



**CITY OF SOUTH PASADENA
FINANCE COMMISSION**

**AGENDA
REGULAR MEETING
THURSDAY, APRIL 23, 2026, AT 6:30 p.m.
LIBRARY COMMUNITY ROOM
1115 EL CENTRO STREET, SOUTH PASADENA, CA 91030**

South Pasadena Finance Commission Statement of Civility

As your appointed governing board, we will treat each other, members of the public, and city employees with patience, civility, and courtesy as a model of the same behavior we wish to reflect in South Pasadena for the conduct of all city business and community participation. The decisions made today will be for the benefit of the South Pasadena community and not for personal gain.

NOTICE ON PUBLIC PARTICIPATION & ACCESSIBILITY

The South Pasadena Finance Commission Meeting will be conducted in-person from the Library Community Room, located at 1115 El Centro Street, South Pasadena, CA 91030.

The Meeting will be available:

- In Person – Library Community Room, located at 1115 El Centro Street, South Pasadena, CA 91030
- Via Zoom – Meeting ID: Webinar ID 818 4863 7794
- Written Public Comment – written comment must be submitted by 12:00 p.m. the day of the meeting by emailing to fcpubliccomment@southpasadenaca.gov

The meeting may be viewed at:

1. Go to the Zoom website, <https://zoom.us/join>, and enter the Zoom Meeting information; or
2. Click on the following unique Zoom meeting link:
<https://us06web.zoom.us/j/81848637794>
3. You may listen to the meeting by calling: +1-669-900-6833 and entering the Zoom Meeting ID (818 4863 7794).

CALL TO ORDER:

ROLL CALL:

Chair
Commissioner
Commissioner
Commissioner
Vice-Chair

Nevin Stanton-Trehan
Peter Giuliani Jr.
Y-Le Ho
Renee Rubin
Cynthia Quade

COUNCIL LIAISON:	Chair Councilmember	Nevin Stanton-Trehan Janet Braun
ELECTED TREASURER:	City Treasurer	Zhen Tao

PUBLIC COMMENT GUIDELINES *(Public Comments are limited to 3 minutes)*

The City welcomes public input. Members of the public can comment on a non-agenda subject under the jurisdiction of the Commission or on an agenda item. You may participate in one of the following options:

Option 1:

Participate in-person at the Library Community Room.

Option 2:

Public Comment speakers have three minutes to address the Commission; however, the Chair and Commission can adjust time allotted as needed. Participants will be able to “raise their hand” using the Zoom icon during the meeting, and they will have their microphone unmuted during the comment portions of the agenda to speak.

Option 3:

Email public comment(s) to fcpubliccomment@southpasadenaca.gov

Public Comments received in writing will not be read aloud at the meeting but will be part of the meeting record. Written public comments will be uploaded online for public viewing under Additional Documents. There is no word limit on emailed Public Comment(s). Please make sure to indicate:

1. Name (optional)
2. Agenda item you are submitting public comment on.
3. Submit by no later than 12:00 p.m., on the day of the Commission meeting.

PLEASE NOTE: The Chair may exercise the Chair's discretion, subject to the approval of the majority of the Commission, to adjust public comment(s) to less than three minutes.

NOTE: Pursuant to State law, the Commission may not discuss or take action on issues not on the meeting agenda, except that members of the Commission or staff may briefly respond to statements made or questions posed by persons exercising public testimony rights (Government Code Section 54954.2). Staff may be asked to follow up on such items.

PUBLIC COMMENT

1. PUBLIC COMMENT– GENERAL (NON-AGENDA ITEMS)

The General Public Comment will be limited to 30 minutes at the beginning of the agenda. If there are speakers remaining in the queue, they will be heard at the end of the meeting. Only Speakers who sign up in the first 30 minutes of public comment will be queued up to speak.

CONSENT CALENDAR OPPORTUNITY TO COMMENT ON CONSENT

Items listed under the Consent Calendar are considered routine in nature and will be enacted by motion unless a public comment has been received or a commissioner request otherwise, in which case the item will be removed for separate consideration.

- 2. RECEIVE AND FILE MINUTES FROM SPECIAL MEETING ON MARCH 26, 2026**
- 3. RECEIVE AND FILE THE TREASURER’S REPORT FOR THE MONTH ENDING FEBRUARY 28, 2026**
- 4. RECEIVE AND FILE THE MONTHLY BUDGET REPORT FOR THE MONTH ENDING FEBRUARY 28, 2026**

ACTION/DISCUSSION

- 5. RECEIVE A PRESENTATION OF THE ANNUAL INVESTMENT REPORT FROM THE CITY’S INVESTMENT ADVISOR AND REVIEW OF THE INVESTMENT POLICY FOR FISCAL YEAR 2026-2027**
- 6. REVIEW AND PROVIDE FEEDBACK ON THE PROPOSED USER FEES AND CHARGES POLICY**
- 7. DISCUSSION OF POOLED CASH AND INTEREST INCOME ALLOCATIONS**
- 8. RECEIVE AND FILE THE CAPITAL IMPROVEMENT PROGRAM QUARTERLY UPDATE**

COMMUNICATIONS

- 9. CITY COUNCIL LIAISON COMMUNICATIONS**
- 10. STAFF LIAISON COMMUNICATIONS**
- 11. COMMISSIONER COMMUNICATIONS**

ADJOURNMENT

FOR YOUR INFORMATION

FUTURE CITY FINANCE COMMISSION MEETINGS

Thursday, May 14, 2026	Regular Meeting	6:30 p.m.
Wednesday, June 10, 2026	Joint Meeting w/ City Council	6:30 p.m.
Thursday, July 23, 2026	Regular Meeting	6:30 p.m.
Thursday, August 27, 2026	Regular Meeting	6:30 p.m.
Thursday, September 24, 2026	Regular Meeting	6:30 p.m.
Thursday, October 22, 2026	Regular Meeting	6:30 p.m.
Thursday, November 26, 2026	Holiday	6:30 p.m.
Thursday, December 10, 2026	Regular Meeting	6:30 p.m.

PUBLIC ACCESS TO AGENDA DOCUMENTS

Commission meeting agenda packets, any agenda-related documents, and additional documents are available online for public inspection on the City’s website:

<https://www.southpasadenaca.gov/Home>.

Meeting recordings will be available for public viewing after the meeting. Recordings will be uploaded to the City’s YouTube Channel no later than the next business day after the meeting. The City’s YouTube Channel may be accessed at:

https://www.youtube.com/channel/UCnR169ohzi1AlewD_6sfwDA/featured

ACCOMMODATIONS

The City of South Pasadena wishes to make all of its public meetings accessible to the public. If special assistance is needed to participate in this meeting, please contact the City Clerk's Division at (626) 403-7230 or CityClerk@southpasadenaca.gov. Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities. Notification at least 48 hours prior to the meeting will assist staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting (28 CFR 35.102-35.104 ADA Title II).

CERTIFICATION OF POSTING

I declare under penalty of perjury that I posted this notice of agenda for the meeting to be held on Thursday, April 23, 2026, on the bulletin board in the courtyard of City Hall located at 1414 Mission Street, South Pasadena, CA 91030, and on the City website as required by law, on the date listed below.

/S/

Date Tatiana Fernandez, Management Analyst



CITY OF SOUTH PASADENA
FINANCE DEPARTMENT
1414 MISSION STREET, SOUTH PASADENA, CA 91030
TEL: (626) 403-7250 • FAX: (626) 403-7313
WWW.SOUTHPASADENACA.GOV

Date: April 23, 2026
To: Finance Commission
From: Tatiana Fernandez, Management Analyst
Re: **RECEIVE AND FILE MINUTES FROM THE REGULAR MEETING ON MARCH 26, 2026**

RECOMMENDATION

It is recommended that the commission approve the minutes of the Regular Finance Commission meeting held on March 26, 2026.

EXECUTIVE SUMMARY

Attached for the Finance Commission's consideration and approval are meeting minutes and are hereby included as attachments to this staff report.

BACKGROUND

The staff liaison or designee for the Finance Commission is responsible for producing meeting minutes for the Commission meetings.

ANALYSIS

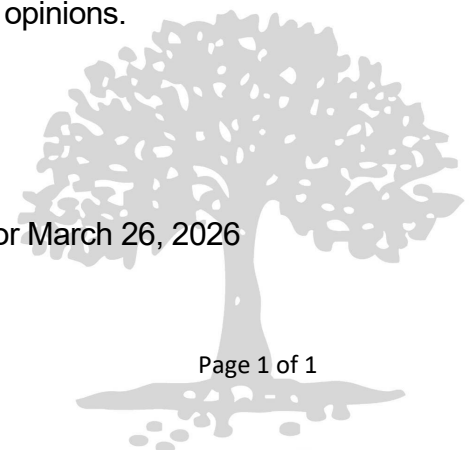
The staff liaison or designee prepares meeting minutes, which serve as the official written record of what actions the Finance Commission took at a particular meeting, such as motions, votes, and direction, without including the detailed discussion. The purpose of meeting minutes is to provide a clear and permanent record of the Commission's actions for the public, staff, and legal purposes. The Finance Commission adopts minutes from prior meetings to confirm that the record is accurate and complete. Even if a Commissioner was not present at the meeting, they may still vote to approve the minutes, since the minutes serve as the official record of the Commission as a whole, not of individual attendance or opinions.

FISCAL IMPACT

None

ATTACHMENT

Attachment No. 1 – Regular Finance Commission Meeting Minutes for March 26, 2026





**CITY OF SOUTH PASADENA
FINANCE COMMISSION**

**MINUTES
REGULAR MEETING
THURSDAY, MARCH 26, 2026, AT 6:30 p.m.**

CALL TO ORDER:

The Meeting of the South Pasadena Finance Commission was called to order by Chair Stanton-Trehan, on Thursday, March 26, 2026, at the Amedee O. "Dick" Richard Jr. Council Chambers, 1424 Mission Street, South Pasadena.

ROLL CALL:

PRESENT

Chair	Nevin Stanton-Trehan
Vice-Chair	Cynthia Quade
Commissioner	Peter Giulioni
Commissioner	Y-Le Ho
Commissioner	Renee Rubin

Tatiana Fernandez, Management Analyst, announced a quorum.

DIGNITARIES AND CITY STAFF PRESENT:

Councilmember Janet Braun, Treasurer Zhen Tao, William Castrillon, Budget and Purchasing Manager, and Nick Kimball, Assistant City Manager/CFO, were present at Roll Call.

PUBLIC COMMENT

1. PUBLIC COMMENT- GENERAL (NON-AGENDA ITEMS)

In Person Comments: None

Zoom Comments: None

CONSENT CALENDAR OPPORTUNITY TO COMMENT ON CONSENT

Item 4 was pulled by Vice-Chair Quade.

Motion to approve Commissioner Giulioni, and seconded by Commissioner Quade, to approve the consent calendar except for Item 4. The motion was approved by the following roll call vote:

AYES: Ho, Giulioni, Rubin, Quade, Stanton-Trehan
NOES: None
ABSENT: None

2. RECEIVE AND FILE MINUTES FROM SPECIAL MEETING ON FEBRUARY 26, 2026

A motion was made to approve the recommendation on the Consent Calendar.

Recommendation:

It is recommended that the commission approve the minutes of the Regular Finance Commission meeting held on February 26, 2026.

In Person Comments: None

Zoom Comments: None

3. RECEIVE AND FILE THE TREASURER'S REPORT FOR THE MONTH ENDING JANUARY 31, 2026

A motion was made to approve the recommendation on the Consent Calendar.

In Person Comments: None

Zoom Comments: None

4. RECEIVE AND FILE THE MONTHLY BUDGET REPORT FOR THE MONTH ENDING JANUARY 31, 2026

Vice-Chair Quade provided feedback and suggested dividing the year-to-date percentage by the total budget to provide a clearer picture.

Commissioners had questions about the formulas to calculate the data presented in the report and the presentation of the report. Staff spoke about the intent to refine the report based on the feedback.

Vice-Chair Quade moved to receive and file the monthly report, seconded by Commissioner Rubin.

AYES: Ho, Giulioni, Rubin, Quade, Stanton-Trehan
NOES: None
ABSENT: None

In Person Comments: None

Zoom Comments: None

ACTION/DISCUSSION

5. RECEIVE A PRESENTATION RELATED TO THE CITY'S FUND STRUCTURE: GENERAL FUND, ENTERPRISE FUNDS, SPECIAL REVENUE FUNDS, AND INTERNAL SERVICE FUNDS

Assistant City Manager (ACM) / CFO Kimball provided an overview of the City's financial structure, explaining Enterprise Funds, Special Revenue Funds, Internal Service Funds, and the General Fund. He highlighted ongoing financial challenges in the Water, Sewer, and Arroyo Seco Golf Course enterprise funds.

The Special Revenue Funds are restricted for specific purposes. The City currently manages 36 such funds, many of which fluctuate due to grant availability. To strengthen grant management, including a formal process for applying for, accepting, and tracking grants, the creation of a dedicated reimbursement grant fund, and new tools to prevent negative fund balances. Commissioners and staff discussed past issues with grant oversight and improvements now underway.

Regarding the Internal Service Funds, the Finance department developed frameworks for self-insurance, facility maintenance, and vehicle replacement funds. Committee members raised concerns about potential impacts, and ACM/CFO Kimball emphasized the goals of stabilizing costs and improving transparency.

When it comes to the Enterprise Funds, staff highlighted that the Water and Sewer funds are not currently sufficient to support operations and long-term capital needs. The Water Fund also carries approximately \$54 million in outstanding debt, and the City is exploring potential refinancing opportunities. Delinquent water accounts remain a significant issue, though recent enforcement efforts have increased collections. The golf course requires substantial capital investment, and a public-private partnership model is being explored.

Urban Futures (Michael Busch and Branden Kfoury) then joined the meeting to provide a preliminary overview of a potential refunding opportunity for the City's 2013 and 2016 water bonds. They explained the history of the City's water infrastructure investments,

current bond structures, and market conditions. Their initial analysis shows approximately 7% net present value savings—about \$191,000 annually—if refinancing occurs under favorable conditions later this year. The 2013 bonds do not present a viable opportunity due to low existing interest rates.

The discussion covered staff workload, cost allocation, public perception, and messaging, particularly distinguishing water revenue bonds from general obligation bonds. Commissioners asked questions about coupon rates, issuance costs, market risks, staff workload, and public perception. The advisors emphasized that most financing team costs are contingent on a successful transaction, that the City can wait for favorable market conditions, and that water revenue bond refinancings are generally less visible to the public than general obligation bonds.

Overall, commissioners expressed interest in exploring refinancing further, noting potential savings and alignment with the upcoming water rate study. The item may move forward to Council pending a more detailed financial review and engagement of a fiscal advisor.

In Person Comments: None

Zoom Comments: None

COMMUNICATIONS

6. CITY COUNCIL LIAISON COMMUNICATIONS
7. STAFF LIAISON COMMUNICATIONS
8. COMMISSIONER COMMUNICATIONS

ADJOURNMENT

There being no further matters, Chair Stanton-Trehan adjourned the meeting at 8:03 PM to Thursday, March 26, 2026, at the Amedee O. “Dick” Richard Jr. Council Chambers.



CITY OF SOUTH PASADENA

1414 MISSION STREET, SOUTH PASADENA, CA 91030

TEL: (626) 403-7250 • FAX: (626) 403-7251

FINANCEDEPARTMENT@SOUTHPASADENACA.GOV

Date: April 23, 2026

To: Finance Commission and City Council

From: Nick Kimball, Assistant City Manager/CFO

Prepared By: Mark Siegfried, Accounting Manager/Controller

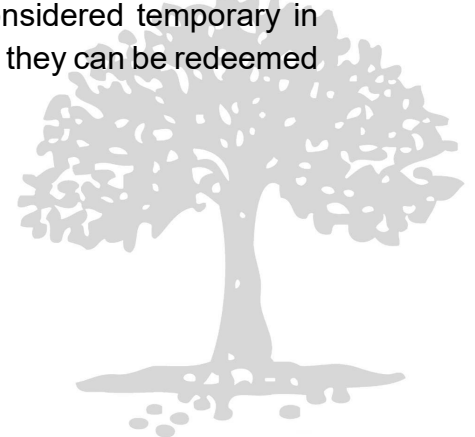
Re: Receive and File the Treasurer's Report for the Month Ending February 28, 2026

EXECUTIVE SUMMARY:

Attached is the Treasurer's Report for the month ending February 28, 2026. The report includes all the detailed information of the City, which are compliant with the City's Investment Policy.

FISCAL IMPACT:

The City's expenditure requirements for the next six months are covered by anticipated revenues from City operations and liquidity from maturing investments. The difference between market value and cost as of February 28, 2026, will be reflected in the City's financial statements for Fiscal Year 2025-26 as an adjustment to interest income for each of the City's funds on a pro rata basis as required by Governmental Accounting Standards Board Statement Number 31. The change in market value is considered temporary in nature, as the City mostly holds its investments until maturity, when they can be redeemed at par value.



STAFF ANALYSIS:

Below is a summary of cash and investments as of February 28, 2026:

Account Type	Cost	Percentage of investment Portfolio	Market Value	In Compliance with Investment Policy
Bank Accounts				
BMO (Operating Account)	\$ 15,459,972		\$ 15,459,972	N/A
BNY Mellon (Bond Reserve)	186,384		186,384	N/A
Total Bank Accounts	15,646,356		15,646,356	
Investments				
Local Agency Investment Fund	27,088,372	28.78%	27,088,372	Yes
Money Market	286,264	0.30%	286,264	Yes
Corporate Bonds	16,163,739	17.17%	16,368,458	Yes
Municipal Bonds Taxable	961,568	1.02%	976,530	Yes
US Obligations	2,071,083	2.20%	2,102,695	Yes
US Treasury Notes & Bonds	34,686,321	36.85%	35,262,397	Yes
GNMA CMO REMIC	658,047	0.70%	656,114	Yes
Asset-Backed Securities	10,611,240	11.27%	10,663,003	Yes
Corp. Floating Rate	315,682	0.34%	323,404	Yes
Government CMO	1,273,686	1.35%	1,285,387	Yes
Total Investments	94,116,002	100.00%	95,012,623	Yes
Total Cash and Investments	\$ 109,762,358		\$ 110,658,979	

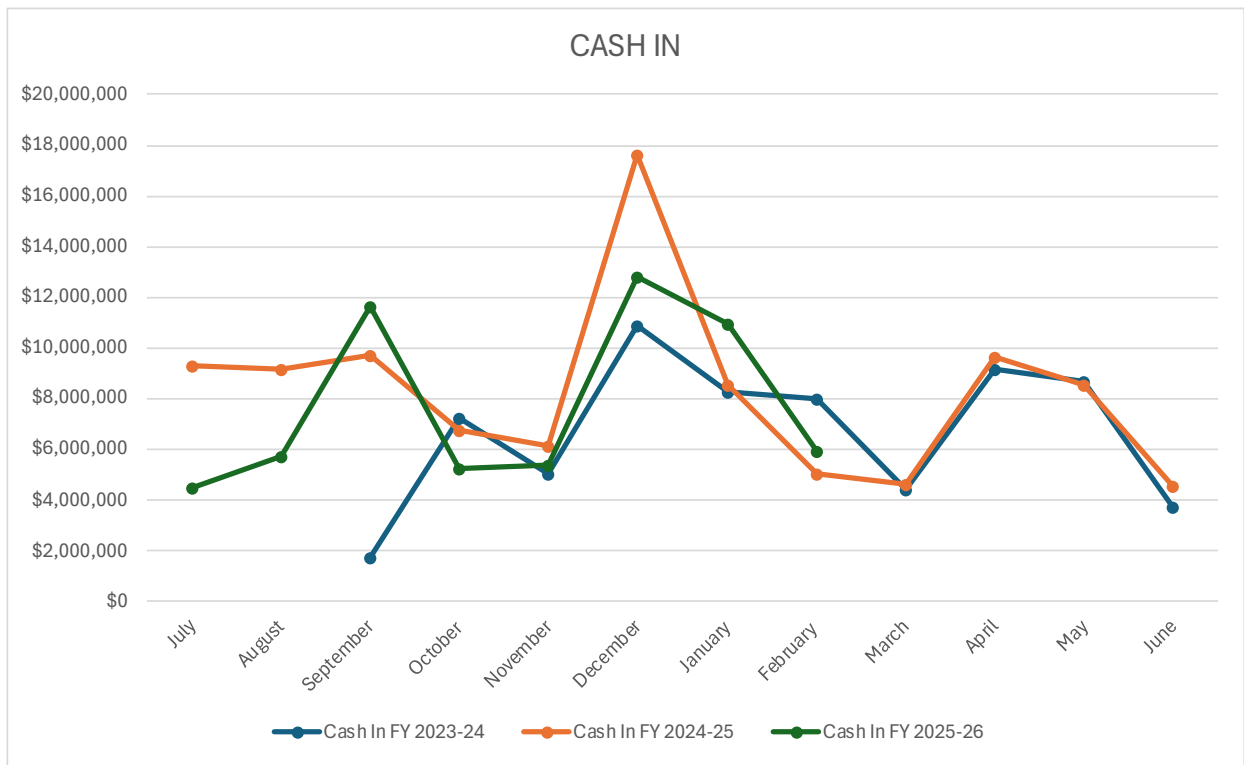


Below is a summary of revenues, expenditures and net cash flow during Fiscal Year 2025-26:

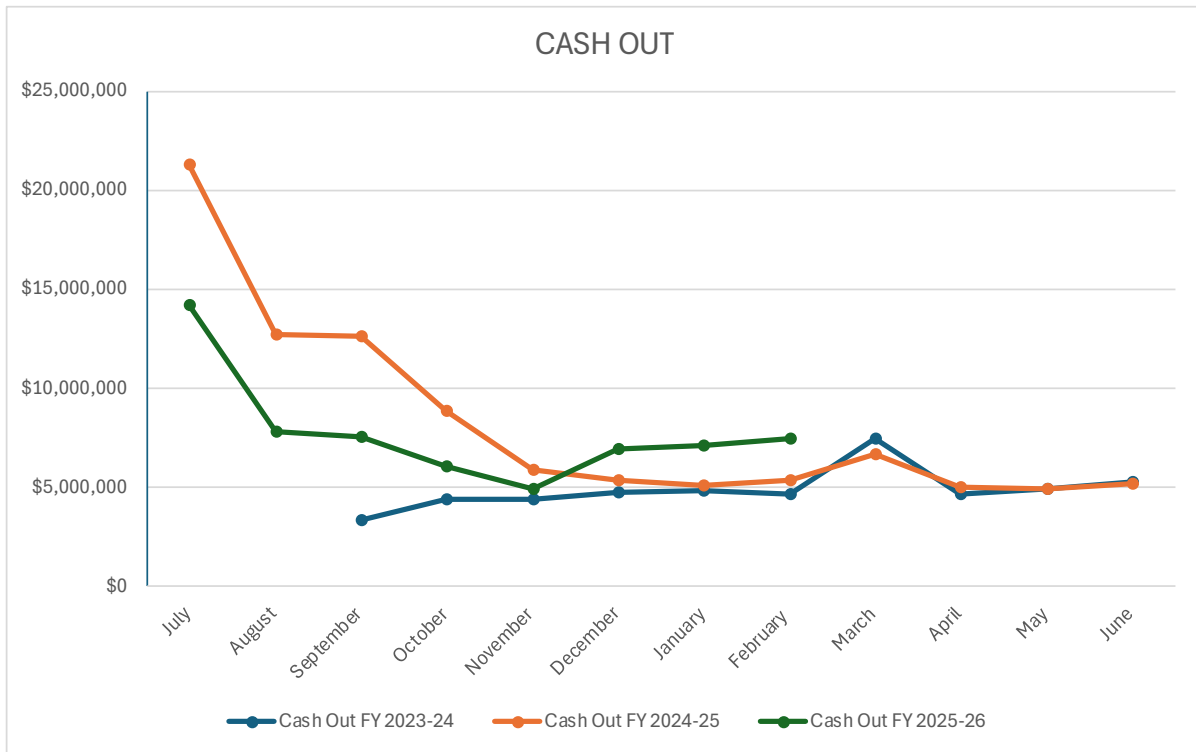
	Revenues (unaudited)	
	FY25-26	FY24-25
July	\$ 390,892	\$ 1,620,845
August	2,765,246	2,775,981
September	4,705,855	3,843,799
October	4,589,800	3,897,383
November	3,841,716	4,727,958
December	14,122,020	21,486,331
January	9,513,512	7,672,299
February	4,742,645	4,295,860
	Expenditures (unaudited)	
	FY25-26	FY24-25
July	\$ 8,373,083	\$ 7,645,811
August	4,762,976	4,783,899
September	6,341,874	6,767,913
October	5,095,166	3,775,587
November	4,566,666	3,590,151
December	5,621,258	8,175,123
January	6,446,421	5,480,207
February	6,475,818	4,683,345
	Net Cash Flow (unaudited)	
	FY25-26	FY24-25
July	\$ (7,982,191)	\$ (6,024,965)
August	(1,997,730)	(2,007,918)
September	(1,636,019)	(2,924,113)
October	(505,366)	121,796
November	(724,950)	1,137,807
December	8,500,762	13,311,208
January	3,067,091	2,192,093
February	(1,733,173)	(387,485)

*Decrease in Revenues in December 2025 compared to December 2024 is due to the sale of the Caltrans 710 Properties in December 2024 for \$6.8 million.





* LAIF transfer Ins and Outs have been removed from this chart



* LAIF transfer Ins and Outs have been removed from this chart

RECOMMENDATION:

The Finance Commission and City Council accept the Treasurer's Report for the month ending February 28, 2026, for information purposes only.



Exhibit A
City of South Pasadena
INVESTMENT REPORT
February 28, 2026

Investment Balances at Month End

INSTITUTION NAME	MATURITY DATE	YIELD ¹	PERCENT OF PORTFOLIO	COST	CURRENT MARKET VALUE *
LOCAL AGENCY INVESTMENT FUND:					
LAIF City	ON DEMAND	3.871%	28.78%	27,088,372	27,088,372
SUBTOTAL			28.78%	\$ 27,088,372	\$ 27,088,372
ZIONS BANK					
Money Market	See Exhibit B-1	3.300%	0.30%	286,264	286,264
Corporate Bonds	See Exhibit B-1	4.457%	17.17%	16,163,739	16,368,458
Municipal Bonds Taxable	See Exhibit B-1	4.550%	1.02%	961,568	976,530
U.S. Obligations	See Exhibit B-1	3.936%	2.20%	2,071,083	2,102,695
U.S. Treasury Notes & Bonds	See Exhibit B-1	3.718%	36.85%	34,686,321	35,262,397
'GNMA CMO REMIC	See Exhibit B-1	4.050%	0.70%	658,047	656,114
Asset-Backed Securities	See Exhibit B-1	4.618%	11.27%	10,611,240	10,663,003
Corp Floating Rate	See Exhibit B-1	3.610%	0.34%	315,682	323,404
Government CMO	See Exhibit B-1	3.969%	1.35%	1,273,686	1,285,387
SUBTOTAL			71.22%	67,027,630	67,924,251
TOTAL INVESTMENTS			100.00%	94,116,002	95,012,623

BANK ACCOUNTS:

BMO (formerly Bank of the West) Accounts Balance	\$ 15,459,972
BNY Mellon Uninvested Cash Balance ²	\$ 186,384

Footnotes:

¹ Yield on LAIF and Zions Money Market is based on Current Yield. Yield on investments held at Zions Bank is based on Yield to Worst (YTW).

² The BNY Mellon Uninvested Cash Balance is information-only as it is funds intended for 2016 Water Revenue Bond.

Required Disclosures:

Average weighted maturity of the portfolio at Zions Bank	1.095 DAYS
Average weighted maturity of the portfolio at LAIF	244 DAYS
Average weighted total yield of the portfolio	4.007%
Projected Expenditures for the next 6 months:	
Projected with Average of Year to Date Expense: \$	36,728,032 ***
Projected with FY 2025-26 Adopted Budget: \$	43,029,257

* Current market valuation is required for investments with maturities of more than twelve months.

**Differences between projected average and projected adopted is partly due to unspent CIP funds

*** 12-month CPI (All items - old base in Los Angeles-Long Beach-Anaheim, CA, all urban consumers, not seasonally adjusted) rate from February 2026

In compliance with the California Government Code Section 53646, as the City Treasurer of the City of South Pasadena, based on the information provided I hereby identify that the City is able to meet its expenditure requirements for the next six months and that all investments are in compliance to the City's Statement of Investment Policy.

I also certify that this report reflects all Government Agency pooled investments and all City's bank balances.



Zhen Tao, City Treasurer

4/15/2026

Date

Exhibit B-1

City of South Pasadena
Investments held at Zions Bank (managed by Payden & Rygel beginning June 1, 2025)
February 28, 2026

Issuer	CUSIP	Par Value	Coupon		Price per Stmt	Cost	Market Value	Yield or YTW ¹	
			Rate	Maturity Date					
Money Market									
Fidelity Gov Port III FCGXX	316175603	286,264	3.305%		N/A	100.00%	286,264	286,264	3.30%
Subtotal Corporate Bonds		286,264					286,264	286,264	3.30%
Corporate Bonds									
Fifth Third Bk Cincinnati S	31677QBU2	650,000	4.967%	01/28/2028	100.89%		654,394	655,784	4.92%
National Rural Utils Coop Fin	63743HFW7	300,000	4.750%	02/07/2028	101.72%		303,294	305,173	4.67%
Huntington National Bank MA	44644MAK7	300,000	4.871%	04/12/2028	100.81%		301,917	302,422	4.83%
Truist Finl Corp	89788MAG7	650,000	4.123%	06/06/2028	100.24%		647,160	651,554	4.11%
Morgan Stanley Private Bk NA	61776NVE0	250,000	4.466%	07/06/2028	100.67%		250,000	251,683	4.44%
John Deere Capital Corp	24422EXB0	612,000	4.950%	07/14/2028	102.87%		617,749	629,595	4.81%
Truist Bk	89788JAF6	250,000	4.420%	07/24/2028	100.64%		250,000	251,590	4.39%
Toyota Mtr Cr Corp	89236TNR2	340,000	4.050%	09/05/2028	100.84%		339,582	342,851	4.02%
Southern Co Gas Cap	8426EPAJ7	110,000	4.050%	09/15/2028	100.32%		109,878	110,355	4.04%
Georgia Pwr Co	373334LC3	205,000	4.000%	10/01/2028	100.59%		204,895	206,208	3.98%
Abbvie Inc	00287YBF5	625,000	4.250%	11/14/2028	101.27%		615,752	632,917	4.20%
Caterpillar Finl Svcs	14913UBD1	335,000	3.950%	11/14/2028	100.57%		334,822	336,903	3.93%
Amphenol Corp	032095AX9	160,000	3.900%	11/15/2028	100.45%		159,827	160,723	3.88%
Amazon Com Inc	023135CS3	330,000	3.900%	11/20/2028	100.57%		329,927	331,869	3.88%
American Honda Fin Corp	02665WGR6	60,000	4.150%	01/08/2029	100.57%		59,995	60,342	4.13%
Texas Instrs Inc Sr Gblbl Nt	882508CG7	615,000	4.600%	02/08/2029	102.47%		610,234	630,213	4.49%
Alphabet Inc*	02079KBJ5	235,000	3.700%	02/15/2029	100.12%		234,147	235,293	3.70%
Waste Mgmt Inc Del	94106LBV0	620,000	4.875%	02/15/2029	102.95%		624,310	638,269	4.74%
MARSH SR GLBL NT 29	571748BG6	629,000	4.375%	03/15/2029	101.05%		615,936	635,590	4.33%
Morgan Stanley	61747YFY6	700,000	4.994%	04/12/2029	101.88%		708,904	713,172	4.90%
Goldman Sachs Group Inc	38141GWV2	700,000	3.814%	04/23/2029	99.45%		688,114	696,158	3.84%
Jpmorgan Chase & Co	46647PAR7	645,000	4.005%	04/23/2029	100.01%		637,701	645,037	4.00%
Wells Fargo & Co	95000U3T8	700,000	4.970%	04/23/2029	101.98%		709,128	713,837	4.87%
American Express Co	025816CW7	650,000	4.050%	05/03/2029	100.87%		636,597	655,649	4.02%
PNC Finl Svcs Group Inc	693475BR5	300,000	5.582%	06/12/2029	103.67%		309,705	311,019	5.38%
American Express Co	025816EJ4	265,000	4.351%	07/20/2029	100.96%		265,000	267,554	4.31%
Citibank NA	17325FBK3	655,000	4.838%	08/06/2029	102.75%		668,768	673,009	4.71%
Chubb Ina Hldgs Inc	171239AL0	300,000	4.650%	08/15/2029	102.72%		301,395	308,151	4.53%
Bank America Corp	06051GLS6	769,000	5.819%	09/15/2029	104.30%		791,670	802,052	5.58%
Wells Fargo & Co	95000U4A8	275,000	4.078%	09/15/2029	100.06%		275,000	275,168	4.08%
Goldman Sachs Group Inc	38141GD27	300,000	4.153%	10/21/2029	100.05%		300,000	300,158	4.15%
Gilead Sciences Inc	375558CB7	425,000	4.800%	11/15/2029	103.08%		428,124	438,084	4.66%
Bank New York Mellon Corp	06406RCG0	100,000	4.026%	01/22/2030	100.19%		100,000	100,188	4.02%
Bank New York Mellon Corp	06406RBV8	650,000	4.975%	03/14/2030	102.94%		662,825	669,103	4.83%
Home Depot Inc	437076DJ8	385,000	3.950%	09/15/2030	100.43%		383,618	386,655	3.93%
Novartis Capital Corp	66989HAY4	420,000	4.100%	11/05/2030	100.68%		418,740	422,860	4.07%
Pfizer Inc	717081FD0	280,000	4.200%	11/15/2030	101.04%		279,779	282,904	4.16%
AvalonBay Cmnty Inc	053484AH4	335,000	4.350%	12/01/2030	101.00%		334,853	338,366	4.31%
Subtotal Corporate Bonds		16,130,000					16,163,739	16,368,458	4.46%
Municipal Bonds Taxable									
Los Angeles CA Uni Sch	544647LC2	700,000	4.347%	10/01/2029	102.02%		700,000	714,122	4.26%
San Francisco CA City & Cnty*	79768HAJ7	250,000	5.600%	10/01/2030	104.96%		261,568	262,407	5.34%
Subtotal Municipal Bonds Taxable		950,000					961,568	976,530	4.55%
U.S. Obligations									
Federal Home Loan Banks	3130AWC24	1,875,000	4.000%	06/09/2028	101.31%		1,871,897	1,899,496	3.95%
Tennessee Valley Auth Fed Be	880591FE7	200,000	3.875%	08/01/2030	101.60%		199,186	203,200	3.81%

Issuer	CUSIP	Par Value	Coupon Rate	Maturity Date	Price per Stmnt	Cost	Market Value	Yield or YTW ¹
Subtotal U.S. Obligations		2,075,000				2,071,083	2,102,695	3.94%
U.S. Treasury Notes & Bonds								
U S Treasury Notes	91282CGH8	3,062,000	3.500%	01/31/2028	100.21%	3,027,332	3,068,339	3.49%
U S Treasury Notes	91282CHA2	4,400,000	3.500%	04/30/2028	100.24%	4,261,866	4,410,484	3.49%
U S Treasury Notes	91282CHQ7	2,347,000	4.125%	07/31/2028	101.73%	2,373,587	2,387,706	4.05%
U S Treasury Notes	91282CPK1	675,000	3.500%	11/15/2028	100.30%	675,229	677,057	3.49%
U S Treasury Notes	91282CPP0	1,865,000	3.500%	12/15/2028	100.31%	1,864,344	1,870,828	3.49%
U S Treasury Notes	91282CJR3	3,002,000	3.750%	12/31/2028	100.99%	2,961,057	3,031,668	3.71%
United States Treas Nts*	91282CPT2	510,000	3.500%	01/15/2029	100.32%	508,645	511,634	3.49%
U S Treasury Nts	91282CKX8	2,506,000	4.250%	06/30/2029	102.61%	2,501,953	2,571,489	4.14%
U S Treasury Notes	91282CGQ8	2,300,000	4.000%	02/28/2030	101.99%	2,303,234	2,345,820	3.92%
U S Treasury Notes	91282CMZ1	2,250,000	3.875%	04/30/2030	101.55%	2,248,769	2,284,893	3.82%
United States Treas Nts	91282CNK3	2,130,000	3.875%	06/30/2030	101.57%	2,131,307	2,163,531	3.81%
U S Treasury Notes	91282CNN7	2,600,000	3.875%	07/31/2030	101.59%	2,602,453	2,641,336	3.81%
United States Treas Nts	91282CPA3	2,255,000	3.625%	09/30/2030	100.53%	2,245,387	2,266,980	3.61%
U S Treasury Notes	91282CPN5	1,520,000	3.500%	11/30/2030	99.97%	1,513,291	1,519,525	3.50%
U S Treasury Notes*	91282CPW5	3,475,000	3.750%	01/31/2031	101.04%	3,467,867	3,511,107	3.71%
Subtotal Treasury Notes & Bonds		34,897,000				34,686,321	35,262,397	3.72%
GNMA CMO REMIC								
Fhlmc Remic Series 5607	3137HNZL5	663,646	4.000%	05/15/2030	98.87%	658,047	656,114	4.05%
Subtotal GNMA CMO REMIC		663,646				658,047	656,114	4.05%
Asset-Backed Securities								
Ford Credit Auto Lease Tr	34533MAD8	700,000	4.230%	12/15/2028	100.72%	699,914	705,040	4.20%
Ford Credit Auto	344940AE1	700,000	5.490%	05/15/2029	102.24%	715,559	715,687	5.37%
Gm Financial Consumer 2024-1	36268GAE5	700,000	4.860%	06/18/2029	101.66%	707,109	711,634	4.78%
Santander Drive Auto 2025-2	80287NAC9	650,000	4.670%	08/15/2029	100.62%	652,996	654,030	4.64%
Ally Auto Receivables 2024-1	02008FAD6	200,000	4.940%	10/15/2029	101.66%	202,297	203,324	4.86%
World Omni Auto Receivables	98164FAE2	650,000	5.030%	11/15/2029	101.34%	656,729	658,743	4.96%
Santander Drive Auto Rcvbl	80288JAC7	650,000	4.380%	01/15/2030	100.61%	649,909	653,978	4.35%
Honda Auto Rec Own Tr 2023-4	438123AD3	430,000	5.660%	02/21/2030	101.94%	438,902	438,359	5.55%
Honda Auto Receiv Owner 202	43813QAD1	650,000	4.040%	02/21/2030	100.65%	649,986	654,225	4.01%
Carmax Auto Owner Tr 2025-2	14320AAD3	600,000	4.480%	03/15/2030	101.16%	603,680	606,960	4.43%
World Omni Auto Rec Tr 2025	98164YAD3	655,000	4.730%	03/15/2030	101.27%	660,936	663,338	4.67%
Ford Credit Floorpl 2025-1	34529BAA4	600,000	4.630%	04/15/2030	101.81%	604,875	610,836	4.55%
Gm Financial Consumer 2025-2	362549AD9	600,000	4.280%	04/16/2030	100.78%	601,266	604,710	4.25%
Volkswagen Auto Loan	92867YAE4	700,000	5.570%	04/22/2030	102.34%	717,309	716,380	5.44%
Volkswagen Auto Lease 2025-b	92868BAE3	500,000	4.440%	05/20/2030	100.46%	499,961	502,290	4.42%
Carmax Auto Owner Trust 202	14290FAD8	650,000	4.530%	07/15/2030	100.95%	649,866	656,175	4.49%
Chase Issuance Tr 2025-1	161571HZ0	500,000	4.160%	07/15/2030	101.08%	499,990	505,390	4.12%
Ford Cr Auto Owner Tr 2025-b	34532BAG6	400,000	3.910%	07/15/2031	100.48%	399,957	401,904	3.89%
Subtotal Asset-Backed Securities		10,535,000				10,611,240	10,663,003	4.62%
Corp Floating Rate (Act/360)								
Bank of America Corp	06051GGR4	325,000	3.593%	07/21/2028	99.51%	315,682	323,404	3.61%
Subtotal Corp Floating Rate		325,000				315,682	323,404	3.61%

Issuer	CUSIP	Par Value	Coupon		Price per Stmt	Cost	Market Value	Yield
			Rate	Maturity Date				or YTW ¹
Government CMO								
FHLMC REMI Series K-085	3137FK4M5	265,000	4.060%	10/25/2028	100.92%	264,990	267,430	4.02%
FHLMC REMIC Series K-084	3137FJZ93	500,000	3.780%	10/25/2028	100.23%	496,094	501,165	3.77%
Fnma Remic Trust 2019-m6	3136B4KJ6	58,388	3.450%	01/25/2029	99.44%	57,448	58,059	3.47%
Fhlmc Remic Series 5616	3137HPM75	455,084	4.250%	01/15/2031	100.80%	455,155	458,733	4.22%
Subtotal Government CMO		1,278,472				1,273,686	1,285,387	3.97%
Grand Total		67,140,382				67,027,630	67,924,251	4.06%

* Any new investments are italicized and marked with an asterisk to the right.

Market Adj. (896,621)
Estimated Income 2,759,346

Maturities						
Issuer	CUSIP	Par Value	Coupon Rate	Maturity Date		Cost

Sales/Calls						
Issuer	CUSIP	Par Value	Coupon Rate	Maturity Date		Cost
U S Treasury Notes	91282CFM8	563,000	4.125%	09/30/2027	100.96%	563,750
United States Treas Nts	91282CPB1	675,000	3.500%	09/30/2027	99.96%	673,655
United States Treas Nts	91282CNL1	495,000	3.750%	06/30/2027	100.31%	493,801
United States Treas Nts	91282CMY4	952,000	3.750%	04/30/2027	100.26%	951,665
United States Treas Nts	91282CPE5	335,000	3.500%	10/31/2027	99.95%	334,359
<i>U S Treasury Notes*</i>	91282CPW5	245,000	3.750%	01/31/2031	100.03%	244,474

¹ YTW was used in place of YTM for conservative approach to looking at the performance of the bonds. YTW considers the possibility to call the bonds if a call option is available, whereby the City's Investors may choose to call a bond to seek for better investments or to redeem the bond at ideal market conditions.

Exhibit B-2

Funds and Investments
Held by Contracted (Third) Parties

February 28, 2026

2016 Water Revenue Bonds

Investment Type	Issuer	Settlement Date	Par Value	Coupon Rate	Market Value	Current YTM	Maturity Date	Days to Maturity	CUSIP Account Number
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BNY Mellon Project Fund

1	Cash		1,463	0.000%	1,463	3.530%		1	
2	Morgan Stanley Treasury Portfolio		184,921	0.000%	184,921	3.530%		1	
Subtotal Cash & Cash Equivalents			186,384	0.000%	186,384	3.530%		1	
Total Project Fund			186,384	0.000%	186,384	3.530%		1	

Exhibit C

February 28, 2026

Investment Report

Summary of Invested Funds -- Last Day of the Month

MONTH	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
JULY	\$ 26,306,572	\$ 28,541,631	\$ 74,033,803	\$ 33,187,829	\$ 34,119,395	\$ 39,309,559	\$ 47,220,730	\$ 62,091,716	\$ 75,797,212	\$ 85,983,394	\$ 99,115,920
AUGUST	26,294,151	28,405,544	73,122,925	31,258,493	34,245,197	35,205,219	47,188,874	62,035,853	75,898,527	83,037,641	99,741,014
SEPTEMBER	22,058,959	27,049,892	70,952,657	31,219,168	34,211,588	35,108,138	50,651,612	62,025,768	72,673,251	80,118,760	92,944,893
OCTOBER	22,325,114	27,023,005	70,917,973	26,989,542	30,424,551	32,530,753	47,647,956	62,066,381	72,928,239	76,169,627	93,591,619
NOVEMBER	22,287,418	73,246,265	26,547,176	26,916,772	30,394,571	36,836,391	47,638,933	62,383,437	73,816,550	76,420,072	93,878,476
DECEMBER	22,253,300	71,499,585	28,949,643	27,028,835	30,398,333	36,824,546	51,976,067	62,346,272	74,622,956	76,407,420	94,082,934
JANUARY	27,399,997	71,229,735	32,878,042	35,305,506	30,183,446	43,433,939	56,735,289	63,037,830	75,026,715	76,850,520	94,388,104
FEBRUARY	30,108,605	71,084,575	33,013,420	34,571,287	35,784,459	43,636,405	44,768,920	62,673,423	74,572,924	77,422,529	95,012,623
MARCH	28,939,924	72,604,964	32,833,141	32,568,840	35,894,036	43,608,698	53,763,388	63,422,072	87,799,607	77,759,174	
APRIL	28,276,276	75,018,330	33,064,100	32,242,202	36,081,161	42,158,002	53,442,475	63,662,118	87,625,460	98,378,689	
MAY	28,429,928	76,053,277	32,879,674	36,925,478	34,133,626	42,180,215	53,637,240	75,814,301	88,603,229	98,061,069	
JUNE	26,594,581	75,918,587	33,102,349	38,922,757	34,218,755	42,164,581	53,485,809	75,450,478	88,403,497	99,045,765	

* Note: Invested funds based on Market Value at the end of month.

City of South Pasadena

BMO Accounts Balance

For February 2026 Investment Report

BMO - Operating ending 3688	\$ 15,459,972	28-Feb	
BMO - Payroll ending 3746	-	28-Feb	*
BMO - Workers Comp ending 1936	-	28-Feb	*
BMO - Gen Liab ending 2413	-	28-Feb	*
Total BMO (formerly Bank of the West)	<u>\$ 15,459,972</u>		
	<u>FY 2025-26 YTD</u>	<u>FY 2024-25 YTD</u>	
BMO Interest Income	\$156,684	\$240,041	

* *Zero Balance Account - \$ Transfers from Operating Acct. No. 3688*

City of South Pasadena
Projected Expenditures (Based off Prior Year Actuals)
For February 2026 Investment Report
Expenditures Six Months (Average of FY25-26 and projected 6 months)

Actual Expenditures

	FY 25-26		FY 24-25
July-25	8,373,083	July-24	7,645,811
August-25	4,762,976	August-24	4,783,899
September-25	6,341,874	September-24	6,767,913
October-25	5,095,166	October-24	3,775,587
November-25	4,566,666	November-24	3,590,151
December-25	5,621,258	December-24	8,175,123
January-26	6,446,421	January-25	5,480,207
February-26	6,475,878	February-25	4,683,345
March-26		March-25	4,638,892
April-26		April-25	3,868,864
May-26		May-25	4,110,203
June-26		June-25	36,590,389
	\$ 47,683,321		\$ 94,110,384
Avg per month	5,960,415	Avg per month	7,842,532
6 month actual projected	\$ 35,762,490	6 month actual projected	\$ 47,055,192

Adopted Budget

	FY 2025-26
Adopted Budget	86,058,513
Adopted 6 month	43,029,257

Difference between 6 month actual projected and 6 month adopted budget

6 month Adopted Budget	43,029,257
6 month actual projected	36,728,032 *
	\$ 6,301,225 **

* Applying the 12-month CPI (Los Angeles, Long Beach, Anaheim) rate for the month of February 2026 (2.700%) .

**Differences between projected average and projected adopted is due to unspent CIP funds

City of South Pasadena
Six Months Projected Expenditures (Adopted Budget)
For February 2026 Investment Report

Adopted Budget Expenditures

Total CITY & CRA Expenditures FY 2025-26 (page 35-36) 86,058,513

Total FY 2025-26 Budget Expenditures 86,058,513

Six Months Estimated Expenditures FY 2025-26 43,029,257



Statement of Account
February 1, 2026 Through February 28, 2026

South Pasadena Custody
Account Number: 8048032

City of South Pasadena
1414 Mission Street
South Pasadena, CA 91030

Please contact your administrator - Jacqueline Nowak
with any questions concerning your account.

Please Note: Our new address effective Monday, March 10, 2025 is as follows:
707 Wilshire Boulevard, Suite #5000 Los Angeles, CA 90017

Confidential And Privileged Information

Cash Reconciliation

	Income	Principal
Opening Balance February 1, 2026	\$ 0.00	\$ 0.00
Receipts		
Sales	0.00	3,283,969.08
Interest	0.00	283,984.82
Dividends	0.00	2,348.99
Other Receipts	0.00	0.00
Collective Fund Earnings	0.00	0.00
Transfers	0.00	0.00
Total Receipts	0.00	3,570,302.89
Disbursements		
Purchases	0.00	-4,716,700.29
Fees	0.00	0.00
Other Disbursements	0.00	-5,650.00
Transfers	0.00	0.00
Total Disbursements	0.00	-4,722,350.29
Net Cash Management	0.00	1,152,047.40
Closing Balance February 28, 2026	\$ 0.00	\$ 0.00

February 01, 2026 through February 28, 2026

Account Name : South Pasadena Custody

Account No : 8048032

Portfolio Summary

February 28, 2026	Portfolio %	Market Value	Projected Income	Current Yield
Cash & Equivalents	0.42%	286,263.94	9,459.91	3.30%
Fixed Income	99.58%	67,637,987.05	2,749,885.18	4.07%
Total Portfolio	100.00 %	67,924,250.99	2,759,345.09	4.06%
Accrued Income		564,800.14		
Total Market Value		68,489,051.13		

Holdings

Shares / PV	Asset Description		Cost	Price	Market Est	Ann Inc	Yield	Acc Income	
<u>Money Market Funds - Taxable</u>									
286,263.94	Fidelity Gov Port III FCGXX		286,263.94	1.00	286,263.94	9,459.91	3.30%	1,339.99	
286,263.94	* * Sub Totals * *		286,263.94		286,263.94	9,459.91	3.30%	1,339.99	
<u>Corporate Bonds (30/360)</u>									
650,000	Fifth Third Bk Cincinnati S	4.967%	01/28/2028	654,394.00	100.89	655,783.50	32,285.50	4.92%	2,885.85
300,000	National Rural Utils Coop Fi	4.750%	02/07/2028	303,294.00	101.72	305,173.02	14,250.00	4.67%	915.50
300,000	Huntington National Bank MA	4.871%	04/12/2028	301,917.00	100.81	302,422.30	14,613.00	4.83%	5,632.94
650,000	Truist Finl Corp	4.123%	06/06/2028	647,159.50	100.24	651,553.83	26,799.50	4.11%	6,288.15
250,000	Morgan Stanley Private Bk NA	4.466%	07/06/2028	250,000.00	100.67	251,683.06	11,165.00	4.44%	1,684.11
612,000	John Deere Capital Corp	4.950%	07/14/2028	617,748.72	102.87	629,594.67	30,294.00	4.81%	3,892.53
250,000	Truist Bk	4.420%	07/24/2028	250,000.00	100.64	251,590.19	11,050.00	4.39%	1,111.17
340,000	Toyota Mtr Cr Corp	4.050%	09/05/2028	339,581.80	100.84	342,851.21	13,770.00	4.02%	6,731.15
110,000	Southern Co Gas Cap	4.050%	09/15/2028	109,877.90	100.32	110,355.11	4,455.00	4.04%	2,140.39
205,000	Georgia Pwr Co	4.000%	10/01/2028	204,895.45	100.59	206,207.68	8,200.00	3.98%	3,458.66
625,000	Abbvie Inc	4.250%	11/14/2028	615,752.20	101.27	632,917.21	26,562.50	4.20%	7,864.87
335,000	Caterpillar Finl Svcs	3.950%	11/14/2028	334,822.45	100.57	336,902.75	13,232.50	3.93%	3,918.00
160,000	Amphenol Corp	3.900%	11/15/2028	159,827.20	100.45	160,722.72	6,240.00	3.88%	1,917.32
330,000	Amazon Com Inc	3.900%	11/20/2028	329,927.40	100.57	331,869.29	12,870.00	3.88%	3,594.97
60,000	American Honda Fin Corp	4.150%	01/08/2029	59,995.20	100.57	60,341.71	2,490.00	4.13%	361.68
615,000	Texas Instrs Inc Sr Gbl Nt	4.600%	02/08/2029	610,233.75	102.47	630,213.35	28,290.00	4.49%	1,738.49
235,000	Alphabet Inc	3.700%	02/15/2029	234,146.95	100.12	235,293.02	8,695.00	3.70%	412.89
620,000	Waste Mgmt Inc Del	4.875%	02/15/2029	624,310.40	102.95	638,269.42	30,225.00	4.74%	1,266.41
629,000	MARSH SR GLBL NT 29	4.375%	03/15/2029	615,935.67	101.05	635,590.05	27,518.75	4.33%	12,683.22
700,000	Morgan Stanley	4.994%	04/12/2029	708,904.00	101.88	713,172.33	34,958.00	4.90%	13,475.43
700,000	Goldman Sachs Group Inc	3.814%	04/23/2029	688,114.00	99.45	696,157.88	26,698.00	3.84%	9,471.08
645,000	Jpmorgan Chase & Co	4.005%	04/23/2029	637,700.85	100.01	645,036.99	25,832.25	4.00%	9,163.95
700,000	Wells Fargo & Co	4.970%	04/23/2029	709,128.00	101.98	713,836.77	34,790.00	4.87%	12,341.70
650,000	American Express Co	4.050%	05/03/2029	636,597.00	100.87	655,648.62	26,325.00	4.02%	8,603.42

Holdings

Shares / PV	Asset Description		Cost	Price	Market Est	Ann Inc	Yield	Acc Income	
300,000	PNC Finl Svcs Group Inc	5.582%	06/12/2029	309,705.00	103.67	311,019.32	16,746.00	5.38%	3,648.57
265,000	American Express Co	4.351%	07/20/2029	265,000.00	100.96	267,554.16	11,530.15	4.31%	1,288.28
655,000	Citibank NA	4.838%	08/06/2029	668,768.10	102.75	673,008.92	31,688.90	4.71%	2,124.40
300,000	Chubb Ina Hldgs Inc	4.650%	08/15/2029	301,395.00	102.72	308,151.21	13,950.00	4.53%	584.50
769,000	Bank America Corp	5.819%	09/15/2029	791,670.12	104.30	802,051.54	44,748.11	5.58%	20,624.13
275,000	Wells Fargo & Co	4.078%	09/15/2029	275,000.00	100.06	275,167.51	11,214.50	4.08%	5,168.69
300,000	Goldman Sachs Group Inc	4.153%	10/21/2029	300,000.00	100.05	300,158.44	12,459.00	4.15%	4,489.42
425,000	Gilead Sciences Inc	4.800%	11/15/2029	428,123.75	103.08	438,083.60	20,400.00	4.66%	5,983.24
100,000	Bank New York Mellon Corp	4.026%	01/22/2030	100,000.00	100.19	100,188.08	4,026.00	4.02%	427.34
650,000	Bank New York Mellon Corp	4.975%	03/14/2030	662,824.50	102.94	669,102.67	32,337.50	4.83%	14,994.48
385,000	Home Depot Inc	3.950%	09/15/2030	383,617.85	100.43	386,655.46	15,207.50	3.93%	7,009.04
420,000	Novartis Capital Corp	4.100%	11/05/2030	418,740.00	100.68	422,859.90	17,220.00	4.07%	5,531.56
280,000	Pfizer Inc	4.200%	11/15/2030	279,778.80	101.04	282,904.01	11,760.00	4.16%	3,252.07
335,000	AvalonBay Cmnty Inc	4.350%	12/01/2030	334,852.60	101.00	338,366.33	14,572.50	4.31%	3,622.77
16,130,000	** Sub Totals **			16,163,739.16		16,368,457.83	729,469.16	4.46%	200,302.37
	<u>Municipal Bonds Taxable</u>								
700,000	Los Angeles CA Uni Sch	4.347%	10/01/2029	700,000.00	102.02	714,122.22	30,429.00	4.26%	12,664.58
250,000	San Francisco CA City & Cnty	5.600%	10/01/2030	261,567.50	104.96	262,407.48	14,000.00	5.34%	5,826.82
950,000	** Sub Totals **			961,567.50		976,529.70	44,429.00	4.55%	18,491.40
	<u>U.S. Obligations</u>								
1,875,000	Federal Home Loan Banks	4.000%	06/09/2028	1,871,897.25	101.31	1,899,495.66	75,000.00	3.95%	16,969.27
200,000	Tennessee Valley Auth Fed Be	3.875%	08/01/2030	199,186.00	101.60	203,199.78	7,750.00	3.81%	627.79
2,075,000	** Sub Totals **			2,071,083.25		2,102,695.44	82,750.00	3.94%	17,597.06
	<u>U.S. Treasury Notes & Bonds</u>								
3,062,000	U S Treasury Notes	3.500%	01/31/2028	3,027,332.26	100.21	3,068,339.29	107,170.00	3.49%	8,289.39
4,400,000	U S Treasury Notes	3.500%	04/30/2028	4,261,865.80	100.24	4,410,484.36	154,000.00	3.49%	51,049.72
2,347,000	U S Treasury Notes	4.125%	07/31/2028	2,373,586.82	101.73	2,387,705.78	96,813.75	4.05%	7,488.36

Holdings

Shares / PV	Asset Description		Cost	Price	Market Est	Ann Inc	Yield	Acc Income	
675,000	U S Treasury Notes	3.500%	11/15/2028	675,228.75	100.30	677,056.64	23,625.00	3.49%	6,852.56
1,865,000	U S Treasury Notes	3.500%	12/15/2028	1,864,344.34	100.31	1,870,828.13	65,275.00	3.49%	13,449.52
3,002,000	U S Treasury Notes	3.750%	12/31/2028	2,961,057.09	100.99	3,031,668.20	112,575.00	3.71%	18,347.86
510,000	United States Treas Nts	3.500%	01/15/2029	508,645.31	100.32	511,633.60	17,850.00	3.49%	2,169.61
2,506,000	U S Treasury Nts	4.250%	06/30/2029	2,501,953.36	102.61	2,571,488.82	106,505.00	4.14%	17,358.55
2,300,000	U S Treasury Notes	4.000%	02/28/2030	2,303,233.80	101.99	2,345,820.32	92,000.00	3.92%	46,000.00
2,250,000	U S Treasury Notes	3.875%	04/30/2030	2,248,769.25	101.55	2,284,892.57	87,187.50	3.82%	28,901.93
2,130,000	United States Treas Nts	3.875%	06/30/2030	2,131,306.65	101.57	2,163,530.86	82,537.50	3.81%	13,452.24
2,600,000	U S Treasury Notes	3.875%	07/31/2030	2,602,453.12	101.59	2,641,335.94	100,750.00	3.81%	7,792.82
2,255,000	United States Treas Nts	3.625%	09/30/2030	2,245,387.07	100.53	2,266,979.69	81,743.75	3.61%	33,910.18
1,520,000	U S Treasury Notes	3.500%	11/30/2030	1,513,290.63	99.97	1,519,525.00	53,200.00	3.50%	13,153.85
3,475,000	U S Treasury Notes	3.750%	01/31/2031	3,467,866.90	101.04	3,511,107.44	130,312.50	3.71%	10,079.42
34,897,000	* * Sub Totals * *			34,686,321.15		35,262,396.64	1,311,545.00	3.72%	278,296.01
	<u>GNMA CMO Remic</u>								
663,646.1	Fhlmc Remic Series 5607	4.000%	05/15/2030	658,046.59	98.87	656,113.72	26,545.84	4.05%	2,212.15
663,646.1	* * Sub Totals * *			658,046.59		656,113.72	26,545.84	4.05%	2,212.15
	<u>Asset-Backed Securities</u>								
700,000	Ford Credit Auto Lease Tr	4.230%	12/15/2028	699,913.76	100.72	705,040.00	29,610.00	4.20%	2,467.50
700,000	Ford Credit Auto	5.490%	05/15/2029	715,558.59	102.24	715,687.00	38,430.00	5.37%	3,202.50
700,000	Gm Financial Consumer 2024-1	4.860%	06/18/2029	707,109.38	101.66	711,634.00	34,020.00	4.78%	2,835.00
650,000	Santander Drive Auto 2025-2	4.670%	08/15/2029	652,996.09	100.62	654,030.00	30,355.00	4.64%	2,529.58
200,000	Ally Auto Receivables 2024-1	4.940%	10/15/2029	202,296.88	101.66	203,324.00	9,880.00	4.86%	823.33
650,000	World Omni Auto Receivables	5.030%	11/15/2029	656,728.52	101.35	658,742.50	32,695.00	4.96%	2,724.58
650,000	Santander Drive Auto Rcvbl	4.380%	01/15/2030	649,908.74	100.61	653,978.00	28,470.00	4.35%	2,372.50
430,000	Honda Auto Rec Own Tr 2023-4	5.660%	02/21/2030	438,902.34	101.94	438,359.20	24,338.00	5.55%	2,028.17
650,000	Honda Auto Receiv Owner 202	4.040%	02/21/2030	649,986.42	100.65	654,225.00	26,260.00	4.01%	2,188.33
600,000	Carmax Auto Owner Tr 2025-2	4.480%	03/15/2030	603,679.69	101.16	606,960.00	26,880.00	4.43%	2,240.00
655,000	World Omni Auto Rec Tr 2025	4.730%	03/15/2030	660,935.94	101.27	663,338.15	30,981.50	4.67%	2,581.79

Holdings

Shares / PV	Asset Description		Cost	Price	Market Est	Ann Inc	Yield	Acc Income	
600,000	Ford Credit Floorpl 2025-1	4.630%	04/15/2030	604,875.00	101.81	610,836.00	27,780.00	4.55%	2,315.00
600,000	Gm Financial Consumer 2025-2	4.280%	04/16/2030	601,265.63	100.79	604,710.00	25,680.00	4.25%	2,140.00
700,000	Volkswagen Auto Loan	5.570%	04/22/2030	717,308.59	102.34	716,380.00	38,990.00	5.44%	3,249.17
500,000	Volkswagen Auto Lease 2025-b	4.440%	05/20/2030	499,960.75	100.46	502,290.00	22,200.00	4.42%	1,850.00
650,000	Carmax Auto Owner Trust 202	4.530%	07/15/2030	649,866.43	100.95	656,175.00	29,445.00	4.49%	2,453.75
500,000	Chase Issuance Tr 2025-1	4.160%	07/15/2030	499,989.95	101.08	505,389.70	20,800.00	4.12%	1,733.33
400,000	Ford Cr Auto Owner Tr 2025-b	3.910%	07/15/2031	399,956.84	100.48	401,904.00	15,640.00	3.89%	1,303.33
10,535,000	** Sub Totals **			10,611,239.54		10,663,002.55	492,454.50	4.62%	41,037.86
	<u>Corp Floating Rate (Act/360)</u>								
325,000	Bank of America Corp	3.593%	07/21/2028	315,682.25	99.51	323,404.08	11,677.25	3.61%	1,272.10
325,000	** Sub Totals **			315,682.25		323,404.08	11,677.25	3.61%	1,272.10
	<u>Government CMO</u>								
265,000	FHLMC REMI Series K-085	4.060%	10/25/2028	264,989.70	100.92	267,430.05	10,759.00	4.02%	896.58
500,000	FHLMC REMIC Series K-084	3.780%	10/25/2028	496,093.75	100.23	501,165.00	18,900.00	3.77%	1,575.00
58,387.935	Fnma Remic Trust 2019-m6	3.450%	01/25/2029	57,448.26	99.44	58,058.63	2,014.38	3.47%	167.87
455,083.64	Fhlmc Remic Series 5616	4.250%	01/15/2031	455,154.75	100.80	458,733.41	19,341.05	4.22%	1,611.75
1,278,471.575	** Sub Totals **			1,273,686.46		1,285,387.09	51,014.43	3.97%	4,251.20
67,140,381.615	** Grand Totals **			67,027,629.84		67,924,250.99	2,759,345.09	4.06%	564,800.14

Cash Summary

Principal Cash	0.00
Income Cash	0.00
Invested Income	0.00

Account Transactions

Date	Description	Income	Principal	Carrying Value
	Starting Balances	\$ 0.00	\$ 0.00	\$ 66,716,053.57
	<u>Interest</u>			
02/02/2026	Interest		53,585.00	
	U S Treasury Notes 3.5000% 01/31/28			
02/02/2026	Interest		48,406.88	
	U S Treasury Notes 4.1250% 07/31/28			
02/02/2026	Interest		50,375.00	
	U S Treasury Notes 3.8750% 07/31/30			
02/02/2026	Interest		3,724.31	
	Tennessee Valley Auth Fed Be 3.8750% 08/01/30			
02/02/2026	Accrued Interest Received		7,975.19	
	U S Treasury Notes 4.1250% 09/30/27			
02/02/2026	Accrued Interest Received		8,112.98	
	United States Treas Nts 3.5000% 09/30/27			
02/02/2026	Accrued Interest Received		1,692.16	
	United States Treas Nts 3.7500% 06/30/27			
02/02/2026	Accrued Interest Received		9,270.17	
	United States Treas Nts 3.7500% 04/30/27			
02/02/2026	Accrued Interest Received		3,044.61	
	United States Treas Nts 3.5000% 10/31/27			
02/02/2026	Purchase Accrued Interest		-417.78	
	U S Treasury Notes 3.7500% 01/31/31			
02/02/2026	Purchase Accrued Interest		-352.94	
	U S Treasury Notes 3.7500% 01/31/31			
02/02/2026	Purchase Accrued Interest		-887.57	
	United States Treas Nts 3.5000% 01/15/29			
02/06/2026	Interest		15,844.45	
	Citibank NA 4.8380% 08/06/29			
02/09/2026	Interest		14,145.00	
	Texas Instrs Inc Sr Gbl Nt 4.6000% 02/08/29			
02/09/2026	Interest		7,125.00	
	National Rural Utils Coop Fin 4.75% 02/07/28			
02/10/2026	Accrued Interest Received		253.80	
	U S Treasury Notes 3.7500% 01/31/31			

Account Transactions

Date	Description	Income	Principal	Carrying Value
02/17/2026	Interest Waste Mgmt Inc Del 4.8750% 02/15/29		15,112.50	
02/17/2026	Interest Chubb Ina Hldgs Inc 4.6500% 08/15/29		6,975.00	
02/17/2026	Mortgage Backed - Other Pass Through Interest Ally Auto Receivables 2024-1 4.9400% 10/15/29 Principal Balance Reduction of 0.000000		823.33	
02/17/2026	Mortgage Backed - Other Pass Through Interest World Omni Auto Receivables 5.0300% 11/15/29 Principal Balance Reduction of 0.000000		2,724.58	
02/17/2026	Mortgage Backed - Other Pass Through Interest Ford Credit Auto Lease Tr 4.2300% 12/15/28 Principal Balance Reduction of 0.000000		2,467.50	
02/17/2026	Mortgage Backed - Other Pass Through Interest Fhlmc Remic Series 5607 4.0000% 05/15/30 Principal Balance Reduction of 6209.990000		2,232.85	
02/17/2026	Mortgage Backed - Other Pass Through Interest Carmax Auto Owner Trust 202 4.5300% 07/15/30 Principal Balance Reduction of 0.000000		2,356.25	
02/17/2026	Mortgage Backed - Other Pass Through Interest Carmax Auto Owner Tr 2025-2 4.4800% 03/15/30 Principal Balance Reduction of 0.000000		2,240.00	
02/17/2026	Mortgage Backed - Other Pass Through Interest Chase Issuance Tr 2025-1 4.1600% 07/15/30 Principal Balance Reduction of 0.000000		1,733.33	
02/17/2026	Mortgage Backed - Other Pass Through Interest Ford Credit Auto 5.4900% 05/15/29 Principal Balance Reduction of 0.000000		3,202.50	
02/17/2026	Mortgage Backed - Other Pass Through Interest Ford Credit Floorpl 2025-1 4.6300% 04/15/30 Principal Balance Reduction of 0.000000		2,315.00	
02/17/2026	Mortgage Backed - Other Pass Through Interest Ford Cr Auto Owner Tr 2025-b 3.9100% 07/15/31 Principal Balance Reduction of 0.000000		1,303.33	
02/17/2026	Mortgage Backed - Other Pass Through Interest Gm Financial Consumer 2025-2 4.2800% 04/16/30		2,140.01	

Account Transactions

Date	Description	Income	Principal	Carrying Value
02/17/2026	Principal Balance Reduction of 0.000000 Mortgage Backed - Other Pass Through Interest Gm Financial Consumer 2024-1 4.8600% 06/18/29		2,835.00	
02/17/2026	Principal Balance Reduction of 0.000000 Mortgage Backed - Other Pass Through Interest Santander Drive Auto 2025-2 4.6700% 08/15/29		2,529.58	
02/17/2026	Principal Balance Reduction of 0.000000 Mortgage Backed - Other Pass Through Interest Santander Drive Auto Rcvbl 4.3800% 01/15/30		2,372.50	
02/17/2026	Principal Balance Reduction of 0.000000 Mortgage Backed - Other Pass Through Interest World Omni Auto Rec Tr 2025 4.7300% 03/15/30		2,581.79	
02/20/2026	Principal Balance Reduction of 0.000000 Mortgage Backed - Other Pass Through Interest Volkswagen Auto Lease 2025-b 4.4400% 05/20/30		1,666.67	
02/20/2026	Principal Balance Reduction of 0.000000 Mortgage Backed - Other Pass Through Interest Volkswagen Auto Loan 5.5700% 04/22/30		3,249.17	
02/23/2026	Principal Balance Reduction of 0.000000 Mortgage Backed - Other Pass Through Interest Honda Auto Rec Own Tr 2023-4 5.6600% 02/21/30		2,028.17	
02/23/2026	Principal Balance Reduction of 0.000000 Mortgage Backed - Other Pass Through Interest Honda Auto Receiv Owner 202 4.0400% 02/21/30		2,188.33	
02/25/2026	Principal Balance Reduction of 0.000000 Mortgage Backed - Other Pass Through Interest Fnma Remic Trust 2019-m6 3.4500% 01/25/29		178.48	
02/25/2026	Principal Balance Reduction of 3692.050000 Mortgage Backed - Other Pass Through Interest FHLMC REMIC Series K-084 3.7800% 10/25/28		1,575.00	
02/25/2026	Principal Balance Reduction of 0.000000 Mortgage Backed - Other Pass Through Interest FHLMC REMI Series K-085 4.0600% 10/25/28		896.58	
02/26/2026	Purchase Accrued Interest San Francisco CA City & Cnty 5.6000% 10/01/30		-5,638.89	

Account Transactions

Date	Description	Income	Principal	Carrying Value
	Sub Total	0.00	283,984.82	0.00
	<u>Dividends</u>			
02/02/2026	Dividend Fidelity Gov Port III FCGXX Dividend From 01/01/2026 To 01/31/2026		2,348.99	
	Sub Total	0.00	2,348.99	0.00
	<u>Buys</u>			
02/02/2026	Buy U S Treasury Notes 3.7500% 01/31/31 2016500 Par Val @ \$99.78515625		-2,012,167.68	2,012,167.68
02/02/2026	Buy U S Treasury Notes 3.7500% 01/31/31 1703500 Par Val @ \$99.8046875		-1,700,172.85	1,700,172.85
02/02/2026	Buy United States Treas Nts 3.5000% 01/15/29 510000 Par Val @ \$99.734375		-508,645.31	508,645.31
02/13/2026	Buy Alphabet Inc 3.7000% 02/15/29 235000 Par Val @ \$99.637		-234,146.95	234,146.95
02/26/2026	Buy San Francisco CA City & Cnty 5.6000% 10/01/30 250000 Par Val @ \$104.627		-261,567.50	261,567.50
	Sub Total	0.00	-4,716,700.29	4,716,700.29
	<u>Sells</u>			
02/02/2026	Sell U S Treasury Notes 4.1250% 09/30/27 Sold 563000 Par Val @ \$100.9570313 Cost Basis Removed \$563,749.50 Long Term Gain/Loss : \$4,638.59		568,388.09	-564,974.99
02/02/2026	Sell United States Treas Nts 3.5000% 09/30/27 Sold 675000 Par Val @ \$99.957031		674,709.96	-673,655.27

Account Transactions

Date	Description	Income	Principal	Carrying Value
02/02/2026	Cost Basis Removed \$673,655.27 Short Term Gain/Loss : \$1,054.69 Sell		496,546.88	-493,801.17
02/02/2026	United States Treas Nts 3.7500% 06/30/27 Sold 495000 Par Val @ \$100.3125 Cost Basis Removed \$493,801.17 Short Term Gain/Loss : \$2,745.71 Sell		954,528.75	-951,664.90
02/02/2026	United States Treas Nts 3.7500% 04/30/27 Sold 952000 Par Val @ \$100.265625 Cost Basis Removed \$951,664.90 Short Term Gain/Loss : \$2,863.85 Sell		334,816.80	-334,358.79
02/10/2026	United States Treas Nts 3.5000% 10/31/27 Sold 335000 Par Val @ \$99.9453125 Cost Basis Removed \$334,358.79 Short Term Gain/Loss : \$458.01 Sell		245,076.56	-244,495.55
	U S Treasury Notes 3.7500% 01/31/31 Sold 245000 Par Val @ \$100.03125 Cost Basis Removed \$244,473.63 Short Term Gain/Loss : \$602.93			
	Sub Total	0.00	3,274,067.04	-3,262,950.67
	<u>Paydowns</u>			
02/17/2026	Mortgage Backed - Other Pass Through Principal Fhlmc Remic Series 5607 4.0000% 05/15/30 Tax Cost Reduction \$-6,157.59		6,209.99	-6,157.59
02/25/2026	Mortgage Backed - Other Pass Through Principal Fnma Remic Trust 2019-m6 3.4500% 01/25/29 Tax Cost Reduction \$-3,632.63		3,692.05	-3,632.63
	Sub Total	0.00	9,902.04	-9,790.22

Account Transactions

Date	Description	Income	Principal	Carrying Value
<u>Disbursements</u>				
02/11/2026	Cash Disbursement Miscellaneous Disbursement Paid To : Payden & Rygel Per Sec. 9 of the Custody Agreement Invoice for Investment Advisory Services Inv#2533-M126 dtd 02-10-26		-5,650.00	
	Sub Total	0.00	-5,650.00	0.00
<u>Cash Management</u>				
02/02/2026	Sweep - Sell Fidelity Gov Port III FCGXX Sold 1005118.36 Par Val @ \$1.00		1,005,118.36	-1,005,118.36
02/06/2026	Sweep - Buy Fidelity Gov Port III FCGXX 15844.45 Par Val @ \$1.00		-15,844.45	15,844.45
02/09/2026	Sweep - Buy Fidelity Gov Port III FCGXX 21270 Par Val @ \$1.00		-21,270.00	21,270.00
02/10/2026	Sweep - Buy Fidelity Gov Port III FCGXX 245330.36 Par Val @ \$1.00		-245,330.36	245,330.36
02/11/2026	Sweep - Sell Fidelity Gov Port III FCGXX Sold 5650 Par Val @ \$1.00		5,650.00	-5,650.00
02/13/2026	Sweep - Sell Fidelity Gov Port III FCGXX Sold 234146.95 Par Val @ \$1.00		234,146.95	-234,146.95
02/17/2026	Sweep - Buy Fidelity Gov Port III FCGXX 62155.04 Par Val @ \$1.00		-62,155.04	62,155.04
02/20/2026	Sweep - Buy Fidelity Gov Port III FCGXX 4915.84 Par Val @ \$1.00		-4,915.84	4,915.84
02/23/2026	Sweep - Buy Fidelity Gov Port III FCGXX		-4,216.50	4,216.50

February 01, 2026 through February 28, 2026

Account Name : South Pasadena Custody

Account No : 8048032

Account Transactions

Date	Description	Income	Principal	Carrying Value
02/25/2026	4216.5 Par Val @ \$1.00 Sweep - Buy Fidelity Gov Port III FCGXX 6342.11 Par Val @ \$1.00		-6,342.11	6,342.11
02/26/2026	Sweep - Sell Fidelity Gov Port III FCGXX Sold 267206.39 Par Val @ \$1.00		267,206.39	-267,206.39
	Sub Total	0.00	1,152,047.40	-1,152,047.40
	Ending Balances	\$ 0.00	\$ 0.00	\$ 67,007,965.57

**Corporate Trust Services provided by Zions Bancorporation, N.A.
Statement Disclosures & Other Important Information**

Please review your statement promptly and report any discrepancies immediately to your account administrator listed on the first page.

Market value information (including accrued income) furnished herein has been obtained from sources that Zions Bancorporation, N.A. believes to be reliable. Zions Bancorporation, N.A. makes no representation, warranty or guarantee, express or implied, that any quoted value necessarily reflects the proceeds that may be received on the sale of a security or asset. Securities and asset prices may vary from actual liquidation value and should only be used as general guide to portfolio value. Prices are received from various pricing services. However, pricing services are sometimes unable to provide timely information. Where pricing sources are not readily available, particularly on certain debt securities, estimated prices may be generated by a matrix system taking various factors into consideration.

Securities, including mutual funds, are not bank deposits and are not FDIC insured, nor are they obligations of or guaranteed by Zions Bancorporation, N.A., its affiliates or of any federal or state government or government sponsored agency. Securities, including mutual funds, involve investment risks, including the possible loss of the principal amount invested.



CITY OF SOUTH PASADENA
FINANCE DEPARTMENT
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WWW.SOUTHPASADENACA.GOV

DATE: April 23, 2026

FROM: Nick Kimball, Assistant City Manager/CFO

PREPARED BY: William Castrillon, Budget and Purchasing Manager
Tatiana Fernandez, Management Analyst

SUBJECT: RECEIVE AND FILE THE FEBRUARY 2026 MONTHLY BUDGET REPORT

RECOMMENDATION

It is recommended that the Finance Commission receive and file the monthly budget report through February 28, 2026 (Attachment No. 1).

EXECUTIVE SUMMARY

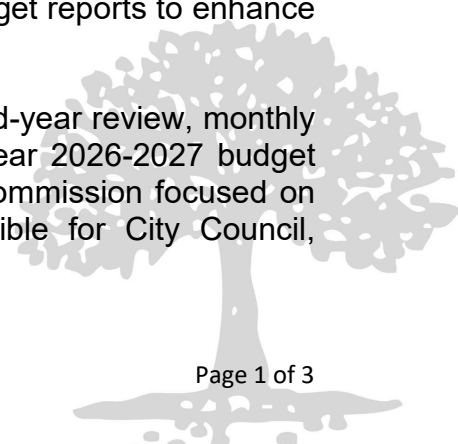
This report presents the General Fund budget status for the period ending January 31, 2026. As of that date, the City collected **57%** of budgeted General Fund revenues and expended **61%** of budgeted General Fund appropriations. Both revenues and expenditures are tracking within expected ranges for this point in the fiscal year.

This report is submitted monthly as a recurring consent item to provide the Finance Commission and City Council with current information on the City’s fiscal position relative to the adopted budget.

BACKGROUND

On August 20, 2025, City Council adopted the FY 2025-2026 Budget. The adopted General Fund budget includes \$43,715,328 in revenues and \$43,325,013 in appropriations. The Adopted Budget includes Work Plans for each City Department. The Finance Department’s Work Plan includes preparing monthly budget reports to enhance financial management and transparency.

On February 26, 2026, the Finance Commission reviewed the Mid-year review, monthly budget report for December 2025, 5-year forecast, and fiscal year 2026-2027 budget calendar. While supportive of the monthly budget report, the Commission focused on refining the monthly reporting format to make it more digestible for City Council,



requesting clearer variance and percentage information to improve usability for policy decision-making.

On March 4, 2026, the City Council reviewed the Mid-year review, monthly budget report for December 2025, 5-year forecast, fiscal year 2026-2027 budget calendar, and the feedback provided by the Finance Commission.

On March 26, 2026, the Finance Commission reviewed and filed the monthly budget report for January 2026 and provided feedback on the report. The Finance Department received the feedback and updated the January report for City Council review.

Monthly budget reports will be provided to the Finance Commission as a receive and file report at each regular meeting.

ANALYSIS

The purpose of this report is to present General Fund budget performance as of February 28, 2026, which represents eight (8) months, or approximately 66%, of the fiscal year. Attachment 1 includes detailed revenues received and expenditures incurred through that date against the Adjusted Budget.

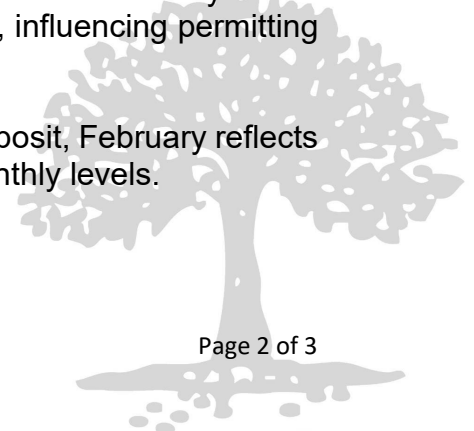
NOTE: Because the City does not “hard-close” its books on a monthly basis, revenues and expenditures are posted to the applicable accounting period as transactions are processed. Accordingly, prior-month figures in this report may differ from those presented in previous months' reports.

The following items are noted for the reporting period.

REVENUES BY CATEGORY

The following notable changes occurred:

- Property Tax
 - Year-to-date \$9.4M. The decline in revenue from last month to the current month has to do with the timing of when revenue is received. December and January are months of a large influx of revenue. April and May are also typical months when the City receives large revenue deposits.
- Sales Tax
 - Year-to-date actuals total of \$3,141,554, and in February, the City received Sales Tax Measure A (\$411,993) and Sales and Use Tax \$372,730.
- Charges for Current Services
 - The City received \$327k in February, bringing year-to-date revenue to \$3.40M. In December and January, there was a spike that was likely driven by the new building code that took effect in January, influencing permitting activity and year-end compliance.
- Intergovernmental
 - Following January’s \$2.2M Motor Vehicle-in-Lieu deposit, February reflects a decrease in revenue, returning to more typical monthly levels.
- Use of Money and Property



- January revenue increased due to the quarterly LAIF interest allocation. February activity returned to normal levels after that quarterly spike.

EXPENDITURES BY CATEGORY

Notable changes include:

- Salaries & Benefits
 - Year-to-date actuals in February have reached \$12,854,446, which is on track to 60% within the fiscal year for this period. Peaked in January due to an extra payroll payment.

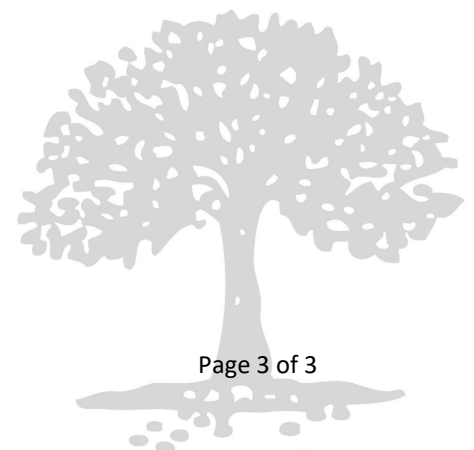
Based on the data presented, General Fund revenues and expenditures for the reporting period are consistent with expectations for this point in the fiscal year. Staff recommend the Finance Commission receive and file this report.

FISCAL IMPACT

This report is informational only. There is no fiscal impact associated with receiving and filing this report.

ATTACHMENT(S)

Attachment No. 1 - Monthly Budget Report February 2026

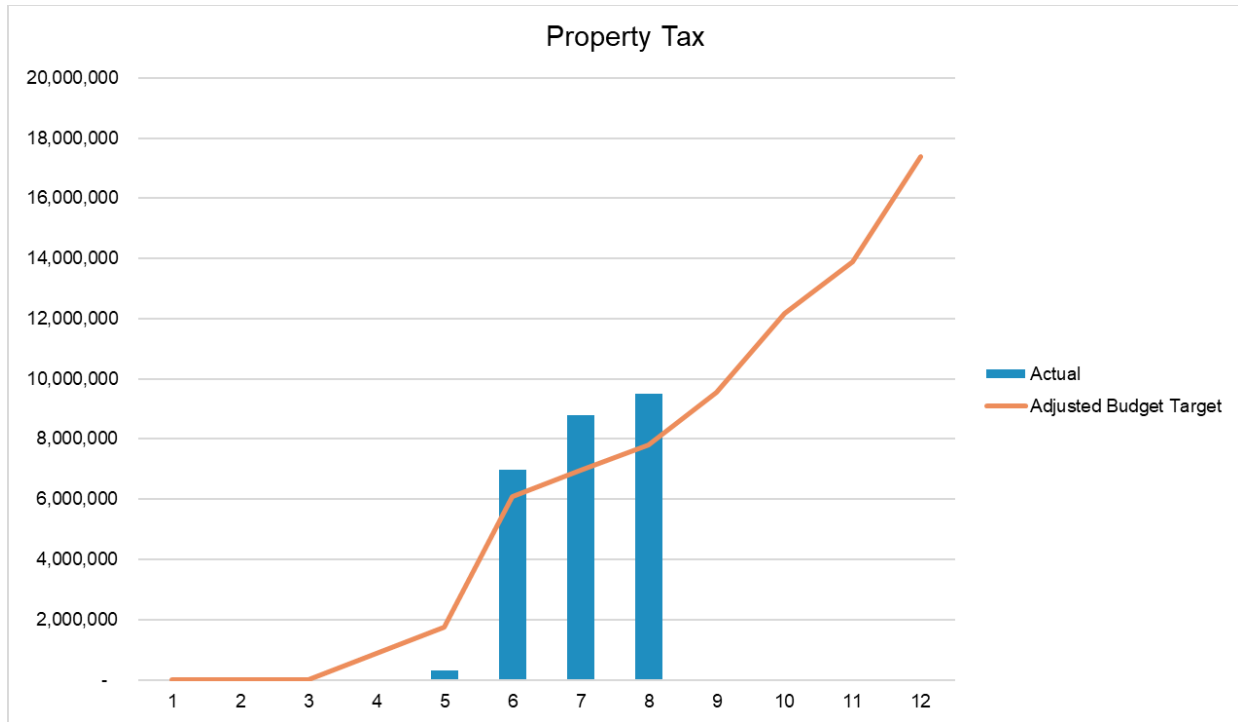


Monthly Budget Report as of February 28, 2026 General Fund (101)

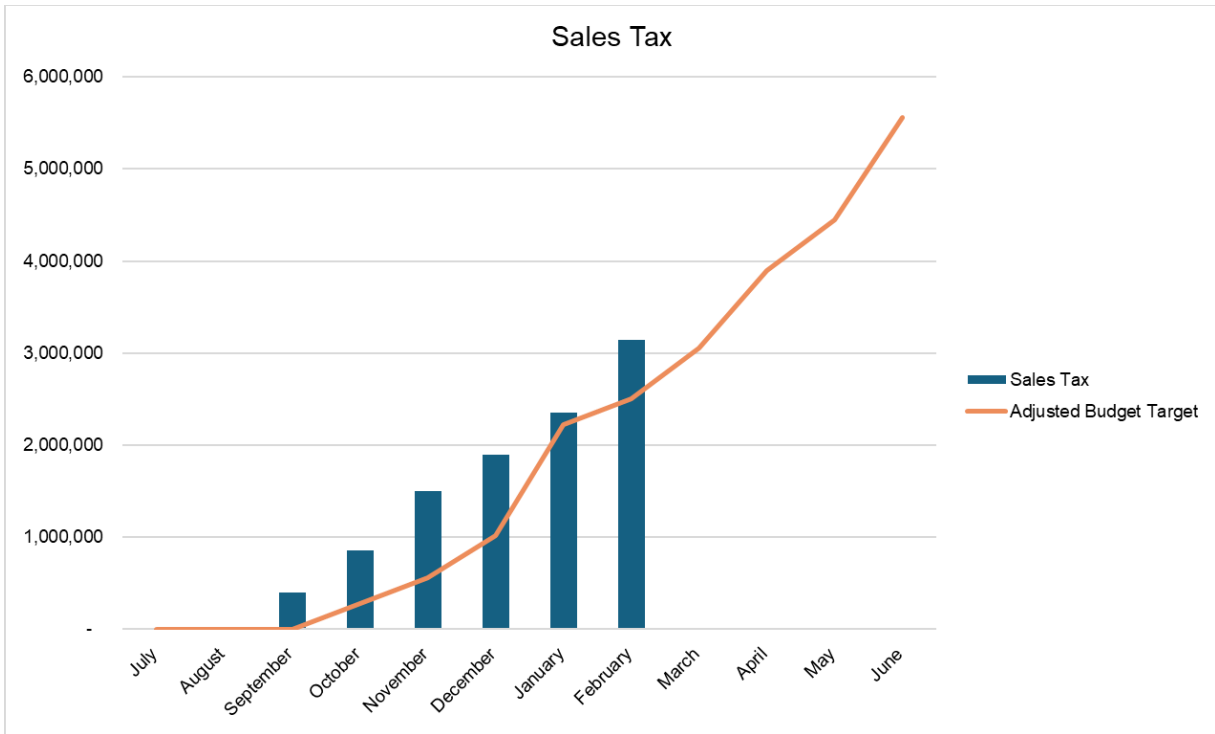
I. REVENUE BY CATEGORY

ADOPTED BUDGET	
Category	FY 2025-2026 Adopted Budget
Property Tax	17,377,356
Sales Tax	5,562,209
Utility Users Tax	4,544,810
Charges for Current Services	3,390,618
Intergovernmental	4,811,273
Assessment	428,200
Fines, Forfeitures & Penalties	63,350
Licenses & Permits	1,026,802
Use of Money & Property	1,148,690
Interfund Transfer	1,610,849
Other Taxes	1,943,598
Other Revenue	1,807,573
Total	43,715,328

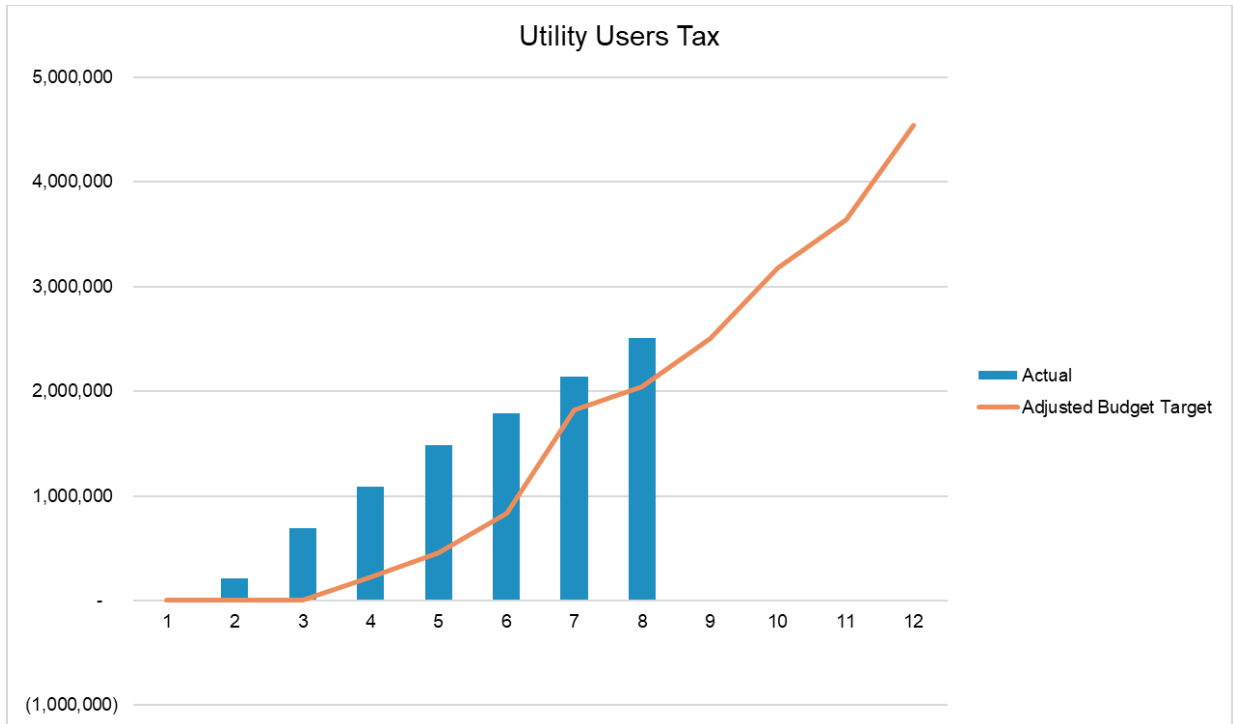
ACTUAL BY PERIOD									
Category	July	August	September	October	November	December	January	February	
Property Tax	-	1	-	-	295,840	6,667,747	1,839,623	692,778	
Sales Tax	-	-	399,140	457,254	640,509	403,497	456,430	784,723	
Utility Users Tax	(5,741)	218,578	481,011	396,355	395,605	302,975	346,517	369,280	
Charges for Current Services	381,843	325,542	305,755	319,984	535,790	600,235	606,614	327,316	
Intergovernmental	-	-	50,371	1,599	-	261,250	2,282,746	123,281	
Assessment	-	(1)	-	-	3,647	171,978	43,427	44,264	
Fines, Forfeitures & Penalties	8,723	7,824	8,551	7,207	6,573	5,770	8,071	8,090	
Licenses & Permits	37,091	137,403	78,771	104,434	91,880	123,045	102,714	103,408	
Use of Money & Property	(159,682)	44,451	245,762	46,442	47,940	58,246	152,008	70,498	
Interfund Transfer	-	-	-	-	-	-	-	-	
Other Taxes	-	200,438	68,055	91,282	82,870	51,950	286,222	81,639	
Other Revenue	9,203	20,426	9,097	27,900	17,789	600,731	114,832	119,148	
Total	271,436	954,663	1,646,513	1,452,457	2,118,443	9,247,425	6,239,202	2,724,424	
YEAR TO DATE ACTUAL									
Category	July	August	September	October	November	December	January	February	
Property Tax	-	1	1	1	295,841	6,963,588	8,803,211	9,495,989	
Sales Tax	-	-	399,140	856,394	1,496,903	1,900,401	2,356,831	3,141,554	
Utility Users Tax	(5,741)	212,837	693,848	1,090,203	1,485,809	1,788,784	2,135,300	2,504,580	
Charges for Current Services	381,843	707,385	1,013,140	1,333,124	1,868,913	2,469,149	3,075,762	3,403,078	
Intergovernmental	-	-	50,371	51,971	51,971	313,221	2,595,966	2,719,247	
Assessment	-	(1)	(1)	(1)	3,647	175,625	219,051	263,315	
Fines, Forfeitures & Penalties	8,723	16,547	25,098	32,305	38,878	44,648	52,719	60,809	
Licenses & Permits	37,091	174,494	253,265	357,698	449,578	572,624	675,338	778,746	
Use of Money & Property	(159,682)	(115,231)	130,531	176,972	224,912	283,158	435,167	689,716	
Interfund Transfer	-	-	-	-	-	-	-	-	
Other Taxes	-	200,438	268,493	359,775	442,645	494,595	780,817	862,456	
Other Revenue	9,203	29,629	38,726	66,626	84,415	685,145	799,978	907,126	
Total	271,436	1,226,099	2,872,612	4,325,070	6,443,513	15,690,938	21,930,140	24,826,615	



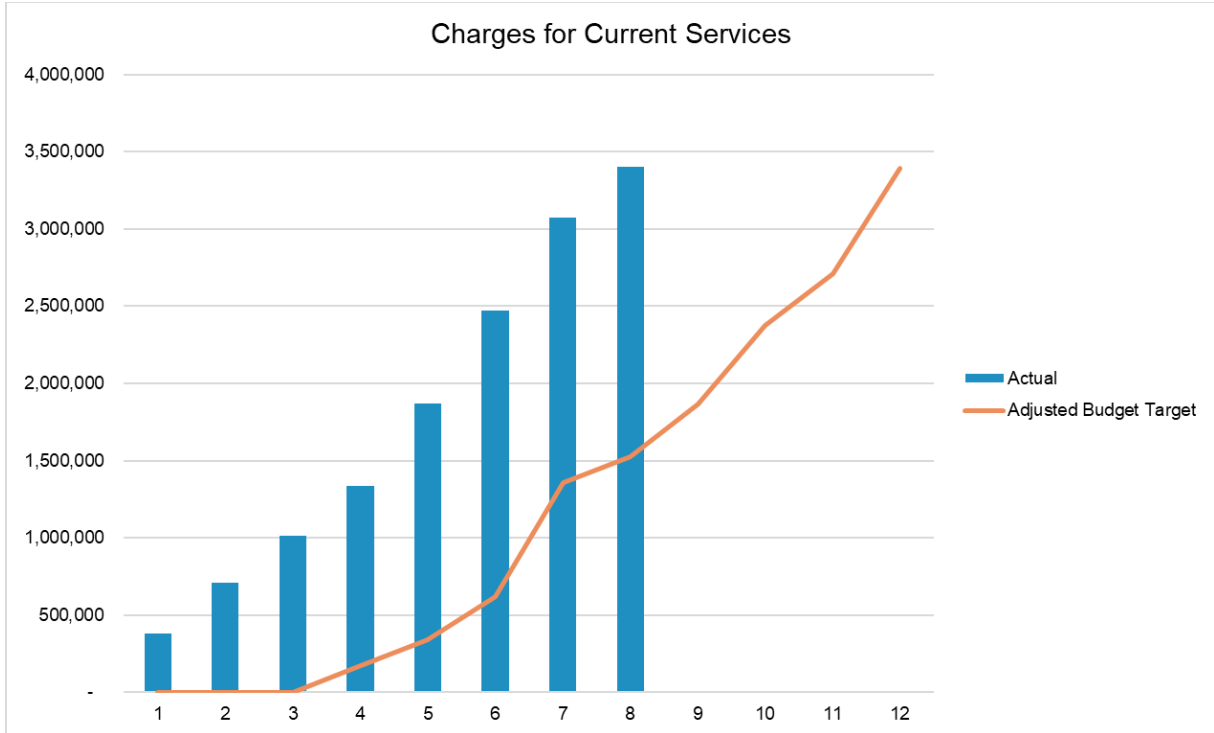
PROPERTY TAX					
Month	Period Actual	YTD Actual	Variance YTD and Adopted	% YTD to FY Adopted Total	Adopted Budget
July	-	-	-	0%	-
August	1	1	(1)	0%	-
September	-	1	(1)	0%	-
October	-	1	868,867	5%	868,868
November	295,840	295,841	1,441,895	8%	1,737,736
December	6,667,747	6,963,588	(881,514)	-5%	6,082,075
January	1,839,623	8,803,211	(1,852,269)	-11%	6,950,943
February	692,778	9,495,989	(1,676,178)	-10%	7,819,810
March	-	-	-	0%	9,557,546
April	-	-	-	0%	12,164,150
May	-	-	-	0%	13,901,885
June	-	-	-	0%	17,377,356
TOTAL	9,495,989				



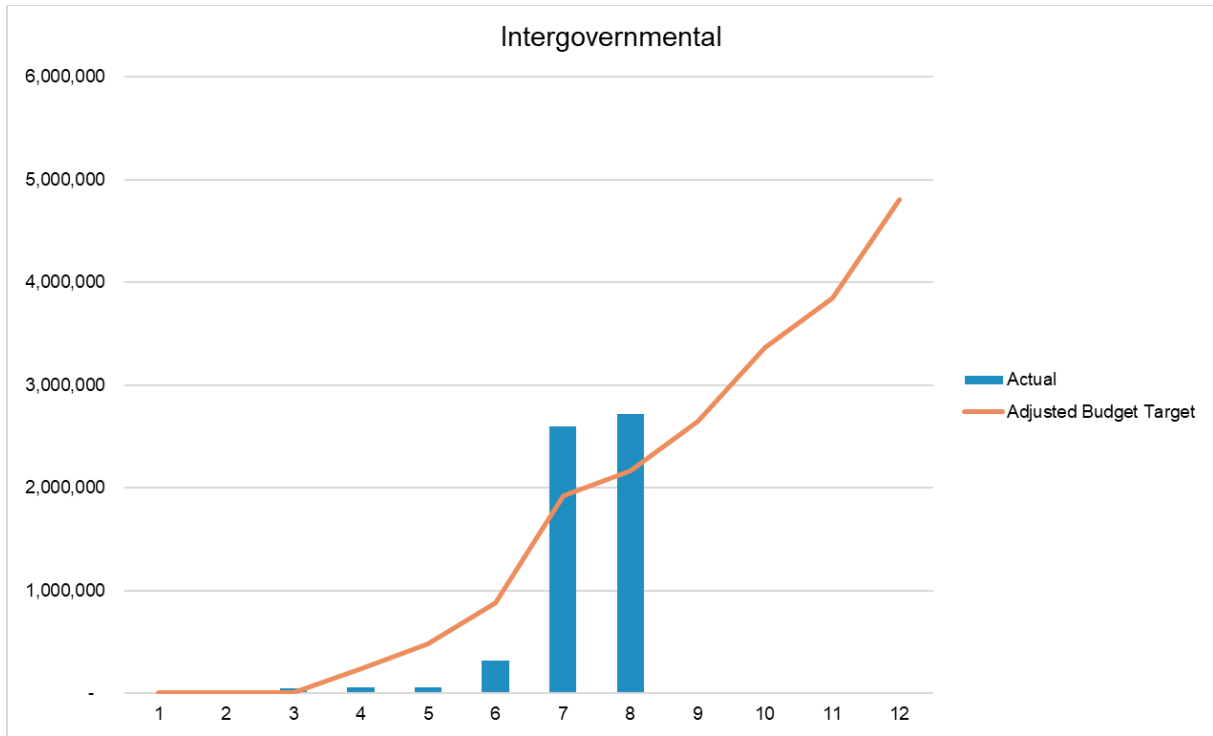
Sales Tax					
Month	Period Actual	YTD Actual	Variance YTD and Adopted	% YTD to FY Adopted Total	Adopted Budget
July	-	-	-	0%	-
August	-	-	-	0%	-
September	399,140	399,140	(399,140)	7%	-
October	457,254	856,394	(578,284)	15%	278,110
November	640,509	1,496,903	(940,682)	27%	556,221
December	403,497	1,900,401	(880,662)	34%	1,019,738
January	456,430	2,356,831	(131,947)	42%	2,224,884
February	784,723	3,141,554	(638,560)	56%	2,502,994
March	-	-	-	0%	3,059,215
April	-	-	-	0%	3,893,546
May	-	-	-	0%	4,449,767
June	-	-	-	0%	5,562,209
TOTAL	3,141,554				



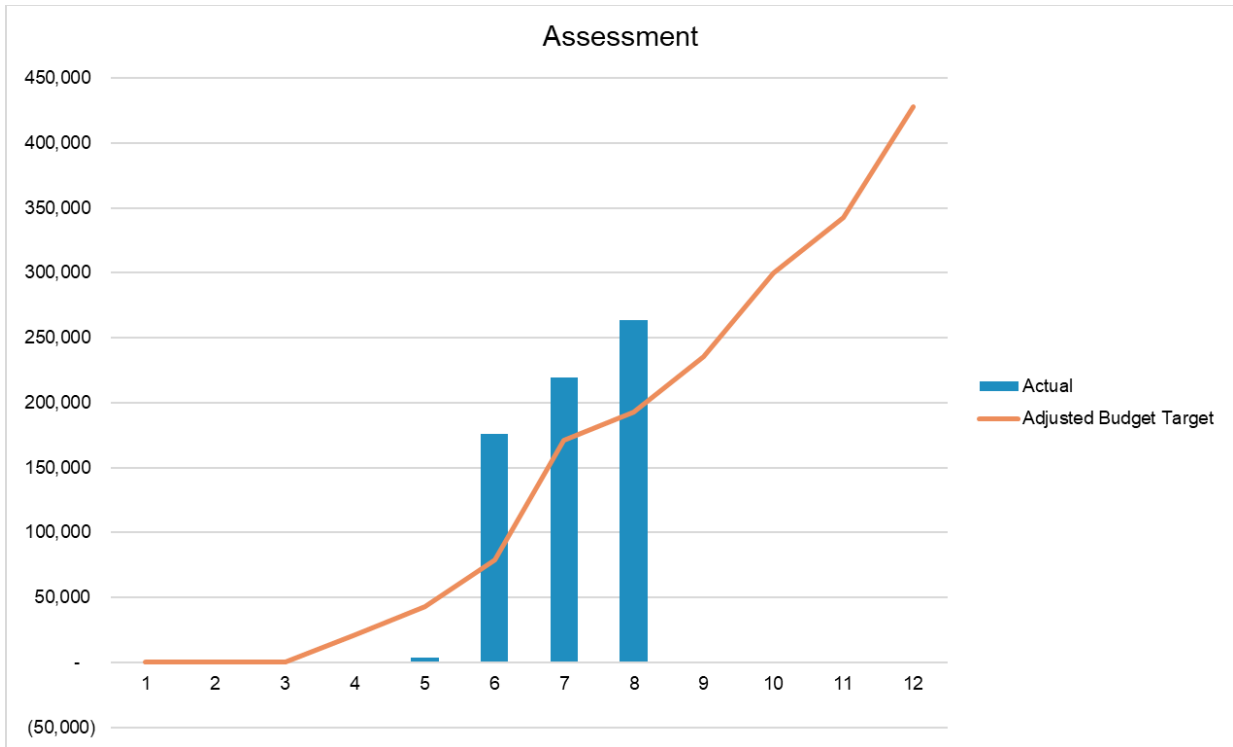
Utility Users Tax					
Month	Period Actual	YTD Actual	Variance YTD and Adopted	% YTD to FY Adopted Total	Adopted Budget
July	(5,741)	(5,741)	5,741	0%	-
August	218,578	212,837	(212,837)	5%	-
September	481,011	693,848	(693,848)	15%	-
October	396,355	1,090,203	(862,963)	24%	227,240
November	395,605	1,485,809	(1,031,328)	33%	454,481
December	302,975	1,788,784	(955,568)	39%	833,215
January	346,517	2,135,300	(317,376)	47%	1,817,924
Feburary	369,280	2,504,580	(459,416)	55%	2,045,164
March	-	-	-	0%	2,499,645
April	-	-	-	0%	3,181,367
May	-	-	-	0%	3,635,848
June	-	-	-	0%	4,544,810
TOTAL	2,504,580				



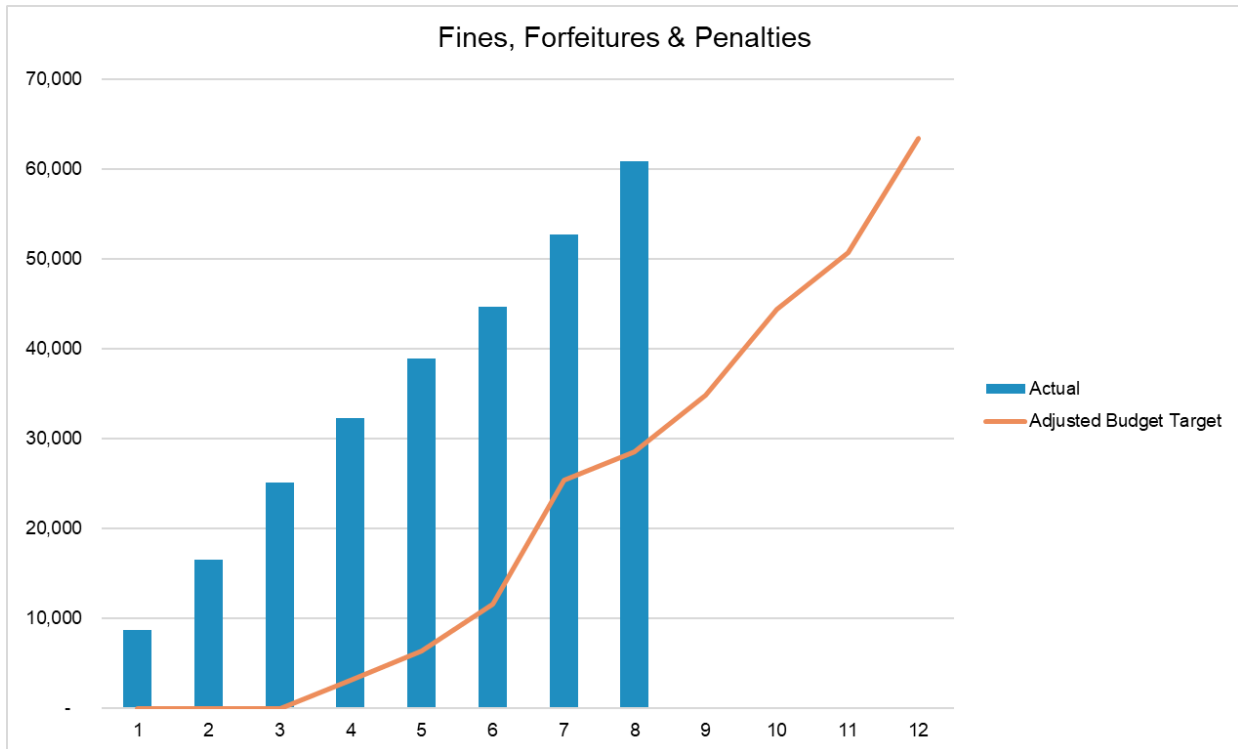
Charges for Current Services					
Month	Period Actual	YTD Actual	Variance YTD and Adopted	% YTD to FY Adopted Total	Adopted Budget
July	381,843	381,843	(381,843)	11%	-
August	325,542	707,385	(707,385)	21%	-
September	305,755	1,013,140	(1,013,140)	30%	-
October	319,984	1,333,124	(1,163,593)	39%	169,531
November	535,790	1,868,913	(1,529,852)	55%	339,062
December	600,235	2,469,149	(1,847,535)	73%	621,613
January	606,614	3,075,762	(1,719,515)	91%	1,356,247
February	327,316	3,403,078	(1,877,300)	100%	1,525,778
March	-	-	-	0%	1,864,840
April	-	-	-	0%	2,373,433
May	-	-	-	0%	2,712,494
June	-	-	-	0%	3,390,618
TOTAL	3,403,078				



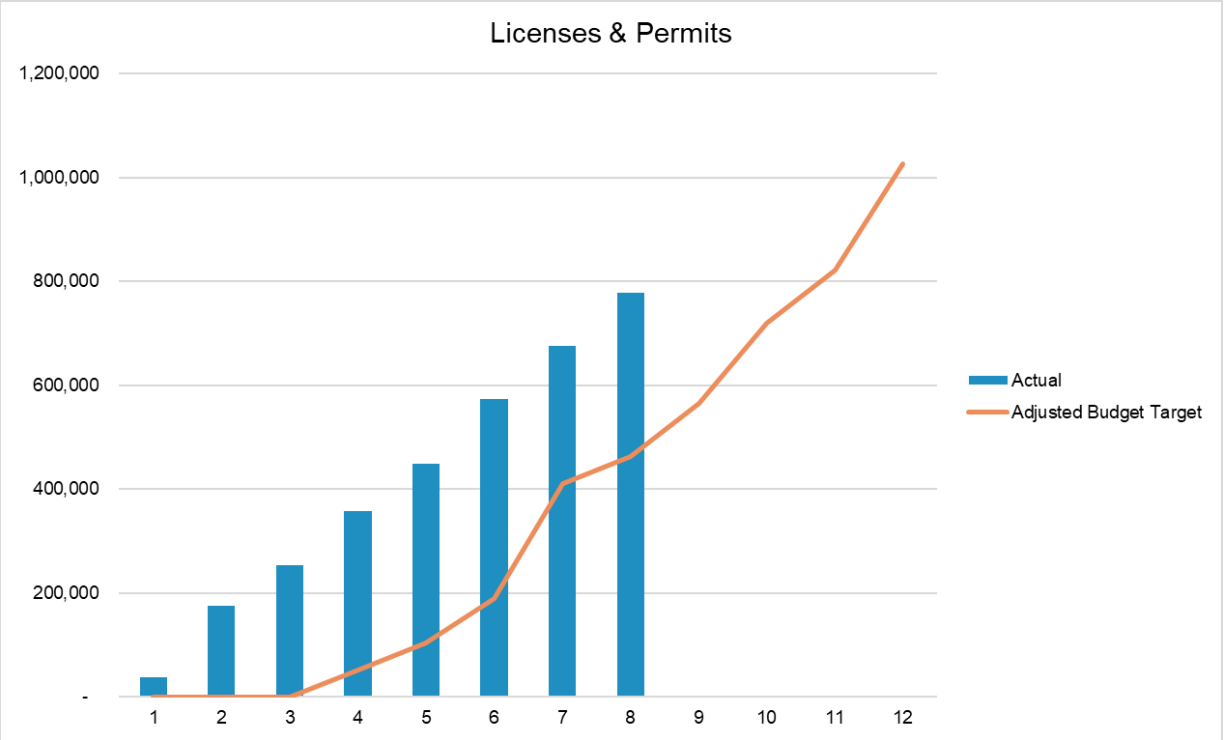
Intergovernmental					
Month	Period Actual	YTD Actual	Variance YTD and Adopted	% YTD to Adopted Total	Adopted Budget
July	-	-	-	0%	-
August	-	-	-	0%	-
September	50,371	50,371	(50,371)	1%	-
October	1,599	51,971	188,593	1%	240,564
November	-	51,971	429,156	1%	481,127
December	261,250	313,221	568,846	7%	882,067
January	2,282,746	2,595,966	(671,457)	54%	1,924,509
February	123,281	2,719,247	(554,174)	57%	2,165,073
March	-	-	-	0%	2,646,200
April	-	-	-	0%	3,367,891
May	-	-	-	0%	3,849,018
June	-	-	-	0%	4,811,273
TOTAL	2,719,247				



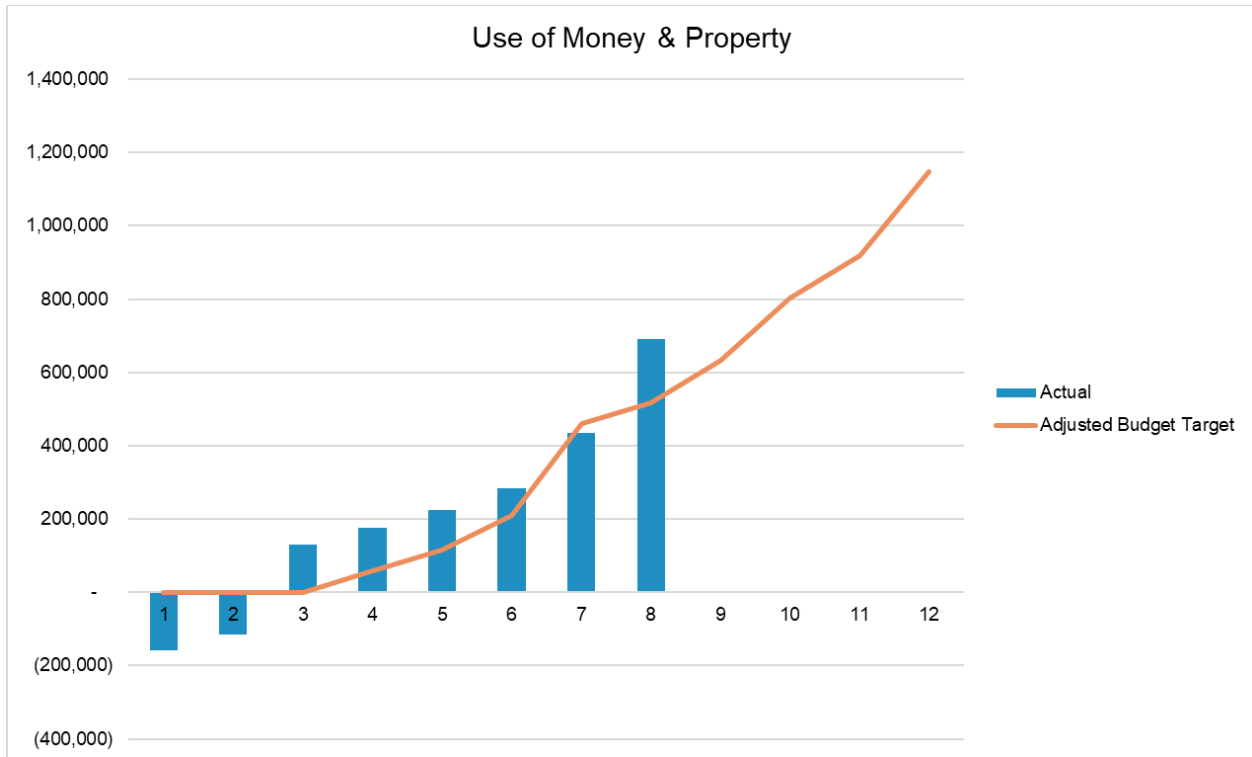
Assessment					
Month	Period Actual	YTD Actual	Variance YTD and Adopted	% YTD to FY Adopted Total	Adopted Budget
July	-	-	-	0%	-
August	(1)	(1)	1	0%	-
September	-	(1)	1	0%	-
October	-	(1)	21,411	0%	21,410
November	3,647	3,647	39,173	1%	42,820
December	171,978	175,625	(97,121)	41%	78,503
January	43,427	219,051	(47,771)	51%	171,280
February	44,264	263,315	(70,625)	61%	192,690
March	-	-	-	0%	235,510
April	-	-	-	0%	299,740
May	-	-	-	0%	342,560
June	-	-	-	0%	428,200
TOTAL	263,315				



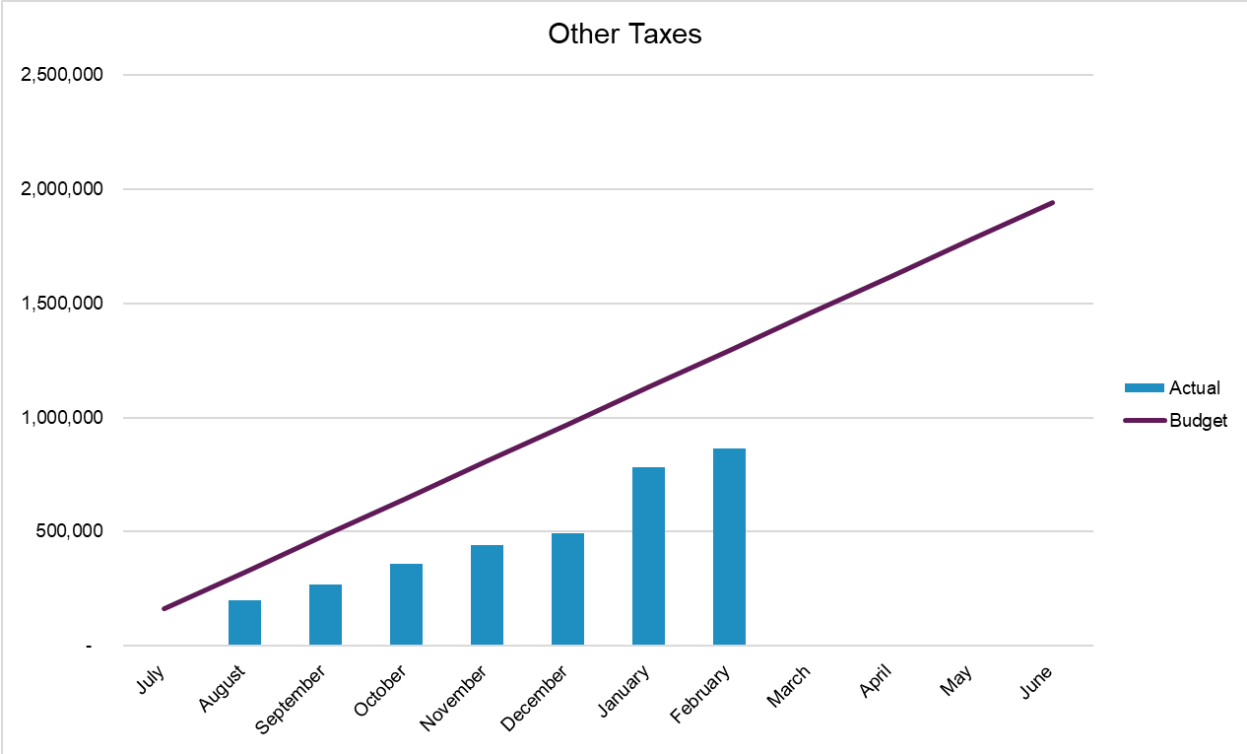
Fines, Forfeitures & Penalties					
Month	Period Actual	YTD Actual	Variance YTD and Adopted	% YTD to FY Adopted Total	Adopted Budget
July	8,723	8,723	(8,723)	14%	-
August	7,824	16,547	(16,547)	26%	-
September	8,551	25,098	(25,098)	40%	-
October	7,207	32,305	(29,138)	51%	3,167
November	6,573	38,878	(32,543)	61%	6,335
December	5,770	44,648	(33,034)	70%	11,614
January	8,071	52,719	(27,379)	83%	25,340
February	8,090	60,809	(32,301)	96%	28,507
March	-	-	-	0%	34,842
April	-	-	-	0%	44,345
May	-	-	-	0%	50,680
June	-	-	-	0%	63,350
TOTAL	60,809				



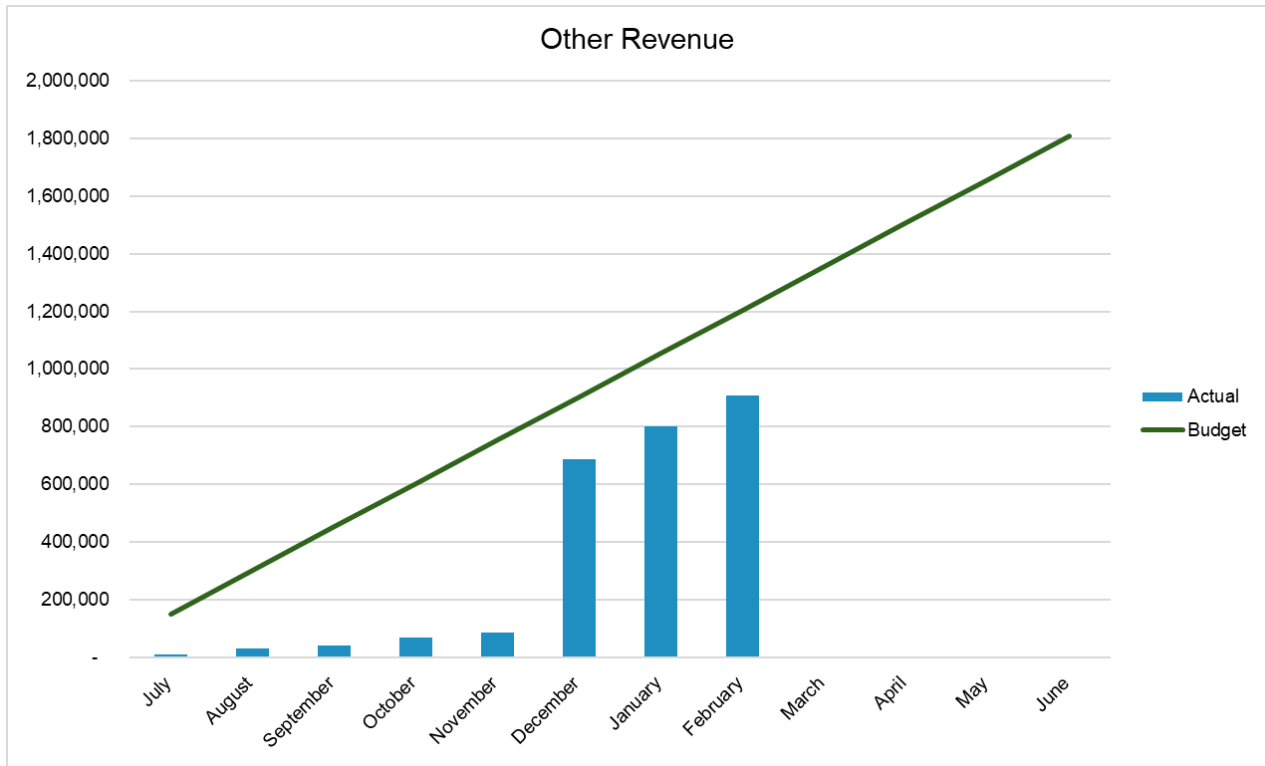
Licenses & Permits					
Month	Period Actual	YTD Actual	Variance YTD and Adopted	% YTD to FY Adopted Total	Adopted Budget
July	37,091	37,091	(37,091)	4%	-
August	137,403	174,494	(174,494)	17%	-
September	78,771	253,265	(253,265)	25%	-
October	104,434	357,698	(306,358)	35%	51,340
November	91,880	449,578	(346,898)	44%	102,680
December	123,045	572,624	(384,377)	56%	188,247
January	102,714	675,338	(264,617)	66%	410,721
February	103,408	778,746	(316,685)	76%	462,061
March	-	-	-	0%	564,741
April	-	-	-	0%	718,761
May	-	-	-	0%	821,442
June	-	-	-	0%	1,026,802
TOTAL	778,746				



Use of Money & Property					
Month	Period Actual	YTD Actual	Variance YTD and Adopted	% YTD to FY Adopted Total	Adopted Budget
July	(159,682)	(159,682)	159,682	-14%	-
August	44,451	(115,231)	115,231	-10%	-
September	245,762	130,531	(130,531)	11%	-
October	46,442	176,972	(119,538)	15%	57,435
November	47,940	224,912	(110,043)	20%	114,869
December	58,246	283,158	(72,565)	25%	210,593
January	152,008	435,167	24,309	38%	459,476
Feburary	70,498	689,716	(172,805)	60%	516,911
March	-	-	-	0%	631,780
April	-	-	-	0%	804,083
May	-	-	-	0%	918,952
June	-	-	-	0%	1,148,690
TOTAL	505,664				



Other Taxes					
Month	Period Actual	YTD Actual	Variance YTD and Adopted	% YTD to FY Adopted Total	Adopted Budget
July	-	-	-	0%	-
August	200,438	200,438	(200,438)	10%	-
September	68,055	268,493	(268,493)	14%	-
October	91,282	359,775	(262,595)	19%	97,180
November	82,870	442,645	(248,285)	23%	194,360
December	51,950	494,595	(138,269)	25%	356,326
January	286,222	780,817	(3,378)	40%	777,439
February	81,639	862,456	12,164	44%	874,619
March	-	-	-	0%	1,068,979
April	-	-	-	0%	1,360,519
May	-	-	-	0%	1,554,878
June	-	-	-	0%	1,943,598
TOTAL	862,456				



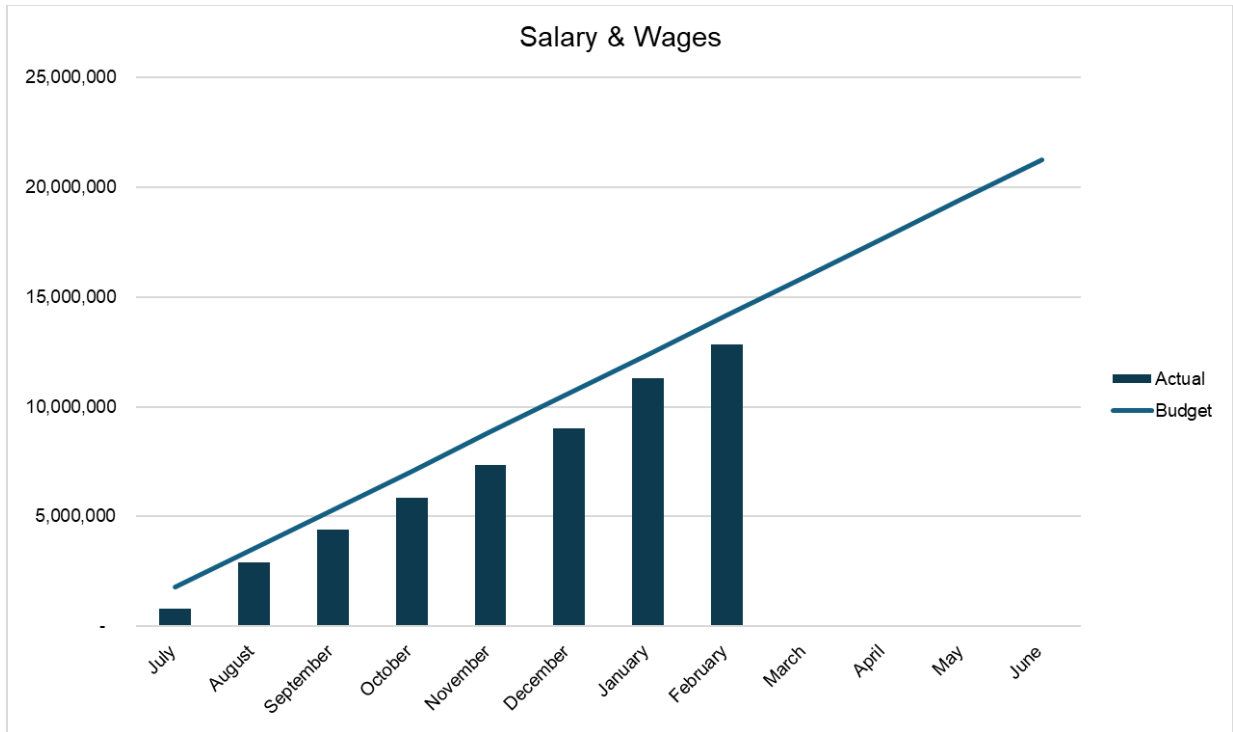
Other Revenue					
Month	Period Actual	YTD Actual	Variance YTD and Adopted	% YTD to FY Adopted Total	Adopted Budget
July	9,203	9,203	(9,203)	1%	-
August	20,426	29,629	(29,629)	2%	-
September	9,097	38,726	(38,726)	2%	-
October	27,900	66,626	23,753	4%	90,379
November	17,789	84,415	96,343	5%	180,757
December	600,731	685,145	(353,757)	38%	331,388
January	114,832	799,978	(76,948)	44%	723,029
February	119,148	907,126	(93,718)	50%	813,408
March	-	-	-	0%	994,165
April	-	-	-	0%	1,265,301
May	-	-	-	0%	1,446,058
June	-	-	-	0%	1,807,573
TOTAL	919,126				

I. EXPENSES BY CATEGORY¹

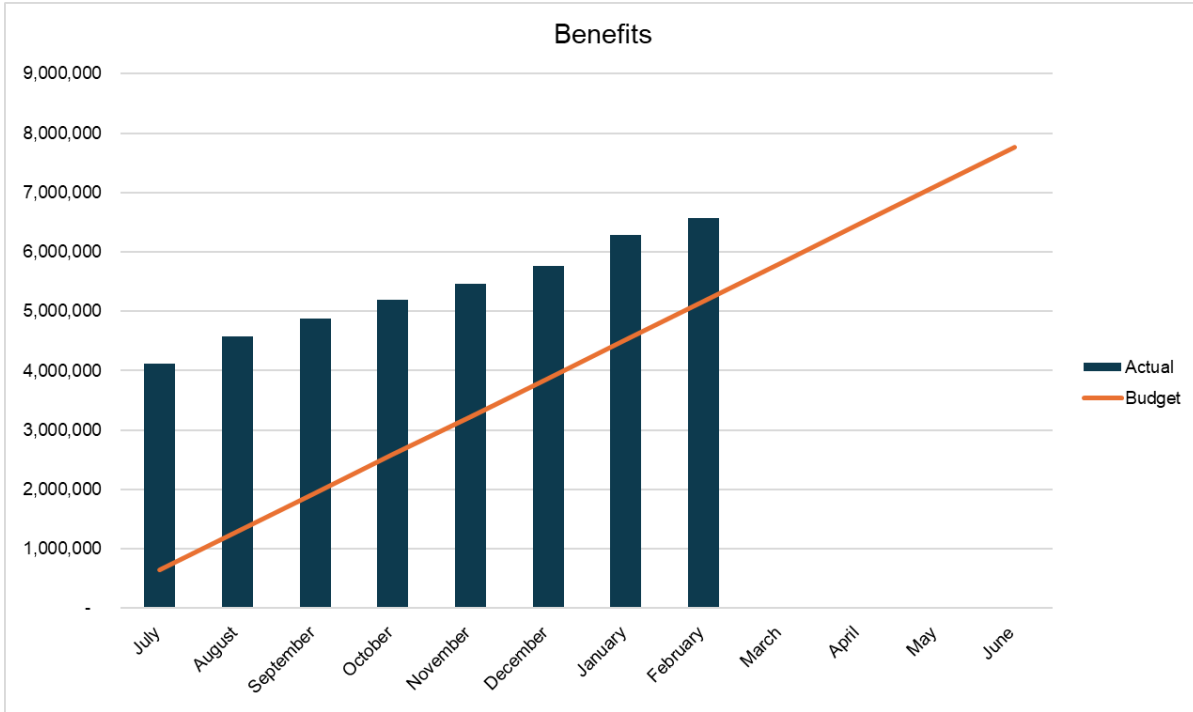
ADOPTED BUDGET BY CATEGORY	
FY 2025-2026	
Category	Adopted Budget
Salaries & Wages	21,251,246
Benefits	7,757,857
Operating Expenses	13,032,481
Capital Outlay	435,050
Other Expenses	2,039
Transfers	846,340
Total	43,325,013

ACTUAL BY PERIOD								
Category	July	August	September	October	November	December	January	February
Salaries & Wages	791,166	2,137,814	1,467,291	1,458,323	1,497,844	1,686,552	2,250,326	1,565,131
Benefits	4,121,272	451,936	307,128	313,595	271,140	300,548	518,142	292,618
Operating Expenses	498,896	677,029	1,138,667	1,099,886	722,253	916,412	1,177,251	985,520
Capital Outlay	-	1,203	8,010	19,539	1,512	20,475	5,754	4,444
Other Expenses	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	45,469	-	-
Total	5,411,334	3,267,981	2,921,095	2,891,343	2,492,749	2,969,455	3,951,473	2,847,712
YEAR TO DATE ACTUAL								
Department	July	August	September	October	November	December	January	February
Salaries & Wages	791,166	2,928,980	4,396,271	5,854,593	7,352,437	9,038,989	11,289,315	12,854,446
Benefits	4,121,272	4,573,208	4,880,335	5,193,931	5,465,071	5,765,619	6,283,760	6,576,378
Operating Expenses	498,896	1,175,925	2,314,592	3,414,478	4,136,731	5,053,143	6,230,393	7,238,150
Capital Outlay	-	1,203	9,212	28,751	30,263	50,738	56,492	60,860
Other Expenses	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	45,469	45,469	45,469
Total	5,411,334	8,679,315	11,600,411	14,491,753	16,984,502	19,953,957	23,905,430	26,775,303

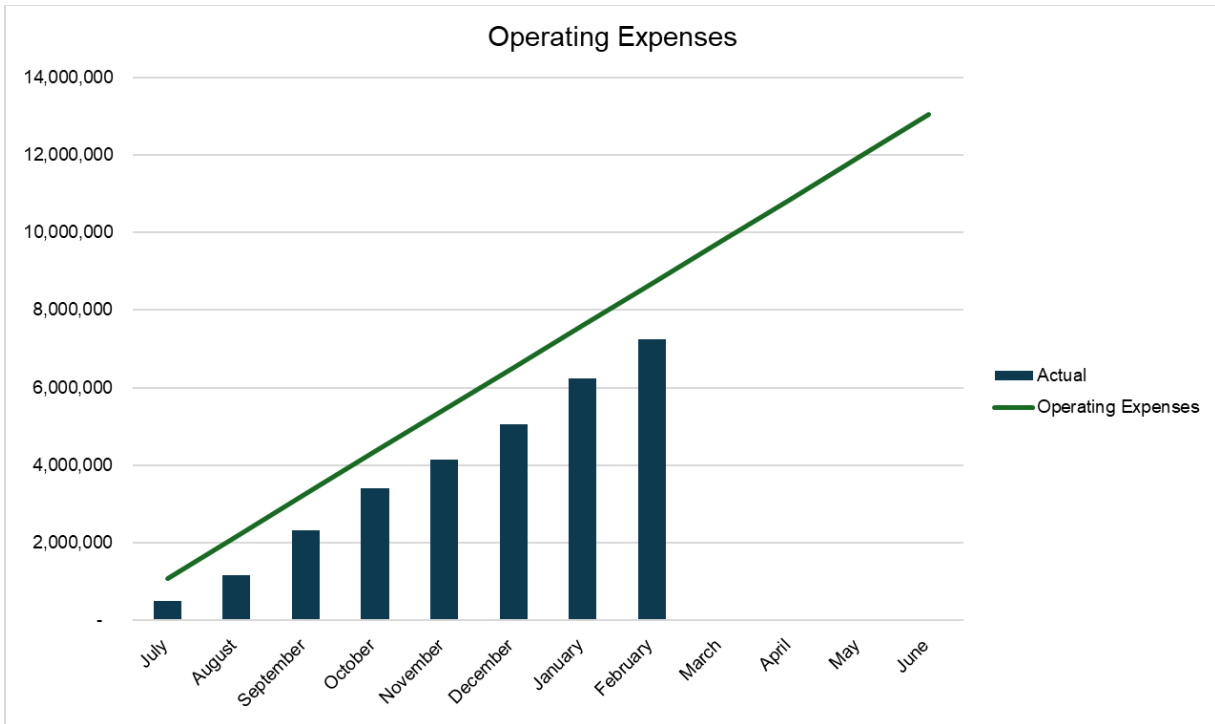
¹ Charts and tables for categories that have no data have been excluded from this report.



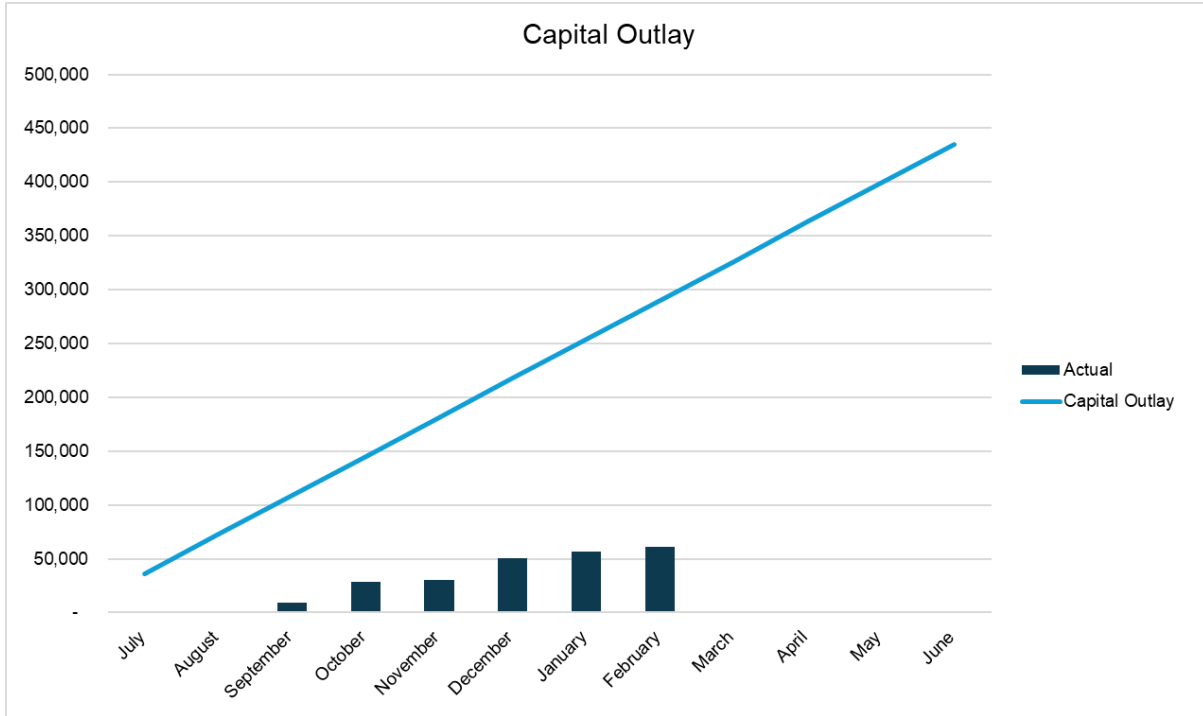
Salary & Wages					
Month	Period Actual	YTD Actual	Variance YTD and Adopted	% YTD to FY Adopted Total	Adopted Budget
July	791,166	791,166	979,771	4%	1,770,937
August	2,137,814	2,928,980	612,895	14%	3,541,874
September	1,467,291	4,396,271	916,541	21%	5,312,811
October	1,458,323	5,854,593	1,229,155	28%	7,083,749
November	1,497,844	7,352,437	1,502,249	35%	8,854,686
December	1,686,552	9,038,989	1,586,634	43%	10,625,623
January	2,250,326	11,289,315	1,107,245	53%	12,396,560
February	1,565,131	12,854,446	1,313,051	60%	14,167,497
March	-	-	-	0%	15,938,434
April	-	-	-	0%	17,709,372
May	-	-	-	0%	19,480,309
June	-	-	-	0%	21,251,246
TOTAL	12,854,446				



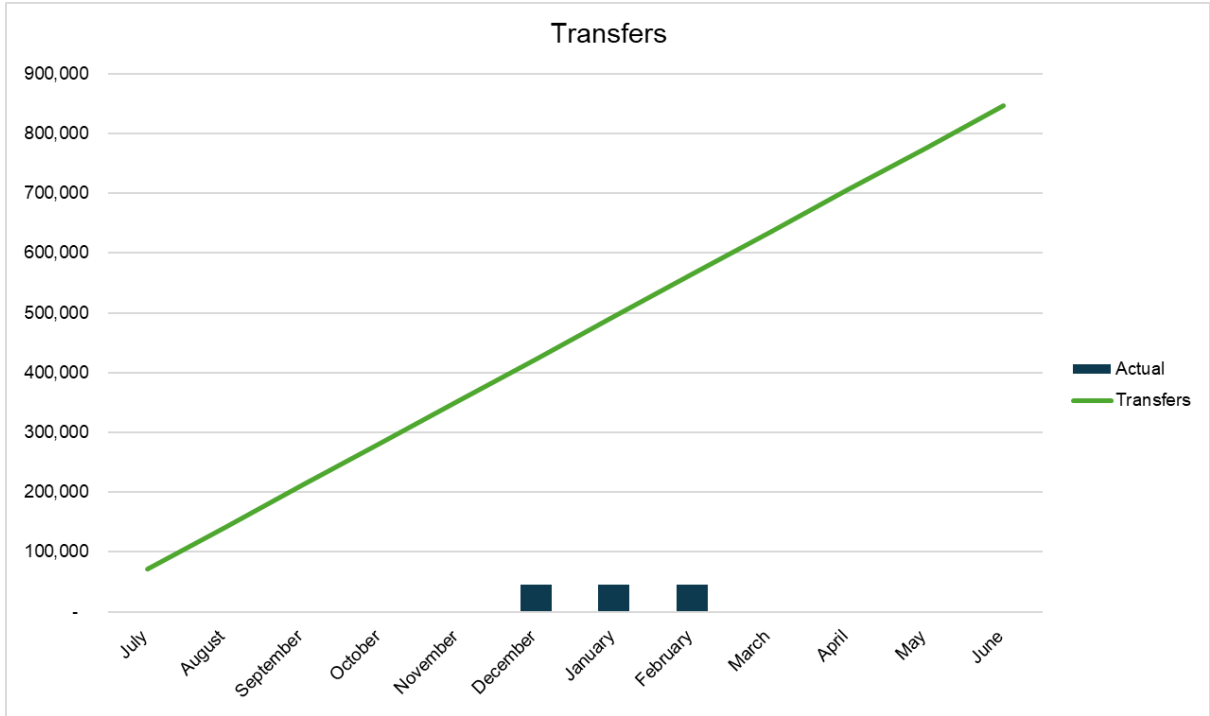
Benefits					
Month	Period Actual	YTD Actual	Variance YTD and Adopted	% YTD to FY Adopted Total	Adopted Budget
July	4,121,272	4,121,272	(3,474,784)	53%	646,488
August	451,936	4,573,208	(3,280,232)	59%	1,292,976
September	307,128	4,880,335	(2,940,871)	63%	1,939,464
October	313,595	5,193,931	(2,607,979)	67%	2,585,952
November	271,140	5,465,071	(2,232,631)	70%	3,232,440
December	300,548	5,765,619	(1,886,690)	74%	3,878,929
January	518,142	6,283,760	(1,758,344)	81%	4,525,417
February	292,618	6,576,378	(1,404,474)	85%	5,171,905
March	-	-	-	0%	5,818,393
April	-	-	-	0%	6,464,881
May	-	-	-	0%	7,111,369
June	-	-	-	0%	7,757,857
TOTAL	6,576,378				



Operating Expenses					
Month	Period Actual	YTD Actual	Variance YTD and Adopted	% YTD to FY Adopted Total	Adopted Budget
July	498,896	498,896	587,144	4%	1,086,040
August	677,029	1,175,925	996,155	9%	2,172,080
September	1,138,667	2,314,592	943,528	18%	3,258,120
October	1,099,886	3,414,478	929,682	26%	4,344,160
November	722,253	4,136,731	1,293,470	32%	5,430,200
December	916,412	5,053,143	1,463,098	39%	6,516,241
January	1,177,251	6,230,393	1,371,887	48%	7,602,281
February	985,520	7,238,150	1,450,171	56%	8,688,321
March	-	-	-	0%	9,774,361
April	-	-	-	0%	10,860,401
May	-	-	-	0%	11,946,441
June	-	-	-	0%	13,032,481
TOTAL	7,215,913				



Capital Outlay					
Month	Period Actual	YTD Actual	Variance YTD and Adopted	% YTD to FY Adopted Total	Adopted Budget
July	-	-	36,254	0%	36,254
August	1,203	1,203	71,306	0%	72,508
September	8,010	9,212	99,550	2%	108,763
October	19,539	28,751	116,265	7%	145,017
November	1,512	30,263	151,007	7%	181,271
December	20,475	50,738	166,787	12%	217,525
January	5,754	56,492	197,287	13%	253,779
February	4,444	60,860	229,174	14%	290,033
March	-	-	-	0%	326,288
April	-	-	-	0%	362,542
May	-	-	-	0%	398,796
June	-	-	-	0%	435,050
TOTAL	60,936				



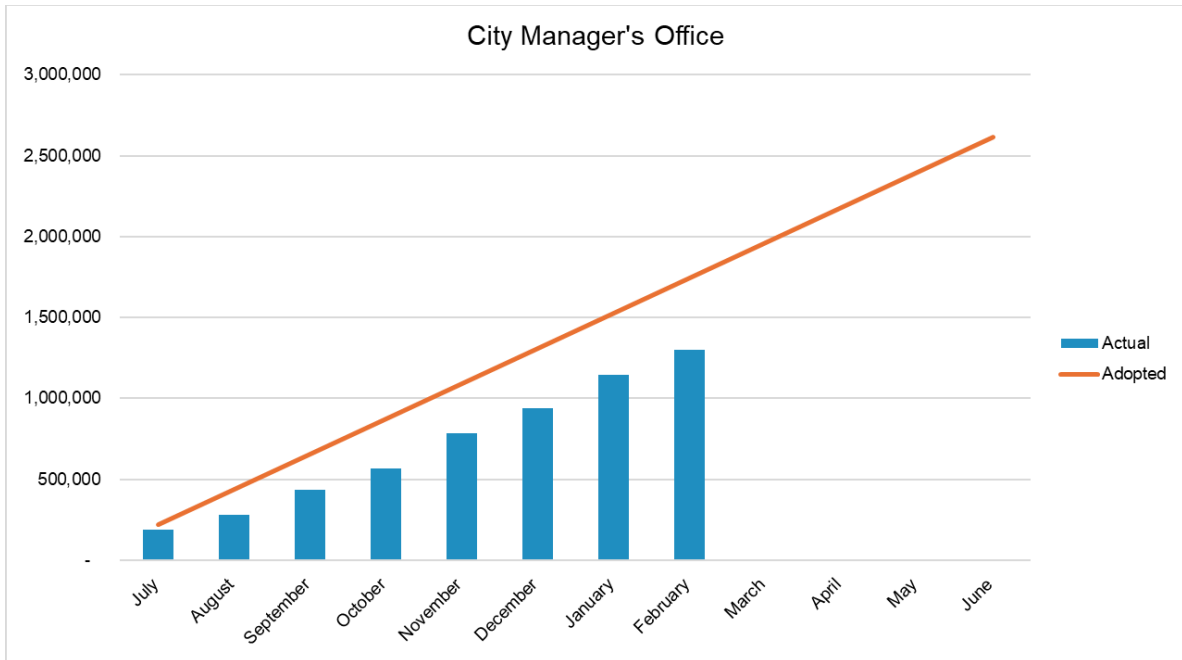
Transfers					
Month	Period Actual	YTD Actual	Variance YTD and Adopted	% YTD to FY Adopted Total	Adopted Budget
July	-	-	70,528	0%	70,528
August	-	-	141,057	0%	141,057
September	-	-	211,585	0%	211,585
October	-	-	282,113	0%	282,113
November	-	-	352,642	0%	352,642
December	45,469	45,469	377,701	5%	423,170
January	-	45,469	448,229	5%	493,698
February	-	45,469	518,758	5%	564,227
March	-	-	-	0%	634,755
April	-	-	-	0%	705,283
May	-	-	-	0%	775,812
June	-	-	-	0%	846,340
TOTAL	45,469				

II. EXPENSES BY DEPARTMENT²

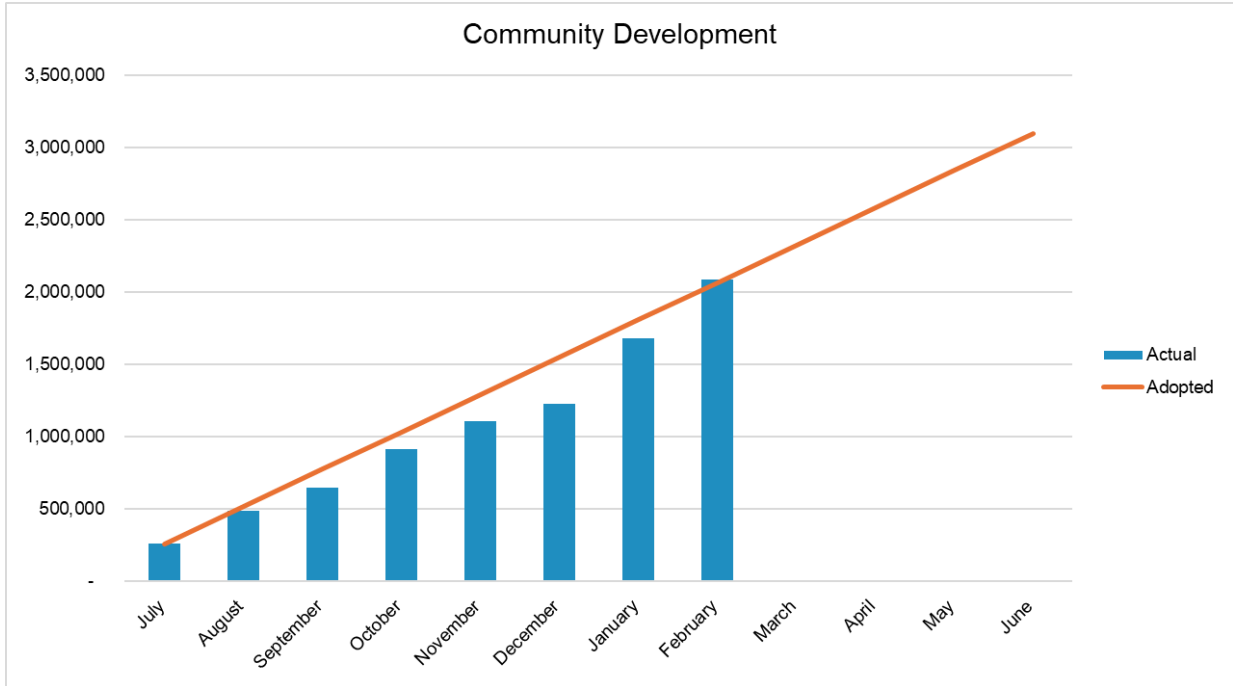
ADOPTED BUDGET	
Department	FY 2025-2026 Total Adopted
City Council	148,444
City Manager's Office	2,616,104
City Treasurer	9,835
Community Development	3,098,239
Community Services	2,183,925
Finance	7,429,406
Fire	7,732,501
Human Resources	-
Library	2,486,768
Police	13,222,090
Public Works	3,551,361
Transfers	846,340
Total	43,325,013

ACTUAL BY PERIOD								
Department	July	August	September	October	November	December	January	February
City Manager's Office	191,604	86,937	153,983	135,854	213,764	157,144	204,571	183,407
Community Development	260,805	228,583	155,570	266,779	196,792	121,252	448,560	406,697
Community Services	215,380	183,538	140,655	108,286	99,752	102,711	118,599	109,325
Finance	261,638	523,058	758,923	254,773	229,238	744,977	458,519	272,154
Fire	1,384,574	615,519	497,241	446,065	426,208	478,397	747,935	475,877
Human Resources	-	-	-	358,633	18,551	25,081	65,725	39,742
Library	325,329	281,581	127,821	176,192	165,343	166,615	239,584	169,076
Police	2,558,016	1,099,260	841,516	844,081	840,817	903,993	1,264,842	903,717
Public Works	217,312	230,873	229,701	273,848	299,500	218,643	369,768	272,451
Total	5,414,659	3,249,351	2,905,411	2,864,509	2,489,966	2,918,812	3,918,102.56	272,450.62
YEAR TO DATE ACTUALS								
Department	July	August	September	October	November	December	January	February
City Manager's Office	191,604	278,541	432,524	568,378	782,142	939,286	1,143,780	1,301,917
Community Development	260,805	489,388	644,959	911,737	1,108,529	1,229,781	1,678,341	2,085,038
Community Services	215,380	398,918	539,573	647,859	747,611	850,322	968,921	1,078,246
Finance	261,638	784,696	1,543,619	1,798,392	2,027,630	2,772,607	3,231,126	3,503,280
Fire	1,384,574	2,000,094	2,497,335	2,943,400	3,369,608	3,848,004	4,595,940	5,071,816
Human Resources	-	-	-	358,633	377,184	402,265	467,990	507,732
Library	325,329	606,910	734,731	910,923	1,076,266	1,242,881	1,482,465	1,651,541
Police	2,558,016	3,657,277	4,498,793	5,342,873	6,183,691	7,087,683	8,352,526	9,256,243
Public Works	217,312	448,185	677,886	951,734	1,251,234	1,469,877	1,839,645	2,112,095
TOTAL ACTUALS	5,414,659	8,664,009	11,569,420	14,433,930	16,923,895	19,842,707	23,760,733	26,567,908.59

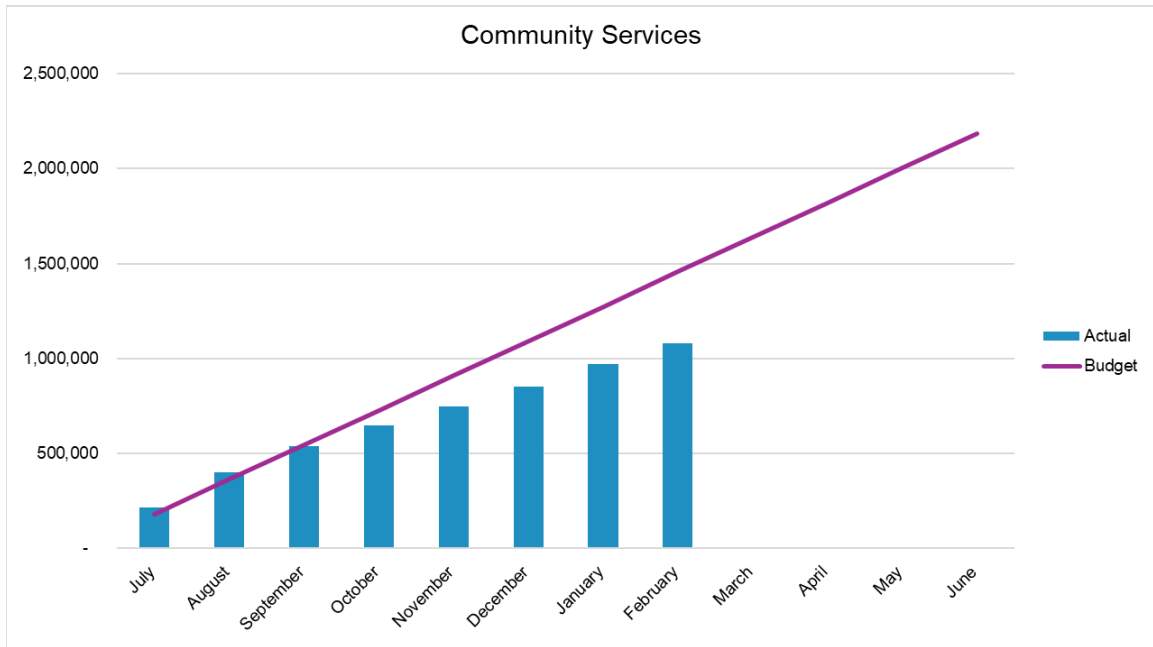
² This report only includes operating departments (i.e., City Manager's Office, Community Development). Transfers will be reflected in section II Expenses by Category.



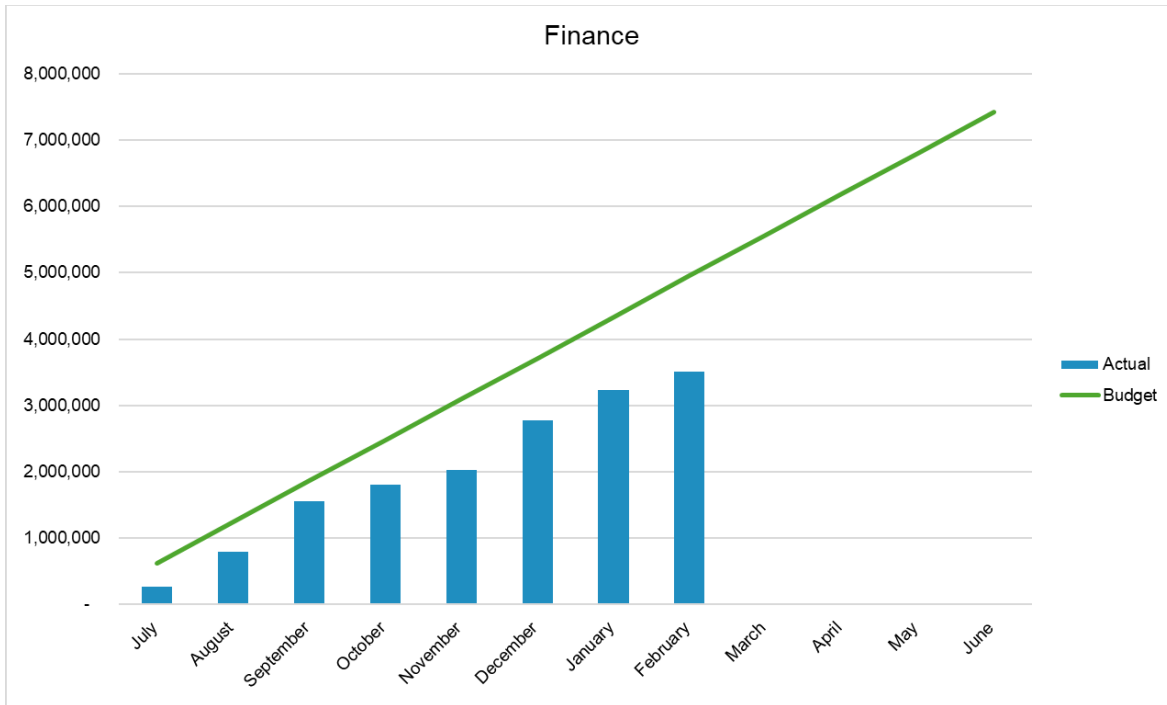
CITY MANAGER'S OFFICE					
Month	Period Actual	YTD Actual	Variance YTD and Adopted	% YTD to FY Adopted Total	Adopted Budget
July	191,604	191,604	26,405	7%	218,009
August	86,937	278,541	157,476	11%	436,017
September	153,983	432,524	221,502	17%	654,026
October	135,854	568,378	303,656	22%	872,035
November	213,764	782,142	307,901	30%	1,090,043
December	157,144	939,286	368,766	36%	1,308,052
January	204,571	1,143,780	382,280	44%	1,526,060
February	183,407	1,301,917	442,152	50%	1,744,069
March	-	-	-	0%	1,962,078
April	-	-	-	0%	2,180,086
May	-	-	-	0%	2,398,095
June	-	-	-	0%	2,616,104
TOTALS	1,327,264				



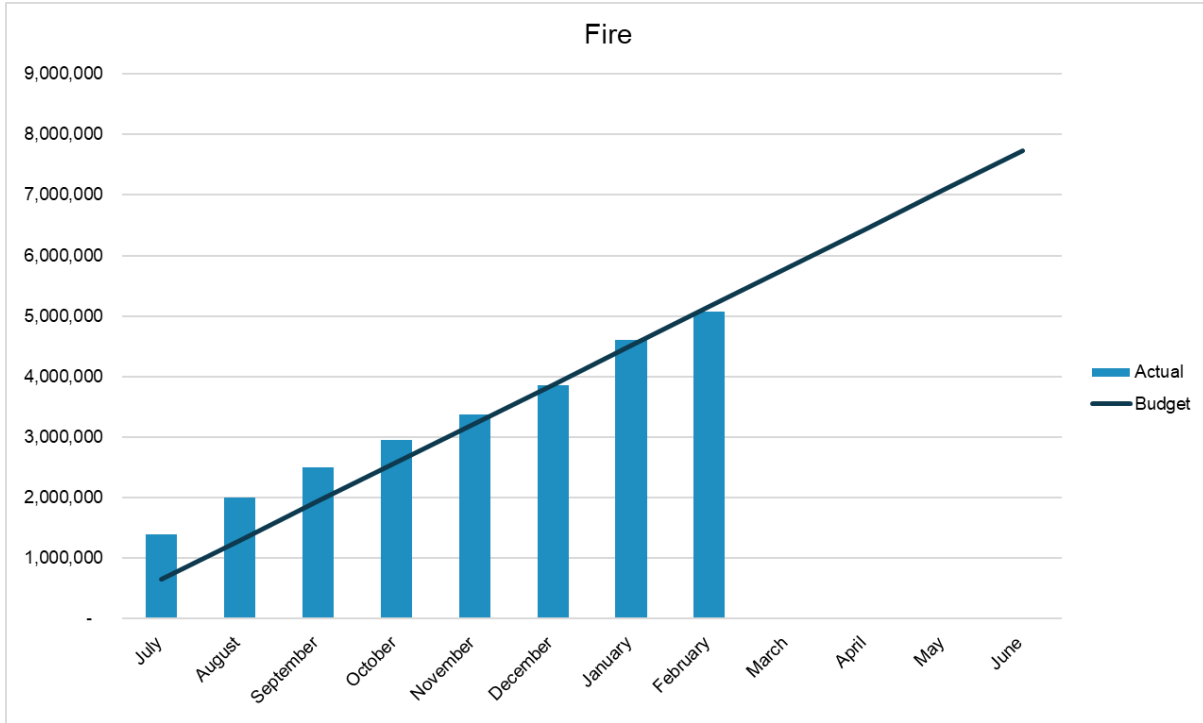
COMMUNITY DEVELOPMENT					
Month	Period Actual	YTD Actual	Variance YTD and Adopted	% YTD to FY Adopted Total	Adopted Budget
July	260,805	260,805	(2,618)	8%	258,187
August	228,583	489,388	26,985	16%	516,373
September	155,570	644,959	129,601	21%	774,560
October	266,779	911,737	121,009	29%	1,032,746
November	196,792	1,108,529	182,404	36%	1,290,933
December	121,252	1,229,781	319,338	40%	1,549,119
January	448,560	1,678,341	128,964	54%	1,807,306
February	406,697	2,085,038	(19,546)	101%	2,065,492
March	-	-	-	0%	2,323,679
April	-	-	-	0%	2,581,866
May	-	-	-	0%	2,840,052
June	-	-	-	0%	3,098,239
TOTAL	2,085,038				



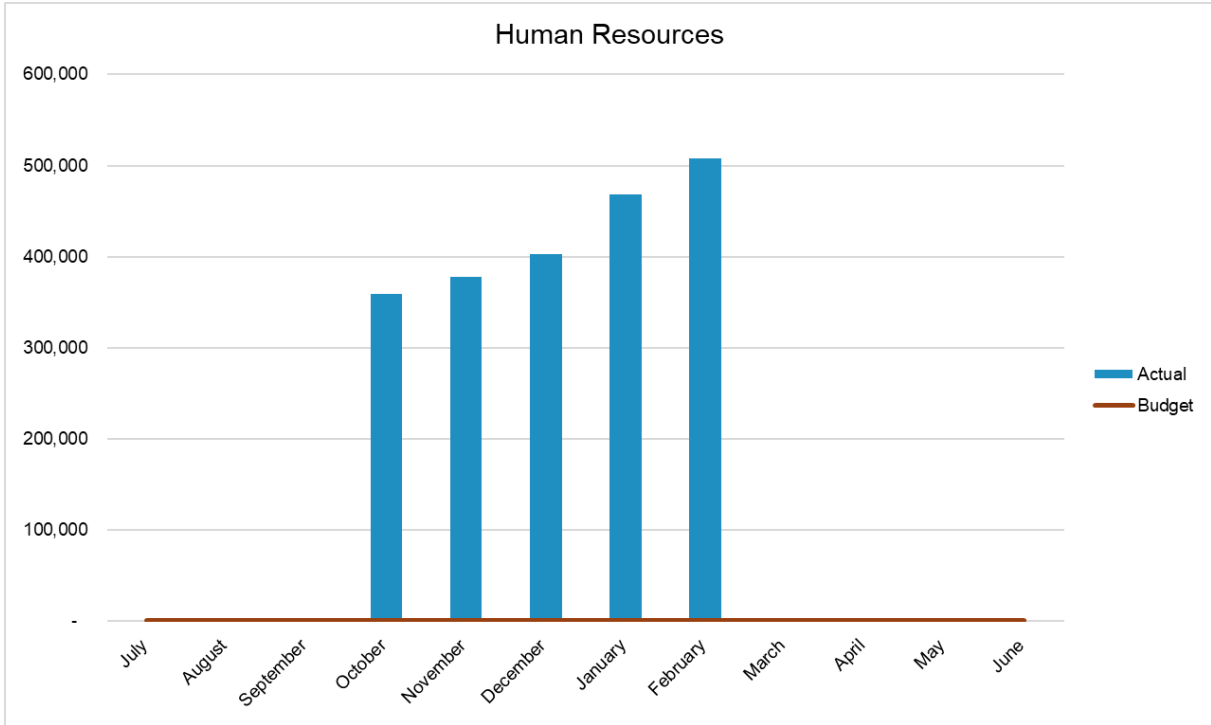
COMMUNITY SERVICES					
Month	Period Actual	YTD Actual	Variance YTD and Adopted	% YTD to FY Adopted Total	Adopted Budget
July	215,380	215,380.30	(33,386.53)	10%	181,994
August	183,538	398,918	(34,930)	18%	363,988
September	140,655	539,573	6,408	25%	545,981
October	108,286	647,859	80,116	30%	727,975
November	99,752	747,611	162,358	34%	909,969
December	102,711	850,322	241,641	39%	1,091,963
January	118,599	968,921	305,036	44%	1,273,956
February	109,325	1,078,246	377,704	49%	1,455,950
March	-	-	-	0%	1,637,944
April	-	-	-	0%	1,819,938
May	-	-	-	0%	2,001,932
June	-	-	-	0%	2,183,925
TOTAL	1,078,246				



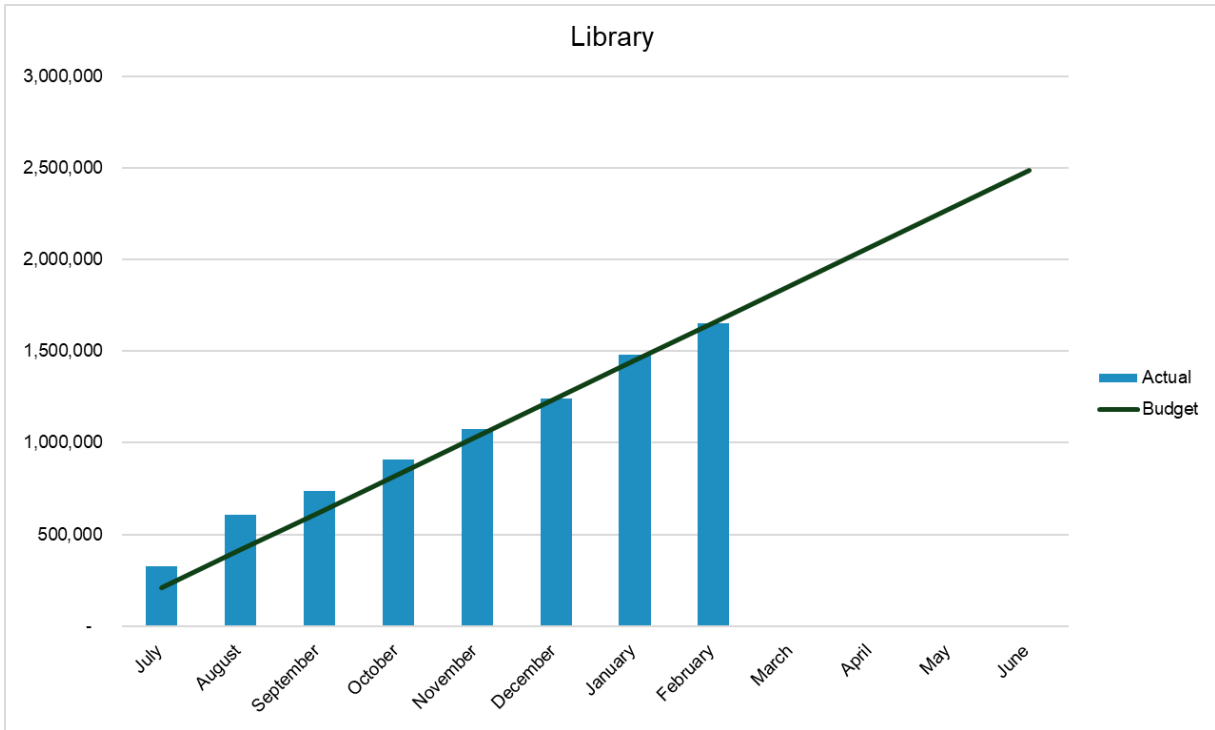
FINANCE					
Month	Period Actual	YTD Actual	Variance YTD and Adopted	% YTD to FY Adopted Total	Adopted Budget
July	261,638	261,638	357,479	4%	619,117
August	523,058	784,696	453,538	11%	1,238,234
September	758,923	1,543,619	313,732	21%	1,857,351
October	254,773	1,798,392	678,077	24%	2,476,469
November	229,238	2,027,630	1,067,956	27%	3,095,586
December	744,977	2,772,607	942,096	37%	3,714,703
January	458,519	3,231,126	1,102,694	43%	4,333,820
February	272,154	3,503,280	1,449,657	47%	4,952,937
March	-	-	-	0%	5,572,054
April	-	-	-	0%	6,191,172
May	-	-	-	0%	6,810,289
June	-	-	-	0%	7,429,406
TOTAL	3,503,280				



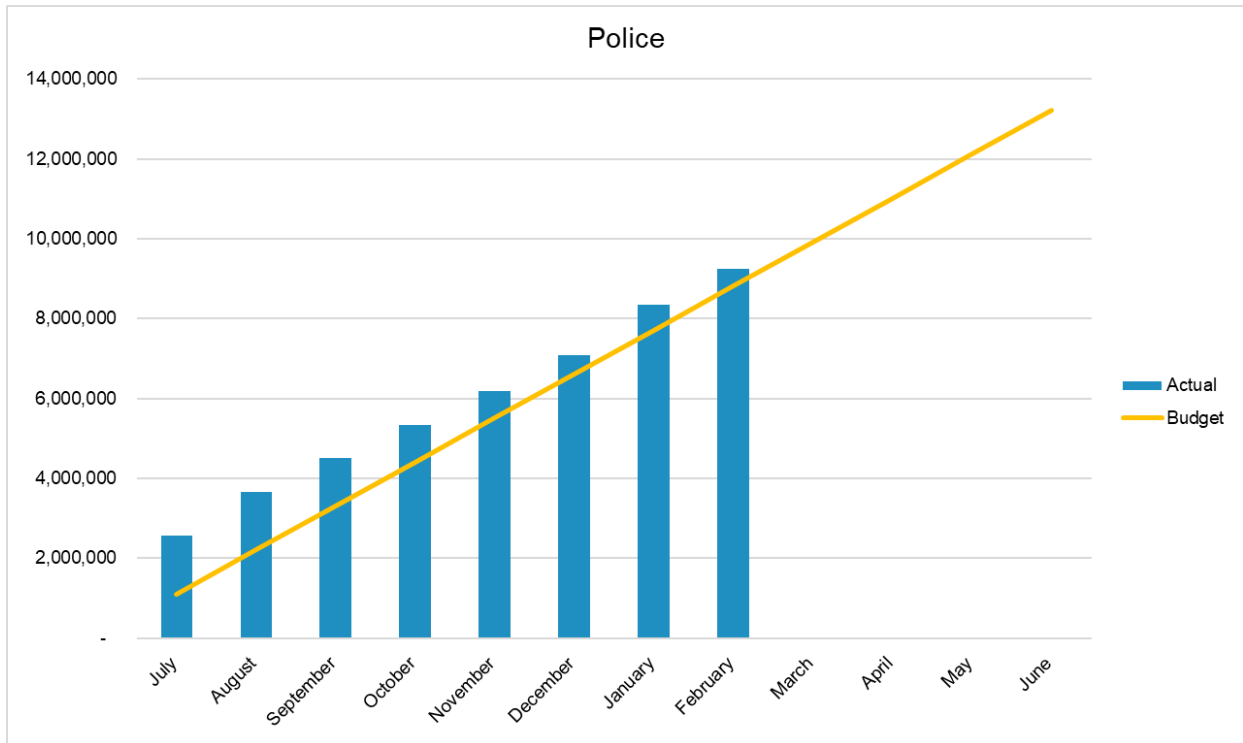
FIRE					
Month	Period Actual	YTD Actual	Variance YTD and Adopted	% YTD to FY Adopted Total	Adopted Budget
July	1,384,574	1,384,574	(740,199)	18%	644,375
August	615,519	2,000,094	(711,344)	26%	1,288,750
September	497,241	2,497,335	(564,210)	32%	1,933,125
October	446,065	2,943,400	(365,899)	38%	2,577,500
November	426,208	3,369,608	(147,732)	44%	3,221,875
December	478,397	3,848,004	18,246	50%	3,866,251
January	747,935	4,595,940	(85,314)	59%	4,510,626
February	475,877	5,071,816	83,184	66%	5,155,001
March	-	-	-	0%	5,799,376
April	-	-	-	0%	6,443,751
May	-	-	-	0%	7,088,126
June	-	-	-	0%	7,732,501
TOTAL	5,071,816				



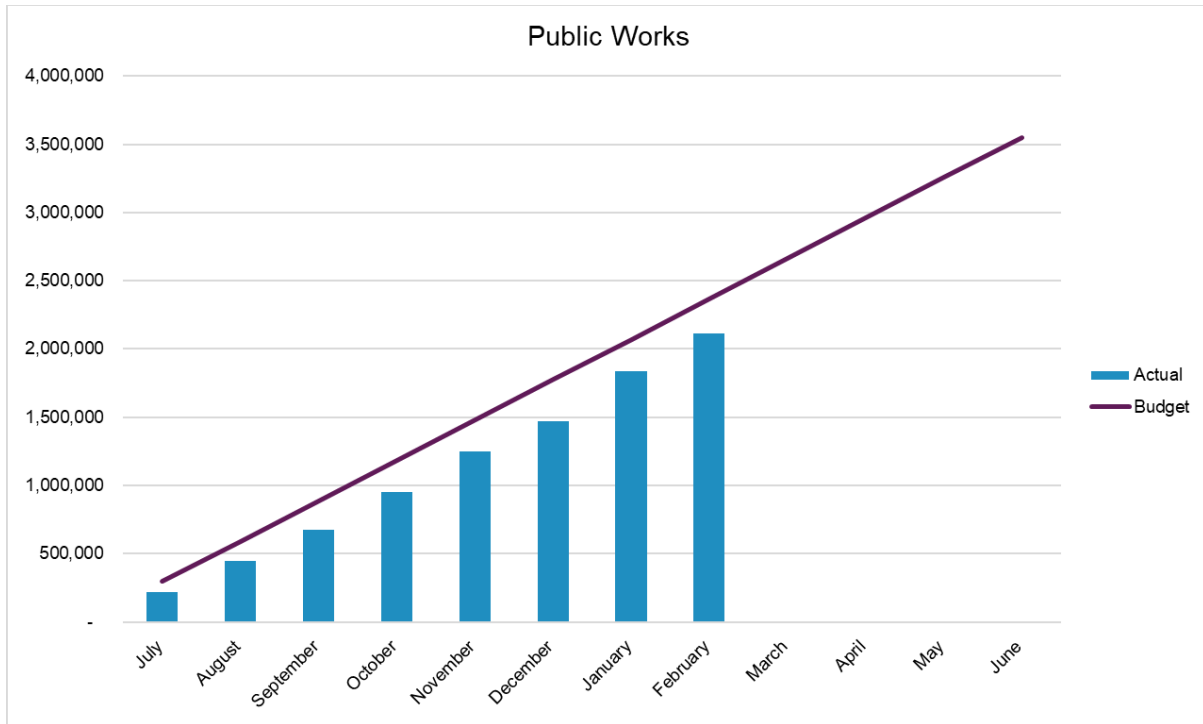
HUMAN RESOURCES					
Month	Period Actual	YTD Actual	Variance YTD and Adopted	% YTD to FY Adopted Total	Adopted Budget
July	-	-	-	0%	-
August	-	-	-	0%	-
September	-	-	-	0%	-
October	358,633	358,633	(358,633)	0%	-
November	18,551	377,184	(377,184)	0%	-
December	25,081	402,265	(402,265)	0%	-
January	65,725	467,990	(467,990)	0%	-
February	39,742	507,732	(507,732)	0%	-
March	-	-	-	0%	-
April	-	-	-	0%	-
May	-	-	-	0%	-
June	-	-	-	0%	-
TOTAL	507,732				



LIBRARY					
Month	Period Actual	YTD Actual	Variance YTD and Adopted	% YTD to FY Adopted Total	Adopted Budget
July	325,329	325,329	(118,098)	13%	207,231
August	281,581	606,910	(192,449)	24%	414,461
September	127,821	734,731	(113,039)	30%	621,692
October	176,192	910,923	(82,000)	37%	828,923
November	165,343	1,076,266	(40,113)	43%	1,036,153
December	166,615	1,242,881	503	50%	1,243,384
January	239,584	1,482,465	(31,850)	60%	1,450,615
February	169,076	1,651,541	6,304	66%	1,657,845
March	-	-	-	0%	1,865,076
April	-	-	-	0%	2,072,306
May	-	-	-	0%	2,279,537
June	-	-	-	0%	2,486,768
TOTAL	1,651,541				



POLICE					
Month	Period Actual	YTD Actual	Variance YTD and Adopted	% YTD to FY Adopted Total	Adopted Budget
July	2,558,016	2,558,016	(1,456,175)	19%	1,101,841
August	1,099,260	3,657,277	(1,453,595)	28%	2,203,682
September	841,516	4,498,793	(1,193,270)	34%	3,305,522
October	844,081	5,342,873	(935,510)	40%	4,407,363
November	840,817	6,183,691	(674,486)	47%	5,509,204
December	903,993	7,087,683	(476,638)	54%	6,611,045
January	1,264,842	8,352,526	(639,640)	63%	7,712,886
February	903,717	9,256,243	(441,516)	70%	8,814,727
March	-	-	-	0%	9,916,567
April	-	-	-	0%	11,018,408
May	-	-	-	0%	12,120,249
June	-	-	-	0%	13,222,090
TOTAL	9,256,243				



PUBLIC WORKS					
Month	Period Actual	YTD Actual	Variance YTD and Adopted	% YTD to FY Adopted Total	Adopted Budget
July	217,312	217,312	78,635	6%	295,947
August	230,873	448,185	143,708	13%	591,894
September	229,701	677,886	209,954	19%	887,840
October	273,848	951,734	232,053	27%	1,183,787
November	299,500	1,251,234	228,500	35%	1,479,734
December	218,643	1,469,877	305,804	41%	1,775,681
January	369,768	1,839,645	231,983	52%	2,071,627
February	272,451	2,112,095	255,479	59%	2,367,574
March	-	-	-	0%	2,663,521
April	-	-	-	0%	2,959,468
May	-	-	-	0%	3,255,414
June	-	-	-	0%	3,551,361
TOTAL	2,112,095				



CITY OF SOUTH PASADENA
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FINANCEDEPARTMENT@SOUTHPASADENACA.GOV

Date: April 23, 2026

To: Finance Commission and City Council

From: Nick Kimball, Assistant City Manager/CFO

By: Mark Siegfried, Accounting Manager/Controller

**Re: RECEIVE A PRESENTATION OF THE ANNUAL INVESTMENT REPORT
FROM THE CITY'S INVESTMENT ADVISOR AND REVIEW OF THE ANNUAL
INVESTMENT POLICY FOR FISCAL YEAR 2026-27**

Recommendation:

It is recommended that the Finance Commission:

- a. Receive the annual investment report and portfolio performance summary presented by Payden & Rygel, the City's investment advisor;
- b. Review the proposed Annual Investment Policy for Fiscal Year 2026-27 (Attachment 1); and
- c. Provide a recommendation to the City Council regarding adoption of the policy, as appropriate.

Executive Summary:

This report presents the City's annual investment portfolio performance review and the proposed Annual Investment Policy for Fiscal Year 2026-27 for Finance Commission review and recommendation. The City retains Payden & Rygel as its independent investment advisor to manage surplus funds in accordance with California Government Code and the City's adopted policy objectives of safety, liquidity, and return.

The proposed FY 2026-27 Investment Policy incorporates four targeted amendments: a statutory update reflecting SB 858's extension of the maximum maturity for prime quality commercial paper; a personnel title correction reflecting the City's current organizational structure; clarified language governing authorized financial dealers and institutions; and the addition of a glossary of terms as recommended by the California Municipal

Treasurers Association (CMTA). These updates do not alter the fundamental risk posture or investment objectives of the policy.

Background:

Under California Government Code §53600 et seq., local agencies are required to adopt an investment policy and submit it to the legislative body annually. The City has historically presented the investment policy to the Finance Commission for review and recommendation prior to City Council consideration.

The City's investment portfolio is managed by Payden & Rygel, an independent investment advisory firm retained to provide professional portfolio management consistent with the City's stated objectives. The investment program prioritizes the preservation of capital and adequate liquidity for operational needs, with yield as a secondary consideration.

The Annual Investment Policy establishes authorized investment instruments, diversification requirements, maximum maturity limits, credit quality standards, safekeeping and custody requirements, and reporting obligations. The policy is reviewed each year to ensure alignment with current statutory requirements, economic conditions, and best practices in public fund management.

Analysis:

The purpose of this annual review is to ensure that the City's Investment Policy remains current, legally compliant, and reflective of sound investment management practices. The Finance Commission's review provides an independent check on the policy prior to its submission to the City Council for adoption.

Staff, in coordination with Payden & Rygel, conducted a comprehensive review of the existing FY 2025-26 Investment Policy. Proposed amendments were evaluated against California Government Code requirements, CMTA model policy guidance, and the City's operational liquidity needs. The proposed policy is provided in clean copy (Attachment 1) alongside a redlined comparison to the current adopted policy (Attachment 2) and the current clean-copy policy (Attachment 3) for reference.

The following amendments are incorporated into the proposed policy:

- SB 858 – Commercial Paper Maturity Extension: Senate Bill 858 amended California Government Code to extend the maximum maturity for prime quality commercial paper from 270 days to up to 397 days. The proposed policy reflects this updated statutory limit, providing modestly greater flexibility to optimize portfolio yield while remaining within legally authorized parameters.
- Personnel Title Correction: References to “Finance Director” have been updated throughout the policy to reflect the City's current organizational structure, designating the Assistant City Manager / Chief Financial Officer as the responsible officer for investment management and reporting.

- Authorized Financial Dealers and Institutions: Language has been added to clarify the standards and process for approving financial dealers and institutions authorized to conduct transactions on behalf of the City. This amendment strengthens internal controls and aligns the policy with current CMTA best practice guidance.
- Glossary of Terms: A glossary of defined terms has been added as an appendix to the policy, as recommended by the California Municipal Treasurers Association. The glossary improves policy clarity and supports consistent interpretation of key investment terms.

The proposed amendments are consistent with applicable state law, CMTA model policy guidance, and the City's established investment objectives. Staff and the City's investment advisor have reviewed the policy and find it appropriate for Commission recommendation to the City Council.

Fiscal Impact

Adoption of the proposed Annual Investment Policy has no direct fiscal impact. The policy is an administrative framework governing the management of existing public funds and does not authorize new expenditures or appropriate additional resources. Investment returns will continue to vary with prevailing market conditions; no change in projected portfolio performance is anticipated as a result of the proposed amendments.

Attachment(s)

1. Proposed FY 2026-27 Investment Policy (clean copy)
2. FY 2026-27 Investment Policy (redlined version)
3. FY 2025-26 Investment Policy (clean copy)



CITY OF SOUTH PASADENA
INVESTMENT POLICY
FY 2026-27

1. **Policy**

It is the policy of the City of South Pasadena (the “City”) to invest public funds in a manner that will provide, in priority order, safety of principal, liquidity adequate to meet the daily cash flow demands of the City and return on investment to the highest extent possible, while conforming to all state and local statutes governing the investment of public funds.

2. **Scope**

This investment policy applies to the investment of all financial assets of the City, except for bond funds which will be invested according to the applicable bond and trust documents. The City’s funds are accounted for in the City’s Annual Comprehensive Financial Report (“ACFR”) and include:

- a) General Fund
- b) Special Revenue Funds
- c) Debt Service Funds
- d) Capital Project Funds
- e) Enterprise Funds

3. **Prudence**

Investment officials authorized to make investment decisions on behalf of the City are acting as trustees and therefore fiduciaries. The standard of prudence to be used by such investment officials shall be the “prudent investor” standard and shall be applied in the context of managing the overall portfolio.

The “prudent investor” standard as set forth in California Government Code Section 53600.3 is as follows:

“When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but no limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.”

4. **Objectives**

The primary objectives of the City’s investment activities, in order of priority, shall be:

- **Safety** -- Safety of principal is the foremost objective of the investment program. Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain the objective, the City will diversify its investments by investing funds among a variety of securities.
- **Liquidity** – The investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated.

- **Return on Investment** – The City’s investment portfolio shall have the objective of attaining a comparative performance measurement or an acceptable rate of return throughout budgetary and economic cycles. These measurements should be commensurate with the City’s investment risk constraints identified in this Investment Policy and cash flow characteristics of the portfolio.

5. **Delegation of Authority**

Authority to manage the City’s investment program is derived from California Government Code Sections 53600 *et seq.* The City Council hereby delegates to the City Treasurer the authority to invest and reinvest City funds. Such authority may be revoked by the City Council in writing at any time. The Treasurer, with the assistance of the City Manager and Assistant City Manager/Chief Financial Officer, shall be responsible for assuring that all investments are made in conformance with the Investment Policy and shall establish a system of controls to regulate the activities of subordinate officials, and their procedures in the absence of the Treasurer.

6. **Ethics and Conflicts of Interest**

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution and management of the investment program, or which could impair their ability to make impartial investment decisions. The Treasurer, City Manager and Assistant City Manager/Chief Financial Officer are required to annually file applicable financial disclosures as required by the Fair Political Practices Commission. Further, the Treasurer, City Manager and Assistant City Manager/Chief Financial Officer must refrain from undertaking personal investment transactions with the same individuals employed by the financial institution with whom business is conducted on behalf of the City.

7. **Authorized Financial Dealers and Institutions**

The Treasurer will maintain a list of approved financial institutions authorized to provide investment services to the City in the State of California. These may include “primary” dealers or regional dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule). Best practices include the following: 1) A determination that all approved broker/dealer firms, and individuals covering the public agency, are reputable and trustworthy; 2) the broker/dealer firms should have the ability to meet all their financial obligations in dealing with the City; 3) the firms, and individuals covering the City, should be knowledgeable and experienced in City investing and the investment products involved; 4) no public deposit shall be made except in a qualified public depository as established by the established state laws; 4) all financial institutions and broker/dealers who desire to conduct investment transactions with the public agency may supply the Treasurer (or Assistant City Manager/Chief Financial Officer) with audited financial statements, proof of FINRA certification, trading resolution, proof of State of California registration, a completed broker/dealer questionnaire, certification of having read the City’s investment policy and depository contracts. An annual review of the financial condition and registrations of qualified bidders may be conducted by the Treasurer (or Assistant City Manager/Chief Financial Officer) and a current audited financial statement requested for each financial institution and broker/dealer in which the City invests.

8. **Authorized and Suitable Investments**

The City is empowered by statute (California Government Code Section 53600 *et seq.*) to invest in certain types of securities and funds. Figure 1 attached to this Investment Policy provides the list of allowable investments of the City’s funds pursuant to the California Government Code.

9. Environmental, Social and Governance (ESG)

Investments may be prioritized in entities that support environmental, social and governance (ESG) factors alongside traditional financial measures in the investment decision-making process, ensuring that investments are financially prudent, and impact driven. Investing in companies that prioritize conservation and sustainable business practices helps our environment for future generations and is commensurate with the City's values. ESG factors may include, but are not limited to:

- Environmental: Carbon Footprint; Energy Consumption; Water/Waste; External Conservation Initiatives, and Sector-Specific Adjustments.
- Social: Labor Rights; Employee Diversity; Corporate Social Responsibility and Human Rights/Ethics.
- Governance: Leadership Structure; Executive Compensation; Human Capital Management; Transparency/Disclosure; and Shareholder Rights.

10. Review of Investment Portfolio

The securities held by the City must be in compliance with Section 8 of this Investment Policy, "Authorized and Suitable Investments" at the time of purchase. Because some securities may not comply with Section 8 "Authorized and Suitable Investments" subsequent to the date of purchase, the Treasurer should at least annually review the portfolio to identify those securities that do not comply. The Treasurer should establish procedures to report to the City Council and the City's Finance Commission major and critical incidences of noncompliance identified through the review of the portfolio.

11. Investment Pools/Mutual Funds

A thorough investigation of any allowable investment pool/mutual fund is required prior to investing and on a continual basis. Best efforts will be made to acquire the following information:

- A description of eligible investment securities, and a written statement of investment policy and objectives.
- A description of interest calculations and how it is distributed, and how gains and losses are treated.
- A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
- A description of who may invest in the program, how often, and what size deposit and withdrawal are allowed.
- A schedule for receiving statements and portfolio listings.
- A statement of how/if reserves and retained earnings are utilized by the pool/fund.
- A fee schedule, and when and how it is assessed.
- A statement of the eligibility of the pool/fund for bond proceeds and whether or not bond proceeds will be accepted.

12. Collateralization

Collateralization will be required on two types of investments: certificates of deposit and repurchase (and reverse repurchase) agreements. To anticipate market changes and provide a level of security for all funds, the collateralization level will be 110% of market value for certificates of deposit and 102% for reverse repurchase agreements of principal and accrued interest.

Collateral will always be held by an independent third party with whom the entity has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the entity and retained. The right of collateral substitution is granted.

13. Safekeeping and Custody

All security transactions shall be conducted on a “delivery versus payment” (DVP) basis. Securities will be held by a third party custodian designated by the Treasurer and evidenced by monthly safekeeping receipts.

14. Diversification

The City will diversify its investments by security type and institution. With the exception of U.S. Treasury securities and authorized pools, no more than 30% of the City’s total investment portfolio will be invested in a single security type or with a single financial institution. No more than 5% of the City’s total investment portfolio will be invested in a single security.

15. Maximum Maturities

To the extent possible, the City will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than 5 years from the date of purchase.

All investment instruments will be acquired with a view toward holding such instruments to their maturity, thereby avoiding risks to loss of principal due to market fluctuations.

16. Internal Controls

The Treasurer is responsible for oversight of the establishment and maintenance by the City Manager and the Assistant City Manager/Chief Financial Officer of an internal control structure designed to ensure that the assets of the City are protected from loss, theft, fraud or misuse.

As part of its annual audit of the City, the City’s external auditor will annually review internal control, account activity and compliance with statutes, policies and procedures..

17. Performance Standards

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs.

The City’s investment strategy is passive. Given this strategy, the basis used by the City to determine whether market yields are being achieved shall be to identify a comparable benchmark to the weighted

average maturity or duration of the City's portfolio. Benchmarks may change over time based on changes in market conditions or cash flow requirements.

18. Reporting

The City Treasurer shall direct the preparation of a monthly investment report by the Finance Director and his or her staff, which report shall be certified by the Treasurer and submitted to the City Manager and the Finance Commission within 30 days following the end of the month covered by the report. Monthly investment reports shall be provided to the City Council within 30 days after review by the Finance Commission.

The monthly investment report shall include the following information for all cash accounts and bank deposits:

- Balance at the end of the month; and
- Interest rate, for all interest-bearing active deposits

The monthly report shall include the following information for all investments:

- A list of individual securities held at the end of the month, by security type;
- Issuer, date of maturity, date of purchase, par value and the dollar amount invested;
- Coupon, discount or earning rate;
- Current market value as of the date of the report and the source of such valuation; and
- The weighted average maturity and weighted average yield of all investments combined.

The above information may be submitted in the form of copies of statements received by the custodial institution. For investments with LAIF, the most recent statement or statements received from the State Treasurer may be included in the monthly report in lieu of the information noted above.

The report shall also include a listing of all investment transactions for the month and must include a certification by the Treasurer, or in his or her absence, the Finance Director, certifying compliance with the City's Investment Policy, or the manner in which the portfolio is not in compliance, as well as a statement denoting the ability of the City to meet its expenditure requirements for the next six months, or an explanation as to why sufficient money shall or may not be available.

19. Investment Policy Adoption

The City's Investment Policy shall be reviewed and adopted annually by the City Council. The Finance Commission will review the Investment Policy periodically to ensure its consistency with the overall objectives of preservation of principal, liquidity and return, and its conformance with current law, financial and economic trends, and cash flow needs of the City. Any modifications to this Investment Policy must be approved by the City Council.

GLOSSARY

AGENCIES: Federal agency securities and/or Government Sponsored Enterprises (GSE) which include Federal Home Loan Bank (FHLB), Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation (FHLMC), Federal Farm Credit Bank (FFCB), and Federal Agricultural Mortgage Association (Farmer Mac).

BANKERS' ACCEPTANCE (BA): A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BENCHMARK: A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

BROKER: A broker brings buyers and sellers together for a commission.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a Certificate. Large-denomination CD's are typically negotiable.

COLLATERAL: Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR): The official annual report of the (*entity*). It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY VERSUS PAYMENT: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns.

DURATION: A measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years. Rising interest rates mean falling bond prices, while declining interest rates mean rising bond prices.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits, currently up to \$250,000 per entity.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes. **LOCAL GOVERNMENT INVESTMENT POOL (LGIP):** The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase—reverse repurchase agreements that establishes each party’s rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller borrower.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MEDIUM TERM NOTES: Corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States.

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, bankers’ acceptances, etc.) are issued and traded.

PORTFOLIO: Collection of securities held by an investor.

PRIMARY DEALER: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

PRUDENT PERSON RULE: An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state—the so-called legal list. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

REPURCHASE AGREEMENT (REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security “buyer” in effect lends the “seller” money for the period of the agreement, and the terms of the agreement are structured to compensate him for this.

REVERSE REPURCHASE AGREEMENT (REVERSE REPO): A reverse-repurchase agreement (reverse repo) involves an investor borrowing cash from a financial institution in exchange for securities. The investor agrees to repurchase the securities at a specified date for the same cash value plus an agreed upon interest rate. Although the transaction is similar to a repo, the purpose of entering into a reverse repo is quite different. While a repo is a straightforward investment of public funds, the reverse repo is a borrowing.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES & EXCHANGE COMMISSION: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SEC RULE 15C3-1: See Uniform Net Capital Rule.

SUPRANATIONALS: A supranational organization is formed by a group of countries through an international treaty with specific objectives such as promoting economic development. Supranational organizations also issue debt in the United States. The most commonly recognized supranational debt is the International Bank for Reconstruction and Development (IBRD or World Bank), International Finance Corporation (IFC) and Inter-American Development Bank (IADB).

TREASURY BILLS: A noninterest-bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

TREASURY BONDS: Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

TREASURY NOTES: Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

YIELD: The rate of annual income return on an investment, expressed as a percentage. (a) **INCOME YIELD** is obtained by dividing the current dollar income by the current market price for the security. (b) **NET YIELD** or **YIELD TO MATURITY** is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

FIGURE 1

ALLOWABLE INVESTMENT INSTRUMENTS PER STATE GOVERNMENT CODE (AS OF JANUARY 1, 2026)^A APPLICABLE TO ALL LOCAL AGENCIES^B

See “Table of Notes for Figure 1” on the next page for footnotes related to this figure.

INVESTMENT TYPE	MAXIMUM MATURITY ^C	MAXIMUM SPECIFIED % OF PORTFOLIO ^D	MINIMUM QUALITY REQUIREMENTS	GOV'T CODE SECTIONS
Local Agency Bonds	5 years	None	None	53601(a)
U.S. Treasury Obligations	5 years	None	None	53601(b)
State Obligations— CA And Others	5 years	None	None	53601(c) 53601(d)
CA Local Agency Obligations	5 years	None	None	53601(e)
U.S Agency Obligations	5 years	None	None	53601(f)
Bankers' Acceptances	180 days	40% ^E	None	53601(g)
Commercial Paper—Non-Pooled Funds ^F (under \$100,000,000 of investments)	397 days or less	25% ^G	Highest letter and number rating by an NRSRO ^H	53601(h)
Commercial Paper—Non-Pooled Funds ^F (min. \$100,000,000 of investments)	397 days or less	40% ^G	Highest letter and number rating by an NRSRO ^H	53601(h)
Commercial Paper— Pooled Funds ^I	397 days or less	40% ^J	Highest letter and number rating by an NRSRO ^H	53635(a)
Negotiable Certificates of Deposit	5 years	30% ^K	None	53601(i)
Non-negotiable Certificates of Deposit	5 years	None	None	53630 et seq.
Placement Service Deposits	5 years	50% ^L	None	53601.8 and 53635.8
Placement Service Certificates of Deposit	5 years	50% ^L	None	53601.8 and 53635.8
Repurchase Agreements	1 year	None	None	53601(j)
Reverse Repurchase Agreements and Securities Lending Agreements	92 days ^M	20% of the base value of the portfolio	None ^N	53601(j)
Medium-Term Notes ^O	5 years or less	30%	“A” rating category or its equivalent or better	53601(k)
Mutual Funds And Money Market Mutual Funds	N/A	20% ^P	Multiple ^{Q, R}	53601(l) and 53601.6(b)
Collateralized Bank Deposits ^S	5 years	None	None	53630 et seq. and 53601(n)
Mortgage Pass-Through and Asset-Backed Securities ^T	5 years or less ^T	20%	“AA” rating category or its equivalent or better ^T	53601(o)
County Pooled Investment Funds	N/A	None	None	27133
Joint Powers Authority Pool	N/A	None	Multiple ^U	53601(p)
Local Agency Investment Fund (LAIF)	N/A	None	None	16429.1
Voluntary Investment Program Fund ^V	N/A	None	None	16340
Supranational Obligations ^W	5 years or less	30%	“AA” rating category or its equivalent or better	53601(q)
Public Bank Obligations	5 years	None	None	53601(r), 53635(c) and 57603

TABLE OF NOTES FOR FIGURE 1

- ^A Sources: Sections 16340, 16429.1, 27133, 53601, 53601.6, 53601.8, 53630 et seq., 53635, 53635.8, and 57603.
- ^B Municipal Utilities Districts have the authority under the Public Utilities Code Section 12871 to invest in certain securities not addressed here.
- ^C Section 53601 provides that the maximum term of any investment authorized under this section, unless otherwise stated, is five years from the settlement date. However, the legislative body may grant express authority to make investments either specifically or as a part of an investment program approved by the legislative body that exceeds this five-year remaining maturity limit. Such approval must be issued no less than three months prior to the purchase of any security exceeding the five-year maturity limit.
- ^D Percentages apply to all portfolio investments regardless of source of funds. For instance, cash from a reverse repurchase agreement would be subject to the restrictions.
- ^E No more than 30% of the agency's money may be in bankers' acceptances of any one commercial bank.
- ^F Applies to local agencies, other than counties or a city and county, that are a city, a district, or other local agency that do not pool money in deposits or investments with other local agencies other than local agencies that have the same governing body (non-pooled).
- ^G Local agencies, described in footnote F (non-pooled), may invest no more than 10% of their investment assets in the commercial paper and medium-term notes of any single issuer.
- ^H Issuing entity must be organized and operating within the U.S. as a general corporation, have assets in excess of \$500 million, and have debt other than commercial paper, if any, rated by a NRSRO in a rating category of "A" or its equivalent or higher; or the issuing entity must be organized within the U.S. as a special purpose corporation, trust, or LLC, have program wide credit enhancements, and have commercial paper that is rated "A-1" or higher, or the equivalent, by a NRSRO.
- ^I Includes the City of Los Angeles and agencies defined as a county, a city and county, or other local agency that pools money in deposits or investments with other local agencies, including local agencies that have the same governing body (pooled).
- ^J Local agencies, described in footnote I (pooled), may invest no more than 10% of their investment assets in the commercial paper of any single issuer.
- ^K No more than 30% of the agency's money may be in negotiable certificates of deposit that are authorized under Section 53601(i).
- ^L Effective January 1, 2020, no more than 50% of the agency's money may be invested in deposits, including certificates of deposit, through a placement service as authorized under 53601.8 (excludes negotiable certificates of deposit authorized under Section 53601(i)). On January 1, 2031, the maximum percentage of the portfolio reverts back to 30%. Investments made pursuant to 53635.8 remain subject to a maximum of 30% of the portfolio.
- ^M Reverse repurchase agreements or securities lending agreements may exceed the 92-day term if the agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity dates of the same security.
- ^N Reverse repurchase agreements must be made with primary dealers of the Federal Reserve Bank of New York or with a nationally or state-chartered bank that has a significant relationship with the local agency. The local agency must have held the securities used for the agreements for at least 30 days.
- ^O "Medium-term notes" are defined in Section 53601 as "all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States."
- ^P No more than 10% invested in any one mutual fund. This limitation does not apply to money market mutual funds.
- ^Q A mutual fund must receive the highest ranking by not less than two nationally recognized rating agencies or the fund must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of \$500 million, and has at least five years' experience investing in instruments authorized by Sections 53601 and 53635.
- ^R A money market mutual fund must receive the highest ranking by not less than two nationally recognized statistical rating organizations or retain an investment advisor registered with the SEC or exempt from registration and who has not less than five years' experience investing in money market instruments with assets under management in excess of \$500 million.
- ^S Investments in notes, bonds, or other obligations under Section 53601(n) require that collateral be placed into the custody of a trust company or the trust department of a bank that is not affiliated with the issuer of the secured obligation, among other specific collateral requirements.
- ^T Security types authorized under Section 53601(o) that are issued or guaranteed by an issuer identified in subdivisions (b) or (f), are not subject to the limitations placed on privately issued securities authorized in Section 53601(o)(2)(A)(B).
- ^U A joint powers authority pool must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of \$500 million, and has at least five years' experience investing in instruments authorized by Section 53601, subdivisions (a) to (o).
- ^V Local entities can deposit between \$200 million and \$10 billion into the Voluntary Investment Program Fund, upon approval by their governing bodies. Deposits in the fund will be invested in the Pooled Money Investment Account.
- ^W Only those obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), and Inter-American Development Bank (IADB), with a maximum remaining maturity of five years or less.

CITY OF SOUTH PASADENA

INVESTMENT POLICY

FY 20265-2627

1. **Policy**

It is the policy of the City of South Pasadena (the “City”) to invest public funds in a manner that will provide, in priority order, safety of principal, liquidity adequate to meet the daily cash flow demands of the City and return on investment to the highest extent possible, while conforming to all state and local statutes governing the investment of public funds.

2. **Scope**

This investment policy applies to the investment of all financial assets of the City, except for bond funds which will be invested according to the applicable bond and trust documents. The City’s funds are accounted for in the City’s Annual Comprehensive Financial Report (“ACFR”) and include:

- a) General Fund
- b) Special Revenue Funds
- c) Debt Service Funds
- d) Capital Project Funds
- e) Enterprise Funds

3. **Prudence**

Investment officials authorized to make investment decisions on behalf of the City are acting as trustees and therefore fiduciaries. The standard of prudence to be used by such investment officials shall be the “prudent investor” standard and shall be applied in the context of managing the overall portfolio.

The “prudent investor” standard as set forth in California Government Code Section 53600.3 is as follows:

“When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but no limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.”

4. **Objectives**

The primary objectives of the City’s investment activities, in order of priority, shall be:

- **Safety** – Safety of principal is the foremost objective of the investment program. Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain the objective, the City will diversify its investments by investing funds among a variety of securities.
- **Liquidity** – The investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated.

- **Return on Investment** – The City’s investment portfolio shall have the objective of attaining a comparative performance measurement or an acceptable rate of return throughout budgetary and economic cycles. These measurements should be commensurate with the City’s investment risk constraints identified in this Investment Policy and cash flow characteristics of the portfolio.

5. Delegation of Authority

Authority to manage the City’s investment program is derived from California Government Code Sections 53600 *et seq.* The City Council hereby delegates to the City Treasurer the authority to invest and reinvest City funds. Such authority may be revoked by the City Council in writing at any time. The Treasurer, with the assistance of the City Manager and ~~Finance Director~~Assistant City Manager/Chief Financial Officer, shall be responsible for assuring that all investments are made in conformance with the Investment Policy and shall establish a system of controls to regulate the activities of subordinate officials, and their procedures in the absence of the Treasurer.

6. Ethics and Conflicts of Interest

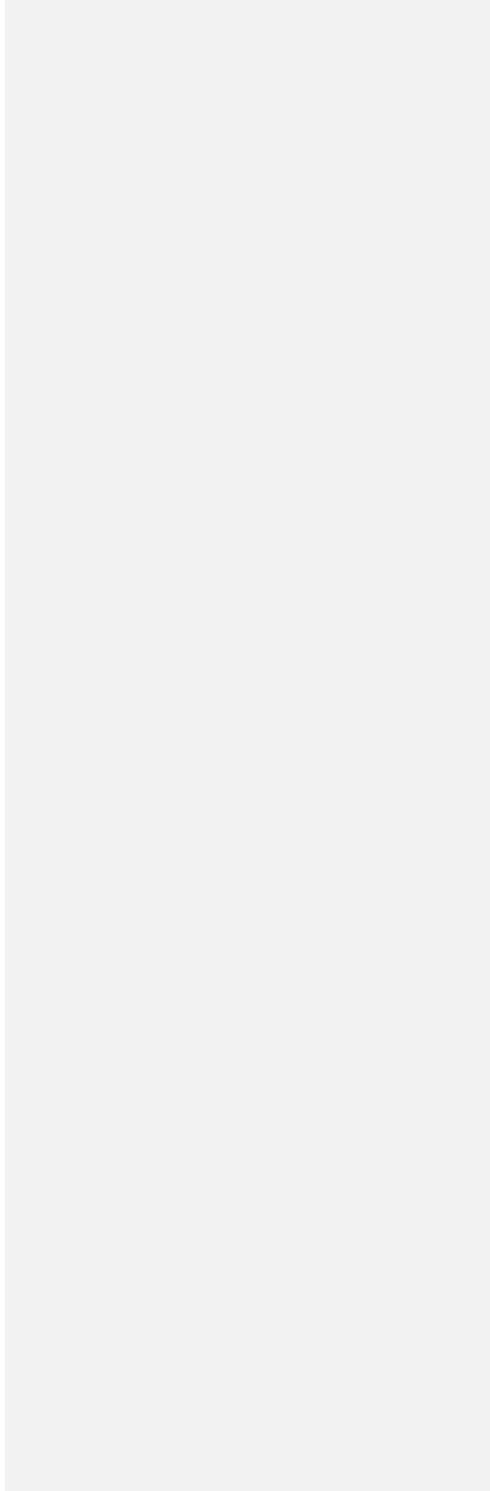
Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution and management of the investment program, or which could impair their ability to make impartial investment decisions. The Treasurer, City Manager and ~~Finance Director~~Assistant City Manager/Chief Financial Officer are required to annually file applicable financial disclosures as required by the Fair Political Practices Commission. Further, the Treasurer, City Manager and ~~Finance Director~~Assistant City Manager/Chief Financial Officer must refrain from undertaking personal investment transactions with the same individuals employed by the financial institution with whom business is conducted on behalf of the City.

7. Authorized Financial Dealers and Institutions

The Treasurer will maintain a list of approved financial institutions authorized to provide investment services to the City in the State of California. These may include “primary” dealers or regional dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule). Best practices include the following: 1) A determination that all approved broker/dealer firms, and individuals covering the public agency, are reputable and trustworthy; 2) the broker/dealer firms should have the ability to meet all their financial obligations in dealing with the City; 3) the firms, and individuals covering the City, should be knowledgeable and experienced in City investing and the investment products involved; 4) no public deposit shall be made except in a qualified public depository as established by the established state laws; 4) all financial institutions and broker/dealers who desire to conduct investment transactions with the public agency may supply the Treasurer (or Assistant City Manager/Chief Financial Officer) with audited financial statements, proof of FINRA certification, trading resolution, proof of State of California registration, a completed broker/dealer questionnaire, certification of having read the City’s investment policy and depository contracts. An annual review of the financial condition and registrations of qualified bidders may be conducted by the Treasurer (or Assistant City Manager/Chief Financial Officer) and a current audited financial statement requested for each financial institution and broker/dealer in which the City invests.The Treasurer shall investigate dealers who wish to do business with the City to determine if they are adequately capitalized, are knowledgeable and experienced in public agency investing and in the investment products involved, have any pending legal action against the firm or the individual broker.

8. Authorized and Suitable Investments

The City is empowered by statute (California Government Code Section 53600 *et seq.*) to invest in certain types of securities and funds. Figure 1 attached to this Investment Policy provides the list of allowable investments of the City's funds pursuant to the California Government Code.



9. Environmental, Social and Governance (ESG)

Investments may be prioritized in entities that support environmental, social and governance (ESG) factors alongside traditional financial measures in the investment decision-making process, ensuring that investments are financially prudent, and impact driven. Investing in companies that prioritize conservation and sustainable business practices helps our environment for future generations and is commensurate with the City's values. ESG factors may include, but are not limited to:

- Environmental: Carbon Footprint; Energy Consumption; Water/Waste; External Conservation Initiatives, and Sector-Specific Adjustments.
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- Governance: Leadership Structure; Executive Compensation; Human Capital Management; Transparency/Disclosure; and Shareholder Rights.

10. Review of Investment Portfolio

The securities held by the City must be in compliance with Section 8 of this Investment Policy, "Authorized and Suitable Investments" at the time of purchase. Because some securities may not comply with Section 8 "Authorized and Suitable Investments" subsequent to the date of purchase, the Treasurer should at least annually review the portfolio to identify those securities that do not comply. The Treasurer should establish procedures to report to the City Council and the City's Finance Commission major and critical incidences of noncompliance identified through the review of the portfolio.

11. Investment Pools/Mutual Funds

A thorough investigation of any allowable investment pool/mutual fund is required prior to investing and on a continual basis. Best efforts will be made to acquire the following information:

- A description of eligible investment securities, and a written statement of investment policy and objectives.
- A description of interest calculations and how it is distributed, and how gains and losses are treated.
- A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
- A description of who may invest in the program, how often, and what size deposit and withdrawal are allowed.
- A schedule for receiving statements and portfolio listings.
- A statement of how/if reserves and retained earnings are utilized by the pool/fund.
- A fee schedule, and when and how it is assessed.
- A statement of the eligibility of the pool/fund for bond proceeds and whether or not bond proceeds will be accepted.

12. Collateralization

Collateralization will be required on two types of investments: certificates of deposit and repurchase (and reverse repurchase) agreements. To anticipate market changes and provide a level of security for all funds, the collateralization level will be 110% of market value for certificates of deposit and 102% for reverse repurchase agreements of principal and accrued interest.

Collateral will always be held by an independent third party with whom the entity has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the entity and retained. The right of collateral substitution is granted.

13. Safekeeping and Custody

All security transactions shall be conducted on a "delivery versus payment" (DVP) basis. Securities will be held by a third party custodian designated by the Treasurer and evidenced by monthly safekeeping receipts.

14. Diversification

The City will diversify its investments by security type and institution. With the exception of U.S. Treasury securities and authorized pools, no more than 30% of the City's total investment portfolio will be invested in a single security type or with a single financial institution. No more than 5% of the City's total investment portfolio will be invested in a single security.

15. Maximum Maturities

To the extent possible, the City will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than 5 years from the date of purchase.

All investment instruments will be acquired with a view toward holding such instruments to their maturity, thereby avoiding risks to loss of principal due to market fluctuations.

16. Internal Controls

The Treasurer is responsible for oversight of the establishment and maintenance by the City Manager and the ~~Assistant City Manager/Chief Financial Officer~~ ~~Finance Director~~ of an internal control structure designed to ensure that the assets of the City are protected from loss, theft, fraud or misuse.

As part of its annual audit of the City, the City's external auditor will annually review internal control, account activity and compliance with statutes, policies and procedures..

17. Performance Standards

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs.

The City's investment strategy is passive. Given this strategy, the basis used by the City to determine whether market yields are being achieved shall be to identify a comparable benchmark to the weighted

average maturity or duration of the City's portfolio. Benchmarks may change over time based on changes in market conditions or cash flow requirements.

18. Reporting

The City Treasurer shall direct the preparation of a monthly investment report by the Finance Director and his or her staff, which report shall be certified by the Treasurer and submitted to the City Manager and the Finance Commission within 30 days following the end of the month covered by the report. Monthly investment reports shall be provided to the City Council within 30 days after review by the Finance Commission.

The monthly investment report shall include the following information for all cash accounts and bank deposits:

- Balance at the end of the month; and
- Interest rate, for all interest-bearing active deposits

The monthly report shall include the following information for all investments:

- A list of individual securities held at the end of the month, by security type;
- Issuer, date of maturity, date of purchase, par value and the dollar amount invested;
- Coupon, discount or earning rate;
- Current market value as of the date of the report and the source of such valuation; and
- The weighted average maturity and weighted average yield of all investments combined.

The above information may be submitted in the form of copies of statements received by the custodial institution. For investments with LAIF, the most recent statement or statements received from the State Treasurer may be included in the monthly report in lieu of the information noted above.

The report shall also include a listing of all investment transactions for the month and must include a certification by the Treasurer, or in his or her absence, the Finance Director, certifying compliance with the City's Investment Policy, or the manner in which the portfolio is not in compliance, as well as a statement denoting the ability of the City to meet its expenditure requirements for the next six months, or an explanation as to why sufficient money shall or may not be available.

19. Investment Policy Adoption

The City's Investment Policy shall be reviewed and adopted annually by the City Council. The Finance Commission will review the Investment Policy periodically to ensure its consistency with the overall objectives of preservation of principal, liquidity and return, and its conformance with current law, financial and economic trends, and cash flow needs of the City. Any modifications to this Investment Policy must be approved by the City Council.

GLOSSARY

AGENCIES: Federal agency securities and/or Government Sponsored Enterprises (GSE) which include Federal Home Loan Bank (FHLLB), Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation (FHLMC), Federal Farm Credit Bank (FFCB), and Federal Agricultural Mortgage Association (Farmer Mac).

BANKERS' ACCEPTANCE (BA): A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BENCHMARK: A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

BROKER: A broker brings buyers and sellers together for a commission.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a Certificate. Large-denomination CD's are typically negotiable.

COLLATERAL: Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR): The official annual report of the *(entity)*. It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY VERSUS PAYMENT: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns.

DURATION: A measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years. Rising interest rates mean falling bond prices, while declining interest rates mean rising bond prices.

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FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits, currently up to \$250,000 per entity.

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LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

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LOCAL GOVERNMENT INVESTMENT POOL (LGIP): The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

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MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

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MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase—reverse repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller borrower.

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MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

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MEDIUM TERM NOTES: Corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States.

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

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PORTFOLIO: Collection of securities held by an investor.

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PRIMARY DEALER: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

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PRUDENT PERSON RULE: An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state—the so-called legal list. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

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RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

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REPURCHASE AGREEMENT (REPO): A holder of securities sells these securities to an

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investor with an agreement to repurchase them at a fixed price on a fixed date. The security “buyer” in effect lends the “seller” money for the period of the agreement, and the terms of the agreement are structured to compensate him for this.

REVERSE REPURCHASE AGREEMENT (REVERSE REPO): A reverse-repurchase agreement (reverse repo) involves an investor borrowing cash from a financial institution in exchange for securities. The investor agrees to repurchase the securities at a specified date for the same cash value plus an agreed upon interest rate. Although the transaction is similar to a repo, the purpose of entering into a reverse repo is quite different. While a repo is a straightforward investment of public funds, the reverse repo is a borrowing.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank’s vaults for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES & EXCHANGE COMMISSION: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SEC RULE 15C3-1: See Uniform Net Capital Rule.

SUPRANATIONALS: A supranational organization is formed by a group of countries through an international treaty with specific objectives such as promoting economic development. Supranational organizations also issue debt in the United States. The most commonly recognized supranational debt is the International Bank for Reconstruction and Development (IBRD or World Bank), International Finance Corporation (IFC) and Inter-American Development Bank (IADB).

TREASURY BILLS: A noninterest-bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

TREASURY BONDS: Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

TREASURY NOTES: Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

YIELD: The rate of annual income return on an investment, expressed as a percentage. (a) INCOME YIELD is obtained by dividing the current dollar income by the current market price for the security. (b) NET YIELD or YIELD TO MATURITY is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

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Commercial Paper-Pooled Funds ²	270 days or less	40% of the agency's money ²		Highest letter and number rating by an NRSRO	536.014(j)
Negotiable Certificates of Deposit	5 years	30% ²		None	536.014(j)
Non-negotiable Certificates of Deposit	5 years	None		None	536.014(j)
Placement Service Deposits	5 years	50% ²		None	536.014(j) and 536.258
Placement Service Certificates of Deposit	5 years	50% ²		None	536.014(j) and 536.258
Repurchase Agreements	1 year	None		None	536.014(j)
Reverse-Repurchase Agreements and Securities Lending Agreements	92 days	20% of the base value of the portfolio		None ^M	536.014(j)
Medium-term Notes ⁴	5 years or less	30% ²		"A" rating category or its equivalent or better	536.014(k)
Mutual Funds and Money Market Mutual Funds	N/A	20% ²		Multiple ²	536.014(j) and 536.014(b)
Collateralized Bank Deposits ²	5 years	None		None	536.014(j) and 536.014(n)

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TABLE OF NOTES FOR FIGURE 1

Sources: Sections 16340, 16429.1, 27133, 53601, 53601.6, 53601.8,

53630-et-seq., 53635, 53635.8, and 57603.

Municipal Utilities Districts have the authority under the Public Utilities Code Section 12871 to invest in certain securities not addressed here.

Section 53601 provides that the maximum term of any investment authorized under this section, unless otherwise stated, is five years. However, the legislative body may grant express authority to make investments either specifically or as a part of an investment program approved by the legislative body that exceeds this five-year remaining maturity limit.

Such approval must be issued no less than three months prior to the purchase of any security exceeding the five-year maturity limit.

Percentages apply to all portfolio investments regardless of source of funds. For instance, cash from a reverse repurchase agreement would be subject to the restrictions.

No more than 30 percent of the agency's money may be in bankers' acceptances of any one commercial bank.

Includes agencies defined as a city, a district, or other local agency that do not pool money in deposits or investment with other local agencies, other than local agencies that have the same governing body.

Local agencies, other than counties or a city and county, may purchase no more than 10 percent of the outstanding commercial paper and medium-term notes of any single issuer.

Issuing corporation must be organized and operating within the U.S., have assets in excess of \$500 million, and debt other than commercial paper must be in a rating category of "A" or its equivalent or higher by a nationally-recognized statistical rating organization, or the issuing corporation must be organized within the U.S. as a special purpose corporation, trust, or LLC, have program-wide credit enhancements, and have commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally-recognized statistical rating organization.

Includes agencies defined as a county, a city and county, or other local agency that pools money in deposits or investments with other local agencies, including local agencies that have the same governing body. Local agencies that pool exclusively with other local agencies that have the same governing body must adhere to the limits set forth in Section 53601(h)(2)(C).

No more than 30 percent of the agency's money may be in negotiable certificates of deposit that are authorized under Section 53601(i).

Effective January 1, 2020, no more than 50 percent of the agency's money may be invested in deposits, including certificates of deposit, through a placement service as authorized under 53601.8 (excludes negotiable certificates of deposit authorized under Section 53601(i)). On January 1, 2021, the maximum percentage of the portfolio reverts back to 30 percent. Investments made pursuant to 53635.8

Reverse repurchase agreements or securities lending agreements may exceed the 92-day term if the agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity dates of the same security.

Reverse repurchase agreements must be made with primary dealers of the Federal Reserve Bank of New York or with a nationally or state-chartered bank that has a significant relationship with the local agency. The local agency must have held the securities used for the agreements for at least 30 days.

"Medium-term notes" are defined in Section 53601 as "all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States." No more than 10 percent invested in any one mutual fund. This limitation does not apply to money market mutual funds.

A mutual fund must receive the highest ranking by not less than two nationally-recognized rating agencies or the fund must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of \$500 million, and has at least five years' experience investing in instruments authorized by Sections 53601 and 53635.

A money market mutual fund must receive the highest ranking by not less than two nationally recognized statistical rating organizations or retain an investment advisor registered with the SEC or exempt from registration and who has not less than five years' experience investing in money market instruments with assets under management in excess of \$500 million.

Investments in notes, bonds, or other obligations under Section 53601(n) require that collateral be placed into the custody of a trust company or the trust department of a bank that is not affiliated with the issuer of the secured obligation, among other specific collateral requirements.

A joint powers authority pool must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of \$500 million, and has at least five years' experience investing in instruments authorized by Section 53601, subdivisions (a) to (e). Local entities can deposit between \$200 million and \$10 billion into the Voluntary Investment Program Fund, upon approval by their governing bodies. Deposits in the fund will be invested in the Pooled Money Investment Account.

Only those obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), and Inter-

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remain subject to a maximum of 30 percent of the portfolio.

American Development Bank (ADB), with a maximum remaining maturity of five years or less.

FIGURE 1

ALLOWABLE INVESTMENT INSTRUMENTS PER STATE GOVERNMENT CODE (AS OF JANUARY 1, 2026)^APPLICABLE TO ALL LOCAL AGENCIES*

See "Table of Notes for Figure 1" on the next page for footnotes related to this figure.

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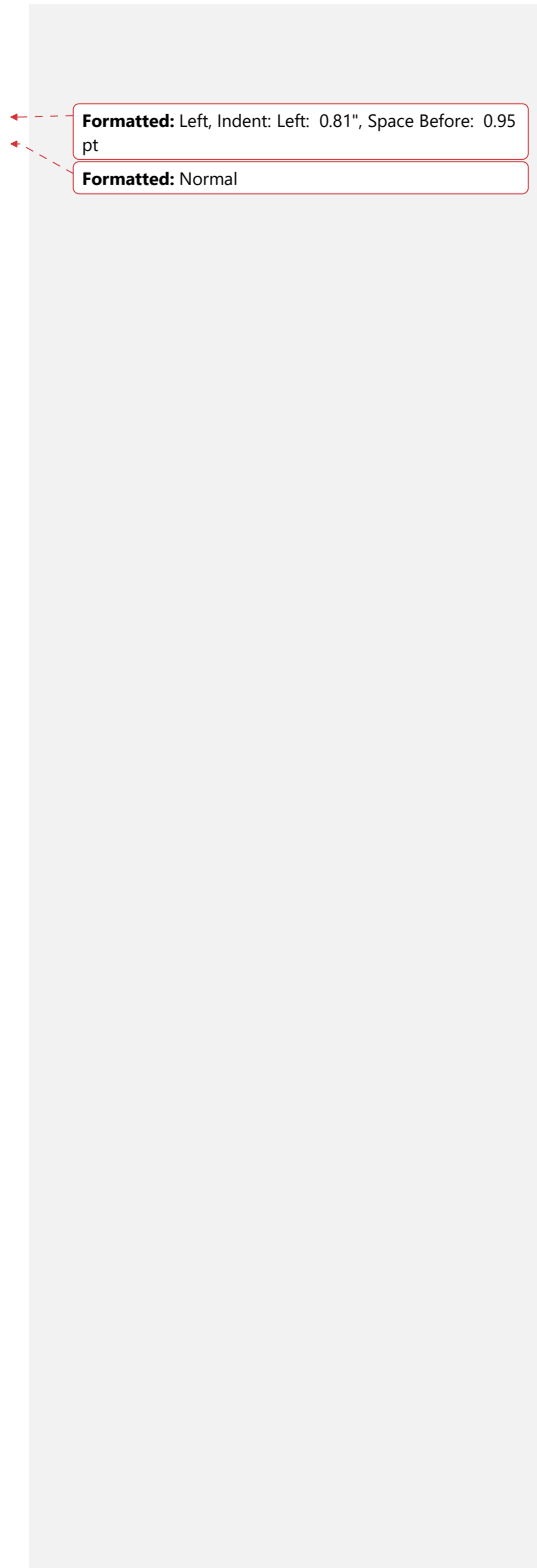
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<u>INVESTMENT TYPE</u>	<u>MAXIMUM MATURITY^c</u>	<u>MAXIMUM SPECIFIED % OF PORTFOLIO^d</u>	<u>MINIMUM QUALITY REQUIREMENTS</u>	<u>GOV'T CODE SECTIONS</u>
<u>Local Agency Bonds</u>	<u>5 years</u>	<u>None</u>	<u>None</u>	<u>53601(a)</u>
<u>U.S. Treasury Obligations</u>	<u>5 years</u>	<u>None</u>	<u>None</u>	<u>53601(b)</u>
<u>State Obligations— CA And Others</u>	<u>5 years</u>	<u>None</u>	<u>None</u>	<u>53601(c)</u> <u>53601(d)</u>
<u>CA Local Agency Obligations</u>	<u>5 years</u>	<u>None</u>	<u>None</u>	<u>53601(e)</u>
<u>U.S Agency Obligations</u>	<u>5 years</u>	<u>None</u>	<u>None</u>	<u>53601(f)</u>
<u>Bankers' Acceptances</u>	<u>180 days</u>	<u>40%^e</u>	<u>None</u>	<u>53601(g)</u>
<u>Commercial Paper—Non-Pooled Funds' (under \$100,000,000 of investments)</u>	<u>397 days or less</u>	<u>25%^e</u>	<u>Highest letter and number rating by an NRSRO^h</u>	<u>53601(h)</u>
<u>Commercial Paper—Non-Pooled Funds' (min. \$100,000,000 of investments)</u>	<u>397 days or less</u>	<u>40%^e</u>	<u>Highest letter and number rating by an NRSRO^h</u>	<u>53601(h)</u>
<u>Commercial Paper— Pooled Fundsⁱ</u>	<u>397 days or less</u>	<u>40%ⁱ</u>	<u>Highest letter and number rating by an NRSRO^h</u>	<u>53635(a)</u>
<u>Negotiable Certificates of Deposit</u>	<u>5 years</u>	<u>30%^e</u>	<u>None</u>	<u>53601(i)</u>
<u>Non-negotiable Certificates of Deposit</u>	<u>5 years</u>	<u>None</u>	<u>None</u>	<u>53630 et seq.</u>
<u>Placement Service Deposits</u>	<u>5 years</u>	<u>50%ⁱ</u>	<u>None</u>	<u>53601.8 and 53635.8</u>
<u>Placement Service Certificates of Deposit</u>	<u>5 years</u>	<u>50%ⁱ</u>	<u>None</u>	<u>53601.8 and 53635.8</u>
<u>Repurchase Agreements</u>	<u>1 year</u>	<u>None</u>	<u>None</u>	<u>53601(j)</u>
<u>Reverse Repurchase Agreements and Securities Lending Agreements</u>	<u>92 days^m</u>	<u>20% of the base value of the portfolio</u>	<u>Noneⁿ</u>	<u>53601(j)</u>
<u>Medium-Term Notes^o</u>	<u>5 years or less</u>	<u>30%</u>	<u>"A" rating category or its equivalent or better</u>	<u>53601(k)</u>
<u>Mutual Funds And Money Market Mutual Funds</u>	<u>N/A</u>	<u>20%^p</u>	<u>Multiple^{q,r}</u>	<u>53601(l) and 53601.6(b)</u>
<u>Collateralized Bank Deposits^s</u>	<u>5 years</u>	<u>None</u>	<u>None</u>	<u>53630 et seq. and 53601(n)</u>
<u>Mortgage Pass-Through and Asset-Backed Securities^t</u>	<u>5 years or less^t</u>	<u>20%</u>	<u>"AA" rating category or its equivalent or better^t</u>	<u>53601(o)</u>
<u>County Pooled Investment Funds</u>	<u>N/A</u>	<u>None</u>	<u>None</u>	<u>27133</u>
<u>Joint Powers Authority Pool</u>	<u>N/A</u>	<u>None</u>	<u>Multiple^u</u>	<u>53601(p)</u>
<u>Local Agency Investment Fund (LAIF)</u>	<u>N/A</u>	<u>None</u>	<u>None</u>	<u>16429.1</u>
<u>Voluntary Investment Program Fund^v</u>	<u>N/A</u>	<u>None</u>	<u>None</u>	<u>16340</u>
<u>Supranational Obligations^w</u>	<u>5 years or less</u>	<u>30%</u>	<u>"AA" rating category or its equivalent or better</u>	<u>53601(q)</u>
<u>Public Bank Obligations</u>	<u>5 years</u>	<u>None</u>	<u>None</u>	<u>53601(r), 53635(c) and 57603</u>

TABLE OF NOTES FOR FIGURE 1

- ^a Sources: Sections 16340, 16429.1, 27133, 53601, 53601.6, 53601.8, 53630 et seq., 53635, 53635.8, and 57603.
- ^b Municipal Utilities Districts have the authority under the Public Utilities Code Section 12871 to invest in certain securities not addressed here.
- ^c Section 53601 provides that the maximum term of any investment authorized under this section, unless otherwise stated, is five years from the settlement date. However, the legislative body may grant express authority to make investments either specifically or as a part of an investment program approved by the legislative body that exceeds this five-year remaining maturity limit. Such approval must be issued no less than three months prior to the purchase of any security exceeding the five-year maturity limit.
- ^d Percentages apply to all portfolio investments regardless of source of funds. For instance, cash from a reverse repurchase agreement would be subject to the restrictions.
- ^e No more than 30% of the agency's money may be in bankers' acceptances of anyone commercial bank.
- ^f Applies to local agencies, other than counties or a city and county, that are a city, a district, or other local agency that do not pool money in deposits or investments with other local agencies other than local agencies that have the same governing body (non-pooled).
- ^g Local agencies, described in footnote F (non-pooled), may invest no more than 10% of their investment assets in the commercial paper and medium-term notes of any single issuer.
- ^h Issuing entity must be organized and operating within the U.S. as a general corporation, have assets in excess of \$500 million, and have debt other than commercial paper, if any, rated by a NRSRO in a rating category of "A" or its equivalent or higher; or the issuing entity must be organized within the U.S. as a special purpose corporation, trust, or LLC, have program wide credit enhancements, and have commercial paper that is rated "A-1" or higher, or the equivalent, by a NRSRO.
- ⁱ Includes the City of Los Angeles and agencies defined as a county, a city and county, or other local agency that pools money in deposits or investments with other local agencies, including local agencies that have the same governing body (pooled).
- ^j Local agencies, described in footnote I (pooled), may invest no more than 10% of their investment assets in the commercial paper of any single issuer.
- ^k No more than 30% of the agency's money may be in negotiable certificates of deposit that are authorized under Section 53601(i).
- ^l Effective January 1, 2020, no more than 50% of the agency's money may be invested in deposits, including certificates of deposit, through a placement service as authorized under 53601.8 (excludes negotiable certificates of deposit authorized under Section 53601(i)). On January 1, 2031, the maximum percentage of the portfolio reverts back to 30%. Investments made pursuant to 53635.8 remain subject to a maximum of 30% of the portfolio.
- ^m Reverse repurchase agreements or securities lending agreements may exceed the 92-day term if the agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity dates of the same security.
- ⁿ Reverse repurchase agreements must be made with primary dealers of the Federal Reserve Bank of New York or with a nationally or state-chartered bank that has a significant relationship with the local agency. The local agency must have held the securities used for the agreements for at least 30 days.
- ^o "Medium-term notes" are defined in Section 53601 as "all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States."
- ^p No more than 10% invested in any one mutual fund. This limitation does not apply to money market mutual funds.
- ^q A mutual fund must receive the highest ranking by not less than two nationally recognized rating agencies or the fund must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of \$500 million, and has at least five years' experience investing in instruments authorized by Sections 53601 and 53635.
- ^r A money market mutual fund must receive the highest ranking by not less than two nationally recognized statistical rating organizations or retain an investment advisor registered with the SEC or exempt from registration and who has not less than five years' experience investing in money market instruments with assets under management in excess of \$500 million.
- ^s Investments in notes, bonds, or other obligations under Section 53601(n) require that collateral be placed into the custody of a trust company or the trust department of a bank that is not affiliated with the issuer of the secured obligation, among other specific collateral requirements.
- ^t Security types authorized under Section 53601(o) that are issued or guaranteed by an issuer identified in subdivisions (b) or (f), are not subject to the limitations placed on privately issued securities authorized in Section 53601(o)(2)(A)(B).
- ^u A joint powers authority pool must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of \$500 million, and has at least five years' experience investing in instruments authorized by Section 53601, subdivisions (a) to (o).
- ^v Local entities can deposit between \$200 million and \$10 billion into the Voluntary Investment Program Fund, upon approval by their governing bodies. Deposits in the fund will be invested in the Pooled Money Investment Account.
- ^w Only those obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), and Inter-American Development Bank (IADB), with a maximum remaining maturity of five years or less.

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CITY OF SOUTH PASADENA
INVESTMENT POLICY
FY 2025-26

1. Policy

It is the policy of the City of South Pasadena (the “City”) to invest public funds in a manner that will provide, in priority order, safety of principal, liquidity adequate to meet the daily cash flow demands of the City and return on investment to the highest extent possible, while conforming to all state and local statutes governing the investment of public funds.

2. Scope

This investment policy applies to the investment of all financial assets of the City, except for bond funds which will be invested according to the applicable bond and trust documents. The City’s funds are accounted for in the City’s Annual Comprehensive Financial Report (“ACFR”) and include:

- a) General Fund
- b) Special Revenue Funds
- c) Debt Service Funds
- d) Capital Project Funds
- e) Enterprise Funds

3. Prudence

Investment officials authorized to make investment decisions on behalf of the City are acting as trustees and therefore fiduciaries. The standard of prudence to be used by such investment officials shall be the “prudent investor” standard and shall be applied in the context of managing the overall portfolio.

The “prudent investor” standard as set forth in California Government Code Section 53600.3 is as follows:

“When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.”

4. Objectives

The primary objectives of the City’s investment activities, in order of priority, shall be:

- **Safety** -- Safety of principal is the foremost objective of the investment program. Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To attain the objective, the City will diversify its investments by investing funds among a variety of securities.

- **Liquidity** – The investment portfolio will remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated.
- **Return on Investment** – The City’s investment portfolio shall have the objective of attaining a comparative performance measurement or an acceptable rate of return throughout budgetary and economic cycles. These measurements should be commensurate with the City’s investment risk constraints identified in this Investment Policy and cash flow characteristics of the portfolio.

5. Delegation of Authority

Authority to manage the City’s investment program is derived from California Government Code Sections 53600 *et seq.* The City Council hereby delegates to the City Treasurer the authority to invest and reinvest City funds. Such authority may be revoked by the City Council in writing at any time. The Treasurer, with the assistance of the City Manager and Finance Director, shall be responsibly for assuring that all investments are made in conformance with the Investment Policy and shall establish a system of controls to regulate the activities of subordinate officials, and their procedures in the absence of the Treasurer.

6. Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution and management of the investment program, or which could impair their ability to make impartial investment decisions. The Treasurer, City Manager and Finance Director are required to annually file applicable financial disclosures as required by the Fair Political Practices Commission. Further, the Treasurer, City Manager and Finance Director must refrain from undertaking personal investment transactions with the same individuals employed by the financial institution with whom business is conducted on behalf of the City.

7. Authorized Financial Dealers and Institutions

The Treasurer will maintain a list of approved financial institutions authorized to provide investment services to the City in the State of California. These may include “primary” dealers or regional dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule). The Treasurer shall investigate dealers who wish to do business with the City to determine if they are adequately capitalized, are knowledgeable and experienced in public agency investing and in the investment products involved, have any pending legal action against the firm or the individual broker.

8. Authorized and Suitable Investments

The City is empowered by statute (California Government Code Section 53600 *et seq.*) to invest in certain types of securities and funds. Figure 1 attached to this Investment Policy provides the list of allowable investments of the City’s funds pursuant to the California Government Code.

9. **Environmental, Social and Governance (ESG)**

Investments may be prioritized in entities that support environmental, social and governance (ESG) factors alongside traditional financial measures in the investment decision-making process, ensuring that investments are financially prudent, and impact driven. Investing in companies that prioritize conservation and sustainable business practices helps our environment for future generations and is commensurate with the City's values. ESG factors may include, but are not limited to:

- Environmental: Carbon Footprint; Energy Consumption; Water/Waste; External Conservation Initiatives, and Sector-Specific Adjustments.
- Social: Labor Rights; Employee Diversity; Corporate Social Responsibility and Human Rights/Ethics.
- Governance: Leadership Structure; Executive Compensation; Human Capital Management; Transparency/Disclosure; and Shareholder Rights.

10. **Review of Investment Portfolio**

The securities held by the City must be in compliance with Section 8 of this Investment Policy, "Authorized and Suitable Investments" at the time of purchase. Because some securities may not comply with Section 8 "Authorized and Suitable Investments" subsequent to the date of purchase, the Treasurer should at least annually review the portfolio to identify those securities that do not comply. The Treasurer should establish procedures to report to the City Council and the City's Finance Commission major and critical incidences of noncompliance identified through the review of the portfolio.

11. **Investment Pools/Mutual Funds**

A thorough investigation of any allowable investment pool/mutual fund is required prior to investing and on a continual basis. Best efforts will be made to acquire the following information:

- A description of eligible investment securities, and a written statement of investment policy and objectives.
- A description of interest calculations and how it is distributed, and how gains and losses are treated.
- A description of how the securities are safeguarded (including the settlement processes), and how often the securities are priced and the program audited.
- A description of who may invest in the program, how often, and what size deposit and withdrawal are allowed.
- A schedule for receiving statements and portfolio listings.
- A statement of how/if reserves and retained earnings are utilized by the pool/fund.
- A fee schedule, and when and how it is assessed.
- A statement of the eligibility of the pool/fund for bond proceeds and whether or not bond proceeds will be accepted.

12. Collateralization

Collateralization will be required on two types of investments: certificates of deposit and repurchase (and reverse repurchase) agreements. To anticipate market changes and provide a level of security for all funds, the collateralization level will be 110% of market value for certificates of deposit and 102% for reverse repurchase agreements of principal and accrued interest.

Collateral will always be held by an independent third party with whom the entity has a current custodial agreement. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to the entity and retained. The right of collateral substitution is granted.

13. Safekeeping and Custody

All security transactions shall be conducted on a “delivery versus payment” (DVP) basis. Securities will be held by a third party custodian designated by the Treasurer and evidenced by monthly safekeeping receipts.

14. Diversification

The City will diversify its investments by security type and institution. With the exception of U.S. Treasury securities and authorized pools, no more than 30% of the City’s total investment portfolio will be invested in a single security type or with a single financial institution. No more than 5% of the City’s total investment portfolio will be invested in a single security.

15. Maximum Maturities

To the extent possible, the City will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than 5 years from the date of purchase.

All investment instruments will be acquired with a view toward holding such instruments to their maturity, thereby avoiding risks to loss of principal due to market fluctuations.

16. Internal Controls

The Treasurer is responsible for oversight of the establishment and maintenance by the City Manager and the Finance Director of an internal control structure designed to ensure that the assets of the City are protected from loss, theft, fraud or misuse.

As part of its annual audit of the City, the City’s external auditor will annually review internal control, account activity and compliance with statutes, policies and procedures..

17. Performance Standards

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs.

The City's investment strategy is passive. Given this strategy, the basis used by the City to determine whether market yields are being achieved shall be to identify a comparable benchmark to the weighted average maturity or duration of the City's portfolio. Benchmarks may change over time based on changes in market conditions or cash flow requirements.

18. Reporting

The City Treasurer shall direct the preparation of a monthly investment report by the Finance Director and his or her staff, which report shall be certified by the Treasurer and submitted to the City Manager and the Finance Commission within 30 days following the end of the month covered by the report. Monthly investment reports shall be provided to the City Council within 30 days after review by the Finance Commission.

The monthly investment report shall include the following information for all cash accounts and bank deposits:

- Balance at the end of the month; and
- Interest rate, for all interest-bearing active deposits

The monthly report shall include the following information for all investments:

- A list of individual securities held at the end of the month, by security type;
- Issuer, date of maturity, date of purchase, par value and the dollar amount invested;
- Coupon, discount or earning rate;
- Current market value as of the date of the report and the source of such valuation; and
- The weighted average maturity and weighted average yield of all investments combined.

The above information may be submitted in the form of copies of statements received by the custodial institution. For investments with LAIF, the most recent statement or statements received from the State Treasurer may be included in the monthly report in lieu of the information noted above.

The report shall also include a listing of all investment transactions for the month and must include a certification by the Treasurer, or in his or her absence, the Finance Director, certifying compliance with the City's Investment Policy, or the manner in which the portfolio is not in compliance, as well as a statement denoting the ability of the City to meet its expenditure requirements for the next six months, or an explanation as to why sufficient money shall or may not be available.

19. Investment Policy Adoption

The City's Investment Policy shall be reviewed and adopted annually by the City Council. The Finance Commission will review the Investment Policy periodically to ensure its consistency with the overall objectives of preservation of principal, liquidity and return, and its conformance with current law, financial and economic trends, and cash flow needs of the City. Any modifications to this Investment Policy must be approved by the City Council.

FIGURE 1

**ALLOWABLE INVESTMENT INSTRUMENTS PER STATE GOVERNMENT CODE
(AS OF JANUARY 1, 2025)^A APPLICABLE TO ALL LOCAL AGENCIES^B**

See “Table of Notes for Figure 1” on the next page for footnotes related to this figure.

INVESTMENT TYPE	MAXIMUM REMAINING MATURITY ^C	MAXIMUM SPECIFIED % OF PORTFOLIO ^D	MINIMUM QUALITY REQUIREMENTS	GOVERNMENT CODE SECTIONS
Local Agency Bonds	5 years	None	None	53601(a)
U.S. Treasury Obligations	5 years	None	None	53601(b)
State Obligations: CA and Others	5 years	None	None	53601(c) 53601(d)
CA Local Agency Obligations	5 years	None	None	53601(e)
U.S. Agency Obligations	5 years	None	None	53601(f)
Bankers’ Acceptances	180 days	40% ^E	None	53601(g)
Commercial Paper: Non-pooled Funds ^F (under \$100,000,000 of investments)	270 days or less	25% of the agency’s money ^G	Highest letter and number rating by an NRSRO ^H	53601(h)(2)(C)
Commercial Paper: Non-pooled Funds (min. \$100,000,000 of investments)	270 days or less	40% of the agency’s money ^G	Highest letter and number rating by an NRSRO ^H	53601(h)(2)(C)
Commercial Paper: Pooled Funds ^I	270 days or less	40% of the agency’s money ^G	Highest letter and number rating by an NRSRO ^H	53635(a)(1)
Negotiable Certificates of Deposit	5 years	30% ^J	None	53601(i)
Non-negotiable Certificates of Deposit	5 years	None	None	53630 et seq.
Placement Service Deposits	5 years	50% ^K	None	53601.8 and 53635.8
Placement Service Certificates of Deposit	5 years	50% ^K	None	53601.8 and 53635.8
Repurchase Agreements	1 year	None	None	53601(j)
Reverse Repurchase Agreements and Securities Lending Agreements	92 days ^L	20% of the base value of the portfolio	None ^M	53601(j)
Medium-term Notes ^N	5 years or less	30% ^G	“A” rating category or its equivalent or better	53601(k)
Mutual Funds and Money Market Mutual Funds	N/A	20% ^O	Multiple ^{P,Q}	53601(l) and 53601.6(b)
Collateralized Bank Deposits ^R	5 years	None	None	53630 et seq. and 53601(n)
Mortgage Pass-through and Asset Backed Securities	5 years or less	20%	“AA” rating category or its equivalent or better	53601(o)
County Pooled Investment Funds	N/A	None	None	27133
Joint Powers Authority Pool	N/A	None	Multiple ^S	53601(p)
Local Agency Investment Fund (LAIF)	N/A	None	None	16429.1
Voluntary Investment Program Fund ^T	N/A	None	None	16340
Supranational Obligations ^U	5 years or less	30%	“AA” rating category or its equivalent or better	53601(q)
Public Bank Obligations	5 years	None	None	53601(r), 53635(c) and 57603

TABLE OF NOTES FOR FIGURE 1

<p>A Sources: Sections 16340, 16429.1, 27133, 53601, 53601.6, 53601.8, 53630 et seq., 53635, 53635.8, and 57603.</p> <p>B Municipal Utilities Districts have the authority under the Public Utilities Code Section 12871 to invest in certain securities not addressed here.</p> <p>C Section 53601 provides that the maximum term of any investment authorized under this section, unless otherwise stated, is five years. However, the legislative body may grant express authority to make investments either specifically or as a part of an investment program approved by the legislative body that exceeds this five year remaining maturity limit. Such approval must be issued no less than three months prior to the purchase of any security exceeding the five-year maturity limit.</p> <p>D Percentages apply to all portfolio investments regardless of source of funds. For instance, cash from a reverse repurchase agreement would be subject to the restrictions.</p> <p>E No more than 30 percent of the agency's money may be in bankers' acceptances of any one commercial bank.</p> <p>F Includes agencies defined as a city, a district, or other local agency that do not pool money in deposits or investment with other local agencies, other than local agencies that have the same governing body.</p> <p>G Local agencies, other than counties or a city and county, may purchase no more than 10 percent of the outstanding commercial paper and medium-term notes of any single issuer.</p> <p>H Issuing corporation must be organized and operating within the U.S., have assets in excess of \$500 million, and debt other than commercial paper must be in a rating category of "A" or its equivalent or higher by a nationally recognized statistical rating organization, or the issuing corporation must be organized within the U.S. as a special purpose corporation, trust, or LLC, have program wide credit enhancements, and have commercial paper that is rated "A-1" or higher, or the equivalent, by a nationally recognized statistical rating organization.</p> <p>I Includes agencies defined as a county, a city and county, or other local agency that pools money in deposits or investments with other local agencies, including local agencies that have the same governing body. Local agencies that pool exclusively with other local agencies that have the same governing body must adhere to the limits set forth in Section 53601(h)(2)(C).</p> <p>J No more than 30 percent of the agency's money may be in negotiable certificates of deposit that are authorized under Section 53601(i).</p> <p>K Effective January 1, 2020, no more than 50 percent of the agency's money may be invested in deposits, including certificates of deposit, through a placement service as authorized under 53601.8 (excludes negotiable certificates of deposit authorized under Section 53601(i)). On January 1, 2031, the maximum percentage of the portfolio reverts back to 30 percent. Investments made pursuant to 53635.8 remain subject to a maximum of 30 percent of the portfolio.</p>	<p>L Reverse repurchase agreements or securities lending agreements may exceed the 92-day term if the agreement includes a written codicil guaranteeing a minimum earning or spread for the entire period between the sale of a security using a reverse repurchase agreement or securities lending agreement and the final maturity dates of the same security.</p> <p>M Reverse repurchase agreements must be made with primary dealers of the Federal Reserve Bank of New York or with a nationally or state chartered bank that has a significant relationship with the local agency. The local agency must have held the securities used for the agreements for at least 30 days.</p> <p>N "Medium-term notes" are defined in Section 53601 as "all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States."</p> <p>O No more than 10 percent invested in any one mutual fund. This limitation does not apply to money market mutual funds.</p> <p>P A mutual fund must receive the highest ranking by not less than two nationally recognized rating agencies or the fund must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of \$500 million, and has at least five years' experience investing in instruments authorized by Sections 53601 and 53635.</p> <p>Q A money market mutual fund must receive the highest ranking by not less than two nationally recognized statistical rating organizations or retain an investment advisor registered with the SEC or exempt from registration and who has not less than five years' experience investing in money market instruments with assets under management in excess of \$500 million.</p> <p>R Investments in notes, bonds, or other obligations under Section 53601(n) require that collateral be placed into the custody of a trust company or the trust department of a bank that is not affiliated with the issuer of the secured obligation, among other specific collateral requirements.</p> <p>S A joint powers authority pool must retain an investment advisor who is registered with the SEC (or exempt from registration), has assets under management in excess of \$500 million, and has at least five years' experience investing in instruments authorized by Section 53601, subdivisions (a) to (o).</p> <p>T Local entities can deposit between \$200 million and \$10 billion into the Voluntary Investment Program Fund, upon approval by their governing bodies. Deposits in the fund will be invested in the Pooled Money Investment Account.</p> <p>U Only those obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), and Inter-American Development Bank (IADB), with a maximum remaining maturity of five years or less.</p>
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CITY OF SOUTH PASADENA
FINANCE DEPARTMENT
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Date: April 23, 2026
To: Finance Commission
From: Nick Kimball, Assistant City Manager/CFO
Re: **REVIEW AND RECOMMENDATION ON THE PROPOSED USER FEE AND SERVICE CHARGE COST RECOVERY POLICY**

RECOMMENDATION

It is recommended that the Finance Commission:

- a) Review the proposed User Fee and Service Charge Cost Recovery Policy (Attachment 1); and
- b) Provide a recommendation to the City Council regarding adoption of the Policy, as appropriate.

EXECUTIVE SUMMARY

This report presents a proposed User Fee and Service Charge Cost Recovery Policy for Finance Commission review and recommendation to the City Council. The Policy establishes a consistent, legally compliant framework for setting, reviewing, and administering municipal fees across all City departments. It is grounded in California constitutional and statutory authority, including Proposition 218, the Mitigation Fee Act, and Government Code Section 54985 et seq.

The central principle of the Policy is that individuals or groups receiving an identifiable special benefit from City services should bear an appropriate share of the cost of those services, while general tax revenues support services that provide broad community-wide benefit. The Policy defines cost recovery targets, establishes the analytical factors that guide fee-setting, sets department-specific target recovery ranges, and mandates annual fee review through the Master Fee Schedule process.

The Policy does not directly adjust any existing fee. Its adoption establishes the policy foundation upon which the Finance Department will conduct the annual Master Fee

Schedule update and, at minimum every five years, a comprehensive cost-of-service study.

ANALYSIS

User fees and service charges are a significant revenue source for municipal operations, enabling the City to recover the cost of services that provide a direct, identifiable benefit to specific individuals or groups, such as building permits, recreation program enrollment, encroachment permits, and fire inspection services. Under California law, user fees may not exceed the reasonable cost of providing the service; they are not a general revenue mechanism.

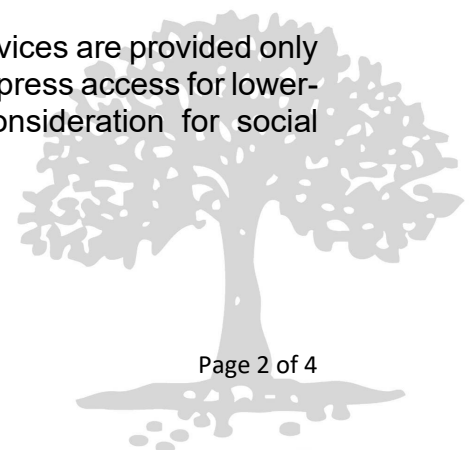
South Pasadena currently administers fees through an annually adopted Master Fee Schedule, but the City has not previously had a formal, Council-adopted policy establishing the methodology, cost recovery targets, or analytical framework governing how fees are set and reviewed. The proposed Policy fills that gap by providing a unified framework applicable to all City departments, consistent with the City's General Financial Policy, Budget Policy, and applicable state law.

The proposed Policy applies to all City departments and service types, establishing a single analytical framework for determining whether and to what degree a fee is appropriate. It distinguishes among four categories of service: community-wide services (appropriate for general fund support), special benefit services (appropriate for higher cost recovery), social services (where subsidized access is an explicit policy objective), and enterprise services (required to be fully self-sustaining).

Cost Recovery Methodology

The Policy requires that all fees be based on the full cost of service delivery, including both direct costs (salaries, benefits, materials, equipment) and indirect costs allocated through the City's cost allocation plan (administration, facilities, technology, liability insurance). Five factors guide the determination of the appropriate recovery level:

- 1) Community-Wide vs. Special Benefit: The degree to which a service benefits the community at large versus a specific individual or group. General tax revenues are appropriate for the former; user fees for the latter.
- 2) Service Driver vs. Beneficiary: In cases such as development review, the applicant is the cost driver even where the broader community also benefits. Cost recovery from the cost driver is appropriate in these circumstances.
- 3) Effect of Pricing on Demand: Full cost recovery ensures services are provided only where genuine demand exists. However, high fees may suppress access for lower-income populations, which is a particularly important consideration for social services.



- 4) Feasibility of Collection: Where the administrative cost of identifying and collecting a fee would be disproportionate to the revenue generated, a lower recovery level may be more appropriate.
- 5) Equity and Access: Where a service promotes public health, safety, or welfare, or targets populations with limited means, the City may deliberately set fees below full cost recovery. The resulting General Fund subsidy is treated as a transparent public benefit investment.

Cost Recovery Ranges

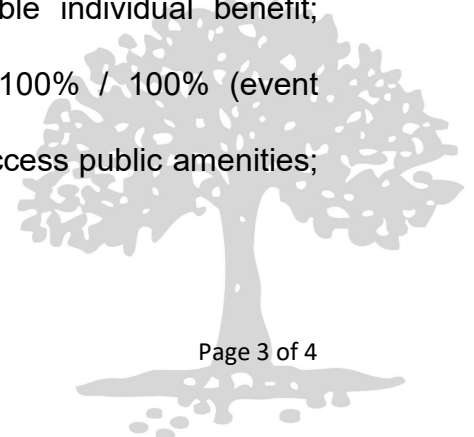
The Policy establishes two general recovery bands and a full-recovery requirement for enterprise services:

- a) Low Cost Recovery (0–25%): Appropriate for community-wide or social service programs, services where fee collection is administratively impractical, and services where universal access is an explicit policy goal (e.g., general park access, emergency response, core library services).
- b) High Cost Recovery (75–100%): Appropriate for regulatory, applicant-driven, or private-benefit services, including building permits, encroachment permits, fire plan review, special event police and fire services, and services where private-sector alternatives exist.
- c) Full Cost Recovery (100%): Required for all enterprise fund services – Water, Sewer (Wastewater), and the Arroyo Seco Golf Course – which must be fully self-sustaining without General Fund subsidy.

Department-Specific Target Ranges

Exhibit 1 of the Policy establishes target cost recovery ranges by department and service type. These ranges are policy targets, not rigid caps. Selected examples include:

- Building Permits and Plan Check: 90–100% (applicant-driven regulatory service; direct private benefit)
- Planning and Zoning Entitlements: 75–100% (applicant is cost driver; community also benefits from quality development review)
- Code Enforcement: 25–50% (community-wide health and safety benefit; fees may deter self-reporting)
- Emergency Response (Fire/Police): 0–10% (core public safety; non-recurring, peak-demand service)
- Recreational Classes and Programs: 25–50% (identifiable individual benefit; partial subsidy maintained for equity and access)
- Special Event Permitting and Police/Fire Standby: 75–100% / 100% (event organizer is direct cost driver)
- General Park Access and Library Circulation: 0% (open-access public amenities; fees impractical and inequitable)



The Finance Director may recommend adjustments outside stated ranges when circumstances warrant, subject to City Council approval and the overriding requirement that revenues shall not exceed the reasonable cost of service.

Annual Review and Fee Studies

The Policy requires the Finance Department, working with operating departments, to review all fees annually as part of the budget process, prepare a recommended Master Fee Schedule update for City Council consideration, and conduct a comprehensive cost-of-service study at least every five years. In interim years, annual adjustments may be made using a personnel-cost-based index (consistent with MOU-approved cost-of-living salary increases), provided fees do not exceed full cost recovery.

Fee Waivers and Reductions

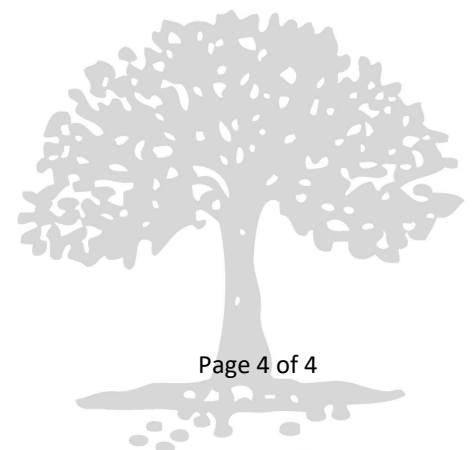
The City Council may authorize fee waivers or reductions for services, population groups, or activities serving a compelling public interest. Any waiver or reduction must be formally documented (in the Master Fee Schedule or by separate resolution), accompanied by an estimate of the resulting General Fund subsidy, and reviewed annually. The City Manager retains authority to approve individual waivers up to the expenditure authority threshold, with quarterly reporting to the City Council.

FISCAL IMPACT

The Policy does not directly adjust any existing fee and has no immediate fiscal impact. Its adoption establishes the analytical framework that will govern future fee adjustments through the annual Master Fee Schedule process. Over time, implementation is expected to produce improved alignment between fees and actual service costs, greater transparency regarding General Fund subsidies embedded in below-cost fees, and more stable and predictable fee revenue. There will be some incremental administrative workload associated with the annual review requirement and the periodic cost-of-service study; these costs will be absorbed within existing departmental resources or budgeted as part of the biennial fee study process.

ATTACHMENT

1. Proposed City Council Policy – User Fee and Service Charges





City of South Pasadena, CA
City Council Policy

Subject: User Fee and Service Charge Cost Recovery Policy		AP-TBD
Effective Date: April 15, 2026 (pending)	Responsible Party: City Manager’s Office/Finance Department	
Revision Date:	Approved by: City Council	Approval Date: April 15, 2026 (pending)

I. PURPOSE

This Policy establishes guidelines for the City of South Pasadena regarding the establishment, review, and administration of user fees and service charges. The purpose of this Policy is to ensure that fees are set in a manner that is consistent, equitable, and legally compliant, and that they accurately reflect the cost of providing City services to identifiable individuals or groups who derive a special benefit from those services.

This Policy is intended to be implemented in conjunction with the City’s General Financial Policy, Budget Policy, and Master Fee Schedule.

II. POLICY STATEMENT

The City of South Pasadena is committed to fiscal sustainability and equitable delivery of municipal services. The City will establish user fees and service charges for services that provide a special benefit to identifiable individuals or groups, recovering an appropriate share of the cost of providing those services. The City will use general tax revenues to fund services that provide a broad community-wide benefit.

III. DEFINITIONS

For the purposes of this Policy, these terms are defined as follows:

- A. Cost Recovery: means the percentage of the full cost of a service that is recouped through a user fee or service charge, rather than from general tax revenues.
- B. Full Cost: means the total cost to the City of providing a service, including direct costs (salaries, benefits, materials, equipment) and indirect costs allocated through the City’s cost allocation plan (administration, facilities, technology, liability insurance).
- C. Community-Wide Service: means a service that benefits the general public as a whole, where no single user or group derives a disproportionate private benefit. Such services are generally appropriate for general fund support

USER FEE AND SERVICE CHARGE COST RECOVERY POLICY
CITY COUNCIL POLICY

with low or no user fees.

- D. Special Benefit Service: means a service that provides a direct, identifiable benefit to a specific individual or group, beyond the benefit received by the general public. Such services are generally appropriate for higher levels of cost recovery through user fees.
- E. Social Service: means a program specifically designed to serve vulnerable or low-income populations where the policy intent is to ensure equitable access regardless of ability to pay. Such services warrant lower cost recovery levels.
- F. Enterprise Service: means a service delivered through an enterprise fund (e.g., water, sewer, refuse), where rates and fees are intended to be fully self-sustaining without reliance on the General Fund.
- G. Master Fee Schedule: means the comprehensive schedule of fees and charges adopted annually by the City Council.

IV. EXCEPTIONS AND AMENDMENTS

The City Manager, or designee, may provide exceptions to this policy at any time, provided that the exception is warranted by extraordinary circumstances or operating requirements. The City Council may amend this policy at any time.

V. POLICY

The following principles shall guide the establishment, review, and administration of user fees and service charges throughout all City departments.

- A. Revenues shall not exceed the reasonable cost of providing the service. The City shall not use fees as a revenue-generating measure beyond full cost recovery.
- B. Cost recovery targets shall be based on the total cost of delivering the service, including direct costs and organization-wide support costs allocated through the City's cost allocation plan, including but not limited to: accounting, payroll, human resources, information technology, facilities maintenance, fleet services, and liability insurance.
- C. The method of assessing and collecting fees shall be as simple and administratively efficient as possible in order to reduce the overhead cost of collection.

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- D. For rental of real property or City facilities, rate structures shall be informed by comparable market rates for similar facilities in the region, while remaining sensitive to smaller or infrequent users.
- E. A unified and consistent approach shall be used in determining cost recovery levels across departments, based on the factors set forth in this Policy.
- F. The City shall periodically review the relationship between adopted fees and the actual cost of service delivery, and shall adjust fees accordingly to maintain appropriate recovery levels.

Section 1: Cost Recovery Level Factors

In setting cost recovery targets, the following factors shall be considered:

- A. *Community-Wide vs. Special Benefit* – The level of cost recovery shall reflect the degree to which a service benefits the community as a whole versus a specific individual or group. General tax revenues are appropriate for community-wide services. User fees are appropriate for services of special benefit to identifiable individuals or groups, who should bear a proportionate share of the cost they impose on the City.
- B. *Service Recipient vs. Service Driver* – After considering community-wide versus special benefit, the analysis shall also consider who drives the cost of the service versus who benefits from it. For example, in development review, the applicant is the cost driver even if the broader community benefits from sound planning decisions. Cost recovery from the cost driver is appropriate even where community benefit also exists.
- C. *Effect of Pricing on Demand for Services* – The level of cost recovery and related pricing can significantly affect demand and the subsequent level of service provided. At full cost recovery, fees ensure the City is providing services for which there is genuine demand not artificially stimulated by below-market pricing. Conversely, high cost recovery levels may negatively impact access for lower-income groups, which is a particularly important consideration for social services and programs targeting vulnerable populations.
- D. *Feasibility of Collection* – Even where high cost recovery may be appropriate, practical and administrative feasibility of identifying, assessing, and collecting fees from individual users must be considered. If the cost of collection would be disproportionate to the revenue generated, a lower recovery level may be more prudent.

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- E. *Equity and Access Considerations* – Where a service is specifically intended to promote public health, safety, or welfare, or to serve populations with limited means, the City may set fees below full cost recovery as a matter of policy, recognizing that the General Fund subsidy reflects a deliberate public benefit investment.

Section 2: Factors Favoring Low Cost Recovery Levels

Very low cost recovery levels (0-25%) are appropriate under the following circumstances:

- A. There is no intended relationship between the amount paid and the benefit received. Most social service programs fall into this category, where cross-subsidization between income groups is an explicit policy objective.
- B. Collecting fees is not administratively cost-effective or would significantly impede the efficient delivery of the service.
- C. There is no policy intent to limit access to the service. Programs designed for universal community access, such as general park access, core library services, and public safety emergency response, fall into this category.
- D. The service is non-recurring, delivered on a peak-demand or emergency basis, cannot reasonably be anticipated by the individual, and is not available from private sector sources.
- E. Collecting fees would discourage compliance with a regulatory requirement where adherence is primarily self-reported and non-compliance would be difficult to detect.

Section 3: Factors Favoring High Cost Recovery Levels

High cost recovery levels (75-100%) are appropriate under the following circumstances:

- A. The service is similar to services available in the private sector.
- B. Private or public sector alternatives exist or could exist for the delivery of the service.
- C. For equity or demand management purposes, there should be a direct relationship between the amount paid and the level and cost of the service received.
- D. The use of the service is specifically discouraged; for example, police response to repeated false alarms.

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- E. The service is regulatory in nature and the applicant or permittee is the primary cost driver, including building permits, engineering plan review, encroachment permits, and subdivision entitlements.
- F. The service involves private, exclusive use of a public facility or the public right-of-way.

Section 4: Enterprise Fund Fees and Rates

The City shall set fees and rates for enterprise fund services at levels that fully cover the total direct and indirect costs of those programs, including operations, capital outlay, and debt service. Enterprise programs subject to this full cost recovery requirement include:

- Water
- Sewer (Wastewater)
- Arroyo Seco Golf Course

The City shall review and adjust enterprise fees and rate structures as required to ensure they remain sufficient, equitable, and consistent with applicable rate-setting requirements and the City's Debt Management Policy.

Section 5: Target Cost Recovery Range by Department

The table included as Exhibit 1 establishes target cost recovery ranges for City services by department and service type. These ranges represent policy targets, not rigid maximums or minimums. The Finance Director may recommend adjustments to the City Council when circumstances warrant a recovery level outside the stated range. All fees shall remain subject to the overriding requirement that revenues shall not exceed the reasonable cost of providing the service.

Section 6: Annual Review and Master Fee Schedule

The City should review user fees and service charges on at least an annual basis as part of the budget process. The Finance Department, working with operating departments, will:

- A. Evaluate current fee levels against the cost of service, using data from the most recent cost allocation plan and personnel costs.
- B. Prepare a recommended Master Fee Schedule update for City Council consideration, including documentation supporting each proposed fee adjustment.

USER FEE AND SERVICE CHARGE COST RECOVERY POLICY
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- C. Identify services where fees have not kept pace with cost increases and recommend adjustments to bring recovery levels in line with this Policy.
- D. Conduct a comprehensive fee study, either internally or using an outside consultant, at least every five years to ensure that fees continue to reflect current service delivery costs.

Annual adjustments to the Master Fee Schedule may be made using an personnel cost based approach (e.g., using general cost of living salary increases approved through the applicable Memorandum of Understanding) in lieu of a comprehensive cost study in years between full studies, provided such adjustments are consistent with this Policy and do not cause fees to exceed full cost recovery.

Section 7: Fee Waivers and Reductions

The City Council may authorize fee waivers or reductions for specific service types, population groups, or activities that serve a compelling public interest. Any such waiver or reduction shall be:

- A. Documented in the Master Fee Schedule or by separate resolution, adopted policy, or action of the City Council.
- B. Accompanied by an estimate of the annual General Fund subsidy resulting from the waiver or reduction (i.e. the total amount of the waiver).
- C. Reviewed annually as part of the Budget process or Master Fee Schedule process to determine whether continuation is appropriate.

The City Manager may approve individual fee waivers on a case-by-case basis for amounts not to exceed his/her expenditure authority, subject to budget availability and reporting to the City Council on a quarterly basis.

VI. POLICY ACKNOWLEDGEMENT

The City of South Pasadena is authorized to establish user fees and service charges pursuant to the following:

- California Constitution, Article XIII C and XIII D (Proposition 218)
- California Government Code Sections 66000 et seq. (Mitigation Fee Act)
- California Government Code Section 54985 et seq. (fees for services)
- City of South Pasadena Municipal Code

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Fees shall not exceed the reasonable cost of providing the associated service. All fees and charges should be reviewed annually. No fee may be imposed, extended, increased, or transferred without City Council approval.

VII. ROLES AND RESPONSIBILITIES

The Finance Director shall be responsible for the administration of this Policy, including:

- Coordinating the annual Master Fee Schedule review process across all departments.
- Maintaining documentation of the cost basis for each fee included in the Master Fee Schedule.
- Monitoring fee revenue collections against projections and reporting variances to the City Manager.
- Overseeing the periodic cost allocation plan and fee study processes.
- Advising departments on the application of this Policy to new or modified services.

Department Directors are responsible for providing timely and accurate cost data to the Finance Department and for ensuring that fees are collected in accordance with the Master Fee Schedule and applicable law.

VIII. AUTHORITY

This Policy is adopted by authority of the City Council of the City of South Pasadena by Resolution No. _____, adopted on _____.

USER FEE AND SERVICE CHARGE COST RECOVERY POLICY
CITY COUNCIL POLICY

EXHIBIT 1: Target Cost Recovery Range by Department

Department / Service Area	Service Type	Target Cost Recovery Range	Primary Rationale
Community Development	Regulatory / Development		
Building Permits & Plan Check	Regulatory	90% – 100%	Applicant-driven; direct private benefit; cost recovery appropriate per State law
Planning & Zoning Entitlements	Regulatory	75% – 100%	Applicant is cost driver; community also benefits from quality development review
Code Enforcement	Regulatory	25% – 50%	Community-wide health/safety benefit; compliance self-identified; fees may deter reporting
General Plan / Policy Studies	Community Benefit	0% – 25%	Broad community benefit; funded primarily through general revenues
Public Works	Infrastructure / Regulatory		
Encroachment Permits	Regulatory	90% – 100%	Private use of public right-of-way; applicant is the direct cost driver
Engineering Plan Review / Inspections	Regulatory	90% – 100%	Direct private benefit; applicant-driven engineering review and field inspection
Street / Infrastructure Maintenance	Community Benefit	0% – 10%	Broad community benefit; primarily funded by gas tax, General Fund, and grants
Water / Sewer / Golf Course	Enterprise / Fee-Based	100%	Self-sustaining enterprise; rates set to fully recover direct and indirect costs

USER FEE AND SERVICE CHARGE COST RECOVERY POLICY
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Department / Service Area	Service Type	Target Cost Recovery Range	Primary Rationale
Parks & Recreation	Mixed — Public & Special Benefit		
General Park Access / Passive Use	Community Benefit	0%	Open access public amenity; fee would be impractical and inequitable
Recreational Classes & Programs	Special Benefit	25% – 50%	Identified individual benefit; partial subsidy maintained for equity and community access
Facility Rentals	Special Benefit	Market Rates	Private exclusive use of public facilities; market-sensitive rates appropriate
Youth / Senior Social Programs	Social Service	0% – 25%	Social service programs targeting vulnerable populations; subsidized access by policy
Special Events Permitting	Regulatory / Special Benefit	75% – 100%	Event organizer is cost driver; private benefit to promoter/participants
Police Department	Public Safety / Regulatory		
Emergency Response	Community Benefit	0% – 10%	Core public safety; non-recurring, peak-demand services funded by General Fund
False Alarm Response Fees	Regulatory / Deterrent	75% – 100%	Use of service specifically discouraged; fees reduce unnecessary demand on resources
Special Event Police Services	Special Benefit	100%	Private event organizer is direct cost driver; full recovery per standard practice

USER FEE AND SERVICE CHARGE COST RECOVERY POLICY
CITY COUNCIL POLICY

Department / Service Area	Service Type	Target Cost Recovery Range	Primary Rationale
Records & Reports	Special Benefit	75% – 100%	Direct service to identifiable individual; administrative cost recovery appropriate
Fire Department	Public Safety / Regulatory / Special Benefit		
Emergency Fire Response	Community Benefit	0% – 10%	Core public safety function; non-recurring, peak-demand service; General Fund supported
Emergency Medical Services (EMS) — Basic Life Support	Special Benefit	75% – 100%	Identifiable individual benefit; insurance/third-party billing applicable; partial General Fund subsidy maintained for equity
Emergency Medical Services (EMS) — Advanced Life Support	Special Benefit	75% – 100%	Higher-cost, identifiable individual service; insurance/third-party billing substantially offsets cost
Fire Prevention / Inspection Services	Regulatory	75% – 100%	Applicant/property owner is the cost driver; direct regulatory benefit to the inspected property
Fire Plan Review (Development / Construction)	Regulatory	90% – 100%	Applicant-driven; direct private benefit; consistent with building permit cost recovery standards
Special Event Fire Safety Standby	Special Benefit	100%	Private event organizer is the direct cost driver; full cost recovery is standard practice
Hazardous Materials Response Cost Recovery	Regulatory / Deterrent	75% – 100%	Responsible party is the cost driver; cost recovery from liable party per Health & Safety Code
City Clerk / Administration	Administrative		

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Department / Service Area	Service Type	Target Cost Recovery Range	Primary Rationale
Document Copies / Records Requests	Special Benefit	75% – 100%	Identifiable individual benefit; direct administrative cost recovery per Public Records Act
Notary / Certification Services (if applicable)	Special Benefit	100%	Direct, identifiable personal benefit; market comparable rates appropriate
Library Services	Community / Special Benefit		
General Circulation / Access	Community Benefit	0%	Core public education and access mission; fees would suppress equitable access
Room / Study Room Reservations	Special Benefit	0% – 5%	Use of publicly-funded facility; available on first come, first served basis
Lost / Damaged Materials	Regulatory / Replacement	100%	Replacement cost recovery; identifiable individual responsible for loss or damage

Note: Ranges represent City Council-approved policy targets. Individual fees are established in the Master Fee Schedule. Actual recovery levels may vary based on service volume, cost allocation results, and City Council direction.



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Date: April 23, 2026

To: Finance Commission and City Council

From: Nick Kimball, Assistant City Manager/CFO

By: Mark Siegfried, Accounting Manager/Controller

Re: DISCUSSION OF POOLED CASH AND INTEREST INCOME ALLOCATIONS

Recommendation:

It is recommended that the Finance Commission receive and file this informational report on the City's pooled cash management and interest income allocation methodology.

Executive Summary:

This report provides the Finance Commission with an educational overview of the City's pooled cash management system and the methodology by which interest income earned on invested funds is allocated across the City's various funds. The item is presented as part of the Commission's ongoing financial literacy efforts.

South Pasadena, like most California municipalities, consolidates the cash balances of its legally separate funds into a single pooled account for investment and disbursement purposes. As of February 28, 2026, the City's total pooled cash and investments stood at approximately \$109.8 million at cost (\$110.7 million at market value), managed across the City's BMO operating account, a bond reserve account held at BNY Mellon, and a diversified investment portfolio managed by Payden & Rygel through Zions Bank custody, along with the State's Local Agency Investment Fund (LAIF). The portfolio carries a weighted average yield of 4.007% and remains fully compliant with the City's adopted Investment Policy.

While each fund's cash is physically commingled for investment efficiency, ownership is tracked separately in the City's accounting system. Interest earned on the pooled portfolio is allocated back to individual funds on a pro rata basis consistent with Governmental Accounting Standards Board (GASB) Statement No. 31.

Analysis:

California municipalities operate numerous legally distinct funds, including the General Fund, enterprise funds such as Water and Sewer, special revenue funds, capital project funds, and internal service funds. Each fund type serves a defined legal or programmatic purpose. Maintaining a separate bank account and investment portfolio for each fund would be administratively burdensome and would substantially reduce the City's investment earnings, since smaller individual balances attract lower yields and fewer eligible instruments.

To address this, South Pasadena, like most cities throughout California cities, employs a pooled cash system authorized under California Government Code §53600 et seq. Under this system, cash from all participating funds is deposited into a single investment pool managed by the City Treasurer. Each fund's proportionate ownership of the pool is maintained in the City's accounting records, and interest income is allocated back to each fund based on its average balance.

The pooled cash system serves four primary operational objectives:

1. **Efficiency:** Consolidating cash management reduces administrative overhead, simplifies bank reconciliation, and minimizes the number of accounts requiring separate oversight.
2. **Maximized Investment Returns:** Larger aggregate balances allow the City to access a broader range of authorized investment instruments and negotiate more competitive yields than would be possible with smaller, fund-by-fund portfolios. The City's current portfolio yield of 4.007% reflects this advantage.
3. **Liquidity Management:** Temporary surpluses in one fund can effectively offset short-term cash needs in another, reducing the need for costly short-term borrowing, without violating the legal separation of fund ownership in the accounting records.
4. **Centralized Oversight:** The City Treasurer and Finance staff can monitor the full cash position of the organization in one place, enabling more timely and informed investment and disbursement decisions.

Operationally, the pool functions as follows: Revenues received by all City funds – taxes, utility payments, fees, grants, and other receipts – are deposited into the City's primary operating account at BMO. Disbursements for all funds (payroll, vendor payments, capital project expenditures) are paid from the same account. The accounting system records each transaction against the appropriate fund, maintaining a running balance of each fund's equity in the pool.

The actively invested portion of the pool – currently \$94.1 million – is allocated to a number of investment categories, including the Local Agency Investment Fund (LAIF) for immediate liquidity as well as a diversified portfolio of fixed-income securities managed

by Payden & Rygel and held in custody at Zions Bank. The current portfolio composition as of February 28, 2026 is summarized below:

Account Type	Cost	% of Portfolio	Market Value	Policy Compliant
Bank Accounts				
BMO — Operating Account	\$15,459,972	N/A	\$15,459,972	N/A
BNY Mellon — Bond Reserve	\$186,384	N/A	\$186,384	N/A
Total Bank Accounts	\$15,646,356		\$15,646,356	
Investments				
Local Agency Investment Fund (LAIF)	\$27,088,372	28.78%	\$27,088,372	Yes
Money Market	\$286,264	0.30%	\$286,264	Yes
U.S. Treasury Notes & Bonds	\$34,686,321	36.85%	\$35,262,397	Yes
Corporate Bonds	\$16,163,739	17.17%	\$16,368,458	Yes
Asset-Backed Securities	\$10,611,240	11.27%	\$10,663,003	Yes
U.S. Obligations	\$2,071,083	2.20%	\$2,102,695	Yes
Municipal Bonds (Taxable)	\$961,568	1.02%	\$976,530	Yes
Government CMO	\$1,273,686	1.35%	\$1,285,387	Yes
GNMA CMO REMIC	\$658,047	0.70%	\$656,114	Yes
Corp. Floating Rate	\$315,682	0.34%	\$323,404	Yes
Total Investments	\$94,116,002	100.00%	\$95,012,623	Yes
Total Cash and Investments	\$109,762,358		\$110,658,979	

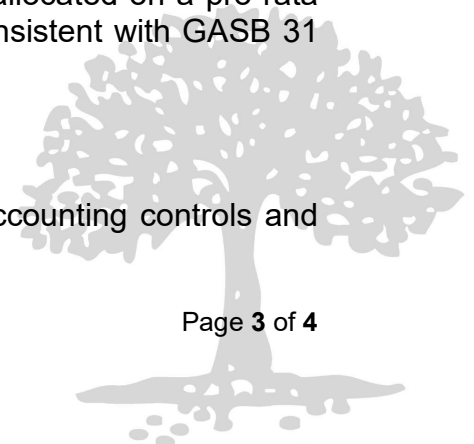
Interest Income Allocation Methodology

Interest earned on the pooled investment portfolio is allocated to individual funds in proportion to each fund's average daily cash balance during the period. This approach, required under GASB Statement No. 31, ensures that funds with larger average balances receive a greater share of investment earnings, reflecting their contribution to the investable pool.

In practice, the allocation is calculated monthly and posted to each fund's interest income account as part of the monthly close process. For Fiscal Year 2025-26, this allocation spans all City funds participating in the pool, including operating funds, enterprise funds, special revenue funds, and capital project funds. The difference between the portfolio's market value and cost basis as of any given month-end is also allocated on a pro rata basis to each fund as an unrealized gain or loss adjustment, consistent with GASB 31 requirements.

Controls and Compliance

The integrity of the pooled cash system depends on rigorous accounting controls and independent oversight. Key controls include:



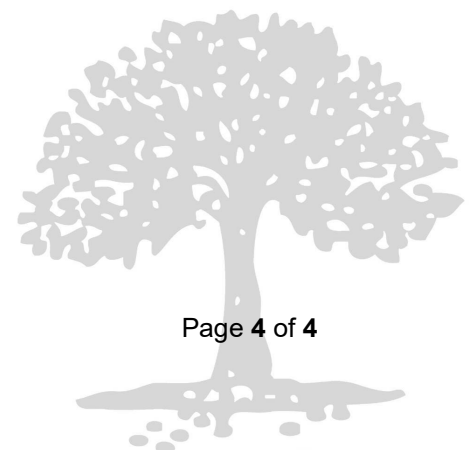
- **Monthly Treasurer's Report:** The City Treasurer certifies monthly compliance with the Investment Policy and confirms the City's ability to meet six-month expenditure requirements. Projected six-month expenditures of approximately \$36.7 million are comfortably covered by the current portfolio.
- **Annual Independent Audit:** The City's external auditors review the pooled cash system, fund equity balances, and interest allocation as part of the annual financial statement audit, providing independent verification of the accounting records.
- **Investment Policy Compliance:** All investments are required to comply with the City's adopted Investment Policy, which establishes authorized instruments, concentration limits, maturity restrictions, and credit quality standards. The February 2026 portfolio is fully compliant.
- **Third-Party Custody:** All securities are held in custody by Zions Bank, independent of the investment advisor, consistent with California Government Code safekeeping requirements.

Fiscal Impact:

This report is informational in nature. No fiscal impact is associated with receiving and filing this report. The pooled cash system and interest allocation methodology described herein are existing administrative practices reflected in the City's adopted budget and annual financial statements.

Attachment(s)

None





CITY OF SOUTH PASADENA

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WWW.SOUTHPASADENACA.GOV

Date: April 23, 2026
To: Finance Commission
From: Nick Kimball, Assistant City Manager/CFO
Prepared By: Julian Lee, Director of Public Works
Re: **RECEIVE AND FILE PRESENTATION OF THE CAPITAL IMPROVEMENT PROGRAM QUARTERLY UPDATE**

RECOMMENDATION

It is recommended that the Finance Commission receive and file the Capital Improvement Program Quarterly Update report.

EXECUTIVE SUMMARY

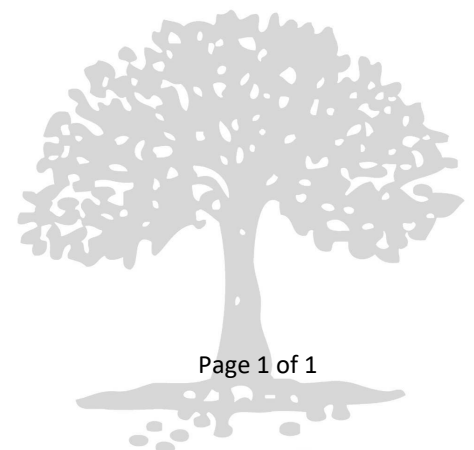
This report provides the Finance Commission with the Public Works Department's quarterly update presentation on the City's Capital Improvement Program (CIP). The regular quarterly reports will improve transparency, support project tracking, and ensure timely communication on progress, challenges, and funding needs. This update outlines the status of active CIP projects, highlights recently completed improvements, and identifies key milestones and schedule or budget refinements.

FISCAL IMPACT

No fiscal impact is associated with receiving and filing this report.

ATTACHMENT(S)

Attachment No. 1 – CIP Quarterly Report Presentation



Capital Improvement Project Quarterly Report

City of South Pasadena – Public Works Department

April 15, 2026

Table of Contents

- General Building & Facilities
- Library
- Community Services & Parks
- Sewer
- Stormwater
- Streets & Sidewalks
- Sustainability
- Transportation
- Water
- Funding Sources

General Building & Facilities



Citywide Facilities Repairs

Phase: Construction

Project No.: 5139



Project Description

Multiple projects are assigned to this project number. Some include renovation of the library Teen Room, flooring replacement at the library restroom lobby area, renovation of the HVAC system for the library Children’s Room and for the Library Director’s Office.

Project Data

Project Manager: Michael Lau

Designer/Contractor: Various

Project Updates

- Multiple improvement projects were identified and created for construction.
- Projects under this category account includes improvements for the Children’s Room & Library Director’s Office, renovation of the Teen Room and replacement of damaged flooring at the restroom lobby area.

Sources	Budget	Expenditures	Balance
Fund 105	\$36,147	\$7,955	\$28,192
Balance	\$36,147	\$28,192	\$28,192
Uses			
Construction			
Fund 105	\$36,147	\$7,955	\$28,192
Balance	\$36,147	\$7,955	\$28,192

FD Fire Station Front Bay Apparatus Door Replacement

Phase: Complete

Project No.: 5178

Project Description

This project replaces the retractable garage doors at the Fire Department and repairs associated components, enhancing overall functionality and security.



Project Data

Project Manager: Michael Vartanians

Designer/Contractor: Commercial Door Company, Inc.

Project Updates

- Contract Awarded: 11/6/24.
- Construction Started: 3/31/25.
- Project Completed: 7/2/25.

Sources	Budget	Expenditures	Balance
Fund 000	-	-	-
Balance	-	-	-
Uses			
Construction			
Fund 105	-	-	-
Balance	-	-	-

PD Locker Room Remodel

Phase: Design

Project No.: 5175

Project Description

Project aims to remodel the men and women’s locker rooms located in the basement located at City Hall. Remodel is intended to provide a more functional space with new flooring, lighting, restrooms, lockers, plumbing repairs, painting, signage, technology updates, television and other elements of interior improvements.



Project Data

Project Manager: Michael Lau

Designer/Contractor: PBK Architects

Project Updates

- Architecture firms solicited from Public Works prequalified list.
- PBK Architects selected for design experience with similar projects.
- Council awarded design contract 1/21/26.

Sources	Budget	Expenditures	Balance
Fund 105	\$90,000	-	\$90,000
Fund 270	\$159,000	-	\$159,000
Balance	\$249,000	-	\$249,000
Uses			
Design			
Fund 105	-	-	-
Fund 270	\$159,000	-	\$159,000
Balance	\$159,000	-	\$159,000

Police Department Front Counter/Lobby Remodel

Phase: Study/Planning

Project No.: 5174



Project Description

Remodel of front entrance counter and lobby to comply with ADA requirements. Scope includes replacing the existing pass-through countertop/window, redesign non-functioning east side window, new flooring, lighting, paint, technical display upgrades and signage.

Project Data

Project Manager: Michael Lau

Designer/Contractor: TBD

Project Updates

- Project on hold pending budget assessment and project priority.

Sources	Budget	Expenditures	Balance
Fund 105	\$40,000	-	\$40,000
Balance	\$40,000	-	\$40,000
Uses			
Study/Planning			
Fund 105	-	-	-
Balance	-	-	-

Police Department Briefing/Training Room Update

Phase: Study/Planning

Project No.: 5176



Project Description

Remodel of the Briefing Room located in the basement. Remodel is intended to provide a more functional space with expanded reconfiguration to allow for more tables, technology upgrades for presentations, new flooring, lighting, painting, signage and other elements of interior improvements.

Project Data

Project Manager: Michael Lau

Designer/Contractor: TBD

Project Updates

- Project on hold pending budget assessment and project priority.

Sources	Budget	Expenditures	Balance
Fund 105	\$40,000	-	\$40,000
Balance	\$40,000	-	\$40,000
Uses			
Study/Planning			
Fund 105	-	-	-
Balance	-	-	-

War Memorial Sound System

Phase: Construction

Project No.: 5159



Project Description

Install a new audio/visual (A/V) system at the War Memorial Building. The War Memorial building does not have any A/V components. This project will enable us to have the system in place including a projector, screen, and speakers complete with installation.

Project Data

Project Manager: Jose Tchopourian

Designer/Contractor: Spectrum Studios

Project Updates

- Solicited bids utilizing California Multiple Award Schedule (CMAS) 10/23/25.
- City Council awarded project: 11/19/25.
- Anticipated Construction: 3/16/26.

Sources	Budget	Expenditures	Balance
Fund 105	\$50,000	-	\$50,000
Balance	\$50,000	-	\$50,000
Uses			
Construction			
Fund 105	\$47,500	-	\$47,500
Balance	\$47,500	-	\$47,500

Citywide Facilities Key System

Phase: Construction

Project No.: 5160



Project Description

Assessment and recommendation for an access key system in City building that do not have electrified access control and/or video surveillance security or where existing systems are obsolete. Evaluation of keyed and electronic access systems appropriate for city government operations that can be owner-operated, non-proprietary to providers, expandable and upgradable as technology advances.

Project Data

Project Manager: Michael Lau

Designer/Contractor: Convergent Technologies LLC

Project Updates

- A “Genetic” system was selected based on its technical attributes, expandability, industry reputation and recommendations from cities such as Pasadena.
- A “pilot project” at the library is scheduled to start on 11/17/25.
- Pilot project 95% complete.

Sources	Budget	Expenditures	Balance
Fund 105	\$2,980	\$370	\$2,610
Balance	\$2,980	\$370	\$2,610
Uses			
Construction			
Fund 105	\$2,980	\$370	\$2,610
Balance	\$2,980	\$370	\$2,610

Citywide Facilities Assessment/Security Enhancement

Phase: Construction

Project No.: 5138



Project Description

Provide a new integrated security system in City buildings that do not have electrified access control and/or video surveillance security or where existing systems are obsolete. A “pilot project” is designated for the library. Scope includes new door card readers and CCTV cameras. Upon successful demonstration, the system is intended to be expanded to other city facilities.

Project Data

Project Manager: Michael Lau

Designer/Contractor: Convergent Technologies LLC

Project Updates

- Design and installation contractor selected and a non-proprietary system was determined to be the best solution.
- Pilot project at library in construction.
- Pilot project 95% complete.

Sources	Budget	Expenditures	Balance
Fund 105	\$233,570	\$57,206	\$176,364
Balance	\$233,570	\$57,206	\$176,364
Uses			
Construction			
Fund 105	\$68,087	\$57,206	\$10,881
Balance	\$68,087	\$57,206	\$10,881

FD Diesel Exhaust System Replacement

Phase: Construction

Project No.: 5213

Project Description

The project involves removing the outdated exhaust and ducted air systems at Fire Station 81 and installing a new rail-based magnetic diesel exhaust extraction system to safely capture and remove vehicle emissions at the source. This upgrade enhances firefighter health and safety, ensures compliance with air quality standards, and improves overall operational safety.



Project Data

Project Manager: Anthony Porraz

Designer/Contractor: Air Exchange, Inc.

Project Updates

- Contract agreement approved by Council 10/1/25.
- PO issued (6-week lead time on parts) 10/22/25.
- Project closeout.

Sources	Budget	Expenditures	Balance
Fund 105	\$130,000	\$117,374	\$12,626
Balance	\$130,000	\$117,374	\$12,626
Uses			
Construction			
Fund 105	\$128,957	\$117,374	\$11,583
Balance	\$130,000	\$117,374	\$12,626

Senior Center Flooring

Phase: Complete



Project No.: 5210

Project Description

Replacement of the old orange color VCT (vinyl composition tile) with new wood pattern LVP (luxury vinyl plank) tile including new wall base. Related work included patching of roofs and exterior wall cracks at the entrances along Fairview Ave to protect against previously experienced rainwater intrusion.

Project Data

Project Manager: Michael Vartanians

Designer/Contractor: Dream Floor Covering, Inc.

Project Updates

- Project Completed: 6/26/25.
- Fiscal Year 24-25 budget was sufficient to complete project.

Sources	Budget	Expenditures	Balance
Fund 105	\$9,698	\$9,698	-
Balance	\$9,698	\$9,698	-
Uses			
Construction			
Fund 105	-	-	-
Balance	\$9,698	\$9,698	-

Fire Department Dormitory Expansion

Phase: Study/Planning

Project No.: TBD



Project Description

The current dormitory layout is an open space and does not allow for privacy of employees. Additionally, there are no gender specific restroom/shower facilities.

Project Data

Project Manager: Michael Lau

Designer/Contractor: TBD

Project Updates

- Current fiscal year budget has been repurposed for bathroom remodel.

Sources	Budget	Expenditures	Balance
Fund 105	-	-	-
Balance	-	-	-
Uses			
Study/Planning			
Fund 105	-	-	-
Balance	-	-	-

War Memorial Basement Waterproofing

Phase: Study/Planning

Project No.: TBD



Project Description

This project aims to repair the waterproofing along the lower-level west side of the War Memorial Facility to prevent water infiltration.

Project Data

Project Manager: Jose Tchopourian

Designer/Contractor: TBD

Project Updates

- Staff to begin exploring potential solutions that could be implemented to resolve water intrusion issues.
- Project on hold.

Sources	Budget	Expenditures	Balance
Fund 105	\$20,000	-	\$20,000
Balance	\$20,000	-	\$20,000
Uses			
Study/Planning			
Fund 105	-	-	-
Balance	\$20,000	-	\$20,000

Police & Fire Vehicle Access Gate Rehabilitation

Phase: Construction

Project No.: TBD



Project Description

Replace the motors that operate the vehicle gates for the Police and Fire parking lots.

Project Data

Project Manager: Jose Tchopourian

Designer/Contractor: TBD

Project Updates

- Staff preparing specifications for project advertisement.
- Staff has obtained preliminary pricing based on current infrastructure. Design will not be needed.

Sources	Budget	Expenditures	Balance
Fund 105	\$45,885	-	\$45,885
Balance	\$45,885	-	\$45,885
Uses			
Construction			
Fund 105	\$21,160	-	\$21,160
Balance	\$21,160	-	\$21,160

Phase 2 Fire Department Restroom

Phase: Complete

Project No.: TBD

Project Description

Repair and restore five showers including drywall repairs on ceiling and walls. Install new light fixtures in each restroom and new grout and sealant in shower floors of Fire Department.



Project Data

Project Manager: Anteneh Tesfaye

Designer/Contractor: BluSky Restoration Contractors, LLC

Project Updates

- Construction Date: 1/26.
- Anticipated Completion: 3/26.

Sources	Budget	Expenditures	Balance
Fund 105	\$69,115	-	\$69,115
Balance	\$69,115	-	\$69,115
Uses			
Construction			
Fund 105	\$69,115	-	\$69,115
Balance	\$69,115	-	\$69,115

War Memorial HVAC Repairs

Phase: Complete

Project No.: TBD



Project Description

Project will complete repairs to the War Memorial’s heating, ventilation, and air conditioning (HVAC) systems.

Project Data

Project Manager: Jose Tchopourian

Designer/Contractor: ACCO

Project Updates

- Repairs completed utilizing operations funds.

Sources	Budget	Expenditures	Balance
Fund 105	\$15,711	-	\$15,711
Balance	\$15,711	-	\$15,711
Uses			
Construction			
Fund 105	-	-	-
Balance	-	-	-

Library



Library Northeast Ramp Lighting & Improvements

Phase: Construction

Project No.: 5149



Project Description

Scope includes new ADA compliant handrails, integrated rail lighting for the walkway, lighting bollards, waterproofing of the exterior wall, and improved surface drainage next to the building.

Project Data

Project Manager: Michael Lau

Designer: ONYX Architects, Inc.

Contractor: TBD

Project Updates

- Design plans by ONYX Architects were approved by City Building & Safety.
- Project advertised 2/26.

Sources	Budget	Expenditures	Balance
Fund 105	\$59,919	\$15,240	\$44,679
Balance	\$59,919	\$15,240	\$44,679
Uses			
Construction			
Fund 105	-	-	-
Balance	-	-	-

As of: 4/9/2026

Library Security Improvements

Phase: Complete

Project No.: 5147



Project Description

Install new wrought iron gates and fencing in archways of east and west exterior balconies of the Library. Both east and west gates are installed with push-bar hardware for emergency exit egress.

Project Data

Project Manager: Michael Vartanians

Designer/Contractor: Raffi's Metal Design

Project Updates

- Project Completed: 8/29/2025.

Sources	Budget	Expenditures	Balance
Fund 105	\$134,058	\$92,428	\$41,629
Balance	\$134,058	\$92,428	\$41,629
Uses			
Construction			
Fund 105	\$92,428	\$92,428	-
Balance	\$92,428	\$92,428	-

Library Roof & Waterproofing

Phase: Study/Planning

Project No.: 5217



Project Description

Replace or repair the leaking roof at the library. The Senior Center has been added to this project because the building are connected, and roofs are in the same deteriorating condition. Considerations for repair or replacement include cost evaluation and the possibility of a larger library rebuild in the future.

Project Data

Project Manager: Michael Lau

Designer/Contractor: TBD

Project Updates

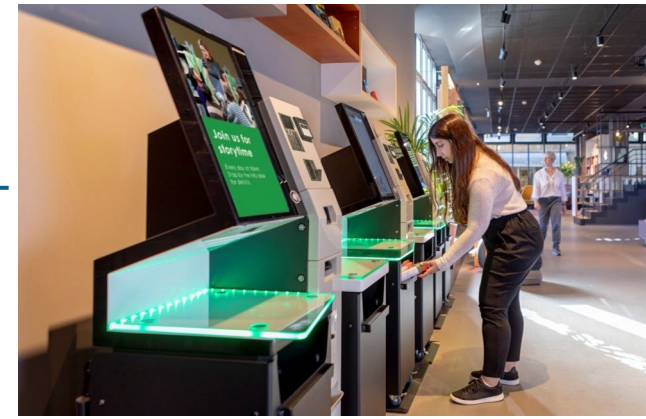
- Multiple roofing systems have been assessed, and staff has preliminarily selected one of the systems.
- Project on hold for future funding options.

Sources	Budget	Expenditures	Balance
Fund 105	\$106,696	\$9,250	\$97,446
Balance	\$106,696	\$9,250	\$97,446
Uses			
Construction			
Fund 105	\$18,280	\$9,250	\$9,030
Balance	\$18,280	\$9,250	\$9,030

Library Radio Frequency Identification (RFID)

Phase: Design

Project No.: 5152



Project Description

RFID tags store information about library items and share data via radio waves to the software/hardware components of the Integrated Library System (ILS). Benefits of RFID include increased efficiency, enhanced customer self-service options, improved inventory management, and theft detection capabilities.

Project Data

Project Manager: Jennifer Rodriguez

Designer/Contractor: Bibliotheca, LLC

Project Updates

- Request for Proposals published on Planet Bids: 10/20/25.
- Vendor proposals due: 11/6/25.
- Contract Awarded: 2/4/26.

Sources	Budget	Expenditures	Balance
Fund 105	\$105,000	-	\$105,000
Balance	\$105,000	-	\$105,000
Uses			
Construction			
Fund 105	\$82,250	-	\$82,250
Balance	\$82,250	-	\$82,250

Library & Community Center Comprehensive Site Plan

Phase: Complete

Project No.: TBD



Project Description

Consultant conducting needs assessment (including community engagement) and developing site plan options for the Library Park Campus as a first phase of exploring the possibility of building a new facility in Library Park that would be shared by the Library and Community Services Departments.

Project Data

Project Manager: Cathy Billings

Designer/Contractor: Group 4 Architecture Research + Planning, Inc.

Project Updates

- 11/5/25: Ad Hoc Committee presented findings and recommendations to the City Council.
- Project completed.

Sources	Budget	Expenditures	Balance
Fund 116	\$33,255	\$31,855	\$1,400
Balance	\$33,255	\$31,855	\$1,400
Uses			
Design			
Fund 105	\$31,855	\$31,855	-
Balance	\$31,855	\$31,855	-

Community Services & Parks



Grevelia & Berkshire Pocket Parks

Phase: Complete

Project No.: 5157



Project Description

This project will design and construct the Grevelia and Berkshire Pocket Parks.

Project Data

Project Manager: Michael Vartanians

Designer/Contractor: David Volz Design Landscape Architects & Monet Construction

Project Updates

- Contract Awarded: 11/6/24.
- Construction Began: 3/3/25.
- Opening ceremony: 12/17/25.
- Processing final payment.

Sources	Budget	Expenditures	Balance
Fund 116	\$280,782	\$90,541	\$190,240
Fund 251	\$550,000	\$305,633	\$244,366
Fund 252	\$193,992	\$158,889	\$35,102
Fund 275	\$422,782	\$596,261	(\$173,479)
Balance	\$1,447,556.00	\$1,151,324.00	\$296,229.00

Uses			
Construction			
Fund 105	\$187,665	\$90,541	\$97,123
Fund 251	\$333,133	\$305,633	\$27,500
Fund 252	\$168,589	\$158,889	\$9,699
Fund 275	\$659,979	\$596,261	\$63,718
Balance	\$1,349,366.00	\$1,151,324.00	\$198,040.00

As of: 4/9/2026

Golf Course/Driving Range Netting Replacement

Phase: Study/Planning

Project No.: 5158



Project Description

This project aims to replace the driving range netting infrastructure.

Project Data

Project Manager: Michael Lau

Designer/Contractor: TBD

Project Updates

- Project on hold pending outcome of potential 3P Agreement.

Sources	Budget	Expenditures	Balance
Fund 105	\$718,103	\$2,030	\$716,073
Balance	\$718,103	\$2,030	\$716,073
Uses			
Construction			
Fund 105	-	-	-
Balance	-	-	-

Parks Master Plan

Phase: Study/Panning



Project No.: 5161

Project Description

The Parks Comprehensive Plan is an approach to evaluating existing parks including all on-site amenities, and identifying potential open space and facility demands.

Project Data

Project Manager: Melissa Synder

Designer/Contractor: RHA Landscape Architects Planners, Inc.

Project Updates

- Community Outreach/Stakeholder meeting took place 1/25.
- Statistically valid surveys mailed to randomly selected households.
- Online surveys open to the public through 8/25.
- Consultant to provide an update to the Community Services Commission 12/25.

Sources	Budget	Expenditures	Balance
Fund 116	\$111,783	\$12,000	\$99,783
Fund 275	\$124,016	-	\$124,016
Balance	\$235,799	\$12,000	\$223,799.00
Uses			
Design			
Fund 116	\$111,783	\$12,000	\$99,783
Fund 275	\$124,016	-	\$124,016
Balance	\$235,799	\$12,000	\$223,799

San Pascual Main Arena Flooring

Phase: Study/Planning

Project No.: TBD



Project Description

Project aims to replace equestrian flooring at one of the arenas.

Project Data

Project Manager: Michael Lau

Designer/Contractor: TBD

Project Updates

- Staff has met with stable operator to determine scope of work and the responsibility based on signed agreement.
- Staff receiving quotes for flooring replacement project.

Sources	Budget	Expenditures	Balance
Fund 101	\$267,123	-	\$267,123
Balance	\$267,123	-	\$267,123
Uses			
Construction			
Fund 101	-	-	-
Balance	-	-	-

Side Arena Footing, Fencing, Irrigation, Lighting, and Groundcover/Base Replacement

Phase: Study/Planning

Project No.: TBD



Project Description

This project aims to replace the fencing around the arenas at the San Pascual stables. The project also includes replacement of the footing within the arena.

Project Data

Project Manager: Michael Lau

Designer/Contractor: TBD

Project Updates

- Staff has met with stable operator to determine scope of work and the responsibility based on signed agreement.
- Staff to prepare request for proposal for fencing improvements around the main and side arena.

Sources	Budget	Expenditures	Balance
Fund 101	\$267,123	-	\$267,123
Balance	\$267,123	-	\$267,123
Uses			
Construction			
Fund 101	-	-	-
Balance	-	-	-

Golf Course Driving Range Emergency Repairs

Phase: Complete

Project No.: TBD



Project Description

Project will replace the existing metal netting at the back of the driving range, providing protection to the Nature Trail area. This emergency repair supplemented existing netting, installing a new 50-ft wide, full-height net to ensure continued public safety.

Project Data

Project Manager: Michael Lau

Designer/Contractor: Judge Netting

Project Updates

- Project completed.

Sources	Budget	Expenditures	Balance
Fund 295	\$10,600	\$10,600	-
Balance	\$10,600	\$10,600	-
Uses			
Construction			
Fund 295	\$10,600	\$10,600	-
Balance	\$10,600	\$10,600	-

Golf Course 13 Hole Netting Replacement

Phase: Construction

Project No.: TBD



Project Description

This project will replace the original 30-ft netting system that was previously destroyed by the January 2024 Windstorm with new metal poles and 30-ft high netting to restore protection from stray golf balls into the street and tennis facility.

Project Data

Project Manager: Michael Lau

Designer/Contractor: TBD

Project Updates

- Proposals requested to replace netting exceeded Open market procurement limits.
- Bids due 3/4/26.

Sources	Budget	Expenditures	Balance
Fund 295	-	-	-
Balance	-	-	-
Uses			
Construction			
Fund 295	-	-	-
Balance	-	-	-

Tennis Court Resurfacing

Phase: Study/Planning

Project No.: TBD



Project Description

Project will address surface deterioration and ensure continued safety and usability for four courts: two tennis courts at Garfield Park, and two dual-use existing tennis/pickleball courts at Orange Grove Park.

Project Data

Project Manager: Jose Tchopourian

Designer/Contractor: Epic Surfaces

Project Updates

- Contract Awarded: 9/17/25.
- Anticipated Construction: 3/9/26.

Sources	Budget	Expenditures	Balance
Fund 116	\$56,265	-	\$56,265
Balance	\$56,265	-	\$56,265
Uses			
Construction			
Fund 116	\$56,265	-	\$56,265
Balance	\$56,265	-	\$56,265

Eddie Park House

Phase: Study/Planning

Project No.: TBD



Project Description

This project would complete facility repairs to the Eddie Park house building.

Project Data

Project Manager: Michael Lau

Designer/Contractor: Marx O

Project Updates

- Staff has hired consultant for assessment of facility for comprehensive repair needs.

Sources	Budget	Expenditures	Balance
Fund 116	\$75,000	-	\$75,000
Balance	\$75,000	-	\$75,000
Uses			
Construction			
Fund 116	\$7,502	-	\$7,502
Balance	\$7,502	-	\$7,502

Sewer



Sewer System Repair, Rehabilitation, & Replacement

Phase: Construction

Project No.: 5179



Project Description

This project is an annual replacement of sewer pipelines and infrastructure, utilizing the wastewater systems assessment in the One Water 2050 Plan. Scope includes maintenance, cleaning, and CCTV recording of sanitary sewer network for next six years.

Project Data

Project Manager: Michael Lau

Designer/Contractor: Pipe-Tec, Inc.

Project Updates

- Contract Awarded: 7/16/25.
- Contractor to begin 1/26.
- Construction has started citywide.

Sources	Budget	Expenditures	Balance
Fund 210	\$1,325,792.99	\$273,716.06	\$1,052,076.93
Balance	\$1,325,792.99	\$273,716.06	\$1,052,076.93
Uses			
Construction			
Fund 210	\$1,100,000	\$273,716.06	\$826,283.94
Balance	\$1,100,000	\$273,716.06	\$826,283.94

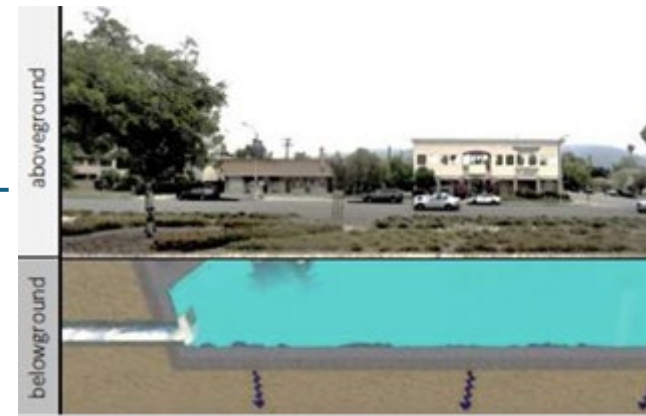
Stormwater



Huntington Drive Green Street

Phase: Study/Planning

Project No.: 5182



Project Description

The City street medians along Huntington Drive from Marengo Avenue to Wayne Avenue cover open space that could be retrofitted to capture stormwater and urban runoff from the upstream drainage area, as well as the roadway and surrounding neighborhood. This project would consist of installing underground storage chambers or dry wells beneath the medians and connecting them via diversion pipes to an underground storm drain. The existing turf would also be replaced with drought tolerant plants, and stormwater reuse educational signage would be incorporated in the walkways at pedestrian crossings.

Project Data

Project Manager: Anteneh Tesfaye

Designer/Contractor: UltraSystems Environmental, Inc. & Ninyo & Moore

Project Updates

- Project in Study/Planning Phase due to potential change in scope of work.
- Project has been put on hold. Re-evaluating scope.

Sources	Budget	Expenditures	Balance
Fund 239	-	-	-
Balance	-	-	-
Uses			
Construction			
Fund 239	-	-	-
Balance	-	-	-

Arroyo Seco San Rafael & San Pascual Projects

Phase: Design

Project No.: 5180



Project Description

A collaborative project between South Pasadena and Pasadena that will address water quality issues and assist in complying with a state mandated requirement to reduce the bacteria levels from tributaries that flow into the Los Angeles River. This project constructs two water retention basin sites at San Pascual (South Pasadena) and San Rafael (Pasadena).

Project Data

Project Manager: Anteneh Tesfaye

Designer/Contractor: TBD

Project Updates

- Environmental Impact Report review (EIR) in progress.
- EIR to be adopted by City of Pasadena Summer 2026.
- Anticipated construction Spring 2027.

Sources	Budget	Expenditures	Balance
Fund 116	-	-	-
Fund 239	\$315,013	-	\$315,013
Fund 503	\$100,000	-	\$100,000
Balance	\$415,013	-	\$415,013

Uses			
Construction			
Fund 116	-	-	-
Fund 239	-	-	-
Fund 503	-	-	-
Balance	-	-	-

As of: 4/9/2026

Hanscom Drive Drainage Improvements

Phase: Study/Planning

Project No.: TBD



Project Description

Drainage infrastructure improvements to minimize impact to residents on Las Palmitas. Project aims to construct storm drain infrastructure between Hanscom Drive and Los Palmitas. Goal to reduce flood risk.

Project Data

Project Manager: Jose Tchopourian
 Designer/Contractor: Willdan Engineering

Project Updates

- Assessment currently underway to design primary and secondary drainage infrastructure on city right-of-way.

Sources	Budget	Expenditures	Balance
Fund 239	\$60,000	-	\$60,000
Balance	\$60,000	-	\$60,000
Uses			
Construction			
Fund 239	-	-	-
Balance	-	-	-

Streets & Sidewalks



Street Repavement & Repairs (formerly FY19-20 Street Improvement Project)

Phase: Construction

Project No.: 5185



Project Description

This project reconstructs several local residential asphalt streets throughout the City. Additionally, this project replaces water and sewer infrastructure.

Project Data

Project Manager: Michael Vartanians

Designer/Contractor: RKA Consulting Group & Gentry Brothers, Inc.

Project Updates

- Contract Awarded: 6/18/25.
- Construction Started: 9/22/25.

Sources	Budget	Expenditures	Balance
Fund 104	\$2,241,557.44	\$406,263	\$1,835,294.44
Fund 210	\$100,000	-	\$100,000
Fund 233	\$551,057	\$125,852.30	\$425,204.70
Fund 236	\$548,983.82	\$125,852.28	\$423,131.54
Fund 237	\$1,209,738	-	\$1,209,738
Fund 245	\$19,131.53	-	\$19,131.53
Fund 500	\$4,640,000	\$1,562,976.41	\$3,077,023.59
Balance	\$8,577,426.35	\$2,220,943.99	\$6,356,482.36

Uses			
Construction			
Fund 104	\$2,210,246	\$406,263	\$1,803,982
Fund 210	\$25,000	-	-
Fund 233	\$309,505	\$44,302	\$265,203
Fund 236	\$309,505	\$44,302	\$265,203
Fund 237	\$1,200,000	-	\$1,200,000
Fund 245	-	-	-
Fund 500	\$4,034,149	\$1,562,976	\$2,471,169
Balance	\$8,088,405	\$2,057,843	\$6,005,557

FY20-24 Sidewalk Replacement & ADA Ramps

Phase: Complete

Project No.: 5186



Project Description

The project consists of reconstructing lifted and damaged sidewalk and installation of ADA access ramps at various locations within the City. The sidewalk repair locations are selected based on City’s Sidewalk Inspection Report in combination with high-use pedestrian areas.

Project Data

Project Manager: Michael Vartanians

Designer/Contractor: Kabbara Engineering & CT&T Paving, Inc.

Project Updates

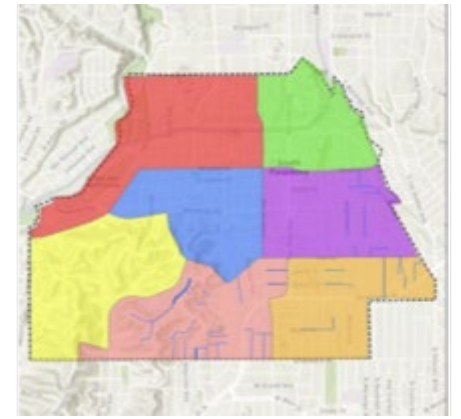
- 43 curb ramps and over 1,500 square feet of sidewalk constructed.
- Locations citywide but focused on Meridian Avenue between Monterey Road and Maple Street.
- Processing final payment.

Sources	Budget	Expenditures	Balance
Fund 236	\$2,331	\$2,331	-
Fund 260	\$103,878	\$100,300	\$3,578
Balance	\$106,209	\$102,631	\$3,578
Uses			
Construction			
Fund 236	\$2,331	\$2,331	-
Fund 260	\$100,300	\$100,300	-
Balance	\$102,631	\$102,631	-

2025-2026 Street Maintenance

Phase: Study/Planning

Project No.: TBD



Project Description

Annual Residential Slurry Seal Project.

Project Data

Project Manager: Michael Lau

Designer/Contractor: TBD

Project Updates

- Staff has identified streets that are appropriate candidates for slurry seal application.
- Construction anticipated Summer 2026.

Sources	Budget	Expenditures	Balance
Fund 233	\$225,000	-	\$225,000
Fund 236	\$225,000	-	\$225,000
Balance	\$450,000	-	\$450,000
Uses			
Construction			
Fund 239	-	-	-
Fund 236	-	-	-
Balance	-	-	-

2025-2026 Marengo Maintenance & Improvements

Phase: Study/Planning

Project No.: TBD



Project Description

This project aims to slurry seal the Marengo Avenue corridor and improve traffic striping and signage along the corridor.

Project Data

Project Manager: Jose Tchopourian

Designer/Contractor: TBD

Project Updates

- Project in Study/Planning Phase.
- Staff to advertise request for proposals Summer 2026.

Sources	Budget	Expenditures	Balance
Fund 233	\$50,000	-	\$50,000
Fund 236	\$50,000	-	\$50,000
Balance	\$100,000	-	\$100,000
Uses			
Study/Planning			
Fund 233	-	-	-
Fund 236	-	-	-
Balance	-	-	-

Mission/Arroyo/Pasadena Intersections Improvements

Phase: Study/Planning

Project No.: TBD



Project Description

This project aims to reconstruct the intersection of Mission Street, Arroyo Drive, and Pasadena Avenue.

Project Data

Project Manager: Michael Lau

Designer/Contractor: TBD

Project Updates

- Staff to prepare request for proposals to advertise to award design contract for this construction project.
- Requests for proposal to be advertised Summer 2026.

Sources	Budget	Expenditures	Balance
Fund 233	\$90,000	-	\$90,000
Fund 236	\$90,000	-	\$90,000
Balance	\$180,000	-	\$180,000
Uses			
Construction			
Fund 233	-	-	-
Fund 236	-	-	-
Balance	-	-	-

Indiana Avenue Reconstruction

Phase: Design

Project No.: 5229



Project Description

Pavement rehabilitation and other improvements on Indiana Avenue from Monterey to Via del Rey. Photometric analysis to determine lighting needs, pavement, water and sewer spot upgrades.

Project Data

Project Manager: Michael Lau

Designer/Contractor: Lochner

Project Updates

- 30% plans received: 10/25.
- Staff provided comments.
- 60% plans received 3/26.

Sources	Budget	Expenditures	Balance
Fund 104	-	-	-
Fund 210	\$49,550.44	-	\$49,550.44
Fund 233	\$149,100.89	\$49,144.22	\$99,956.67
Fund 236	149,100.89	\$49,959.23	\$99,141.66
Fund 500	\$198,201.78	\$92,771.05	\$105,430.73
Balance	\$545,954	\$191,874.50	\$354,079.50

Uses			
Construction			
Fund 104	-	-	-
Fund 210	\$43,329	-	\$43,329
Fund 233	\$98,988.50	\$49,144.22	\$49,844.28
Fund 236	\$98,988.50	\$49,959.23	\$49,029.27
Fund 500	\$197,977	\$92,771.05	\$105,205.95
Balance	\$439,283	\$191,874.50	\$247,408.50

FY24-25 Sidewalk Replacement & ADA Ramps

Phase: Study/Planning

Project No.: TBD



Project Description

The project consists of reconstructing lifted and damaged sidewalk and installation of ADA access ramps at various locations within the City using CDBG funding that the City receives annually. The sidewalk repair locations are selected based on City’s Sidewalk Inspection Report in combination with high-use pedestrian areas.

Project Data

Project Manager: Jose Tchopourian

Designer/Contractor: TBD

Project Updates

- Project in Study/Planning Phase.

Sources	Budget	Expenditures	Balance
Fund 260	\$108,710	-	\$108,710
Balance	\$108,710	-	\$108,710
Uses			
Study/Planning			
Fund 260	-	-	-
Balance	-	-	-

FY25-26 Sidewalk Replacement & ADA Ramps

Phase: Study/Planning

Project No.: TBD



Project Description

The project consists of reconstructing lifted and damaged sidewalk and installation of ADA access ramps at various locations within the City using CDBG funding that the City receives annually. The sidewalk repair locations are selected based on City’s Sidewalk Inspection Report in combination with high-use pedestrian areas.

Project Data

Project Manager: Jose Tchopourian

Designer/Contractor: TBD

Project Updates

- Project in Study/Planning Phase.

Sources	Budget	Expenditures	Balance
Fund 260	\$117,630	-	\$117,630
Balance	\$117,630	-	\$117,630
Uses			
Construction			
Fund 260	-	-	-
Balance	-	-	-

Orange Zone Reconstruction

Phase: Design

Project No.: 5230



Project Description

Pavement rehabilitation, curb, gutter, sidewalk repair, utility adjustments, water line replacement, sewer spot repair and streetlight improvements along City’s Orange Zone.

Project Data

Project Manager: Jose Tchopourian

Designer/Contractor: Kabbara Engineering

Project Updates

- Contract Awarded: 10/1/25.
- Task order for design effort in progress.
- Design underway.

Sources	Budget	Expenditures	Balance
Fund 210	\$150,000	\$3,375.17	\$146,624.83
Fund 233	\$500,000	\$14,440.32	\$485,559.68
Fund 236	\$500,000	\$14,255.33	\$485,744.67
Fund 237	-	-	-
Fund 500	\$1,000,000	\$33,069.68	\$966,930.32
Balance	\$2,150,000	\$65,140.50	\$2,084,859.50

Uses			
Construction			
Fund 210	\$37,016	\$3,375.17	\$33,640.83
Fund 233	\$150,000	\$14,440.32	\$135,559.68
Fund 236	\$150,000	\$14,255.33	\$135,744.67
Fund 237	-	-	-
Fund 500	\$350,000	\$33,069.68	\$316,930.32
Balance	\$687,016	\$65,140.50	\$621,875.50

Sustainability



Civic Center/City Hall EV Charging Installation

Phase: Design

Project No.: 5103



Project Description

This project installs electric vehicle (EV) chargers in the Civic Center parking lots including Police, Fire, and City staff lots. Utility-funded electrical infrastructure installation is available through the Southern California Edison (SCE) Charge Ready program, as the City entered into a long-term agreement with the utility. The City would fund the purchase and installation of the EV charger units.

Project Data

Project Manager: Jose Tchopourian

Designer/Contractor: Pacifica Services, Inc.

Project Updates

- Nineteen (19) Level 2 chargers installed and operational.
- Two (2) Level 3 chargers for Police Department in Design Phase.

Sources	Budget	Expenditures	Balance
Fund 116	\$159,185	\$37,520	\$121,665
Fund 238	-	-	-
Balance	\$159,185	\$37,520	\$121,665
Uses			
Construction			
Fund 116	\$156,092.90	\$37,520	\$118,572
Fund 238	-	-	-
Balance	\$156,092.90	\$37,520	\$118,572

Storage Yard EV Charging Systems

Phase: Design

Project No.: 5188



Project Description

This project aims to install two Level 2 chargers at the Storage Yard to be used by Community Services Dial-a-Ride vans.

Project Data

Project Manager: Jose Tchopourian

Designer/Contractor: Southern California Edison

Project Updates

- SoCal Edison preparing final design of underground utility improvements.

Sources	Budget	Expenditures	Balance
Fund 116	\$50,000	-	\$50,000
Balance	\$50,000	-	\$50,000
Uses			
Construction			
Fund 116	\$30,000	-	\$30,000
Balance	\$30,000	-	\$30,000

Civic Center/Mound Solar Panel Installation

Phase: Design



Project No.: TBD

Project Description

This project continues City’s efforts to develop and maintain a solar carport structure battery backup system that will provide locally generated clean energy as part of Memorandum of Understanding with the Clean Power Alliance, under the Power Ready Program.

Project Data

Project Manager: Jose Tchopourian

Designer/Contractor: Coast Energy DevCo, LLC & Kabbara

Project Updates

- The City has conducted initial site walk of the project with Coast Energy and Clean Power Alliance.
- The designs are being develop and all parties are looped in regularly through biweekly meetings with Coast Energy.
- 30% Design Plans to be received mid-November. Plan Check to commence February 2026.
- Anticipated construction Fall 2026.

Sources	Budget	Expenditures	Balance
Fund 116	\$10,000	-	\$10,000
Balance	\$10,000	-	\$10,000
Uses			
Construction			
Fund 116	-	-	-
Balance	-	-	-

Transportation



Fremont/Huntington (MAT) Mobility Active Transportation Project

Phase: Design

Project No. 2008



Project Description

Project would provide corridor improvements along Fremont Avenue and Huntington Drive. Improvements include bike facilities, curb ramp upgrades, high visibility crosswalks, advanced warning signage, traffic signals, lane reconfigurations, among others.

Project Data

Project Manager: Bassam AL-Beitawi

Designer/Contractor: Kimley-Horn & Associates

Project Updates

- City Council selected Kimley-Horn & Associates as design consultant: 10/1/25.
- Staff held public outreach meetings on 2/23/26 and 3/5/26.

Sources	Budget	Expenditures	Balance
Fund 233	\$200,000	\$66,685	\$133,315
Fund 234	\$1,211,232	\$153,355	\$1,057,876
Fund 243	\$1,100,000	\$165,843	\$934,156
Fund 297	\$323,000	\$48,696	\$274,303
Balance	\$2,834,232.00	\$434,579.00	\$2,399,650

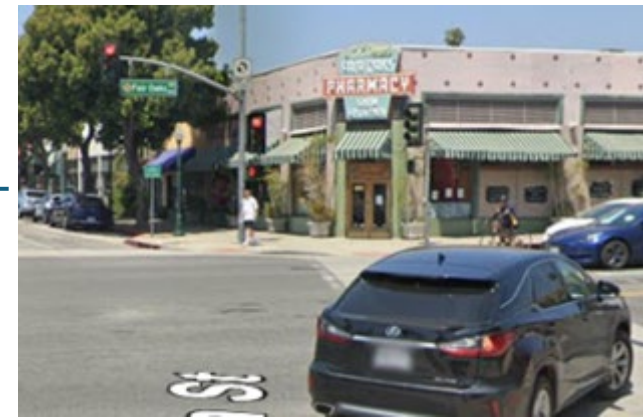
Uses			
Construction			
Fund 233	\$100,000	\$66,685	\$33,315
Fund 234	\$1,017,160	\$153,355	\$863,804
Fund 243	\$1,100,000	\$165,843	\$934,156
Fund 297	\$323,000	\$48,696	\$274,303
Balance	\$2,540,160	\$434,579	\$2,105,578

As of: 4/9/2026

North-South Corridor (Fair Oaks) ITS Deployment

Phase: Design

Project No.: 2002



Project Description

Project includes replacement of traffic signals to improve traffic flow and reduce congestion along the Fair Oaks Avenue corridor, adds fiber optic connection from City Hall to Public Works Garfield Yard, improves pedestrian crossings and upgrades curb ramps to meet current ADA standards.

Project Data

Project Manager: Bassam AL-Beitawi

Designer/Contractor: Iteris

Project Updates

- Design Plans at 50% complete, 90% received mid-November.
- 10/1/25 City Council selected bulbout alternative.
- Project design anticipated completion April 2026.

				Uses			
Sources	Budget	Expenditures	Balance	Construction			
Fund 108	\$46,930	\$18,901	\$28,029	Fund 108	\$41,154	\$18,901	\$22,252
Fund 205	\$90,000	\$28,802	\$61,197	Fund 205	\$90,000	\$28,802	\$61,197
Fund 207	\$90,000	\$28,802	\$61,197	Fund 207	\$90,000	\$28,802	\$61,197
Fund 214	\$397,654	\$291,779	\$105,875	Fund 214	\$237,823	\$291,779	(\$53,956)
Fund 243	-	-	-	Fund 243	-	-	-
Fund 255	\$6,005	\$18,901	(\$12,895)	Fund 255	\$35,333	\$18,901	\$16,432
Balance	\$630,589	\$387,185	\$243,403.00	Balance	\$494,310	\$387,185	\$107,122

As of: 4/9/2026

Grevelia Street and Fair Oaks Avenue

Phase: Study/Planning

Project No.: 5129



Project Description

Traffic engineering study to explore the reconfiguration of the signalized intersection of Fair Oaks Avenue at Grevelia Street/SR 110 Northbound off-ramp to improve vehicular movement within the intersection to better accommodate the westbound to northbound dual left-turn movement.

Project Data

Project Manager: Bassam AL-Beitawi

Designer/Contractor: Gibson Transportation Consulting, Inc.

Project Updates

- Public Works staff reviewing consultant fee proposal.
- Task order and purchase order have been issued.

Sources	Budget	Expenditures	Balance
Fund 240	\$50,000	\$25,129.83	\$24,870.17
Balance	\$50,000	\$25,129.83	\$24,870.17
Uses			
Study/Planning			
Fund 240	\$29,735.01	\$25,129.83	\$4,605.18
Balance	\$29,735.01	\$25,129.83	\$4,605.18

Pedestrian Crossing Devices

Phase: Design

Project No.: 5130



Project Description

Design services for the installation of Rectangular Rapid Flashing Beacon (RRFB) at three locations: 1) Grevelia Street at Park Avenue, 2) Meridian Avenue at Bank Street, and 3) El Centro St. at Cawston Ave.

Project Data

Project Manager: Bassam AL-Beitawi

Designer/Contractor: HDR Engineering, Inc.

Project Updates

- Staff requested additional tasks from consultant.
- Work order will be issued after consultant submits proposal.
- Council awarded design contract 3/4/26.

Sources	Budget	Expenditures	Balance
Fund 240	\$322,624	-	\$322,624
Balance	\$322,624	-	\$322,624
Uses			
Design			
Fund 240	\$112,342	-	\$112,342
Balance	\$112,342	-	\$112,342

Rectangular Rapid Flashing Beacons (Mission & Fremont)

Phase: Design

Project No.: 1512



Project Description

Installation of Rectangular Rapid Flashing Beacons (RRFB) at Fremont Avenue and Lyndon Street, Mission Street and Diamond Avenue, Mission Street and Fairview Avenue.

Project Data

Project Manager: Michael Lau

Designer/Contractor: Adhami Engineering Group

Project Updates

- Final Design in progress.
- Advertising May 2026.

Sources	Budget	Expenditures	Balance
Fund 236	\$41,047	-	\$41,047
Fund 277	\$234,874	-	\$234,874
Balance	\$275,921	-	\$275,921
Uses			
Construction			
Fund 236	-	-	-
Fund 277	-	-	-
Balance	-	-	-

Special Transportation Accounts

Phase: Complete

Project No.: 5218



Project Description

Installation of various transportation related equipment at multiple City locations, including speed feedback signs.

Project Data

Project Manager: Bassam AL-Beitawi

Designer/Contractor: Yunex, LLC

Project Updates

- Speed feedback signs installed at following locations:
 - Fremont Avenue south of Columbia St.
 - Northbound and Southbound traffic
 - Huntington Dr.
 - West of Fletcher Avenue & East of Bushnell Avenue
- Project Completed: 8/27/25.
- Processing final payment.

Sources	Budget	Expenditures	Balance
Fund 233	\$29,576	\$2,867	\$26,708
Fund 236	\$29,576	\$2,867	\$26,708
Balance	\$59,152	\$5,734	\$53,416
Uses			
Construction			
Fund 233	\$2,060	\$2,867	(\$806)
Fund 236	\$2,060	\$2,867	(\$806)
Balance	\$4,120	\$5,734	(\$1,612)

Citywide Mobility/Active Transportation Plan Update

Phase: Study/Planning

Project No.: 5135



Project Description

The scope of the work for this project consist primarily of updating the City Bicycle Master Plan, establishing the existing and proposed bicycle network within the city. Additionally, exploring recommendations for improving pedestrian safety.

Project Data

Project Manager: Bassam AL-Beitawi

Designer/Contractor: TBD

Project Updates

- City pursuing grant funding opportunities.

Sources	Budget	Expenditures	Balance
Fund 233	\$75,000	-	\$75,000
Fund 236	\$75,000	-	\$75,000
Balance	\$150,000	-	\$150,000
Uses			
Construction			
Fund 233	-	-	-
Fund 236	-	-	-
Balance	-	-	-

Garfield Avenue and Monterey Road Traffic Signal and Garfield Avenue Signal & Bicycle Lane Improvements

Phase: Study/Planning

Project No.: 5131



Project Description

This project would evaluate the need for a traffic signal at the currently all-way stop-controlled intersection. The analysis would include a traffic study, impact analysis, public outreach, as well as coordination and potential cost sharing with the City of San Marino. This project would also consider potential bicycle lane implementation along portions of Garfield Avenue.

Project Data

Project Manager: Bassam AL-Beitawi

Designer/Contractor: JMDiaz, Inc.

Project Updates

- Study has been completed, and a traffic signal is warranted.
- Project pending coordination efforts with City of San Marino.

Sources	Budget	Expenditures	Balance
Fund 240	\$100,000	\$16,806	\$83,194
Balance	\$100,000	\$16,806	\$83,194
Uses			
Construction			
Fund 240	\$17,314	\$16,806	\$508
Balance	\$17,314	\$16,806	\$508

Orange Grove Avenue Traffic Enhancement Project

Phase: Study/Planning

Project No.: 5133



Project Description

This project evaluates various options to redesign southbound Orange Grove Avenue between Columbia Street and SR-110.

Project Data

Project Manager: Bassam AL-Beitawi

Designer/Contractor: Gibson Transportation Consulting, Inc.

Project Updates

- A comprehensive evaluation of existing roadway conditions and potential traffic calming measures are being assessed by Gibson consultant.
- Staff completed installation of short-term improvements including signing and striping.
- Staff finalizing traffic study.

Sources	Budget	Expenditures	Balance
Fund 240	\$50,000	-	\$50,000
Balance	\$50,000	-	\$50,000
Uses			
Construction			
Fund 240	-	-	-
Balance	-	-	-

Fair Oaks SR-110 Interchange On/Off-Ramps

Phase: Study/Planning

Project No.: 2007



Project Description

This project is in a preliminary planning phase which includes environmental study and analysis of various design options for freeway ramps.

Project Data

Project Manager: Bassam AL-Beitawi

Designer/Contractor: TBD

Project Updates

- Staff evaluating funding allocation.

Sources	Budget	Expenditures	Balance
Fund 243	\$1,500,000	-	\$1,500,000
Balance	\$1,500,000	-	\$1,500,000
Uses			
Construction			
Fund 243	-	-	-
Balance	-	-	-

Mission Maintenance & Slow Street

Phase: Study/Planning

Project No.: TBD



Project Description

This project aims to reconfigure Mission Street between Fair Oaks Avenue and Orange Grove Avenue to a three-lane configuration and install a class two bicycle lane connecting to existing bicycle lane east of Fair Oaks Avenue.

Project Data

Project Manager: Bassam AL-Beitawi

Designer/Contractor: TBD

Project Updates

- Preliminary concept plans have been developed and will be used during Design Phase.
- Staff to advertise RFP for design consultant Summer 2026.

Sources	Budget	Expenditures	Balance
Fund 104	-	-	-
Fund 327	\$250,000	-	\$250,000
Balance	\$250,000	-	\$250,000
Uses			
Construction			
Fund 104	-	-	-
Fund 327	-	-	-
Balance	-	-	-

Water



Westside Reservoir Design/Construction

Phase: Design

Project No.: 5110



Project Description

The Westside Reservoir Replacement Project will reconstruct the existing two-million-gallon reservoir at 821 Glen Place, originally built in 1963. The project includes a new reservoir, pump station, and related site improvements to enhance water reliability and system performance. Once complete, the updated facility will continue to provide essential storage and pressure for South Pasadena’s largest water pressure zone, ensuring consistent delivery of potable water to the community.

Project Data

Project Manager: Anteneh Tesfaye

Designer/Contractor: AKD Consulting & UltraSystems Environmental, Inc.

Project Updates

- AKD Consulting is providing the projects (1) site civil master planning & (2) preliminary structural analysis and alternatives analysis support.
- UltraSystems at 80% complete for the project’s environmental documentation. Anticipated delivery in the form of an Initial Study/Mitigated Negative Declaration (IS/MND) and inclusive of AB 52 Tribal Consultation Considerations.
- First community meeting conducted in Fall 2025 to introduce the project to the community.

Sources	Budget	Expenditures	Balance
Fund 500	\$797,111	\$231,889	\$565,221
Balance	\$797,111	\$231,889	\$565,221
Uses			
Design			
Fund 500	\$262,219	\$231,889	\$30,329
Balance	\$262,219	\$231,889	\$30,329

Funding Sources

101	General Fund	239	Storm Drain Contracted Maintenance Repairs (6011-8180)
104	Street Improvement Fund	240	Measure M Subregional Program (MSP) Fund
105	Facilities & Equipment Replacement Fund	243	Measure R Mobility Improvement Program (MIP) Fund
108	North-South Corridor ITS Deployment Fund (former SR-110)	245	Transportation Development Act (TDA) Fund
116	Special Projects Fund	248	Potential Award
205	Proposition A Local Return (Transit)	250	Metropolitan Water District Grant
207	Proposition C Local Return (Transit)	251	LA Count Regional Park & Open Space District (RPOSD) Measure A
209	Carlyle Library Bequest	252	Proposition 68 2018 Parks Bond Act Per Capita Grant
210	Sewer Enterprise Fund	255	Capital Growth
210	Sewer Contracted Maintenance Repairs (6501-8180)	260	Community Development Block Grant (Federal)
213	SB2 Planning Grant	270	Asset Forfeiture
214	Rogan Federal Transportation Fund	275	Park Impact Fees Fund
228	Housing Authority	277	Highway Safety Improvement Program
230	State Gas Tax	295	Golf Course Enterprise Fund
230	Street & Sidewalk Contracted Maintenance Repairs (6116-8180)	327	2000 Tax Allocation Bond Fund
233	Measure R Local Return (Transportation)	500	Water Enterprise Fund
234	Measure M Mat Cycle 1 Grant	500	Water Contracted Maintenance Repairs (6710-8180)
236	Measure M Local Return (Transportation)	503	Water Efficiency Fund (\$.14/cubic unit of water sold)
237	Road Maintenance & Rehabilitation (RMRA) SB1 Fund	710-LATIP	SR-710 Local Alternative Transportation Improvement Program Fund
238	Mobile Source Reduction Committee (MSRC) AQMD Grants	Stables	San Pascual Stables CIP Fund
239	Measure W Local Return (Stormwater)		