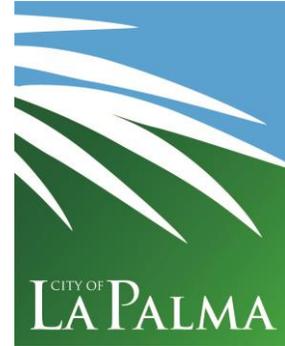


# City of La Palma

## Agenda Item No. 10



MEETING DATE: April 5, 2016

TO: CITY COUNCIL

FROM: CITY MANAGER

SUBMITTED BY: Sea Shelton, Administrative Services Director

AGENDA TITLE: Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ending June 30, 2015

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### **RECOMMENDED ACTION:**

It is recommended that the City Council accept and receive and file the Comprehensive Annual Financial Report (CAFR) of the City of La Palma for the Fiscal Year ended June 30, 2015.

### **SUMMARY:**

The attached CAFR describes in detail the financial position and financial activity of the City of La Palma for the fiscal year ended June 30, 2015. The city's financial statements were audited and found to be in conformance with Generally Accepted Accounting Principles (GAAP). City staff has every reason to expect that this year's CAFR will be the sixteenth consecutive report to receive the Government Finance Officers Association of the United States and Canada's *Certificate of Achievement for Excellence in Financial Reporting*. The City Manager's letter of Transmittal and the Management Discussion and Analysis contained in the CAFR provide highlights of the report's contents including the following:

- As of June 30, 2015, the unassigned fund balance for the General Fund was \$673,140 or 7.7% of total General Fund expenditures.
- As of June 30, 2015, the "spendable" portion of the General Fund's fund balance (i.e., Committed, Assigned, and Unassigned fund balance) was \$11.2 million, while the total fund balance was \$12.2 million or 140% of total General Fund expenditures.
- For the fiscal year ended June 30, 2015, the General Fund expenditures and transfers exceeded revenues by \$857,775.

In the back of the CAFR, the statistical section shows information generally over the prior ten years. The statistical section shows that the General Fund has had repeated deficits. The fund balance is healthy, but the continued draw on reserves will erode the financial health of the City unless action is taken.

An important component of the CAFR is the section entitled Notes to the Financial Statements. It is recommended that particular attention be paid to the notes, as they contain a great deal of useful information about the City's financial policies and position.

**APPROVED:**



\_\_\_\_\_  
Administrative Services  
Director



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City Manager

Attachment:            1.        FY2014-15 Comprehensive Annual Financial Report



**Due to the large size of the FY 2014-2015  
Comprehensive Annual Financial Report,  
please click on the link below  
to be redirected to the document:**

**Attachment 1**

**FY 2014-15 CAFR**