u>37,995,722</u>
Total Direct and Overlapping Tax and Assessment Debt:		<u>\$ 43,215,722</u> (2)

(1) Percentage of overlapping agency's assessed valuation located within boundaries of the city.

(2) Excludes tax and revenue anticipation notes, revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

Ratio of Assessed Valuation:	
Direct Debt %	3.11%
Overlapping Debt %	22.64%
Total Gross Debt %	25.75%

Source: Hdl Coren & Cone Reports

Table 15
City of Irwindale
Legal Debt Margin Information
Last Ten Fiscal Years

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Assessed valuation	\$ 1,218,785,610	\$ 1,313,256,408	\$ 1,437,812,276	\$ 1,496,454,843	\$ 1,601,225,972	\$ 1,724,541,003	\$ 1,762,801,757	\$ 1,896,739,492	\$ 2,060,854,474	\$ 2,003,405,877
Conversion percentage	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Adjusted assessed valuation	304,696,403	328,314,102	359,453,069	374,113,711	400,306,493	431,135,251	440,700,439	474,184,873	515,213,619	500,851,469
Debt limit percentage	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
Debt limit	45,704,460	49,247,115	53,917,960	56,117,057	60,045,974	64,670,288	66,105,066	71,127,731	77,282,043	75,127,720
Less debt applicable to the limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 45,704,460	\$ 49,247,115	\$ 53,917,960	\$ 56,117,057	\$ 60,045,974	\$ 64,670,288	\$ 66,105,066	\$ 71,127,731	\$ 77,282,043	\$ 75,127,720
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

Source: City of Irwindale, Statistical Table 6 and Notes to Financial Statements.

Table 16
City of Irwindale
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2001	1,463	19,731	13,486	5.6%
2002	1,477	19,965	13,517	6.6%
2003	1,488	20,419	13,722	6.9%
2004	1,486	21,026	14,149	6.5%
2005	1,490	21,697	14,562	5.6%
2006	1,552	23,550	15,174	5.0%
2007	1,640	25,552	15,581	5.2%
2008	1,711	26,819	15,675	7.7%
2009	1,720	26,453	15,380	12.0%
2010	1,717	27,056	15,758	13.1%

* 2011 data not available.

Source: Hdl Coren & Cone Reports

Table 17
City of Irwindale
Principal Employers
Current Year

Employer	2011		
	Employees	Rank	Percentage of Total City Employment
Southern California Edison	2,200	1	8.8%
Ready-Pac Produce Inc.	1,950 *	2	7.8%
Miller Coors	550	3	2.2%
Lovin Oven	500	4	2.0%
Nellson Nutraceutical	475 *	5	1.9%
Superior Communications	461 *	10	1.8%
R Ranch Market	400	6	1.6%
Mariposa Horticultural Enterprise	360	7	1.4%
Charter Communications	351	8	1.4%
Decore-Ative Specialties Inc.	342	9	1.4%
Total	7,589		30.4%
Estimated City Employment	25,000		

Note: Data for nine years ago is not available.

Source: HDL, Coren & Cone, Survey completed by City and Chamber of Commerce input.

Estimated City Employment provided by Community Development Director.

* Includes contract employees

Table 18
City of Irwindale
Full-time and Part-time City Employees by Function
Last Five Fiscal Years *

Function	Fiscal Year Ended June 30,				
	2007	2008	2009	2010	2011
General government	16.00	19.00	18.00	16.00	16.00
Police	47.00	47.00	47.00	45.00	45.00
City-wide Maintenance	16.00	16.00	16.00	13.00	13.00
Planning & Code Enforcement	5.00	6.00	7.00	7.00	7.00
Engineering & Building/Safety	7.00	7.00	7.00	7.00	7.00
Library	2.50	4.50	4.50	4.50	4.50
Recreation	17.00	17.00	17.00	16.00	16.00
Senior Center	5.00	5.00	5.50	5.50	5.50
Total	115.50	121.50	122.00	114.00	114.00

Source: City of Irwindale, Finance Department, budget document

Reflects the number of positions authorized.

* Data available for years beginning FY 2006/07, therefore only five years are presented.

Table 19
City of Irwindale
Operating Indicators by Function
Last Four Fiscal Years *

Function/Program	Fiscal Year			
	2008	2009	2010	2011
Police:				
Traffic enforcement citations	2801	3857	3102	4587
DUI arrests	214	178	203	185
Unlicensed drivers arrested or cited	551	519	442	491
Vandalism Arrests	16	20	9	14
Stolen Vehicles	107	76	43	17
Robberies	11	10	9	2
Burglaries	102	90	72	33
Calls for service	25,453	23,895	21,437	25,537
Recreation:				
Number of facility rentals	227	212	344	173
Number of recreation classes/programs	124	124	89	69
Number of special events	25	26	24	31
Number of field trips	40	44	35	43
Aquatic participants	15,782	14,355	9,447	9,215
Senior Center:				
Number of facility rentals	167	184	158	125
Number of classes/programs	61	78	73	73
Number of special events/activities	19	27	39	39
Number of field trips	17	20	20	26
Number of meals served-Nutrition program/breakfast	13,180	10,581	10,189	7,856
Library				
Adult & children programs	14	37	19	6
Adult & children storytimes	128	75	65	58
Library items added	2597	1624	2802	1826
Learning Center tutoring hours	342	322	328	307
Public Works				
Street resurfacing (miles)	1.03	4.95	0.95	0.71
Sidewalk repair/replacement (sq.ft.)	-	20,447	-	20,002
Field Inspections	5 daily	5 daily	5 daily	4/week
Building & Safety				
Permits issued	455	345	363	368
Film Permits Issued	10	8	13	5
Finance				
Business Licenses issued	1,431	1,358	1,165	1,135
Account Payable checks issued	4,745	4,017	4,653	3,544
Payroll checks issued	3,962	4,095	3,825	3,701
Journal Vouchers	2,306	2,390	2,322	2,430
Purchase orders processed	1,081	944	366	259
Cash & Investments at year-end (in millions)	97.0	96.3	85.0	76.6
Administration				
Constituent requests for information processed	NA	88	87	76
Agenda Reports Submitted to Council	428	350	313	295
City Council Meeting Agendas Compiled	35	28	38	29
Resolutions (City Council)	84	77	86	61
Resolutions (CRA)	13	14	15	12
Resolutions (Housing Authority)	4	11	3	5
Resolutions (Reclamation Authority)	2	2	1	1
Ordinances	10	8	10	11
Contracts	NA	53	119	128
City Council Requests Resolved	7	7	22	20
Weekly Reports to City Council	49	49	50	49
Number of recruitment applications processed	387	126	124	184

Source: City of Irwindale, various departments

* Data available for years beginning FY 2007/08.

Table 20
City of Irwindale
Capital Asset Statistics by Function
Last Four Fiscal Years *

Function	Fiscal Year			
	2008	2009	2010	2011
Police				
Stations	1	1	1	1
Substations	0	0	0	0
Patrol units	19	19	19	10
Motorcycles	3	3	3	3
Trailer	1	1	1	1
Undercover Vehicle	0	0	1	7
Command Vehicle	0	0	1	1
Public Works				
Streets/Highway (miles)	27.73	27.73	27.73	27.73
Streetlights	861	861	861	861
Traffic signals	40	41	41	41
Bridges	15	15	15	15
Culture and recreation				
Recreation				
Parks	3	3	3	3
Playground areas	4	4	4	4
Tennis courts	1	1	1	1
Softball & baseball diamonds	1	1	1	1
Basketball full courts	2	2	2	2
Basketball half courts	1	1	1	1
Skate Parks	1	1	1	1
Swimming pools	1	1	1	1
Recreation Centers	1	1	1	1
Senior Center				
Community Centers	1	1	1	1
Senior Centers	1	1	1	1
Missions	1	1	1	1
Library				
Library buildings	1	1	1	1

Source: City of Irwindale, various departments

* Data available for years beginning FY 2007/08, therefore only four years are presented.

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