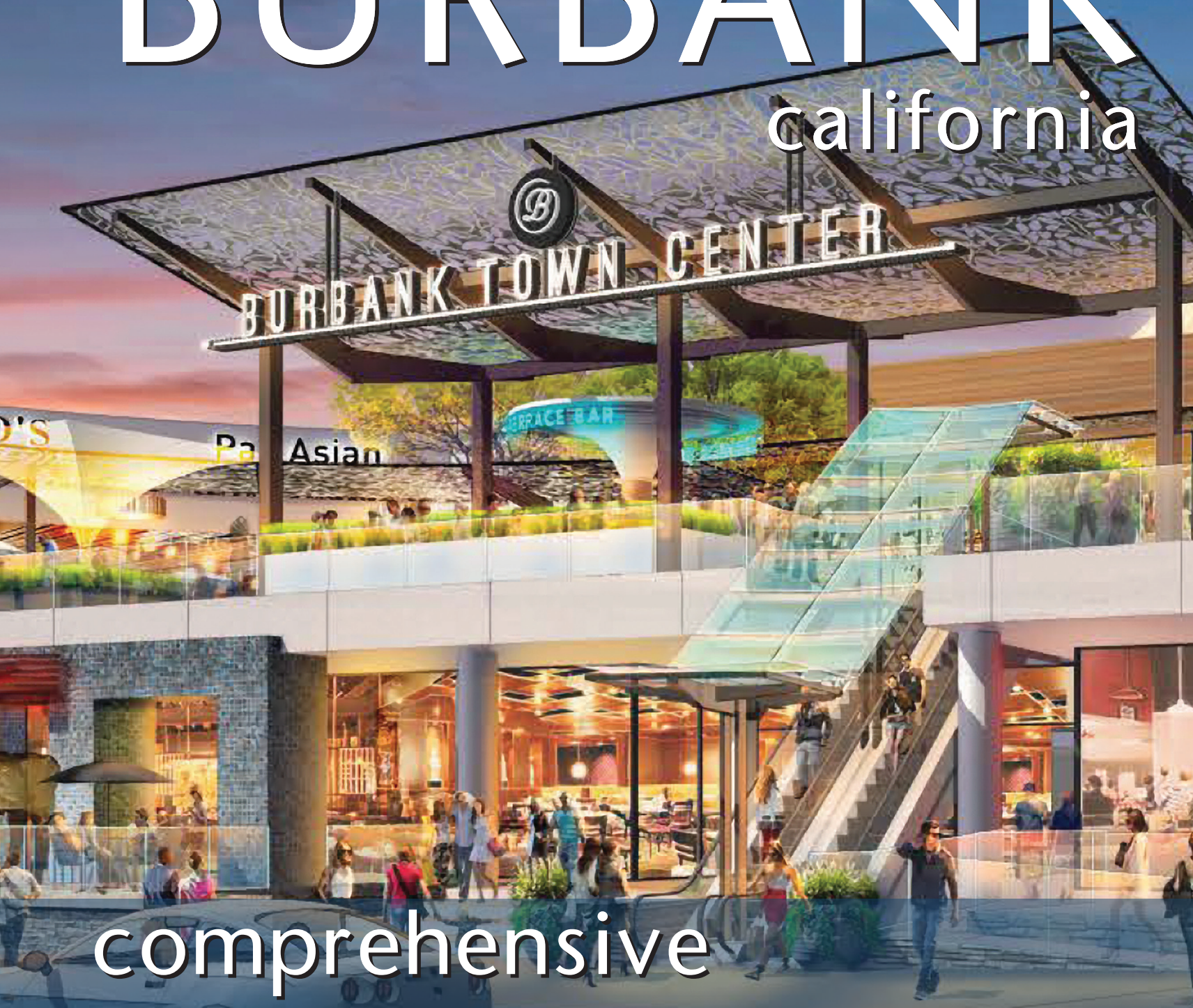


city of
BURBANK
california



comprehensive
annual financial report
year ended june 30, 2019



ABOUT THE COVER

The City of Burbank Fiscal Year 2018-2019 Comprehensive Annual Financial Report features renderings of the newly renovated Burbank Town Center, situated in Downtown Burbank's mixed-use urban neighborhood.

The landmark three-level enclosed mall offers more than 170 retail shops, restaurants, entertainment venues and lifestyle services. The \$60 million transformation project included the addition of two new entrances, the relocation of the main elevator and construction of an outdoor escalator that leads to a new dining terrace. The food court has been relocated from the third floor to the ground floor and provides quick-service eateries so patrons can refuel and get back to shopping. Guests can also find many new amenities such as remodeled public and family restrooms, new flooring, additional seating and an all-around more modern looking shopping center.

This extensive renovation has revitalized the Burbank Town Center and the Downtown Burbank neighborhood, adding new highly anticipated retailers such as Cost Plus World Market, H&M, Carters, and Shoe Palace along with several new dining options and retailers on the horizon. The renovation also incorporates upgrades to existing tenants, such as Macy's, Vans and the AMC Burbank Town Center 8 theaters.

Cover Layout:

Cassidy Allen (Graphic Media Designer - City of Burbank)

Illustrations:

LDA Design Group

COMPREHENSIVE ANNUAL FINANCIAL REPORT

OF THE

**CITY OF BURBANK
BURBANK, CALIFORNIA**

**FISCAL YEAR ENDED
June 30, 2019**

**Prepared by :
Financial Services Department
Cindy Giraldo
Financial Services Director**

City of Burbank
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

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(Unaudited)

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INTRODUCTORY SECTION

The Introductory Section of the Comprehensive Annual Financial Report provides general information of the City of Burbank, California's structure and its personnel, as well as information useful in assessing the City's financial condition. This section includes the:

- Letter of Transmittal,
- City's Organizational Chart and List of Principal Officials,
- Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting.

City of Burbank's Elected Officials and Principal Officers



Emily Gabel-Luddy
Mayor



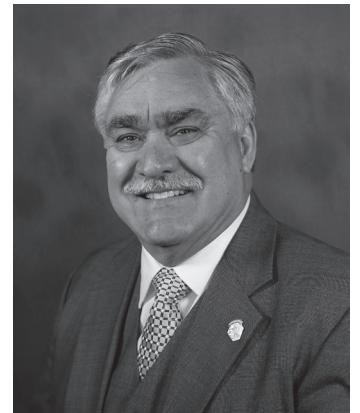
Sharon Springer
Vice Mayor



Bob Frutos
Council Member



Timothy M. Murphy
Council Member



Jess Talamantes
Council Member



Zizette Mullins
City Clerk



Debbie Kukta
City Treasurer



301 E. OLIVE AVE. STE. 200 – 2ND FLOOR, BURBANK, CALIFORNIA 91502

CITY OF BURBANK

www.burbankca.gov

November 19, 2019

Honorable Mayor and Members of the City Council:

REPORT PURPOSE AND ORGANIZATION

It is our pleasure to submit the Comprehensive Annual Financial Report (CAFR) of the City of Burbank for the fiscal year ended June 30, 2019. Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. In our opinion, the data is accurate in all material aspects, is presented in a manner designed to fairly set forth the financial position and results of operations of the City, and contains all disclosures necessary to enable the reader to gain an understanding of the City's financial affairs.

The financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) as promulgated by the Government Accounting Standards Board (GASB). This report consists of management's representations concerning the finances of the City of Burbank, California. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Since the cost should not outweigh their benefits, the City's 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, this financial report is complete and reliable in all material respects.

Audited Financial Statements

The City's financial statements have been audited by White Nelson Diehl Evans LLP, a public accounting firm fully licensed and qualified to perform audits of local governments within the State of California. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Burbank, California, for the fiscal year ended June 30, 2019, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation.

The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Burbank, California's financial statements for the fiscal year ended June 30, 2019, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

FINANCIAL SERVICES DEPARTMENT

Administration / Accounting / Audit / Budget / Revenue
(818) 238 – 5500

• Accounts Payable
(818) 238 – 5495

• Payroll
(818) 238 -5491

• Purchasing
(818) 238 – 5466

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 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 in the financial section of the CAFR.

"Single Audit" for Federal Grant Programs. The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special needs of Federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of Federal awards. This information is available in the City's separately issued *Single Audit Report*.

PROFILE OF THE CITY OF BURBANK

The City of Burbank, incorporated in 1911 under the general laws of the State of California, is a long-established residential city and commercial center located within Los Angeles County in Southern California. The City of Burbank is a unique urban community located 12 miles northwest of downtown Los Angeles and nestled between the Hollywood Hills and the Verdugo Mountains near Highway 5 and Highway 134. The City occupies a land area of 17.16 square miles and serves a population of 107,691.

The City provides a full range of municipal services. Services provided include public safety (police and fire); street construction and maintenance; sanitation, refuse collection and disposal; electric, water and sewer utilities; cultural and recreational programs; public infrastructure improvements; planning and zoning; and general administrative and support services.

Form of Government

The City of Burbank is a full-service charter city that operates on a Council-Manager form of government. The Council has the authority to make and enforce all laws and regulations with respect to municipal affairs, subject only to the limitations of the City Charter and the State Constitution. The City Council consists of five members elected at-large for four year terms. The Mayor is selected from the City Council members and serves a one-year term. The City's other elected officials are the City Treasurer and City Clerk whose terms of office are four years. The City Council appoints the City Manager and City Attorney. All other department heads are hired by the City Manager.

Budgetary Policy and Control

The annual budget serves as the foundation for the City financial planning and control. The City Council is required to adopt an annual budget resolution by July 1 of each fiscal year for the General Fund, Special Revenue Funds, Capital Projects Funds, and Proprietary Funds. These budgets are adopted and presented for reporting purposes on a basis consistent with generally accepted accounting principles.

The level of appropriated budgetary control is the total adopted budget, which is defined as the total budget for all funds and divisions and includes all revisions and amendments approved by the City Council subsequent to the initial budget adoption. The City Manager may authorize transfers of appropriations within the adopted budget. Supplemental appropriations during the year must be approved by the City Council. Unexpended or unencumbered appropriations lapse at the end of the fiscal year. Encumbered appropriations are re-appropriated in the ensuing year's budget. The City utilizes an encumbrance accounting system, whereby commitments such as purchase orders and unperformed contracts are recorded as assigned fund balances at year-end per Governmental Accounting Standards Board (GASB) #54.

FACTORS AFFECTING FINANCIAL CONDITION

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

Local Economic Environment

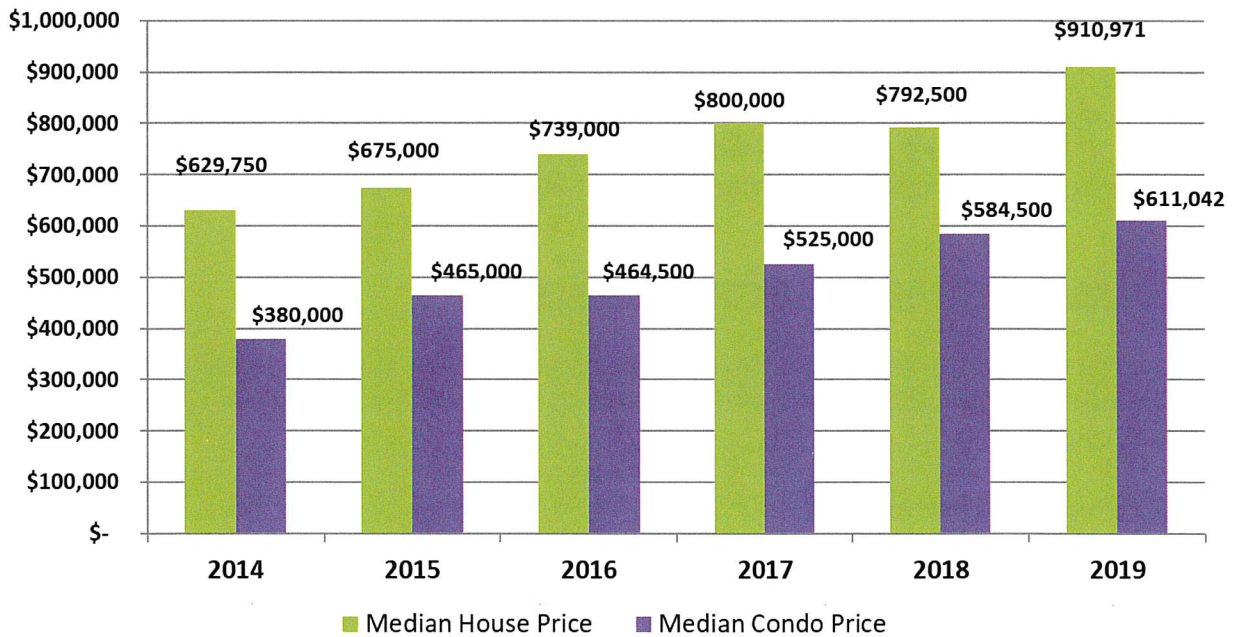
The City of Burbank's economic environment is showing strength in commercial, residential and retail development. The City continues to focus on projects promoting the beautification of our neighborhoods and business districts, the attraction of new retail stores and restaurants, the development of needed Class A office space, and the expansion of the citywide transportation system.

Retail sales in Downtown Burbank continue to thrive with activity anchored by IKEA, AMC movie theaters and the newly renovated Burbank Town Center. Downtown Burbank continues to evolve with new restaurants and retailers such as Shake Shack, Orange Theory Fitness, Bob's Discount Furniture, Hummus Republic and Over/Under Public House recently opening and several new merchants on the horizon such as, Round One Entertainment, Salon Republic and a newly renovated Macy's. Expanding it's boundaries to include the largest IKEA in the nation and Tesla Sales and Delivery Center, Downtown Burbank spans over 13 blocks. With more than 400 retailers and restaurants, four major hotels and several mixed used developments on the horizon, Downtown Burbank continues to grow to meet the needs of the residents of Burbank and it's visitors. In addition to the popular restaurants and retailers, a new co-working space called Common Ground just opened in Downtown Burbank offering entrepreneurs and start-ups an additional 40,000 square feet of options for office space.

Throughout the City, business continues to thrive with new openings of Tocaya Organica, Le Pain Quotidien, Burgerim, Chick-Fil-A, Blink Fitness, Blake Pizza, and Naime’s Beauty Salon.

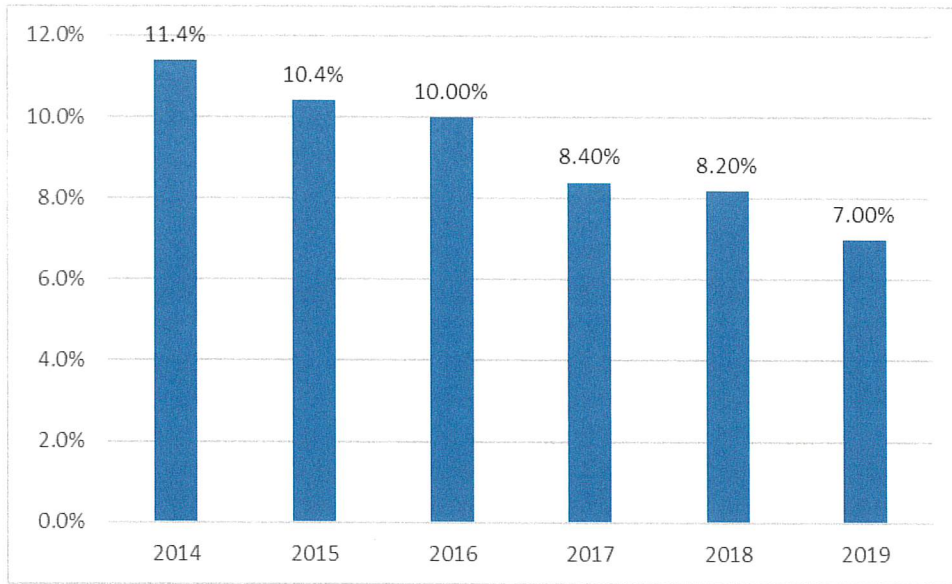
Burbank’s single-family home prices are on the rise as reflected in an average home price of \$910,971 in June 2019, compared to \$792,500 in June 2018. The average value for condominium sales for June 2019 was \$611,042 compared to \$584,500 in June 2018.

Burbank Median Housing Prices



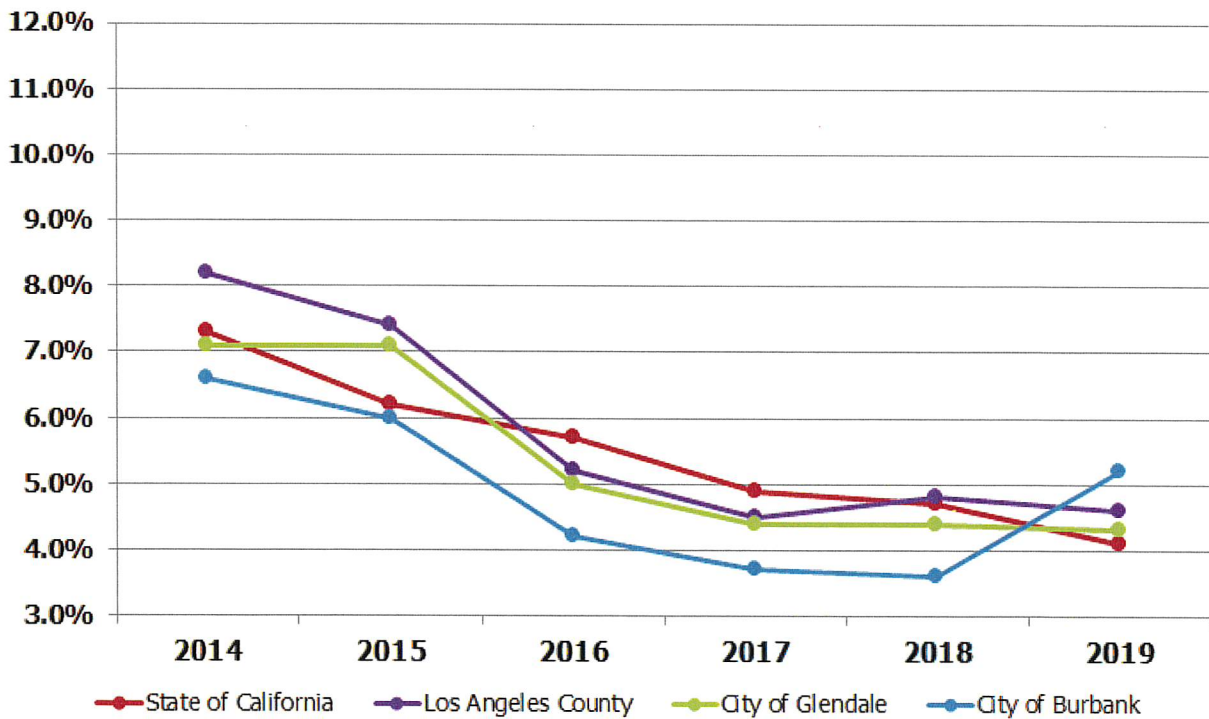
Burbank’s office space vacancy continued to improve ending 2019 at 7.00% compared to 8.20% in June 2018. Rental rates declined averaging \$3.56 per square foot compared to \$4.07 per square foot in June 2018.

Office Vacancy Trend



Unemployment rates continue to decrease both locally and statewide. The City of Burbank's unemployment rate at 5.2% was higher in comparison to the City of Glendale's 4.3%, Los Angeles County's 4.6% and State of California's rate of 4.1%.

Unemployment Rate Trend



Effectively utilizing the City of Burbank's resources for the benefit of the entire community is at the heart of the Mayor and City Council's commitment to wise fiscal management. Economic development efforts also seek to continue building Burbank's revenue base by bringing new jobs and businesses to the City. The City of Burbank's goals emphasize sustainability, investment, and reinvestment to continue building a strong, healthy community and improve the quality of life for Burbank residents, businesses, and visitors.

Local Tax Measures

On November 6, 2018, the City of Burbank voters approved Measure P, also known as the Burbank Infrastructure and Community Services Protection Measure. Measure P is a general-purpose 3/4 cent local sales tax that, at the time of voter approval, was projected to provide approximately \$20 million in annual funding. Per the City Council's adopted Infrastructure, Maintenance, Repair, and Improvement Funding Commitment policy, 50% of this new revenue will be dedicated to infrastructure repairs, maintenance, and improvements. Further, to ensure that these new revenues do not supplant previous General Fund infrastructure funding, the General Fund has committed to annual funding of \$4.7 million toward general City infrastructure. On April 16, 2019 the City Council established the Infrastructure Oversight Board in order to meet the oversight requirement established by Measure P. The Infrastructure Oversight Board will oversee and make recommendations to the City Council regarding the infrastructure of the City in order to help ensure the reliability, maintenance, and safety of the City's infrastructure.

Long-Term Financial Planning

The City of Burbank engages in a number of activities focused on long-term financial planning, including:

Five-Year Financial Forecast. The City of Burbank perpetually maintains a five-year General Fund Financial Forecast to identify and focus on current and projected economic conditions. The purpose of the forecast is to identify the General Fund's ability over the next five years – on an order of magnitude basis – to continue current services, maintain existing assets and fund new initiatives or acquire new capital assets.

The Burbank City Council also annually reviews and adopts a five-year forecast of Capital Improvement Projects, grouping them by categories such as low-moderate housing, municipal facilities, pedestrian access and roadways, transportation, and the various utilities. These investments reflect the City Council's commitment to maintain and improve the City of Burbank. In order to provide citizens with the highest possible service.

Major City Goals. As part of the City's budget process, the Council discloses major City goals as an integral part of the Financial Plan. The Financial Plan is the City's main tool for programming the implementation of these goals, by allocating the necessary resources. The following goals are intended to address the highest priority issues, community-wide concerns, and long-term needs.

- **Economic Development.** The City continues to focus on economic development with the commitment to advance job growth, increase retail/commercial vitality and maintain

excellent quality of life for all. The components to this strategy are as follows: Strategically position Burbank as a competitive regional, statewide and national hub for business and residence; Focus on retail attraction, retention and expansion; Position Burbank as a travel destination; Continue to identify and encourage strategic, innovative opportunities and entrepreneurial development within the City; and enhance outreach, communications and community engagement.

- **Preservation of Essential Services and Fiscal Health.** Adopt a balanced budget that sustains the City's short and long term fiscal health, preserves public health and safety, and other essential services in line with residents' priorities, and includes cost efficiency strategies.
- **Municipal Government Leadership.** To provide municipal government leadership which is open and responsive to its residential and corporate constituents, characterized by stability, confidence in the future, and cooperative interaction among civic leaders, residents, business people, and City staff. The City is dedicated to recognizing and respecting legitimate differences of opinions on the critical issues facing the community.

MAJOR INITIATIVES

The City continued its efforts on a number of significant initiatives in fiscal year 2018-19 which will have a beneficial effect on the City's financial health and quality of life.

AC Hotel. The AC Hotel is a proposed six-story hotel project that consists of 196 rooms. Planning Board approved the project on October 23, 2017, and the entitlement is complete. The developer is in the process of preparing construction documents for submittal, and construction is expected to begin in winter 2019.

Burbank Common. A proposed dining and entertainment venue in Downtown Burbank that would include: a 33,000 SF event space; 19,000 SF of restaurant, café, brewpub, retail and special event space; and 47,000 SF of open space. The Development Review and parking study is currently underway and this project is slated to go to City Council in Winter 2020.

Avion Burbank. A 61.5 acre mixed industrial, office, retail and hotel project. Approved by City Council on March 26, 2019. Construction is expected to begin late 2019.

The Premier At First. A mixed-use project with a 14-story building with apartments and a second building with a hotel. Environmental Impact Report is currently underway with Planning Board consideration in early 2020.

777 Front Street Mixed-Use. 573 residential unit, 307 room hotel and 1,067 sq. ft. of ground retail. The Environmental Impact Report was recirculated for this project. Anticipated to go before City Council late 2019.

A-LOFT and Residence Inn Hotels. A proposed seven story dual-brand hotel with a total of 420 rooms, 219 A-loft and 201 Residence Inn. Currently preparing an Environmental Impact Report, expected to go before City Council in 2020.

First Street Village This mixed-use project consists of three, six-story buildings with 275 multi-family apartments on the upper floors and up to 18,876 square-feet of retail and commercial space on the ground floors. The property is the first of its kind to include 14 affordable workforce housing units. On-site amenities and open space area will be included. Estimated completion date is 2021.

Warner Bros. Tour Center. Warner Bros. is moving forward with a new 79,800 sq. ft. building that will house space for a new studio tour center as well as guest and tour car parking. The new building is located on the studio's Main Lot on the south side of Warner Avenue between Avon and Lima Streets. Completion is anticipated for spring 2020.

AWARDS AND ACKNOWLEDGEMENTS

The Award Program

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Burbank for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2018. This was the 35th consecutive year that the City of Burbank has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

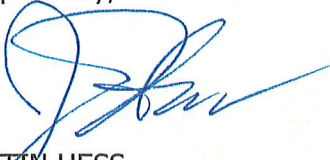
The Certificate of Achievement for Excellence in Financial Reporting from the GFOA is valid for a period of one year. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement requirements, and it will be submitted to the GFOA in anticipation of receiving another certificate.

There are a number of benefits in participating in these programs beyond simply receiving recognition for our efforts. By striving to meet the program's standards and goals, the City continually strives to produce updated and enhanced reports. Additionally, as part of the review process, comments for improvement from other municipal finance professionals who review our reports from a "fresh" perspective are received. The City believes that this results in continuous improvements in reporting our financial results to elected officials, staff, and other interested parties such as bondholders, credit agencies, and the public at-large.

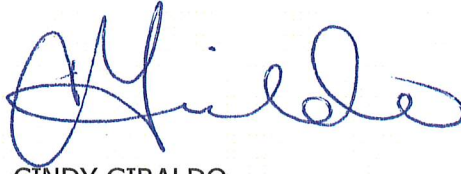
Acknowledgements

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Financial Services Department. Each member of the department has our sincere appreciation for the contribution made in the preparation of this report. We also acknowledge the work and dedication of our team of Department Managers and their staffs.

Respectfully,



JUSTIN HESS
City Manager



CINDY GIRALDO
Financial Services Director

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Burbank for its comprehensive annual financial report for the fiscal year ended June 30, 2018. This was the 35th consecutive year that the City of Burbank has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

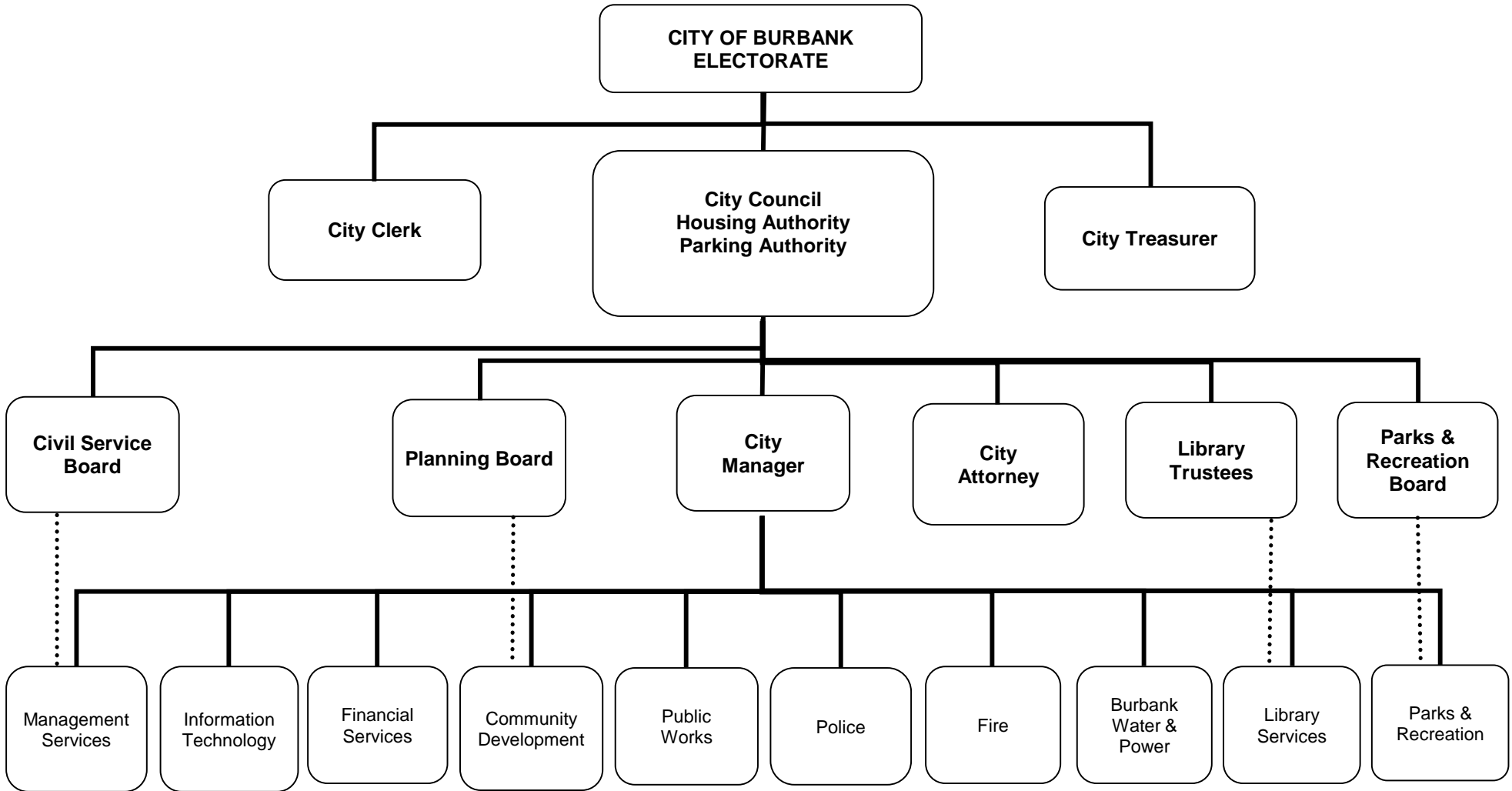
City of Burbank California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morill

Executive Director/CEO



Boards, Committees and Commissions in Burbank Municipal Code (Not in City Charter)

Art In Public Places Committee
 Board of Building and Fire Code Appeals
 Burbank Housing Corporation
 Burbank Water and Power Board
 Community Development Goals Committee

Cultural Arts Commission
 Heritage Commission
 Infrastructure Oversight Board
 Landlord-Tenant Commission
 Police Commission

Senior Citizen Board
 Sustainable Burbank Commission
 Transportation Commission
 Youth Board

FINANCIAL SECTION

The Financial Section of the Comprehensive Annual Financial Report contains the following:

- Independent Auditor's Report
- Required Supplementary Information – Management's Discussion and Analysis (MD and A)
- City's basic financial statement, which includes the following:
 - The Government-wide Financial Statements
 - Fund Financial Statements
 - Notes to Basic Financial Statements
- Required Supplementary Information – Schedule of Funding Progress of the City's Defined Benefit Pension Plan

INDEPENDENT AUDITORS' REPORT

City Council Members
City of Burbank
Burbank, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Burbank (the City), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Burbank, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the Low/Moderate Income Housing Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedules of changes in the net pension liability and related ratios of the defined benefit plans, the schedules of contributions of the defined benefit plans, the schedule of changes in net OPEB liability and related ratios and the schedule of contributions – OPEB Plan, identified as Required Supplementary Information (RSI) in the accompanying 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 RSI 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 the audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining fund financial statements and budget and actual schedules of revenues, expenditures and changes in fund balances (supplementary information), and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Matters (Continued)

Other Information (Continued)

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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 19, 2019, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

White Nelson Dick Evans LLP

Irvine, California
November 19, 2019

City Of Burbank

Management's Discussion and Analysis

As management of the City of Burbank, California, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on page I of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$1,187,082,000 (net position). Of this amount, \$36,584,000 (Unrestricted net position) may be used to meet the City's ongoing obligations.
- The City's total net position increased by \$47,400,000 during the current fiscal year. This growth was driven by the Business-type Activities of the City, accounting for \$23,610,000 of the increase, and Governmental Activities accounting for \$23,790,000.
- As of June 30, 2019, the City's governmental funds reported combined fund balances of \$235,512,000, an increase of \$17,453,000 from the prior year. Of fund balances, \$86,217,000 or approximately 37% of total fund balances are unassigned fund balances.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$86,404,000 or 56% of total General Fund expenditures.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements 2) fund financial statements and 3) notes to basic financial statements. This report also contains required supplementary information and an unaudited statistical section in addition to the basic financial statements.

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

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

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*). The *governmental activities* of the City include general government, police, fire, public works, community development, parks and recreation, library, and interest on long-term debt. The

City Of Burbank

Management's Discussion and Analysis

business-type activities of the City include operations of its electric, water, water reclamation and sewer, refuse collection and disposal.

The government-wide financial statements can be found on page 17 of this report.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary 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 financial statements, governmental funds financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financial 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 City's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains 21 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund, the General Capital Projects Fund, and the Low and Moderate Income Housing Special Revenue Fund, each of which are considered to be major funds. Data from the other 18 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* in the *Non-major Governmental Funds* section of this report.

The City adopts an annual appropriated budget for all its funds. A budgetary comparison statement is provided for all funds with an annually adopted budget. The budgetary comparison statement for the General Fund is located in the basic financial statements. All other funds with legally adopted annual budgets are located in the supplementary information section.

Proprietary Funds. The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its electric, water, water reclamation and sewer, and refuse collection and disposal. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions.

City Of Burbank

Management's Discussion and Analysis

The City uses internal service funds to account for the following activities:

- Self-insurance activities, including:
 - General claims liability
 - Workers' compensation insurance
- Vehicle operation and maintenance
- Office equipment operation and maintenance
- Municipal building replacement, operation and maintenance
- Communication equipment operation and maintenance
- Computer equipment operation and maintenance

Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the electric, water, water reclamation and sewer, and refuse collection and disposal, all of which are considered major funds of the City. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements in the *Internal Service Funds* section of this report.

The basic proprietary fund financial statements can be found on page 27 of this report.

Notes to the Basic Financial Statements. The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on page 34 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees. *Required Supplementary Information* can be found on page 90 of this report.

Supplementary information on non-major governmental funds and internal service funds are presented immediately following *the required supplementary information* on pensions. Combining and individual fund statements and schedules can be found on page 98 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$1,187,082,000 at the close of the most recent fiscal year.

The largest portion of the City's net position (88%) reflects its net investment in capital assets (e.g., land, buildings, utility and general government infrastructure, machinery and equipment,

City Of Burbank

Management's Discussion and Analysis

etc.), less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's net investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

TABLE 1- The City of Burbank's Net Position as of June 30, 2019 and 2018 (000's):

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Assets :						
Current and other assets	\$ 395,856	\$ 364,804	242,784	256,915	638,640	621,719
Capital assets	684,259	688,278	480,340	465,528	1,164,599	1,153,806
Total assets	1,080,115	1,053,082	723,124	722,443	1,803,239	1,775,525
Deferred Outflows of Resources	57,603	77,687	20,030	29,326	77,633	107,013
Liabilities :						
Current and other liabilities	38,806	41,909	40,897	57,413	79,703	99,322
Long-term liabilities	352,173	364,355	239,020	254,659	591,193	619,014
Total liabilities	390,979	406,264	279,917	312,072	670,896	718,336
Deferred Inflows of Resources	15,715	17,271	7,179	7,249	22,894	24,520
Net Position :						
Net Investment in capital assets	684,259	688,278	363,419	340,870	1,047,678	1,029,148
Restricted	102,820	61,628	-	-	102,820	61,628
Unrestricted	(56,055)	(42,672)	92,639	91,578	36,584	48,906
Total net position	\$ 731,024	\$ 707,234	456,058	432,448	1,187,082	1,139,682

At the end of the current fiscal year, the City is able to report positive balances in two of the three categories of net position, the unrestricted net position for the Governmental Activities was negative due to the GASB 68 implementation, the total net position was positive as a whole for the City, as well as for its separate governmental and business-type activities.

- The City's net position increased by \$47,400,000 during the current fiscal year. This increase was driven by the Business-type Activities of the City (which accounted for \$23,610,000 of the increase), and Governmental activities (which accounted for \$23,790,000 of the increase). Of the \$23,610,000 Business-type increase, the Electric Utility accounted for \$17,354,000 of that growth.

City Of Burbank
Management's Discussion and Analysis

TABLE 2-The City's Changes in Net Position (000's) for the years ended June 30, 2019 and 2018:

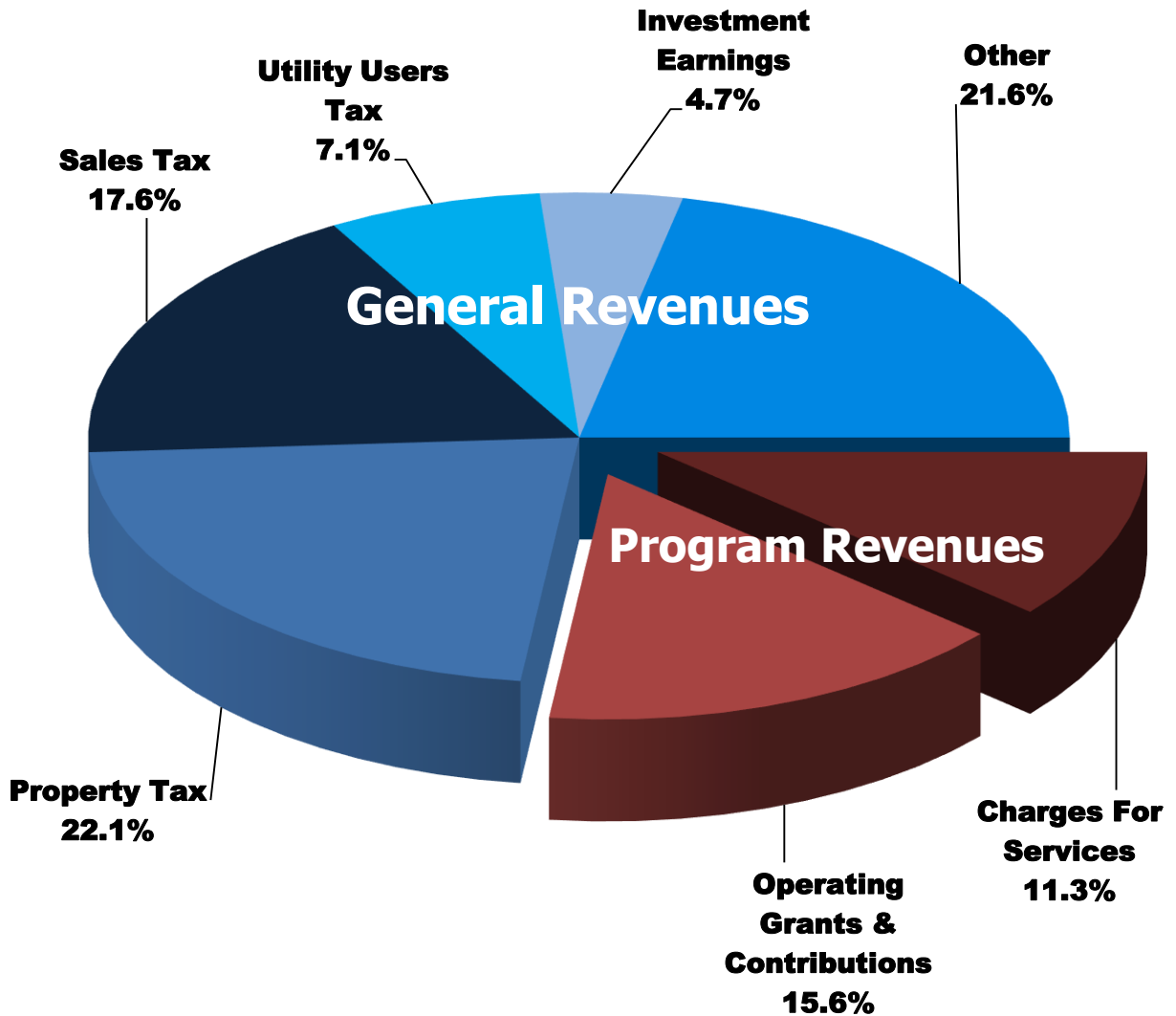
	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues :						
Program revenues :						
Charges for services	\$ 28,066	\$ 24,162	260,013	273,294	288,079	297,456
Operating grants and contributions	38,788	43,547	149	119	38,937	43,666
Capital grants and contributions	50	77	8,786	7,338	8,836	7,415
General revenues :						
Property tax	54,980	52,848	-	-	54,980	52,848
Sales tax	43,747	34,605	-	-	43,747	34,605
Utility users tax	17,520	18,702	-	-	17,520	18,702
Investment earnings	11,625	1,005	8,116	986	19,741	1,991
Other	53,658	46,718	1,921	2,046	55,579	48,764
Total revenues	248,434	221,664	278,985	283,783	527,419	505,447
Expenses :						
General government	7,613	15,475	-	-	7,613	15,475
Police	59,907	59,865	-	-	59,907	59,865
Fire	37,855	41,417	-	-	37,855	41,417
Public works	37,664	35,468	-	-	37,664	35,468
Community Development	49,786	48,726	-	-	49,786	48,726
Parks & Recreation	23,732	18,790	-	-	23,732	18,790
Library	7,484	7,203	-	-	7,484	7,203
Interest on long-term debt	512	565	-	-	512	565
Water reclamation & sewer	-	-	18,340	29,332	18,340	29,332
Nonmajor funds	-	-	-	-	-	-
Electric utility	-	-	189,486	177,330	189,486	177,330
Water utility	-	-	30,523	32,525	30,523	32,525
Refuse collection & disposal	-	-	17,117	15,699	17,117	15,699
Total expenses	224,553	227,509	255,466	254,886	480,019	482,395
Increase (decrease) in net position before transfers	23,881	(5,845)	23,519	28,897	47,400	23,052
Transfers	(91)	17,089	91	(17,089)	-	-
Increase (decrease) in net positions	23,790	11,244	23,610	11,808	47,400	23,052
Net position, July 1, as previously stated	707,234	736,316	432,448	431,410	1,139,682	1,167,726
Prior period adjustment	-	(40,326)	-	(10,770)	-	(51,096)
Net position, June 30	\$ 731,024	\$ 707,234	456,058	432,448	1,187,082	1,139,682

City Of Burbank
Management's Discussion and Analysis

Governmental Activities. Governmental activities increased the City's net position by \$23,790,000. Total expenses decreased by \$2,956,000 (1%), while general revenues increased by 18%.

- *General revenues such as property, business, and sales taxes are not shown by program, but are effectively used to support program activities Citywide. For governmental activities overall, property taxes are the largest single source of funds (22.1%), followed by sales tax (17.6%).*

**Governmental Activities
Revenue Sources**

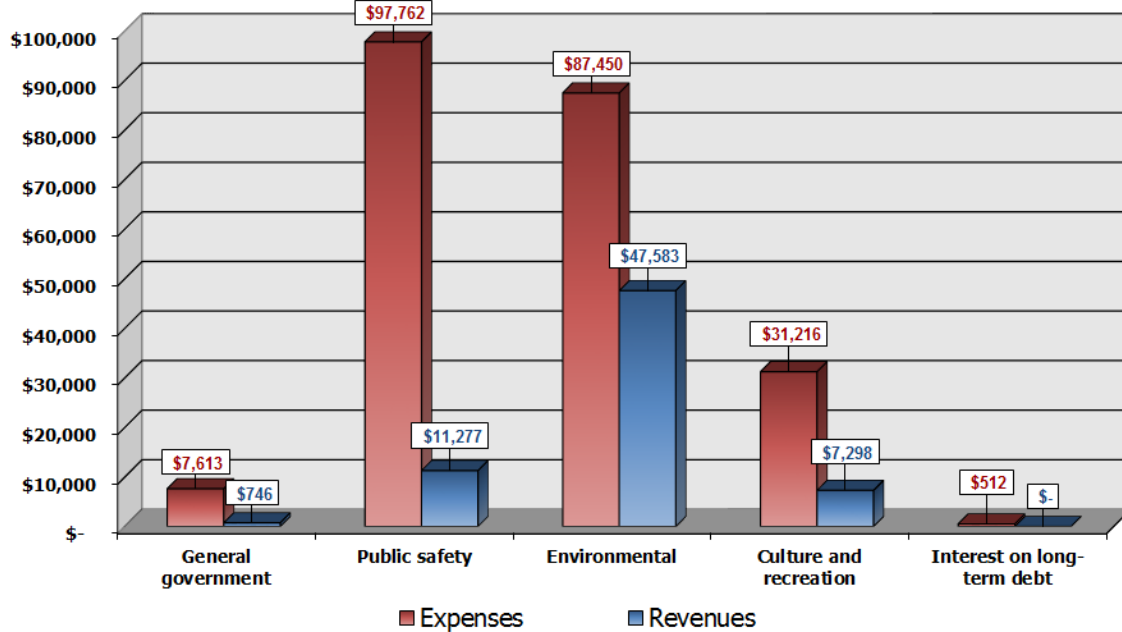


City Of Burbank

Management's Discussion and Analysis

Governmental Activities Expenses and Program Revenues

(In \$1,000's)

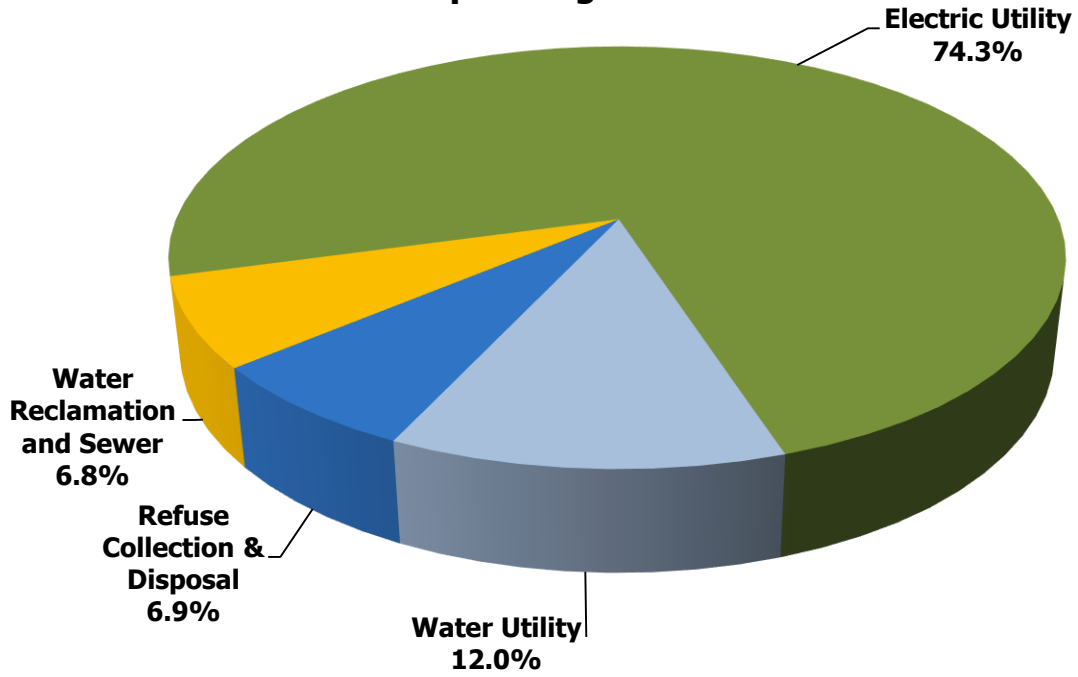


- The chart above illustrates the City's governmental expenses and revenues by source. Public Safety (Police and Fire departments, 43.5%) is the largest function in expense, followed closely by Environmental (Public Works and Community Development departments, 38.9%), with Culture and Recreation third (Library, and Parks and Recreation departments, 13.9%).*

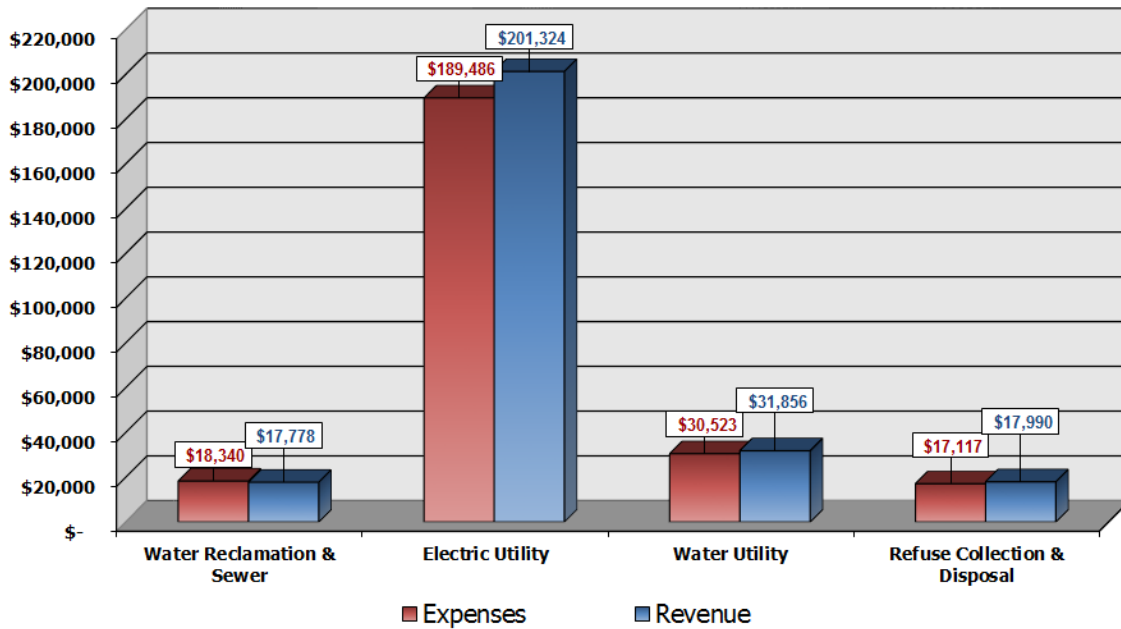
Business-type Activities. Business-type activities increased the City's net position by \$23,610,000, demonstrating that business-type activities had revenues sufficient to cover operations.

City Of Burbank
Management's Discussion and Analysis

**Business-Type Activities
Operating Revenues**



**Business-Type Activities
Expenses and Program Revenues**
(In \$1,000's)



City Of Burbank

Management's Discussion and Analysis

Financial Analysis of the City's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$235,512,000. Approximately 37% of fund balances (\$86,217,000) constitute *unassigned fund balances*. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has been committed, assigned, or is nonspendable :

- 1) To liquidate contracts and purchase orders of the prior period (\$36,438,000)
- 2) Committed for transportation purposes (\$16,883,000)
- 3) Is nonspendable due to asset not existing in easily liquidatable form (\$23,714,000)
- 4) Restricted for redevelopment purposes (\$49,337,000)
- 5) For a variety of other restricted purposes (\$22,923,000)

The General Fund is the chief operating fund of the City. During the current fiscal year, the total fund balance of the General Fund increased \$12,321,000. At the end of FY 2019 the total General Fund balance was \$114,354,000, while the unassigned fund balance was \$86,404,000. As a measure of General Fund liquidity, it may be useful to compare both the unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 56% of total General Fund expenditures of \$154,538,000, while total fund balance represents 74% of that same amount.

The Low and Moderate Income Housing Special Revenue (Low/Mod) fund holds all capital project housing activities. At the end of the current fiscal year, the unassigned fund balance was \$0, while total fund balance of \$49,337,000 is restricted for specific uses. Total fund balance represents 3,471% of total Low/Mod fund expenditures of \$1,421,000. The fund balance of the Low/Mod fund decreased by \$797,000 during the current fiscal year.

The General Capital Projects fund holds all general City capital project activity. At the end of the current fiscal year, the unassigned fund balance was \$0, while total fund balance was \$33,456,000. Total fund balance represents 493% of General capital projects fund expenditures of \$6,785,000. The fund balance of the General capital projects fund increased by \$3,933,000 during the current fiscal year.

City Of Burbank

Management's Discussion and Analysis

Proprietary Funds. The City's Proprietary Funds provide the same type of information found in the government wide financial statements, but in more detail.

Enterprise Funds. As of June 30, 2019, the unrestricted net position of the enterprise funds totaled \$92,639,000 and the total increase in unrestricted net position was \$1,061,000.

The Water Reclamation and Sewer fund holds the City's sewer system enterprise. At the end of the current fiscal year, the unrestricted net position was \$32,703,000, while total net position was \$88,462,000. The unrestricted net position represents 182% of total Water Reclamation and Sewer fund operating expenses of \$18,004,000, while total net position represents 491% of that same amount. The net position of the Water Reclamation and Sewer fund increased by \$1,370,000 during the current fiscal year.

The Electric Utility fund holds the City's Electric power and distribution system. At the end of the current fiscal year, the unrestricted net position was \$46,362,000, while total net position was \$282,913,000. The unrestricted net position represents 25% of total Electric Utility fund operating expenses of \$185,289,000, while total net position represents 153% of that same amount. The net position of the Electric Utility fund increased by \$17,354,000 during the current fiscal year.

The Water Utility fund holds the City's water system enterprise. At the end of the current fiscal year, the unrestricted net position was \$3,515,000, while total net position was \$60,789,000. The unrestricted net position represents 12.2% of total Water Utility fund expenses of \$28,793,000, while total net position represents 211% of that same amount. The net position of the Water Utility fund increased by \$2,451,000 during the current fiscal year.

The Refuse Collection and Disposal fund holds the City's refuse collection and disposal enterprise. At the end of the current fiscal year, the unrestricted net position was \$10,059,000, while total net position was \$23,894,000. The unrestricted net position represents 58% of total Refuse Collection and Disposal fund expenses of \$17,332,000, while total net position represents 138% of that same amount. The net position of the Refuse Collection and Disposal fund increased by \$2,435,000 during the current fiscal year.

Internal Service Funds. The City's internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its self-insurance activities, including liability insurance, and workers' compensation insurance, vehicle operations and maintenance, office equipment operations and maintenance, building replacement and maintenance, communication equipment operation and maintenance, and computer equipment operation and maintenance. As of June 30, 2019, unrestricted net position of the internal service funds were \$85,510,000 and the total increase in net position for these funds was \$15,432,000. Because these services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

City Of Burbank

Management's Discussion and Analysis

General Fund Budgetary Process

The City adopts an annual appropriated operating budget for its General fund and reports the results of operations on a budget comparison basis.

In preparing its budget, the City projects its revenues using realistic but conservative methods so as to budget its expenditure appropriations and activities in a prudent manner. As a result, the City Council adopts budget adjustments during the course of the fiscal year to reflect both changed priorities and availability of additional revenues to allow for expansion of existing programs. During the course of the year, the City Council amended the originally adopted budget to re-appropriate prior years approved projects and expenditures, as well as approving other adjustments for the current year.

Capital Asset and Debt Administration

Capital Assets. The City's investment in capital assets for its governmental and business-type activities amounts to \$1,164,599,000 (net of accumulated depreciation of \$886,715,000) as of June 30, 2019, and \$1,153,806,000 (net of accumulated depreciation of \$842,106,000) as of June 30, 2018. This investment in capital assets includes land, buildings, utility systems, improvements other than buildings, infrastructure (roads, sidewalks, land held under easement, streetlights, etc.), machinery and equipment, and construction in progress.

The City has adopted a multi-year capital improvement program totaling \$573 million over the next five years including FY 2019-20 appropriations of \$56 million and prior year appropriation of \$275 million. Approximately \$242 million in future year appropriations will be required to complete all of the projects included in this year's capital improvement program budget. The City budgets these projects in 11 major categories: housing and economic development, municipal facilities, park and recreation, refuse collection and disposal, traffic transportation and pedestrian access, wastewater, communications, electric utility, SCPPA, street lighting, and water utility. Among these categories, the major projects that are planned for the fiscal year 2018-19 include \$2.6 million for municipal facilities, \$4.8 million for parks and recreation, \$1.1 million for technology infrastructure, \$13.3 million for transportation improvements and \$34 million for various projects in the electric, water, wastewater, and refuse funds.

City Of Burbank

Management's Discussion and Analysis

Table 3-The City's capital assets (net of accumulated depreciation) for June 30, 2019 and 2018:

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Capital assets not being depreciated :						
Land	\$ 53,036	\$ 53,036	11,813	11,813	64,849	64,849
Land held under easements	345,277	345,277	-	-	345,277	345,277
Construction in progress	23,038	20,529	50,740	50,670	73,778	71,199
Internal service fund assets						
Construction in progress	373	741	-	-	373	741
Total capital assets not being depreciated :	421,724	419,583	62,553	62,483	484,277	482,066
Capital assets being depreciated :						
Land improvements	9,930	9,767	12,146	12,146	22,076	21,913
Rights to purchased power	-	-	1,335	1,335	1,335	1,335
Buildings & improvements	220,638	218,758	787,715	749,011	1,008,353	967,769
Infrastructure	348,082	339,582	-	-	348,082	339,582
Machinery & other	6,802	6,994	95,117	93,344	101,919	100,338
Internal service fund assets	85,272	82,909	-	-	85,272	82,909
Accumulated depreciation	(408,189)	(389,315)	(478,526)	(452,791)	(886,715)	(842,106)
Total capital assets being depreciated, net	262,535	268,695	417,787	403,045	680,322	671,740
Total net capital assets	\$ 684,259	\$ 688,278	480,340	465,528	1,164,599	1,153,806

Additional information on the City's capital assets can be found in note 5 to the basic financial statements.

Debt Administration. At the end of the current fiscal year, the City had total bonded debt outstanding of \$117,497,000, including current portion of \$8,885,000. Of this amount, \$6,980,000 represents pension obligation bonds, issued to pay for police and fire unfunded accrued actuarial liability, and \$110,517,000 represents revenue bonds issued for various business type activities.

Table 4-The City's outstanding bonded debt for June 30, 2019 and 2018:

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Pension Obligation bonds	\$ 6,980	\$ 8,805	-	-	6,980	8,805
Revenue bonds	-	-	110,517	117,833	110,517	117,833
Total long-term debt	\$ 6,980	\$ 8,805	110,517	117,833	117,497	126,638

City Of Burbank

Management's Discussion and Analysis

Ratings on outstanding debt (not including debt considered fully defeased) are provided below. The ratings below are from Moody's Investor Services and Standard and Poor's. (Note that the insured rating is given rather than the underlying rating on insured issues.

Table 5-The City's Debt Ratings:

<u>Debt Issue</u>	<u>Moody's</u>	<u>S & P</u>
▪ 2012 Waste Disposal (taxable)	-	AAA
▪ 2004 Pension Obligation	-	-
▪ 2007A Golden State	WR	A+
▪ 2010A Electric Revenue	Aa3	AA-
▪ 2010B Electric Revenue	Aa3	AA-
▪ 2010A Water Revenue	-	AAA
▪ 2010B Water Revenue	-	AAA
▪ 2012A Electric Revenue	-	AAA
▪ 2014 Wastewater	Aa2	AA+
▪ 2015 Refunding Bonds	-	AA

Additional information on the City's long term debt can be found in Note 8 of this report.

Request for Information

This financial report is designed to provide a general overview of the City's finances for readers of the financial statements. Additional financial information is available on our website at <http://www.burbankca.gov>. Questions concerning any of the information in this report or request for additional financial information should be addressed the Director of Financial Services, 301 E. Olive Avenue, Burbank, CA 91502.

City of Burbank
STATEMENT OF NET POSITION
June 30, 2019
(in thousands)

	Governmental Activities	Business-type Activities	Total
Assets :			
Pooled cash and cash investments (note 4)	\$ 304,844	144,564	449,408
Receivables, net (note 9)	23,750	21,236	44,986
Internal balances (note 7)	(390)	390	-
Inventories	756	15,303	16,059
Prepaid items and deposits (note 14)	798	31,322	32,120
Regulatory assets - deferred charges	-	361	361
Restricted cash and investments (note 4)	-	29,608	29,608
Advances receivable from Burbank Successor Agency (note 7)	28,569	-	28,569
Developer loans receivable (Note 9)	37,529	-	37,529
Capital assets not being depreciated (note 5)	421,724	62,553	484,277
Capital assets, net of accumulated depreciation (note 5)	<u>262,535</u>	<u>417,787</u>	<u>680,322</u>
Total assets	<u>1,080,115</u>	<u>723,124</u>	<u>1,803,239</u>
Deferred Outflows of Resources :			
Deferred amounts from OPEB (note 18)	3,295	899	4,194
Deferred amounts from pension (note 17)	<u>54,308</u>	<u>19,131</u>	<u>73,439</u>
Total deferred outflows	<u>57,603</u>	<u>20,030</u>	<u>77,633</u>
Liabilities :			
Accounts payable	11,211	8,632	19,843
Accrued liabilities (note 12)	7,481	6,698	14,179
Intergovernmental payables	84	-	84
Unearned revenue	-	3,356	3,356
Deposits	2,841	13,832	16,673
Advances payable to Burbank Successor Agency (note 7)	1,327	-	1,327
Bond interest payable	34	527	561
Long-term liabilities:			
Due within one year - other long-term liabilities (note 8)	15,828	7,852	23,680
Due in more than one year:			
Net pension liability (note 17)	262,730	95,492	358,222
Net OPEB liability (note 18)	32,208	7,505	39,713
Long-term liabilities, net of current portion (note 8)	<u>57,235</u>	<u>136,023</u>	<u>193,258</u>
Total liabilities	<u>390,979</u>	<u>279,917</u>	<u>670,896</u>
Deferred Inflows of Resources:			
Deferred amounts from OPEB (note 18)	716	419	1,135
Deferred amounts from pension (note 17)	<u>14,999</u>	<u>6,760</u>	<u>21,759</u>
Total deferred inflows	<u>15,715</u>	<u>7,179</u>	<u>22,894</u>
Net Position :			
Net investment in capital assets (Note 2)	684,259	363,419	1,047,678
Restricted for :			
Public education	1,305	-	1,305
Public safety	539	-	539
Environmental	100,976	-	100,976
Unrestricted	<u>(56,055)</u>	<u>92,639</u>	<u>36,584</u>
Total net position	<u>\$ 731,024</u>	<u>456,058</u>	<u>1,187,082</u>

See accompanying notes to basic financial statements

City of Burbank
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2019
(in thousands)

Functions / Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Assets		
	Expenses	Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	Governmental Activities	Business-Type Activities	Total
Governmental Activities :							
General government	\$ 7,613	632	114	-	(6,867)	-	(6,867)
Police	59,907	4,182	2,144	-	(53,581)	-	(53,581)
Fire	37,855	4,803	148	-	(32,904)	-	(32,904)
Public works	37,664	1,941	2,552	-	(33,171)	-	(33,171)
Community development	49,786	10,206	32,834	50	(6,696)	-	(6,696)
Parks and recreation	23,732	6,139	958	-	(16,635)	-	(16,635)
Library	7,484	163	38	-	(7,283)	-	(7,283)
Interest on long-term debt	512	-	-	-	(512)	-	(512)
Total Governmental Activities	224,553	28,066	38,788	50	(157,649)	-	(157,649)
Business-Type Activities :							
Water Reclamation and Sewer	18,340	17,778	-	-	-	(562)	(562)
Electric Utility	189,486	193,050	94	8,180	-	11,838	11,838
Water Utility	30,523	31,211	39	606	-	1,333	1,333
Refuse Collection & Disposal	17,117	17,974	16	-	-	873	873
Total Business-Type Activities	255,466	260,013	149	8,786	-	13,482	13,482
Total	\$ 480,019	288,079	38,937	8,836	(157,649)	13,482	(144,167)
General revenues :							
Taxes:							
Property Tax					54,980	-	54,980
Sales Tax					43,747	-	43,747
Utility Users Tax					17,520	-	17,520
Franchise Tax					5,161	-	5,161
Transient Occupancy Tax					11,112	-	11,112
Transient Parking Tax					3,462	-	3,462
Other taxes					11,925	4	11,929
Unrestricted investment earnings					11,625	8,116	19,741
Grants/contributions not restricted to specific programs					4,030	-	4,030
Gain on sale of capital assets					-	-	-
Other					17,968	1,917	19,885
Transfers (note 7)					(91)	91	-
Total general revenues, contributions, and transfers					181,439	10,128	191,567
Change in net position					23,790	23,610	47,400
Net position, July 1, 2018 as restated					707,234	432,448	1,139,682
Net position, June 30, 2019					\$ 731,024	456,058	1,187,082

See accompanying notes to basic financial statements

City of Burbank
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2019
(in thousands)

	<u>General</u>	<u>Special Revenue Low/Mod Income Housing</u>	<u>Capital Projects General Cap. Proj.</u>	<u>Nonmajor Govern- mental Funds</u>	<u>Total Govern- mental Funds</u>
Assets :					
Pooled cash and cash investments (note 4)	\$ 90,555	5,987	32,726	40,772	170,040
Receivables, net (note 9)	15,761	37,702	2,824	1,950	58,237
Interfund receivables (note 7)	64	17	-	128	209
Inventories	37	-	-	155	192
Prepaid items and deposits (note 14)	258	-	-	82	340
Advances receivable-general city (note 7)	143	-	-	-	143
Advances receivable-successor agency (note 7)	22,855	5,714	-	-	28,569
Total assets	<u>\$ 129,673</u>	<u>49,420</u>	<u>35,550</u>	<u>43,087</u>	<u>257,730</u>
Liabilities :					
Accounts payable	3,611	72	1,945	3,939	9,567
Accrued liabilities (note 12)	7,481	-	-	-	7,481
Interfund payable (note 7)	13	11	-	602	626
Intergovernmental payables	84	-	-	-	84
Deposits	2,803	-	-	38	2,841
Advances payable-general city (note 7)	-	-	-	143	143
Advances payable-successor agency (note 7)	1,327	-	-	-	1,327
Total liabilities	<u>15,319</u>	<u>83</u>	<u>1,945</u>	<u>4,722</u>	<u>22,069</u>
Deferred inflows of resources :					
Unavailable revenue	-	-	149	-	149
Fund balances :					
Nonspendable:					
Advances	22,998	-	-	-	22,998
Land held for resale	-	-	-	-	-
Notes receivable	-	-	-	-	-
Inventories	37	-	-	155	192
Change and imprest	184	-	-	-	184
Prepaid items and deposits	258	-	-	82	340
Restricted :					
Transportation	-	-	-	16,615	16,615
Federal and state grants	-	-	-	2,450	2,450
Public education in government	1,305	-	-	-	1,305
Public safety	168	-	-	539	707
Redevelopment	-	49,337	-	-	49,337
Capital projects	18	-	-	1,828	1,846
Committed :					
Transportation	-	-	-	16,883	16,883
Assigned (continuing appropriations)	2,982	-	33,456	-	36,438
Unassigned	86,404	-	-	(187)	86,217
Total fund balances	<u>114,354</u>	<u>49,337</u>	<u>33,456</u>	<u>38,365</u>	<u>235,512</u>
Total liabilities, deferred inflow of resources and fund balances	<u>\$ 129,673</u>	<u>49,420</u>	<u>35,550</u>	<u>43,087</u>	<u>257,730</u>

See accompanying notes to basic financial statements

City of Burbank

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO NET POSITION OF GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION June 30, 2019 (in thousands)

Fund balances of governmental funds			\$ 235,512
Amounts reported for governmental activities in the statement of net position are different because :			
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in governmental funds (Excluding internal service funds capital assets of \$23,225).			661,034
Long term liabilities are not due and payable in the current period and therefore are not reported in governmental funds.			(21,324)
Accrued interest payable for the period between the final interest payment date and the end of the fiscal year is not reported as a payable in the governmental funds.			(34)
OPEB related debt applicable to the City's governmental activities is not due and payable in the current period and accordingly is not reported as fund liabilities. Deferred outflows of resources related to OPEB are only reported in the statement of net position, as the changes in these amounts affect only the government-wide statements for governmental activities.			
Deferred outflows of resources		3,295	
Deferred inflows of resources		(716)	
Net OPEB liability		<u>(32,208)</u>	<u>(29,629)</u>
Unavailable revenue is recognized on the governmental funds balance sheet for certain notes, which do not meet the criteria for availability, and are thus reported as deferred inflows of resources under modified accrual. This criteria is not applicable on the statement of net position.			149
Internal service funds are used by management to charge the costs of the City's self-insurance programs and equipment rental and replacement operations to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. Net position, including capital assets, is shown here.			108,737
Pension related debt applicable to the City's government activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Deferred outflows of resources and deferred inflows of resources related to pensions are only reported in the Statement of Net Position as the changes in these amounts affects only the government-wide statements for governmental activities:			
Deferred outflows of resources		\$ 54,308	
Deferred inflows of resources		(14,999)	
Pension liability		<u>(262,730)</u>	<u>(223,421)</u>
Net position of governmental activities			<u>\$ 731,024</u>

See accompanying notes to basic financial statements

City of Burbank
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2019
(in thousands)

	General	Special Revenue Low/Mod Income Housing	Capital Projects General Cap. Proj.	Nonmajor Govern- mental Funds	Total Govern- mental Funds
Revenues :					
Taxes	\$ 126,985	-	-	5,281	132,266
Licenses & permits	6,543	-	-	-	6,543
Fines, forfeitures and penalties	2,286	-	-	-	2,286
Use of money or property	4,035	240	1,360	3,898	9,533
Intergovernmental	15,165	-	4,030	17,006	36,201
Charges for services	17,181	384	-	24,239	41,804
Other revenues	-	-	7	-	7
Total revenues	<u>172,195</u>	<u>624</u>	<u>5,397</u>	<u>50,424</u>	<u>228,640</u>
Expenditures :					
General government :					
City council	271	-	-	-	271
City attorney	3,336	-	-	-	3,336
City clerk	468	-	-	-	468
City treasurer	96	-	-	-	96
City manager	1,435	-	-	-	1,435
Financial services	2,110	-	-	-	2,110
Management services	2,905	-	-	-	2,905
Administrative services	-	1,421	-	674	2,095
Non-departmental	(111)	-	-	-	(111)
Total general government	<u>10,510</u>	<u>1,421</u>	<u>-</u>	<u>674</u>	<u>12,605</u>
Public safety :					
Police	55,988	-	-	478	56,466
Fire	36,004	-	-	-	36,004
Total public safety	<u>91,992</u>	<u>-</u>	<u>-</u>	<u>478</u>	<u>92,470</u>
Environmental :					
Community development	9,530	-	-	40,789	50,319
Public works	12,407	-	-	-	12,407
Total environmental	<u>21,937</u>	<u>-</u>	<u>-</u>	<u>40,789</u>	<u>62,726</u>
Culture and recreation :					
Library	6,591	-	-	-	6,591
Parks and recreation :					
Parks	10,840	-	-	-	10,840
Recreation	8,235	-	-	-	8,235
Special community activities	2,086	-	-	-	2,086
Total parks and recreation	<u>21,161</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,161</u>
Total culture and recreation	<u>27,752</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,752</u>

See accompanying notes to basic financial statements

(Continued)

City of Burbank
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2019
(in thousands)

	General	Special Revenue Low/Mod Income Housing	Capital Projects General Cap. Proj.	Nonmajor Govern- mental Funds	Total Govern- mental Funds
Capital outlay :					
Street improvements	-	-	-	5,299	5,299
General capital improvements	-	-	6,785	1,156	7,941
Total capital outlay	<u>-</u>	<u>-</u>	<u>6,785</u>	<u>6,455</u>	<u>13,240</u>
Debt service :					
Principal retirement	1,825	-	-	-	1,825
Interest and finance charges	522	-	-	-	522
Total debt service	<u>2,347</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,347</u>
Total expenditures	<u>154,538</u>	<u>1,421</u>	<u>6,785</u>	<u>48,396</u>	<u>211,140</u>
Excess (deficiency) of revenues over expenditures	<u>17,657</u>	<u>(797)</u>	<u>(1,388)</u>	<u>2,028</u>	<u>17,500</u>
Other financing sources (uses) :					
Transfers in (note 7)	-	-	5,321	290	5,611
Transfers out (note 7)	<u>(5,336)</u>	<u>-</u>	<u>-</u>	<u>(322)</u>	<u>(5,658)</u>
Total other financing sources (uses)	<u>(5,336)</u>	<u>-</u>	<u>5,321</u>	<u>(32)</u>	<u>(47)</u>
Net change in fund balances	12,321	(797)	3,933	1,996	17,453
Fund balances, July 1, 2018	<u>102,033</u>	<u>50,134</u>	<u>29,523</u>	<u>36,369</u>	<u>218,059</u>
Fund balances, June 30, 2019	<u>\$ 114,354</u>	<u>49,337</u>	<u>33,456</u>	<u>38,365</u>	<u>235,512</u>

See accompanying notes to basic financial statements

City of Burbank

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For the Year Ended June 30, 2019 (in thousands)

Net change in fund balances - total governmental funds	\$	17,453
Amounts reported for governmental activities in the statement of net 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, and reported as depreciation expense. This is the amount by which depreciation (\$15,478) was exceeded by capital outlay (\$15,025).		(2,731)
The issuance of long-term debt such as bonds provides current financial resources to governmental funds, while the repayment of the principal (\$1,825) of long-term debt consumes current financial resources. Neither transaction, however, has any effect on net position. Also governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. In addition, compensated absences expenses (\$494) 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. These amounts are the net effect of these differences in the treatment of long-term debt and related items.		2,319
Accrued interest payable for the period between the final interest payment date and the end of the fiscal year is not reported as an expense in the governmental fund statements. This difference between the prior year's accrued interest expense and the current year's accrued interest expense is reported in the statement of activities.		10
Other Post Employment Benefit (OPEB) expense reported in the governmental funds includes the changes in the net OPEB liability, and related changes in pension amounts for deferred outflows of resources and deferred inflows of resources.		(9)
Some revenues reported in the statement of activities do not increase current financial resources in the fund financial statements and therefore are not reported as revenues in governmental funds.		(1,156)
Internal service funds are used by management to charge the costs of the City's self-insurance programs and equipment rental and replacement operations to individual funds. The net revenues (expenses) of the internal service funds are reported with governmental activities.		15,432
Pension expense reported in the governmental funds includes the annual required contributions. In the Statement of Activities, pension expense includes the changes in the net pension liability, and related changes in pension amounts for deferred outflows of resources and deferred inflows of resources.		(7,528)
Change in net position of governmental activities	<u>\$</u>	<u>23,790</u>

See accompanying notes to basic financial statements

City of Burbank

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE, BUDGET AND ACTUAL GENERAL FUND For the Year Ended June 30, 2019 (in thousands)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues :				
Taxes	\$ 122,165	122,165	126,985	4,820
Licenses & permits	5,147	6,559	6,543	(16)
Fines, forfeitures and penalties	2,329	2,223	2,286	63
Use of money or property	1,697	2,139	4,035	1,896
Intergovernmental	12,405	14,080	15,165	1,085
Charges for services	11,881	16,938	17,181	243
Total revenues	155,624	164,104	172,195	8,091
Expenditures :				
General government :				
City council	374	375	271	104
City attorney	3,243	3,351	3,336	15
City clerk	759	1,023	468	555
City treasurer	216	216	96	120
City manager	1,728	1,737	1,435	302
Financial services	2,415	2,415	2,110	305
Management services	3,949	3,949	2,905	1,044
Information technology	68	-	-	-
Non-departmental	741	741	(111)	852
Total general government	13,493	13,807	10,510	3,297
Public safety :				
Police	58,665	58,721	55,988	2,733
Fire	34,518	35,882	36,004	(122)
Total public safety	93,183	94,603	91,992	2,611
Environmental :				
Community development	10,317	12,571	9,530	3,041
Public works	13,631	13,698	12,407	1,291
Total environmental	23,948	26,269	21,937	4,332
Culture and recreation :				
Library	7,286	7,342	6,591	751
Parks	9,499	11,355	10,840	515
Recreation	8,463	8,486	8,235	251
Special community activities	2,375	2,382	2,086	296
Total culture and recreation	27,623	29,565	27,752	1,813

See accompanying notes to basic financial statements

(Continued)

City of Burbank

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE, BUDGET AND ACTUAL GENERAL FUND For the Year Ended June 30, 2019 (in thousands)

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Debt service :				
Principal retirement	\$ 1,825	1,825	1,825	-
Interest expense	522	522	522	-
Total debt service	<u>2,347</u>	<u>2,347</u>	<u>2,347</u>	<u>-</u>
 Total expenditures	 <u>160,594</u>	 <u>166,591</u>	 <u>154,538</u>	 <u>12,053</u>
 Excess (deficiency) of revenues over expenditures	 <u>(4,970)</u>	 <u>(2,487)</u>	 <u>17,657</u>	 <u>20,144</u>
 Other financing sources (uses) :				
Transfers out	<u>(3,987)</u>	<u>(5,336)</u>	<u>(5,336)</u>	<u>-</u>
Total other financing sources (uses)	<u>(3,987)</u>	<u>(5,336)</u>	<u>(5,336)</u>	<u>-</u>
 Net change in fund balances (deficits)	 <u>(8,957)</u>	 <u>(7,823)</u>	 <u>12,321</u>	 <u>20,144</u>
 Fund balance, July 1, 2018	 <u>102,033</u>	 <u>102,033</u>	 <u>102,033</u>	 <u>-</u>
 Fund balance, June 30, 2019	 <u><u>\$ 93,076</u></u>	 <u><u>94,210</u></u>	 <u><u>114,354</u></u>	 <u><u>20,144</u></u>

See accompanying notes to basic financial statements

City of Burbank

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL LOW/MODERATE INCOME HOUSING SPECIAL REVENUE FUND

**For the Year Ended June 30, 2019
(in thousands)**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Positive (Negative)
Revenues :				
Use of money or property	\$ 49	49	240	191
Charges for services	260	600	384	(216)
Total revenues	<u>309</u>	<u>649</u>	<u>624</u>	<u>(25)</u>
Expenditures :				
General government:				
Administrative services	1,426	2,730	1,421	1,309
Capital outlay:				
General capital improvements	964	-	-	-
Total expenditures	<u>2,390</u>	<u>2,730</u>	<u>1,421</u>	<u>1,309</u>
Excess (deficiency) of revenues over expenditures	(2,081)	(2,081)	(797)	1,284
Fund balance, July 1, 2018	<u>50,134</u>	<u>50,134</u>	<u>50,134</u>	<u>-</u>
Fund balance, June 30, 2019	<u>\$ 48,053</u>	<u>48,053</u>	<u>49,337</u>	<u>1,284</u>

See accompanying notes to basic financial statements

City of Burbank
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2019
(in thousands)

	Business-type activities - Enterprise funds					Governmental
	Water Rec & Sewer	Electric Utility	Water Utility	Refuse Collection & Disposal	Total	Activities- Internal Service Funds
Assets :						
Current assets :						
Pooled cash and investments (note 4)	\$ 39,699	77,320	13,775	13,770	144,564	134,804
Accounts receivable (note 9)	1,770	13,482	3,108	2,020	20,380	2,378
Interest receivable (note 9)	210	403	59	184	856	664
Interfund receivable (note 7)	-	4,340	-	-	4,340	27
Inventories	-	7,538	7,765	-	15,303	564
Prepaid expenses (note 14)	25	31,243	48	6	31,322	458
Restricted pooled cash and investments (note 4)	-	-	-	23,530	23,530	-
Restricted non-pooled cash and cash equivalents (note 4)	-	5,896	182	-	6,078	-
Total current assets	41,704	140,222	24,937	39,510	246,373	138,895
Non-current assets :						
Regulatory assets - deferred charges	-	118	243	-	361	-
Capital assets (note 5) :						
Land	5,316	2,734	309	3,454	11,813	-
Land improvements	6,096	-	-	6,050	12,146	-
Rights to purchased power	-	1,335	-	-	1,335	-
Buildings and improvements	135,791	490,837	153,415	7,672	787,715	6,268
Machinery and equipment	2,537	71,153	6,645	14,782	95,117	79,004
Construction in progress	599	41,898	7,541	702	50,740	373
Less accumulated depreciation	(87,148)	(301,451)	(73,292)	(16,635)	(478,526)	(62,420)
Total capital assets, net of accumulated depreciation	63,191	306,506	94,618	16,025	480,340	23,225
Total non-current assets	63,191	306,624	94,861	16,025	480,701	23,225
Total assets	104,895	446,846	119,798	55,535	727,074	162,120
Deferred outflows of resources:						
Deferred amounts from pensions	491	14,603	2,298	1,739	19,131	-
Deferred amounts from OPEB	21	682	93	103	899	-
Total deferred outflows	512	15,285	2,391	1,842	20,030	-

See accompanying notes to basic financial statements

(Continued)

City of Burbank
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2019
(in thousands)

	Business-type activities - Enterprise funds					Governmental
	Water		Refuse			Activities-
	Rec & Sewer	Electric Utility	Water Utility	Collection & Disposal	Total	Internal Service Funds
Liabilities :						
Current liabilities :						
Accounts payable	\$ 947	5,949	1,437	299	8,632	1,644
Accrued expenses (note 12)	5,550	986	162	-	6,698	-
Compensated absences payable (note 8)	4	335	67	30	436	19
Unearned revenue	-	584	2,772	-	3,356	-
Interfund payable (note 7)	-	-	3,950	-	3,950	-
Customer deposits	-	11,481	1,525	826	13,832	-
Bond interest payable	25	344	147	11	527	-
Current portion of revenue bonds (note 8)	920	4,485	895	685	6,985	-
Current portion of loan payable (note 8)	-	-	431	-	431	-
Outstanding claims self insurance (note 15)	-	-	-	-	-	12,419
Total current liabilities	7,446	24,164	11,386	1,851	44,847	14,082
Long-term liabilities (net of current portion) (note 8) :						
Revenue bonds	6,512	65,470	30,045	1,505	103,532	-
Landfill closure & post (note 8)	-	-	-	19,472	19,472	-
Loan payable (note 8)	-	-	5,973	-	5,973	-
Compensated absences (note 8)	113	5,414	750	769	7,046	914
Net pension liability	2,493	73,226	11,499	8,274	95,492	-
Net OPEB liability	201	5,387	913	1,004	7,505	-
Outstanding claims - self insurance (note 15)	-	-	-	-	-	38,387
Total long-term liabilities (net of current portion)	9,319	149,497	49,180	31,024	239,020	39,301
Total liabilities	16,765	173,661	60,566	32,875	283,867	53,383
Deferred inflows of resources :						
Deferred amounts from pensions	176	5,184	814	586	6,760	-
Deferred amounts from OPEB	4	373	20	22	419	-
Total deferred inflows	180	5,557	834	608	7,179	-
Net position :						
Net investment in capital assets	55,759	236,551	57,274	13,835	363,419	23,227
Unrestricted	32,703	46,362	3,515	10,059	92,639	85,510
Total net position	\$ 88,462	282,913	60,789	23,894	456,058	108,737

See accompanying notes to basic financial statements

City of Burbank

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION PROPRIETARY FUNDS

For the Year Ended June 30, 2019
(in thousands)

	Business-type activities - Enterprise funds					Governmental
	Water Rec & Sewer	Electric Utility	Water Utility	Refuse Collection & Disposal	Total	Activities- Internal Service Funds
Operating revenues :						
Sales of water and power	\$ -	184,177	30,578	-	214,755	-
Charges for services	17,778	8,873	633	17,974	45,258	38,231
Total operating revenues	<u>17,778</u>	<u>193,050</u>	<u>31,211</u>	<u>17,974</u>	<u>260,013</u>	<u>38,231</u>
Operating expenses :						
Operations and maintenance	10,192	50,000	342	10,191	70,725	32,288
Purchased water and power	-	117,008	24,522	-	141,530	-
Inspection and investigation	2,178	-	-	-	2,178	-
Design and permits	1,893	-	-	-	1,893	-
Refuse disposal	-	-	-	3,209	3,209	-
Recycling	-	-	-	2,480	2,480	-
Depreciation	3,741	18,281	3,929	1,452	27,403	5,471
Total operating expenses	<u>18,004</u>	<u>185,289</u>	<u>28,793</u>	<u>17,332</u>	<u>249,418</u>	<u>37,759</u>
Operating income (loss)	<u>(226)</u>	<u>7,761</u>	<u>2,418</u>	<u>642</u>	<u>10,595</u>	<u>472</u>
Nonoperating income (expense) :						
Interest income	1,879	4,205	546	1,486	8,116	5,099
Intergovernmental	-	94	39	16	149	-
Other local taxes	-	-	4	-	4	4,533
Gain/(loss) on disposal of capital assets	-	122	-	295	417	136
Interest expense	(336)	(4,319)	(1,730)	(80)	(6,465)	-
Other income/(expense) - net	53	1,240	568	56	1,917	5,236
Total nonoperating income (expense)	<u>1,596</u>	<u>1,342</u>	<u>(573)</u>	<u>1,773</u>	<u>4,138</u>	<u>15,004</u>
Income (loss) before capital contributions and transfers	1,370	9,103	1,845	2,415	14,733	15,476
Transfers in (note 7)	-	71	-	20	91	9
Capital contributions	-	8,180	606	-	8,786	-
Transfers out (note 7)	-	-	-	-	-	(53)
Change in net position	<u>1,370</u>	<u>17,354</u>	<u>2,451</u>	<u>2,435</u>	<u>23,610</u>	<u>15,432</u>
Net position, July 1, 2018 as restated	<u>87,092</u>	<u>265,559</u>	<u>58,338</u>	<u>21,459</u>	<u>432,448</u>	<u>93,305</u>
Net position, June 30, 2019	<u>\$ 88,462</u>	<u>282,913</u>	<u>60,789</u>	<u>23,894</u>	<u>456,058</u>	<u>108,737</u>

See accompanying notes to basic financial statements

City of Burbank
STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES
For the Year Ended June 30, 2019
(in thousands)

	Business-type activities - Enterprise funds					Governmental
	Water Rec & Sewer	Electric Utility	Water Utility	Refuse Collection & Disposal	Total	Activities- Internal Service Funds
Cash flows from operating activities :						
Cash received from customers	\$ 17,686	193,760	31,438	17,987	260,871	36,384
Cash paid to suppliers	(21,587)	(151,142)	(18,510)	(9,062)	(200,301)	(24,420)
Cash paid to employees	(1,613)	(25,833)	(6,516)	(6,143)	(40,105)	(7,206)
Other income (expense)	53	1,240	572	56	1,921	9,769
Net cash provided by (used in) operating activities	<u>(5,461)</u>	<u>18,025</u>	<u>6,984</u>	<u>2,838</u>	<u>22,386</u>	<u>14,527</u>
Cash flows from noncapital financing activities :						
Intergovernmental revenue	-	94	39	16	149	-
Transfers from other funds	-	71	-	20	91	(58)
Net cash provided by (used in) noncapital financing activities	<u>-</u>	<u>165</u>	<u>39</u>	<u>36</u>	<u>240</u>	<u>(58)</u>
Cash flows from capital and related financing activities :						
Contributed capital	-	8,180	606	-	8,786	-
Proceeds from sales of capital assets	-	122	-	295	417	136
Acquisition and construction of assets	(1,128)	(33,972)	(4,532)	(2,583)	(42,215)	(4,184)
Principal payments - bonds	(885)	(4,280)	(860)	(665)	(6,690)	-
Principal payments - loan payable	-	-	(421)	-	(421)	-
Interest paid	(463)	(4,336)	(1,733)	(137)	(6,669)	-
Net cash used in capital and related financing activities	<u>(2,476)</u>	<u>(34,286)</u>	<u>(6,940)</u>	<u>(3,090)</u>	<u>(46,792)</u>	<u>(4,048)</u>
Cash flows from investing activities :						
Interest received	1,869	4,205	545	1,461	8,080	4,954
Net cash provided by investing activities	<u>1,869</u>	<u>4,205</u>	<u>545</u>	<u>1,461</u>	<u>8,080</u>	<u>4,954</u>
Net increase (decrease) in cash and cash equivalents	(6,068)	(11,891)	628	1,245	(16,086)	15,375
Cash and cash equivalents, July 1, 2018	45,767	95,107	13,329	36,055	190,258	119,429
Cash and cash equivalents, June 30, 2019	<u>\$ 39,699</u>	<u>83,216</u>	<u>13,957</u>	<u>37,300</u>	<u>174,172</u>	<u>134,804</u>

See accompanying notes to basic financial statements

(Continued)

City of Burbank
STATEMENT OF CASH FLOWS, (concluded)
ALL PROPRIETARY FUND TYPES
For the Year Ended June 30, 2019
(in thousands)

	Business-type activities - Enterprise funds					Governmental
	Water Rec & Sewer	Electric Utility	Water Utility	Refuse Collection & Disposal	Total	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities :						
Operating income (loss)	\$ (226)	7,761	2,418	642	10,595	472
Adjustments to reconcile operating income (loss) to net cash provided by operating activities :						
Depreciation	3,741	18,281	3,929	1,452	27,403	5,471
Other income (expense)	53	1,240	572	56	1,921	9,769
(Increase) decrease in accounts receivable	(92)	2,977	227	13	3,125	(1,847)
(Increase) decrease in due to/from City of Burbank	-	(3,670)	-	-	(3,670)	-
(Increase) decrease in inventories	-	(1,238)	(4,278)	-	(5,516)	(71)
(Increase) decrease in prepaid items	(11)	98	(14)	5	78	(241)
(Increase) decrease in deferred outflows from pension and opeb	249	7,154	1,111	782	9,296	-
(Increase) decrease in deferred bond issuance cost	-	(297)	(37)	-	(334)	-
Increase in outstanding claims payable	-	-	-	-	-	894
Increase (decrease) in accounts payable	(8,977)	(3,814)	(719)	(45)	(13,555)	(518)
Increase (decrease) in interfund payable	-	-	3,950	-	3,950	-
Increase (decrease) in net pension liability	(181)	(5,354)	(841)	(605)	(6,981)	-
Increase (decrease) in net opeb liability	-	(54)	(1)	(1)	(56)	-
Increase (decrease) in compensated absences	(14)	598	(73)	43	554	598
Increase (decrease) in customer deposits	-	2,179	867	(198)	2,848	-
Increase (decrease) in deferred inflows from pensions and opeb	(3)	(53)	(9)	(5)	(70)	-
Increase (decrease) in deferred revenue		(7,783)	(118)	-	(7,901)	-
Increase in landfill closure and postclosure liabilities	-	-	-	699	699	-
Total adjustments	(5,235)	10,264	4,566	2,196	11,791	14,055
Net cash provided by (used in) operating activities	\$ (5,461)	18,025	6,984	2,838	22,386	14,527
Noncash investing, capital, and financing activities :						
Increase (decrease) in fair value of investments	\$ 976	1,895	285	783	3,939	2,619

See accompanying notes to basic financial statements

City of Burbank
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
June 30, 2019
(in thousands)

	Private - Purpose Trust Fund
	Successor Agency
Assets :	
Pooled cash and investments (note 4)	\$ 16,962
Restricted non-pooled cash and cash equivalents (note 4)	2
Accounts receivable (note 9)	44
Receivables from the City of Burbank (note 7)	1,327
Capital assets	2,350
Total assets	20,685
Deferred outflows of resources:	
Deferred amount on refunding	2,949
Liabilities :	
Accounts payable	16
Accrued expenses	4
Interest payable	196
Current portion of long term liabilities (note 8)	6,850
Long term liabilities, net of current portion (note 8)	54,071
Payable to the City of Burbank (note 7)	28,569
Total liabilities	89,706
Net position	
Unrestricted	(66,072)
Total net position	\$ (66,072)

See accompanying notes to basic financial statements

City of Burbank
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
For the Year Ended June 30, 2019
(in thousands)

	Private - Purpose Trust Fund
	Successor Agency
ADDITIONS :	
Receipts from County	\$ 17,431
Use of money or property	304
Total additions	17,735
DEDUCTIONS :	
Administrative expenses	499
Interest expense	2,274
Total deductions	2,773
Change in net position	14,962
Net position, July 1, 2018	(81,034)
Net position, June 30, 2019	\$ (66,072)

See accompanying notes to basic financial statements

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A - Reporting Entity

Included within the financial reporting entity, "City of Burbank" (the City), the Burbank Parking Authority (the Parking Authority), the Public Facilities Financing Authority (PFFA), the Burbank Public Financing Authority (PFA), the Burbank Community Services Fund (BCSF), the Burbank Youth Endowment Services (YES) Fund, and the Burbank Housing Authority (Housing Authority). Although these entities are legally separate from each other, the City Council acts as the governing board of each entity and these entities are so intertwined with the City they are, in substance, part of the City operations. Accordingly, the financial activities of these component units are blended in the accompanying basic financial statements. A description of the entities follows.

City of Burbank

The City was incorporated in July 1911, under the general laws of the State of California. The City Charter was adopted in January 1927, and most recently amended in April 2007. The City provides a full range of municipal services as contemplated by statute or charter. Services provided include public safety (police and fire), street construction and maintenance, sanitation, refuse collection, electric, water and sewer utilities, culture and recreation, public improvements, planning and zoning, housing and community development, and general administrative and support services.

Burbank Parking Authority

The Burbank Parking Authority is a public financing agency established by the City in May 1970, under the State of California Parking Law of 1949 to provide public parking facilities on a citywide basis. The Parking Authority's financial data and transactions are included in the accompanying basic financial statements within the capital projects funds category. Separate financial statements are not available for the Parking Authority.

Public Facilities Financing Authority

The Public Facilities Financing Authority (PFFA) was established in May 1987 by the City Council. The formation of the PFFA creates a financing entity through which Certificates of Participation can be issued for the proposed remodeling of various City buildings, the construction of a parking facility in the City Centre area, and various other additions or improvements to the City's infrastructure. Separate financial statements for the PFFA are not available. At June 30, 2019, the PFFA had no assets, liabilities or fund equity, nor did it enter into any financial transactions during the fiscal year.

Burbank Public Financing Authority

The Burbank Public Financing Authority (PFA) was established in March 1993, as a joint exercise of powers agreement (JPA) between the City of Burbank and the Redevelopment Agency. The purpose of the JPA is to provide for the financing of public capital improvements and for working capital requirements of the members, through the acquisition by the PFA of such capital improvements and for the purchase by the PFA of obligations of either of the members. Separate financial statements for the PFA are not available; financial data is presented in the basic financial statements as the Public Financing Authority debt service fund. At June 30, 2019 the PFA had no assets, liabilities or fund equity, nor did it enter into any financial transactions during the fiscal year.

Burbank Community Services Fund

The Burbank Community Services Fund (Special revenue fund) was established in July 1998 as a 501 (C) (3) corporation. The purpose of this fund is to assist with support services, volunteer services, and educational services related to the development and maintenance of public facilities in the City of Burbank. Separate financial statements are not available for this fund; financial data is presented in the nonmajor funds column of the basic financial statements.

City of Burbank

NOTES TO BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2019

(in thousands)

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Burbank Youth Endowment Services Fund

The Youth Endowment Services (YES) capital projects fund was established in January 1991 as a 501 (C) (3) nonprofit corporation. The purpose of the YES fund is to provide youth-oriented facilities and programs. The YES fund financial data and transactions are included in the accompanying basic financial statements as a capital projects fund. Separate financial statements are not available for the YES fund.

Burbank Housing Authority

The Housing Authority, established by the City Council in June 1975, is responsible for the administration of a federally funded housing assistance payments project undertaken by the City.

The Housing Authority created the City's housing assistance payments and affordable housing programs by separate agreements with the Department of Housing and Urban Development (HUD) in November 1975, as amended December 1976, March 1982, and May 1987.

The agreements state that HUD and the Housing Authority will provide an annual contribution of funds, in accordance with section 8 of the United States Housing Act of 1937, in order to provide decent, safe and sanitary dwellings for low to moderate income families, and to increase the supply and quality of affordable housing within the City. The Housing Authority's financial data and transactions are included in the accompanying basic financial statements as special revenue funds. Separate financial statements are not available for the Housing Authority. The Housing Authority has become the Successor Housing Agency administrator of the Low and Moderate Income Housing fund.

B - Financial Statement Presentation

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or 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 are properly excluded from program revenues, and are reported instead as general revenues.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are internal service fund charges to business-type activities and other charges between business-type activities and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

The fund financial statements provide information about the government's funds, including its fiduciary funds. Separate statements for each fund category - governmental, proprietary and fiduciary - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Low / Moderate Income Housing Special Revenue Fund – This fund is used for funds received for the affordable housing program.

General Capital Projects – This fund is used to account for all multiple-year capital projects undertaken by the City.

The City reports the following major proprietary funds:

Water Reclamation and Sewer – This fund is used to account for the operation and maintenance of the Water Reclamation Plant and Sewage System.

Electric Utility – To account for the production, distribution, and transmission of electric energy to residents and businesses located within the City.

Water Utility – To account for the transmission of potable water, and reclaimed water to residents and businesses in the City.

Refuse Collection and Disposal – To account for the activities involved in the collection and disposal of refuse throughout the City.

Additionally the City reports the following fund types:

Governmental Fund Types – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specific purposes. Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major facilities.

Fiduciary Fund Types – The private purpose trust fund accounts for the assets and liabilities of the former redevelopment agency and is allocated revenue to pay estimated installment payments of enforceable obligations until obligations of the former redevelopment agency are paid in full and assets have been liquidated.

Proprietary Fund Types – Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments of the City on a cost reimbursement basis. These services include liability insurance, workers' compensation insurance, and maintenance and financing of office equipment, vehicles, municipal buildings, communication equipment, and computer equipment.

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

C - Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are proprietary and fiduciary fund statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar nonexchange transactions are recognized as revenue as soon as all eligibility requirements 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, susceptible to accrual. 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 City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period (e.g., charges for services, intergovernmental revenue, sales tax, property taxes, franchise taxes, motor vehicle fees, utility users taxes, etc). 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, pension, OPEB, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes when levied, taxpayer-assessed tax revenues (e.g., franchise taxes, sales taxes, motor vehicle fees, etc.), net of estimated refunds and uncollectible amounts, intergovernmental revenues, charges for services and interest associated with the current fiscal period are all considered susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year end). All other revenue items are considered measurable and available only when cash is received by the City.

The proprietary and private-purpose trust funds are reported using the economic resources measurement focus and the accrual basis of accounting.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing goods and services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise and internal service funds are charges for sales and services. Operating expenses for enterprise and internal service funds include cost of sales and services, operations and maintenance of systems and facilities, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

The City's electric and water utility funds are subject to the provisions of GASB No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements. GASB No. 62 addresses accounting rules for regulated operations. This statement recognizes the economic ability of regulators, through the ratemaking process, to create future economic benefits and obligations affecting rate-regulated companies. Accordingly, the electric and water utility funds record these future economic benefits and obligations as regulatory assets or regulatory liabilities, respectively.

Regulatory assets represent probable future revenues associated with previously incurred costs that are expected to be recovered from customers. Regulatory liabilities represent probable future reductions in revenues associated with amounts that are expected to be refunded to customers through the ratemaking process.

In order for a rate-regulated entity to continue to apply the provisions of GASB No. 62, it must meet the following three criteria; (i) the enterprise's rates for regulated services provided to its customers must be established by an independent third-party regulator or its own governing board empowered by a statute to establish rates that bind customers; (ii) the regulated rates must be designed to recover the specific enterprise's costs of providing the regulated services; and (iii) in view of the demand for the regulated services and the level of competition, it is reasonable to assume that rates set at levels that will recover the enterprise's costs can be charged to and collected from customers.

Based upon the City's evaluation of the three criteria discussed above in relation to its operations, and the effect of competition on its ability to recover its costs, the City believes that GASB No. 62 continues to apply.

The City regularly assesses whether regulatory assets and liabilities are probable of recovery or refund. If recovery or refund is not approved by the City Council, which sets rates charged to customers, or if it becomes no longer probable that these amounts will be realized or refunded, they would need to be written-off and recognized in the current period results of operations.

D - Inventories and prepaid items

All inventories are valued at cost, using the standard cost method. Inventories are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements using the consumption method.

E - Capital Assets

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

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Capital assets of the City are depreciated using the straight line method over the following estimated useful lives:

	<u>Estimated useful life</u>
Buildings and improvements	20 to 40 years
Infrastructure	20 to 65 years
Machinery and equipment (except vehicles)	5 to 20 years
Production plant	30 years
Boiler plant	20 years
Transmission structures	40 years
Transmission equipment	20 to 40 years
Poles, towers and fixtures	20 to 40 years
Distribution stations	30 to 40 years
Transformers	20 to 40 years
Meters	15 to 20 years
Water services	40 years
Vehicles	5 to 20 years
Office equipment	3 to 15 years

F - Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation, sick, universal and in-lieu leave pay benefits. The maximum accumulation of vacation leave is limited to the total number of hours accruable for two years, unless approved otherwise by the department head and City Manager. The maximum accumulation of in-lieu time is between 200 to 300 hours, depending upon the employee's bargaining unit. There is no limitation as to the number of sick leave hours accumulated.

Executives, unrepresented managers and Burbank Management Association (BMA) employees do not earn vacation or sick leave. They instead receive universal leave which has an accrual cap of 1040 hours. Universal leave is reported as part of the compensated absences accrual.

Employees are paid 100% of their accumulated vacation, universal and in-lieu time when they terminate for any reason. Accumulated sick leave is only paid out under one of the following conditions (a) at retirement or death, provided the employee has been employed by the City for over five years and is over 50 years of age; (b) at time of layoff. Accumulated sick leave is paid at 50% of the total value, except for Burbank Police Officers Association (BPOA) and Burbank Fire Fighters (BFF) employees in which sick leave is paid at 70% and respecting of the total value.

All vacation, universal, in-lieu and sick pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in government funds only if they employees have separated from the City.

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

G - Net Position and Fund Equity

The governmental funds report nonspendable, restricted, committed, assigned and unassigned fund balances to show the level of constraint governing the use of the funds. Nonspendable fund balances 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 fund balances are restricted for specific purposes by third parties or enabling legislation. Committed fund balances include amounts that can be used only for specific purposes determined by formal action of the Council. Council must have at least a 3 to 2 vote to pass a resolution for the specific purpose. Assigned fund balances comprise amounts intended to be used by the City for specific purposes as determined by the Council such as PERS retirement set-aside funds, prior years carryovers and various capital projects. Unassigned fund balance is the remaining fund balance after all of the above classifications and should only be reported in the general fund or resulting deficit fund balance in any other governmental funds. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and the unrestricted resources as necessary. When committed and assigned resources are available for use, it is the City's policy to use committed resources first and then assigned resources, as they are needed.

In the government-wide financial statements and proprietary fund financial statements, net position is reported in three categories: net investment in capital assets; restricted and unrestricted. Restricted net position represent net position restricted by parties outside of the City (such as creditors, grantors, contributors, laws and regulations of other governments including enabling legislation).

H - Cash and Investments

The City combines the cash and investments of all funds into two pools (the City pool, and the Housing Authority pool), except for funds required to be held by outside fiscal agents under the provisions of bond indentures. Each fund's portion of the pooled cash and investments are displayed on the balance sheet-governmental funds, or the statement of net position-proprietary funds.

Interest earned on pooled cash and investments is allocated monthly to the various funds based on average daily balances. Interest income from cash and investments with fiscal agents and in the deferred compensation plan is credited directly to the related funds. The City manages its pooled idle cash and investments under a formal investment policy that is reviewed and adopted annually by the City Council and that follow the guidelines of the State of California Government Code. The City's investment policy specifically authorizes the City to invest in treasury bills, treasury notes, federal agency securities, bankers' acceptances, negotiable and nonnegotiable certificates of deposit, commercial paper, the California Local Agency Investment Fund (LAIF), the Los Angeles County Pooled Investment Fund, and money market mutual funds.

The City's investments are reported at fair value. LAIF operates in accordance with the state laws and regulation of California. The reported value of the pool is the same as the fair value of the pool shares.

For purposes of the statement of cash flows for the proprietary fund types, cash and cash equivalents includes all pooled cash investments, non-pooled restricted cash and restricted investments with an original maturity of three months or less. The City considers the cash and investments pool to be a demand deposit account where funds may be withdrawn and deposited at any time without prior notice or penalty.

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

I - Receivables

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

All trade and tax receivables are shown net of an allowance for uncollectible accounts and estimated refunds due. Estimated allowances for uncollectible accounts for enterprise fund customer accounts receivables are adjusted to the 90 days and over receivables balances.

Assessed values are determined on an annual basis by the Los Angeles County Assessor as of January 1. Taxes are levied annually and become a lien on real property at July 1. Taxes are due November 1 and February 1, and are delinquent if not paid by December 10 and April 10, respectively.

The Low and Moderate Income Housing fund has outstanding developer notes receivable with the Burbank Housing Corporation (BHC). The terms of the notes are fifty-five years with a stated annual interest rate of 3%. At the end of each notes' term, the City will receive either; A) the outstanding principal and interest on the loans or, b) as first lien holder on the underlying land and buildings, will receive the properties back. If the City receives the properties, after their respective fifty-five year term is over, in lieu of full payment of unpaid principal and interest from the BHC, those properties can then be used for any purpose the City chooses. The City records notes receivable at the lesser of a) the aggregate outstanding principal and interest balances on the notes receivable, or b) the estimated aggregate values of the underlying properties at the end of their respective note receivable term. (i.e.; estimated value fifty-five years after the start of each loan, not present valued back to June 30, 2019). The City reports the notes receivable balance in restricted fund balance in the governmental funds statements and in restricted net position in governmental activities in the entity-wide statements.

The Community Development and Block Grant (CDBG) and HOME funds give loans to the BHC and to individuals meeting eligibility criteria. The loans have various term lengths with stated interest rates ranging from 0% to 6%. The loans are scheduled to be forgiven at the end of their respective terms.

J - Interfund Advances

Advances between funds, as reported in the fund statements, are classified as either restricted or non spendable fund balance in the applicable governmental funds available.

K - Self-Insurance Program

The City has self-insurance programs to provide for general liability and workers' compensation claims. These activities are accounted for in the Self-Insurance internal service fund, a proprietary fund type. Fund revenues are primarily premium charges to other funds and are planned to match estimated payments, including both reported and incurred but not reported claims, operating expenses, and reinsurance premiums. The fund expenses the estimated liability for claims in cases where such amounts are reasonably determinable and where the liability is likely.

The City is self-insured for individual claims up to \$2,000 for worker's compensation, and \$1,000 for general liability. Losses in excess of these amounts are covered through commercial insurance policies, up to statutory limits, for individual claims. See note 15, Self-insurance, for additional information on the City's self-insurance programs.

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

L - Current Year Standards

GASB 83

"*Certain Asset Retirement Obligations*", effective for periods beginning after June 15, 2018, and did not impact the City.

GASB 88

"*Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*", effective for periods beginning after June 15, 2018, and did not significantly impact the City.

M - Pending Accounting Standards

GASB has issued the following statements which may impact the City's financial reporting requirements in the future:

GASB 84

"*Fiduciary Activities*", effective for periods beginning after December 15, 2018.

GASB 87

"*Leases*", effective for periods beginning after December 15, 2019.

GASB 89

"*Accounting for Interest Cost Incurred before the End of a Construction Period*", effective for periods beginning after December 15, 2019.

GASB 90

"*Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61*", effective for periods beginning after December 15, 2018.

GASB 91

"*Conduit Debt Obligations* ", effective for periods beginning after December 15, 2020.

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

N - Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and governmental funds balance sheets will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future periods and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The City has the following items that qualify for reporting in this category:

Deferred outflows related to pensions and OPEB equal to employer contributions made after the measurement date of the net pension and OPEB liabilities.

- Deferred outflows related to pensions resulting from the difference in projected and actual earnings on investments of the pension plan fiduciary net position. These amounts are amortized over five years.
- Deferred outflows related to pension resulting from the differences between actual and expected experience. These amounts are amortized over a closed period equal to average of the expected remaining service lives of all employees that are provided with pension through the plans.
- Deferred outflows related to pension resulting from changes in assumptions. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pension through the plans.
- Deferred loss on refunding reported. A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net position and governmental funds balance sheets will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. The City has the following items that qualify for reporting in this category:

- Deferred inflows from unavailable revenues, which is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from taxes and grants. These amounts are reported as unavailable and recognized as an inflow of resources in the period that the amounts become available.
- Deferred inflows related to pensions for differences between expected and actual experiences. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the Plans.
- Deferred inflows from pensions resulting from changes in assumptions. These amounts are amortized over a closed period equal to the average expecting remaining service lives of all employees that are provided with pensions through the Plans.
- Deferred inflows related to OPEB resulting from the difference in projected and actual earnings on investments of the OPEB plan fiduciary net position. These amounts are amortized over five years.

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

O - Pensions

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

P - Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability and deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's OPEB plan and additions to/deductions from the OPEB plans' fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, the City's OPEB plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Q - Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities as of the financial statement date and the reported amounts of revenues and expenses or expenditures during the reporting period. Actual results could differ from those estimates.

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(2) RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Explanation of computation of certain items on statement of net position

The statement of net position includes an element titled "Net investment in capital assets". The details of this computation are explained below :

Governmental activities :

Capital assets of internal service funds, net of accumulated depreciation	\$ 23,225
Governmental assets, net of accumulated depreciation	661,034
Net investment in capital assets	\$ 684,259

Business-type activities :

Capital assets, net of accumulated depreciation	\$ 480,340
All revenue bonds, current and long term portions	(110,517)
Loan payable	(6,404)
Net investment in capital assets	\$ 363,419

(3) STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Appropriations

During the year, several supplemental budget appropriations were adopted by the City Council as amendments to the annual budget. Some significant appropriations are as follows: \$1,810 for DeBell Golf Course, \$750 for Burbank Channel bikeway. \$740 for Safe Routes to School. and \$537 for La Tuna fire.

Appropriated Budget and Budgetary Control

The City Council is required to adopt an annual budget resolution by July 1 of each fiscal year for the General, Special Revenue (except for the Drug Asset Forfeiture fund), Debt Service and Capital Projects funds (except for Public Improvement Funds). The budgets are presented for reporting purposes on a budgetary basis consistent with accounting principles generally accepted in the United States of America. Certain multi-year capital improvements and other projects are budgeted on a project-length basis. Additionally, appropriations for the Drug Asset Forfeiture fund occur based on actual cash receipts and do not lapse at year end. A comparison of these budgets with current year expenditures would not be meaningful, due to the multi-year nature of these projects. As a result, budgetary schedules are not presented for the Public Improvements capital projects fund and the General City Capital Projects fund.

The level of appropriated budgetary control is at the functional departmental level. The City Manager may authorize transfers of appropriations within a departmental function. Expenditures may not legally exceed total departmental appropriations. Supplemental appropriations during the year must be approved by the City Council by a 3/5 vote. These appropriations, representing amendments to the budget during the year, were significant in relationship to the original budget as adopted and are more fully described above. Unexpended or unencumbered appropriations lapse at the end of the fiscal year. Encumbered appropriations are reappropriated in the ensuing year's budget.

The City uses an "encumbrance system". Under this procedure, commitments such as purchase orders and contracts at year-end are recorded as "committed" or "assigned" fund balance.

The City Council adopts budgets for the Enterprise and Internal Service funds. All Proprietary fund types are accounted for on the economic resources measurement focus and the accrual basis of accounting. Additionally, the City is not legally mandated to report the results of operations for these Proprietary fund types on a budget comparison basis; therefore, budgetary data related to these funds has not been presented.

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(4) CASH AND INVESTMENTS

Cash and investments as of June 30, 2019 are classified in the accompanying financial statements as follows :

	Governmental	Business Type	Fiduciary Fund	Total
Pooled cash and investments	\$ 304,844	144,564	16,962	466,370
Restricted pooled cash and investments	-	23,530	-	23,530
Restricted non-pooled cash and cash equivalents	-	6,078	2	6,080
Total	<u>\$ 304,844</u>	<u>174,172</u>	<u>16,964</u>	<u>495,980</u>
Demand deposits				3,021
Cash overdraft				(315)
Investments				493,274
Total				<u>\$ 495,980</u>

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

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

Authorized Investment Type	Authorized By City Policy	Maximum Maturity **	Maximum Percentage of Portfolio	Maximum Investment One Issuer
Agency-U.S. Federal Agency	Yes	5 years	90%	None
Corporate-medium term notes	Yes	5 years	30%	5%
LAIF-Local Agency Invest. Fund	Yes	N/A	None	\$65 million per account
U.S. Treasury obligations	Yes	5 years	None	None
Non-negotiable Certificates of Deposit	Yes	5 years	40%	None
Certificates of deposit	Yes	5 years	30%	\$250,000
Money market mutual funds	Yes	90 days	20%	None
State and Local Agency Obligations	Yes	5 years	15%	5%
Banker's acceptances	No	N/A	N/A	N/A
Commercial paper	Yes	270 days	25%	5%
Repurchase agreements	Yes	90 days	25%	None
Supranational Obligations	Yes	5 years	15%	None
Reverse repurchase agreements	No	N/A	N/A	N/A
Mutual funds	No	N/A	N/A	N/A
Mortgage pass-through securities	No	N/A	N/A	N/A
County pooled investment funds	No	N/A	N/A	N/A

** No investment shall be made in any security that, at the time of the investment, has a term remaining to maturity in excess of five years, unless the City Council has granted express authority to make that investment either specifically or as a part of an investment program approved by the legislative body no less than three months prior to the investment, with the maximum allowed not to exceed 5% of the portfolio from over five years to ten year maturities.

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(4) CASH AND INVESTMENTS, (continued)

Investments Authorized by Debt Agreements

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

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment One Issuer
Investment Agreements	N/A	None	None
LAIF-Local Agency Invstmt Fund	N/A	None	None
Money Market	N/A	None	None
Pledge Bonds	N/A	None	None
U.S. Treasury Obligations	N/A	None	None

Disclosures Relating to Interest Rate Risk

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

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

	Total	Remaining Maturity (in Months)			
		12 Months Or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
Agency-U.S. Federal Agency	\$ 128,055	14,957	37,628	75,470	-
U.S. Treasury obligations	16,021	-	7,998	8,023	-
Commercial Paper	11,477	11,477	-	-	-
Corporate-Medium Term Notes	95,232	17,986	15,865	61,381	-
Municipal Bonds	47,274	13,617	11,781	21,876	-
Negotiable Certificates of Deposit	82,615	18,838	21,219	42,558	-
LAIF-Local Agency Invst Fund	106,519	106,519	-	-	-
Held by bond trustee:	-				
Investment Agreements	3,801	-	-	3,801	-
Money Market	2,280	2,280	-	-	-
Totals	\$ 493,274	185,674	94,491	213,109	-

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(4) CASH AND INVESTMENTS, (continued)

Disclosures Relating to Credit Risk

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

	Minimum Legal			
	Total	Rating	Not Rated	
Agency-U.S. Federal Agency	\$ 128,055	N/A	-	
U.S. Treasury obligations	16,021	N/A	-	
Commercial Paper	11,477	Aaa	-	
Corporate-Medium Term Notes	95,232	A	-	
Municipal Bonds	47,274	A	-	
Negotiable Certificates of Deposit	82,615	N/A	82,615	
LAIF-Local Agency Invstmt Fund	106,519	N/A	106,519	
Held by bond trustee:				
Investment Agreements	3,801	A	-	
Money Market	2,280	Aaa	-	
Totals	\$ 493,274		189,134	

	Rating as of year end			Not required to be rated
	Aaa	Aa	A	
Agency-U.S. Federal Agency	\$ 128,055	-	-	-
U.S. Treasury obligations	-	-	-	16,021
Commercial Paper	11,477	-	-	-
Corporate-Medium Term Notes	14,605	41,190	39,437	-
Municipal Bonds	15,318	31,036	920	-
Held by bond trustee:				
Investment Agreements	-	-	3,801	-
Money Market	2,280	-	-	-
Totals	\$ 171,735	72,226	44,158	16,021

Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the Code. Investments in any one issuer (other than US Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments are as follows :

- Federal Home Loan Bank - U.S. Federal Agency - \$38,199
- FHLMC Debentures - U.S. Federal Agency - \$24,853
- FNMA - U.S. Federal Agency - \$45,044

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(4) CASH AND INVESTMENTS, (continued)

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The amount of deposits are covered by FDIC insurance or collateralized under California law.

The Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits : The Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the Code, section 16429 under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

Fair Value Measurements

The City categorizes its fair values measurement within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the relative inputs used to measure the fair value of the investments. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are quoted prices of similar assets in active markets and Level 3 inputs are significant unobservable inputs.

The City has the following recurring fair value measurements as of June 30, 2019:

	Quoted Prices Level 1	Observable Inputs Level 2	Unobservable Inputs Level 3	Investments Not Subject to Hierarchy	Total
Agency-U.S. Federal Agency	-	128,055	-	-	128,055
Commercial Paper	-	11,477	-	-	11,477
Corporate-medium term notes	-	95,232	-	-	95,232
LAIF-Local Agency Invest. Fund	-	-	-	106,519	106,519
U.S. Treasury obligations	-	16,021	-	-	16,021
Negotiable Certificates of Deposit	-	82,615	-	-	82,615
Municipal Bonds	-	47,274	-	-	47,274
Held by Bond Trustee:					
Investment Agreements	-	-	3,801	-	3,801
Money Market	-	-	-	2,280	2,280
	<u>\$ -</u>	<u>\$ 380,674</u>	<u>\$ 3,801</u>	<u>\$ 108,799</u>	<u>\$ 493,274</u>

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(5) CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2019 is as follows:

Governmental activities	Balance July 1 2018	Additions	Deletions	Transfers	Balance June 30 2019
Capital assets not being depreciated :					
Land	\$ 53,036	-	-	-	53,036
Land held under easements	345,277	-	-	-	345,277
Construction in progress	20,529	14,589	(12,080)	-	23,038
Internal service fund assets :					
Construction in progress	741	77	(445)	-	373
Total capital assets not being depreciated	419,583	14,666	(12,525)	-	421,724
Capital assets being depreciated :					
Land Improvements	9,767	163	-	-	9,930
Accumulated depreciation	(7,246)	(299)	-	-	(7,545)
Buildings and improvements	218,758	1,883	(3)	-	220,638
Accumulated depreciation	(153,092)	(5,934)	3	-	(159,023)
Infrastructure	339,582	8,500	-	-	348,082
Accumulated depreciation	(164,250)	(8,909)	-	-	(173,159)
Machinery and other	6,994	5	(197)	-	6,802
Accumulated depreciation	(5,590)	(509)	57	-	(6,042)
Internal service fund assets :					
Buildings and improvements	6,268	-	-	-	6,268
Accumulated depreciation	(2,486)	(264)	-	-	(2,750)
Machinery and other	76,641	4,616	(2,253)	-	79,004
Accumulated depreciation	(56,651)	(5,232)	2,213	-	(59,670)
Total capital assets being depreciated, net	268,695	(5,980)	(180)	-	262,535
Total net capital assets - Governmental activities	\$ 688,278	8,686	(12,705)	-	684,259

Depreciation charged to governmental functions on the statement of activities during the year is as follows; \$838 General Government, \$81 to Police, (\$21) to Fire, \$14,420 to Public Works, \$2,245 to Community Development, \$2,767 to Parks and Recreation and \$735 to Library.

City of Burbank

NOTES TO BASIC FINANCIAL STATEMENTS

For the Year Ended June 30, 2019

(in thousands)

(5) CAPITAL ASSETS, (continued)

Total Enterprise fund type capital assets are as follows :

All Business-type activities	Balance July 1 2018	Additions	Deletions	Transfers	Balance June 30 2019
Capital assets not being depreciated :					
Land	\$ 11,813	-	-	-	11,813
Construction in progress	50,670	39,771	(39,701)	-	50,740
Total capital assets not being depreciated	<u>62,483</u>	<u>39,771</u>	<u>(39,701)</u>	<u>-</u>	<u>62,553</u>
Capital assets being depreciated :					
Land improvements	12,146	-	-	-	12,146
Accumulated depreciation	(10,416)	(393)	-	-	(10,809)
Rights to purchased power	1,335	-	-	-	1,335
Accumulated depreciation	(799)	(43)	-	-	(842)
Buildings and improvements	749,011	38,741	(36)	-	787,716
Accumulated depreciation	(378,422)	(20,655)	35	-	(399,042)
Machinery and other	93,344	3,447	(1,674)	-	95,117
Accumulated depreciation	(63,154)	(6,354)	1,674	-	(67,834)
Total capital assets being depreciated, net	<u>403,045</u>	<u>14,743</u>	<u>(1)</u>	<u>-</u>	<u>417,787</u>
Total net capital assets - business type activities	<u>\$ 465,528</u>	<u>54,514</u>	<u>(39,702)</u>	<u>-</u>	<u>480,340</u>

Water Reclamation and Sewer fund capital assets are as follows :

	Balance July 1 2018	Additions	Deletions	Transfers	Balance June 30 2019
Capital assets not being depreciated :					
Land	\$ 5,316	-	-	-	5,316
Construction in progress	290	1,127	(818)	-	599
Total capital assets not being depreciated	<u>5,606</u>	<u>1,127</u>	<u>(818)</u>	<u>-</u>	<u>5,915</u>
Capital assets being depreciated :					
Land improvements	6,096	-	-	-	6,096
Accumulated depreciation	(4,956)	(316)	-	-	(5,272)
Buildings and improvements	134,974	818	-	-	135,792
Accumulated depreciation	(76,074)	(3,345)	-	-	(79,419)
Machinery and other	2,537	-	-	-	2,537
Accumulated depreciation	(2,379)	(79)	-	-	(2,458)
Total capital assets being depreciated, net	<u>60,198</u>	<u>(2,922)</u>	<u>-</u>	<u>-</u>	<u>57,276</u>
Total net capital assets - Water Reclamation and Sewer	<u>\$ 65,804</u>	<u>(1,795)</u>	<u>(818)</u>	<u>-</u>	<u>63,191</u>

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(5) CAPITAL ASSETS, (continued)

Electric Utility fund capital assets are as follows :

	Balance July 1 2018	Additions	Deletions	Transfers	Balance June 30 2019
Capital assets not being depreciated :					
Land	\$ 2,734	-	-	-	2,734
Construction in progress	43,225	34,270	(35,597)	-	41,898
Total capital assets not being depreciated	<u>45,959</u>	<u>34,270</u>	<u>(35,597)</u>	<u>-</u>	<u>44,632</u>
Capital assets being depreciated :					
Rights to purchased power	1,335	-	-	-	1,335
Accumulated depreciation	(799)	(43)	-	-	(842)
Buildings and improvements	456,386	34,487	(36)	-	490,837
Accumulated depreciation	(231,228)	(13,698)	35	-	(244,891)
Machinery and other	70,342	856	(45)	-	71,153
Accumulated depreciation	(51,180)	(4,583)	45	-	(55,718)
Total capital assets being depreciated, net	<u>244,856</u>	<u>17,019</u>	<u>(1)</u>	<u>-</u>	<u>261,874</u>
Total net capital assets - Electric Utility	<u>\$ 290,815</u>	<u>51,289</u>	<u>(35,598)</u>	<u>-</u>	<u>306,506</u>

Water Utility fund capital assets are as follows :

	Balance July 1 2018	Additions	Deletions	Transfers	Balance June 30 2019
Capital assets not being depreciated :					
Land	\$ 309	-	-	-	309
Construction in progress	6,511	4,316	(3,286)	-	7,541
Total capital assets not being depreciated	<u>6,820</u>	<u>4,316</u>	<u>(3,286)</u>	<u>-</u>	<u>7,850</u>
Capital assets being depreciated :					
Buildings and improvements	149,979	3,436	-	-	153,415
Accumulated depreciation	(64,710)	(3,532)	-	-	(68,242)
Machinery and other	6,639	65	(59)	-	6,645
Accumulated depreciation	(4,713)	(397)	60	-	(5,050)
Total capital assets being depreciated, net	<u>87,195</u>	<u>(428)</u>	<u>1</u>	<u>-</u>	<u>86,768</u>
Total net capital assets - Water Utility	<u>\$ 94,015</u>	<u>3,888</u>	<u>(3,285)</u>	<u>-</u>	<u>94,618</u>

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(5) CAPITAL ASSETS, (continued)

Refuse Collection & Disposal fund capital assets are as follows :

	Balance July 1 2018	Additions	Deletions	Transfers	Balance June 30 2019
Capital assets not being depreciated :					
Land	\$ 3,454	-	-	-	3,454
Construction in progress	644	58	-	-	702
Total capital assets not being depreciated	<u>4,098</u>	<u>58</u>	<u>-</u>	<u>-</u>	<u>4,156</u>
Capital assets being depreciated :					
Land improvements	6,050	-	-	-	6,050
Accumulated depreciation	(5,460)	(77)	-	-	(5,537)
Buildings and improvements	7,672	-	-	-	7,672
Accumulated depreciation	(6,410)	(80)	-	-	(6,490)
Machinery and other	13,826	2,526	(1,570)	-	14,782
Accumulated depreciation	(4,882)	(1,295)	1,569	-	(4,608)
Total capital assets being depreciated, net	<u>10,796</u>	<u>1,074</u>	<u>(1)</u>	<u>-</u>	<u>11,869</u>
Total net capital assets - Refuse Collection & Disposal	<u>\$ 14,894</u>	<u>1,132</u>	<u>(1)</u>	<u>-</u>	<u>16,025</u>

(6) DEFINED CONTRIBUTION PLANS

Defined Contribution Plans

Welfare Benefit Plan (VEBA)

The VEBA is a defined contribution plan established by the City of Burbank to provide post retirement medical benefits primarily to members of the Burbank Police Officers' Association. At June 30, 2019, there were 138 active participants and 96 retired participants. VEBA members are required to contribute the full cash out value of their sick leave time at retirement. The City is required to contribute \$37.05 dollars per month per active participant and 1.5% of the Burbank Police Officers' Association annual covered salary. VEBA provisions and contribution requirements are established and may be amended by the City Council of the City. Investments are self directed by each VEBA participant.

Separate financial statements are not available for the VEBA. The employer contributions are recognized in the period that the contributions are made; contributions totaled \$479 for the fiscal year ended June 30, 2019. At June 30, 2019, the fair value of assets was \$8,709.

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(6) DEFINED CONTRIBUTION PLANS, (continued)

Post Employment Health Plan (PEHP)

The PEHP is a defined contribution plan established by the City of Burbank in February 2006 to provide retirement medical benefits primarily to members of the Burbank Fire Fighters' Association (BFF) and the Burbank Fire Fighters' Chief Officers' Unit (BFF-COU). The PEHP is a multi-employer trust comprised of over 800 public sector entities across the United States and is administered by Nationwide Retirement Solutions. At June 30, 2019 there were 113 active and 47 retired participants. BFF and BFF-COU PEHP members are required to contribute 100% of all accrued leave pay out upon retirement or separation to their individual plan accounts. The BFF and BFF-COU take a vote of the membership annually in October to ascertain the dollar amount to be deposited from their accumulated leave balance into the Universal Reimbursement Account, and any remaining balance is deposited into the Insurance Reimbursement Premium Account.

PEHP provisions and contribution requirements are established and may be amended by the City Council of the City to the extent allowed by the Internal Revenue Code. Participants may elect to have their contributions and earnings directed to an investment option of their choice and these investments are self directed by each PEHP participant. The City has no liability for losses under the plan, but does have the duty of due care that would be required of an ordinary prudent investor. The City contributed \$151 to the PEHP during the year ended June 30, 2019.

(7) INTERFUND RECEIVABLES, PAYABLES, ADVANCES, AND TRANSFERS

The composition of interfund balances as of June 30, 2019 is as follows :

Fund	Interfund		Transfers	
	Receivable	Payable	In	Out
General fund	\$ 64	13	-	5,336
Merged capital projects	-	-	-	-
Low / Mod housing	17	11	-	-
General capital projects	-	-	5,321	-
Water reclamation & sewer	-	-	-	-
Electric utility	4,340	-	71	-
Water utility	-	3,950	-	-
Refuse collection & disposal	-	-	20	-
Nonmajor proprietary fund	-	-	-	-
Nonmajor governmental funds	128	602	290	322
Internal service funds	27	-	9	53
Total interfund receivable / payable / transfers	<u>4,576</u>	<u>4,576</u>	<u>5,711</u>	<u>5,711</u>

Composition and purpose of interfund transfers is as follows :

General Capital Projects fund transfers in of \$5,321 includes \$5,269 from the General fund for capital improvement projects.

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(7) INTERFUND RECEIVABLES, PAYABLES, ADVANCES, AND TRANSFERS, (continued)

The composition of interfund advances as of June 30, 2019 is as follows :

Advances from City :

From 1997 to 1999, the General fund advanced \$1,118 to the Public Improvements fund, to pre-fund the development impact activity for the Police/Fire facility construction per Resolution 25174 and 25176 on November 4, 1997 and Resolution 25270 on May 5, 1998. As revenue is accumulated within Public Improvements, repayments are made on this advance; there is no interest charged, nor is there a specified repayment schedule.

\$ 143

\$ 143

Advances to Successor Agency :

The City and the Agency entered into a cooperation agreement through which the City agreed to advance funds to the City Centre project necessary for land acquisition and related expenses. Transferred to Successor Agency February 1, 2012. AB 1484 specifies the actions to be taken and the method of repayment for advances by the Successor Agency to the various funds of the City. Upon application and approval by the Successor Agency and approval by the oversight board, loan agreements (advances) entered into by former redevelopment agency and the City shall be deemed to be enforceable obligations provided that the oversight board makes a finding that the advances were for legitimate redevelopment purposes. The accumulated interest on the remaining amount of advances will be recalculated from origination at the interest rate earned by funds deposited into the Local Agency Investment Fund. The advances are to be repaid with a defined schedule over a reasonable term of years at an interest rate not to exceed the 3%. The annual advances repayments are subject to certain limitations. Advance repayments are subject to a formula distribution, and have a lower priority for repayment as described in AB 1484 (Health and Safety Code Section 34191.4(2)(A)). The advances related to the borrowing for the SERAF payment have a priority over repayment of the other advances. 20% of the repayment of the other advances not related to the SERAF advances shall be deducted and transferred to the Low and Moderate Income Housing Fund (Housing Authority).

28,368

From 1977 through 1979, the City and the Agency entered into agreements to loan funds aggregating \$225 to the West Olive Project.

109

The City and the Agency entered into an agreement through which the City agreed to advance funds to the South San Fernando project necessary for formation costs.

92

\$ 28,569

Advances from Successor Agency :

In 2015, it was deemed by the State Controllor's Office during the final asset transfer review that the prior asset transfers from the Agency to the City were unallowable and must be turned over to the Agency. A receivable has been booked on the Agency's Statement of Net Position as of June 30, 2019.

\$ 1,327

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(7) INTERFUND RECEIVABLES, PAYABLES, ADVANCES, AND TRANSFERS, (continued)

A breakdown of all items as stated on the statement of net position and statement of activities:

Fund	Internal Balances		Transfers	
	Govern- mental	Business- Type	Govern- mental	Business- Type
Governmental funds				
interfund receivable	\$ -	-	\$ -	-
transfers in	-	-	5,611	-
interfund payable	(390)	-	-	-
transfers out	-	-	(5,658)	-
Internal service funds				
interfund receivable	-	-	-	-
transfers in	-	-	9	-
interfund payable	-	-	-	-
transfers out	-	-	(53)	-
Proprietary funds				
interfund receivable	-	4,340	-	-
transfers out	-	-	-	-
interfund payable	-	(3,950)	-	-
transfers in	-	-	-	91
Totals	<u>\$ (390)</u>	<u>390</u>	<u>\$ (91)</u>	<u>91</u>

(8) LONG-TERM LIABILITIES

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019	Due within one year
Fiduciary activities:					
Other Debt:					
Tax allocation bonds	\$ 67,737	-	(6,816)	60,921	6,850
Total fiduciary activities	<u>\$ 67,737</u>	<u>-</u>	<u>(6,816)</u>	<u>60,921</u>	<u>6,850</u>
Governmental activities :					
Other Debt:					
Pension obligation bonds	8,805	-	(1,825)	6,980	2,035
Other Long-Term Liabilities:					
Compensated absences*	14,838	3,125	(3,619)	14,344	1,355
Total non-internal service debt	<u>23,643</u>	<u>3,125</u>	<u>(5,444)</u>	<u>21,324</u>	<u>3,390</u>
Other Long-Term Liabilities:					
Claims payable from self-insurance funds (Note 15)	49,912	13,085	(12,191)	50,806	12,419
Compensated absences - payable from internal service funds	335	822	(224)	933	19
Total governmental activities	<u>\$ 73,890</u>	<u>17,032</u>	<u>(17,859)</u>	<u>73,063</u>	<u>15,828</u>

*Compensated absences liability for governmental activities will be liquidated by the following funds: general fund, section 8, HOME, CDBG and street lighting.

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(8) LONG-TERM LIABILITIES, (continued)

	Balance July 1, 2018	Additions	Deletions	Balance June 30, 2019	Due within one year
Business-type activities :					
Water Reclamation & Sewer :					
Other Debt:					
Revenue bonds	\$ 8,441	-	(1,009)	7,432	920
Compensated absences					
- payable from enterprise funds	130	40	(53)	117	4
Subtotal	8,571	40	(1,062)	7,549	924
Refuse Collection & Disposal :					
Other Debt:					
Revenue bonds	2,909	-	(719)	2,190	685
Other long-term liabilities	18,773	699	-	19,472	-
Compensated absences					
- payable from enterprise funds	756	88	(45)	799	30
Subtotal	22,438	787	(764)	22,461	715
Electric Utility :					
Other Debt:					
Revenue bonds	74,620	-	(4,652)	69,968	4,485
Compensated absences					
- payable from enterprise funds	5,152	1,132	(535)	5,749	335
Subtotal	79,772	1,132	(5,187)	75,717	4,820
Water Utility :					
Other Debt:					
Revenue bonds	31,863	-	(936)	30,927	895
Other long-term liabilities	6,825	-	(421)	6,404	431
Compensated absences					
- payable from enterprise funds	890	436	(509)	817	67
Subtotal	39,578	436	(1,866)	38,148	1,393
Total business-type activities :					
Other Debt:					
Revenue bonds	117,833	-	(7,316)	110,517	6,985
Other long-term liabilities	25,598	699	(421)	25,876	431
Compensated absences					
- payable from enterprise funds	6,928	1,696	(1,142)	7,482	436
Total business-type activities	\$ 150,359	2,395	(8,879)	143,875	7,852

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(8) LONG-TERM LIABILITIES, (continued)

FIDUCIARY ACTIVITIES

Tax Allocation Bonds

2015 Successor Agency Tax Allocation Refunding Bonds, Series 2015

The bonds are due in annual installments from \$210 to \$4,680 through December 1, 2033. Interest at various rates ranging from 2.00% to 5.00% is payable semiannually on June 1 and December 1. The bonds provided funds for (a) to refinance certain outstanding bonds and a loan and note entered into by the former Redevelopment Agency to the City of Burbank; (b) to fund a reserve account bond insurance policy; and, (c) provide for the costs of issuing the Bonds. The refunding was undertaken to reduce annual debt service payments averaging \$1.229 over the 19 years for a total savings of \$23.358, and the net present value gain was \$8.575. As of June 30, 2019, the defeased bonds have been redeemed.

\$ 23,425

2017 Successor Agency Tax Allocation Refunding Bonds, Series 2017

The bonds are due in annual installments from \$720 to \$2,265 through December 1, 2043. Interest at various rates ranging from 2.00% to 5.00% is payable semiannually on June 1 and December 1. The bonds provided funds for (a) to refinance certain outstanding bonds issues by the former Redevelopment Agency of the City of Burbank, (b) purchase a debt service reserve policy to be issued by Build America Mutual Assurance Company ("BAM"), and (c) pay for the costs of issuing the 2017 Bonds. The refunding was undertaken to reduce annual debt service payments averaging \$618 over the 27 years for a total savings of \$16.697, and the net present value gain was \$5.377. As of June 30, 2019, the defeased bonds have been redeemed.

30,960

Plus original issue premium

6,536

Total tax allocation bonds

60,921

Total fiduciary activities

\$ 60,921

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(8) LONG-TERM LIABILITIES, (continued)

GOVERNMENTAL ACTIVITIES

Pension Obligation Bonds (POB)

The bonds are due in annual installments from \$260 to \$2,510 through June 1, 2023. Interest is fixed at 5.93%. The bonds provided funds to pay the City's unfunded pension obligation related to increased safety salaries, in lieu of reducing this obligation over a number of years directly through PERS.

\$ 6,980

Compensated absences - Governmental activities:

Governmental funds accumulated vacation, universal, in-lieu and sick leave accrual is reported in the government-wide statement of net assets. For the fiscal Year Ended June 30, 2019, the noncurrent portions of the accrual consist of vacation leave of \$9,884, sick leave of \$3,129, and in-lieu time of \$1,331.

\$ 14,344

Outstanding Claims Payable - Self-Insurance

The Risk Management fund total outstanding claims are \$8,250. The current portion of the outstanding claims are reported in the current liability section of the statement of net position and the remainder is included in long-term liabilities.

\$ 8,250

The Workers' Compensation fund total outstanding claims are \$42,556. The current portion of the outstanding claims are reported in the current liability section of the statement of net position and the remainder is included in long-term liabilities.

\$ 42,556

Total long-term liabilities for self-insurance

\$ 50,806

Compensated absences - Internal service funds:

All the Internal Service fund types' accumulated vacation and sick leave accrual is reported in the respective Internal Service fund. At June 30, 2019, the accrual consists of vacation leave of \$764, sick leave of \$108 and in-lieu time of \$61 and the current portion of \$19.

\$ 933

Total governmental activities

\$ 73,063

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(8) LONG-TERM LIABILITIES, (continued)

BUSINESS-TYPE ACTIVITIES - REVENUE BONDS

Wastewater Treatment

\$10,575 Wastewater Treatment Revenue Bonds of 2014 Series

The bonds are due in annual installments ranging from \$90 to \$1,130 from June 1, 2015 to June 1, 2033, with interest rates ranging from 2% to 5%, payable semiannually on June 1 and December 1. The purpose of these bonds was to refund, on a current basis, the City's Wastewater Treatment Refunding Revenue Bonds, 2004 Series A and to pay all costs of issuance. The difference in the debt service payments totaled \$3,338 and the net present value gain was \$2,479.

\$ 6,510

Plus original issue premium

\$ 922

Total Wastewater Revenue bonds

\$ 7,432

Waste Disposal

\$6,315 Waste Disposal Refunding Revenue Bonds of 2012 Series

These bonds are due in installments ranging from \$480 to \$725 from May 1, 2013, to May 1, 2022, with an interest rate of 3.00%, payable semiannually on May 1 and November 1. The bonds are special obligations of the City payable solely from the net revenues of the City's waste collection and disposal system and other funds specified in the indenture.

\$ 2,120

Plus original issue premium

\$ 70

Total Waste Disposal revenue bonds

\$ 2,190

Burbank Water and Power

\$35,825 Burbank Water and Power Electric Revenue/Refunding Bonds 2010 Series A

These bonds were issued to partially advance refund the 1998 Bonds and the 2001 Bonds and to pay the costs of issuance of the Series 2010A Bonds. Payable in installments ranging from \$2,290 to \$3,530. Interest rates range from 3.00% to 5.00%. Payments are made semiannually on June 1 and December 1, with the final payment to be made on June 1, 2023. The bonds are secured by a pledge of net revenues of the electric enterprise fund as well as all amounts on deposit in the accounts established under the indenture, including the reserve account.

\$ 13,535

\$52,665 Burbank Water and Power Electric Revenue Bonds 2010 Series B

These bonds were issued to finance a portion of the costs of certain improvements to the Electric System, including the conversion of certain residential and commercial distribution circuits and to fund a deposit in the Parity Reserve Fund and to pay the costs of issuance. Payable in installments ranging from \$2,210 to \$4,195. Interest rates range from 3.00% to 5.00%. Payments are made semiannually on June 1 and December 1, with the final payment to be made on June 1, 2040. The bonds are secured by a pledge of net revenues of the electric enterprise fund as well as all amounts on deposit in the accounts established under the indenture, including the reserve account.

\$ 52,665

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(8) LONG-TERM LIABILITIES, (continued)

\$8,795 Burbank Water and Power Water Revenue/Refunding and New Bonds 2010 Series A

These bonds were issued to refund on a current basis all of the outstanding 1998 Water Bonds, finance the costs of certain improvements to the City's water system and to pay the costs of issuance of the Series 2010A Bonds. Payable in installments ranging from \$165 to \$970. Interest rates range from 2.00% to 5.00%. Payments are made semiannually on June 1 and December 1, with the final payment to be made on June 1, 2023. The bonds are secured by a pledge of net revenues of the Water Enterprise Fund, as well as all amounts on deposit in the accounts established under the indenture, including the reserve account.

\$ 2,960

\$27,945 Burbank Water and Power Water Revenue Bonds 2010 Series B (Taxable Build America Bonds)

These bonds were issued to finance the costs of the 2010 Water Project and to pay the costs of issuance of the Series 2010B Bonds. Payable in installments ranging from \$850 to \$2,275. Interest rates range from 4.89% to 5.79%. Payments are made semiannually on June 1 and December 1, with the final payment to be made on June 1, 2040. The bonds are secured by a pledge of net revenues of the Water Enterprise Fund, as well as all amounts on deposit in the accounts established under the indenture, including the reserve account. The City expects to receive a direct cash subsidy from the United States Department of Treasury equal to 35% of the interest on the Series 2010B Bonds.

\$ 27,945

\$9,810 Burbank Water and Power Electric Revenue Refunding Bonds, 2012 Series A

These bonds were issued to refund on a current basis all of the outstanding 2002 Electric Bonds and to pay the costs of issuance of the Series 2012A Bonds. Payable in installments ranging from \$375 to \$1,145. Interest rates range from 2.00% to 5.00%. Payments are made semiannually on June 1 and December 1, with the final payment to be made on June 1, 2022. The bonds are secured by a pledge of net revenues of the electric enterprise fund, as well as all amounts on deposit in the accounts established under the indenture, including the reserve account.

\$ 3,275

Plus original issue premium

827

Less original issue discount

(312)

Total Burbank Water and Power revenue bonds

\$ 100,895

Total Enterprise revenue bonds

\$ 110,517

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(8) LONG-TERM LIABILITIES, (continued)

Other long-term liabilities :

Landfill Closure and Post-Closure Care Costs

State laws and regulations require the City to place a final cover on the Burbank Landfill No. 3 site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the City reports portions of these costs as operating expenses in each period, as required by GASB 18, and based on landfill capacity used as of each balance sheet date.

The landfill closure and postclosure care liability at June 30, 2019 represents the cumulative amount reported to date based on the use of 48 percent of the estimated capacity of the landfill. The City will recognize the remaining estimated cost of \$24,115 as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2019. Using the 2019 inflation factor of 1.022 percent, the total estimated adjusted closure and postclosure costs as of 2019 are \$39,260. The City expects to close the landfill in the year 2066. Actual costs may be higher or lower due to inflation or deflation, changes in technology, or changes in regulations.

The City is required by state laws and regulations to make annual contributions to a trust fund to finance closure and postclosure care. The City is in compliance with these requirements, and at June 30, 2019, \$19,276 was reported as restricted cash. The City expects that future inflation costs will be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate or additional postclosure care requirements are determined (due to changes in technology or applicable laws and regulations, for example) these costs may need to be covered by charges to future landfill users or from future tax revenue.

\$ 19,472

State Water Resources Control Board Loan (SWRCB) #2:

This loan was issued for the purpose of upgrading the Recycled Water Pumping Station PS-1 project to create capacity needed to distribute recycled water to new users. The cost of the project is estimated to be \$1,916, of which \$521 is funded by the SWRCB loan. The interest rate is 2.6%, with the principal to be repaid no later than November 2030.

\$ 356

State Water Resources Control Board Loan (SWRCB) #3:

This loan was issued for the purpose of constructing the Valhalla Recycled Water Main Extension. This pipeline extends the existing recycled water distribution system to Valhalla Memorial Park and Cemetery and other recycled water customers in its vicinity. The cost of the project is \$5,062, of which \$3,709 is funded by the SWRCB loan. The interest rate is 2.6%, with the principal to be repaid no later than June 2031.

\$ 2,494

State Water Resources Control Board Loan #4:

This loan was issued for the purpose of Constructing the Studio District Recycled Water Main Extension. This pipeline extends the existing Recycled Water Distribution System to Warner Brothers, Disney and NBC Studios and other recycled water customers in its vicinity. The project also includes the design of a below-grade inline booster station to maintain pressure in the western extents of this extension. The cost of the project is \$5,161, of which \$3,240 is funded by the SWRCB loan. The interest rate is 2.6%, with the principal to be repaid no later than June 2032.

\$ 2,236

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(8) LONG-TERM LIABILITIES (continued)

State Water Resources Control Board Loan #5:

This loan was issued for the purpose of Constructing the Northern Burbank Main Extension. This pipeline extends the existing Recycled Water Distribution System to Brace Canyon Park, Woodbury University and I-5 landscaping and other recycled water customers in its vicinity. The cost of the project is estimated to be \$1,934, of which \$1,784 is funded by the SWRCB loan. The interest rate is 2.6%, with the principal to be repaid no later than June 2033.

\$ 1,318

Total other long-term liabilities

\$ 25,876

Compensated absences - All Enterprise fund types :

All the Enterprise fund types' accumulated vacation, universal, in-lieu and sick leave accrual is reported in the respective Enterprise fund. For the fiscal year ended June 30, 2019, the total of the accrual consist of vacation leave of \$5,535, sick leave of \$1,090 and in-lieu time of \$857.

\$ 7,482

Total business-type activities

\$ 143,875

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(8) LONG-TERM LIABILITIES, (continued)

The annual requirements to amortize all bonded indebtedness and other long-term liabilities outstanding at June 30, 2019 are as follows :

Fiduciary activities	Fiduciary Tax Allocation			
	Principal	Interest		
Year ending June 30				
2020	6,850	2,203		
2021	7,145	1,887		
2022	4,985	1,595		
2023	5,725	1,327		
2024	6,045	1,033		
2025-2029	5,615	3,684		
2030-2034	5,915	2,488		
2035-2039	5,560	1,568		
2040-2044	6,545	567		
Premium	6,536	-		
Totals	\$ 60,921	\$ 16,352		

Governmental activities	POB Bond			
	Principal	Interest		
Year ending June 30				
2020	2,035	414		
2021	2,260	294		
2022	2,510	160		
2023	175	10		
Totals	\$ 6,980	878		

Business-type activities	Revenue Bonds		Other Liabilities	
	Principal	Interest	Principal	Interest
Year ending June 30				
2020	6,985	4,622	431	166
2021	6,905	4,299	442	155
2022	7,220	3,976	454	143
2023	5,615	5,198	467	133
2024	4,390	4,917	478	119
2025-2029	18,970	21,280	2,584	406
2030-2034	23,635	15,205	1,549	80
2035-2039	28,820	7,422	-	-
2040	6,470	397	-	-
Discount	(312)	-	-	-
Premium	1,819	-	-	-
Totals	\$ 110,517	67,316	\$ 6,405	1,202

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(8) LONG-TERM LIABILITIES, (continued)

Pledged Revenue

The City and its component units have a number of debt issuances outstanding that are collateralized by the pledging of certain revenues. The amount and term of the remainder of these commitments are indicated in the debt service to maturity tables presented in the accompanying notes. The purposes for which the proceeds of the related debt issuances were utilized are disclosed in the debt descriptions in the accompanying notes. For the current year, debt service payments as a percentage of the pledged gross revenue (or net of certain expenses where so required by the debt agreement) are indicated in the table below. These percentages also approximate the relationship of debt service to pledged revenue for the remainder of the term of the commitment:

<u>Description of Pledged Revenue</u>	<u>Annual Amount of Pledged Revenue</u> (net of expenses, where required)	<u>Annual Debt Service Payments</u> (of all debt secured by this revenue)	<u>Debt Service as a Percentage of Pledged Revenue</u>
Water Reclamation and Sewer	\$ 3,515	\$ 1,225	34.85%
Electric	\$ 26,042	\$ 7,463	28.66%
Water	\$ 6,347	\$ 2,593	40.85%
Refuse Collection and Disposal	\$ 2,094	\$ 749	35.77%

(9) RECEIVABLES

Receivables at June 30, 2019 consist of the following :

	<u>General Fund</u>	<u>Low/Mod Housing</u>	<u>General Capital Projects</u>	<u>Nonmajor Gov't'l Funds</u>	<u>Internal Service Funds</u>	<u>Total Governmental</u>
Governmental activities :						
Accounts receivable, net	\$ 15,330	143	2,655	1,746	2,378	22,252
Interest receivable	431	30	169	204	664	1,498
Developer notes receivable	-	37,529	-	-	-	37,529
Total	<u>\$ 15,761</u>	<u>37,702</u>	<u>2,824</u>	<u>1,950</u>	<u>3,042</u>	<u>61,279</u>
Business-type activities :						
Accounts receivable, net	\$ 1,770	13,482	3,108	2,020	20,380	
Interest receivable	210	403	59	184	856	
Total	<u>\$ 1,980</u>	<u>13,885</u>	<u>3,167</u>	<u>2,204</u>	<u>21,236</u>	

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(9) RECEIVABLES, (continued)

The low and moderate income housing fund has outstanding developer notes receivable with the Burbank Housing Corporation (BHC). The terms of the notes are fifty-five years from date of issuance with a stated interest rate of 3%. At the end of each notes' term, the City will receive either the outstanding principal and interest on the loans, or as first lien holder on the underlying land and buildings, will receive the properties back. If the City receives the properties in lieu of payment from the BHC, those properties can then be used for any purpose the City chooses. The City records notes receivable at the lesser of a) the aggregate outstanding principal and interest balances on the notes receivable, or b) the estimated aggregate values of the underlying properties at the end of their respective note receivable term (i.e.; fifty-five years after the start of each loan, not present valued back to June 30, 2019). The City reports the notes receivable balance in restricted fund balance in the governmental funds statements and in restricted net position in governmental activities in the entity-wide statements. As of June 30, 2019, the notes receivable balance was \$37,529, net of an allowance for doubtful accounts of \$24,345. For the fiscal year ended June 30, 2019, the allowance for doubtful accounts increased \$1,996.

The Community Development and Block Grant (CDBG) and HOME funds provide loans to the BHC and to individuals. The loan terms for each loan are various lengths with stated interest rates ranging from 0% to 6% and are scheduled to be forgiven at the end of their respective term. The City records the notes receivable balance, and an allowance for doubtful accounts equal to 100% of the outstanding note balance. The notes receivable balance for CDBG as of June 30, 2019 was \$0, net of an allowance for doubtful accounts of \$2,538, in both the governmental activities and the governmental funds. The notes receivable balance for HOME as of June 30, 2019 is \$0, net of an allowance for doubtful accounts of \$11,471, in both the governmental activities and the governmental funds.

(10) COMMITMENTS AND CONTINGENCIES

Litigation

The City is presently involved in certain matters of litigation that have arisen in the normal course of conducting City business. City management believes, based upon consultation with the City attorney, that these cases, in the aggregate, are not expected to result in a material adverse financial impact to the City over and above the amounts recorded as claims liability. City management believes that the claims liability recorded within the self-insurance internal service fund is sufficient to cover any potential losses, should an unfavorable outcome result. Further, City is covered for potential exposure beyond the City's self-insured retention per matter by the City's excess insurance coverage.

Construction commitments

Some of our significant outstanding construction commitments include \$6,534 BB-3 4KV to 12KV conversion; \$4,125 Local Residential Street Improvement Phase IX; \$2,267 for Landfill Generator Upgrades.

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(11) POWER SUPPLY EXPENSES

A - RETAIL ENERGY SUPPLY

The City receives electricity through firm contracts, local generation and market purchases. The majority of electricity is delivered through firm contracts, which include "take or pay", "take and pay" and term purchases. Local generation and market purchases supplement firm contracts to meet the City's retail load requirements.

B - JOINT POWERS AGENCY CONTRACTS

The City, through its Electric Utility Fund, has entered into several "take or pay" contracts and "take and pay" contracts through its participation in two joint power agencies, the Intermountain Power Agency (IPA) and the Southern California Public Power Authority (SCPPA) in order to meet the electric needs of its customers. These contracts are not considered joint ventures since the City has no interest in the assets, liabilities, or equity associated with any of the projects to which these contracts refer. Under the "take or pay" contract, the City is obligated to pay its share of the indebtedness regardless of the ability of the contracting agency to provide electricity or the City's need for the electricity. The City is only obligated to pay its share of the indebtedness upon delivery of energy under the "take and pay" contracts. However, in the opinion of management, the City does not have a financial responsibility for purposes of GASB Statement No. 14, "Financial Reporting Entity", because the IPA and SCPPA do not depend on revenue from the City to continue in existence.

These contracts constitute an obligation of the Electric Utility Fund to make debt service payments from its operating revenues. The Electric Utility Fund's share of debt service is not recorded as an obligation on the accompanying basic financial statements; however, it is included as a component of its power supply expenses.

During the fiscal years ended June 30, 2019 and 2018, the Electric Fund made payments totaling \$68,797 and \$66,072 for "take or pay" contracts, respectively, and \$5,121 and \$2,636 for the "take and pay" contract, respectively.

(a) Intermountain Power Agency (IPA)

In 1980, the City, along with the California Cities of Los Angeles, Anaheim, Glendale, Pasadena and Riverside, entered into a power sales contract with IPA, which obligates each purchaser to purchase, on a "take or pay" basis, a percentage share of capacity and energy generated by the Intermountain Power Project (IPP) in Utah. The City, through contract, is entitled to 60 MW of 3.371% of the 1,800 MW of generation at the plant. In addition, the City entered into an Excess Power Sales Agreement, also on a "take or pay" contract, with Utah municipal and cooperative IPP purchasers, which provides for the City to obtain up to an additional 0.797% (14 MW) when not used by the Utah municipal or cooperative IPP purchasers.

(b) Southern California Public Power Authority (SCPPA)

SCPPA membership consists of 11 Southern California cities and one public irrigation district of the State of California, which serves the electric power needs of its Southern California electricity customers. SCPPA, a public entity organized under the laws of the State of California, was formed by a joint powers agreement dated November 1, 1980, pursuant to the Joint Exercise of Powers Act of the State of California. SCPPA was created for the purpose of planning, financing, developing, acquiring, constructing, operating and maintaining projects for the generation and transmission of electric energy for sale to its participants. The joint power agreement has a term of 50 years.

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(11) POWER SUPPLY EXPENSES, (continued)

Southern Transmission System Project (STS)

Pursuant to an agreement dated May 1, 1983 with the IPA, SCPPA made payments-in-aid of construction to IPA to defray all costs of acquisition and construction of the STS, which provides for the transmission of energy from the Intermountain Generating Station in Utah to Southern California. STS commenced commercial operations in July 1986. The Department of Water and Power of the City of Los Angeles (LADWP), a member of SCPPA, serves as project manager and operating agent of IPP. The STS consists of a 488 mile transmission line and the associated converter station on each end. The 500 kV DC bi-pole transmission lines are currently rated at 2,400 megawatts (MW) as a result of an upgrade completed in December 2010. The City's ownership share of this project is 4.498%.

Magnolia Power Project (MPP)

In March 2003, the City, along with the Cities of Anaheim, Cerritos, Colton, Glendale and Pasadena, entered into a power sales agreement with SCPPA for MPP. MPP commenced commercial operations in Burbank, California in September 2005. MPP is a combined-cycle natural gas-fired generation plant with a nominal rate net base capacity of 242 MW, but can boost its output to 310 MW, if needed. The City has entitlement up to 97.6 MW or 30.992% of its output. The City's share of outstanding debt is 32.350% which excludes debt relating solely to the City of Cerritos. The City is also MPP's operating agent.

Prepaid Natural Gas Project (PNGP)

The PNGP primarily consists of the acquisition by SCPPA of the right to receive an aggregate amount of approximately 135 billion cubic feet of natural gas, which subsequently was reduced to approximately 90 billion cubic feet as a result of restructuring to accelerate a portion of the long-term savings, reduce the remaining volumes of gas to be delivered, and shorten the overall duration of five prepaid agreements (with the City, and the Cities of Anaheim, Colton, Glendale and Pasadena).

The City's natural gas supply agreement with SCPPA is expected to provide approximately one-fourth of the City's gas requirements for MPP. The City has no obligation under the natural gas supply agreement to pay for gas not delivered.

Milford I Wind Project (M1WP)

M1WP is located near Milford, Utah and began commercial operations in November 2009. The facility is a 200 MW nameplate capacity wind farm comprised of 97 wind turbine generators, delivered by a 90 mile transmission line, 345 kV, extending from the generation site to the IPP switchyard in Delta, Utah. This plant generates enough capacity to supply electricity to power more than 60,000 homes and offset over 366,000 tons per year of carbon dioxide that would otherwise be emitted from a coal-powered plant. SCPPA (on behalf of project participants LADWP, the City and the City of Pasadena, California) acquired 100.000% of this facility and issued bonds in 2010 to finance the purchase by prepayment of a specified quantity of energy from this facility over the 20-year delivery term, with a guaranteed annual quantity in each year. The City's share of this project is 5.000% of the total capacity of 10 MW, energy, and environmental attribute rights produced at this facility.

Mead-Adelanto Project (MA)

SCPPA also entered into an agreement dated December 17, 1991 to acquire a 67.917% interest in the MA, a transmission line extending between the Adelanto substation in Southern California and the Marketplace substation in Nevada. Funding for these projects was provided by a transfer from the Multiple Projects Fund, and commercial operations commenced in April 1996. LADWP serves as the operations manager of MA. The project is a 202 mile, 500 kV AC transmission line with a rating of 1,200 MW. The City's ownership share of MA is 11.534%.

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(11) POWER SUPPLY EXPENSES, (continued)

Tieton Hydro Project (THP)

This facility was acquired by SCPPA in November 2009 with 100.000% of entitlement shares. Each of the two project participants, the City and the City of Glendale, California, have an equal 50.000% entitlement share of this project. THP is a run of the reservoir hydroelectric facility, comprised of a powerhouse constructed at the base of the United States Bureau of Reclamation (USBR) Tieton Dam on the Tieton River in the State of Washington, on a 21 mile, 115 kV transmission line from the plant substation to the interconnection of the electrical grid. The powerhouse has a maximum capacity of 20 MW, with a nameplate capacity of 13.6 MW. USBR owns and operates the dam and controls the flows into the Tieton River from the Rimrock Lake reservoir, which was created by the dam. Average annual generation from this plant is approximately 48,000 megawatt hours (MWh). The City is also Tieton's operating agent.

Mead-Phoenix Project (MP)

SCPPA entered into an agreement dated December 17, 1991 to acquire an interest in the MP, a transmission line extending between the West Wing substation in Arizona and the Marketplace substation in Nevada. The agreement provides SCPPA with an 18.308% interest in the West Wing-Mead project, a 17.756% interest in the Mead substation project component and a 22.408% interest in the Mead-Marketplace component. The project is a 256 mile, 500 kV AC transmission line with a rating of 1,300 MW. The City's ownership share of MP is 15.400%.

Natural Gas Project (NGP)

The NGP was acquired by SCPPA in 2005 and 2006 and is being developed for the primary purpose of providing the participants with stable long-term supplies of gas for the purpose of fueling their electric generation needs. SCPPA issued 2008 Bonds to provide monies for the refinancing of the City's share of the costs of acquisition and development of the NGP through the redemption of a portion of SCPPA's draw down bonds previously issued for the NGP. SCPPA has sold entitlements to 100.000% of the production capacity of the NGP pursuant to separate gas sales agreements with the five participants - the City, and the Cities of Anaheim, Colton, Glendale and Pasadena. The participants are obligated to pay for such production capacity, including amounts required to pay debt service on bonds issued to finance their respective share of the NGP, on a "take or pay" basis. The City has 14.286% of entitlement shares in the Pinedale, Wyoming Subproject (2005 purchase), and 27.273% of entitlement shares in the Pinedale, Wyoming Subproject (2005 purchase), and 27.273% of entitlement shares in the Barnett, Texas Subproject (2006 purchase).

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(11) POWER SUPPLY EXPENSES, (continued)

Ameresco/Chiquita Landfill Gas Project

Ameresco/Chiquita Landfill Gas Project is located in Valencia, California near Lake Castaic and began commercial operations in November 2010. The renewable energy is generated using landfill gas produced at the Chiquita Canyon Landfill. This plant has a total generating capacity of 10 MW and SCPPA members receive 100.000% of the project output. The project participants are the City and the City of Pasadena. The City contracted to purchase approximately 16.700% or 1.7 MW.

Don A. Campbell Geothermal (aka Wild Rose)

In November 2013, the City began to receive geothermal energy output from the Wild Rose Geothermal (aka Don A. Campbell) Project, located in Mineral County, Nevada. The term of this agreement is 20 years. This is a geothermal power generating facility with a generating nameplate capacity of 25 MW and a projected capacity of 16.2 MW. The City and the City of Los Angeles are project participants. The City contracted to purchase approximately 15.380% (3.845 MW).

Pebble Springs Wind Project

Pebble Springs is located in Gilliam County, Oregon, near the town of Arlington and began commercial operations in early 2009. The term of this agreement is 18 years. The City, and the Cities of Los Angeles and Glendale receive the entire energy output of 99 MW. The City contracted to purchase approximately 10.000% (10 MW).

Copper Mountain 3 Solar Project

Copper Mountain 3 Solar Project is located near Boulder City, Nevada, approximately 25 miles southeast of Las Vegas, Nevada. The facility is the third phase of one of the largest photovoltaic solar facilities in the U.S. situated on about 1,400 acres of land. The City and the City of Los Angeles entered into a 20-year power sales agreement through SCPPA. The City's share of this project is 16.000% (40 MW) of the total capacity of 250 MW. The purchase of 40 MW of renewable energy output per year, or approximately 90,000 megawatt hours (MWh) annually, will enable Burbank to meet approximately 7 percent of BWP's resource requirements. In May 2014, ahead of schedule, the City began to receive solar energy output from Copper Mountain 3. The plant went from partial commercial operations to full commercial operations in 2015.

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(11) POWER SUPPLY EXPENSES, (continued)

A summary of the City's contracts and related projects and its commitments at June 30, 2019 are shown below:

	City of Burbank portion*	City of Burbank share of bonds	City of Burbank obligation relating to total debt service
Intermountain Power Project	3.371%	\$ 22,964	\$ 22,487
SCPPA: ⁽¹⁾			
Southern Transmission System	4.498%	19,163	22,662
Magnolia Power Project (Project A)	32.350%	89,786	109,810
Prepaid Natural Gas Project #1	33.000%	96,122	145,704
Milford I Wind Project	5.000%	8,376	11,115
Mead-Adelanto	11.534%	4,091	4,267
Tieton Hydropower Project	50.000%	23,050	38,690
Mead-Phoenix	15.400%	1,640	1,706
Natural Gas Project - Barnett	100.000%	12,817	17,608
Natural Gas Project - Pinedale	100.000%	4,138	5,683
SCPPA Total		<u>259,183</u>	<u>357,245</u>
Total		<u>\$ 282,147</u>	<u>\$ 379,732</u>

* Burbank shares in % and amounts are estimated based on weighted average.

⁽¹⁾ All SCPPA listed obligations are "take or pay" contracts except the Prepaid Natural Gas Project #1, a "take and pay" contract, and the Milford I Wind Project, a prepaid purchase power agreement.

The following schedule details the amount of principal and interest that is due and payable by the City as part of the joint power agency contracts, by project, in the fiscal year indicated (year ending June 30).

	2019/20		2020/21		2021/22	
	Principal	Interest	Principal	Interest	Principal	Interest
Intermountain Power Project	\$ 6,386	303	7,302	(258)	5,198	(392)
SCPPA:						
Southern Transmission System	2,192	840	2,694	739	3,537	609
Magnolia Power Project (Project A)	2,337	2,517	37,235	2,053	2,573	1,582
Prepaid Natural Gas Project #1	2,127	4,843	2,549	4,720	2,950	4,576
Milford I Wind Project	529	402	555	375	582	348
Mead-Adelanto	2,306	137	1,785	39	-	-
Tieton Hydropower Project	500	1,168	525	1,142	553	1,113
Mead-Phoenix	929	50	711	16	-	-
Natural Gas Project - Barnett	1,240	705	1,160	639	1,096	577
Natural Gas Project - Pinedale	400	228	375	206	354	186
Total	<u>\$ 18,946</u>	<u>11,193</u>	<u>54,891</u>	<u>9,671</u>	<u>16,843</u>	<u>8,599</u>

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(11) POWER SUPPLY EXPENSES, (continued)

	2022/23		2023/24		2024/29	
	Principal	Interest	Principal	Interest	Principal	Interest
Intermountain Power Project	\$ 3,707	(132)	371	2	-	-
SCPPA:						
Southern Transmission System	2,672	462	2,826	327	5,242	522
Magnolia Power Project (Project A)	2,169	1,470	2,017	1,389	11,382	5,929
Prepaid Natural Gas Project #1	3,203	4,414	3,713	4,232	26,739	17,471
Milford I Wind Project	610	318	640	288	3,705	920
Mead-Adelanto	-	-	-	-	-	-
Tieton Hydropower Project	583	1,082	613	1,049	4,559	4,502
Mead-Phoenix	-	-	-	-	-	-
Natural Gas Project - Barnett	1,036	518	983	463	4,297	1,532
Natural Gas Project - Pinedale	334	167	317	149	1,388	494
Total	<u>\$ 14,314</u>	<u>8,299</u>	<u>11,480</u>	<u>7,899</u>	<u>57,312</u>	<u>31,370</u>

	2029/34		2034/39		2039/44	
	Principal	Interest	Principal	Interest	Principal	Interest
Intermountain Power Project	\$ -	-	-	-	-	-
SCPPA:						
Southern Transmission System	-	-	-	-	-	-
Magnolia Power Project (Project A)	13,894	3,961	18,179	1,123	-	-
Prepaid Natural Gas Project #1	42,961	8,728	11,880	598	-	-
Milford I Wind Project	1,755	88	-	-	-	-
Mead-Adelanto	-	-	-	-	-	-
Palo Verde	-	-	-	-	-	-
Tieton Hydropower Project	4,871	3,344	6,218	1,964	4,628	276
Mead-Phoenix	-	-	-	-	-	-
Natural Gas Project - Barnett	3,005	357	-	-	-	-
Hoover Upgrading Project	-	-	-	-	-	-
Natural Gas Project - Pinedale	970	115	-	-	-	-
Total	<u>\$ 67,456</u>	<u>16,593</u>	<u>36,277</u>	<u>3,685</u>	<u>4,628</u>	<u>276</u>

	Total	
	Principal	Interest
Intermountain Power Project	22,964	(477)
SCPPA:		
Southern Transmission System	19,163	3,499
Magnolia Power Project (Project A)	89,786	20,024
Prepaid Natural Gas Project #1	96,122	49,582
Milford I Wind Project	8,376	2,739
Mead-Adelanto	4,091	176
Tieton Hydropower Project	23,050	15,640
Mead-Phoenix	1,640	66
Natural Gas Project - Barnett	12,817	4,791
Natural Gas Project - Pinedale	4,138	1,545
Total	<u>\$ 282,147</u>	<u>97,585</u>

During the fiscal year, the outstanding principal and interest for the Palo Verde and Hoover Upgrading Projects was paid in full.

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(12) ACCRUED LIABILITIES

Accrued liabilities for Governmental and Business Type Activities June 30, 2019, consist of the following:

	<u>Govern- mental</u>	<u>Business Type</u>
Accrued expenditures	\$ 12	\$ 6,698
Accrued payroll	3,612	-
Other liabilities	3,857	-
Total	<u>\$ 7,481</u>	<u>\$ 6,698</u>

(13) DEFERRED COMPENSATION PLANS

The City has adopted a deferred compensation plan in accordance with Internal Revenue Code Section 457 and 457p for its eligible full-time and part-time employees respectively.

Pursuant to changes in August, 1966 of IRC section 457, the City formally established a trust in which all assets and income of the 457 plans were placed. The assets, all property and rights purchased with such amounts, and all income attributable to such amounts, property, or rights are held in trust for the exclusive benefit of the participants and their beneficiaries. These assets are no longer the property of the City, and as such are not subject to the claims of the City's general creditors, thus the assets of these plans are not reflected in the accompanying basic financial statements.

As of June 30, 2019, the City's deferred compensation plan had accumulated assets of \$179,114 under the 457 plan, and \$693 under the 457p plan.

(14) PREPAID ITEMS AND DEPOSITS

The City shows a total of \$32,120 in prepaid items and deposits. \$31,243 of the prepaid items are in the Electric Utility, \$25 are in Water Rec and Sewer, \$48 are in Water Utility, \$6 are in Refuse Collection and Disposal and \$798 in the Governmental activities (\$258 in the general fund), with \$458 in internal service funds.

(15) SELF-INSURANCE

The City is self-insured for the first \$1,000 on each general liability claim against the City. The City also self-insures for the first \$2,000 for each workers compensation claim. At June 30, 2019, \$8,250 was accrued for general liability claims, and \$42,556 accrued for workers compensation claims. These amounts were determined by an actuarial study, performed annually. These accruals represent estimates of amounts to be paid for incurred and reported claims as well as incurred but unreported claims based upon past experience and modified for current trends and information. See the end of this note for a table showing changes in the aggregate liabilities for the past two years.

While the ultimate amounts of losses incurred through June 30, 2019, are dependent on future developments, based upon information provided from the City Attorney, outside legal counsel and others involved with the administration of the programs, City management believes that the aggregate accrual is adequate to cover such losses. The City is insured with outside insurance carriers for \$1,000 for general liability claims and \$2,000 in excess of self-insurance limits per claim. There have been no reductions during the fiscal year in insurance coverage, nor have there been any settlements in excess of insurance coverage for the past three years.

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(15) SELF-INSURANCE, (continued)

The City participated in California Authority for Municipal Excess Liability (CAMEL), which is a joint insurance purchasing arrangement, from July 1998 to June 2004. The City rejoined ACCEL (Authority for California Cities Excess Liability) on July 1, 2004.

Authority for California Cities Excess Liability (ACCEL)

Since July 1, 2004, the City has been a member in ACCEL, which is a risk sharing pool for municipal excess liability. Each individual member self-insures all general liability losses for the first \$1,000 and the members of the pool share losses between \$1,000 and \$5,000. The members jointly purchase additional layers of coverage beyond the pooled layer, with Burbank purchasing an additional \$45,000 of excess coverage, for total coverage of \$50,000. The layers of coverage above \$5,000 are not pooled, but rather jointly purchased.

Changes in the self-insurance liability for the last two fiscal years were as follows :

	<u>Fiscal year</u>	
	<u>2017-18</u>	<u>2018-19</u>
Beginning liability, July 1	\$ 50,478	49,912
Claims and changes in estimates	11,625	13,376
Claims payments during the year	<u>(12,191)</u>	<u>(12,482)</u>
Ending liability, June 30	<u>\$ 49,912</u>	<u>50,806</u>

The claims liability is reported as a long-term liability in the self-insurance internal service funds and in long term liabilities in the Governmental Activities.

(16) LEASE OBLIGATIONS

Operating Leases

The City is lessee under certain leases accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations, and therefore the results of the lease agreements are not reflected as assets or liabilities in the City's statement of net position.

Prepaid Leases

Warner Brothers

In June 2000, the City of Burbank made a prepaid lease payment of \$1,500 to Warner Brothers Studios for the use of land to locate a new switching station. The terms of the agreement was an advance payment of \$1,500 for a twenty-year lease term, with the City's right to renew for ten years at an annual base payment of \$50 in year 21, with a 3% increase in years 22-30. The lease began in January 2002. For the fiscal year ended June 30, 2019, the electric fund amortized \$75 on this prepaid lease, leaving a balance of \$188.

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(17) PENSION PLANS

A - General Information about the Pension Plans

Plan Descriptions

All qualified permanent and probationary employees are eligible to participate in the City's separate Safety (police and fire) and Miscellaneous (all other) plans, agent multiple-employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 to 62 with statutorily defined benefits. For classic miscellaneous employees hired into a plan with the 2.5% at 55 formula, eligibility for service retirement is age 50 with at least 5 years of services. PEPRAs miscellaneous members become eligible for service retirement upon attainment of age 52 with at least 5 years of service. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. Safety members can receive a special death benefit if the member dies while actively employed and the death is job-related. Fire members may receive the alternate death benefit in lieu of the Basic Death Benefit or the 1957 Survivor Benefit if the member dies while actively employed and has at least 20 years of total CalPERS service. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law

The Plans' provisions and benefits in effect at June 30, 2018 measurement date, are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or After January 1, 2013
Hire date		
Benefit formula	2.5%@55	2%@62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	52 - 67
Monthly benefits, as a % of eligible compensation	2.0% to 2.5%	1.0% to 2.5%
Required employee contribution rates	8.00%	5.75%
Required employer contribution rates	8.468%	8.468%
Payment of unfunded liability	\$ 12,068,592	\$ -
	Police	
	Prior to January 1, 2013	On or After January 1, 2013
Hire date		
Benefit formula	3%@50	2.7%@57
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	50	50 - 57
Monthly benefits, as a % of eligible compensation	3.00%	2.0% to 2.7%
Required employee contribution rates	9.00%	12.75%
Required employer contribution rates	22.807%	22.807%
Payment of unfunded liability	\$ 4,118,888	\$ -

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(17) PENSION PLANS, (continued)

	Fire	
	Prior to January 1, 2013	On or After January 1, 2013
Hire date		
Benefit formula	3%@55	2.7%@57
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	50 - 57
Monthly benefits, as a % of eligible compensation	2.4% to 3.0%	2.0% to 2.7%
Required employee contribution rates	9.00%	10.25%
Required employer contribution rates	15.316%	15.316%
Payment of unfunded liability	\$ 2,280,268	\$ -

Employees Covered

At the June 30, 2018 measurement date, the following employees were covered by the benefit terms :

	Miscellaneous	Police	Fire
Inactive employees or beneficiaries currently receiving benefits	1,286	245	191
Inactive employees entitled to but not yet receiving benefits	947	43	26
Active employees	1,069	145	114
Total	<u>3,302</u>	<u>433</u>	<u>331</u>

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. City Contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contributions requirements are classified as plan member contributions.

B - Net Pension Liability

The City's net pension liability for each Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2018, using an annual actuarial valuation as of June 30, 2017 rolled forward to June 30, 2018 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(17) PENSION PLANS, (continued)

Actuarial Assumptions

The total pension liabilities in the June 30, 2017 actuarial valuations were determined using the following actuarial assumptions:

	<u>Miscellaneous</u>	<u>Police</u>	<u>Fire</u>
Valuation Date	June 30, 2018	June 30, 2018	June 30, 2018
Measurement Date	June 30, 2017	June 30, 2017	June 30, 2017
Actuarial Cost Method	Entry-Age Normal Cost Method	Entry-Age Normal Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:			
Discount Rate	7.15%	7.15%	7.15%
Inflation	2.75%	2.75%	2.75%
Payroll Growth	3.00%	3.00%	3.00%
Projected Salary Increase	3.2% - 12.2% (1)	3.7% - 15.0% (1)	3.4% - 20.0% (1)
Mortality	(2)	(2)	(2)

(1) Varies by entry age and service.

(2) The probabilities of mortality are derived using CalPERS membership data for all funds. The mortality table used was developed based on CalPERS specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 experience study report.

All other actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period from 1997 to 2011 including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at the CalPERS website under Forms and Publications.

Change of Assumptions

In fiscal year 2017/2018, the financial reporting discount rate was reduced from 7.65% to 7.15%. Deferred outflows of resources and deferred inflows of resources for changes of assumptions represent the unamortized portion of this assumption change and the unamortized portion of the changes of assumptions related to prior measurement periods.

Discount Rate

The discount rate used to measure the total pension liability was 7.15% for each plan, and reflects the long term expected rate of return for each plan net of investment expenses and without reduction for administrative expenses. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing of the Plans, the tests revealed the assets would not run out. Therefore, the current 7.15% discount rate is appropriate and the use of the municipal bond rate calculation is not deemed necessary. The long term expected discount rate of 7.15% is applied to all plans in the Public Employees Retirement Fund (PERF). The cash flows used in the testing were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained from the CalPERS website under the GASB 68 section.

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(17) PENSION PLANS, (continued)

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

In determining the long-term expected rate of return, CalPERS took into account both short term and long term market return expectations as well as the expected Public Employees Retirement Funds (PERF) cash flows. Taking into account historical returns of all the Public Employees Retirement Funds' asset classes (which includes the agent plan and two cost-sharing plans or PERF, A, B, and C funds), expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each PERF fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

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

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1 - 10 (a)</u>	<u>Real Return Years 11+ (b)</u>
Global Equity	47.00%	4.90%	5.38%
Global Fixed Income	19.00%	0.80%	2.27%
Inflation Sensitive	6.00%	0.60%	1.39%
Private Equity	12.00%	6.60%	6.63%
Real Estate	11.00%	2.80%	5.21%
Infrastructure and Forestland	3.00%	3.90%	5.36%
Liquidity	2.00%	-0.40%	-0.90%
Total	<u>100.00%</u>		

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

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

Subsequent events

There were no subsequent events that would materially affect the results of this disclosure.

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(17) PENSION PLANS, (continued)

C - Changes in the Net Pension Liability

The changes in the net pension liability for the **Miscellaneous Plan** are as of the measurement date are as follows (actual amounts):

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at June 30, 2017	\$ 878,085	653,313	224,772
Changes in the Year:			
Service cost	14,128	-	14,128
Interest on the total pension liability	60,798	-	60,798
Differences between actual and expected experience	(8,843)	-	(8,843)
Changes in assumptions	(3,975)	-	(3,975)
Changes in benefit terms	-	-	-
Contribution - employer	-	19,060	(19,060)
Other Miscellaneous Income/(Expense)	-	(1,933)	1,933
Contribution - employee	-	6,415	(6,415)
Net investment income	-	54,901	(54,901)
Plan to Plan Resource Movement	-	(2)	2
Administrative expenses	-	(1,018)	1,018
Benefit payments, including refunds of employee contributions	(44,019)	(44,019)	-
Net Changes	18,089	33,404	(15,315)
Balance at June 30, 2018	\$ 896,174	686,717	209,457

The changes in the net pension liability for the **Police Plan** are as of the measurement date are as follows (actual amounts):

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at June 30, 2017	\$ 303,739	211,171	92,568
Changes in the Year:			
Service cost	5,928	-	5,928
Interest on the total pension liability	21,287	-	21,287
Differences between actual and expected experience	1,142	-	1,142
Changes in assumptions	(1,765)	-	(1,765)
Changes in benefit terms	-	-	-
Contribution - employer	-	8,543	(8,543)
Other Miscellaneous Income/(Expense)	-	(621)	621
Contribution - employee	-	1,870	(1,870)
Net investment income	-	17,740	(17,740)
Plan to Plan Resource Movement	-	(5)	5
Administrative expenses	-	(329)	329
Benefit payments, including refunds of employee contributions	(16,726)	(16,726)	-
Net Changes	9,866	10,472	(606)
Balance at June 30, 2018	\$ 313,605	221,643	91,962

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(17) PENSION PLANS, (continued)

The changes in the net pension liability for the **Fire Plan** are as of the measurement date are as follows (actual amounts):

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at June 30, 2017	\$ 237,338	178,513	58,825
Changes in the Year:			
Service cost	3,775	-	3,775
Interest on the total pension liability	16,480	-	16,480
Differences between actual and expected experience	(1,046)	-	(1,046)
Changes in assumptions	(1,250)	-	(1,250)
Changes in benefit terms	-	-	-
Contribution - employer	-	4,515	(4,515)
Other Miscellaneous Income/(Expense)	-	(526)	526
Contribution - employee	-	1,338	(1,338)
Net investment income	-	14,936	(14,936)
Plan to Plan Resource Movement	-	(4)	4
Administrative expenses	-	(278)	278
Benefit payments, including refunds of employee contributions	(12,885)	(12,885)	-
Net Changes	5,074	7,096	(2,022)
Balance at June 30, 2018	\$ 242,412	185,609	56,803

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

The following presents the net pension liability of the City for each Plan, calculated using the discount rate for each Plan, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate (actual amounts):

	Miscellaneous	Police	Fire
1% Decrease	6.15%	6.15%	6.15%
Net Pension Liability	\$ 328,111	\$ 133,800	\$ 88,520
Current Discount Rate	7.15%	7.15%	7.15%
Net Pension Liability	\$ 209,457	\$ 91,962	\$ 56,803
1% Increase	8.15%	8.15%	8.15%
Net Pension Liability	\$ 111,516	\$ 57,610	\$ 30,616

Pension Plan Fiduciary Net Position

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

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(17) PENSION PLANS, (continued)

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

For the year ended June 30, 2019, the City recognized pension expense of \$25,849 for Miscellaneous, \$12,555 for Police and \$7,169 for Fire. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the three City Plans: Miscellaneous, Police and Fire.

Miscellaneous Plan

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 21,347	\$ -
Differences between actual and expected experience	-	(11,990)
Change in assumptions	18,475	(2,839)
Net differences between projected and actual earnings on plan investments	2,110	-
Total	\$ 41,932	\$ (14,829)

\$21,347 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2020. Other amounts reported as deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ending June 30,	Amount
2020	15,484
2021	608
2022	(8,525)
2023	(1,812)
2024	-
Thereafter	-

Police plan

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 9,151	\$ -
Differences between actual and expected experience	841	(1,711)
Change in assumptions	7,796	(1,300)
Net differences between projected and actual earnings on plan investments	761	-
Total	\$ 18,549	\$ (3,011)

\$9,151 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2020. Other amounts reported as deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ending June 30,	Amount
2020	6,143
2021	3,127
2022	(2,302)
2023	(581)
2024	-
Thereafter	-

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(17) PENSION PLANS, (continued)

Fire plan	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 5,292	\$ -
Differences between actual and expected experience	-	(2,774)
Change in assumptions	6,959	(1,145)
Net differences between projected and actual earnings on plan investments	707	-
Total	\$ 12,958	\$ (3,919)

\$5,292 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2020. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ending June 30,	Amount
2020	3,779
2021	2,324
2022	(1,609)
2023	(746)
2024	-
Thereafter	-

E - Payable to the Pension Plan

At June 30, 2019, the City reported a payable of \$0 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2019.

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(18) POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

The City contributes to three post retirement medical benefit plans:

PEMHCA

The CalPERS Public Employees' Medical and Hospital Care Act (PEMHCA) plan under the authority of section 22750 to 22948 of the state of California's government code, is an agent multiple employer plan. The City pays the required PEMHCA minimum contribution for all miscellaneous and safety employees retiring directly from the City who enroll in a CalPERS medical plan. The current PEMHCA minimum contribution amount is \$136 per month. In addition, the City pays retiree health contribution amounts of \$88.24 per month for 17 management retirees, and \$188 per month for 9 IBEW retirees. For these management/IBEW retirees, the PEMHCA minimum required contribution of \$136 is paid in addition to the retiree health contribution amounts. The PEMHCA benefit provisions are established and amended through negotiations between the City and its unions.

BERMT

The Burbank Employees Retiree Medical Trust (BERMT) is a single employer, defined benefit plan. The BERMT was established in April 2003 by the city's employee associations to provide post retirement medical benefits to all non-safety employees, including elected and appointed officials. BERMT members represented by a bargaining group are required to contribute \$50 per pay period, and the City contributes \$50 per pay period for these members. BERMT members unrepresented by a bargaining group are not able to make employee contributions, and the City contributes \$100 per pay period for these members. BERMT plan provisions and contribution requirements are established by and may be amended by BERMT board. The trust is controlled by the seven voting members from the various employee associations appointed to three year terms. The City appoints an eighth member to the board, but that member is non-voting. Investments are determined by the BERMT plan trustees, and are governed by ERISA provisions. Eligibility for benefits require that members are retired, and have reached age 58 with a minimum of 5 years of contributions into the plan. The benefit ranges from \$150 to \$630 in reimbursements per month based on years of service, for eligible medical expenses. The BERMT members represented by a bargaining group are required to contribute fifty dollars per pay period. The City contributes fifty dollars per pay period for both represented and unrepresented BERMT members. For the fiscal year 2018-19, the City contributed \$1,397 to BERMT. BERMT is not subject to GASB 75 reporting.

URMT

The Utility Retiree Medical Trust is an agent multiple employer plan, established during the 2008-09 fiscal year for IBEW members and 14 management employees as a supplement to benefit payments from BERMT and PEMHCA. The total target benefit is \$1,200/month for individuals age 50 to age 64 and \$750/month for those age 65 and above, with the exception that for qualifying employees who retire after December 16, 2015 and who have not contributed to Medicare while employed at Burbank and who are also not otherwise eligible for premium-free Medicare Part A at age 65 and older, the maximum amount at age 65 and older shall be \$975/month for fiscal year 2018-19, including payments from BERMT, PEMHCA minimum and Utility Retiree Medical Trust. For the fiscal year 2018-19, the City contributed \$167.

The City has pre-funded the PEMHCA and URMT Plans through CalPERS OPEB Trust (CERBT) and has a policy of contributing 100% of the City's Actuarially Determined Contribution (ADC) each year. For the fiscal year 2018-19, the City contributed \$4,194 in form of deposits to CERBT.

The CERBT is a tax qualified irrevocable trust, organized under Internal Revenue Code (IRC) Section 115, established to pre-fund OPEB as described in GASB Statement 45. The CERBT issues a publicly available financial report that includes financial statements and required supplementary information for the City, not individualized, but in aggregate with the other CERBT participating agencies. This report may be obtained at the following address:

PEMHCA CERBT - State of California PERS - 400 Q St - Sacramento, CA 95811

The Utility Retiree Medical Trust does not issue a separate financial statement.

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(18) POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS, (continued)

Employees Covered

As of June 30, 2018 measurement date, the following current and former employees were covered by the plans :

	PEMHCA	URMT
Inactive employees or beneficiaries currently receiving benefits	1,141	46
Active employees	1,337	145
Total	2,478	191

Contributions

The URMT and PEMHCA contribution requirements are established by City policy and may be amended. The annual contribution is based on the actuarially determined contribution. For the fiscal year ended June 30, 2019, the City's total contributions of \$4,194 consist of payments to the trust of \$4,194.

Net OPEB Liability

The City's net OPEB liability was measured as of June 30, 2018 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2017 rolled forward to June 30, 2018 using standard update procedures. A summary of the principal assumptions and methods used to determine the total OPEB liability is shown below.

	PEMHCA	URMT
Valuation Date	June 30, 2017	June 30, 2017
Measurement Date	June 30, 2018	June 30, 2018
Actuarial Cost Method	Entry-Age Normal Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:		
Discount Rate	6.75%	6.75%
Inflation	2.75%	2.75%
Payroll Growth	3.00%	3.00%
Projected Salary Increase	3.00%	3.00%
Expected long term investment rate of return	6.75%	6.75%
Healthcare cost trend rates (PEMHCA)	6.5% Medicare, 7.5% Non,	
	decreasing to 4% in 2076 and later	
	0% to 2022, then 4% after	
Benefit Increase trend rates (URMT)		
Pre-retirement turnover	Derived from CALPERS pension plan	
Mortality	(2)	(2)

(2) The probabilities of mortality are derived using CalPERS membership data for all funds. The mortality table used was developed based on CalPERS specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 1997-2011 experience study report.

The actuarial assumptions used in the June 30 2017 valuation were based on a standard set of assumptions the actuary has used for similar valuations, modified as appropriate for the City.

The long-term expected rate of return was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset allocation as of June 30, 2017 are summarized in the following table :

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
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(in thousands)

(18) POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS, (continued)

<u>Asset Class</u>	New Strategic Allocation	Expected Real Return
Global Equity	57.00%	4.82%
Global Fixed Income	27.00%	1.47%
TIPS	5.00%	1.29%
Real Estate	8.00%	3.76%
Commodities	3.00%	0.84%
Total	100.00%	

The discount rate used to measure the total OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that the City's contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Change of Discount Rate

The discount rate used in the June 30, 2017 valuation was 6.75% as compared to the June 30, 2015 valuation discount rate of 7.25%. The discount rate was changed due to lower expected average returns, a 2.75% inflation assumption reduced from 3.00%, and a 10-year Capital Market Assumption projection.

Changes in the net OPEB liability - Total

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2017 (Measurement date)	\$ 75,730	35,932	39,798
Changes in the year :			
Service cost	1,888	-	1,888
Interest on the total OPEB liability	5,138	-	5,138
Differences between actual and expected experience	-	-	-
Changes in assumptions	-	-	-
Changes in benefit terms	-	-	-
Contributions - employer	-	4,113	(4,113)
Contributions - employee	-	154	(154)
Net investment income	-	2,929	(2,929)
Administrative expenses	-	(85)	85
Benefit payments	(2,991)	(2,991)	-
Net Changes	4,035	4,120	(85)
Balance at June 30, 2018 (Measurement date)	\$ 79,765	40,052	39,713

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(18) POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS, (continued)

Changes in the net OPEB liability - PEHMCA

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2017 (Measurement date)	\$ 65,990	26,594	39,396
Changes in the year :			
Service cost	1,597	-	1,597
Interest on the total OPEB liability	4,470	-	4,470
Differences between actual and expected experience	-	-	-
Changes in assumptions	-	-	-
Changes in benefit terms	-	-	-
Contributions - employer	-	3,959	(3,959)
Contributions - employee	-	-	-
Net investment income	-	2,212	(2,212)
Administrative expenses	-	(68)	68
Benefit payments	(2,735)	(2,735)	-
Net Changes	3,332	3,368	(36)
Balance at June 30, 2018 (Measurement date)	<u>\$ 69,322</u>	<u>\$ 29,962</u>	<u>\$ 39,360</u>

Changes in the net OPEB liability - URMT

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2017 (Measurement date)	\$ 9,740	9,338	402
Changes in the year :			
Service cost	291	-	291
Interest on the total OPEB liability	668	-	668
Differences between actual and expected experience	-	-	-
Changes in assumptions	-	-	-
Changes in benefit terms	-	-	-
Contributions - employer	-	154	(154)
Contributions - employee	-	154	(154)
Net investment income	-	717	(717)
Administrative expenses	-	(17)	17
Benefit payments	(256)	(256)	-
Net Changes	703	752	(49)
Balance at June 30, 2018 (Measurement date)	<u>\$ 10,443</u>	<u>\$ 10,090</u>	<u>\$ 353</u>

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(18) POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS, (continued)

There were no changes in assumptions, nor changes in benefit terms. There were no subsequent events that would materially affect the results presented in this disclosure.

Sensitivity of the net OPEB liability to changes in the discount rate

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or higher than the current discount rate :

	<u>PEMHCA</u>	<u>URMT</u>
1% Decrease	5.75%	5.75%
Net OPEB Liability	\$ 49,419	\$ 2,206
Current Discount Rate	6.75%	6.75%
Net OPEB Liability	\$ 39,360	\$ 353
1% Increase	7.75%	7.75%
Net OPEB Liability (Asset)	\$ 31,120	\$ (1,107)

Sensitivity of the net OPEB liability to changes in healthcare cost trend rates

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or higher than the current healthcare cost trend rates :

	<u>PEMHCA</u>	<u>URMT</u>
1% Decrease (Asset)		
Net OPEB Liability	\$ 29,985	\$ (1,531)
Current Trend		
Net OPEB Liability	\$ 39,360	\$ 353
1% Increase		
Net OPEB Liability	\$ 50,941	\$ 2,702

OPEB expense and deferred outflows/inflows of resources related to OPEB :

For the fiscal year ended June 30, 2019 the City recognized OPEB expense of \$4,035 and \$111 for PEMHCA and URMT, respectively. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources :

	<u>PEMHCA</u>	
	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 4,027	\$ -
Differences between actual and expected experience	-	-
Change in assumptions	-	-
Differences between projected and actual earnings	-	(873)
Total	<u>\$ 4,027</u>	<u>\$ (873)</u>

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(18) POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS, (continued)

	URMT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 167	\$ -
Differences between actual and expected experience	-	-
Change in assumptions	-	-
Differences between projected and actual earnings	-	(262)
Total	\$ 167	\$ (262)

\$4,027 and \$167 reported as deferred outflows of resources related to contributions subsequent to the measurement date for PEHMCA and URMT respectively, will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows :

Year Ending June 30,	PEMHCA	URMT
2020	(266)	(81)
2021	(266)	(81)
2022	(267)	(81)
2023	(74)	(19)
2024	-	-
Thereafter	-	-
	\$ (873)	\$ (262)

Payable to the OPEB Plan

At June 30, 2019, the City reported a payable of \$0 for the outstanding amount of contributions to the OPEB plan required for the year ended June 30, 2019.

(19) ADDITIONAL INFORMATION

Burbank Operable Unit (BOU)

Pursuant to a consent decree of March 25, 1992, Lockheed Martin Corporation (Lockheed) constructed a groundwater treatment system, now known as the BOU, on property within and owned by the City, designed to treat volatile organic compounds contaminating groundwater in parts of the San Fernando Groundwater Basin. A second consent decree, dated May 28, 1997, provided that Lockheed was responsible for the cost of operation and maintenance of the BOU, through at least December 11, 2018. The City recognized ownership of the BOU on December 1, 1998. However, due to the major uncertainties that existed concerning the realizability within reasonable limits of a fair value of the BOU, the City did not recognize any value associated with the BOU in the accompanying basic financial statements. On December 12, 2000, the commencement date, the City became responsible for oversight of the BOU. The BOU represents an ongoing obligation of Lockheed to mitigate damages to the aforementioned basin groundwater.

City of Burbank
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2019
(in thousands)

(19) ADDITIONAL INFORMATION, (continued)

On June 8, 2018, the United States Environmental Protection Agency (EPA) issued a Unilateral Administrative Order (UAO) requiring Lockheed to design, construct and operate wells and conveyance piping that will enable Lockheed to pump and convey groundwater from the eastern portion of the North Hollywood Operable Unit (NHOU) to the BOU, and then cause the extracted groundwater to be treated at the BOU and delivered to the City of Los Angeles (Los Angeles). On September 11, 2018 the Burbank City Council approved two agreements concerning Lockheed's obligations under the UAO. The first agreement between Lockheed and the City obligates Lockheed to design and construct wells and conveyance piping, to continue funding the City's operation of the BOU Treatment Facility, and to pay for delivery of water by the City to Los Angeles, until such time as the EPA issues an order that "no further action" is required to remediate the basin groundwater. The second agreement between the Los Angeles and the City sets forth the terms and conditions for the City's delivery of treated groundwater to Los Angeles. Neither agreement requires any new financial obligations for the City's operation of the BOU or the City's operation of any new or additional facilities required under these agreements. It is projected that remediation activities to clean the basin groundwater and reach a condition of "no further action required" is more than 20 years into the future.

Unavailable Revenues

The General Capital Projects fund recorded \$149, respectively, of unavailable revenues as of June 30, 2019. This amount is a component of net position in the government-wide financial statements.

Deficit Net Position

The Agency Fiduciary Trust fund has a deficit net position of \$66,072, which is expected to be offset by future tax increment revenues to the extent that they are received. The HOME fund has a deficit net position of \$115 due to timing differences for the drawdown to reimburse the fund.

(20) RESTATEMENT OF NET POSITION AND FUND BALANCE

Net position of the business type activities and water rec and sewer fund, as of July 1, 2018 were restated as follows:

	Business Activities	Water Rec & Sewer Fund
Net position as of July 1, 2018, as originally reported	\$ 446,948	\$ 101,592
To record liability for the net Hyperion payment to the proper period	\$ (14,500)	(14,500)
	\$ 432,448	\$ 87,092

City of Burbank

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS - *MISCELLANEOUS PLAN*

Last Ten Fiscal Years*

Fiscal Year Ended	2019	2018	2017	2016	2015
Measurement Period:	2018	2017	2016	2015	2014
Total Pension Liability:					
Service cost	\$ 14,127,664	\$ 13,739,626	\$ 12,369,977	\$ 12,555,200	\$ 13,181,727
Interest on total pension liability	60,797,957	59,537,285	58,555,881	56,944,154	55,430,897
Changes in assumptions	(3,974,998)	49,265,927	-	(13,841,120)	-
Differences between expected and actual experience	(8,843,154)	(12,762,548)	(9,763,032)	(12,736,964)	-
Benefit payments, including refunds of employee contributions	(44,019,175)	(42,022,775)	(39,699,491)	(37,451,291)	(35,412,463)
Net Change in Total Pension Liability	18,088,294	67,757,515	21,463,335	5,469,979	33,200,161
Total Pension Liability - Beginning of Year	878,084,991	810,327,476	788,864,141	783,394,162	750,194,001
Total Pension Liability - End of Year (a)	<u>\$ 896,173,285</u>	<u>\$ 878,084,991</u>	<u>\$ 810,327,476</u>	<u>\$ 788,864,141</u>	<u>\$ 783,394,162</u>
Plan Fiduciary Net Position:					
Contributions - employer	\$ 19,060,004	\$ 16,773,561	\$ 15,318,184	\$ 13,696,952	\$ 12,179,748
Contributions - employee	6,414,838	6,161,227	6,148,285	6,443,320	6,416,442
Net investment income	54,901,231	66,930,398	3,281,930	13,820,471	94,169,766
Benefit payments	(44,019,175)	(42,022,775)	(39,699,491)	(37,451,291)	(35,412,463)
Plan to plan resource movement	(1,598)	-	(334)	(2)	-
Administrative expense	(1,018,041)	(895,258)	(378,891)	(700,061)	-
Other Miscellaneous Income/(Expense)	(1,933,277)				
Net Change in Plan Fiduciary Net Position	33,403,982	46,947,153	(15,330,317)	(4,190,611)	77,353,493
Plan Fiduciary Net Position - Beginning of Year	653,312,709	606,365,556	621,695,873	625,886,484	548,532,991
Plan Fiduciary Net Position - End of Year (b)	<u>\$ 686,716,691</u>	<u>\$ 653,312,709</u>	<u>\$ 606,365,556</u>	<u>\$ 621,695,873</u>	<u>\$ 625,886,484</u>
Net Pension Liability - Ending (a)-(b)	<u>\$ 209,456,594</u>	<u>\$ 224,772,282</u>	<u>\$ 203,961,920</u>	<u>\$ 167,168,268</u>	<u>\$ 157,507,678</u>
Plan fiduciary net position as a percentage of the total pension liability	76.63%	74.40%	74.83%	78.81%	79.89%
Covered payroll	\$ 78,990,606	\$ 78,910,291	\$ 78,720,924	\$ 79,288,556	\$ 78,428,082
Net pension liability as percentage of covered payroll	265.17%	284.85%	259.09%	210.84%	200.83%

Notes to Schedule:

Benefit Changes:

The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2014 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes in Assumptions:

- From fiscal year June 30, 2015 to June 30, 2016:

GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65% used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

- From fiscal year June 30, 2017 to June 30, 2018:

The discount rate changed from 7.65% to 7.15%.

* Fiscal year 2015 was the 1st year of implementation, therefore only five years are shown.

City of Burbank
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS - MISCELLANEOUS PLAN
Last Ten Fiscal Years*

Fiscal Year Ended	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Actuarially determined contribution	\$ 21,347,905	\$ 19,042,423	\$ 15,318,184	\$ 13,696,952	\$ 12,179,748
Contributions in relation to the actuarially determined contributions	(21,347,905)	(19,042,423)	(15,318,184)	(13,696,952)	(12,179,748)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 81,436,847	\$ 78,990,606	\$ 78,910,291	\$ 78,720,924	\$ 79,288,586
Contributions as a percentage of covered payroll	26.21%	24.11%	19.41%	17.40%	15.36%

Notes to Schedule:

Valuation Date	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013	June 30, 2012
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Methods and Assumptions Used to Determine Contribution Rates:

Single and agent employers	Entry age**
Amortization method	Level percentage of payroll, closed**
Asset valuation method	15 year smoothed market***
Inflation	2.75%**
Salary increases	3.30% to 14.20% depending on age, service and type of employment**
Investment rate of return	7.50%, net of pension plan investment expense, including inflation**
Retirement age	50 years 2.7% @ 55 and 52 years 2% @ 62**
Mortality	Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board, first used in the June 30, 2009 valuation. For purposes of the post-retirement mortality rates, those revised rates include 5 years of projected on-going mortality improvement using Scale AA published by the Society of Actuaries until June 30, 2010. There is no margin for future mortality improvement beyond the valuation date.**

* Fiscal year 2015 was the 1st year of implementation, therefore only five years are shown.

** The valuation for June 30, 2012, 2013, 2014, and 2015 (applicable to fiscal year ended June 30, 2015, 2016, 2017, and 2018 respectively) included the same actuarial assumptions

*** The valuation for June 30, 2012 (applicable to fiscal year ended June 30, 2015) valued assets using a 15 Year

Smoothed Market method. The market value asset valuation method was utilized for the June 30, 2013, 2014, and 2015 valuations (applicable for fiscal years ended June 30, 2016, 2017, and 2018 respectively).

City of Burbank

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS - *POLICE PLAN* Last Ten Fiscal Years*

Fiscal Year Ended	2019	2018	2017	2016	2015
Measurement Period:	2018	2017	2016	2015	2014
Total Pension Liability:					
Service cost	\$ 5,927,767	\$ 5,939,112	\$ 5,345,666	\$ 5,321,905	\$ 5,537,702
Interest on total pension liability	21,286,752	20,593,552	20,170,664	19,538,993	18,902,036
Changes in assumptions	(1,764,826)	16,967,788	-	(4,702,484)	-
Differences between expected and actual experience	1,141,534	(3,062,003)	(1,822,421)	(2,163,782)	-
Benefit payments, including refunds of employee contributions	(16,725,700)	(15,691,491)	(15,040,385)	(14,546,053)	(13,616,037)
Net Change in Total Pension Liability	<u>9,865,527</u>	<u>24,746,958</u>	<u>8,653,524</u>	<u>3,448,579</u>	<u>10,823,701</u>
Total Pension Liability - Beginning of Year	<u>303,739,069</u>	<u>278,992,111</u>	<u>270,338,587</u>	<u>266,890,008</u>	<u>256,066,307</u>
Total Pension Liability - End of Year (a)	<u><u>\$ 313,604,596</u></u>	<u><u>\$ 303,739,069</u></u>	<u><u>\$ 278,992,111</u></u>	<u><u>\$ 270,338,587</u></u>	<u><u>\$ 266,890,008</u></u>
Plan Fiduciary Net Position:					
Contributions - employer	\$ 8,542,716	\$ 7,665,029	\$ 6,464,462	\$ 5,800,229	\$ 5,711,333
Contributions - employee	1,869,984	1,816,247	1,583,214	1,549,949	1,591,859
Net investment income	17,739,681	21,724,360	1,022,785	4,432,031	31,026,505
Benefit payments	(16,725,700)	(15,691,491)	(15,040,385)	(14,546,053)	(13,616,037)
Plan to plan resource movement	(517)	-	334	2	-
Administrative expense	(329,062)	(289,301)	(123,132)	(227,394)	-
Other Miscellaneous Income/(Expense)	(624,894)	-	-	-	-
Net Change in Plan Fiduciary Net Position	<u>10,472,208</u>	<u>15,224,844</u>	<u>(6,092,722)</u>	<u>(2,991,236)</u>	<u>24,713,660</u>
Plan Fiduciary Net Position - Beginning of Year	<u>211,170,656</u>	<u>195,945,812</u>	<u>202,038,534</u>	<u>205,029,770</u>	<u>180,316,110</u>
Plan Fiduciary Net Position - End of Year (b)	<u><u>\$ 221,642,864</u></u>	<u><u>\$ 211,170,656</u></u>	<u><u>\$ 195,945,812</u></u>	<u><u>\$ 202,038,534</u></u>	<u><u>\$ 205,029,770</u></u>
Net Pension Liability - Ending (a)-(b)	<u><u>\$ 91,961,732</u></u>	<u><u>\$ 92,568,413</u></u>	<u><u>\$ 83,046,299</u></u>	<u><u>\$ 68,300,053</u></u>	<u><u>\$ 61,860,238</u></u>
Plan fiduciary net position as a percentage of the total pension liability	70.68%	69.52%	70.23%	74.74%	76.82%
Covered payroll	\$ 17,900,752	\$ 17,302,688	\$ 17,293,508	\$ 17,523,263	\$ 16,789,814
Net pension liability as percentage of covered payroll	513.73%	534.99%	480.22%	389.77%	368.44%

Notes to Schedule:

Benefit Changes:

The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2014 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a Golden Handshakes).

Changes in Assumptions:

- From fiscal year June 30, 2015 to June 30, 2016:

GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65% used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

- From fiscal year June 30, 2017 to June 30, 2018:

The discount rate changed from 7.65% to 7.15%.

* Fiscal year 2015 was the 1st year of implementation, therefore only four years are shown.

City of Burbank
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS - POLICE PLAN
Last Ten Fiscal Years*

Fiscal Year Ended	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Actuarially determined contribution	\$ 9,151,172	\$ 8,548,128	\$ 6,464,462	\$ 5,800,229	\$ 5,711,333
Contributions in relation to the actuarially determined contributions	<u>(9,151,172)</u>	<u>(8,548,128)</u>	<u>(6,464,462)</u>	<u>(5,800,229)</u>	<u>(5,711,333)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 18,221,342	\$ 17,900,752	\$ 17,302,688	\$ 17,293,508	\$ 17,523,263
Contributions as a percentage of covered payroll	50.22%	47.75%	37.36%	33.54%	32.59%

Notes to Schedule:

Valuation Date	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013	June 30, 2012
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Methods and Assumptions Used to Determine Contribution Rates:

Single and agent employers	Entry age**
Amortization method	Level percentage of payroll, closed**
Asset valuation method	15 year smoothed market***
Inflation	2.75%**
Salary increases	3.30% to 14.20% depending on age, service and type of employment**
Investment rate of return	7.50%, net of pension plan investment expense, including inflation**
Retirement age	50 years 2.7% @ 55 and 52 years 2% @ 62**
Mortality	Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board, first used in the June 30, 2009 valuation. For purposes of the post-retirement mortality rates, those revised rates include 5 years of projected on-going mortality improvement using Scale AA published by the Society of Actuaries until June 30, 2010. There is no margin for future mortality improvement beyond the valuation date.**

* Fiscal year 2015 was the 1st year of implementation, therefore only five years are shown.

** The valuation for June 30, 2012, 2013, 2014, and 2015 (applicable to fiscal year ended June 30, 2015, 2016, 2017, and 2018 respectively) included the same actuarial assumptions

*** The valuation for June 30, 2012 (applicable to fiscal year ended June 30, 2015) valued assets using a 15 Year Smoothed Market method. The market value asset valuation method was utilized for the June 30, 2013, 2014, 2015 and 2017 valuations (applicable for fiscal years ended June 30, 2016, 2017, and 2018 respectively).

City of Burbank

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS - FIRE PLAN

Last Ten Fiscal Years*

Fiscal Year Ended	2019	2018	2017	2016	2015
Measurement Period:	2018	2017	2016	2015	2014
Total Pension Liability:					
Service cost	\$ 3,775,121	\$ 3,855,335	\$ 3,381,401	\$ 3,238,929	\$ 3,365,967
Interest on total pension liability	16,479,835	16,106,198	15,826,963	15,385,179	14,831,589
Changes in assumptions	(1,249,941)	13,010,714	-	(3,637,875)	-
Differences between expected and actual experience	(1,046,144)	(2,464,520)	(1,841,027)	(593,799)	-
Benefit payments, including refunds of employee contributions	(12,885,100)	(11,914,224)	(11,322,634)	(10,836,052)	(10,250,818)
Net Change in Total Pension Liability	<u>5,073,771</u>	<u>18,593,503</u>	<u>6,044,703</u>	<u>3,556,382</u>	<u>7,946,738</u>
Total Pension Liability - Beginning of Year	<u>237,338,271</u>	<u>218,744,768</u>	<u>212,700,065</u>	<u>209,143,683</u>	<u>201,196,945</u>
Total Pension Liability - End of Year (a)	<u>\$ 242,412,042</u>	<u>\$ 237,338,271</u>	<u>\$ 218,744,768</u>	<u>\$ 212,700,065</u>	<u>\$ 209,143,683</u>
Plan Fiduciary Net Position:					
Contributions - employer	\$ 4,514,599	\$ 3,998,457	\$ 3,407,476	\$ 2,878,901	\$ 2,633,397
Contributions - employee	1,337,655	1,353,972	1,347,568	1,238,238	1,245,700
Net investment income	14,935,589	18,413,069	854,376	3,875,526	26,645,747
Benefit payments	(12,885,100)	(11,914,224)	(11,322,634)	(10,836,052)	(10,250,818)
Plan to plan resource movement	(433)	-	-	-	-
Administrative expense	(278,172)	(246,429)	(105,268)	(194,366)	-
Other Miscellaneous Income/(Expense)	(528,254)	-	-	-	-
Net Change in Plan Fiduciary Net Position	<u>7,095,884</u>	<u>11,604,845</u>	<u>(5,818,482)</u>	<u>(3,037,753)</u>	<u>20,274,026</u>
Plan Fiduciary Net Position - Beginning of Year	<u>178,512,910</u>	<u>166,908,065</u>	<u>172,726,547</u>	<u>175,764,300</u>	<u>155,490,274</u>
Plan Fiduciary Net Position - End of Year (b)	<u>\$ 185,608,794</u>	<u>\$ 178,512,910</u>	<u>\$ 166,908,065</u>	<u>\$ 172,726,547</u>	<u>\$ 175,764,300</u>
Net Pension Liability - Ending (a)-(b)	<u>\$ 56,803,248</u>	<u>\$ 58,825,361</u>	<u>\$ 51,836,703</u>	<u>\$ 39,973,518</u>	<u>\$ 33,379,383</u>
Plan fiduciary net position as a percentage of the total pension liability	76.57%	75.21%	76.30%	81.21%	84.04%
Covered payroll	\$ 14,512,838	\$ 14,392,004	\$ 13,802,058	\$ 13,785,343	\$ 13,400,056
Net pension liability as percentage of covered payroll	391.40%	408.74%	375.57%	289.97%	249.10%

Notes to Schedule:

Benefit Changes:

The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2014 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a Golden Handshakes).

Changes in Assumptions:

- From fiscal year June 30, 2015 to June 30, 2016:

GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65% used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

- From fiscal year June 30, 2017 to June 30, 2018:

The discount rate changed from 7.65% to 7.15%.

* Fiscal year 2015 was the 1st year of implementation, therefore only three years are shown.

City of Burbank
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS - FIRE PLAN
Last Ten Fiscal Years*

Fiscal Year Ended	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Actuarially determined contribution	\$ 5,292,939	\$ 4,515,645	\$ 3,407,476	\$ 2,878,901	\$ 2,633,397
Contributions in relation to the actuarially determined contributions	<u>(5,292,939)</u>	<u>(4,515,645)</u>	<u>(3,407,476)</u>	<u>(2,878,901)</u>	<u>(2,633,397)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 14,434,203	\$ 14,512,838	\$ 14,392,004	\$ 13,802,058	\$ 13,785,343
Contributions as a percentage of covered payroll	36.67%	31.11%	23.68%	20.86%	19.10%

Notes to Schedule:

Valuation Date	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013	June 30, 2012
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Methods and Assumptions Used to Determine Contribution Rates:

Single and agent employers	Entry age**
Amortization method	Level percentage of payroll, closed**
Asset valuation method	15 year smoothed market***
Inflation	2.75%**
Salary increases	3.30% to 14.20% depending on age, service and type of employment**
Investment rate of return	7.50%, net of pension plan investment expense, including inflation**
Retirement age	50 years 2.7% @ 55 and 52 years 2% @ 62**
Mortality	Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board, first used in the June 30, 2009 valuation. For purposes of the post-retirement mortality rates, those revised rates include 5 years of projected on-going mortality improvement using Scale AA published by the Society of Actuaries until June 30, 2010. There is no margin for future mortality improvement beyond the valuation date.**

* Fiscal year 2015 was the 1st year of implementation, therefore only five years are shown.

** The valuation for June 30, 2012, 2013, 2014, and 2015 (applicable to fiscal year ended June 30, 2015, 2016, 2017, and 2018 respectively) included the same actuarial assumptions

*** The valuation for June 30, 2012 (applicable to fiscal year ended June 30, 2015) valued assets using a 15 Year Smoothed Market method. The market value asset valuation method was utilized for the June 30, 2013, 2014, and 2015 valuations (applicable for fiscal years ended June 30, 2016, 2017, and 2018 respectively).

City of Burbank
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
(in thousands)
Last Ten Fiscal Years*

Fiscal year end	PEMHCA 6/30/2018	URMT 6/30/2018	PEMHCA 6/30/2019	URMT 6/30/2019
Measurement date	6/30/2017	6/30/2017	6/30/2018	6/30/2018
Total OPEB Liability:				
Service cost	\$ 1,550	\$ 283	\$ 1,597	\$ 291
Interest on total OPEB liability	4,246	623	4,470	668
Benefit payments	(2,331)	(222)	(2,735)	(256)
Net Change in Total OPEB Liability	3,465	684	3,332	703
Total OPEB Liability - Beginning of Year	62,525	9,056	65,990	9,740
Total OPEB Liability - End of Year (a)	65,990	9,740	69,322	10,443
Plan Fiduciary Net Position:				
Contributions - employer	3,168	148	3,959	154
Contributions - employee		148		154
Net investment income	2,548	889	2,212	717
Administrative expenses	(29)	(5)	(68)	(17)
Benefit payments	(2,331)	(222)	(2,735)	(256)
Net Change in Plan Fiduciary Net Position	3,356	958	3,368	752
Plan Fiduciary Net Position - Beginning of Year	23,238	8,380	26,594	9,338
Plan Fiduciary Net Position - End of Year (b)	26,594	9,338	29,962	10,090
Net OPEB Liability - Ending (a)-(b)	\$ 39,396	\$ 402	\$ 39,360	\$ 353
Plan fiduciary net position as a percentage of the total OPEB liability	40.30%	95.87%	43.22%	96.62%
Covered payroll	\$ 109,489	\$ 18,086	\$ 110,329	\$ 17,084
Net OPEB liability as percentage of covered payroll	35.98%	2.22%	35.68%	2.07%

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

There were no changes in assumptions.

* Fiscal year ended June 30, 2018, was the first year of implementation; therefore, only two years are shown.

City of Burbank
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS - OPEB

Last Ten Fiscal Years*

	PEMHCA 6/30/2018	URMT 6/30/2018	PEMHCA 6/30/2019	URMT 6/30/2019
Actuarially determined contribution	\$ 3,959	\$ 154	\$ 4,027	\$ 167
Contributions in relation to the actuarially determined contributions	<u>(3,959)</u>	<u>(154)</u>	<u>(4,027)</u>	<u>(167)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 110,329	\$ 17,084	\$ 112,032	\$ 17,698
Contributions as a percentage of covered - employee payroll	3.59%	0.90%	3.59%	0.94%

Notes to Schedule:

Valuation Date	6/30/2017	6/30/2017	6/30/2017	6/30/2017
----------------	-----------	-----------	-----------	-----------

Methods and Assumptions Used to Determine Contribution Rates:

Agent multiple employers	Entry age normal
Amortization method	Level percentage of payroll
Asset valuation method	Investment gains and losses spread over 5-year rolling period
Inflation	2.75%
Investment rate of return	6.75%
Mortality	CALPERS 1997-2011 experience study

* Fiscal year 2018 was the first year of implementation; therefore, two years are shown.

NONMAJOR GOVERNMENTAL FUNDS

This section of the CAFR provides information on each individual governmental fund, except for those major governmental funds reported in the basic financial statements: the Low and Moderate Income Housing Fund, the Public Financing Authority Debt Service Fund, and the General Capital Projects Fund. This section includes the following special revenue, debt service, and capital projects funds:

SPECIAL REVENUE FUNDS

104 - Transportation Fund - Prop A – To account for monies received from a portion of sales tax revenue restricted to fund transportation related activities.

105 - Transportation Fund - Prop C – To account for monies received from a portion of sales tax revenue restricted to fund transportation related activities.

106 - AQMD Fund – To account for monies received and expended on the City's ride share program. Monies received include participant fees and funds received from the Southern California Air Quality Management District Fund.

107 - Measure R Fund – To account for monies received and expended from L.A. County sales tax increase.

108 - Measure M Fund – To account for Citywide roadway related capital improvements for monies received and expended from L.A. County sales tax increase.

117 - Housing Authority Fund – To account for monies received and expended in housing assistance to low and moderate income families. Funds are provided by receipts from the Federal Section 8 Voucher Program.

121 - General City Grants Fund – To account for grant monies received and spent from federal programs used to supplement the City's law enforcement program.

122 - Community Development Block Grants Fund – To account for monies received and expended by the City as a participant in the Federal Community Development Block Grant Programs.

123 - Road Maintenance Fund – To account for monies received from portion of State Gas Tax and Vehicle Registration, used for road maintenance and safety projects.

124 - Drug Asset Forfeiture Fund – To account for monies and property seized as a result of judicial forfeitures.

125 - State Gas Tax Fund – To account for monies received and expended from state gas tax allocation.

128 - Home Program Investment Partnership Program (HOME) – To account for HUD funding to increase the supply of affordable housing to the City.

129 - Street Lighting Fund – To account for monies received from a portion of the in-lieu tax on electricity, used for maintenance, repairs and conversion of the City's mercury and low pressure sodium street lights to high pressure sodium lights.

131 - Community Services Fund – To account for charitable donations to promote and assist with supportive activities and services such as fund raising, volunteer services and educational services.

133 - Tieton Hydro – To account for the operation of Southern California Public Power Authority's (SCPPA) joint power plant located in Washington State.

483 - Magnolia Power Plant – To account for the operation of Southern California Public Power Authority's (SCPPA) joint power plant located at the City's electric utility.

CAPITAL PROJECTS FUNDS

127 - Public Improvements Fund – To account for monies received through developer fees and grants, used for infrastructure improvements throughout the City.

130 - Burbank Youth Endowment Services Fund (YES) – To account for financial resources used for new capital facilities for youth oriented programs to benefit the youth of Burbank. The YES Fund is funded by a pledge from the Burbank Redevelopment Agency of 5% of the new tax increment in each of the Golden State, City Centre, and West Olive Project areas.

310 - Parking Authority Fund – To account for financial resources to be used for the acquisition or construction of public parking facilities on a citywide basis. The primary source of funds has been contributions from other funds.

City of Burbank
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2019
(in thousands)

	Special Revenue Funds						
	Transp. Prop. A	Transp. Prop. C	AQMD	Home Program	Commun. Dev Block Grants	Housing Authority	Road Maint.
Assets :							
Pooled cash and investments	\$ 2,313	3,329	393	-	1,075	887	2,238
Accounts receivable	114	81	36	-	38	6	351
Interest receivable	12	15	2	-	6	-	10
Taxes receivable	-	-	-	-	-	-	-
Notes receivable	-	-	-	-	-	-	-
Interfund receivables	-	-	-	-	90	38	-
Intergovernmental receivables	-	-	-	-	-	-	-
Inventories	-	-	-	-	-	-	-
Prepaid items and deposits	-	10	-	-	-	-	-
Total assets	\$ 2,439	3,435	431	-	1,209	931	2,599
Liabilities :							
Accounts payable	\$ 45	305	-	20	25	6	6
Interfund payable	-	-	-	95	-	117	-
Due to Successor Agency	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-
Advances payable	-	-	-	-	-	-	-
Total liabilities	45	305	-	115	25	123	6
Fund balances :							
Nonspendable (deficits):							
Inventories	-	-	-	-	-	-	-
Prepaid items and deposits	-	10	-	-	-	-	-
Restricted :							
Transportation	2,394	3,120	-	-	-	-	2,593
Federal and state grants	-	-	431	-	1,184	808	-
Public safety	-	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-	-
Committed :							
Transportation	-	-	-	-	-	-	-
Assigned (continuing appropriations)							
	-	-	-	-	-	-	-
Unassigned							
	-	-	-	(115)	-	-	-
Total fund balances (deficits)	2,394	3,130	431	(115)	1,184	808	2,593
Total liabilities and fund balances	\$ 2,439	3,435	431	-	1,209	931	2,599

(Continued)

City of Burbank
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2019
(in thousands)

	Special Revenue Funds					
	State Gas Tax	Street Lighting	Sup Law Enforce Service	Comm. Services	Drug Asset Forfeiture	Measure R
Assets :						
Pooled cash and investments	\$ 2,004	832	278	27	241	3,941
Accounts receivable	-	209	16	-	-	-
Interest receivable	9	6	3	-	1	21
Taxes receivable	-	-	-	-	-	-
Notes receivable	-	-	-	-	-	-
Interfund receivable	-	-	-	-	-	-
Intergovernmental receivable	-	-	-	-	-	-
Inventories	-	155	-	-	-	-
Prepaid items and deposits	-	-	-	-	-	-
Total assets	<u>\$ 2,013</u>	<u>1,202</u>	<u>297</u>	<u>27</u>	<u>242</u>	<u>3,962</u>
Liabilities :						
Accounts payable	\$ 193	-	-	-	-	525
Interfund payable	-	390	-	-	-	-
Due to Successor Agency	-	-	-	-	-	-
Deposits	-	38	-	-	-	-
Advances payable	-	-	-	-	-	-
Total liabilities	<u>193</u>	<u>428</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>525</u>
Fund balances :						
Nonspendable (deficits):						
Inventories	-	155	-	-	-	-
Prepaid items and deposits	-	-	-	-	-	-
Restricted						
Transportation	1,820	619	-	-	-	3,437
Federal and state grants	-	-	-	27	-	-
Public safety	-	-	297	-	242	-
Capital projects	-	-	-	-	-	-
Committed :						
Transportation	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances (deficits)	<u>1,820</u>	<u>774</u>	<u>297</u>	<u>27</u>	<u>242</u>	<u>3,437</u>
Total liabilities and fund balances	<u>\$ 2,013</u>	<u>1,202</u>	<u>297</u>	<u>27</u>	<u>242</u>	<u>3,962</u>

(Continued)

City of Burbank
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2019
(in thousands)

	Special Revenue Funds			Capital Projects Funds		Total Nonmajor Governmental Funds
	Magnolia Power Plant	Tieton Hydro	Measure M	Public Improve.	Parking Authority	
Assets :						
Pooled cash and investments	\$ 1,873	129	2,501	16,836	1,875	40,772
Accounts receivable	14	121	119	602	39	1,746
Interest receivable	11	2	12	85	9	204
Taxes receivable	-	-	-	-	-	-
Notes receivable	-	-	-	-	-	-
Interfund receivable	-	-	-	-	-	128
Intergovernmental receivable	-	-	-	-	-	-
Inventories	-	-	-	-	-	155
Prepaid items and deposits	69	3	-	-	-	82
Total assets	\$ 1,967	255	2,632	17,523	1,923	43,087
Liabilities :						
Accounts payable	1,967	255	-	497	95	3,939
Interfund payable	-	-	-	-	-	602
Due to Successor Agency	-	-	-	-	-	-
Deposits	-	-	-	-	-	38
Advances payable	-	-	-	143	-	143
Total liabilities	1,967	255	-	640	95	4,722
Fund balances :						
Nonspendable (deficits)						
Inventories	-	-	-	-	-	155
Prepaid items and deposits	69	3	-	-	-	82
Restricted						
Transportation	-	-	2,632	-	-	16,615
Federal and state grants	-	-	-	-	-	2,450
Public safety	-	-	-	-	-	539
Capital projects	-	-	-	-	1,828	1,828
Committed						
Transportation	-	-	-	16,883	-	16,883
Assigned						
Assigned	-	-	-	-	-	-
Unassigned						
Unassigned	(69)	(3)	-	-	-	(187)
Total fund balances (deficits)	-	-	2,632	16,883	1,828	38,365
Total liabilities and fund balances	\$ 1,967	255	2,632	17,523	1,923	43,087

City of Burbank

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS For the Year Ended June 30, 2019 (in thousands)

	Special Revenue Funds						
	Transp. Prop. A	Transp. Prop. C	AQMD	Home Program	Commun. Dev Block Grants	Housing Authority	Road Maint.
Revenues :							
Taxes	\$ 2,220	1,749	-	-	-	-	-
Use of money or property	92	126	14	-	41	14	39
Intergovernmental	140	-	139	870	652	9,611	1,965
Charges for services	107	124	-	-	89	-	-
Total revenues	2,559	1,999	153	870	782	9,625	2,004
Expenditures :							
General government :							
Administrative services	-	-	-	-	-	-	-
Public safety :							
Police	-	-	-	-	-	-	-
Environmental :							
Community development	2,124	1,788	89	1,055	812	9,676	-
Culture and recreation :							
Special community activities	-	-	-	-	-	-	-
Capital outlay :							
Street improvements	-	-	-	-	-	-	21
General capital improvements	-	-	-	-	-	-	-
Total capital outlay	-	-	-	-	-	-	-
Total expenditures	2,124	1,788	89	1,055	812	9,676	21
Excess (deficiency) of revenues over expenditures	435	211	64	(185)	(30)	(51)	1,983
Other financing sources (uses) :							
Transfers in	-	251	-	-	-	-	-
Transfers out	(251)	-	-	-	-	-	-
Total other financing sources (uses)	(251)	251	-	-	-	-	-
Net change in fund balance	184	462	64	(185)	(30)	(51)	1,983
Fund balances (deficits), July 1, 2018	2,210	2,668	367	70	1,214	859	610
Fund balances (deficits), June 30, 2019	\$ 2,394	3,130	431	(115)	1,184	808	2,593

(Continued)

City of Burbank

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended June 30, 2019

(in thousands)

	Special Revenue Funds					Measure R
	State Gas Tax	Street Lighting	Sup Law Enforce Service	Comm. Services	Drug Asset Forfeiture	
Revenues :						
Taxes	\$ -	-	-	-	-	1,312
Use of money or property	69	79	14	-	10	181
Intergovernmental	2,172	-	388	-	50	-
Charges for services	-	2,705	-	-	-	1
Total revenues	<u>2,241</u>	<u>2,784</u>	<u>402</u>	<u>-</u>	<u>60</u>	<u>1,494</u>
Expenditures :						
General government :						
Administrative services	-	-	-	-	-	-
Public safety :						-
Police	-	-	409	-	69	-
Environmental :						-
Community development	-	-	-	1	-	-
Capital outlay :						
Street improvements	1,646	2,643	-	-	-	989
General capital improvements	-	-	-	-	-	770
Total capital outlay	<u>1,646</u>	<u>2,643</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,759</u>
Total expenditures	<u>1,646</u>	<u>2,643</u>	<u>409</u>	<u>1</u>	<u>69</u>	<u>1,759</u>
Excess (deficiency) of revenues over expenditures	<u>595</u>	<u>141</u>	<u>(7)</u>	<u>(1)</u>	<u>(9)</u>	<u>(265)</u>
Other financing sources (uses) :						
Transfers in	-	-	39	-	-	-
Transfers out	-	(71)	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>(71)</u>	<u>39</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	595	70	32	(1)	(9)	(265)
Fund balances (deficits), July 1, 2018	<u>1,225</u>	<u>704</u>	<u>265</u>	<u>28</u>	<u>251</u>	<u>3,702</u>
Fund balances (deficits), June 30, 2019	<u>\$ 1,820</u>	<u>774</u>	<u>297</u>	<u>27</u>	<u>242</u>	<u>3,437</u>

(Continued)

City of Burbank

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS For the Year Ended June 30, 2019 (in thousands)

	Special Revenue Funds			Capital Projects Funds		Total Nonmajor Governmental Funds
	Magnolia Power Plant	Tieton Hydro	Measure M	Public Improve.	Parking Authority	
Revenues :						
Taxes	\$	-		-	-	5,281
Use of money or property	107	16	1,478	770	848	3,898
Intergovernmental	-	-	63	956	-	17,006
Charges for services	18,454	2,235		524	-	24,239
Total revenues	<u>18,561</u>	<u>2,251</u>	<u>1,541</u>	<u>2,250</u>	<u>848</u>	<u>50,424</u>
Expenditures :						
General government :						
Administrative services	-	-		-	674	674
Public safety :						
Police	-	-		-	-	478
Environmental :						
Community development	18,564	1,897		4,783	-	40,789
Capital outlay :						
Street improvements	-	-		-	-	5,299
General capital improvements	-	354		-	32	1,156
Total capital outlay	<u>-</u>	<u>354</u>		<u>-</u>	<u>32</u>	<u>6,455</u>
Total expenditures	<u>18,564</u>	<u>2,251</u>	<u>-</u>	<u>4,783</u>	<u>706</u>	<u>48,396</u>
Excess (deficiency) of revenues over expenditures	<u>(3)</u>	<u>-</u>	<u>1,541</u>	<u>(2,533)</u>	<u>142</u>	<u>2,028</u>
Other financing sources (uses) :						
Transfers in	-	-		-	-	290
Transfers out	-	-		-	-	(322)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(32)</u>
Net change in fund balance	(3)	-	1,541	(2,533)	142	1,996
Fund balances (deficits), July 1, 2018	<u>3</u>	<u>-</u>	<u>1,091</u>	<u>19,416</u>	<u>1,686</u>	<u>36,369</u>
Fund balances (deficits), June 30, 2019	<u>\$ -</u>	<u>-</u>	<u>2,632</u>	<u>16,883</u>	<u>1,828</u>	<u>38,365</u>

City of Burbank

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

TRANSPORTATION PROP A

For the Year Ended June 30, 2019

(in thousands)

	Original Budget	Final Budget	Actual Amounts	Variance with Final Positive (Negative)
Revenues :				
Taxes	\$ 2,069	\$ 2,069	\$ 2,220	\$ 151
Use of money or property	35	35	92	57
Intergovernmental	140	140	140	-
Charges for services	104	104	107	3
Total revenues	<u>2,348</u>	<u>2,348</u>	<u>2,559</u>	<u>211</u>
Expenditures :				
Environmental:				
Community development	<u>2,392</u>	<u>2,442</u>	<u>2,124</u>	<u>318</u>
Total expenditures	<u>2,392</u>	<u>2,442</u>	<u>2,124</u>	<u>318</u>
Excess (deficiency) of revenues over expenditures	(44)	(94)	435	529
Other financing uses :				
Transfers out	<u>(235)</u>	<u>(235)</u>	<u>(251)</u>	<u>(16)</u>
Total other financing uses	<u>(235)</u>	<u>(235)</u>	<u>(251)</u>	<u>(16)</u>
Net change in fund balance	(279)	(329)	184	513
Fund balance, July 1, 2018	<u>2,210</u>	<u>2,210</u>	<u>2,210</u>	<u>-</u>
Fund balance, June 30, 2019	<u>\$ 1,931</u>	<u>\$ 1,881</u>	<u>\$ 2,394</u>	<u>\$ 513</u>

City of Burbank
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TRANSPORTATION PROP C
For the Year Ended June 30, 2019
(in thousands)

	Original Budget	Final Budget	Actual Amounts	Variance with Final Positive (Negative)
Revenues :				
Taxes	\$ 1,638	\$ 1,638	\$ 1,749	\$ 111
Use of money or property	90	90	126	36
Charges for services	100	100	124	24
Total revenues	<u>1,828</u>	<u>1,828</u>	<u>1,999</u>	<u>171</u>
Expenditures :				
Environmental:				
Community development	<u>3,215</u>	<u>3,215</u>	<u>1,788</u>	<u>1,427</u>
Total expenditures	<u>3,215</u>	<u>3,215</u>	<u>1,788</u>	<u>1,427</u>
Excess (deficiency) of revenues over expenditures	(1,387)	(1,387)	211	1,598
Other financing sources :				
Transfers in	<u>235</u>	<u>235</u>	<u>251</u>	<u>16</u>
Total other financing sources	<u>235</u>	<u>235</u>	<u>251</u>	<u>16</u>
Net change in fund balance	(1,152)	(1,152)	462	1,614
Fund balance, July 1, 2018	<u>2,668</u>	<u>2,668</u>	<u>2,668</u>	<u>-</u>
Fund balance June 30, 2019	<u><u>\$ 1,516</u></u>	<u><u>\$ 1,516</u></u>	<u><u>\$ 3,130</u></u>	<u><u>\$ 1,614</u></u>

City of Burbank

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

AQMD

For the Year Ended June 30, 2019

(in thousands)

	Original Budget	Final Budget	Actual Amounts	Variance with Final Positive (Negative)
Revenues :				
Use of money or property	\$ 5	\$ 5	\$ 14	\$ 9
Intergovernmental	135	135	139	4
Charges for services	1	1	-	(1)
Total revenues	<u>141</u>	<u>141</u>	<u>153</u>	<u>12</u>
Expenditures :				
Environmental:				
Community development	<u>177</u>	<u>177</u>	<u>89</u>	<u>88</u>
Total expenditures	<u>177</u>	<u>177</u>	<u>89</u>	<u>88</u>
Excess (deficiency) of revenues over expenditures	(36)	(36)	64	100
Fund balance, July 1, 2018	<u>367</u>	<u>367</u>	<u>367</u>	<u>-</u>
Fund balance, June 30, 2019	<u>\$ 331</u>	<u>\$ 331</u>	<u>\$ 431</u>	<u>\$ 100</u>

City of Burbank

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

HOME PROGRAM

For the Year Ended June 30, 2019

(in thousands)

	Original Budget	Final Budget	Actual Amounts	Variance with Final Positive (Negative)
Revenues :				
Use of money or property	\$ 3	\$ 3	\$ -	\$ (3)
Intergovernmental	1,067	1,395	870	(525)
Total revenues	1,070	1,398	870	(528)
Expenditures :				
Environmental:				
Community development	809	1,351	1,055	296
Total expenditures	809	1,351	1,055	296
Excess (deficiency) of revenues over expenditures	261	47	(185)	(232)
Fund balance, July 1, 2018	70	70	70	-
Fund balance, June 30, 2019	<u>\$ 331</u>	<u>\$ 117</u>	<u>\$ (115)</u>	<u>\$ (232)</u>

City of Burbank

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

COMMUNITY DEVELOPMENT BLOCK GRANTS

For the Year Ended June 30, 2019

(in thousands)

	Original Budget	Final Budget	Actual Amounts	Variance with Final Positive (Negative)
Revenues :				
Use of money or property	\$ 11	\$ 11	\$ 41	\$ 30
Intergovernmental	1,204	1,667	652	(1,015)
Charges for services	26	26	89	63
Total revenues	<u>1,241</u>	<u>1,704</u>	<u>782</u>	<u>(922)</u>
Expenditures :				
Environmental:				
Community development	<u>26</u>	<u>84</u>	<u>812</u>	<u>(728)</u>
Total expenditures	<u>26</u>	<u>84</u>	<u>812</u>	<u>(728)</u>
Excess (deficiency) of revenues over expenditures	1,215	1,620	(30)	(1,650)
Fund balance, July 1, 2018	<u>1,214</u>	<u>1,214</u>	<u>1,214</u>	<u>-</u>
Fund balance, June 30, 2019	<u>\$ 2,429</u>	<u>\$ 2,834</u>	<u>\$ 1,184</u>	<u>\$ (1,650)</u>

City of Burbank

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

SECTION 8 HOUSING

For the Year Ended June 30, 2019

(in thousands)

	Original Budget	Final Budget	Actual Amounts	Variance with Final Positive (Negative)
Revenues :				
Use of money or property	\$ 3	\$ 3	\$ 14	\$ 11
Intergovernmental	8,945	8,945	9,611	666
Total revenues	8,948	8,948	9,625	677
Expenditures :				
Environmental:				
Community development	9,138	9,752	9,676	76
Total expenditures	9,138	9,752	9,676	76
Excess (deficiency) of revenues over expenditures	(190)	(804)	(51)	753
Fund balance, July 1, 2018	859	859	859	-
Fund balance, June 30, 2019	\$ 669	\$ 55	\$ 808	\$ 753

City of Burbank

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

ROAD MAINTENANCE AND REHABILITATION

For the Year Ended June 30, 2019

(in thousands)

	Original Budget	Final Budget	Actual Amounts	Variance with Final Positive (Negative)
Revenues :				
Use of money or property	\$ 3	\$ 3	\$ 39	\$ 36
Intergovernmental	1,757	2,373	1,965	(408)
Total revenues	<u>1,760</u>	<u>2,376</u>	<u>2,004</u>	<u>(372)</u>
Expenditures :				
Environmental:				
Street Improvements	<u>2,294</u>	<u>2,294</u>	<u>21</u>	<u>2,273</u>
Total expenditures	<u>2,294</u>	<u>2,294</u>	<u>21</u>	<u>2,273</u>
Excess (deficiency) of revenues over expenditures	(534)	82	1,983	1,901
Fund balance, July 1, 2018	<u>610</u>	<u>610</u>	<u>610</u>	<u>-</u>
Fund balance, June 30, 2019	<u>\$ 76</u>	<u>\$ 692</u>	<u>\$ 2,593</u>	<u>\$ 1,901</u>

City of Burbank

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

STATE GAS TAX

For the Year Ended June 30, 2019

(in thousands)

	Original Budget	Final Budget	Actual Amounts	Variance with Final Positive (Negative)
Revenues :				
Use of money or property	\$ 10	\$ 10	\$ 69	\$ 59
Intergovernmental	2,270	2,270	2,172	(98)
Total revenues	2,280	2,280	2,241	(39)
Expenditures :				
Capital outlay :				
Street improvements	2,270	1,328	1,646	(318)
Total expenditures	2,270	1,328	1,646	(318)
Excess (deficiency) of revenues over expenditures	10	952	595	(357)
Fund balance, July 1, 2018	1,225	1,225	1,225	-
Fund balance, June 30, 2019	\$ 1,235	\$ 2,177	\$ 1,820	\$ (357)

City of Burbank

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

STREET LIGHTING

For the Year Ended June 30, 2019

(in thousands)

	Original Budget	Final Budget	Actual Amounts	Variance with Final Positive (Negative)
Revenues :				
Use of money or property	\$ 30	\$ 30	\$ 79	\$ 49
Charges for services	2,754	2,754	2,705	(49)
Total revenues	<u>2,784</u>	<u>2,784</u>	<u>2,784</u>	<u>-</u>
Expenditures :				
Capital outlay :				
Street improvements	<u>3,035</u>	<u>3,035</u>	<u>2,643</u>	<u>392</u>
Total expenditures	<u>3,035</u>	<u>3,035</u>	<u>2,643</u>	<u>392</u>
Excess (deficiency) of revenues over expenditures	<u>(251)</u>	<u>(251)</u>	<u>141</u>	<u>392</u>
Other financing sources (uses):				
Transfers out	<u>(71)</u>	<u>(71)</u>	<u>(71)</u>	<u>-</u>
Total other financing sources (uses)	<u>(71)</u>	<u>(71)</u>	<u>(71)</u>	<u>-</u>
Net change in fund balance	<u>(322)</u>	<u>(322)</u>	<u>70</u>	<u>392</u>
Fund balance, July 1, 2018	<u>704</u>	<u>704</u>	<u>704</u>	<u>-</u>
Fund balance, June 30, 2019	<u>\$ 382</u>	<u>\$ 382</u>	<u>\$ 774</u>	<u>\$ 392</u>

City of Burbank

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

SUPPLEMENTAL LAW ENFORCEMENT SERVICES

For the Year Ended June 30, 2019

(in thousands)

	Original Budget	Final Budget	Actual Amounts	Variance with Final Positive (Negative)
Revenues :				
Use of money or property	\$ 5	\$ 5	\$ 14	\$ 9
Intergovernmental	306	332	388	56
Total revenues	<u>311</u>	<u>337</u>	<u>402</u>	<u>65</u>
Expenditures :				
Public Safety:				
Police	117	483	409	74
Total expenditures	<u>117</u>	<u>483</u>	<u>409</u>	<u>74</u>
Excess (deficiency) of revenues over expenditures	194	(146)	(7)	139
Other financing uses :				
Transfers in	-	-	39	39
Excess (deficiency) of revenues over expenditures	194	(146)	32	178
Fund balance, July 1, 2018	<u>265</u>	<u>265</u>	<u>265</u>	<u>-</u>
Fund balance, June 30, 2019	<u>\$ 459</u>	<u>\$ 119</u>	<u>\$ 297</u>	<u>\$ 178</u>

City of Burbank

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

COMMUNITY SERVICES

For the Year Ended June 30, 2019

(in thousands)

	Original Budget	Final Budget	Actual Amounts	Variance with Final Positive (Negative)
Revenues :				
Use of money or property	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures :				
Environmental:				
Community development	7	7	1	6
Total expenditures	7	7	1	6
Excess (deficiency) of revenues over expenditures	7	7	(1)	6
Fund balance, July 1, 2018	28	28	28	-
Fund balance, June 30, 2019	\$ 21	\$ 21	\$ 27	\$ 6

City of Burbank

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

MEASURE R TRANSPORTATION

For the Year Ended June 30, 2019

(in thousands)

	Original Budget	Final Budget	Actual Amounts	Variance with Final Positive (Negative)
Revenues :				
Taxes	\$ 1,229	\$ 1,229	\$ 1,312	\$ 83
Use of money or property	45	45	181	136
Charges for services	277	277	1	(276)
Total revenues	<u>1,551</u>	<u>1,551</u>	<u>1,494</u>	<u>(57)</u>
Expenditures :				
Capital outlay:				
Street improvements	1,212	1,362	989	373
General capital improvements	2,367	2,517	770	1,747
Total expenditures	<u>3,579</u>	<u>3,879</u>	<u>1,759</u>	<u>2,120</u>
Excess (deficiency) of revenues over expenditures	(2,028)	(2,328)	(265)	2,063
Fund balance, July 1, 2018	<u>3,702</u>	<u>3,702</u>	<u>3,702</u>	-
Fund balance, June 30, 2019	<u>\$ 1,674</u>	<u>\$ 1,374</u>	<u>\$ 3,437</u>	<u>\$ 2,063</u>

City of Burbank

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

MAGNOLIA POWER PROJECT

For the Year Ended June 30, 2019

(in thousands)

	Original Budget	Final Budget	Actual Amounts	Variance with Final Positive (Negative)
Revenues :				
Use of money or property	\$ -	\$ -	\$ 107	\$ 107
Charges for services	21,672	21,672	18,454	(3,218)
Total revenues	<u>21,672</u>	<u>21,672</u>	<u>18,561</u>	<u>(3,111)</u>
Expenditures :				
Environmental:				
Community development	<u>21,672</u>	<u>21,672</u>	<u>18,564</u>	<u>3,108</u>
Total expenditures	<u>21,672</u>	<u>21,672</u>	<u>18,564</u>	<u>3,108</u>
Excess (deficiency) of revenues over expenditures	-	-	(3)	(3)
Fund balance, July 1, 2018	<u>3</u>	<u>3</u>	<u>3</u>	<u>-</u>
Fund balance, June 30, 2019	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$ -</u>	<u>\$ (3)</u>

City of Burbank

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

TIETON HYDRO

For the Year Ended June 30, 2019

(in thousands)

	Original Budget	Final Budget	Actual Amounts	Variance with Final Positive (Negative)
Revenues :				
Use of money or property	\$ -	\$ -	\$ 16	16
Charges for services	2,615	2,615	2,235	\$ (380)
Total revenues	2,615	2,615	2,251	(364)
Expenditures :				
Environmental:				
Community development	2,905	2,905	1,897	1,008
Capital Outlay:				
General Capital improvements	673	673	354	319
Total expenditures	3,578	3,578	2,251	1,327
Excess (deficiency) of revenues over expenditures	(963)	(963)	-	963
Fund balance, July 1, 2018	-	-	-	-
Fund balance, June 30, 2019	\$ (963)	\$ (963)	\$ -	\$ 963

City of Burbank

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

MEASURE M TRANSPORTATION

For the Year Ended June 30, 2019

(in thousands)

	Original Budget	Final Budget	Actual Amounts	Variance with Final Positive (Negative)
Revenues :				
Taxes	\$ 1,449	\$ 1,449	\$ 1,478	\$ 29
Use of money or property	5	5	63	58
Total revenues	<u>1,454</u>	<u>1,454</u>	<u>1,541</u>	<u>87</u>
Expenditures :				
Capital outlay:				
Street improvements	<u>2,400</u>	<u>2,400</u>	-	<u>2,400</u>
Total expenditures	<u>2,400</u>	<u>2,400</u>	-	<u>2,400</u>
Excess (deficiency) of revenues over expenditures	(946)	(946)	1,541	2,487
Fund balance, July 1, 2018	<u>1,091</u>	<u>1,091</u>	<u>1,091</u>	<u>-</u>
Fund balance, June 30, 2019	<u>\$ 145</u>	<u>\$ 145</u>	<u>\$ 2,632</u>	<u>\$ 2,487</u>

City of Burbank

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

PARKING AUTHORITY CAPITAL PROJECTS

For the Year Ended June 30, 2019

(in thousands)

	Original Budget	Final Budget	Actual Amounts	Variance with Final Positive (Negative)
Revenues :				
Use of money or property	\$ 865	\$ 865	\$ 848	\$ (17)
Total revenues	<u>865</u>	<u>865</u>	<u>848</u>	<u>(17)</u>
Expenditures :				
General government:				
Administrative services	1,027	1,027	674	353
Capital outlay:				
General capital improvements	<u>719</u>	<u>719</u>	<u>32</u>	<u>687</u>
Total expenditures	<u>1,746</u>	<u>1,746</u>	<u>706</u>	<u>1,040</u>
Excess (deficiency) of revenues over expenditures	(881)	(881)	142	1,023
Fund balance, July 1, 2018	<u>1,686</u>	<u>1,686</u>	<u>1,686</u>	<u>-</u>
Fund balance, June 30, 2019	<u>\$ 805</u>	<u>\$ 805</u>	<u>\$ 1,828</u>	<u>\$ 1,023</u>

INTERNAL SERVICE FUNDS

This section of the CAFR provides information on each individual internal service fund. Internal service funds are used by the City to centralize certain services and then allocate the cost of those services to the user departments on a cost reimbursement basis. User fund charges from internal service funds with capital assets typically consist of two components: a maintenance/service component and a capital replacement component. User fund charges from self-insurance internal service funds generally are based on claims experience of the user department.

530 - Risk Management Self-Insurance Fund – To finance and account for the City's general liability claims program.

531 - Worker's Compensation Self-Insurance Fund – To finance and account for the City's workers' compensation claims program.

532 - Vehicle Equipment Rental Fund – To account for the operation, maintenance, and timely replacement of vehicular fleet and equipment utilized by general government departments on a rental fee basis.

533 - Office Equipment Rental Fund – To account for the operation, maintenance, and timely replacement of office equipment utilized by general government departments on a rental fee basis.

534 - Municipal Infrastructure Fund – To account for the operation, maintenance, and replacement of municipal buildings occupied by City departments on a rental fee basis.

535 - Communication Equipment Rental Fund – To account for the operation, maintenance, and timely replacement of the electronic communication equipment utilized by City departments on a rental basis.

537 - Computer Equipment Replacement Fund – To account for the operation and maintenance of the City's new networked based software and hardware computer system.

City of Burbank
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
June 30, 2019
(in thousands)

	Risk Mgmt. Self-Ins.	Workers Comp. Self-Ins.	Vehicle Equip. Rental	Office Equip. Rental	Muni. Infra.
Assets:					
Current assets :					
Pooled cash and investments	\$ 31,206	54,728	27,155	3,369	3,564
Accounts receivable	-	30	48	-	2,289
Interest receivable	156	271	133	17	16
Interfund receivable	1	1	-	-	-
Inventories	-	-	390	-	-
Prepaid expenses	131	114	-	-	-
Total current assets	<u>31,494</u>	<u>55,144</u>	<u>27,726</u>	<u>3,386</u>	<u>5,869</u>
Capital assets :					
Buildings and improvements	-	-	2,777	-	-
Accumulated depreciation	-	-	(1,498)	-	-
Machinery and equipment	-	-	41,268	6,194	-
Accumulated depreciation	-	-	(26,547)	(4,146)	-
Construction in progress	-	-	-	-	-
Total capital assets	<u>-</u>	<u>-</u>	<u>16,000</u>	<u>2,048</u>	<u>-</u>
Total assets	<u>31,494</u>	<u>55,144</u>	<u>43,726</u>	<u>5,434</u>	<u>5,869</u>
Liabilities :					
Current liabilities:					
Accounts payable	32	2	624	45	274
Compensated absences	4	-	12	-	-
Outstanding claims - self insurance	3,912	8,507	-	-	-
Total current liabilities	<u>3,948</u>	<u>8,509</u>	<u>636</u>	<u>45</u>	<u>274</u>
Long-term liabilities (net of current portion):					
Compensated absences	24	45	156	-	-
Outstanding claims - self insurance	4,338	34,049	-	-	-
Total long-term liabilities	<u>4,362</u>	<u>34,094</u>	<u>156</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>8,310</u>	<u>42,603</u>	<u>792</u>	<u>45</u>	<u>274</u>
Net Position :					
Net investment in capital assets	-	-	16,000	2,048	-
Unrestricted	23,184	12,541	26,934	3,341	5,595
Total net position	<u>\$ 23,184</u>	<u>12,541</u>	<u>42,934</u>	<u>5,389</u>	<u>5,595</u>

(Continued)

City of Burbank
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
June 30, 2019
(in thousands)

	Commun. Equip. Rental	Comp. Equip. Replace.	Total
Assets:			
Current assets :			
Pooled cash and investments	\$ 7,352	7,430	134,804
Accounts receivable	11	-	2,378
Interest receivable	36	35	664
Interfund receivable	1	24	27
Inventories	174	-	564
Prepaid expenses	74	139	458
Total current assets	<u>7,648</u>	<u>7,628</u>	<u>138,895</u>
Capital assets :			
Buildings and improvements	3,491	-	6,268
Accumulated depreciation	(1,252)	-	(2,750)
Machinery and equipment	14,614	16,928	79,004
Accumulated depreciation	(12,822)	(16,155)	(59,670)
Construction in progress	86	287	373
Total capital assets	<u>4,117</u>	<u>1,060</u>	<u>23,225</u>
 Total assets	 <u>11,765</u>	 <u>8,688</u>	 <u>162,120</u>
Liabilities :			
Current liabilities:			
Accounts payable	201	466	1,644
Compensated absences	3	-	19
Outstanding claims - self insurance	-	-	12,419
Total current liabilities	<u>204</u>	<u>466</u>	<u>14,082</u>
Long-term liabilities (net of current portion):			
Compensated absences	142	547	914
Outstanding claims - self insurance	-	-	38,387
Total long-term liabilities	<u>142</u>	<u>547</u>	<u>39,301</u>
 Total liabilities	 <u>346</u>	 <u>1,013</u>	 <u>53,383</u>
Net Position :			
Net investment in capital assets	4,118	1,061	23,227
Unrestricted	7,301	6,614	85,510
 Total net position	 <u>\$ 11,419</u>	 <u>7,675</u>	 <u>108,737</u>

City of Burbank

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION

INTERNAL SERVICE FUNDS

For the Year Ended June 30, 2019

(in thousands)

	Risk Mgmt. Self-Ins.	Workers Comp. Self-Ins.	Vehicle Equip. Rental	Office Equip. Rental	Muni. Infra.
Operating revenues :					
Charges for services	\$ 5,784	11,838	7,496	238	1,499
Total operating revenues	<u>5,784</u>	<u>11,838</u>	<u>7,496</u>	<u>238</u>	<u>1,499</u>
Operating expenses :					
Operations and maintenance	6,701	7,315	4,994	160	2,892
Depreciation	-	-	3,034	999	-
Total operating expenses	<u>6,701</u>	<u>7,315</u>	<u>8,028</u>	<u>1,159</u>	<u>2,892</u>
Operating income (loss)	<u>(917)</u>	<u>4,523</u>	<u>(532)</u>	<u>(921)</u>	<u>(1,393)</u>
Nonoperating income (expense) :					
Interest income	1,179	2,093	1,034	145	117
Other local taxes	-	-	-	-	4,533
Gain (loss) on disposal of capital assets	-	-	130	-	-
Other income (expense)	2,169	11	1,133	1,866	29
Total nonoperating income (expense)	<u>3,348</u>	<u>2,104</u>	<u>2,297</u>	<u>2,011</u>	<u>4,679</u>
Income (loss) before transfers and capital contributions	2,431	6,627	1,765	1,090	3,286
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	(53)
Change in net position	<u>2,431</u>	<u>6,627</u>	<u>1,765</u>	<u>1,090</u>	<u>3,233</u>
Net position, July 1, 2018	<u>20,753</u>	<u>5,914</u>	<u>41,169</u>	<u>4,299</u>	<u>2,362</u>
Net position, June 30, 2019	<u>\$ 23,184</u>	<u>12,541</u>	<u>42,934</u>	<u>5,389</u>	<u>5,595</u>

(Continued)

City of Burbank

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION

INTERNAL SERVICE FUNDS

For the Year Ended June 30, 2019

(in thousands)

	Commun. Equip. Rental	Comp. Equip. Replace.	Total
Operating revenues :			
Charges for services	\$ 2,963	8,413	38,231
Total operating revenues	2,963	8,413	38,231
Operating expenses :			
Operations and maintenance	2,058	8,168	32,288
Depreciation	794	644	5,471
Total operating expenses	2,852	8,812	37,759
Operating income (loss)	111	(399)	472
Nonoperating income (expense) :			
Interest income	266	265	5,099
Other local taxes	-	-	4,533
Gain (loss) on disposal of capital assets	-	6	136
Other income (expense)	27	1	5,236
Total nonoperating income (expense)	293	272	15,004
Income (loss) before transfers and capital contributions	404	(127)	15,476
Transfer in	-	9	9
Transfer out	-	-	(53)
Change in net position	404	(118)	15,432
Net position, July 1, 2018	11,015	7,793	93,305
Net position, June 30, 2019	\$ 11,419	7,675	108,737

City of Burbank
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2019
(in thousands)

	Risk Mgmt. Self-Ins.	Workers Comp. Self-Ins.	Vehicle Equip. Rental	Office Equip. Rental	Muni. Infra.
Cash flows from operating activities :					
Cash received from customers	\$ 5,784	11,808	7,693	238	(514)
Cash paid to suppliers	(5,035)	(7,836)	(4,065)	(233)	(3,119)
Cash paid to employees	(172)	(446)	(1,218)	-	(74)
Other income	2,169	11	1,133	1,866	4,562
Net cash provided by (used in) operating activities	<u>2,746</u>	<u>3,537</u>	<u>3,543</u>	<u>1,871</u>	<u>855</u>
Cash flows from noncapital financing activities :					
Proceeds from other funds	3	-	-	-	(53)
Net cash provided by noncapital financing activities	<u>3</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(53)</u>
Cash flows from capital and related financing activities :					
Proceeds from sales of capital assets	-	-	130	-	-
Acquisition and construction of assets	-	-	(1,816)	(2,225)	-
Net cash provided by (used in) capital and related financing activities	<u>-</u>	<u>-</u>	<u>(1,686)</u>	<u>(2,225)</u>	<u>-</u>
Cash flows from investing activities :					
Interest received/(paid)	1,140	2,036	1,007	144	113
Net cash provided by investing activities	<u>1,140</u>	<u>2,036</u>	<u>1,007</u>	<u>144</u>	<u>113</u>
Net increase (decrease) in cash and cash equivalents	<u>3,889</u>	<u>5,573</u>	<u>2,864</u>	<u>(210)</u>	<u>915</u>
Cash and cash equivalents, July 1, 2018	<u>27,317</u>	<u>49,155</u>	<u>24,291</u>	<u>3,579</u>	<u>2,649</u>
Cash and cash equivalents, June 30, 2019	<u>\$ 31,206</u>	<u>54,728</u>	<u>27,155</u>	<u>3,369</u>	<u>3,564</u>

(Continued)

City of Burbank
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2019
(in thousands)

	Commun. Equip. Rental	Comp. Equip. Replace	Total
Cash flows from operating activities :			
Cash received from customers	\$ 2,961	8,414	36,384
Cash paid to suppliers	(1,069)	(3,063)	(24,420)
Cash paid to employees	(861)	(4,435)	(7,206)
Other income	27	1	9,769
	<hr/>	<hr/>	<hr/>
Net cash provided by (used in) operating activities	1,058	917	14,527
Cash flows from noncapital financing activities :			
Proceeds from other funds	-	(8)	(58)
	<hr/>	<hr/>	<hr/>
Net cash provided by noncapital financing activities	-	(8)	(58)
Cash flows from capital and related financing activities :			
Proceeds from sales of capital assets	-	6	136
Acquisition and construction of assets	(92)	(51)	(4,184)
Net cash provided by (used in) capital and related financing activities	<hr/>	<hr/>	<hr/>
	(92)	(45)	(4,048)
Cash flows from investing activities :			
Interest received	259	255	4,954
	<hr/>	<hr/>	<hr/>
Net cash provided by investing activities	259	255	4,954
Net increase (decrease) in cash and cash equivalents	<hr/>	<hr/>	<hr/>
	1,225	1,119	15,375
Cash and cash equivalents, July 1, 2018	<hr/>	<hr/>	<hr/>
	6,127	6,311	119,429
Cash and cash equivalents, June 30, 2019	<hr/>	<hr/>	<hr/>
	\$ 7,352	\$ 7,430	\$ 134,804

(Continued)

City of Burbank
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2019
(in thousands)

	<u>Risk Mgmt. Self-Ins.</u>	<u>Workers Comp. Self-Ins.</u>	<u>Vehicle Equip. Rental</u>	<u>Office Equip. Rental</u>	<u>Muni. Infra.</u>
Reconciliation of operating income (loss) to net cash provided by operating activities :					
Operating income (loss)	\$ (917)	4,523	(532)	(921)	(1,393)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation	-	-	3,034	999	-
Other income	2,169	11	1,133	1,866	4,562
(Increase) decrease in accounts receivable	-	(30)	197	-	(2,013)
(Increase) decrease in inventories	-	-	(41)	-	-
(Increase) decrease in prepaid items	(119)	(114)	9	-	-
Increase (decrease) in outstanding claims payable	1,630	(736)	-	-	-
Increase (decrease) in accounts payable	(27)	(123)	(262)	(73)	(296)
Increase (decrease) in compensated absences	10	6	5	-	(5)
Total adjustments	<u>3,663</u>	<u>(986)</u>	<u>4,075</u>	<u>2,792</u>	<u>2,248</u>
Net cash provided by (used in) operating activities	<u>\$ 2,746</u>	<u>3,537</u>	<u>3,543</u>	<u>1,871</u>	<u>855</u>
Noncash investing, capital, and financing activities :					
Increase (decrease) in fair value of investments	<u>\$ 599</u>	<u>1,076</u>	<u>534</u>	<u>77</u>	<u>59</u>

(Continued)

City of Burbank
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended June 30, 2019
(in thousands)

	<u>Commun. Equip. Rental</u>	<u>Comp. Equip. Replace</u>	<u>Total</u>
Reconciliation of operating income (loss) to net cash provided by operating activities :			
Operating income (loss)	\$ 111	(399)	472
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	794	644	5,471
Other income	27	1	9,769
(Increase) decrease in accounts receivable	(2)	1	(1,847)
(Increase) decrease in inventories	(30)	-	(71)
(Increase) decrease in prepaid items	(2)	(15)	(241)
Increase (decrease) in outstanding claims payable	-	-	894
Increase (decrease) in accounts payable	121	142	(518)
Increase (decrease) in compensated absences	39	543	598
Total adjustments	<u>947</u>	<u>1,316</u>	<u>14,055</u>
Net cash provided by (used in) operating activities	<u>\$ 1,058</u>	<u>917</u>	<u>14,527</u>
Noncash investing, capital, and financing activities :			
Increase (decrease) in fair value of investments	<u>\$ 135</u>	<u>139</u>	<u>2,619</u>

STATISTICAL SECTION (UNAUDITED)

The statistical section provides mostly trend data and nonfinancial information useful in assessing the City's financial condition. Because of the special character of the data presented in the statistical section (i.e., data of prior years, nonfinancial data), the section does not fall within the scope of the independent audit.

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

Revenue Capacity – These schedules contain information to help the reader assess the government's most significant local revenue source, electric utility fees.

Demographic – These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information – These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

City of Burbank

**Table 1 - Net Position by Component
Last Ten Fiscal Years (accrual basis)
(in thousands)
(Unaudited)**

Governmental Activities :

Fiscal Year	Investment in capital assets	Restricted	Unrestricted	Total
2009-10	690,072	114,205	184,720	988,997
2010-11	561,931	179,919	210,335	952,185
2011-12	750,743	86,936	204,378	1,042,057
2012-13	736,794	59,742	232,353	1,028,889
2013-14	733,756	61,165	216,456	1,011,377
2014-15	692,032	62,827	(36,215)	718,644
2015-16	688,518	63,051	(11,249)	740,320
2016-17	682,070	63,610	(9,364)	736,316
2017-18	688,278	61,628	(42,672)	707,234
2018-19	684,259	102,820	(56,055)	731,024

Business-type Activities :

Fiscal Year	Investment in capital assets	Restricted	Unrestricted	Total
2009-10	260,770	-	121,593	382,363
2010-11	247,901	12,413	133,194	393,508
2011-12	278,893	-	130,394	409,287
2012-13	287,055	-	138,590	425,645
2013-14	300,256	-	144,501	444,757
2014-15	298,664	-	74,679	373,343
2015-16	312,885	-	87,055	399,940
2016-17	323,782	-	107,628	431,410
2017-18	340,870	-	106,078	446,948
2018-19	363,419	-	92,639	456,058

Primary Government :

Fiscal Year	Investment in capital assets	Restricted	Unrestricted	Total
2009-10	950,842	114,205	306,313	1,371,360
2010-11	809,832	192,332	343,529	1,345,693
2011-12	1,029,636	86,936	334,772	1,451,344
2012-13	1,023,849	59,742	370,943	1,454,534
2013-14	1,034,012	61,165	360,957	1,456,134
2014-15	990,696	62,827	38,464	1,091,987
2015-16	1,001,403	63,051	75,806	1,140,260
2016-17	1,005,852	63,610	98,264	1,167,726
2017-18	1,029,148	61,628	63,406	1,154,182
2018-19	1,047,678	102,820	36,584	1,187,082

SOURCE : City Financial Services Department

City of Burbank

Table 2 - Changes in Net Position
Last Ten Fiscal Years (accrual basis)
(in thousands)
(Unaudited)

	Fiscal year ended June 30,				
	2015	2016	2017	2018	2019
Expenses					
Governmental activities :					
General government	14,600	13,335	17,252	15,475	7,613
Police	48,613	47,318	55,824	59,865	59,907
Fire	29,771	30,174	36,504	41,417	37,855
Public works	39,550	34,119	30,064	35,468	37,664
Community development	44,946	43,219	47,832	48,726	49,786
Parks & recreation	19,241	20,660	19,613	18,790	23,732
Library	6,735	6,919	6,671	7,203	7,484
Extraordinary Gain (Loss)	-	-	-	-	-
Interest on long-term debt	3,743	2,943	2,762	565	512
Total governmental activities expenses	<u>207,199</u>	<u>198,687</u>	<u>216,522</u>	<u>227,509</u>	<u>224,553</u>
Business-type activities :					
Water reclamation & sewer	13,146	13,961	13,925	14,832	18,340
Golf course	753	703	664	-	-
Electric utility	198,286	186,306	178,993	177,330	189,486
Water utility	28,350	28,924	28,969	32,525	30,523
Refuse collection & disposal	14,076	13,871	14,158	15,699	17,117
Total business-type activities expenses	<u>254,611</u>	<u>243,765</u>	<u>236,709</u>	<u>240,386</u>	<u>255,466</u>
Total primary government expenses	<u>461,810</u>	<u>442,452</u>	<u>453,231</u>	<u>467,895</u>	<u>480,019</u>
Program Revenues					
Governmental activities :					
Charges for services					
General government	189	220	642	526	632
Police	3,856	3,784	4,065	4,242	4,182
Fire	3,474	4,383	4,301	5,053	4,803
Public works	2,126	1,896	1,665	1,643	1,941
Community development	10,350	5,862	6,632	8,392	10,206
Parks and recreation	3,817	3,903	4,004	4,158	6,139
Library	188	194	193	148	163
Operating grants and contributions	18,637	19,340	41,238	43,547	38,788
Capital grants and contributions	-	-	-	77	50
Total governmental activities program revenues	<u>42,637</u>	<u>39,582</u>	<u>62,740</u>	<u>67,786</u>	<u>66,904</u>
Business-type activities :					
Charges for services :					
Water reclamation & sewer	17,654	17,321	17,214	17,514	17,778
Golf course	19	-	-	-	-
Electric utility	212,282	207,850	205,634	204,375	193,050
Water utility	29,068	28,367	30,503	34,040	31,211
Refuse collection & disposal	16,841	16,700	17,420	17,365	17,974
Operating grants and contributions	5,044	886	269	119	149
Capital grants and contributions	1,007	4,040	1,648	7,338	8,786
Total business-type activities program revenues	<u>281,915</u>	<u>275,164</u>	<u>272,688</u>	<u>280,751</u>	<u>268,948</u>
Total primary government program revenues	<u>324,552</u>	<u>314,746</u>	<u>335,428</u>	<u>348,537</u>	<u>335,852</u>
Net (expense) / revenue					
Governmental activities	(164,562)	(159,105)	(153,782)	(159,723)	(157,649)
Business-type activities	27,304	31,399	35,979	40,365	13,482
Total primary government net expense	<u>(137,258)</u>	<u>(127,706)</u>	<u>(117,803)</u>	<u>(119,358)</u>	<u>(144,167)</u>

SOURCE : City Financial Services Department

(Continued)

City of Burbank

**Table 2 - Changes in Net Position
Last Ten Fiscal Years (accrual basis)
(in thousands)
(Unaudited)**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
General Revenues and Other					
Changes in Net Position					
Governmental activities :					
Property tax	37,351	47,113	48,924	52,848	54,980
Sales tax	30,441	34,228	35,197	34,605	43,747
Utility users tax	19,312	19,384	19,185	18,702	17,520
Franchise tax	5,309	9,352	5,596	5,470	5,161
Motor-vehicle in-lieu tax	9,147	-	-	-	-
Transient occupancy tax	7,902	10,595	11,204	11,734	11,112
Transient parking tax	2,846	2,955	3,190	3,353	3,462
Unrestricted investment earnings	13,883	10,052	5,445	1,005	11,625
Other	31,157	35,198	10,772	26,161	33,923
Extraordinary gain on dissolution of redevelopment agency	-	-	-	-	-
Transfers	11,084	11,077	10,265	17,089	(91)
Total governmental activities	<u>168,432</u>	<u>179,954</u>	<u>149,778</u>	<u>170,967</u>	<u>181,439</u>
Business-type activities :					
Unrestricted investment earnings	2,176	3,654	565	986	8,116
Other	3,790	2,621	5,191	2,046	1,921
Transfers	(11,084)	(11,077)	(10,265)	(17,089)	91
Total business-type activities	<u>(5,118)</u>	<u>(4,802)</u>	<u>(4,509)</u>	<u>(14,057)</u>	<u>10,128</u>
Total primary government	<u><u>163,314</u></u>	<u><u>175,152</u></u>	<u><u>145,269</u></u>	<u><u>156,910</u></u>	<u><u>191,567</u></u>
Change in Net Position					
Governmental activities	3,870	20,849	(4,004)	11,244	23,790
Business-type activities	22,186	26,597	31,470	26,308	23,610
Total primary government	<u><u>26,056</u></u>	<u><u>47,446</u></u>	<u><u>27,466</u></u>	<u><u>37,552</u></u>	<u><u>47,400</u></u>

(Continued)

City of Burbank

Table 2 - Changes in Net Position
Last Ten Fiscal Years (accrual basis)
(in thousands)
(Unaudited)

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Expenses					
Governmental activities :					
General government	-	2,649	7,437	15,976	12,022
Police	45,118	43,161	48,453	50,557	48,288
Fire	32,169	31,648	31,543	32,743	31,754
Public works	47,947	55,699	39,573	51,496	27,481
Community development	46,785	70,264	68,778	46,976	47,011
Parks & recreation	30,113	20,363	19,803	18,526	19,613
Library	7,370	7,014	6,961	6,736	6,593
Extraordinary Gain (Loss)	-	-	37,354	-	-
Interest on long-term debt	21,781	21,970	13,936	2,955	7,254
Total governmental activities expenses	<u>231,283</u>	<u>252,768</u>	<u>273,838</u>	<u>225,965</u>	<u>200,016</u>
Business-type activities :					
Water reclamation & sewer	12,714	13,577	13,408	13,596	13,556
Golf course	20,290	2,669	2,576	2,460	1,719
Electric utility	218,051	214,840	186,279	199,755	211,426
Water utility	19,777	22,453	24,126	25,957	29,529
Refuse collection & disposal	13,796	14,117	14,810	16,172	14,056
Total business-type activities expenses	<u>284,628</u>	<u>267,656</u>	<u>241,199</u>	<u>257,940</u>	<u>270,286</u>
Total primary government expenses	<u>515,911</u>	<u>520,424</u>	<u>515,037</u>	<u>483,905</u>	<u>470,302</u>
Program Revenues					
Governmental activities :					
Charges for services					
General government	850	101	393	160	160
Police	4,207	3,956	3,763	3,729	3,612
Fire	3,170	3,522	3,174	3,691	3,684
Public works	1,728	1,426	1,361	1,354	1,147
Community development	7,833	16,828	11,467	21,399	9,630
Parks and recreation	3,725	3,918	4,188	3,467	3,759
Library	183	184	184	179	179
Operating grants and contributions	18,404	19,238	17,869	19,040	19,214
Capital grants and contributions	-	-	-	-	-
Total governmental activities program revenues	<u>40,100</u>	<u>49,173</u>	<u>42,399</u>	<u>53,019</u>	<u>41,385</u>
Business-type activities :					
Charges for services :					
Water reclamation & sewer	14,459	14,941	15,915	16,606	17,056
Golf course	19,303	1,769	2,005	1,932	887
Electric utility	235,020	225,901	202,216	218,712	224,958
Water utility	22,118	23,281	26,682	27,724	31,286
Refuse collection & disposal	14,332	15,016	15,474	16,365	16,302
Operating grants and contributions	530	-	4,502	1,898	2,639
Capital grants and contributions	2,659	4,120	1,705	732	891
Total business-type activities program revenues	<u>308,421</u>	<u>285,028</u>	<u>268,499</u>	<u>283,969</u>	<u>294,019</u>
Total primary government program revenues	<u>348,521</u>	<u>334,201</u>	<u>310,898</u>	<u>336,988</u>	<u>336,988</u>
Net (expense) / revenue					
Governmental activities	(191,183)	(203,595)	(231,439)	(172,946)	(158,631)
Business-type activities	<u>23,793</u>	<u>17,372</u>	<u>27,300</u>	<u>26,029</u>	<u>23,733</u>
Total primary government net expense	<u>(167,390)</u>	<u>(186,223)</u>	<u>(204,139)</u>	<u>(146,917)</u>	<u>(134,898)</u>

SOURCE : City Financial Services Department

(Continued)

City of Burbank

**Table 2 - Changes in Net Position
Last Ten Fiscal Years (accrual basis)
(in thousands)
(Unaudited)**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General Revenues and Other					
Changes in Net Position					
Governmental activities :					
Property tax	79,803	66,240	46,328	46,499	32,936
Sales tax	24,948	29,907	31,352	32,967	31,657
Utility users tax	19,908	18,524	19,784	20,237	19,905
Franchise tax	8,760	8,938	8,436	8,574	4,919
Motor-vehicle in-lieu tax	4,212	4,559	4,631	5,021	8,819
Transient occupancy tax	5,273	5,686	5,943	6,548	7,145
Transient parking tax	2,759	2,886	2,821	2,805	2,818
Unrestricted investment earnings	17,631	14,315	9,565	7,802	18,156
Other	7,412	22,389	29,789	17,142	27,025
Extraordinary gain on dissolution of redevelopment agency	-	-	116,599	-	-
Transfers	11,667	11,354	11,651	12,183	12,058
Total governmental activities	<u>182,373</u>	<u>184,798</u>	<u>286,899</u>	<u>159,778</u>	<u>165,438</u>
Business-type activities :					
Unrestricted investment earnings	3,771	3,327	2,358	43	2,939
Other	255	1,706	(2,228)	2,469	2,606
Transfers	(11,667)	(11,354)	(11,651)	(12,183)	(12,058)
Total business-type activities	<u>(7,641)</u>	<u>(6,321)</u>	<u>(11,521)</u>	<u>(9,671)</u>	<u>(6,513)</u>
Total primary government	<u>174,732</u>	<u>178,477</u>	<u>275,378</u>	<u>150,107</u>	<u>158,925</u>
Change in Net Position					
Governmental activities	(8,810)	(18,797)	89,872	(13,168)	6,807
Business-type activities	16,152	11,071	15,779	16,358	17,220
Total primary government	<u>7,342</u>	<u>(7,726)</u>	<u>105,651</u>	<u>3,190</u>	<u>24,027</u>

City of Burbank

**Table 3 - Fund Balances of Governmental Funds
Last Ten Fiscal Years (modified accrual basis)
(in thousands)
(Unaudited)**

Fiscal Year	General Fund Reserved	General Fund Unreserved	Total General Fund	All Other Governmental Reserved	Special Revenue Unreserved	Capital Projects Unreserved	All Other Governmental Funds
2009-10	64,841	43,679	108,520	182,572	28,896	59,907	271,375

GASB 54 Fund Balance

Fiscal Year	General Fund Nonspendable	General Fund Restricted	General Fund Committed	General Fund Assigned	General Fund Unassigned	Total General Fund
2010-11	43,503	149	-	10,384	46,871	100,907
2011-12	30,822	107	-	8,538	47,098	86,565
2012-13	46,384	119	-	5,202	43,189	94,894
2013-14	46,451	741	-	2,986	43,312	93,490
2014-15	46,171	1,023	-	2,356	48,320	97,870
2015-16	44,081	1,281	-	3,551	57,097	106,010
2016-17	33,281	1,476	-	2,060	63,708	100,525
2017-18	31,838	1,319	-	1,557	67,319	102,033
2018-19	23,477	1,491	-	2,982	86,404	114,354

Fiscal Year	All Other Governmental Nonspendable	All Other Governmental Restricted	All Other Governmental Committed	All Other Governmental Assigned	All Other Governmental Unassigned	All Other Governmental Funds
2010-11	1,834	207,305	20,397	65,695	(36,396)	258,835
2011-12	352	138,120	19,364	54,744	(542)	212,038
2012-13	12,124	135,103	17,053	29,461	(564)	193,177
2013-14	184	166,474	16,723	30,194	(807)	212,768
2014-15	208	110,217	19,576	29,195	(816)	158,380
2015-16	174	106,781	20,392	29,645	-	156,992
2016-17	213	105,796	17,873	31,353	(71)	155,164
2017-18	161	65,996	20,177	29,705	(13)	116,026
2018-19	237	70,769	16,883	33,456	(187)	121,158

SOURCE : City Financial Services Department

City of Burbank

**Table 4 - Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years (modified accrual basis)
(in thousands)
(Unaudited)**

	2015	2016	2017	2018	2019
Revenues					
Sales tax	30,441	34,228	35,197	34,605	43,747
Property tax	37,351	47,113	48,924	52,848	54,980
Utility Users tax	19,312	19,384	19,185	18,702	17,520
Other	27,370	14,013	10,324	11,915	16,019
Total Taxes	<u>114,474</u>	<u>114,738</u>	<u>113,630</u>	<u>118,070</u>	<u>132,266</u>
Licenses & Permits	5,852	4,929	5,928	5,907	6,543
Fines, forfeitures, and penalties	2,570	2,380	2,406	2,529	2,286
Use of money or property	14,575	7,188	4,303	6,303	9,533
Intergovernmental	31,763	29,639	29,001	38,025	36,201
Charges for services	<u>34,375</u>	<u>31,940</u>	<u>38,166</u>	<u>37,522</u>	<u>41,804</u>
 Total revenues	 203,609	 190,814	 193,434	 208,356	 228,633
Expenditures					
General government	15,640	12,900	18,776	16,308	12,605
Public Safety	80,519	84,953	91,108	92,699	92,470
Environmental	52,005	52,196	59,847	58,357	62,726
Culture and recreation	23,517	24,567	24,190	24,875	27,752
Capital outlay	14,337	14,899	10,592	18,368	13,240
Debt service :					
Principal	53,185	3,670	3,920	45,960	1,825
Other	-	-	-	-	-
Interest	<u>4,041</u>	<u>2,959</u>	<u>2,779</u>	<u>740</u>	<u>522</u>
 Total expenditures	 243,244	 196,144	 211,212	 257,307	 211,140
 Excess of revenues over (under) expenditures	 <u>(39,635)</u>	 <u>(5,330)</u>	 <u>(17,778)</u>	 <u>(48,951)</u>	 <u>17,493</u>
Other financing sources (uses)					
Transfers in	14,867	15,896	16,505	17,193	5,611
Transfers out	(4,294)	(4,793)	(6,064)	(5,894)	(5,658)
Other revenues	<u>92</u>	<u>152</u>	<u>24</u>	<u>22</u>	<u>7</u>
 Total other financing sources (uses)	 10,665	 11,255	 10,465	 11,321	 (40)
 Extraordinary gain/(loss) on dissolution of Redevelopment agency	 -	 -	 -	 -	 -
 Net change in fund balances	 <u>(28,970)</u>	 <u>5,925</u>	 <u>(7,313)</u>	 <u>(37,630)</u>	 <u>17,453</u>
 Debt service as a percentage of noncapital expenditures	 25.0%	 3.7%	 3.3%	 19.5%	 1.2%

(Continued)

SOURCE : City Financial Services Department

City of Burbank

**Table 4 - Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years (modified accrual basis)
(in thousands)
(Unaudited)**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Revenues					
Sales tax	\$ 24,948	29,789	31,352	32,967	31,657
Property tax	79,803	76,308	46,328	46,499	32,936
Utility Users tax	19,908	18,524	19,784	20,237	19,905
Other	13,279	12,230	24,786	13,529	25,692
Total Taxes	<u>137,938</u>	<u>136,851</u>	<u>122,250</u>	<u>113,232</u>	<u>110,190</u>
Licenses & Permits	3,680	3,798	4,228	4,373	4,298
Fines, forfeitures, and penalties	2,597	2,340	2,590	2,308	2,110
Use of money or property	16,281	11,232	11,449	5,625	11,447
Intergovernmental	29,056	29,604	26,056	27,617	28,282
Charges for services	<u>29,032</u>	<u>46,766</u>	<u>45,439</u>	<u>38,368</u>	<u>32,049</u>
 Total revenues	 218,584	 230,591	 212,012	 191,523	 188,376
Expenditures					
General government	48,736	40,537	32,607	23,113	12,391
Public Safety	75,205	72,832	77,111	80,070	79,432
Environmental	37,856	60,374	59,325	60,377	53,791
Culture and recreation	30,527	25,213	25,032	23,066	23,358
Capital outlay	18,330	22,552	23,895	38,223	11,840
Debt service :					
Principal	9,115	9,590	15,280	4,500	6,700
Other	-	-	-	-	-
Interest	<u>21,841</u>	<u>22,007</u>	<u>13,939</u>	<u>2,959</u>	<u>6,786</u>
 Total expenditures	 241,610	 253,105	 247,189	 232,308	 194,298
 Excess of revenues over (under) expenditures	 <u>(23,026)</u>	 <u>(22,514)</u>	 <u>(35,177)</u>	 <u>(40,785)</u>	 <u>(5,922)</u>
Other financing sources (uses)					
Transfers in	53,290	69,253	24,462	20,084	17,885
Transfers out	(41,276)	(57,399)	(13,070)	(5,451)	(4,307)
Other revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,620</u>	<u>28</u>
 Total other financing sources (uses)	 12,014	 11,854	 11,392	 30,253	 13,606
 Extraordinary gain/(loss) on dissolution of Redevelopment agency			<u>(37,354)</u>	<u>-</u>	<u>-</u>
 Net change in fund balances	 <u>\$ (11,012)</u>	 <u>(10,660)</u>	 <u>(61,139)</u>	 <u>(10,532)</u>	 <u>\$ 7,684</u>
 Debt service as a percentage of noncapital expenditures	 13.9%	 13.7%	 13.1%	 3.8%	 7.4%

SOURCE : City Financial Services Department

City of Burbank

**Table 5 - Electricity Sold by Type of Customer
Last Ten Fiscal Years
(in thousands)
(Unaudited)**

Fiscal Year	Residential	Commercial	Large Commercial	Street Lights/ Traffic	Wholesale	Other
2009-10	37,147	40,797	68,984	2,605	75,946	4,641
2010-11	37,326	42,948	68,851	2,294	59,200	8,640
2011-12	38,096	43,717	69,331	2,325	35,484	4,959
2012-13	41,404	44,617	70,123	2,399	44,295	6,628
2013-14	39,910	46,479	68,755	2,385	50,151	-
2014-15	43,109	48,980	71,086	-	35,691	9,169
2015-16	45,021	49,301	71,761	-	27,150	8,931
2016-17	44,978	49,961	72,470	-	23,512	8,554
2017-18	45,387	48,837	74,360	-	21,252	7,866
2018-19	43,287	44,485	69,916	-	21,784	4,696

Effective July 1, 2018, instead of passing through the Electric Fund, the in-lieu transfer is accounted for directly in the General Fund.

City of Burbank

**Table 6 - Electricity Rates
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Residential	Commercial	Large Commercial
2009-10	0.13506	0.13482	0.11806
2010-11	0.14097	0.14224	0.12516
2011-12	0.14401	0.14319	0.12616
2012-13	0.14710	0.14346	0.12832
2013-14	0.14910	0.14645	0.12810
2014-15	0.15810	0.15590	0.13950
2015-16	0.16160	0.16080	0.14310
2016-17	0.16510	0.16490	0.14550
2017-18	0.16570	0.16760	0.14480
2018-19	0.15810	0.15890	0.13660

Effective July 1, 2018, instead of passing through the Electric Fund, the in-lieu transfer is accounted for directly in the General Fund

City of Burbank

Table 7 - Largest Electrical Customers

Per Burbank Water & Power during the fiscal year the top 10 Electric Utility customers consumed 22.59% of total electricity supplied and were billed 22.44% of total electric service revenues.

City of Burbank

**Table 8 - Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(in thousands)
(Unaudited)**

Fiscal Year	Fiduciary		Governmental Activities		Total Gov't'l Activities
	Fiduciary Activities				
	Community Facilities District Bonds	Tax Allocation Bonds	Pension Obligation Bonds	Revenue Bonds	
2009-10	5,860		17,545	206,579	224,124
2010-11	5,555		16,915	198,581	215,496
2011-12	5,235		16,175	204,311	220,486
2012-13	4,900		15,315	196,014	211,329
2013-14	4,555	108,366	14,320	95,505	109,825
2014-15	-	91,841	13,185	49,170	62,355
2015-16	-	84,862	11,895	46,790	58,685
2016-17	-	78,263	10,440	44,325	54,765
2017-18	-	67,737	8,805	-	8,805
2018-19	-	60,921	6,980	-	6,980

Source : Financial Services Department

City of Burbank

**Table 8 - Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(in thousands)
(Unaudited)**

Fiscal Year	Business-Type Activities		Total Bus. Type Activities	Total (3) Primary Govt.	Pct (1) Personal Income	Per Capita (1)
	Revenue Bonds	Loans				
2008-09	100,808	1,007	101,815	334,142	7.77%	3.09
2009-10	137,762	823	138,585	362,709	7.91%	3.34
2010-11	166,075	634	166,709	382,205	8.97%	3.66
2011-12	160,487	961	161,448	381,934	8.75%	3.66
2012-13	153,446	7,260	160,706	372,035	8.33%	3.54
2013-14	145,605	8,437	154,042	263,867	5.62%	2.50
2014-15	138,867	8,023	146,890	209,245	4.24%	1.97
2015-16	131,993	7,634	139,627	198,312	3.82%	1.89
2016-17	124,988	7,234	132,222	186,987	3.33%	1.78
2017-18	110,517	6,404	116,921	123,901	2.00%	1.17

- (1) This ratio is calculated using personal income for two prior calendar years for the prior calendar year.
- (2) This ratio is calculated using population for the prior calendar year.
- (3) Includes debt in Fidiuciary Trust Fund.

City of Burbank

**Table 9 - Ratio of General Bonded Debt Outstanding
Last Ten Fiscal Years
(in thousands)
(Unaudited)**

Outstanding General Bonded Debt					
Fiscal Year	Revenue Bonds	Pension Obligation Bonds	Total General Debt	Pct. of Assessed Value (1)	Per Capita (2)
2009-10	206,579	17,545	224,124	1.23%	2.07
2010-11	198,581	16,915	215,496	1.18%	2.07
2011-12	204,311	16,175	220,486	1.21%	2.11
2012-13	196,014	15,315	211,329	1.15%	2.00
2013-14	95,505	14,320	109,825	0.58%	1.05
2014-15	49,170	13,185	62,355	0.26%	0.59
2015-16	46,790	11,895	58,685	0.28%	0.56
2016-17	44,325	10,440	54,765	0.26%	0.52
2017-18	-	8,805	8,805	0.04%	0.08
2018-19	-	6,980	6,980	0.03%	0.07

(1) Assessed value has been used because the actual value of taxable property is not readily available in the State of California.

(2) This ratio is calculated using the prior year's population.

City of Burbank

**Table 10 - Schedule of Direct and Overlapping Debt
June 30, 2019
(in thousands)
(Unaudited)**

City Assessed Valuation	\$	23,948,318
Redevelopment Agency Incremental Valuation		7,084,756
		31,033,074
		\$ 31,033,074

Total Assessed Valuation

	Percentage Applicable (1)	Outstanding Debt 17/18	Estimated Share of Overlapping Debt
Los Angeles County	1.448%	23,317	338
Burbank Unified School District	100.000%	133,006	133,006
Los Angeles Community College District	2.816%	3,930,390	110,674
		4,086,713	244,018
Total overlapping debt			
City direct debt :			
Successor Agency bonds (2)		60,921	
Pension obligation bonds		6,980	
Total City direct debt			67,901
Total direct and overlapping debt			\$ 311,919

Note : (1) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within City boundaries and dividing it by each unit's total taxable assessed value.

(2) Successor Agency tax allocation debt is reflected in the Fiduciary Fund statement of net position.

City of Burbank

**Table 11 - Legal Debt Margin Information
Last Ten Fiscal Years
(in thousands)
(Unaudited)**

Fiscal Year	Debt Limit	Total Net Debt	Legal Debt Margin	Pct (1)
2009-10	2,511,195	208,744	2,302,451	8.31%
2010-11	2,743,065	190,789	2,552,276	6.96%
2011-12	2,723,655	137,674	2,585,981	5.05%
2012-13	2,767,712	131,563	2,636,149	4.75%
2013-14	2,850,211	99,583	2,750,761	3.49%
2014-15	2,877,262	112,235	2,765,027	3.90%
2015-16	3,111,620	72,949	3,038,671	2.34%
2016-17	3,218,528	66,525	3,152,003	2.07%
2017-18	3,463,247	54,050	3,409,197	1.56%
2018-19	3,592,248	54,385	3,537,863	1.51%

Note : (1) Full title : Total net debt applicable to the limit as a percentage of the debt limit

Net assessed value		\$ 23,948,318
Debt limit - 15% of assessed value		3,592,248
Amount of debt applicable to debt limit :		
Successor Agency - tax allocation bonds (1)	54,385	
Total	54,385	
Less :		
Reserves in Debt Service funds available for payment of principal :		
Successor Agency	-	
Total	-	
Total amount of debt applicable to debt limit	54,385	
Legal debt margin		\$ 3,537,863

(1) Reflected in the Fiduciary Trust Fund statements.

Source : City Financial Services Department

City of Burbank

**Table 12 - Pledged Revenue Coverage
Last Ten Fiscal Years
(in thousands)
(Unaudited)**

Fiscal Year	Gross Revenues (3)	Operations & maintenance expenses (1)	Net revenues	Debt service requirement (2)	Times coverage
ELECTRIC UTILITY FUND					
2009-10	239,870	207,144	32,726	6,418	5.10
2010-11	229,981	201,254	28,727	10,643	2.70
2011-12	209,467	175,748	33,719	6,127	5.50
2012-13	223,176	182,461	40,715	7,603	5.36
2013-14	230,366	194,311	36,055	7,464	4.83
2014-15	219,508	179,878	39,630	7,465	5.31
2015-16	211,450	168,081	43,369	7,469	5.81
2016-17	207,257	161,947	45,310	7,465	6.07
2017-18	206,505	159,938	46,567	7,468	6.24
2018-19	198,589	171,205	27,384	7,468	3.67
WATER UTILITY FUND					
2009-10	22,913	16,705	6,208	1,102	5.63
2010-11	23,925	19,845	4,080	1,704	2.39
2011-12	27,404	21,085	6,319	2,386	2.65
2012-13	28,125	22,544	5,581	2,381	2.34
2013-14	32,137	25,558	6,579	2,346	2.80
2014-15	29,872	24,558	5,314	2,592	2.05
2015-16	27,542	22,918	4,624	2,593	1.78
2016-17	31,115	28,969	2,146	2,593	0.83
2017-18	34,664	28,842	5,822	2,596	2.24
2018-19	32,368	26,594	5,774	2,596	2.22
WATER RECLAMATION AND SEWER FUND					
2009-10	15,816	8,630	7,186	1,421	5.06
2010-11	15,342	9,743	5,599	1,414	3.96
2011-12	16,217	9,562	6,655	1,417	4.70
2012-13	16,622	10,408	6,214	1,419	4.38
2013-14	17,961	10,154	7,807	1,422	5.49
2014-15	19,443	9,714	9,729	1,223	7.96
2015-16	18,352	10,466	7,886	1,222	6.45
2016-17	17,358	13,925	3,433	1,222	2.81
2017-18	17,679	10,794	6,885	1,217	5.66
2018-19	19,710	14,599	5,111	1,217	4.20

(Continued)

City of Burbank

**Table 12 - Pledged Revenue Coverage
Last Ten Fiscal Years
(in thousands)
(Unaudited)**

Fiscal Year	Gross Revenues (3)	Operations & maintenance expenses (1)	Net revenues	Debt service requirement (2)	Times coverage
REFUSE COLLECTION AND DISPOSAL FUND					
2009-10	15,474	12,359	3,115	964	3.23
2010-11	15,760	13,099	2,661	949	2.80
2011-12	16,564	13,922	2,642	964	2.74
2012-13	17,105	15,708	1,397	557	2.51
2013-14	17,166	13,080	4,086	751	5.44
2014-15	17,743	13,514	4,229	748	5.65
2015-16	17,870	13,782	4,088	759	5.39
2016-17	18,143	14,675	3,468	752	4.61
2017-18	17,597	14,724	2,873	748	3.84
2018-19	19,532	15,665	3,867	748	5.17

Fiscal Year	Tax Increment	TAX ALLOCATION BONDS Debt Service		Times coverage
		Principal	Interest	
2009-10	53,171	5,280	9,700	3.55
2010-11	50,343	5,550	9,432	3.36
2011-12	24,358	9,685	10,458	1.21
2012-13	22,928	6,120	8,828	1.53
2013-14	22,775	6,445	8,496	1.52
2014-15	10,387	6,365	5,909	0.85
2015-16	19,500	6,805	4,081	1.79
2016-17	13,239	6,425	3,853	1.29
2017-18	18,746	6,655	3,583	1.83
2018-19	17,431	6,525	3,583	1.72

- Notes :
- (1) Total operating expenses exclude depreciated cost.
 - (2) Debt service represents cash requirements during the year.
 - (3) Gross revenues are total operating revenues, interest income, intergovernmental revenues, gain on disposal of fixed assets, and other income.

City of Burbank

**Table 13 - Demographic and Economic Statistics
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Population (1)	Personal Income (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
2009-10	108,469	4,584,442	42,265	10.0%
2010-11	104,304	4,262,592	40,867	9.7%
2011-12	104,427	4,364,109	41,791	9.0%
2012-13	104,982	4,468,454	42,564	7.5%
2013-14	105,543	4,693,919	44,474	6.6%
2014-15	106,084	4,936,088	46,530	6.1%
2015-16	105,110	5,192,434	49,400	4.3%
2016-17	105,033	5,621,471	53,521	3.8%
2017-18	107,149	5,960,056	55,624	5.2%
2018-19	105,952	6,189,610	58,419	5.7%

- Note:
- (1) State of California Department of Finance
 - (2) (3) X (1); In Thousands
 - (3) Bureau Economic Analysis, Dept. of Commerce. For Los Angeles County. CA1-3 per capital personal income (Metropolitan divisions)
 - (4) State of California Economic Development Department.

City of Burbank
Table 14 - Principal Employers
Current Year and Ten Years Ago
(Unaudited)

	2019		2010	
	Number of Employees	%	Number of Employees	%
1. Warner Bros. Entertainment	4,612	6.9%	7,900	13.0%
2. The Walt Disney Company	4,754	7.1%	7,400	12.2%
3. Providence St. Joseph's Hospital	2,850	4.3%	2,850	4.7%
4. Bob Hope Airport	2,200	3.3%	2,400	4.0%
5. Burbank Unified School District	1,800	2.7%	1,800	3.0%
6. City of Burbank	1,600	2.4%	1,712	2.8%
7. Deluxe Shared Services	1,500	2.2%	1,300	2.1%
8. ABC Inc	1,191	1.8%	1,200	2.0%
9. Entertainment Partners	796	1.2%	600	1.0%
10. Nickelodeon Animation	602	0.9%	600	1.0%
Other employers	44,853	67.2%	32,870	54.2%
(1)	66,758	100.0%	60,632	100.0%

(1) The total employees includes all employees in agencies which are required to report their employee counts to the City. Non-profit agencies are not required to report this information.

City of Burbank

**Table 15 - Full-Time and Part-Time City Employees by Function
Last Ten Fiscal Years
(Unaudited)**

	Fiscal year ended June 30,				
	2019	2018	2017	2016	2015
General government	186	158	220	165	145
Police	269	269	271	271	266
Fire	136	136	136	136	135
Public works	88	88	111	111	108
Community development	51	51	51	51	49
Parks and recreation	167	166	165	231	222
Library	65	65	65	65	63
Water Reclamation and Sewer	12	12	11	11	11
Electric Utility	286	286	286	286	286
Water Utility	53	53	51	53	51
Refuse Collection & Disposal	62	62	55	56	55
	1,375	1,346	1,422	1,436	1,391
	2014	2013	2012	2011	2010
General government	161	163	161	166	166
Police	265	265	265	268	271
Fire	135	137	139	139	139
Public works	128	129	131	136	144
Community development	75	81	97	93	82
Parks and recreation	160	157	154	158	178
Library	63	63	62	64	67
Water Reclamation and Sewer	11	11	11	12	12
Electric Utility	286	286	288	288	278
Water Utility	51	51	51	51	50
Refuse Collection & Disposal	55	55	54	49	48
	1,390	1,398	1,413	1,424	1,435

(1) For years prior to 2008, only full-time employees are shown.

City of Burbank

**Table 16 - Operating Indicators by function, concluded
Last Ten Fiscal Years
(Unaudited)**

	Fiscal year ended June 30,				
	2019	2018	2017	2016	2015
Police :					
Arrests	4,785	4,699	4,964	5,155	5,601
Reports taken	10,808	11,830	14,976	13,016	11,848
Service calls	45,816	50,587	48,923	47,432	44,663
Animals entering shelter (1)	1,496	1,796	1,944	2,013	2,220
Moving violations issued	8,025	11,665	12,672	12,019	15,377
Fire :					
Safety employees	120	120	120	135	125
Fire incidents	1,961	1,409	1,348	1,331	1,221
Medical incidents	8,622	9,127	9,004	8,759	7,818
Community Development :					
Building permits	3,961	4,245	4,097	4,372	4,060
Business licenses/business permits (3)	915	940	960	965	938
Business tax registrations	12,455	12,567	12,639	12,903	13,043
Parks and Recreation :					
Number of street trees	27,875	28,051	28,375	28,532	28,505
Sports participants	19,875	14,830	15,599	15,709	15,230
Afterschool and daycamp participants	1,200	1,787	1,488	4,935	13,924
Special interest participants	11,495	10,966	11,421	11,000	11,004
Burbank bus ridership (2)	278,272	280,363	300,118	330,103	317,178
RSVP volunteer hours served	109,206	109,206	128,881	138,407	119,955
Library :					
Number of books	348,223	403,172	423,707	438,872	480,374
Number of audiovisual recordings	70,871	69,397	75,301	88,869	85,482
Water Reclamation & Sewer :					
Customer accounts (4)	47,766	47,620	47,506	47,529	47,371
Electric Utility :					
Number of meters	56,641	55,902	55,885	53,153	54,086
Generating capacity (KW)	225,000	225,000	225,000	225,000	225,000
Peak demand (KW)	322,000	322,000	279,467	309,000	316,000
Water Utility :					
Number of meters	27,923	27,811	27,670	26,820	27,003
Average daily gallons used	13,560	14,180	13,023	12,095	14,694
Refuse collection & Disposal :					
Customer accounts	53,307	52,073	51,475	50,728	49,853
Golf Course :					
Rounds of full golf	45,710	44,983	54,000	51,200	56,000
Rounds of 3 par golf	3,281	3,747	6,000	7,852	13,000

(Continued)

City of Burbank

**Table 16 - Operating Indicators by function, concluded
Last Ten Fiscal Years
(Unaudited)**

	Fiscal year ended June 30,				
	2014	2013	2012	2011	2010
Police :					
Arrests	5,802	5,628	5,443	5,492	7,417
Reports taken	12,221	12,387	12,359	11,953	12,209
Service calls	44,355	44,889	44,889	42,566	39,966
Animals entering shelter (1)	2,630	2,504	2,839	2,879	3,068
Moving violations issued	13,703	14,445	13,337	13,127	17,450
Fire :					
Safety employees	120	123	115	125	125
Fire incidents	1,221	1,218	1,260	1,243	1,293
Medical incidents	7,818	7,818	7,457	7,568	7,418
Community Development :					
Building permits (3)	4,428	5,749	4,388	3,978	3,601
Business licenses	1,026	1,005	1,020	799	2,000
Business tax registrations	12,791	12,620	12,333	11,757	14,000
Parks and Recreation :					
Number of street trees	28,631	28,788	28,758	28,656	28,643
Sports participants	17,290	15,507	17,540	17,619	16,489
Afterschool and daycamp participants	13,716	15,140	14,825	11,640	11,892
Special interest participants	11,416	13,258	11,585	7,871	8,718
Burbank bus ridership (2)	332,232	351,724	359,092	392,637	520,372
RSVP volunteer hours served	178,000	178,000	178,000	189,000	187,875
Library :					
Number of books	548,494	531,253	512,118	482,490	433,975
Number of audiovisual recordings	87,254	82,415	76,981	71,148	69,802
Water Reclamation & Sewer :					
Customer accounts (4)	47,242	55,883	48,044	47,690	47,413
Electric Utility :					
Number of meters	53,130	52,788	52,766	52,627	51,796
Generating capacity (KW)	225,000	211,000	211,000	225,000	225,000
Peak demand (KW)	266,000	294,000	305,000	322,000	286,000
Water Utility :					
Number of meters	26,880	26,853	26,815	26,792	26,506
Average daily gallons used	17,796	17,117	16,856	21,980	18,854
Refuse collection & Disposal :					
Customer accounts	48,996	48,331	53,536	51,650	50,132
Golf Course :					
Rounds of full golf	55,000	56,782	58,357	52,185	60,933
Rounds of 3 par golf	14,000	15,100	16,624	17,108	21,775

(1) For years 2006 and after, includes dogs and cats.

(2) For years 2000-2013 includes Got Wheels program. Got Wheels Program was discontinued in 2013. Includes Parks & Recreation Summer Camps and Management Services Summer programs provided with Got Wheels Vehicles.

(3) For years 2009 and after, includes business licenses and business permits. For years 2008 and before, includes only business licenses.

(4) For years 2007, 2008 and 2009 the figure shows how many distinct customers were billed at one time for sewer during the year.

City of Burbank

**Table 17 - Capital Asset Statistics
Last Ten Fiscal Years
(Unaudited)**

	Fiscal year ended June 30,				
	2019	2018	2017	2016	2015
Police :					
Stations	1	1	1	1	1
Fire :					
Stations	6	6	6	6	6
Public works :					
Miles of streets	228	228	228	228	228
Miles of alleys	49	49	49	49	49
Miles of sidewalks	368	368	368	368	368
Street lights	9,568	9,568	9,551	9,335	9,180
Miles of storm drains	63	63	63	63	63
Signalized intersections	196	196	196	196	196
Parks and Recreation :					
Number of parks	32	32	32	28	28
Swimming pools	2	2	2	2	2
Tennis courts	21	23	21	21	21
Ballfields	15	15	15	13	13
Community gymnasiums	2	3	3	3	3
Library :					
Main and branch libraries	3	3	3	3	3
Water Reclamation & Sewer :					
Miles of sewers	230	230	225	225	225
Electric Utility :					
Transmission & distribution lines (miles)	421	412	407	421	419
Water Utility :					
Miles of water mains	280	280	280	280	280

(Continued)

City of Burbank

**Table 17 - Capital Asset Statistics
Last Ten Fiscal Years
(Unaudited)**

	Fiscal year ended June 30,				
	2014	2013	2012	2011	2010
Police :					
Stations	1	1	1	1	1
Fire :					
Stations	6	6	6	6	6
Public works :					
Miles of streets	228	228	228	228	228
Miles of alleys	49	49	49	49	49
Miles of sidewalks	368	368	368	367	367
Street lights	9,148	9,133	9,008	9,419	9,383
Miles of storm drains	63	61	61	61	61
Signalized intersections	196	196	196	194	190
Parks and Recreation :					
Number of parks	28	28	28	27	26
Swimming pools	2	2	2	2	2
Tennis courts	21	21	21	24	24
Ballfields	15	15	15	16	16
Community gymnasiums	3	3	3	3	3
Library :					
Main and branch libraries	3	3	3	3	3
Water Reclamation & Sewer :					
Miles of sewers	225	223	223	223	223
Electric Utility :					
Transmission & distribution lines (miles)	420	405	419	356	356
Water Utility :					
Miles of water mains	280	280	280	280	278

City of Burbank
Table 18 - Schedule of Credits
June 30, 2019
(Unaudited)

Cindy Giraldo Financial Services Director	General Overview Management's discussion & analysis Letter of Transmittal
Dino Balos, CPA Accounting and Auditing Manager	General Overview Management's discussion & analysis Letter of Transmittal Audit Coordination Enterprise Funds
Craig Wood, Financial Systems Manager	General Overview Management's discussion & analysis Systems Programming Grant Activity Report (Single Audit)
Heidi Okimoto, Principal Accountant	Governmental Funds General Fund General City Capital Projects Fund Nutrition Accounting Inventory Accounting Notes to Financial Statements
Angela O'Connor, Senior Accountant	Successor Agency - Private Purpose Trust Fund Redevelopment Capital Projects & Debt Service Funds Internal Service Funds Special Revenue Funds Notes to Financial Statements
Eva Felipe Accountant	Enterprise Funds
Jonathan Mendoza Accountant	Projects Accounting Statistical Section
Cathy Jaramillo Accountant	Fixed Assets Accounting Bond Cash Reconciliations Nutrition Accounting Fuel Accounting
Cassidy Allen, Graphic Illustrator	Cover photos and design



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