

**Sen. John Moorlach**  
**Ranks California's**  
**482 Cities**  
**for Financial Soundness**

By State Sen. John Moorlach  
37<sup>th</sup> District

Edition: March 14, 2018

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# Sen. John Moorlach Ranks California's 482 Cities for Financial Soundness

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Many of California's 482 cities are in financial distress, facing a tipping point to insolvency mainly due to unfunded pension liabilities. Yet many other cities are in decent financial condition, according to their audited financial statements, as presented in their Comprehensive Annual Financial Reports, called CAFRs.

Is there a simple metric in the CAFRs that can be used to find the range of the financial status as to positive and negative? Yes, there is, and here's how to calculate it: divide the unrestricted net position (UNP) by the city's population. Use this process:

- A. In each CAFR, specifically look at the "Basic Financial Statements" for "Statement of Net Position."
- B. Look at the top row for "Governmental Activities."
- C. Then look down the column to where it says, "Net Position," then "Unrestricted."
- D. That's the number you want: the Unrestricted Net Position, or UNP.
- E. It either will be a positive number, or, if there are brackets around it, a negative number. (Also notice if it says at the top "in thousands," meaning you should add three more zeroes to the number.)

So what does that provide? Well, some 218 cities are in the positive portion of the curve, the rest are not. And, the numbers are likely to get worse with the CAFRs based on the fiscal year ending June 30, 2018, as retiree medical liabilities will have to be included on the balance sheets.

This number is the key because it is about purely governmental activities. It doesn't include, for example, concessions from what are called "business-type activities," such as operating vending machines at a library.

F. Next, we divide UNP by the city's population, giving us the UNP per capita. That shows how much you, as a resident, are affected by city finances. If it's a positive number, especially a high one, then all to the good. If it's a negative number, then not so good.

## **Updates Every Six Months**

This was a fun exercise. So, I'll be doing it every six months, as Comprehensive Annual Financial Reports (CAFRs) seem to dribble in at their own pace.

I plan on releasing an update in August. Cities are supposed to release their CAFRs by the fall after the fiscal year ends on June 30. But many have lagged behind, sometimes for years. Three small cities have yet to release their CAFRs to the public, despite repeated calls by my staff: Amador, Fort Jones and Westmoreland. So much for transparency. While there really should be no excuse for this tardiness, it makes me assume that they cannot afford the costs of the required annual audit by an independent, certified accounting firm.

Also, it would be helpful if each CAFR were to be put up on a city's website.

I recently released the metric of all the cities, with commentaries, in 10 volumes, all of them below, beginning with the cities in the worst shape.

Why the project? Well, in the California Senate I carried some eight public employee pension reform measures in 2017 alone. And did one city come to testify in support? No.

And, are they now crying about their predicament? Yes. See [www.sacbee.com/news/politics-government/the-state-worker/article198062129.html](http://www.sacbee.com/news/politics-government/the-state-worker/article198062129.html).

Note: 17 percent of Californians reside in unincorporated areas, which means they are governed by their county boards of supervisors, versus city councils. Consequently, expect a listing of the state's 58 counties soon.

## **California's State Government Finances**

As to the State Government of California, its CAFR for the year ending June 30, 2017 will be released later this month by Controller Betty Yee. But for the [2016 CAFR](#), per-capita UNP for the State Government was (\$168.55 billion). The U.S Census Bureau's [estimate](#) of the state's population on July 1, 2016, was 39.25 million.

So the state's per-capita UNP was (\$4,294) – ranking it worse than all but three cities, even worse than Oakland at (\$4,201).

And that's before unfunded retiree medical liabilities will be included in the 2017 CAFR to be released by April!

## **Volume 1 of Per Capita Unrestricted Net Position**

So, below are the first revised city standings, starting with the bottom 32. What do we find? The city of Vernon is an outlier, as it only has 209 people within its industrial borders. But, the

Sen. John Moorlach's City Rankings, March 14, 2018

unrestricted net position is still outrageous. A city like this should be well above zero. But, it ranks as number 482, based on its 2017 CAFR. At least its CAFR is current.

Note how many cities do not have the current CAFR available on their websites (at least half). Once the updated CAFRs are provided, the city rankings may change. But, it is March and the June 30, 2017 CAFRs should technically be up and available by now.

Some other thoughts:

The city and county of San Francisco ranked near the bottom when I did a similar study of all 58 counties with their 2010 CAFRs (for my 2012 State of the County Chairman’s Address – [MOORLACH UPDATE — State of the County — January 20, 2012](#)).

If the State of California were a city, it would place between Richmond (#480) ([MOORLACH UPDATE — City of Stanton — March 4, 2013](#) ) and Oakland (#479), making it a bottom dweller.

Plenty has already been written about the city of Isleton (#466) (see [Daily Journal Considers Municipal Bankruptcy september 29, 2009](#) and [MOORLACH UPDATE — Quasiquicentennial — December 24, 2013](#)).

This grouping represents one out of every five Californians residing in incorporated cities.

It’s time to get serious about pension reform.

<b>Rank</b>	<b>City</b>	<b>Population</b>	<b>UNP (Thousands)</b>	<b>UNP Per Capita</b>	<b>Year of CAFR</b>
482	Vernon	209	(\$101,678)	(\$486,498)	2017
481	El Segundo	16,717	(\$86,756)	(\$5,190)	2016
480	Richmond	111,785	(\$508,981)	(\$4,553)	2016
479	Oakland	426,074	(\$1,789,831)	(\$4,201)	2016
478	Culver City	40,103	(\$159,584)	(\$3,979)	2017
477	Cathedral City	54,557	(\$181,885)	(\$3,334)	2017
476	Berkeley	121,238	(\$394,430)	(\$3,253)	2017
475	Patterson	22,730	(\$71,034)	(\$3,125)	2016
474	San Francisco	874,228	(\$2,560,735)	(\$2,929)	2017
473	Santa Fe Springs	18,291	(\$49,235)	(\$2,692)	2016

472	Monterey	28,828	(\$73,816)	(\$2,561)	2017
471	Inglewood	114,900	(\$289,425)	(\$2,519)	2016
470	Sausalito	7,327	(\$17,852)	(\$2,436)	2016
469	Monrovia	38,514	(\$91,785)	(\$2,383)	2017
468	Pacific Grove	15,498	(\$35,936)	(\$2,319)	2017
467	Palm Springs	47,379	(\$104,512)	(\$2,206)	2017
466	Isleton	854	(\$1,860)	(\$2,178)	2015
465	Pasadena	143,333	(\$310,488)	(\$2,166)	2017
464	Del Rey Oaks	1,681	(\$3,590)	(\$2,136)	2014
463	South Lake Tahoe	21,024	(\$43,322)	(\$2,061)	2016
462	Torrance	147,101	(\$280,000)	(\$1,903)	2017
461	El Cerrito	24,600	(\$46,509)	(\$1,891)	2016
460	San Rafael	60,842	(\$112,913)	(\$1,856)	2017
459	San Jose	1,046,079	(\$1,935,465)	(\$1,850)	2017
458	South San Francisco	65,451	(\$120,120)	(\$1,835)	2016
457	San Bernardino	216,972	(\$388,600)	(\$1,791)	2016
456	Santa Barbara	93,063	(\$164,523)	(\$1,768)	2017
455	Mill Valley	14,910	(\$26,345)	(\$1,767)	2016
454	Redding	90,653	(\$157,130)	(\$1,733)	2017
453	Alameda	79,928	(\$138,357)	(\$1,731)	2017
452	Hayward	161,040	(\$266,000)	(\$1,652)	2017
451	Los Angeles	4,041,707	(\$6,579,324)	(\$1,628)	2017

## Volume 2 of Per Capita Unrestricted Net Position

This includes cities #450 to #401 out of 482, based on the per capita unrestricted net position. This group also includes six Orange County cities, all but Brea in my district. Costa Mesa (#444), Brea (#438), Newport Beach (#434), Anaheim (#426), Santa Ana (#423) and Huntington Beach (#422). This group represents about 16 percent of California's population.

<b>Rank</b>	<b>City</b>	<b>Population</b>	<b>UNP (Thousands)</b>	<b>UNP Per Capita</b>	<b>Year of CAFR</b>
450	San Fernando	24,486	(\$39,587)	(\$1,617)	2016
449	San Gabriel	41,020	(\$62,638)	(\$1,527)	2017
448	Montebello	63,917	(\$96,385)	(\$1,508)	2016
447	Vallejo	118,280	(\$174,091)	(\$1,472)	2017
446	Colton	53,879	(\$78,865)	(\$1,464)	2017
445	Pomona	155,306	(\$227,107)	(\$1,462)	2016
444	Costa Mesa	114,044	(\$161,805)	(\$1,419)	2017
443	Coalinga	16,982	(\$23,558)	(\$1,387)	2015
442	Benicia	27,695	(\$37,760)	(\$1,363)	2016
441	West Covina	107,813	(\$144,660)	(\$1,342)	2017
440	Redlands	69,851	(\$93,361)	(\$1,337)	2017
439	Vacaville	98,456	(\$131,084)	(\$1,331)	2016
438	Brea	44,214	(\$57,998)	(\$1,312)	2016
437	Hawthorne	87,662	(\$114,898)	(\$1,311)	2017
436	Scotts Valley	12,163	(\$15,637)	(\$1,286)	2017
435	Long Beach	480,173	(\$610,409)	(\$1,271)	2016
434	Newport Beach	84,915	(\$107,775)	(\$1,269)	2017
433	Arcadia	57,374	(\$72,804)	(\$1,269)	2017
432	Ukiah	16,314	(\$20,647)	(\$1,266)	2016
431	Mammoth Lakes	8,002	(\$9,909)	(\$1,238)	2016
430	Santa Cruz	65,070	(\$79,331)	(\$1,219)	2017
429	Redondo Beach	68,907	(\$83,567)	(\$1,213)	2017
428	Lodi	64,058	(\$77,162)	(\$1,205)	2017
427	Sacramento	493,025	(\$581,697)	(\$1,180)	2016
426	Anaheim	358,546	(\$410,613)	(\$1,145)	2017

425	Sonora	4,871	(\$5,545)	(\$1,138)	2016
424	Piedmont	11,283	(\$12,835)	(\$1,138)	2015
423	Santa Ana	341,341	(\$387,032)	(\$1,134)	2017
422	Huntington Beach	197,574	(\$222,863)	(\$1,128)	2016
421	Claremont	36,225	(\$40,697)	(\$1,123)	2017
420	San Diego	1,406,318	(\$1,577,390)	(\$1,122)	2017
419	Riverside	326,792	(\$362,146)	(\$1,108)	2017
418	Santa Clara	123,983	(\$135,819)	(\$1,095)	2017
417	Alhambra	86,922	(\$95,214)	(\$1,095)	2017
416	San Buenaventura	109,275	(\$118,254)	(\$1,082)	2016
415	Huntington Park	59,383	(\$63,625)	(\$1,071)	2016
414	Corte Madera	9,486	(\$10,130)	(\$1,068)	2016
413	Montclair	39,122	(\$41,621)	(\$1,064)	2017
412	Compton	100,050	(\$105,045)	(\$1,050)	2013
411	El Monte	114,268	(\$119,814)	(\$1,049)	2017
410	Monterey Park	61,606	(\$63,742)	(\$1,035)	2017
409	Pacifica	38,124	(\$39,127)	(\$1,026)	2016
408	Redwood City	85,601	(\$86,738)	(\$1,013)	2017
407	Gardena	60,721	(\$59,929)	(\$987)	2017
406	Woodland	59,616	(\$58,585)	(\$983)	2016
405	Capitola	10,162	(\$9,883)	(\$973)	2017
404	Gustine	5,886	(\$973)	(\$972)	2014
403	Needles	5,044	(\$4,878)	(\$967)	2015
402	Upland	76,790	(\$74,170)	(\$966)	2017
401	Downey	113,832	(\$109,605)	(\$963)	2017

**Volume 3 of Unrestricted Net Position**

The cities ranked between #400 and #351 are in the chart below. This grouping represents about 8.6 percent of the state's population.

Combining Volumes 1-3: These 132 cities comprise nearly 45 percent of California's residents, but are only 27 percent of its cities. Stated differently, nearly one half of Californians are living in the bottom quartile of cities.

Three Orange County cities are in Volume 3. They are Fullerton (#386), Orange (#367), which is in my District, and Fountain Valley (#362).

What observations can we make? Here are three to consider. Most Orange County cities with large unrestricted net deficits tend to be full service, having their own Police and Fire Departments. Contract cities using the Orange County Sheriff and the Orange County Fire Authority (OCFA) have the pension liabilities reported on the County of Orange and OCFA balance sheets. This is a dilemma for discussion at another time.

They are also older cities. For instance, Fullerton was founded in 1887, two years before Orange County split off of Los Angeles County. These legacy cities have larger retired populations than those recently incorporated in South County.

And they are looking for alternative resources. The voters in the city of Fountain Valley approved Measure HH in 2016, raising its sales tax rate an additional 1 percent. Here was the ballot question:

*“To maintain 911 emergency response times, fire stations, police officers/firefighters/paramedics, anti-gang/drug programs, after school, senior programs; upgrade first responder disaster communication; repair stormwater systems to prevent flooding, streets/potholes/parks; other general city services, shall the City of Fountain Valley establish a one-cent sales tax providing \$11.5 million annually for twenty year term, requiring public disclosure of expenditures, independent audits, all funds only for Fountain Valley?”*

Increasing the sales tax is a solution. But, instead of referring to potholes, it should have been honest and mentioned the pensions (see [MOORLACH UPDATE — Pension Tax Begins — December 21, 2016](#)).

In February 2017, the *Los Angeles Times* provided the following story in their “California’s Pension Crisis” series, titled “Costs push cities toward the brink,” by Judy Lin (see <https://www.pressreader.com/usa/los-angeles-times/20170210/281500750997569>). The city of Richmond is featured. It also approved a sales tax ballot measure in 2014 for an increase of 0.5 percent.



Cities with budget struggles considering a sales tax increase measure should communicate to their residents that every pension reform currently available has been implemented and a citizens' accountability committee has certified that all excessive costs have or will be trimmed.

Then the city council should keep the tax increase small, targeted and limited in duration, and commit that there will be no increases in salaries or benefits until a positive unrestricted net position is achieved (see [MOORLACH UPDATE — Secretive and Expensive Union Deals — November 3, 2017](#)).

<b>Rank</b>	<b>City</b>	<b>Population</b>	<b>UNP (Thousands)</b>	<b>UNP Per Capita</b>	<b>Year of CAFR</b>
400	Azusa	49,762	(\$47,761)	(\$960)	2016
399	Maywood	28,016	(\$26,683)	(\$952)	2015
398	Oxnard	207,772	(\$197,253)	(\$949)	2016
397	Placerville	10,743	(\$10,169)	(\$947)	2015
396	Calexico	40,921	(\$38,429)	(\$939)	2016
395	Big Bear Lake	5,047	(\$4,713)	(\$934)	2017
394	San Bruno	45,295	(\$42,134)	(\$930)	2017
393	Petaluma	60,941	(\$55,662)	(\$913)	2017
392	El Cajon	102,803	(\$92,231)	(\$897)	2017
391	Pinole	18,975	(\$17,015)	(\$897)	2016
390	Modesto	215,080	(\$191,484)	(\$890)	2017
389	San Luis Obispo	46,724	(\$41,497)	(\$888)	2017
388	San Leandro	88,274	(\$77,776)	(\$881)	2016
387	Grover Beach	13,438	(\$11,773)	(\$876)	2017
386	Fullerton	142,234	(\$123,501)	(\$868)	2017
385	Atwater	30,406	(\$25,983)	(\$855)	2016
384	Lompoc	44,042	(\$37,631)	(\$854)	2017
383	Santa Rosa	176,799	(\$149,789)	(\$847)	2016
382	Millbrae	23,168	(\$19,446)	(\$839)	2017

381	Auburn	14,096	(\$11,812)	(\$838)	2016
380	Newark	45,422	(\$37,879)	(\$834)	2017
379	Chula Vista	267,917	(\$222,843)	(\$832)	2017
378	Chico	93,383	(\$77,226)	(\$827)	2017
377	Fremont	231,664	(\$190,950)	(\$824)	2017
376	Eureka	27,120	(\$22,017)	(\$812)	2016
375	Nevada City	3,208	(\$2,589)	(\$807)	2015
374	Carson	93,674	(\$75,486)	(\$806)	2016
373	Glendale	201,748	(\$162,510)	(\$806)	2017
372	Bell	36,408	(\$29,273)	(\$804)	2017
371	Covina	49,011	(\$39,203)	(\$800)	2017
370	Seaside	34,165	(\$26,815)	(\$785)	2017
369	Jackson	4,838	(\$3,708)	(\$766)	2016
368	Brisbane	4,722	(\$3,507)	(\$743)	2016
367	Orange	140,882	(\$103,910)	(\$738)	2017
366	Albany	18,988	(\$13,976)	(\$736)	2016
365	Salinas	162,470	(\$116,218)	(\$715)	2017
364	Cloverdale	8,931	(\$6,345)	(\$710)	2016
363	Blythe	19,660	(\$13,750)	(\$699)	2015
362	Fountain Valley	56,709	(\$39,063)	(\$689)	2017
361	King City	14,480	(\$9,903)	(\$684)	2015
360	Hermosa Beach	19,616	(\$13,287)	(\$677)	2017
359	Rolling Hills Estates	8,059	(\$5,396)	(\$670)	2017
358	Rohnert Park	42,067	(\$27,943)	(\$664)	2017
357	Willows	6,187	(\$4,100)	(\$663)	2017
356	Escondido	151,492	(\$99,262)	(\$655)	2017
355	Hemet	81,868	(\$52,490)	(\$641)	2016

354	Marysville	11,973	(\$7,614)	(\$636)	2016
353	Susanville	15,046	(\$9,198)	(\$611)	2017
352	Merced	84,464	(\$51,206)	(\$606)	2016
351	Healdsburg	11,800	(\$6,976)	(\$591)	2017

#### Volume 4 of Unrestricted Net Position

Volume 4 provides the cities ranked between #350 and #301. It includes the Orange County cities of Placentia (#349), Westminster (#346), Garden Grove (#330), Los Alamitos (#328), La Habra (#315) and Buena Park (#302).

Added to those in earlier volumes, this brings us up to 12 O.C. cities that are in the bottom 182, out of 34 cities overall.

This group of 50 cities represents about 7 percent of the state's population. Which brings us to about 52 percent of Californians residing in the bottom 38 percent of cities.

Rank	City	Population	UNP (Thousands)	UNP Per Capita	Year of CAFR
350	Concord	128,370	(\$75,116)	(\$585)	2017
349	Placentia	52,268	(\$30,490)	(\$583)	2016
348	Daly City	109,287	(\$62,902)	(\$576)	2017
347	Willits	4,928	(\$2,830)	(\$574)	2016
346	Westminster	93,533	(\$52,892)	(\$565)	2017
345	Manteca	76,247	(\$42,550)	(\$558)	2016
344	Davis	68,740	(\$38,119)	(\$555)	2016
343	Santa Paula	30,654	(\$16,936)	(\$552)	2016
342	Fairfax	7,571	(\$4,179)	(\$552)	2016
341	Morro Bay	10,762	(\$5,767)	(\$536)	2016
340	Pleasant Hill	34,657	(\$18,511)	(\$534)	2016
339	Indio	88,718	(\$45,879)	(\$517)	2017

338	La Verne	33,174	(\$17,093)	(\$515)	2016
337	Napa	80,628	(\$41,524)	(\$515)	2016
336	Sutter Creek	2,582	(\$1,320)	(\$511)	2015
335	Lynwood	71,997	(\$36,107)	(\$502)	2016
334	San Marino	13,467	(\$6,745)	(\$501)	2016
333	Folsom	78,525	(\$39,220)	(\$499)	2016
332	Clovis	110,762	(\$54,927)	(\$496)	2017
331	Desert Hot Springs	29,111	(\$14,320)	(\$492)	2017
330	Garden Grove	176,277	(\$86,632)	(\$491)	2017
329	Rialto	106,528	(\$51,934)	(\$488)	2016
328	Los Alamitos	11,739	(\$5,717)	(\$487)	2017
327	National City	61,210	(\$29,694)	(\$485)	2016
326	Beaumont	46,179	(\$22,231)	(\$481)	2016
325	Pittsburg	69,818	(\$33,348)	(\$478)	2017
324	Red Bluff	14,070	(\$6,672)	(\$474)	2017
323	South Pasadena	25,992	(\$12,261)	(\$472)	2016
322	Fairfield	114,157	(\$53,391)	(\$468)	2017
321	Sebastopol	7,579	(\$3,525)	(\$465)	2016
320	Paradise	25,841	(\$12,005)	(\$465)	2016
319	Manhattan Beach	35,488	(\$16,091)	(\$453)	2016
318	Del Mar	4,297	(\$1,945)	(\$453)	2017
317	Lincoln	48,165	(\$21,707)	(\$451)	2016
316	Gilroy	55,936	(\$25,032)	(\$448)	2016
315	La Habra	62,084	(\$27,711)	(\$446)	2016
314	Novato	54,522	(\$24,236)	(\$445)	2017
313	Ridgecrest	28,349	(\$12,569)	(\$443)	2017
312	Alturas	2,660	(\$1,120)	(\$421)	2016

311	Simi Valley	127,309	(\$52,860)	(\$415)	2016
310	South Gate	98,633	(\$40,323)	(\$409)	2016
309	Milpitas	75,410	(\$30,591)	(\$406)	2017
308	Brawley	26,928	(\$10,866)	(\$404)	2016
307	Union City	73,452	(\$28,777)	(\$392)	2017
306	Guadalupe	7,414	(\$2,885)	(\$389)	2016
305	Victorville	123,565	(\$47,007)	(\$380)	2016
304	Oroville	18,037	(\$6,858)	(\$380)	2016
303	Suisun City	29,295	(\$10,521)	(\$359)	2015
302	Buena Park	83,884	(\$29,221)	(\$348)	2017
301	Turlock	72,879	(\$25,383)	(\$348)	2016

### Volume 5 of Unrestricted Net Position

The next 50 cities in our series are #300-#251. No OC cities are included in this group.

Rank	City	Population	UNP Thousands	UNP Per Capita	Year of CAFR
300	Whittier	87,708	(\$29,250)	(\$333)	2017
299	Oakdale	22,711	(\$7,411)	(\$326)	2016
298	Burlingame	30,148	(\$9,583)	(\$318)	2017
297	Roseville	135,868	(\$42,898)	(\$316)	2017
296	Santee	57,100	(\$17,759)	(\$311)	2017
295	Colusa	6,340	(\$1,966)	(\$310)	2017
294	Antioch	114,241	(\$34,184)	(\$299)	2017
293	Campbell	42,726	(\$12,748)	(\$298)	2016
292	Selma	25,156	(\$7,383)	(\$293)	2017
291	Crescent City	6,389	(\$1,867)	(\$292)	2017
290	Oceanside	176,461	(\$50,292)	(\$285)	2017

289	Bakersfield	383,512	(\$108,784)	(\$284)	2017
288	Baldwin Park	75,537	(\$21,286)	(\$282)	2016
287	San Anselmo	12,937	(\$3,570)	(\$276)	2017
286	Grand Terrace	12,435	(\$3,219)	(\$259)	2015
285	Dinuba	24,861	(\$6,392)	(\$257)	2017
284	Sanger	26,412	(\$6,695)	(\$253)	2016
283	California City	14,248	(\$3,408)	(\$239)	2016
282	Dixon	19,298	(\$4,444)	(\$230)	2017
281	Larkspur	12,572	(\$2,850)	(\$227)	2017
280	Livermore	89,648	(\$20,114)	(\$224)	2017
279	Martinez	37,658	(\$8,402)	(\$223)	2016
278	Exeter	10,985	(\$2,404)	(\$219)	2016
277	Clearlake	15,531	(\$3,388)	(\$218)	2015
276	Anderson	10,450	(\$2,150)	(\$206)	2016
275	Barstow	24,248	(\$4,893)	(\$202)	2016
274	Pleasanton	75,916	(\$15,319)	(\$202)	2017
273	Fort Bragg	7,772	(\$1,518)	(\$195)	2017
272	Lake Elsinore	62,092	(\$12,062)	(\$194)	2017
271	La Mesa	60,286	(\$11,563)	(\$192)	2016
270	Galt	25,693	(\$4,605)	(\$179)	2016
269	Reedley	26,152	(\$4,457)	(\$170)	2017
268	Madera	66,082	(\$11,207)	(\$170)	2016
267	Lakeport	4,786	(\$801)	(\$167)	2016
266	San Mateo	103,426	(\$16,647)	(\$161)	2017
265	Mount Shasta	3,355	(\$523)	(\$156)	2017
264	Arroyo Grande	17,736	(\$2,754)	(\$155)	2016
263	Glendora	52,608	(\$7,938)	(\$151)	2017

262	Kingsburg	12,338	(\$1,834)	(\$149)	2017
261	San Ramon	80,550	(\$11,566)	(\$144)	2017
260	Corning	7,522	(\$1,065)	(\$142)	2016
259	Yuba City	67,445	(\$9,467)	(\$140)	2016
258	Watsonville	53,015	(\$7,184)	(\$136)	2016
257	Cotati	7,272	(\$958)	(\$132)	2017
256	Greenfield	17,866	(\$2,284)	(\$128)	2015
255	Murrieta	114,914	(\$14,654)	(\$128)	2016
254	Gridley	6,704	(\$843)	(\$126)	2016
253	Belvedere	2,172	(\$264)	(\$122)	2017
252	Santa Maria	106,280	(\$10,597)	(\$100)	2016
251	Burbank	105,033	(\$9,364)	(\$89)	2017

### Volume 6 of Unrestricted Net Position

Below are the cities ranked from #250 to #201. The O.C. cities of San Juan Capistrano (#223) and Seal Beach (#201) are included. The group represents 6.2 percent of California's population. The median city is Angels Camp (#241).

Two interesting observations. The first is we now see cities in the list that have a positive unrestricted net position, starting with #219, Livingston.

The second is there are three cities that do not have their annual CAFRs online and have been unwilling or unable to send copies to me in a timely manner. These small cities are Amador (#222), Fort Jones (#221) and Westmorland (#220). When we update this listing, after all of the 2017 CAFRs have been completed, we hope to find these cities in their appropriate places, versus the generous "zero" that we're giving them by default. (For those of you residing in the city of Livingston, we did make a minor adjustment, dropping you a few spots, which will be reflected in our next edition.)

Rank	City	Population	UNP (Thousands)	UNP Per Capita	Year of CAFR
250	Winters	7,255	(\$624)	(\$86)	2017

249	St Helena	6,033	(\$518)	(\$86)	2017
248	West Sacramento	53,163	(\$4,204)	(\$79)	2016
247	Hanford	55,645	(\$4,230)	(\$76)	2016
246	Taft	9,492	(\$627)	(\$66)	2016
245	Tracy	90,890	(\$5,343)	(\$59)	2016
244	Walnut Creek	70,974	(\$3,856)	(\$54)	2017
243	Sonoma	10,989	(\$570)	(\$52)	2015
242	Lomita	20,403	(\$970)	(\$48)	2017
241	Angels City/ Angels Camp	4,020	(\$182)	(\$45)	2016
240	El Centro	45,628	(\$2,041)	(\$45)	2016
239	Paramount	55,923	(\$2,208)	(\$39)	2016
238	Firebaugh	8,202	(\$306)	(\$37)	2015
237	Rocklin	64,417	(\$2,311)	(\$36)	2016
236	Norwalk	105,526	(\$3,252)	(\$31)	2017
235	Sunnyvale	149,831	(\$4,090)	(\$27)	2017
234	Elk Grove	171,059	(\$4,635)	(\$27)	2015
233	Soledad	26,065	(\$617)	(\$24)	2017
232	El Paso de Robles	31,745	(\$681)	(\$21)	2016
231	Carpinteria	13,943	(\$261)	(\$19)	2017
230	Corcoran	21,786	(\$367)	(\$17)	2016
229	Los Banos	39,993	(\$639)	(\$16)	2016
228	Atascadero	30,900	(\$444)	(\$14)	2017
227	Lemon Grove	26,795	(\$292)	(\$11)	2015
226	Lancaster	157,820	(\$1,347)	(\$9)	2017
225	Belmont	27,594	(\$188)	(\$7)	2017
224	Escalon	7,205	(\$47)	(\$7)	2016
223	San Juan Capistrano	36,262	(\$204)	(\$6)	2016



222	Amador	193	\$0		
221	Fort Jones	710	\$0		
220	Westmorland	2,302	\$0		
219	Livingston	13,947	\$10	\$1	2016
218	Newman	11,165	\$65	\$6	2015
217	Apple Valley	74,701	\$477	\$6	2016
216	Wildomar	35,782	\$457	\$13	2016
215	South El Monte	20,862	\$452	\$22	2015
214	Cudahy	24,411	\$871	\$36	2016
213	Artesia	16,816	\$625	\$37	2015
212	Ojai	7,553	\$297	\$39	2016
211	Fontana	212,786	\$9,378	\$44	2017
210	Banning	31,068	\$1,380	\$44	2016
209	Fresno	525,832	\$28,252	\$54	2017
208	Bell Gardens	42,824	\$2,532	\$59	2017
207	Tehama	427	\$28	\$66	2017
206	Lindsay	12,984	\$898	\$69	2016
205	Riverbank	24,610	\$1,760	\$72	2015
204	Dos Palos	5,391	\$391	\$73	2016
203	Arvin	21,157	\$1,548	\$73	2015
202	Calimesa	8,637	\$696	\$81	2016
201	Seal Beach	24,890	\$2,070	\$83	2017

### **Volume 7 of Unrestricted Net Position**

Below are the CAFR Rankings for #200 to #151. These 50 cities comprise 2.2 million people, so the combined 7 volumes so far make up 70 percent of the state's population.

Orange County cities include Laguna Hills (#198), Mission Viejo (#171) and Rancho Santa Margarita (#156).

The listing shows not all the June 30, 2017 CAFRs were completed by January of the following year, which is the norm. This may mean the audits of the cities are more difficult, or Certified Public Accounting (CPA) firms that specialize in this industry have more work than time allows.

The CAFR of a county as large as the Orange County was usually completed within six months, by December.

Two cities in this grouping, Calipatria and Maricopa, show the 2014 CAFR as the most current, which may indicate other concerns. Fortuna and Holtville show their 2015 CAFR as the most recent. Let's hope a little public scrutiny like I'm providing will encourage these cities to become current.

As most cities receive funding from the Federal government, the independent CPA firm that is retained must comply with OMB A-133 single audit requirements (see [https://en.wikipedia.org/wiki/Single\\_Audit](https://en.wikipedia.org/wiki/Single_Audit)). This mandates that certain continuing professional education (CPE) courses be completed by key staff (see [https://en.wikipedia.org/wiki/Government\\_Auditing\\_Standards](https://en.wikipedia.org/wiki/Government_Auditing_Standards)).

Auditing cities is a serious and complex engagement and not all firms are interested in the burdens of pursuing this niche. The city of Bell may remind you that the liability exposure is rather severe (see <http://www.latimes.com/local/bell/la-me-bell-scandal-a-times-investigation-20160211-storygallery.html>).

<b>Rank</b>	<b>City</b>	<b>Population</b>	<b>UNP (Thousands)</b>	<b>UNP Per Capita</b>	<b>Year of CAFR</b>
200	Jurupa Valley	101,315	\$8,644	\$85	2016
199	American Canyon	20,570	\$2,076	\$101	2016
198	Laguna Hills	31,544	\$3,315	\$105	2017
197	Wasco	26,980	\$2,945	\$109	2016
196	Calipatria	7,555	\$877	\$116	2014
195	Norco	26,882	\$3,195	\$119	2017
194	Kerman	14,614	\$1,742	\$119	2017
193	Menifee	90,660	\$10,903	\$120	2016
192	Avalon	3,718	\$460	\$124	2016
191	Moreno Valley	206,750	\$26,675	\$129	2017
190	Solana Beach	13,527	\$1,795	\$133	2017

189	Visalia	133,151	\$17,877	\$134	2017
188	Yreka	7,777	\$1,045	\$134	2016
187	Huron	7,186	\$967	\$135	2016
186	Moraga	16,676	\$2,261	\$136	2017
185	Fowler	6,091	\$846	\$139	2016
184	Fortuna	11,989	\$1,759	\$147	2015
183	Lemoore	26,369	\$3,912	\$148	2016
182	Encinitas	62,288	\$9,510	\$153	2017
181	Bellflower	76,657	\$11,890	\$155	2017
180	Sierra Madre	11,010	\$1,732	\$157	2016
179	Tehachapi	12,280	\$2,028	\$165	2017
178	Perris	75,739	\$12,523	\$165	2016
177	Citrus Heights	87,013	\$14,663	\$169	2016
176	McFarland	14,919	\$2,567	\$172	2016
175	Holtville	6,255	\$1,079	\$173	2015
174	Ione	7,772	\$1,434	\$185	2017
173	Ceres	47,754	\$9,957	\$209	2016
172	Yucca Valley	21,519	\$4,498	\$209	2017
171	Mission Viejo	96,718	\$20,367	\$211	2017
170	Santa Monica	93,834	\$19,957	\$213	2016
169	Mendota	11,828	\$2,571	\$217	2016
168	Hughson	7,331	\$1,637	\$223	2016
167	Palmdale	158,605	\$36,278	\$229	2017
166	Porterville	59,908	\$13,714	\$229	2017
165	Rosemead	54,984	\$13,109	\$238	2016
164	Waterford	8,906	\$2,233	\$251	2017
163	San Jacinto	47,925	\$12,389	\$259	2016

162	Mountain View	79,278	\$20,918	\$264	2017
161	Imperial	18,658	\$5,103	\$274	2016
160	Orland	7,812	\$2,146	\$275	2016
159	Delano	53,152	\$14,843	\$279	2016
158	Temecula	111,024	\$31,506	\$284	2017
157	Canyon Lake	10,891	\$3,105	\$285	2016
156	Rancho Santa Margarita	48,602	\$13,960	\$287	2017
155	Chowchilla	18,840	\$5,504	\$292	2016
154	Chino Hills	80,676	\$23,695	\$294	2017
153	Maricopa	1,140	\$336	\$295	2014
152	Port Hueneme	22,808	\$6,742	\$296	2016
151	Temple City	36,389	\$11,585	\$318	2016

### Volume 8 of Unrestricted Net Position

Next are cities #150 to #101. This top grouping covers about 5 percent of the state's population, which means that three-quarters of the cities are in the bottom (worst) 382.

The six Orange County cities in this bracket are Stanton (#150), San Clemente (#142), Villa Park (#130) (which is in my Senatorial District), Yorba Linda (#129), Aliso Viejo (#107) and La Palma (#104).

One interesting city in this group is Loyalton (#124), the city that inspired my Senate Bill 1032 (see [MOORLACH UPDATE — CalPERS Exit Strategies — November 18, 2017](#)), a bill that which would allow cities to exit the CalPERS fund without being hit with massive and unnecessary financial penalties.

Rank	City	Population	UNP (Thousands)	UNP Per Capita	Year of CAFR
150	Stanton	39,611	\$12,720	\$321	2017
149	Farmersville	11,248	\$3,672	\$326	2016
148	Ferndale	1,445	\$477	\$330	2017
147	Rancho Cucamonga	177,324	\$58,568	\$330	2017

146	Twentynine Palms	26,919	\$8,985	\$334	2017
145	Duarte	22,033	\$7,466	\$339	2016
144	Eastvale	64,613	\$21,957	\$340	2017
143	Adelanto	34,273	\$11,892	\$347	2014
142	San Clemente	65,975	\$23,089	\$350	2017
141	Walnut	30,134	\$10,661	\$354	2017
140	Chino	88,026	\$32,426	\$368	2016
139	Pico Rivera	64,046	\$23,639	\$369	2016
138	Lakewood	79,272	\$29,923	\$377	2017
137	Plymouth	1,009	\$382	\$379	2016
136	Gonzales	8,549	\$3,330	\$390	2017
135	Wheatland	3,509	\$1,369	\$390	2016
134	Calabasas	24,202	\$9,452	\$391	2017
133	Diamond Bar	57,066	\$22,743	\$399	2016
132	Loma Linda	24,528	\$10,216	\$417	2016
131	La Puente	40,455	\$16,918	\$418	2017
130	Villa Park	5,944	\$2,505	\$421	2017
129	Yorba Linda	67,890	\$28,716	\$423	2016
128	Hesperia	94,133	\$40,510	\$430	2017
127	Coachella	45,551	\$19,631	\$431	2017
126	Saratoga	30,569	\$13,439	\$440	2017
125	Vista	101,797	\$47,397	\$466	2016
124	Loyalton	766	\$360	\$470	2016
123	Colfax	2,070	\$981	\$474	2016
122	Brentwood	61,055	\$29,172	\$478	2017
121	Lawndale	33,365	\$16,090	\$482	2016
120	Los Gatos	31,314	\$15,134	\$483	2017

119	Santa Clarita	216,350	\$104,942	\$485	2017
118	Hollister	36,677	\$17,813	\$486	2017
117	Oakley	41,199	\$20,395	\$495	2016
116	Dunsmuir	1,612	\$804	\$499	2015
115	Blue Lake	1,295	\$656	\$507	2016
114	Windsor	27,371	\$13,936	\$509	2016
113	Rio Dell	3,447	\$1,760	\$511	2016
112	Marina	21,528	\$11,012	\$512	2017
111	Fillmore	15,683	\$8,060	\$514	2017
110	Calistoga	5,238	\$2,730	\$521	2017
109	Highland	54,377	\$28,350	\$521	2017
108	Weed	2,805	\$1,495	\$533	2016
107	Aliso Viejo	50,312	\$26,883	\$534	2017
106	Rancho Cordova	73,872	\$39,760	\$538	2017
105	Palo Alto	68,691	\$37,300	\$543	2017
104	La Palma	15,984	\$9,052	\$566	2017
103	Orinda	18,935	\$10,917	\$577	2016
102	Shasta Lake	10,386	\$6,099	\$587	2017

**Volume 9 of Unrestricted Net Position**

Below are cities from #100 to #51. They include another 2 million people, or 5 percent of the state’s population, bringing us up to 80 percent of the state’s residents.

This grouping includes five Orange County cities, beginning with Dana Point (#89) and Laguna Niguel (#56), then three from my District, Laguna Woods (#100), Lake Forest (#86) and Laguna Beach (#55).

<b>Rank</b>	<b>City</b>	<b>Population</b>	<b>UNP (Thousands)</b>	<b>UNP Per Capita</b>	<b>Year of CAFR</b>
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100	Laguna Woods	16,319	\$9,704	\$595	2017
99	Stockton	320,554	\$196,005	\$611	2016
98	Goleta	31,760	\$19,440	\$612	2017
97	Orange Cove	9,369	\$5,829	\$622	2016
96	Live Oak	8,636	\$5,445	\$631	2017
95	Corona	167,759	\$107,149	\$639	2017
94	San Marcos	94,042	\$60,067	\$639	2017
93	Moorpark	36,828	\$23,886	\$649	2017
92	Menlo Park	35,670	\$23,288	\$653	2017
91	Palos Verdes Estates	13,663	\$8,959	\$656	2017
90	San Carlos	29,311	\$19,429	\$663	2017
89	Dana Point	33,699	\$22,522	\$668	2017
88	Bishop	3,954	\$2,667	\$675	2014
87	La Canada Flintridge	20,497	\$13,860	\$676	2016
86	Lake Forest	84,931	\$57,503	\$677	2017
85	Loomis	6,775	\$4,612	\$681	2017
84	Tulare	64,661	\$44,306	\$685	2016
83	Woodside	5,666	\$3,906	\$689	2015
82	San Dimas	34,231	\$23,640	\$691	2017
81	Clayton	11,284	\$7,835	\$694	2017
80	Parlier	15,500	\$10,820	\$698	2016
79	Yucaipa	54,324	\$38,545	\$710	2016
78	San Joaquin	4,070	\$3,013	\$740	2017
77	Grass Valley	12,859	\$9,728	\$757	2016
76	Los Altos	31,402	\$24,047	\$766	2017
75	Portola Valley	4,707	\$3,615	\$768	2016
74	Imperial Beach	27,510	\$21,546	\$783	2016

73	Biggs	1,905	\$1,520	\$798	2016
72	Poway	50,253	\$40,985	\$816	2016
71	Buellton	5,129	\$4,325	\$843	2017
70	Thousand Oaks	131,457	\$111,482	\$848	2017
69	Cupertino	58,917	\$51,164	\$868	2016
68	La Habra Heights	5,463	\$4,967	\$909	2017
67	Signal Hill	11,609	\$10,616	\$914	2017
66	Williams	5,431	\$4,999	\$920	2016
65	Atherton	7,148	\$6,804	\$952	2015
64	Rancho Palos Verdes	42,884	\$42,210	\$984	2016
63	Camarillo	69,623	\$68,550	\$985	2017
62	Ontario	174,283	\$179,846	\$1,032	2017
61	Tiburon	9,508	\$9,843	\$1,035	2016
60	Lafayette	25,199	\$26,382	\$1,047	2017
59	Hillsborough	11,753	\$12,377	\$1,053	2017
58	East Palo Alto	30,340	\$33,919	\$1,118	2017
57	Woodlake	7,768	\$8,957	\$1,153	2016
56	Laguna Niguel	66,689	\$76,932	\$1,154	2016
55	Laguna Beach	23,505	\$27,254	\$1,159	2016
54	Tulelake	1,002	\$1,200	\$1,198	2016
53	Arcata	18,374	\$23,727	\$1,291	2017
52	Hercules	25,675	\$34,482	\$1,343	2016
51	Pismo Beach	8,247	\$11,111	\$1,347	2017

**Volume 10 of Unrestricted Net Position**



Well, here we are, the 50 California cities with the best per capita unrestricted net positions. Note that for one small city below, Doris, the most current CAFR is from 2013!

The three cities from Orange County include two from my District, Irvine (#41) and Tustin (#34), but the winner is Cypress (#33), which was in my Supervisorial District and its Chamber of Commerce recognized me, a former Cypress resident, as their 2014 Man of the Year (see [MOORLACH UPDATE — Man of the Year — April 11, 2014](#)). Congratulations!

The top cities overall among the 482 in the state were: City of Industry (#1), Sand City (#2) and Irwindale (#3). Only two cities of more than 100,000 population made the Top 50 list: Carlsbad (#26) and Irvine (#41).

Finally, there's so much drilling that can be done on the full list of 482 cities. For instance, city #482, Vernon, should consider merging with city #1, City of Industry. It's too bad that they are not adjacent.

<b>Rank</b>	<b>City</b>	<b>Population</b>	<b>UNP (Thousands)</b>	<b>UNP Per Capita</b>	<b>Year of CAFR</b>
50	San Pablo	31,053	\$41,967	\$1,351	2017
49	Montague	1,441	\$2,058	\$1,428	2017
48	Hawaiian Gardens	14,753	\$21,723	\$1,472	2016
47	Portola	2,127	\$3,150	\$1,481	2016
46	Ripon	15,132	\$22,515	\$1,488	2017
45	Monte Sereno	3,501	\$5,223	\$1,492	2016
44	Ross	2,543	\$3,917	\$1,540	2017
43	Los Altos Hills	8,634	\$13,378	\$1,549	2017
42	Solvang	5,593	\$8,799	\$1,573	2016
41	Irvine	267,086	\$433,617	\$1,624	2017
40	CarmelbytheSea	3,842	\$6,267	\$1,631	2014
39	Westlake Village	8,370	\$13,921	\$1,663	2016
38	Danville	43,355	\$72,257	\$1,667	2017
37	La Mirada	49,434	\$82,798	\$1,675	2017
36	Palm Desert	50,740	\$87,092	\$1,716	2016

35	Agoura Hills	21,018	\$36,600	\$1,741	2016
34	Tustin	82,372	\$144,443	\$1,754	2017
33	Cypress	49,655	\$89,651	\$1,805	2017
32	Morgan Hill	44,145	\$80,663	\$1,827	2017
31	Point Arena	452	\$827	\$1,830	2017
30	Malibu	12,742	\$23,870	\$1,873	2016
29	Avenal	12,491	\$24,358	\$1,950	2017
28	Dublin	59,686	\$120,464	\$2,018	2017
27	Lathrop	23,110	\$47,769	\$2,067	2017
26	Carlsbad	113,725	\$249,816	\$2,197	2017
25	Half Moon Bay	12,591	\$28,173	\$2,238	2017
24	San Juan Bautista	1,856	\$4,214	\$2,270	2017
23	West Hollywood	35,882	\$82,141	\$2,289	2016
22	Rolling Hills	1,922	\$4,595	\$2,391	2016
21	Foster City	33,225	\$83,096	\$2,501	2017
20	Cerritos	50,039	\$131,068	\$2,619	2017
19	Bradbury	1,107	\$3,196	\$2,887	2016
18	La Quinta	40,677	\$118,125	\$2,904	2017
17	Yountville	2,935	\$8,659	\$2,950	2017
16	Truckee	15,904	\$48,246	\$3,034	2017
15	Commerce	13,064	\$42,452	\$3,250	2017
14	Hidden Hills	1,885	\$6,569	\$3,485	2017
13	Trinidad	369	\$1,354	\$3,669	2016
12	Shafter	18,868	\$73,581	\$3,900	2017
11	Rancho Mirage	18,295	\$72,676	\$3,972	2016
10	Coronado	24,543	\$102,264	\$4,167	2017
9	Etna	733	\$3,511	\$4,790	2014

8	Emeryville	11,854	\$65,636	\$5,537	2017
7	Dorris	966	\$5,469	\$5,661	2013
6	Beverly Hills	34,646	\$250,974	\$7,244	2017
5	Colma	1,506	\$17,650	\$11,720	2016
4	Indian Wells	5,450	\$65,151	\$11,954	2017
3	Irwindale	1,423	\$23,748	\$16,689	2016
2	Sand City	384	\$11,396	\$29,677	2016
1	Industry	440	\$67,314	\$152,986	2016

Here are the links to my comments in my Updates blog:

1. <https://johnmoorlach.wordpress.com/2018/02/07/moorlach-update-city-cafr-rankings-vol-1-february-7-2018/>
2. <https://johnmoorlach.wordpress.com/2018/02/08/moorlach-update-city-cafr-rankings-vol-2-february-8-2018/>
3. <https://johnmoorlach.wordpress.com/2018/02/10/moorlach-update-city-rankings-vol-3-february-10-2018/>
4. <https://johnmoorlach.wordpress.com/2018/02/12/moorlach-update-city-cafr-rankings-vol-4-february-12-2018/>
5. <https://johnmoorlach.wordpress.com/2018/02/14/moorlach-update-city-cafr-rankings-vol-5-february-14-2018/>
6. <https://johnmoorlach.wordpress.com/2018/02/16/moorlach-update-city-cafr-rankings-vol-6-february-16-2018/>
7. <https://johnmoorlach.wordpress.com/2018/02/20/moorlach-update-city-cafr-rankings-vol-7-february-20-2018/>
8. <https://johnmoorlach.wordpress.com/2018/02/22/moorlach-update-city-cafr-rankings-vol-8-february-22-2018/>
9. <https://johnmoorlach.wordpress.com/2018/02/23/moorlach-update-city-cafr-rankings-vol-9-february-23-2018/>

10. <https://johnmoorlach.wordpress.com/2018/02/27/moorlach-update-city-cafr-rankings-vol-10-february-27-2018/>