



# Comprehensive Annual Financial Report

## Fiscal Year Ended June 30, 2017



City of South Pasadena

CITY OF SOUTH PASADENA, CALIFORNIA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FISCAL YEAR ENDED JUNE 30, 2017

PREPARED BY: FINANCE DEPARTMENT

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CITY OF SOUTH PASADENA  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

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## **INTRODUCTORY SECTION**

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## **CITY OF SOUTH PASADENA**

FINANCE DEPARTMENT  
1414 MISSION STREET, SOUTH PASADENA, CA 91030  
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January 25, 2018

Honorable Mayor and Members of the City Council,

We proudly present to you the City of South Pasadena's Comprehensive Annual Financial Report (CAFR). This report consists of management's representations concerning the finances of the City of South Pasadena. It was prepared by the Finance Department in accordance with Generally Accepted Accounting Principles (GAAP) as promulgated by the Government Accounting Standards Board (GASB). Management assumes full responsibility for the completeness and reliability of all of the information presented in this report. We believe that the data presented is complete and reliable in all material respects; that it is presented in a manner designed to fairly set forth the financial activity of the City's various funds; and that all disclosures necessary to enable the reader to gain a good understanding of the City's financial activity have been included.

The City's financial statements have been audited by Moss, Levy & Hartzheim, a licensed certified public accounting firm. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2017, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of South Pasadena's financial statements for the fiscal year ended June 30, 2017, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

## **Profile of the City of South Pasadena**

South Pasadena is located approximately six miles northeast of downtown Los Angeles, on the west side of the San Gabriel Valley between the cities of Pasadena, San Marino, Los Angeles and Alhambra and has a population of 25,992. Founded in 1874 by the Indiana Colony, the City encompasses 3.44 square miles and was incorporated as a General Law city of the State of California on March 2, 1888. South Pasadena is noted for its beautiful, historically significant homes on tree-lined streets, for its excellent public schools and for a small-town atmosphere in the midst of greater Los Angeles.

The City is a full-service general law city that operates under the Council-Manager form of government. The City Council consists of five members elected to four-year staggered terms of office. The Mayor is selected from the City Council members and serves a one-year term. The City's other elected officials are the City Treasurer and City Clerk, each of whom serves a four-year term of office.

The City provides a full range of services, including police and fire protection; the construction and maintenance of streets and other infrastructure; sewer services; water utility; refuse collection; public improvements; planning and zoning; recreational activities and cultural events; library operations; and general administrative and support services.

The annual budget serves as the foundation of the City's financial planning and control. The City Council holds public hearings and adopts an annual budget resolution by July 1 of each fiscal year for all funds and account groups. The City Council may modify appropriations with majority approval. The budgets are adopted and presented on a basis consistent with generally accepted accounting principles.

Changes in budget appropriations at the fund level during the year must be approved by the City Council. The legal level of expenditures is controlled at the fund level, and appropriations lapse at the end of each fiscal year unless encumbered for re-appropriation by the City Council in the following fiscal year. Department heads may, without Council approval, amend individual line items within their departments, within the same fund and only within the maintenance and operations portions of the budget, without increasing total appropriations. The City Manager may, without Council approval, amend individual line items within any fund, and between divisions and programs, in the personnel costs, maintenance and operations, capital outlay and capital projects portions of the budget without increasing total appropriations for that fund.

## **Factors Affecting Financial Condition**

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

**Local Economy.** For FY 2016/17, the City of South Pasadena, the greater Los Angeles region and the State of California, have shown increasing revenues over the last several years as the region has recovered from the 2008 recession.

Property taxes are the City's largest tax source and make up approximately half of the General Fund revenues. The City of South Pasadena experienced a net taxable value increase of 5.0% for the 2016/17 tax roll, while Los Angeles County experienced an increase in assessed values of 6.0% over the prior year due to a strong rebound in residential real estate values. In the City of South Pasadena, assessed values increased by \$205 million over FY 2016/17. Property taxes have demonstrated consistent strong increases in growth in assessed values and in corresponding tax collections, partially because the City's extremely high quality of life makes it a desirable place to live and work. Moreover, the City's proximity to commercial and cultural developments in greater Pasadena offers our residents distinct lifestyle advantages. South Pasadena's assessed values and property taxes are expected to continue performing strongly as the general economy improves. Data also show that South Pasadena retains \$0.24 for every dollar of property tax collected within the City, while new cities receive only \$0.05 for every dollar of property tax collected within their city boundaries.

The Utility Users Tax (UUT) is the second largest revenue source for the General Fund, at \$3.4 million. At the November 2011 local elections, the South Pasadena community voted to extend the UUT for ten years, while reducing the amount from 8% down to 7.5%.

Overall, South Pasadena continues to remain in satisfactory financial condition thanks to a relatively diverse and stable revenue base. Our core services have remained consistent despite certain revenue losses to the State as a result of the dissolution of redevelopment agencies. However, with the shifting of the former property tax increment back to affected taxing agencies, the City has been recovering some of this lost revenue.

**Long-Term Financial Planning for Infrastructure.** In 2009, the City established a long-range vision for its sewer and water enterprises by issuing bonds and adjusting charges for service to finance many critically needed improvements. Since then, the water and sewer rates needed for the restoration and rehabilitation of the aging water and sewer infrastructure have increased by over 100%. Since 2009, the City has spent \$37.0 million upgrading the water system, and \$6.8 million upgrading the sewer system. The City expects to spend an additional \$10 million over the next two years on these projects. For the last four fiscal years, the City Council has also voted to commit at least \$2 million annually towards the rehabilitation of city streets.

**Internal Controls.** The management of the City is responsible for establishing and maintaining an internal control structure to ensure that the assets of the City are protected from loss, theft or misuse, and to ensure that adequate account data is compiled for the preparation of financial statements, in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control structure should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits require estimates and sound judgments by management.

## **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of South Pasadena for its CAFR for the fiscal year ended June 30, 2016. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City of South Pasadena has received a Certificate of Achievement for the last 30 consecutive years (fiscal years ended 1987 through 2016). We believe our current report continues to conform to the Certificate of Achievement program requirements, and will again submit it to GFOA for award consideration.

The preparation and publication of this report is made possible through the dedication of the entire Finance Department staff, and especially from Sonia Cruz, Assistant Finance Director. This report would also not have been possible without the leadership of the City Manager, Sergio Gonzalez, Interim City Manager Elaine Aguilar, and continued commitment from the City Council in conducting the financial operations and corresponding financial disclosures of the City in an open, public and transparent manner. Finally, thanks are extended to the firm of Moss, Levy & Hartzheim for their contributions towards improving our financial reporting.

Respectfully submitted,



David Batt  
Finance Director



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of South Pasadena  
California**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2016**

Executive Director/CEO

**CITY OF SOUTH PASADENA, CALIFORNIA**

**OFFICIALS OF THE CITY OF SOUTH PASADENA**

**CITY COUNCIL**

Michael A. Cacciotti  
Mayor

Richard D. Schneider, M.D.  
Mayor Pro Tempore

Robert S. Joe  
Councilmember

Marina Khubesrian, M.D.  
Councilmember

Diana Mahmud  
Councilmember

**ADMINISTRATION AND DEPARTMENT HEADS**

Interim City Manager

Elaine Aguilar

City Clerk

Evelyn G. Zheimer

City Treasurer

Gary E. Pia

City Attorney

Teresa L. Highsmith

Director of Finance

David Batt

Director of Library, Arts, and Culture

Steve Fjeldsted

Police Chief

Arthur Miller

Director of Community Services

Sheila Pautsch

Fire Chief

Paul Riddle

Director of Public Works

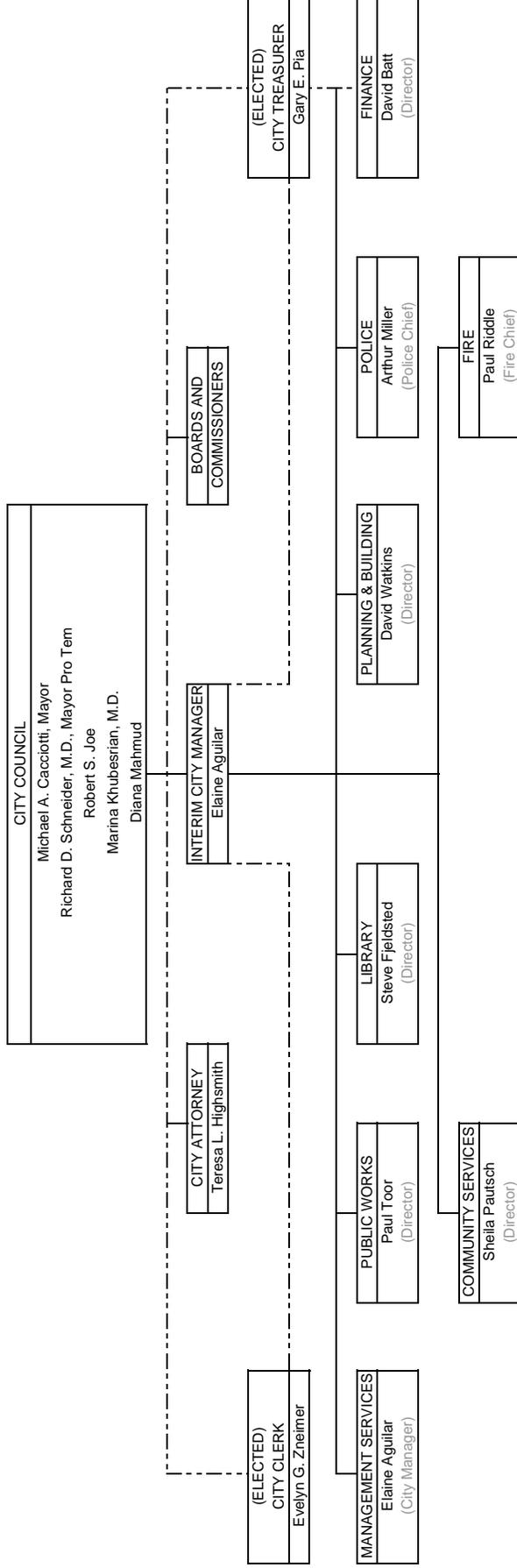
Paul Toor

Director of Planning and Building

David Watkins

# CITY OF SOUTH PASADENA ORGANIZATIONAL CHART

2016 - 2017



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**FINANCIAL SECTION**

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MOSS, LEVY & HARTZHEIM LLP

CERTIFIED PUBLIC ACCOUNTANTS

**PARTNERS**

RONALD A LEVY, CPA  
CRAIG A HARTZHEIM, CPA  
HADLEY Y HUI, CPA  
ALEXANDER C HOM, CPA  
ADAM V GUISE, CPA  
TRAVIS J HOLE, CPA

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## INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council  
of the City of South Pasadena  
South Pasadena, California

### *Report on the Financial Statements*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information for the City of South Pasadena, California (the "City") as of and for the fiscal year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

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

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

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

## *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2017, and the respective changes in financial position, and where applicable, cash flows thereof, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

## *Other Matters*

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, Budgetary Comparison Schedule – General Fund, Schedule of Changes in the Net Pension Liability and Related Ratios, and Schedule of Pension Contributions on pages 5 through 12 and 61 through 64 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The Introductory Section, Combining and Individual Nonmajor Fund Financial Statements, Budgetary Comparison Schedules – Nonmajor Funds, and Statistical Section listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Combining and Individual Nonmajor Fund Financial Statements and Budgetary Comparison Schedules – Nonmajor Funds, listed in the table of contents, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The Introductory and Statistical Section, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide assurance on them.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 25, 2018, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Moss, Levy & Hartzheim*

Moss, Levy & Hartzheim, LLP  
Culver City, California  
January 25, 2018

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## Management's Discussion and Analysis

As management of the City of South Pasadena, we offer readers of the City of South Pasadena's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2017. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal and the City's financial statements.

### (A) Financial Highlights

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$80,451,763. Unrestricted net position in an amount of (\$10,951,665) is primarily due to the City recording the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, and information about the fiduciary net position of the City's CalPERS plans per GASB Statements No. 68 and 71.
- The City's total net position increased by \$4,106,267.
- At the close of the current fiscal year, the City's governmental funds reported combined fund balances of \$24,644,264 an increase of \$429,346. Of this amount, \$8,889,790 or approximately 36% of total fund balances are available for spending at the City's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$9,681,531, or 41% of the total General Fund Expenditures.
- The City's net capital assets increased \$14,100,304 from the prior fiscal year.

### (B) Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

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

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

Both the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, planning, building and safety, recreation, and debt service. The business-type activities of the City are its water, sewer, and golf course enterprises.

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of South Pasadena, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City of South Pasadena maintains 31 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, which is considered to be a major fund for the purposes of this report. Data from the other 30 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these *non-major* governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City of South Pasadena adopts an annual appropriated budget for its General Fund and each of its special revenue funds. A budgetary comparison statement has been provided for each governmental fund to demonstrate compliance with this budget. The budgetary comparison statement for the General Fund is located in the basic financial statements; the budgetary comparison statements for the nonmajor governmental funds are presented in the Additional Financial Information section of this report.

**Proprietary funds.** The City of South Pasadena maintains two types of proprietary funds: enterprise fund and internal service fund. The enterprise fund is used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for the operations for its water and sewer utilities, and the municipal golf course. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The internal service fund is used to accumulate and allocate costs internally among the City's functions for general liability and workers' compensation insurance. Because the internal service operations benefit both governmental and business-type functions, they have been proportionally allocated and included within the governmental and business-like activities in the government-wide financial statements. Individual fund data for the internal service fund is provided in the form of combining statements in this report.

**Fiduciary funds.** The City of South Pasadena maintains one type of fiduciary fund, a private purpose trust fund. *Fiduciary funds* are used to report assets held in a trustee or agency capacity for others and therefore cannot be used to support the government's own programs. The City uses one type of fiduciary fund, a private purpose trust fund, to account for the assets and liabilities of the former Community Redevelopment Agency.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

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

The combining statements referred to earlier in connection with nonmajor governmental funds together with information are presented immediately following the notes to the financial statements.

**(C) Government-wide Financial Analysis.**

Net position may serve as a useful indicator of a government's financial position. In the case of the City of South Pasadena, assets exceeded liabilities by \$80,451,763 at the close of the most recent fiscal year. This represents an increase of \$4,106,267 or 5% from the prior year, primarily due to an increase in construction-in-progress relating to the Garfield Reservoir Capital Project and Sewer Project, offset by an increase in net pension liability and 2012 State Loan Payable. The proceeds from the 2012 State Loan Payable are used by the City for its rehabilitation and replacement of the City's sewer infrastructure. The City must expend its own funds prior to drawing on the accessible loan. Net Investment in Capital Assets are by far the largest portion of the City's net position; \$82,077,245 or 102% reflects its investment in non-liquid capital assets (e.g. land, infrastructure, buildings, and equipment). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

**City of South Pasadena Net Position  
As of June 30, 2017 and 2016**

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$27,260,514	\$27,222,824	\$14,784,133	\$24,391,087	\$42,044,647	\$51,613,911
Capital assets	59,774,372	57,152,793	70,811,859	59,333,134	130,586,231	116,485,927
<b>Total assets</b>	<b>\$87,034,886</b>	<b>\$84,375,617</b>	<b>\$85,595,992</b>	<b>\$83,724,221</b>	<b>\$172,630,878</b>	<b>\$168,099,838</b>
Deferred outflow of resources	7,031,413	2,343,097	6,712,800	222,566	13,744,213	2,565,663
Long-term liabilities outstanding	\$37,867,757	\$30,677,909	\$57,391,243	\$52,866,398	\$95,259,000	\$83,544,307
Other liabilities	2,174,739	2,413,585	5,217,584	3,869,432	7,392,323	6,283,017
<b>Total liabilities</b>	<b>\$40,042,496</b>	<b>\$33,091,494</b>	<b>\$62,608,827</b>	<b>\$56,735,830</b>	<b>\$102,651,323</b>	<b>\$89,827,324</b>
Deferred inflow of resources	3,051,477	4,200,326	220,528	292,355	3,272,005	4,492,681
Net position:						
Net investment in capital assets	\$59,774,372	\$57,152,793	\$22,302,873	\$19,878,644	\$82,077,245	\$77,031,437
Restricted	6,328,022	4,894,822	2,998,161	2,880,237	9,326,183	7,775,059
Unrestricted	(15,130,068)	(12,620,721)	4,178,403	4,159,721	(10,951,665)	(8,461,000)
<b>Total Net position</b>	<b>\$50,972,326</b>	<b>\$49,426,894</b>	<b>\$29,479,437</b>	<b>\$26,918,602</b>	<b>\$80,451,763</b>	<b>\$76,345,496</b>

The second portion of the City net position of \$9,326,183 represents special revenue resources that are subject to external restrictions on how they may be used. Unrestricted net position shows a negative balance of \$(10,951,665).

The City's governmental current assets increased by \$37,690 and capital assets increased by \$2,621,579. Capital assets increased due to construction activities in street projects.

The City's business-type current assets decreased by \$9,606,954, due to debt service payments and capital spending on the Garfield Reservoir Construction project. The City reported a net increase of \$11,478,725 in capital assets due to an increase in construction-in-progress relating to the Garfield Reservoir Capital Project and Sewer Project. Upon completion, the City will transfer the construction-in-progress costs to infrastructure.

The City's governmental restricted assets increased by \$1,433,200 primarily due to transfers from General Fund to the Facilities and Equipment Replacement Fund and Streets Improvement Program Fund.

**City of South Pasadena Changes in Net Position  
As of June 30, 2017 and 2016**

	<b>Gov Activities</b>	<b>Gov Activities</b>	<b>Bus-Type Activities</b>	<b>Bus-Type Activities</b>	<b>Total</b>	<b>Total</b>
	2017	2016	2017	2016	2017	2016
Program revenues:						
Charges for services	\$5,180,333	\$5,111,299	\$11,490,222	\$10,768,202	\$16,670,555	\$15,879,501
Operating contributions and grants	1,471,113	1,328,325	-	-	1,471,113	1,328,325
Capital contributions and grants	2,418,236	734,935	-	-	2,418,236	734,935
General revenues:						
Property taxes	13,236,932	12,632,984	-	-	13,236,932	12,632,984
Other taxes	8,915,921	9,000,372	-	-	8,915,921	9,000,372
Intergovernmental	11,660	10,561	-	-	11,660	10,561
Use of money and property	553,165	739,761	(2,802)	137,524	550,363	877,285
Other	38,877	745,315	171,452	230,156	210,329	975,471
<b>Total revenues</b>	<b>\$31,826,237</b>	<b>\$30,303,552</b>	<b>\$11,658,872</b>	<b>\$11,135,882</b>	<b>\$43,485,109</b>	<b>\$41,439,434</b>
Expenses:						
General government	\$4,324,484	\$3,847,476	\$ -	\$ -	\$4,324,484	\$3,847,476
Public safety	15,596,078	13,218,063	-	-	15,596,078	13,218,063
Public works	5,529,025	5,578,853	-	-	5,529,025	5,578,853
Community services	3,566,285	3,153,329	-	-	3,566,285	3,153,329
Community development	1,289,447	953,471	-	-	1,289,447	953,471
Interest on long-term debt	-	-	-	-	-	-
Water	-	-	7,028,827	5,886,309	7,028,827	5,886,309
Sewer	-	-	1,012,338	962,623	1,012,338	962,623
Golf Course	-	-	1,032,358	954,898	1,032,358	954,898
<b>Total expenses</b>	<b>\$30,305,319</b>	<b>\$26,751,192</b>	<b>\$9,073,523</b>	<b>\$7,803,830</b>	<b>\$39,378,842</b>	<b>\$34,555,022</b>
<b>Income before transfers</b>	<b>\$1,520,918</b>	<b>\$3,552,360</b>	<b>\$2,585,349</b>	<b>\$3,332,052</b>	<b>\$4,106,267</b>	<b>\$6,884,412</b>
Transfers	24,514	13,919	(24,514)	(13,919)	-	-
<b>Increase in net position</b>	<b>\$1,545,432</b>	<b>\$3,566,279</b>	<b>\$2,560,835</b>	<b>\$3,318,133</b>	<b>\$4,106,267</b>	<b>\$6,884,412</b>
<b>Net position - July 1, 2016</b>	<b>49,426,894</b>	<b>53,284,065</b>	<b>26,918,602</b>	<b>19,400,068</b>	<b>76,345,496</b>	<b>72,684,133</b>
<b>Restatement of Net position</b>	<b>-</b>	<b>(7,423,450)</b>	<b>-</b>	<b>4,200,401</b>	<b>-</b>	<b>(3,223,049)</b>
<b>Net position - June 30, 2017</b>	<b>\$50,972,326</b>	<b>\$49,426,894</b>	<b>\$29,479,437</b>	<b>\$26,918,602</b>	<b>\$80,451,763</b>	<b>\$76,345,496</b>

## **Governmental Activities**

Governmental activities net position increased by \$1,545,432 due to an increase in capital grants for public works and community development of approximately \$800,000 and \$900,000 respectively.

## **Business-type Activities**

The City's proprietary funds (enterprise and internal service funds) provide the same type of information found in the government-wide financial statements, but offers more detail in the form of a statement of cash flows. Unrestricted net position of the enterprise fund at the end of the fiscal year shows \$4,178,403. Total net position for these funds was \$29,479,437, an increase of \$2,560,835 (10%) over the prior year, due to increase in the water sales revenue for approximately \$650,000 and addition of cost saving measures reducing the water fund expenses by \$1.2 million.

## **(D) Financial Analysis of the City's Funds**

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

### **Governmental Funds**

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

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$24,644,264 an increase of \$429,346 from the prior fiscal year. Approximately 36% of fund balances constitute the unassigned fund balance, which is available for spending at the City's discretion. The remainder of the fund balance is either restricted for projects undertaken in the Special Revenue Funds (26%), committed by City Council action for specific purposes (34%), or represents net position that are nonspendable resources (4%).

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$9,681,531, while the total fund balance reached \$16,625,180. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. The unassigned fund balance represents 41% of General Fund expenditures, while the total fund balance represents 70% of that same amount.

The fund balance of the City's General Fund decreased by \$(2,769,249) in the current fiscal year. This represents a decrease of 14% in fund balance from FY 2016. Key factors in this decrease are as follows:

- Tax revenues increased \$488,548 or 2%. Property taxes are levied based on assessed values, although increases in the assessed values of properties with no change in ownership are generally limited to 2% annually. Property taxes increased by approximately \$469,000 and sales taxes decreased by approximately \$(187,000) due to elimination of the triple flip.
- Miscellaneous revenues decreased \$(512,611) compared to the prior year due to that year's one-time reimbursement of the attorney fees for \$569,846 from the Slater case.
- Use of money and property revenues decreased \$139,325 due to recording of the unrealized gain/loss on investments.
- Expenditures decreased by \$(414,404) or 2% compared to the prior year due to decreased capital outlay for street projects charged directly to General Fund.

**General Fund Budgetary Highlights**

The City adopts annual appropriated operating budgets for its governmental funds (General Fund, special revenue and capital projects funds) and reports the results of operations on a budgetary comparison basis. The City also uses annual financial plans as a management tool for its enterprise funds, although the City does not report the results of these funds on a budgetary comparison basis.

In preparing its budgets, the City attempts to estimate its revenues using realistic, but conservative, methods so as to budget its expenditure appropriations and activities in a prudent manner. As a result, the City Council adopts budget adjustments during the course of the fiscal year to reflect both changed priorities and availability of additional revenues to allow for expansion of existing programs. During the course of the year, the City Council amended the originally adopted budget for various additional programs.

The General Fund reflected a net total unfavorable budget variance of \$(776,031) when comparing actual amounts to the final budget for the current fiscal year. This budget variance reflects a favorable variance in revenues of \$734,162 and an unfavorable variance in total expenditures of \$(1,510,193) due to transfers out from the General Fund for capital outlay.

**Capital Asset and Debt Administration**

**Capital assets.** The City’s investment in capital assets for its governmental activities and business-type activities as of June 30, 2017, amounts to \$59,774,372 and \$70,811,859 (net of accumulated depreciation), respectively. This investment in capital assets includes land, buildings, park improvements, roadways, vehicles, computer equipment, furniture, other equipment, and construction in progress.

Additional information on the City’s capital assets can be found in Note 3 in the Notes to Financial Statements section of this report.

**Long-term debt.** At the end of the current fiscal year, the City of South Pasadena had total debt outstanding related to governmental activities of \$37,950,064.

**City of South Pasadena Long-Term Debt**

	Governmental Activities	
	2017	2016
Employee compensated absences	\$ 823,071	\$ 851,441
Net OPEB Liability	8,203,230	7,660,272
Net Pension Liability	28,923,763	22,251,340
Total	\$37,950,064	\$30,763,053

The City’s long-term debt increased during the current fiscal year primarily due to an increase in the OPEB and Pension Liability which can be accounted to increase in public safety pension cost.

### Proprietary Fund Long-Term Debt

	Business-Type Activities	
	2017	2016
2016 Water Revenue Bonds	\$37,845,000	-
2009 Water Revenue Bonds	-	41,185,000
2013 Water Revenue Bonds	5,720,000	6,060,000
Compensated Absences	31,771	31,202
2012 State Loan Payable	6,373,623	4,147,892
Net OPEB Liability	1,269,770	1,185,728
Net Pension Liability	2,761,674	1,872,237
Unamortized Bond Discount (2009)	-	(858,964)
Unamortized Bond Premium (2013)	339,478	367,190
Unamortized Bond Premium (2016)	4,628,854	-
Total	\$58,970,170	\$53,990,285

Proprietary fund long-term debt increased \$4,979,885 during the current fiscal year due to increases in the 2012 State Loan Payable and OPEB and Pension Liability, and premiums on the 2016 Bond issuance. Further details on long-term debt can be found in Notes 5 through 7 in the Notes to Financial Statements section of this report.

#### Economic Factors and Next Year's Budget

- Increases in the contributions toward employee pensions through the California Public Employees Retirement System (PERS) as well as the increasing unfunded liability for Other Post-Employment Benefits remain serious concerns. In order to begin addressing these issues, the South Pasadena City Council has already committed \$1,000,000 of the General Fund balance towards funding retiree benefits and has prepaid the annual unfunded liability for both classic miscellaneous and safety employees
- Sales taxes generally are a direct reflection of the general economy. The City has a mature tax base, with no big box stores or car dealerships, etc. Sales taxes have been increasing. The City has emerged from recession and receipts have moved back to pre-recession levels.

During the 2017 fiscal year, unassigned fund balance in the General Fund remained substantial at \$9,681,531. The fiscal year 2018 Budget includes funding for much-needed capital improvements to the City's streets, sewer and water systems, the latter being funded with proceeds from the 2016 Water Revenue Bond issue. It remains the intention of City management not to use fund balance reserves for purposes of meeting costs of operations.

#### Requests for Information

This financial report is designed to provide a general overview of the financial position of the City of South Pasadena for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be directed to David Batt, Finance Director, [dbatt@southpasadenaca.gov](mailto:dbatt@southpasadenaca.gov), 626.403.7252, or by U.S. mail: Finance Department, 1414 Mission Street, South Pasadena, CA 91030.

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CITY OF SOUTH PASADENA

STATEMENT OF NET POSITION  
JUNE 30, 2017

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Assets:</b>			
Cash and investments	\$ 23,328,659	\$ 10,455,263	\$ 33,783,922
Receivables:			
Accounts	305,306	1,333,716	1,639,022
Taxes	1,172,011		1,172,011
Notes and loans	250,000		250,000
Accrued interest	39,501	12,059	51,560
Internal balances	750,000	(750,000)	
Due from other governments	1,370,518		1,370,518
Inventories	44,519	276,703	321,222
Restricted assets:			
Cash and investments with fiscal agent		3,456,392	3,456,392
Capital assets:			
Capital assets not being depreciated	3,549,628	46,278,282	49,827,910
Capital assets, net of accumulated depreciation	56,224,744	24,533,577	80,758,321
<b>Total Assets</b>	<b>87,034,886</b>	<b>85,595,992</b>	<b>172,630,878</b>
<b>Deferred Outflows of Resources:</b>			
Deferred loss on debt refunding		5,939,738	5,939,738
City's pension contributions subsequent to the measurement date	2,524,886	283,142	2,808,028
Deferred outflows related to net pension liability	4,506,527	489,920	4,996,447
<b>Total Deferred Outflows of Resources</b>	<b>7,031,413</b>	<b>6,712,800</b>	<b>13,744,213</b>
<b>Liabilities:</b>			
Accounts payable	1,224,112	2,901,875	4,125,987
Accrued liabilities	306,971	30,786	337,757
Accrued interest		473,231	473,231
Deposits payable	561,349	232,765	794,114
Noncurrent liabilities			
Due within one year	82,307	1,578,927	1,661,234
Due in more than one year	37,867,757	57,391,243	95,259,000
<b>Total Liabilities</b>	<b>40,042,496</b>	<b>62,608,827</b>	<b>102,651,323</b>
<b>Deferred Inflows of Resources:</b>			
Deferred inflows related to net pension liability	3,051,477	220,528	3,272,005
<b>Total Deferred Inflows of Resources</b>	<b>3,051,477</b>	<b>220,528</b>	<b>3,272,005</b>
<b>Net Position:</b>			
Net investment in capital assets	59,774,372	22,302,873	82,077,245
Restricted for:			
Community development projects	1,060,998		1,060,998
Public safety	102,056		102,056
Community services	967,593		967,593
Public works	3,591,955		3,591,955
Capital projects	605,420		605,420
Debt service		2,998,161	2,998,161
Unrestricted	(15,130,068)	4,178,403	(10,951,665)
<b>Total Net Position</b>	<b>\$ 50,972,326</b>	<b>\$ 29,479,437</b>	<b>\$ 80,451,763</b>

See accompanying notes to the basic financial statements

CITY OF SOUTH PASADENA

STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Expenses	Program Revenues		
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants
<b>Governmental Activities:</b>				
General government	\$ 4,324,484	\$ 1,026,398	\$ 312,062	\$ -
Public safety	15,596,078	1,166,125	175,919	
Community development	1,289,447	871,571	810,749	901,436
Community services	3,566,285	926,897	84,519	
Public works	5,529,025	1,189,342	87,864	1,516,800
<b>Total Governmental Activities</b>	<b>30,305,319</b>	<b>5,180,333</b>	<b>1,471,113</b>	<b>2,418,236</b>
<b>Business-type Activities:</b>				
Water	7,028,827	8,804,890		
Sewer	1,012,338	1,583,362		
Arroyo Seco Golf Course	1,032,358	1,101,970		
<b>Total Business-type Activities</b>	<b>9,073,523</b>	<b>11,490,222</b>		
	<b>\$ 39,378,842</b>	<b>\$ 16,670,555</b>	<b>\$ 1,471,113</b>	<b>\$ 2,418,236</b>

**General Revenues and Transfers:**

- Taxes
  - Property taxes, levied for general purpose
  - Sales taxes
  - Franchise taxes
  - Business licenses taxes
  - Utility users tax
  - Other taxes
- Motor vehicle in lieu, unrestricted
- Use of money and property
- Other
- Transfers

**Total General Revenues and Transfers**

Change in Net Position

Net Position at Beginning of Fiscal Year

**Net Position at End of Fiscal Year**

See accompanying notes to the basic financial statements

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Net (Expenses) Revenue and Changes in Net Position

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Governmental Activities	Business-type Activities	Total
\$ (2,986,024)	\$ -	\$ (2,986,024)
(14,254,034)		(14,254,034)
1,294,309		1,294,309
(2,554,869)		(2,554,869)
(2,735,019)		(2,735,019)
(21,235,637)		(21,235,637)
	1,776,063	1,776,063
	571,024	571,024
	69,612	69,612
	2,416,699	2,416,699
(21,235,637)	2,416,699	(18,818,938)
13,236,932		13,236,932
3,627,051		3,627,051
818,724		818,724
412,594		412,594
3,381,948		3,381,948
675,604		675,604
11,660		11,660
553,165	(2,802)	550,363
38,877	171,452	210,329
24,514	(24,514)	
22,781,069	144,136	22,925,205
1,545,432	2,560,835	4,106,267
49,426,894	26,918,602	76,345,496
\$ 50,972,326	\$ 29,479,437	\$ 80,451,763

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CITY OF SOUTH PASADENA

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2017**

	General	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>			
Pooled cash and investments	\$ 14,300,580	\$ 8,738,079	\$ 23,038,659
Receivables:			
Accounts	255,512	49,794	305,306
Taxes	1,172,011		1,172,011
Notes and loans	250,000		250,000
Accrued interest	34,001	5,500	39,501
Due from other governments	74,266	1,296,252	1,370,518
Due from other funds	1,190,171		1,190,171
Advances to other funds	750,000		750,000
Inventories	44,519		44,519
<b>Total Assets</b>	<b>\$ 18,071,060</b>	<b>\$ 10,089,625</b>	<b>\$ 28,160,685</b>
<b>Liabilities, Deferred Inflow of Resources, and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 597,282	\$ 626,236	\$ 1,223,518
Accrued liabilities	295,386	11,585	306,971
Deposits payable	553,212	8,137	561,349
Due to other funds		1,190,171	1,190,171
<b>Total Liabilities</b>	<b>1,445,880</b>	<b>1,836,129</b>	<b>3,282,009</b>
<b>Deferred inflow of resources:</b>			
Unavailable revenues		234,412	234,412
<b>Total Deferred Inflow of Resources</b>		<b>234,412</b>	<b>234,412</b>
<b>Fund balances:</b>			
Nonspendable:			
Inventories	44,519		44,519
Notes and loans	250,000		250,000
Advances to other funds	750,000		750,000
Restricted for:			
Community development projects		1,060,998	1,060,998
Public safety - police		102,056	102,056
Community services		967,593	967,593
Public works - Streets and roads		3,340,840	3,340,840
Capital Projects		605,420	605,420
Public works - Street lighting		251,115	251,115
Committed to:			
Capital Projects		2,482,803	2,482,803
Arroyo Golf Course Facility	1,100,000		1,100,000
CalTrans Vacant Lot Purchases	750,000		750,000
Emergency Operations Center	300,000		300,000
Legal Services Reserve	500,000		500,000
Library Expansion	200,000		200,000
Maintenance Yard/Community Center Reserve	317,130		317,130
Monterey Road Improvements	500,000		500,000
Renewable Energy Sources	350,000		350,000
Retiree Medical Benefits	500,000		500,000
Retiree Pension Benefits	500,000		500,000
Sidewalk Improvements	180,000		180,000
Tree Replacement	50,000		50,000
General Plan Reserve	205,000		205,000
Stormwater Reserve	300,000		300,000
Library Park Drainage Reserve	147,000		147,000
Unassigned	9,681,531	(791,741)	8,889,790
<b>Total Fund Balances</b>	<b>16,625,180</b>	<b>8,019,084</b>	<b>24,644,264</b>
<b>Total Liabilities, Deferred Inflow of Resources, and Fund Balances</b>	<b>\$ 18,071,060</b>	<b>\$ 10,089,625</b>	<b>\$ 28,160,685</b>

See accompanying notes to the basic financial statements

CITY OF SOUTH PASADENA

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
JUNE 30, 2017

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Fund balances of governmental funds	\$ 24,644,264
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets, net of depreciation, have not been included as financial resources in governmental fund activity:	59,774,372
Long term debt and compensated absences that have not been included in the governmental fund activity:	
Compensated absences	(823,071)
Net pension liability	(28,923,763)
Governmental funds report all OPEB contributions as expenditures however in the statement of net position any excesses or deficiencies in contributions in relation to the Annual Required Contribution (ARC) are recorded as an asset or liability.	(8,203,230)
Deferred outflows and inflows of resources relating to pensions: In governmental funds, deferred outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions are reported.	
City's contributions subsequent to the measurement date	2,524,886
Deferred outflow of resources related to net pension liability	4,506,527
Deferred inflow of resources related to net pension liability	(3,051,477)
Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.	234,412
Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position	<u>289,406</u>
Net position of governmental activities	<u>\$ 50,972,326</u>

See accompanying notes to the basic financial statements

CITY OF SOUTH PASADENA

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	General	Other Governmental Funds	Total
<b>Revenues:</b>			
Taxes	\$ 20,404,636	\$ 1,335,621	\$ 21,740,257
Assessments		892,361	892,361
Licenses and permits	1,056,357	37,508	1,093,865
Intergovernmental	76,386	3,117,217	3,193,603
Charges for services	3,397,367	131,709	3,529,076
Use of money and property	541,749	11,416	553,165
Fines and forfeitures	397,738		397,738
Contributions		4,310	4,310
Miscellaneous	481,950	94,965	576,915
<b>Total Revenues</b>	<u>26,356,183</u>	<u>5,625,107</u>	<u>31,981,290</u>
<b>Expenditures:</b>			
Current:			
General government	3,982,594	225,490	4,208,084
Public safety	13,436,707	17,822	13,454,529
Community development	1,157,431		1,157,431
Community services	2,768,303	616,681	3,384,984
Public works	1,676,775	1,925,909	3,602,684
Capital outlay	630,213	5,056,821	5,687,034
<b>Total Expenditures</b>	<u>23,652,023</u>	<u>7,842,723</u>	<u>31,494,746</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,704,160</u>	<u>(2,217,616)</u>	<u>486,544</u>
<b>Other Financing Sources (Uses):</b>			
Transfers in		5,424,382	5,424,382
Transfers out	(5,473,409)	(8,171)	(5,481,580)
<b>Total Other Financing Sources (Uses)</b>	<u>(5,473,409)</u>	<u>5,416,211</u>	<u>(57,198)</u>
Net Change in Fund Balances	(2,769,249)	3,198,595	429,346
Fund Balances at Beginning of Fiscal Year	<u>19,394,429</u>	<u>4,820,489</u>	<u>24,214,918</u>
<b>Fund Balances at End of Fiscal year</b>	<u>\$ 16,625,180</u>	<u>\$ 8,019,084</u>	<u>\$ 24,644,264</u>

See accompanying notes to the basic financial statements

CITY OF SOUTH PASADENA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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Net changes in fund balances - total governmental funds \$ 429,346

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.

Capital outlay	5,146,803
Depreciation expense	(2,492,902)
Losses on disposition charged to expense	(32,322)

Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity. (155,053)

Compensated absence expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. 28,370

Governmental funds report all contributions in relation to the annual required contribution (ARC) for OPEB as expenditures, however in the statement of activities only the ARC is an expense. (542,958)

In governmental funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis. This fiscal year, the difference between accrual-basis pension costs and actual employer contributions was: (835,258)

Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The net revenue (expense) of the internal service funds is reported with the governmental activities. (594)

**Change in net position of governmental activities** \$ 1,545,432

See accompanying notes to the basic financial statements

## CITY OF SOUTH PASADENA

STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
June 30, 2017

	Business-Type Activities-Enterprise Funds				Governmental Activities - Internal Service Fund
	Water	Sewer	Other Enterprise Fund	Totals	Insurance Fund
<b>Assets:</b>					
Current:					
Cash and investments	\$ 7,537,147	\$ 2,553,297	\$ 364,819	\$ 10,455,263	\$ 290,000
Receivables:					
Accounts	1,231,531	102,185		1,333,716	
Accrued interest	9,040	2,933	86	12,059	
Inventories	268,061		8,642	276,703	
Restricted					
Cash and investments with fiscal agent	3,456,392			3,456,392	
<b>Total Current Assets</b>	<u>12,502,171</u>	<u>2,658,415</u>	<u>373,547</u>	<u>15,534,133</u>	<u>290,000</u>
Noncurrent:					
Capital assets - not being depreciated	39,970,837	6,290,537	16,908	46,278,282	
Capital assets - net of accumulated depreciation	21,188,469	2,551,133	793,975	24,533,577	
<b>Total Noncurrent Assets</b>	<u>61,159,306</u>	<u>8,841,670</u>	<u>810,883</u>	<u>70,811,859</u>	
<b>Total Assets</b>	<u>73,661,477</u>	<u>11,500,085</u>	<u>1,184,430</u>	<u>86,345,992</u>	<u>290,000</u>
<b>Deferred Outflows of Resources:</b>					
Deferred loss on debt refunding	5,939,738			5,939,738	
City's pension contributions subsequent to the measurement date	226,251	56,891		283,142	
Deferred outflows related to net pension liability	391,482	98,438		489,920	
<b>Total Deferred Outflows of Resources</b>	<u>6,557,471</u>	<u>155,329</u>		<u>6,712,800</u>	
<b>Liabilities and Deferred Inflow of Resources:</b>					
<b>Liabilities:</b>					
Current:					
Accounts payable	2,256,568	627,167	18,140	2,901,875	594
Accrued liabilities	17,468	4,288	9,030	30,786	
Accrued interest	458,231	15,000		473,231	
Deposits payable	232,765			232,765	
Accrued compensated absences	2,796	381		3,177	
Bonds payable	1,575,750			1,575,750	
<b>Total Current Liabilities</b>	<u>4,543,578</u>	<u>646,836</u>	<u>27,170</u>	<u>5,217,584</u>	<u>594</u>
Non-current:					
Advances from other funds		750,000		750,000	
Accrued compensated absences	25,161	3,433		28,594	
OPEB liability	1,058,250	211,520		1,269,770	
Net pension liability	2,206,781	554,893		2,761,674	
Loans payable		6,373,623		6,373,623	
Bonds payable	46,957,582			46,957,582	
<b>Total Noncurrent Liabilities</b>	<u>50,247,774</u>	<u>7,893,469</u>		<u>58,141,243</u>	
<b>Total Liabilities</b>	<u>54,791,352</u>	<u>8,540,305</u>	<u>27,170</u>	<u>63,358,827</u>	<u>594</u>
<b>Deferred Inflow of Resources:</b>					
Deferred inflows related to net pension liability	176,218	44,310		220,528	
<b>Total Deferred Inflow of Resources</b>	<u>176,218</u>	<u>44,310</u>		<u>220,528</u>	
<b>Net position:</b>					
Net investment in capital assets	19,023,943	2,468,047	810,883	22,302,873	
Restricted for debt service	2,998,161			2,998,161	
Unrestricted	3,229,274	602,752	346,377	4,178,403	289,406
<b>Total Net Position</b>	<u>\$ 25,251,378</u>	<u>\$ 3,070,799</u>	<u>\$ 1,157,260</u>	<u>\$ 29,479,437</u>	<u>\$ 289,406</u>

See accompanying notes to the basic financial statements

CITY OF SOUTH PASADENA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
 PROPRIETARY FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Business-Type Activities-Enterprise Funds				Governmental
	Water	Sewer	Other Enterprise Fund	Totals	Activities - Internal Service Fund Insurance Fund
<b>Operating Revenues:</b>					
Sales and service charges	\$ 8,804,890	\$ 1,583,362	\$ 1,101,970	\$ 11,490,222	\$ -
Miscellaneous	171,452			171,452	
<b>Total Operating Revenues</b>	<u>8,976,342</u>	<u>1,583,362</u>	<u>1,101,970</u>	<u>11,661,674</u>	
<b>Operating Expenses:</b>					
Administration and general	1,472,658	458,018	1,021,091	2,951,767	
Pumping	1,215,426			1,215,426	
Transmission/collection	3,529,779			3,529,779	
Treatment		455,653		455,653	
Insurance costs and claims					82,306
Depreciation expense	624,439	93,028	11,267	728,734	
<b>Total Operating Expenses</b>	<u>6,842,302</u>	<u>1,006,699</u>	<u>1,032,358</u>	<u>8,881,359</u>	<u>82,306</u>
Operating Income (Loss)	<u>2,134,040</u>	<u>576,663</u>	<u>69,612</u>	<u>2,780,315</u>	<u>(82,306)</u>
<b>Non-operating Revenues (expenses):</b>					
Interest revenue	(5,081)	2,558	(279)	(2,802)	
Interest expense	(186,525)	(5,639)		(192,164)	
<b>Total Nonoperating Revenues (Expenses)</b>	<u>(191,606)</u>	<u>(3,081)</u>	<u>(279)</u>	<u>(194,966)</u>	
Income (loss) before transfers	<u>1,942,434</u>	<u>573,582</u>	<u>69,333</u>	<u>2,585,349</u>	<u>(82,306)</u>
<b>Transfers:</b>					
Transfers in					81,712
Transfers out	(20,428)	(4,086)		(24,514)	
<b>Total transfers</b>	<u>(20,428)</u>	<u>(4,086)</u>		<u>(24,514)</u>	<u>81,712</u>
Change in net position	1,922,006	569,496	69,333	2,560,835	(594)
Net Position at Beginning of Fiscal Year	23,329,372	2,501,303	1,087,927	26,918,602	290,000
<b>Net Position at End of Fiscal Year</b>	<u>\$ 25,251,378</u>	<u>\$ 3,070,799</u>	<u>\$ 1,157,260</u>	<u>\$ 29,479,437</u>	<u>\$ 289,406</u>

See accompanying notes to the basic financial statements

## CITY OF SOUTH PASADENA

**STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Business-Type Activities-Enterprise Funds				Governmental Activities - Internal Service Fund
	Water	Sewer	Other Enterprise Fund	Totals	Insurance Fund
<b>Cash Flows from Operating Activities:</b>					
Cash received from customers and users	\$ 8,634,434	\$ 1,545,266	\$ 1,106,948	\$ 11,286,648	\$ -
Cash paid to suppliers for goods and services	(4,173,552)	20,111	(1,109,200)	(5,262,641)	(81,712)
Cash paid to employees for services	(7,113,508)	(405,181)		(7,518,689)	
Cash received from (payments to) others	171,452			171,452	
<b>Net Cash Provided by (Used for) Operating Activities:</b>	<u>(2,481,174)</u>	<u>1,160,196</u>	<u>(2,252)</u>	<u>(1,323,230)</u>	<u>(81,712)</u>
<b>Cash flows from Noncapital Financing Activities:</b>					
Transfers in					81,712
Transfers out	(20,428)	(4,086)		(24,514)	
<b>Net Cash Provided by (used for) Noncapital Financing Activities</b>	<u>(20,428)</u>	<u>(4,086)</u>		<u>(24,514)</u>	<u>81,712</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>					
Proceeds from capital debt	42,612,546	2,225,731		44,838,277	
Acquisition and construction of capital assets	(8,099,518)	(3,297,368)	(142,302)	(11,539,188)	
Principal paid on capital debt	(41,525,000)			(41,525,000)	
Interest paid on capital debt	(253,002)			(253,002)	
<b>Net Cash Provided by (Used for) Capital and Related Financing Activities</b>	<u>(7,264,974)</u>	<u>(1,071,637)</u>	<u>(142,302)</u>	<u>(8,478,913)</u>	
<b>Cash Flows from Investing Activities:</b>					
Interest received	(8,348)	1,418	(221)	(7,151)	
<b>Net Cash Provided by (Used for) Investing Activities</b>	<u>(8,348)</u>	<u>1,418</u>	<u>(221)</u>	<u>(7,151)</u>	
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<u>(9,774,924)</u>	<u>85,891</u>	<u>(144,775)</u>	<u>(9,833,808)</u>	
Cash and cash equivalents at beginning of fiscal year	20,768,463	2,467,406	509,594	23,745,463	290,000
Cash and cash equivalents at end of fiscal year	<u>\$ 10,993,539</u>	<u>\$ 2,553,297</u>	<u>\$ 364,819</u>	<u>\$ 13,911,655</u>	<u>\$ 290,000</u>
<b>Reconciliation of cash and cash equivalents to the Statement of Net Position:</b>					
Cash and investments	\$ 7,537,147	\$ 2,553,297	\$ 364,819	\$ 10,455,263	\$ 290,000
Cash and investments with fiscal agent	3,456,392			3,456,392	
	<u>\$ 10,993,539</u>	<u>\$ 2,553,297</u>	<u>\$ 364,819</u>	<u>\$ 13,911,655</u>	<u>\$ 290,000</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:</b>					
Operating income (loss)	\$ 2,134,040	\$ 576,663	\$ 69,612	\$ 2,780,315	\$ (82,306)
<b>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</b>					
Depreciation	624,439	93,028	11,267	728,734	
(Increase) decrease in accounts receivable	(170,456)	(38,096)	4,978	(203,574)	
(Increase) decrease in inventories	(18,931)		(97,139)	(116,070)	
Increase (decrease) in accounts payable	547,707	475,614	9,030	1,032,351	594
Increase (decrease) in accrued liabilities	1,772	150		1,922	
Increase (decrease) in deposits payable	41,105			41,105	
Increase (decrease) in compensated absences	1,199	(630)		569	
Increase (decrease) in OPEB liability	70,042	14,000		84,042	
Increase (decrease) in net pension liability	724,419	165,018		889,437	
Increase (decrease) in deferred outflow of resources	(6,381,251)	(108,983)		(6,490,234)	
Increase (decrease) in deferred inflow of resources	(55,259)	(16,568)		(71,827)	
<b>Total Adjustments</b>	<u>(4,615,214)</u>	<u>583,533</u>	<u>(71,864)</u>	<u>(4,103,545)</u>	<u>594</u>
<b>Net Cash Provided by (Used for) Operating Activities</b>	<u>\$ (2,481,174)</u>	<u>\$ 1,160,196</u>	<u>\$ (2,252)</u>	<u>\$ (1,323,230)</u>	<u>\$ (81,712)</u>

See accompanying notes to the basic financial statements

CITY OF SOUTH PASADENA

STATEMENT OF NET POSITION  
FIDUCIARY FUND  
JUNE 30, 2017

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	Private -Purpose Trust Fund <hr/> Successor Agency of the Former CRA <hr/>
<b>Assets:</b>	
Pooled cash and investments	\$ 67,906
Restricted assets:	
Cash and investments with fiscal agents	<hr/> 198,252
<b>Total Assets</b>	<hr/> 266,158
<b>Liabilities</b>	
Accrued interest	12,158
Deposits payable	1,500
Long-term liabilities:	
Due in one year	125,000
Due in more than one year	<hr/> 1,095,000
<b>Total Liabilities</b>	<hr/> 1,233,658
<b>Net Position (Deficit):</b>	
Held in trust for other purposes	<hr/> <hr/> \$ (967,500)

See accompanying notes to the basic financial statements

CITY OF SOUTH PASADENA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

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	Private-Purpose Trust Fund <u>Successor Agency of the Former CRA</u>
<b>Additions:</b>	
Taxes	\$ 211,324
Interest and change in fair value of investments	<u>12,707</u>
<b>Total Additions</b>	<u>224,031</u>
<b>Deductions:</b>	
Bond proceeds transfer to the City of South Pasadena	901,436
Contractual services	4,936
Interest expense	<u>78,575</u>
<b>Total Deductions:</b>	<u>984,947</u>
<b>Change in Net Position</b>	(760,916)
Net Position (Deficit), Beginning of Fiscal Year	<u>(206,584)</u>
Net Position (Deficit), at End of Fiscal Year	<u><u>\$ (967,500)</u></u>

See accompanying notes to the basic financial statements

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**Note 1: Summary of Significant Accounting Policies**

**a. Description of the Reporting Entity**

As required by accounting principles generally accepted in the United States of America, these financial statements present the City of South Pasadena, California (the City) and its component units, entities for which the City is considered financially accountable. Blended component units, although legally separate entities, are, in substance, part of the Government's operation, so data from these units are combined herein. The criteria used in determining the scope of the reporting entity is based on the provisions of GASB Statement No. 14 as amended by Statement 39, 61 and 80 and were as follows:

1. The members of the City Council also act as the governing body of the City of South Pasadena Housing Authority (the Authority).
2. The Authority is managed by employees of the City.
3. The Authority is financially interdependent with the City.

The City of South Pasadena was incorporated on March 2, 1888, under the general laws of the State of California. The City provides a full range of municipal services, including public safety (police and fire), streets, sanitation, refuse collection, sewer, water, parks and recreation, public improvements, planning and zoning, housing and community development, and general administrative and support services.

**Blended Component Units**

City of South Pasadena Housing Authority - The Authority was established pursuant to California Housing Authorities Law (Health and Safety Code Sections 34200 et seq.) on April 6, 2011. The purpose of the Housing Authority is to provide safe and sanitary housing opportunities for South Pasadena residents. The primary government has operational responsibility for the Housing Authority. Although the Housing Authority is legally separate, it is reported as if it were part of the City because the City Council also serves as the governing board of the Housing Authority. Separate financial statements of the Housing Authority are not prepared. Additionally, the Housing Authority took over the housing activities from the former Community Redevelopment Agency due to its dissolution on January 31, 2012.

**b. Government-Wide and Fund Financial Statements**

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, or privileges provided

**Note 1: Summary of Significant Accounting Policies (Continued)**

by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

**c. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the fiscal year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

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

The City reports the following major governmental fund

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government except those required to be accounted for in another fund.

The City reports the following major proprietary funds

The Water Fund is used to account for the construction, operation, and maintenance of the City-owned water system.

The Sewer Fund is used to account for the provision of sewer construction, maintenance, and operation services to residents of the City.

**Note 1: Summary of Significant Accounting Policies (Continued)**

Additionally, the City reports the following fund types:

The Private Purpose Trust Fund accounts for the assets and liabilities of the former community redevelopment agency and its allocated revenue to pay estimated installment payments of enforceable obligations until obligations of the former community redevelopment agency are paid in full and assets have been liquidated. Please refer to Note 10 for more information.

The Internal Service Fund is used to accumulate and allocate costs internally among the City's functions for general liability and worker's compensation insurance. Because the internal service operations benefit both governmental and business-type functions, they have been proportionally allocated and included within the governmental and business-like activities in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's proprietary funds function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

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

**d. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity**

**Deposits and Investments**

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. For financial statement presentation purposes, cash and cash equivalents are shown as both restricted and unrestricted cash and investments in the Governmental and Proprietary Funds.

Investments for the City, as well as for its component units, are reported at fair value. The City's policy is generally to hold investments until maturity or until market values equal or exceed cost. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the poolshares.

**Note 1: Summary of Significant Accounting Policies (Continued)**

Receivables and Payables

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

All trade and property tax receivables are shown net of an allowance for uncollectible amounts.

Property tax revenue is recognized in the fiscal year for which the taxes have been levied providing they become available. Available means when due, or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter (not to exceed 60 days) to be used to pay liabilities of the current period. The County of Los Angeles collects property taxes for the City. Tax liens attach annually as of 12:01 A.M. on the first day in January proceeding the fiscal year for which the taxes are levied. The tax levy covers the fiscal period July 1 to June 30. All secured personal property taxes and one-half of the taxes on real property are due November 1; the second installment is due February 1. All taxes are delinquent, if unpaid, after December 10 and April 10, respectively. Unsecured personal property taxes become due on the first of March each year and are delinquent after August 31.

Functional Classifications

Expenditures of the Governmental Funds are classified by function. Functional classifications are defined as follows:

General Government includes legislative activities which have a primary objective of providing legal and policy guidelines for the City. Also included in this classification are those activities which provide management or support services across more than one functional area.

Public Safety includes those activities which involve the protection of people and property.

Community Development includes those activities which involve the enhancing of the general quality of life.

Community Services includes activities such as administering the Senior Center, recreation classes, and special events committees.

Public Works includes those activities that involve the maintenance and improvement of City streets, roads and park department development and maintenance.

Capital Outlay includes those activities that account for the acquisition of capital assets.

**Note 1: Summary of Significant Accounting Policies (Continued)**

Inventories

Inventory consisting primarily of materials and supplies is held by the Water Enterprise Fund. Such goods are valued using the average-cost method applied on a first-in, first-out (FIFO) basis. Inventories reported in the City’s General Fund are charged to inventories when purchased and treated as an expenditure when issued.

Restricted Assets

Certain proceeds of debt issues, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet and statement of net position because their use is limited by applicable bond covenants. In addition, funds have been restricted for future capital improvements by City resolution.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 for non-infrastructure assets and \$25,000 for infrastructure assets (amount not rounded). Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

In accordance with GASB Statement No. 34, the City has reported current and prior year’s infrastructure assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

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

Property, plant and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Improvements other than buildings	10 - 25
Machinery and equipment	3 - 30
Vehicles	8

**Note 1: Summary of Significant Accounting Policies (Continued)**

Infrastructure	Years
Sewer collection system	60
Storm drain system	60
Bridges	60
Hardscape	40
Parkways and medians	40
Pavement, curbs and gutters, and sidewalks	35
Streetlights	20
Electronic traffic control devices	20

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position and balance sheet of governmental funds will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/ expenditure) until then.

In addition to liabilities, the statement of net position and balance sheet of governmental funds will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from three sources: property taxes, special assessments, and reimbursable grants billed but not yet available. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**Net Position Flow Assumption**

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government’s policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

**Fund Balance Flow Assumptions**

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government’s policy to consider restricted fund balance to have been depleted before using

**Note 1: Summary of Significant Accounting Policies (Continued)**

any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**Compensated Absences**

It is the policy of the City to record the cost of annual vacation as accrued. Employees are 100% vested in accrued vacation after six months of employment. The entire compensated absence liability for the Enterprise Fund is accrued as earned in the Enterprise Fund. All accumulated compensated absence liability of governmental funds is accrued when incurred in the government-wide financial statements. Compensated absences are reported in governmental funds only if they have matured.

It is the policy of the City to pay sick leave as used; accordingly, the expenditures are recorded when paid. Sick leave does not vest with employees. Accordingly, employees do not receive a payout for unused sick leave upon termination, although employees do receive credit for unused sick leave upon retirement.

**Pensions**

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

**Long-Term Obligations**

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

**Fund Equity**

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

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

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

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

**Note 1: Summary of Significant Accounting Policies (Continued)**

Assigned include amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The City Council, with Resolution No. 7152, authorized the Finance Director to assign fund balance amounts for specific purposes.

Unassigned include the residual amounts that have not been restricted, committed, or assigned to specific purposes. The General Fund is the only fund that can report a positive unassigned fund balance.

An individual governmental fund could include nonspendable resources and amounts that are restricted or unrestricted (committed, assigned, or unassigned) or any combination of those classifications. Restricted amounts are to be considered spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available and committed, assigned, and then unassigned amounts are considered to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balances classifications can be used.

The City Council adopts and amends committed and assigned fund balance amounts for specific purposes through a resolution. When expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted amounts to be used first. When expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, they are considered to be spent in the order as follows: committed, assigned, and then unassigned.

**Net Position**

In the government-wide financial statements and proprietary fund financial statements, net position is classified as follows:

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – This component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

Unrestricted – This component of net position is the amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

**Use of Estimates**

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

**CITY OF SOUTH PASADENA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2017**

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**Note 1: Summary of Significant Accounting Policies (Continued)**

Future Accounting Pronouncements

GASB Statements Nos. 75 and 81-87 listed below will be implemented in future financial statements:

Statement No. 75	"Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions"	The provision of this statement is effective for fiscal years beginning after June 15, 2017.
Statement No. 81	"Irrevocable Split-Interest Agreements"	The provision of this statement is effective for fiscal years beginning after December 15, 2016.
Statement No. 82	"Pension Issues-an amendment of GASB Statements No. 67, No. 68, and No. 73"	The provision of this statement is effective for fiscal years beginning after December 15, 2017.
Statement No. 83	"Certain Asset Retirements Obligations"	The provision of this statement is effective for fiscal years beginning after June 15, 2018.
Statement No. 84	"Fiduciary Activities"	The provision of this statement is effective for fiscal years beginning after December 15, 2018.
Statement No. 85	"Omnibus 2017"	The provision of this statement is effective for fiscal years beginning after June 15, 2017.
Statement No. 86	"Certain Debt Extinguishment Issues"	The provision of this statement is effective for fiscal years beginning after June 15, 2017.
Statement No. 87	"Leases"	The provision of this statement is effective for fiscal years beginning after December 15, 2019.

**Note 2: Cash and Investments**

As of June 30, 2017, cash and investments were reported in the accompanying financial statements as follows:

Governmental activities	
Cash and investments	\$ 23,328,659
Business-type activities	
Cash and investments	10,455,263
Cash and investments with fiscal agent	3,456,392
Fiduciary activities	
Cash and investments	67,906
Cash and investments with fiscal agent	198,252
	\$ 37,506,472
Totals	

CITY OF SOUTH PASADENA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2017

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**Note 2: Cash and Investments (Continued)**

Cash and investments as of June 30, 2017 consist of the following:

Cash on hand	\$ 14,035
Deposits with financial institutions	3,477,110
Investments	<u>34,015,327</u>
Total cash and investments	<u>\$ 37,506,472</u>

The City of South Pasadena maintains a cash and investment pool that is available for use for all funds. Each fund type's position in the pool is reported on the combined balance sheet as cash and investments. The City has adopted an investment policy which authorizes it to invest in various investments.

Deposits

At June 30, 2017, the carrying amount of the City's deposits was \$3,477,110 and the bank balance was \$5,758,715. The \$2,281,605 difference represents outstanding checks and other reconciling items.

The California Government Code requires California banks and savings and loan associations to secure a City's deposits by pledging government securities with a value of 110% of a City's deposits. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of a City's total deposits. The City Treasurer may waive the collateral requirement for deposits which are fully insured up to \$250,000 by the FDIC. The collateral for deposits in federal and state chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an Agent of Depository. These securities are physically held in an undivided pool for all California public agency depositors.

Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an "Agent of Depository" has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California Agents of Depository are considered to be held for, and in the name of, the local governmental agency.

**CITY OF SOUTH PASADENA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2017**

**Note 2: Cash and Investments (Continued)**

Investments

Under provision of the City’s investment policy, and in accordance with Section 53601 of the California Government Code, the City may invest in the following types of investments:

INVESTMENT TYPE	MAXIMUM MATURITY	MAXIMUM SPECIFIED % OF PORTFOLIO	MINIMUM QUALITY REQUIREMENTS
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
State Obligations- CA and Others	5 years	None	None
CA Local Agency Obligations	5 years	None	None
U.S. Agency Obligations	5 years	None	None
Bankers’ Acceptances	180 days	40% - No more than 30% in any one commercial bank	None
Commercial Paper – Select Agencies	270 days	25% of the City’s money – No more than 10% in any one issuer	“A-1” if the issuer has issued long-term debt it must be rated “A” without regard to modifiers
Commercial Paper – Other Agencies	270 days	40% of the City’s money	“A-1” if the issuer has issued long-term debt it must be rated “A” without regard to modifiers
Negotiable Certificates of Deposit	5 years	30%	None
CD Placement Service	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements and Securities Lending Agreements	92 days	20% of the base value of the portfolio	None
Medium-Term Notes	5 years	30%	“A” Rating
Mutual Funds and Money Market Mutual Funds	N/A	20% - No more than 10% in any one issuer	Multiple
Collateralized Bank Deposits	5 years	None	None

**CITY OF SOUTH PASADENA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2017**

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**Note 2: Cash and Investments (Continued)**

Mortgage Pass-Through Securities	5 years	20%	“AA” Rating
Bank/Time Deposits	5 Years	None	None
County Pooled Investment Funds	N/A	None	None
Joint Powers Authority Pool	N/A	None	Multiple
Local Agency Investment Fund (LAIF)	N/A	None	None
Voluntary Investment Program Fund	N/A	None	None

The City has monies held by trustees or fiscal agents pledged to the payment or security of certain bonds. The California Government Code provides that these monies, in the absence of specific statutory provisions governing the issuance of bonds, may be invested in accordance with the ordinance, resolutions, or indentures specifying the types of investments its trustees or fiscal agents may make.

**Investments in State Investment Pool**

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

**GASB Statement No. 31**

The City adopted GASB Statement No. 31, Accounting and Financial Reporting for certain investments and for External Investment Pools, as of July 1, 1997. GASB Statement No. 31 establishes fair value standards for investments in participating interest earning investment contracts, external investment pools, equity securities, option contracts, stock warrants and stock rights that have readily determinable fair values. Accordingly, the City reports its investments at fair value in the balance sheet. All investment income, including changes in the fair value of investments, is recognized as revenue in the operating statement.

CITY OF SOUTH PASADENA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2017

**Note 2: Cash and Investments (Continued)**

Credit Risk

The City's investment policy limits investments in medium-term notes (MTN's) to those rated "A" or better by a nationally recognized statistical rating organization. At June 30, 2017, the City's investments with money market mutual funds were rated "AAA" by S&P. Investments in U.S. government securities are not considered to have credit risk and, therefore, their credit quality is not disclosed.

As of June 30, 2017, none of the City's deposits or investments were exposed to custodial credit risk.

Investment Type	Amount	Minimum Legal Rating	Exempt From Disclosure	Rating as of Fiscal Year End							Not Rated	
				AAA	AA+	AA	AA-	A+	A	A-		
Local Agency Investment fund	\$ 15,148,200	N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,148,200
Money Market Mutual Funds	56,677	N/A										56,677
U.S. Treasury Notes	4,149,465	N/A	4,149,465									
Government Agency Securities	7,536,666	A			7,536,666							
Medium-Term Notes	4,661,072	A		164,070	245,236	198,847	869,128	894,427	1,501,537	787,827		
Investments with Fiscal Agent:												
Money Market Mutual Funds	2,463,247	N/A		2,463,247								
<b>Totals</b>	<b>\$ 34,015,327</b>		<b>\$ 4,149,465</b>	<b>\$ 2,627,317</b>	<b>\$ 7,781,902</b>	<b>\$ 198,847</b>	<b>\$ 869,128</b>	<b>\$ 894,427</b>	<b>\$ 1,501,537</b>	<b>\$ 787,827</b>		<b>\$ 15,204,877</b>

Concentration of Credit Risk

The City's investment policy imposes restrictions on the percentage that the City can invest in a single type of investment in accordance with CA Government Code. In addition, GASB 40 requires a separate disclosure if any single issuer comprises more than 5% of the total investment value. As of June 30, 2017, investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments are as follow:

Issuer	Investment Type	Reported Amount	Interest Rate	6 Months to 1 Year	1 to 3 Years	3 to 5 Years
FNMA	Federal Agency Securities	\$ 4,562,004	0.75% - 1.38%	\$ -	\$ 2,927,944	\$ 1,634,060
FHLMC	Federal Home Ln Mtg Corp	2,326,707	1.12% - 1.86%	373,594	1,953,113	-

Interest Rate Risk

The City's investment policy limits investment maturities, in accordance with CA Government Code, as a means of managing its exposure to fair value losses arising from increasing interest rates. The certificates of deposit in cash with fiscal agent below with a maturity of three to five years are governed by the debt agreements, rather than the City's investment policy. The City has elected to use the segmented time distribution method of disclosure for its interest rate risk.

**CITY OF SOUTH PASADENA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2017**

**Note 2: Cash and Investments (Continued)**

As of June 30, 2017, the City had the following investments and original maturities:

Investment Type	Remaining maturity (in Months)				Fair Value
	6 Months or less	6 Months to 1 Year	1 to 3 Years	3 to 5 Years	
Local Agency Investment fund	\$ 15,148,200	\$ -	\$ -	\$ -	\$ 15,148,200
Money Market Mutual Funds	56,677				56,677
U.S. Treasury Notes		1,280,477	1,950,704	918,284	4,149,465
Government Agency Securities		373,594	4,881,057	2,282,015	7,536,666
Medium-Term Notes	79,489	159,851	2,988,764	1,432,968	4,661,072
Investments with Fiscal Agent: Money Market Mutual Funds	2,463,247				2,463,247
<b>Totals</b>	<b>\$ 17,747,613</b>	<b>\$ 1,813,922</b>	<b>\$ 9,820,525</b>	<b>\$ 4,633,267</b>	<b>\$ 34,015,327</b>

**Fair Value Measurements**

The City categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. These principles recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Investments reflect prices quoted in active markets;
- Level 2: Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active; and,
- Level 3: Investments reflect prices based upon unobservable sources.

The City pool investment has the following recurring fair value measurements as of June 30, 2017:

Investment by Fair Value Level	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Input (Level 2)	Significant Unobservable Inputs (Level 3)
Debt securities:				
Money Market Mutual Funds	\$ 56,677	\$ 56,677	\$ -	\$ -
U.S. Treasury Notes	4,149,465	4,149,465		
Government Agency Securities	7,536,666	7,536,666		
Medium-Term Notes	4,661,072	4,661,072		
Held by Fiscal Agent:				
Money Market Mutual Funds	2,463,247	2,463,247		
<b>Total Investments Measured at Fair Value</b>	<b>18,867,127</b>	<b>\$ 18,867,127</b>	<b>\$ -</b>	<b>\$ -</b>
Investments Measured at Amortized Cost				
LAIF	15,148,200			
<b>Total Pooled Investments</b>	<b>\$34,015,327</b>			

**CITY OF SOUTH PASADENA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2017**

**Note 3: Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2017, was as follows:

	<u>Balance at July 1, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2017</u>
Governmental Activities:				
Capital assets, not being depreciated				
Land	\$ 2,116,515	\$ -	\$ -	\$ 2,116,515
Construction in progress	801,422	664,013	(32,322)	1,433,113
Total Capital Assets, Not Depreciated	<u>2,917,937</u>	<u>664,013</u>	<u>(32,322)</u>	<u>3,549,628</u>
Capital assets, being depreciated				
Buildings	11,189,841	235,389		11,425,230
Improvements other than buildings	2,133,865	892,158		3,026,023
Machinery, equipment, and vehicles	9,145,717	1,341,958	(118,870)	10,368,805
Infrastructure	86,322,336	2,013,285		88,335,621
Total Capital Assets, Being Depreciated	<u>108,791,759</u>	<u>4,482,790</u>	<u>(118,870)</u>	<u>113,155,679</u>
Less accumulated depreciation				
Buildings	6,395,410	206,492		6,601,902
Improvements other than buildings	1,002,845	26,321		1,029,166
Machinery, equipment, and vehicles	6,641,382	448,969	(118,870)	6,971,481
Infrastructure	40,517,266	1,811,120		42,328,386
Total Accumulated Depreciation	<u>54,556,903</u>	<u>2,492,902</u>	<u>(118,870)</u>	<u>56,930,935</u>
Total Capital Assets, Being Depreciated, Net	<u>54,234,856</u>	<u>1,989,888</u>		<u>56,224,744</u>
Governmental Activities Capital Assets, Net	<u>\$57,152,793</u>	<u>\$2,653,901</u>	<u>\$(32,322)</u>	<u>\$59,774,372</u>

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

Government Activities:	
General government	\$ 37,351
Public safety	397,838
Community service	173,740
Public works	1,883,973
Total Governmental Activities	<u>\$ 2,492,902</u>

**CITY OF SOUTH PASADENA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2017**

**Note 3: Capital Assets (Continued)**

Capital asset activity for the fiscal year ended June 30, 2017, was as follows:

	Balance at July 1, 2016	Additions	Deletions	Balance at June 30, 2017
Business-Type Activities:				
Capital assets, not being depreciated:				
Land	\$ 84,685	\$ -	\$ -	\$ 84,685
Construction in progress	34,911,705	11,281,892		46,193,597
Total Capital Assets, Not Being Depreciated	<u>34,996,390</u>	<u>11,281,892</u>		<u>46,278,282</u>
Capital Assets being Depreciated				
Buildings	4,171,553			4,171,553
Improvements other than buildings	3,943,701			3,943,701
Infrastructure	24,035,730	387,756		24,423,486
Machinery, equipment, and vehicles	1,317,836	537,811	(72,000)	1,783,647
Total Capital Assets, Being Depreciated	<u>33,468,820</u>	<u>925,567</u>	<u>(72,000)</u>	<u>34,322,387</u>
Less Accumulated Depreciation				
Buildings	902,900	72,411		975,311
Improvements other than buildings	3,213,654	32,210		3,245,864
Infrastructure	4,137,274	561,402		4,698,676
Machinery, equipment, and vehicles	878,248	62,711	(72,000)	868,959
Total Accumulated Depreciation	<u>9,132,076</u>	<u>728,734</u>	<u>(72,000)</u>	<u>9,788,810</u>
Total Capital Assets, Being Depreciated, Net	<u>24,336,744</u>	<u>196,833</u>		<u>24,533,577</u>
Business-Type Activities, Capital Assets, Net	<u>\$ 59,333,134</u>	<u>\$ 11,478,725</u>	<u>\$ -</u>	<u>\$ 70,811,859</u>

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

Business-Type Activities:	
Water	\$ 624,439
Sewer	93,028
Arroyo Seco Golf Course	11,267
Total Business-Type Activities:	<u>\$ 728,734</u>

**CITY OF SOUTH PASADENA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2017**

**Note 4: Interfund Receivable, Payable, and Transfers**

The composition of interfund balances as of June 30, 2017, is as follows:

**Due To/From Other Funds**

	Due To Other Funds	
	Nonmajor Funds	Total
<u>Due From Other Funds</u>		
General Fund	<u>\$ 1,190,171</u>	<u>\$ 1,190,171</u>

The due to General Fund of \$1,190,171 for various nonmajor governmental funds was a result of temporary cash deficit balances in those funds.

**Transfers In/Out**

	Transfers Out				Total
	General	Nonmajor Funds	Water Enterprise Fund	Sewer Enterprise Fund	
<u>Transfers In</u>					
Nonmajor Funds	\$ 5,424,382	\$ -	\$ -	\$ -	\$ 5,424,382
Insurance Internal Service Fund	49,027	8,171	20,428	4,086	81,712
Total	<u>\$ 5,473,409</u>	<u>\$ 8,171</u>	<u>\$ 20,428</u>	<u>\$ 4,086</u>	<u>\$ 5,506,094</u>

Transfers from General Fund into the Nonmajor Funds Fund were made to fund the Facilities and Equipment Replacement fund, the Street Improvements Fund and Street Lighting fund, Transfers from General Fund, Sewer Fund, Water Fund, and Nonmajor funds into the Insurance Internal Service Fund were to provide initial funding for the Insurance Fund.

**Advances To/From**

The General fund advanced \$750,000 to the Sewer fund on July 11, 2012, in order to fund the construction of the Arroyo Drive, Marengo Ave, Meridian Ave, and Huntington Drive Sewer Improvement Project. The advance bears interest at the City's portfolio rate of return, with payments due within ten years.

**CITY OF SOUTH PASADENA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
JUNE 30, 2017**

**Note 5: Long-Term Debt**

**a. Changes in Long-Term Debt**

The following is a summary of changes in long-term debt for the fiscal year ended June 30, 2017:

	Balance at July 1, 2016	Additions	Deletions	Balance at June 30, 2017	Due Within One Year
<b>Governmental Activities:</b>					
Compensated Absences	\$ 851,441	\$ 734,912	\$ (763,282)	\$ 823,071	\$ 82,307
Net OPEB Liability	7,660,272	1,117,088	(574,130)	8,203,230	
Net Pension Liability	22,251,340	7,566,326	(893,903)	28,923,763	
<b>Total Governmental Activities</b>	<b>\$ 30,763,053</b>	<b>\$ 9,418,326</b>	<b>\$ (2,231,315)</b>	<b>\$ 37,950,064</b>	<b>\$ 82,307</b>
<b>Business-Type Activities:</b>					
2012 State Loan Payable	\$ 4,147,892	\$ 2,225,731	\$ -	\$ 6,373,623	\$ -
Compensated Absences	31,202	44,207	(43,638)	31,771	3,177
2009 Water Revenue Bonds	41,185,000		(41,185,000)		
2013 Water Revenue Bonds	6,060,000		(340,000)	5,720,000	350,000
2016 Water Revenue Bonds		37,845,000		37,845,000	990,000
Net OPEB Liability	1,185,728	172,912	(88,870)	1,269,770	
Net Pension Liability	1,872,237	1,139,943	(250,506)	2,761,674	
<b>Total Business-type Activities</b>	<b>\$ 54,482,059</b>	<b>\$ 41,427,793</b>	<b>\$ (41,908,014)</b>	<b>\$ 54,001,838</b>	<b>\$ 1,343,177</b>
Add: Unamortized bond premium (discount)				4,968,332	235,750
<b>Net Business-type Funds</b>				<b>\$ 58,970,170</b>	<b>\$ 1,578,927</b>

**Compensated Absences**

The City's policies relating to compensated absences are described in Note 1 of the Notes to Financial Statements. The liability will be paid in future years as it becomes due by the General Fund and Enterprise Funds.

**b. Revenue Bonds**

A description of individual issues of bonds (excluding defeased bonds) outstanding as of June 30, 2017 are as follows:

**2009 Water Revenue Bonds**

In May 2009, the South Pasadena Public Financing Authority issued \$43,405,000 Water and Wastewater Revenue Bonds. The bonds were issued to finance certain capital improvements to the City's water system and to construct two water storage reservoirs. The bonds are secured by pledges of system net revenue as described in the official statement.

Bond proceeds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. In addition, funds have been restricted for future capital improvements by City resolution.

**Note 5: Long-Term Debt (Continued)**

The bonds consisted of \$10,530,000 of serial bonds and \$32,875,000 of term bonds due October 1, 2039.

The serial bonds mature annually from October 1, 2013 to October 1, 2024, in increasing amounts from \$715,000 to \$1,090,000. The bonds bear interest at rates ranging from 3.000% to 4.625%. The term bonds mature on October 1, 2039, and carry interest rates ranging from 5.100% to 5.270%. Interest is payable semi-annually on April and October, commencing on October 1, 2013 and October 1, 2029, respectively.

The bonds are subject to optional redemption in whole or in part on or after October 1, 2019. On October 1, 2029, the bonds are subject to mandatory redemption. On November 10, 2016, the City issued the 2016 Water Revenue Refunding Bonds to fund an escrow agent to advance refund all of the outstanding balance of the 2009 Water Revenue Bonds. Please see the 2016 Water Revenue Bond disclosure for additional information. At June 30, 2017, \$40,395,000 outstanding bonds were defeased and no longer reported as a liability of the City.

**2013 Water Revenue Bonds**

In March, 2013, the South Pasadena Public Financing Authority issued \$6,995,000 Water and Wastewater Revenue Bonds, 2013 Series A. The bonds were issued to refund a portion of the outstanding California Statewide Communities Development Authority Water and Wastewater Revenue Bonds, Series 2004A that were issued on behalf of the City of South Pasadena, to purchase a surety for a reserve fund for the Bonds, and to pay costs of issuance of the bonds. The bonds are secured by a pledge of system net revenues of the City's water system.

Bond proceeds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. In addition, funds have been restricted for future capital improvements by City resolution.

The serial bonds mature annually from October 1, 2014 to October 1, 2029, in increasing amounts from \$325,000 to \$545,000. The bonds bear interest at rates ranging from .35% to 3.4%. The term bonds mature on October 1, 2029, and carry an interest rate of 5.0%. Interest is payable semi-annually on April 1 and October 1, commencing on October 1, 2014 and October 1, 2029, respectively.

The bonds are subject to optional redemption in whole or in part on or after October 1, 2013. On October 1, 2029, the bonds are subject to mandatory. At June 30, 2017, the City had \$5,720,000 of unamortized deferred loss on debt refunding.

CITY OF SOUTH PASADENA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2017

**Note 5: Long-Term Debt (Continued)**

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2017, including interest are as follows:

Fiscal Years Ending June 30,	Principal	Interest	Total
2018	\$ 350,000	\$ 201,438	\$ 551,438
2019	360,000	188,988	548,988
2020	375,000	174,288	549,288
2021	390,000	158,988	548,988
2022	405,000	143,088	548,088
2023-2027	2,265,000	474,340	2,739,340
2028-2030	1,575,000	74,764	1,649,764
	<u>\$ 5,720,000</u>	<u>\$ 1,415,894</u>	<u>\$ 7,135,894</u>

2016 Water Revenue Bonds

In November, 2016, the City of South Pasadena issued \$37,845,000 Water Revenue Refunding Bonds. The bonds were issued to refund all of the outstanding 2009 Water Revenue Bonds, purchase a municipal bond insurance policy to guarantee payment of the principal of and interest on the 2016 bonds and to pay costs of issuance of the 2016 bonds.

The serial bonds mature annually from October 1, 2017 to October 1, 2036, in amounts from \$835,000 to \$2,610,000. The bonds bear interest at rates ranging from 2% to 5%. The term bonds mature on October 1, 2039, and carry an interest rate of 5.0%. Interest is payable semi-annually on April 1 and October 1, commencing on April 1, 2017 and April 1, 2037, respectively.

The bonds are subject to optional redemption in whole or in part on or after October 1, 2026. On October 1, 2039, the bonds are subject to mandatory redemption, in part by lot, on October 1<sup>st</sup> of 2037, 2038 and 2039 in the principal amounts of \$2,745,000, \$2,845,000 and \$2,940,000. At June 30, 2017, \$37,845,000 was outstanding.

The City will recognize a deferred loss of \$6,117,708 over the life of the 2016 Water Revenue Bonds. Deferred loss outstanding as of June 30, 2017 was \$5,939,738.

CITY OF SOUTH PASADENA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2017

**Note 5: Long-Term Debt (Continued)**

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2017, including interest are as follows:

Fiscal Years Ending June 30,	Principal	Interest	Total
2018	\$ 990,000	\$ 1,616,338	\$ 2,606,338
2019	835,000	1,598,087	2,433,087
2020	850,000	1,576,988	2,426,988
2021	880,000	1,551,038	2,431,038
2022	905,000	1,519,738	2,424,738
2023-2027	5,205,000	6,925,590	12,130,590
2028-2032	7,800,000	5,425,265	13,225,265
2033-2037	11,850,000	2,979,440	14,829,440
2038-2040	8,530,000	438,414	8,968,414
	<u>\$ 37,845,000</u>	<u>\$ 23,630,898</u>	<u>\$ 61,475,898</u>

Pledged Revenue

The City has committed to appropriate each fiscal year from these resources amounts sufficient to cover the principal and interest requirements on the debt. Total principal and interest remaining on the debt is \$43,565,000 (\$43,565,000 principal, \$25,046,792 interest). For the current fiscal year, principal and interest paid and system net revenue received were \$3,332,469 and \$2,758,479, respectively.

**c. Net Pension Liability and Net OPEB Liability**

The City's policies relating to the Net Pension Liability and the Net OPEB Liability are described in Notes 6 and 7 of the Notes to Financial Statements. These liabilities will be paid in future years by the General, Water, and Sewer Funds as it becomes due.

**d. Loans**

2012 State Loan Payable

California State Water Resources Control Board loaned the City an assessable amount of \$11,000,000 over the term agreement starting December 1, 2013 through May 30, 2037. The proceeds from the loan are to be used by the City for its rehabilitation and replacement of the City's sewer infrastructure. The loan acts as an installment sale agreement, in which, the City must expend its own funds prior to drawing on the accessible loan amount for reimbursement. Repayment of project funds, together with all interest accrued thereon, by the City shall be repaid in annual installments commencing 1 year after the completion of the project. For the period ended June 30, 2017, the amount payable to the California State Water Resources Control Board was \$6,373,623.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2017

**Note 6: City Employees Retirement Plan (Defined Benefit Pension Plan)**

**a. General Information about the Pension Plans**

Plan Description

All qualified employees are eligible to participate in the City's Miscellaneous and Safety Employee Pension Plan, cost-sharing multiple employer defined benefit pension plan administered by the California Public Employees Retirement System (CalPERS). Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available report that include a full description of the pension plans regarding the plan's benefit provisions, assumptions and membership information that can be found on the CalPERS website <https://www.calpers.ca.gov/docs/forms-publications/cafr-2016.pdf>.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plans' provisions and benefits in effect at June 30, 2017, are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life
Retirement age	50-63	52-67
Monthly benefits, as a % of eligible compensation	1.426%-2.418%	1.00% - 2.50%
Required employee contribution rates	7.0%	6.70%
Required employer contribution rates	17.718%	6.73%
	Safety	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2% @ 50	2.70% @ 57
Benefit vesting schedule	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life
Retirement age	50-55	50-57
Monthly benefits, as a % of eligible compensation	2.00%-2.70%	2.00% - 2.70%
Required employee contribution rates	9.0%	12.25%
Required employer contribution rates	29.884%	11.923%

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2017

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**Note 6: City Employees Retirement Plan (Defined Benefit Pension Plan) (Continued)**

**a. General Information About the Pension Plans (Continued)**

Contributions

Section 20814 (c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employees be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plans are determined annually on an actuarial basis of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the fiscal year ended June 30, 2017, the contributions recognized as part of pension expense for the Plan were as follow:

Contributions - employer	\$ 3,258,700
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**b. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions**

As of June 30, 2017, the City reported net pension liabilities for its proportionate share of the net pension liability of the Plan as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous	\$ 11,161,959
Safety	20,523,478
Total Net Pension Liability	\$ 31,685,437

The City's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2016, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for the Plan as of June 30, 2015 and 2016 was as follows:

	Miscellaneous	Safety
Proportion - June 30, 2015	0.31766%	0.37396%
Proportion - June 30, 2016	0.31040%	0.42426%
Change - Increase (Decrease)	-0.00726%	0.05030%

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2017

**Note 6: City Employees Retirement Plan (Defined Benefit Pension Plan) (Continued)**

**b. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)**

For the fiscal year ended June 30, 2017, the City recognized pension expense of \$3,258,700. At June 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 82,636
Changes of assumptions		834,598
Net differences between projected and actual earnings on pension plan investments	4,202,432	
Changes in employer's proportion	786,959	1,078,886
Differences between the employer's contributions and the employer's proportionate share of contributions		1,268,829
Pension contributions subsequent to measurement date	<u>2,808,028</u>	
Total	<u>\$ 7,797,419</u>	<u>\$ 3,264,949</u>

\$2,808,028 reported as deferred outflows of resources related to contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and will be recognized as pension expense as follows:

Fiscal Year Ended <u>June 30,</u>	<u>Amount</u>
2018	\$ (767,578)
2019	(530,413)
2020	1,930,819
2021	<u>1,091,614</u>
Total	<u>\$ 1,724,442</u>

**Note 6: City Employees Retirement Plan (Defined Benefit Pension Plan) (Continued)**

**b. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)**

Actuarial Assumptions

	<u>Miscellaneous/Safety/PEPRA</u>
Valuation Date	June 30, 2015
Measurement Date	June 30, 2016
Actuarial Cost Method	Entry Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.65%
Inflation	2.75%
Mortality Rate Table <sup>1</sup>	Derived using CalPERS's Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter

<sup>1</sup>The mortality table used was developed based CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB.

All other actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience study for the fiscal years 1997 to 2011, including updates to salary increase, mortality, and retirement rates. The experience study report can be obtained at CalPERS' website under Forms and Publications.

Change of Assumptions

There were no changes of assumptions during the measurement period ended June 30, 2016. Deferred inflows of resources for changes of assumptions represent the unamortized portion of changes of assumptions related to prior measurement periods.

Discount Rate

The discount rate used to measure the total pension liability was 7.65 percent. To determine whether the municipal bond rate should be used in the calculation of the discount rate for public agency plans (including PERF C), the amortization and smoothing periods adopted by the CalPERS board were used. For the Plan, CalPERS performed the crossover test for a miscellaneous agent rate plan and a safety agent rate plan selected as being more at risk of failing the crossover test and resulting in a discount rate that would be different from the long-term expected rate of return on pension investments. Based on the testing of the rate plans, the tests revealed the assets would not run out. Therefore the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for PERF C. The crossover test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained on CalPERS' website under the GASB 68 section.

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

**Note 6: City Employees Retirement Plan (Defined Benefit Pension Plan) (Continued)**

**b. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)**

Discount Rate (Continued)

In determining the long-term expected rate of return, staff took into account both short-term and long-term market return expectations as well as the expected pension fund (Public Employees' Retirement Fund) cash flows. Using historical returns for all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The long-term expected real rates of return by asset class can be found in CalPERS' Comprehensive Annual Financial Report for the fiscal year ended June 30, 2016.

Amortization of Deferred Outflows and Deferred Inflows of Resources

Amortization of Deferred Outflows and Deferred Inflows of Resources Under GASB 68, actuarial gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Difference between projected and actual earnings on investments	5 year straight-line amortization
All other amounts	Straight-line amortization over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period

**Note 6: City Employees Retirement Plan (Defined Benefit Pension Plan) (Continued)**

**b. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)**

Discount Rate (Continued)

The Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments is amortized over a five-year period on a straight-line basis. One-fifth is recognized in pension expense during the measurement period, and the remaining Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments at the measurement date is to be amortized over the remaining amortization period. The Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments in the Schedule of Collective Pension Amounts represents the unamortized balance relating to the current measurement period and the prior measurement period on a net basis.

Deferred outflows of resources and deferred inflows of resources relating to Differences Between Expected and Actual Experience, Changes of Assumptions and employer-specific amounts should be amortized over the EARSL of members provided with pensions through the Plan determined as of the beginning of the related measurement period. The EARSL for PERF C for the June 30, 2016 measurement date is 3.7 years, which was obtained by dividing the total service years of 475,689 (the sum of remaining service lifetimes of all active employees) by 127,009 (the total number of participants: active, inactive, and retired) in PERF C. Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

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

The following presents the net pension liability/(asset) of the Plan as of the measurement date, calculated using the discount rate of 7.65%, as well as what the net pension liability/(asset) would be if it were calculated using a discount rate that is 1 percentage-point lower (6.65%) or 1 percentage-point higher (8.65%) than the current rate:

	<u>Miscellaneous</u>	<u>Safety</u>
1% Decrease	6.65%	6.65%
Net Pension Liability	\$ 17,178,543	\$ 31,443,390
Current Discount Rate	7.65%	7.65%
Net Pension Liability	11,161,959	20,523,478
1% Increase	8.65%	8.65%
Net Pension Liability	6,189,552	11,559,350

Pension Plan Fiduciary Net Position

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2017

**Note 7: Other Post-Employment Benefits**

The City provides certain other post-employment benefits (OPEB) through a single-employer defined benefit healthcare plan which provides health insurance for its retired employees according to the Personnel Rules and Regulations for each of the five employee groups. Benefit provisions are included annually in the Memorandum of Understanding between the City and each of its employee groups and ultimately passed by Council action. Separate financial statements for the plan are not available.

Funding Policy

The contribution requirements of plan members and the City are established and may be amended by the City, City Council, and/or employee associations. Currently, contributions are not required from plan members. A contribution of \$578,000 as well as an implied subsidy payment of \$85,000 was made during the 2016-2017 fiscal year for current premiums.

As a result, the City calculated and recorded a Net OPEB Liability, representing the difference between the Annual OPEB Cost and actual contributions, as presented below:

Annual required contribution (ARC)	\$ 1,449,000
Interest on net OPEB liability	332,000
Adjustment to ARC	(491,000)
Annual OPEB cost	<u>1,290,000</u>
Contributions made	(578,000)
Implied subsidy payments	<u>(85,000)</u>
Increase (decrease) in net OPEB obligation	627,000
Net OPEB obligation - June 30, 2016	<u>8,846,000</u>
Net OPEB obligation - June 30, 2017	<u>\$ 9,473,000</u>

The ARC of \$1,449,000 an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis is projected to cover the annual normal cost and the amortization of unfunded actuarial liabilities (or funding excess) over a twenty-year period.

Annual OPEB Costs and Net OPEB Obligation (Asset)

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2016-17 and the two preceding years were as follows:

Fiscal Year Ended	Annual OPEB Cost	Actual Contribution (Net of Adjustments)	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
6/30/2015	\$ 1,385,000	\$ 655,199	47%	\$ 8,154,000
6/30/2016	1,409,000	717,000	51%	8,846,000
6/30/2017	1,290,000	663,000	51%	9,473,000

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2017

**Note 7: Other Post-Employment Benefits (Continued)**

Funded Status and Funding Progress

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the City are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The schedule of funding progress below presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. The plan was implemented in fiscal year 2008-2009 and an actuarial valuation was performed during that fiscal year. A subsequent actuarial valuation was performed for fiscal years 2010-2011, 2012-2013, 2014-2015, and 2016-2017.

Actuarial Valuation Date	Actuarial Value of Assets	Unfunded Actuarial Accrued Liability	Funded Ratio	Annual Covered Payroll	UAAL as a % of Payroll
1/1/2009	\$ -	\$ 18,580,256	0.0%	\$ 9,393,343	198%
1/1/2011	-	22,197,057	0.0%	10,565,270	210%
1/1/2013	-	12,701,182	0.0%	10,810,983	117%
1/1/2015	-	16,677,000	0.0%	11,292,000	148%
1/1/2017	-	16,112,000	0.0%	11,625,000	139%

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in the actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2017, actuarial valuation, the entry age normal cost method was used. The actuarial assumptions include a 3.75% investment rate of return, which is a blended rate of the expected long-term investment return on plan assets and on the employer's own investments calculated based on the funded level of the plan at the valuation date, and annual healthcare cost trend rate of 4.25%. The actuarial value of assets is set equal to the reported market value of assets. The UAAL is being amortized as a level percentage of payroll on an open basis. The remaining amortization period at June 30, 2017, was 20 years. At January 1, 2017, the number of active participants was 146 and the number of retirees receiving benefits was 118.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2017

**Note 8: Risk Management**

The City is partially self-insured for general liability insurance. The City is responsible for claims up to \$100,000 per occurrence. Coverage in excess of the City’s self-insured retention is purchased through CSAC Excess Insurance Authority (CSAC-EIA) up to the statutory limits. The City participates in a risk pool for general liability insurance through CSAC-EIA above the City’s self-insured retention of \$100,000 up to \$4,900,000 per occurrence. Reinsurance coverage in excess of the pool layer up to \$25,000,000 is purchased through CSAC-EIA. CSAC-EIA retains responsibility for claims in excess of each member’s self-insured retention.

For workers’ compensation insurance, the City is covered from the first dollar. Coverage between \$1 and \$5,000,000 is provided by CSAC-EIA. CSAC-EIA participates in an excess pool which provides coverage from \$5,000,000 to \$50,000,000 and purchases excess insurance above \$50,000,000 to the statutory limit.

Workers’ compensation and general liability claims incurred prior to July 1, 2014 were covered through the City’s participation in the California Joint Powers Insurance Authority.

**Note 9: Commitments and Contingencies**

As of June 30, 2017, the City had the following construction commitments:

Project Names	Contract Amount	Expenditures to date as of June 30, 2017	Remaining Commitments
Sewer Rehabilitation & Repair Project Phase II	\$ 4,782,317	\$ 3,167,451	\$ 1,614,866
Garfield Reservoir Replacement Project	19,724,046	19,401,665	322,381

Due to the occurrence of several spills from the City’s sanitary sewer system, the City entered into a settlement on November 16, 2011, with the Regional Water Quality Control Board, Los Angeles Region and the state Attorney General for violations of the state’s general waste discharge requirements. The settlement required the City to cover fines and attorney fees in the amount of \$275,000, complete repairs to its sanitary sewer system over a 10 year period, and implement specified system maintenance programs. The total estimated cost of repairs is \$11.4 million. These requirements will be monitored through an open court proceeding and, if not met; the City could be subjected to further monetary penalties capped at \$900,000. That cap will be reduced periodically when stages of compliance are reached. The City’s settlement amount of \$275,000 less the costs of the asset management system was incurred in the Sewer fund. The cost of repairs that is estimated to be \$11.4 million over a ten-year period will be capitalized as infrastructure costs.

The City is presently involved in certain matters of litigation that have arisen in the normal course of conducting City business. City management believes that based upon consultation with the City Attorney, that these cases in the aggregate are not expected to result in a material adverse financial impact on the City beyond that already accrued for in the basic financial statements. Additionally, City management believes that sufficient resources are available to the City to cover any potential losses, should an unfavorable outcome materialize.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2017

**Note 10: Successor Agency Trust for Assets of Former Community Redevelopment Agency**

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 (“the Bill”) that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of South Pasadena that previously had reported a community redevelopment agency within the reporting entity of the City as a blended component unit.

The Bill provides that upon dissolution of a community redevelopment agency, a “successor agency” is to be established to hold the assets until they are distributed to other units of state and local government. On January 4, 2012, the City Council elected to become the Successor Agency for the former community redevelopment agency in accordance with the Bill as part of City resolution number 7205.

After enactment of the law, which occurred on June 28, 2011, community redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

Successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former community redevelopment agency until all enforceable obligations of the prior community redevelopment agency have been paid in full and all assets have been liquidated.

**a. Cash and Investments**

Cash and investments reported in the accompanying financial statements consisted of the following:

Cash and investments pooled with the City	\$ 67,906
Cash and investments with fiscal agent	198,252
	<u>\$266,158</u>

**b. Long-Term Debt**

The following debt was transferred from the Community Redevelopment Agency to the Successor Agency as of February 1, 2012, as a result of the dissolution.

The following is a summary of changes in long-term debt for the fiscal year ended June 30, 2017:

	Balance at July 1, 2016	Additions	Deletions	Balance at June 30, 2017	Due Within One Year
<b>Fiduciary Funds:</b>					
2000 Tax Allocation Bond	<u>\$1,335,000</u>	<u>\$ -</u>	<u>\$(115,000)</u>	<u>\$ 1,220,000</u>	<u>\$ 125,000</u>

CITY OF SOUTH PASADENA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
 JUNE 30, 2017

**Note 10: Successor Agency Trust for Assets of Former Community Redevelopment Agency (Continued)**

A description of long-term debt outstanding (excluding defeased debt) of the Successor Agency as of June 30, 2017, follows:

2000 Tax Allocation Bonds

In July 2000, the Agency issued \$2,600,000 in tax allocation bonds for the Downtown Revitalization Project No. 1, which mature annually from May 1, 2001 to May 1, 2025, in increasing amounts from \$55,000 to \$195,000, plus interest at 4.4% to 6.0%, payable semiannually on May 1 and November 1, commencing on November 1, 2000. Bonds are subject to redemption at the option of the Agency beginning May 1, 2010, at a price ranging from 102% to 100% of principal value. Debt service on the bonds is provided by incremental property tax revenues generated within the Downtown Redevelopment Project Area. At June 30, 2017, \$1,220,000 was outstanding.

Pledged Revenue

The City pledged, as security for bonds issued, either directly or through the Financing Authority, a portion of tax increment revenue (including Low and Moderate Income Housing set-aside and pass through allocations) that it receives. The bonds issued were to provide financing for various capital projects, accomplish Low and Moderate Income Housing projects and to defease previously issued bonds. Assembly Bill 1X 26 provided that upon dissolution of the community redevelopment agency, property taxes allocated to community redevelopment agencies no longer are deemed tax increment but rather property tax revenues and will be allocated first to successor agencies to make payments on the indebtedness incurred by the dissolved community redevelopment agency. Total principal and interest remaining on the debt is \$1,570,916 with annual debt service requirements as indicated above. For the current fiscal year, the total property tax revenue recognized by the City and Successor Agency for the payment of indebtedness incurred by the dissolved Community Redevelopment Agency was \$211,324 and the debt service obligation on the bonds was \$194,702.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2017, including interest are as follows:

Fiscal Years Ending June 30,	2000 Tax Allocation Bonds		
	Principal	Interest	Total
2018	\$ 125,000	\$ 72,946	\$ 197,946
2019	130,000	65,570	195,570
2020	140,000	57,900	197,900
2021	145,000	49,500	194,500
2022	155,000	40,800	195,800
2023-2025	525,000	64,200	589,200
	<u>\$ 1,220,000</u>	<u>\$ 350,916</u>	<u>\$ 1,570,916</u>

**CITY OF SOUTH PASADENA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2017**

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**Note 10: Successor Agency Trust for Assets of Former Community Redevelopment Agency (Continued)**

**c. Insurance**

The Successor Agency is covered under the City of South Pasadena’s insurance policies. Therefore, the limitation and self-insured retentions applicable to the City also apply to the Successor Agency. Additional information as to coverage and self-insured retentions can be found in Note 8.

**c. Bond proceeds transferred to the City of South Pasadena**

On March 31, 2016, the Exclusive Negotiating Agreement between the City and Genton Properties Group expired due to the inability of the developer to reach agreements with certain property owners in the former Downtown Redevelopment Project Area which would have enabled a development project to proceed. On June 15, 2016, the Successor Agency approved a Bond Expenditure Agreement with the City of South Pasadena, authorizing the transfer of the remaining 2000 Tax Allocation Bond proceeds to the City, so that development in the former Project Area could proceed under the direct charge of the City. This Bond Expenditure Agreement was approved by the Oversight Board on June 28, 2016, and the Oversight Board's action was approved by the State Department of Finance on August 8, 2016. At that point, the bond proceeds in the amount of \$901,436 were transferred from the Successor Agency to the City.

**Note 11: Deficit Fund Balances**

The following funds contained deficit fund balances at June 30, 2017:

Deficit

<u>Fund</u>	<u>Amount</u>
Nonmajor governmental funds:	
MTA Pedestrian Improvement	\$ 29,951
Mission Meridian Public Garage	319,335
County Park Bond	123,106
Homeland Security Grant	25,397
BTA Grant	27,684
Golden Streets Grant	263,930
HSIP Grant	2,338

The City intends to fund these deficits with future revenues, transfers, and reduction of expenditures/expenses in future years.

**CITY OF SOUTH PASADENA**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**JUNE 30, 2017**

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**Note 12: Supplementary Budgetary information**

The City did not adopt a budget for the following funds: MTA Pedestrian Improvement, CTC Traffic Improvement Grant, Asset Forfeiture, CLEEP, Homeland Security Grant, MRSC Grant, and Golden Streets Grant Fund. Accordingly, such budgetary information is not included as supplementary information.

Excess of expenditures over appropriations at the fund level were as follows:

Fund	Expenditures	Appropriations	Excess
Special Revenue Funds:			
Clean Air Act	\$ 41,981	\$ 40,000	\$ 1,981
Parking and Business Improvement	185,000	183,000	2,000
County Park Bond	367,827	3,900	363,927
C.D.B.G.	163,603	138,253	25,350
Asset Forfeiture	13,407	-	13,407
CLEEP	5,241	-	5,241
State Police Grant	170,090	78,368	91,722
Homeland Security Grant	9,167	-	9,167
MSRC Grant Fund	30,000	-	30,000
Golden Streets Grant	436,853	-	436,853
HSIP Grant	5,044	-	5,044

**REQUIRED SUPPLEMENTARY INFORMATION SECTION**

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CITY OF SOUTH PASADENA

**GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 20,532,654	\$ 20,532,654	\$ 20,404,636	\$ (128,018)
Licenses and permits	1,006,900	1,006,900	1,056,357	49,457
Intergovernmental	15,000	15,000	76,386	61,386
Charges for services	2,894,882	2,894,882	3,397,367	502,485
Use of money and property	580,585	580,585	541,749	(38,836)
Fines and forfeitures	366,000	366,000	397,738	31,738
Miscellaneous	226,000	226,000	481,950	255,950
Total revenues	25,622,021	25,622,021	26,356,183	734,162
Expenditures:				
General government:				
City council	65,775	65,775	42,197	23,578
City clerk	440,224	453,026	444,225	8,801
Elections	3,600	3,600	19,457	(15,857)
City manager	955,009	955,009	918,115	36,894
Personnel	171,300	171,300	248,127	(76,827)
Transportation planning	187,000	187,000	54,926	132,074
Legal services	265,000	265,000	257,586	7,414
Finance	724,891	724,891	643,953	80,938
City treasurer	9,452	9,452	9,380	72
Information services	436,990	436,990	396,763	40,227
Non-departmental	833,460	847,417	947,865	(100,448)
Public safety:				
Police	8,295,100	8,298,762	8,419,465	(120,703)
Fire	4,987,470	4,982,470	5,017,242	(34,772)
Community development:				
Community development	1,101,334	1,120,809	1,157,431	(36,622)
Community services:				
Library	1,666,155	1,631,983	1,511,302	120,681
Senior center	346,295	346,295	291,592	54,703
Recreation	301,925	316,925	285,450	31,475
After-school day care	679,655	679,655	679,959	(304)
Public works:				
Public works administration	515,878	521,248	372,783	148,465
Environmental services	307,658	319,038	210,594	108,444
Park maintenance	493,704	493,704	414,864	78,840
Facilities maintenance	685,155	695,577	678,534	17,043
Capital outlay	166,600	778,252	630,213	148,039
Total expenditures	23,639,630	24,304,178	23,652,023	652,155
Excess (deficiency) of revenues over (under) expenditures	1,982,391	1,317,843	2,704,160	1,386,317
Other financing sources (uses):				
Transfers out	(3,311,061)	(3,311,061)	(5,473,409)	(2,162,348)
Total other financing sources (uses)	(3,311,061)	(3,311,061)	(5,473,409)	(2,162,348)
Net change in fund balance	(1,328,670)	(1,993,218)	(2,769,249)	(776,031)
Fund balance at beginning of fiscal year	19,394,429	19,394,429	19,394,429	
Fund balance at end of fiscal year	\$ 18,065,759	\$ 17,401,211	\$ 16,625,180	\$ (776,031)

See Note to the Required Supplemental Information

**NOTE TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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**Note 1: Budgetary Information**

**a. Appropriations and Budgetary Control**

Budgetary control is an essential element in governmental financial reporting. The City, a general law city in the State of California, does not legally require a budget. However, the City Council annually reviews and adopts a budget for the General, Special Revenue, Capital Projects and Enterprise Fund types. To facilitate a greater understanding of the City's operations, budget information for the General, Special Revenue and Capital Projects Funds is included in the accompanying basic financial statements. This detailed budget document is published and is a matter of public record. Each year, the City Manager submits his proposed budget to the City Council. The City Council holds public hearings and may modify the appropriations by majority approval. The legal level of expenditures is controlled at the fund level and operating appropriations lapse at the end of each fiscal year. All budgeted amounts are reported on the same basis as the fund types and adopted on a basis consistent with accounting principles generally accepted in the United States of America. Changes in appropriations at the fund level during the year must be submitted by the City's departments for City Council review and approval. The City Manager may, without Council approval, amend individual line items within any fund and between divisions and programs, in personnel costs, maintenance and operations, capital outlay and capital projects portions of the budget without increasing total appropriations for that fund. Department heads may, without Council approval, amend individual line items within any fund in the maintenance and operation portions of the budget without increasing total appropriations for that division. Budget revisions made during fiscal year 2017 were not significant.

**CITY OF SOUTH PASADENA**

**REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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**Cost-Sharing Multiple-Employer Defined Benefit Pension Plan  
Last 10 Fiscal Years\***

**Note 2: Schedules of the City's Proportionate Share of the Plan's (PERF C) Net Pension Liability**

<b>Fiscal Year End</b>		6/30/2017		6/30/2016		6/30/2015
Measurement Date		6/30/2016		6/30/2015		6/30/2014
Proportion of the net pension liability		0.366175%		0.351455%		0.356603%
Proportionate share of the net pension liability	\$	31,685,437	\$	24,123,577	\$	22,189,470
Covered employee payroll		11,624,574		10,683,089		10,554,828
Proportionate Share of the net pension liability as a percentage of covered employee payroll		272.57%		225.81%		210.23%
Plan fiduciary net position as a percentage of total pension liability		74.06%		78.40%		79.82%

**Notes to Schedule**

Change in Benefit Terms: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2015 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a Golden Handshakes).

Change in Assumptions: During the fiscal year ending 6/30/2016 the discount rate was changed from 7.5 percent (net of administrative expense) to 7.65 percent to correct for an adjustment to exclude administrative expense.

\*Fiscal year 2015 was the 1<sup>st</sup> year of implementation, therefore only three years are shown.

**CITY OF SOUTH PASADENA**

**REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**Cost-Sharing Multiple-Employer Defined Benefit Pension Plan  
Last 10 Fiscal Years\***

**Note 3: Schedules of Pension Contributions**

Employer Fiscal Year End	2017	2016	2015
Actuarially Determined Contribution	\$ 3,258,700	\$ 2,445,893	\$ 1,926,460
Contributions in Relation to the Actuarially Determined Contribution	<u>(3,258,700)</u>	<u>(2,445,893)</u>	<u>(1,926,460)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 Covered Employee Payroll	 \$ 11,624,574	 10,683,089	 \$ 10,601,417
 Contributions as a Percentage of Covered Employee Payroll	 28.03%	 22.89%	 18.17%

<sup>1</sup>Historical information is required only for measurement periods for which GASB 68 is applicable.

**Notes to Schedule:**

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2016-17 were from the June 30, 2015 public agency valuations.

Actuarial Cost Method	Entry Age Normal Cost Method
Amortization Method	Level Percent of Payroll
Assets Valuation Method	Market Value
Actuarial Assumptions	
Inflation	2.75%
Salary Increases	3.30% to 14.20% depending on age, service and type of employment
Payroll Growth	3.00%
Investment Rate of Return	7.65% net of administrative expenses **
Mortality	The mortality assumptions are based on mortality rates resulting from the CalPERS Experience Study adopted by the CalPERS Board, first used in the June 30, 2009 valuation. For purposes of the post-retirement mortality rates, those revised rates include 5 years of projected on-going mortality improvement using Scale AA published by the Society of Actuaries until June 30, 2010. There is no margin for future mortality improvement beyond the valuation date.

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

\*\* For 2015 the investment rate of return was 7.50%.

**OTHER SUPPLEMENTARY INFORMATION SECTION**

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CITY OF SOUTH PASADENA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2017

(Continued)

	Special Revenue Funds			
	MTA Pedestrian Improvement	Proposition "A"	Proposition "C"	CTC Traffic Improvement Grant
<b>Assets:</b>				
Pooled cash and investments	\$ -	\$ 655,501	\$ 736,017	\$ -
Receivables:				
Accounts		100		
Accrued interest		832	726	
Due from other governments				206
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ 656,433</b>	<b>\$ 736,743</b>	<b>\$ 206</b>
<b><u>Liabilities, Deferred Inflow of Resources, and Fund Balances</u></b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 5,403	\$ -	\$ -
Accrued liabilities		2,544	2,248	
Deposits payable				
Due to other funds	29,951			174
<b>Total Liabilities</b>	<b>29,951</b>	<b>7,947</b>	<b>2,248</b>	<b>174</b>
<b>Deferred Inflow of Resources:</b>				
Unavailable revenues				
<b>Total Deferred Inflow of Resources</b>				
<b>Fund Balances:</b>				
Restricted for:				
Community development projects				
Public safety - Police				
Community services		648,486		
Public works - Streets and roads			734,495	32
Capital projects				
Public works - Street lighting				
Committed to:				
Capital projects				
Unassigned	(29,951)			
<b>Total Fund Balances (Deficit)</b>	<b>(29,951)</b>	<b>648,486</b>	<b>734,495</b>	<b>32</b>
<b>Total Liabilities, Deferred Inflow of Resources, and Fund Balances</b>	<b>\$ -</b>	<b>\$ 656,433</b>	<b>\$ 736,743</b>	<b>\$ 206</b>

CITY OF SOUTH PASADENA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2017

(Continued)

	Special Revenue Funds			
	Street Lighting	Clean Air Act	Parking and Business Improvement	Gold Line Mitigation
<b>Assets:</b>				
Pooled cash and investments	\$ 348,469	\$ 131,836	\$ 127,265	\$ 60,381
Receivables:				
Accounts	19,474			
Accrued interest		137		
Due from other governments		8,449		
<b>Total Assets</b>	<b>\$ 367,943</b>	<b>\$ 140,422</b>	<b>\$ 127,265</b>	<b>\$ 60,381</b>
<b><u>Liabilities, Deferred Inflow of Resources, and Fund Balances</u></b>				
<b>Liabilities:</b>				
Accounts payable	\$ 107,678	\$ -	\$ -	\$ -
Accrued liabilities	1,742			
Deposits payable	7,408			
Due to other funds				
<b>Total Liabilities</b>	<b>116,828</b>			
<b>Deferred Inflow of Resources:</b>				
Unavailable revenues				
<b>Total Deferred Inflow of Resources</b>				
<b>Fund Balances:</b>				
Restricted for:				
Community development projects				
Public safety - Police				
Community services				
Public works - Streets and roads				
Capital projects		140,422	127,265	60,381
Public works - Street lighting	251,115			
Committed to:				
Capital projects				
Unassigned				
<b>Total Fund Balances (Deficit)</b>	<b>251,115</b>	<b>140,422</b>	<b>127,265</b>	<b>60,381</b>
<b>Total Liabilities, Deferred Inflow of Resources, and Fund Balances</b>	<b>\$ 367,943</b>	<b>\$ 140,422</b>	<b>\$ 127,265</b>	<b>\$ 60,381</b>

CITY OF SOUTH PASADENA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2017

(Continued)

	Special Revenue Funds			
	Mission Meridian Public Garage	State Gas Tax	County Park Bond	Capital Growth Requirements
<b>Assets:</b>				
Pooled cash and investments	\$ -	\$ 1,001,854	\$ -	\$ 277,058
Receivables:				
Accounts				
Accrued interest		1,059		294
Due from other governments				
<b>Total Assets</b>	<b>\$ -</b>	<b>\$ 1,002,913</b>	<b>\$ -</b>	<b>\$ 277,352</b>
<b><u>Liabilities, Deferred Inflow of Resources, and Fund Balances</u></b>				
<b>Liabilities:</b>				
Accounts payable	\$ 3,970	\$ 12,203	\$ 2,681	\$ -
Accrued liabilities		5,051		
Deposits payable				
Due to other funds	315,365		120,425	
<b>Total Liabilities</b>	<b>319,335</b>	<b>17,254</b>	<b>123,106</b>	
<b>Deferred Inflow of Resources:</b>				
Unavailable revenues				
<b>Total Deferred Inflow of Resources</b>				
<b>Fund Balances:</b>				
Restricted for:				
Community development projects				
Public safety - Police				
Community services				
Public works - Streets and roads		985,659		
Capital projects				277,352
Public works - Street lighting				
Committed to:				
Capital projects				
Unassigned	(319,335)		(123,106)	
<b>Total Fund Balances (Deficit)</b>	<b>(319,335)</b>	<b>985,659</b>	<b>(123,106)</b>	<b>277,352</b>
<b>Total Liabilities, Deferred Inflow of Resources, and Fund Balances</b>	<b>\$ -</b>	<b>\$ 1,002,913</b>	<b>\$ -</b>	<b>\$ 277,352</b>

CITY OF SOUTH PASADENA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2017

(Continued)

	Special Revenue Funds			
	C.D.B.G.	Asset Forfeiture	CLEEP	Bike and Pedestrian Paths
<b>Assets:</b>				
Pooled cash and investments	\$ -	\$ 3,572	\$ -	\$ 8
Receivables:				
Accounts				
Accrued interest		4		4
Due from other governments	8,604			
<b>Total Assets</b>	<b>\$ 8,604</b>	<b>\$ 3,576</b>	<b>\$ -</b>	<b>\$ 12</b>
<b><u>Liabilities, Deferred Inflow of Resources, and Fund Balances</u></b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities				
Deposits payable				
Due to other funds	8,604			
<b>Total Liabilities</b>	<b>8,604</b>			
<b>Deferred Inflow of Resources:</b>				
Unavailable revenues				
<b>Total Deferred Inflow of Resources</b>				
<b>Fund Balances:</b>				
Restricted for:				
Community development projects				12
Public safety - Police		3,576		
Community services				
Public works - Streets and roads				
Capital projects				
Public works - Street lighting				
Committed to:				
Capital projects				
Unassigned				
<b>Total Fund Balances (Deficit)</b>		<b>3,576</b>		<b>12</b>
<b>Total Liabilities, Deferred Inflow of Resources, and Fund Balances</b>	<b>\$ 8,604</b>	<b>\$ 3,576</b>	<b>\$ -</b>	<b>\$ 12</b>

CITY OF SOUTH PASADENA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2017

(Continued)

	Special Revenue Funds			
	State Police Grant	Homeland Security Grant	Park Impact Fees	Measure R
<b>Assets:</b>				
Pooled cash and investments	\$ 66,360	\$ -	\$ 331,154	\$ 829,910
Receivables:				
Accounts				
Accrued interest	111			911
Due from other governments	39,416	14,514		
<b>Total Assets</b>	<b>\$ 105,887</b>	<b>\$ 14,514</b>	<b>\$ 331,154</b>	<b>\$ 830,821</b>
<b><u>Liabilities, Deferred Inflow of Resources, and Fund Balances</u></b>				
<b>Liabilities:</b>				
Accounts payable	\$ 7,407	\$ -	\$ 12,047	\$ 42,605
Accrued liabilities				
Deposits payable				
Due to other funds		25,397		
<b>Total Liabilities</b>	<b>7,407</b>	<b>25,397</b>	<b>12,047</b>	<b>42,605</b>
<b>Deferred Inflow of Resources:</b>				
Unavailable revenues		14,514		
<b>Total Deferred Inflow of Resources</b>		<b>14,514</b>		
<b>Fund Balances:</b>				
Restricted for:				
Community development projects				
Public safety - Police	98,480			
Community services			319,107	
Public works - Streets and roads				788,216
Capital projects				
Public works - Street lighting				
Committed to:				
Capital projects				
Unassigned		(25,397)		
<b>Total Fund Balances (Deficit)</b>	<b>98,480</b>	<b>(25,397)</b>	<b>319,107</b>	<b>788,216</b>
<b>Total Liabilities, Deferred Inflow of Resources, and Fund Balances</b>	<b>\$ 105,887</b>	<b>\$ 14,514</b>	<b>\$ 331,154</b>	<b>\$ 830,821</b>

CITY OF SOUTH PASADENA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2017

(Continued)

	Special Revenue Funds			
	TDA/Metro Grant Fund	Public Education	MSRC Grant Fund	BTA Grant Fund
<b>Assets:</b>				
Pooled cash and investments	\$ 379,104	\$ 118,558	\$ -	\$ -
Receivables:				
Accounts		4,394		
Accrued interest	410			
Due from other governments	452,924			28,142
<b>Total Assets</b>	<b>\$ 832,438</b>	<b>\$ 122,952</b>	<b>\$ -</b>	<b>\$ 28,142</b>
<b><u>Liabilities, Deferred Inflow of Resources, and Fund Balances</u></b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities				
Deposits payable				
Due to other funds				55,826
<b>Total Liabilities</b>				<b>55,826</b>
<b>Deferred Inflow of Resources:</b>				
Unavailable revenues				
<b>Total Deferred Inflow of Resources</b>				
<b>Fund Balances:</b>				
Restricted for:				
Community development projects		122,952		
Public safety - Police				
Community services				
Public works - Streets and roads	832,438			
Capital projects				
Public works - Street lighting				
Committed to:				
Capital projects				
Unassigned				(27,684)
<b>Total Fund Balances (Deficit)</b>	<b>832,438</b>	<b>122,952</b>		<b>(27,684)</b>
<b>Total Liabilities, Deferred Inflow of Resources, and Fund Balances</b>	<b>\$ 832,438</b>	<b>\$ 122,952</b>	<b>\$ -</b>	<b>\$ 28,142</b>

CITY OF SOUTH PASADENA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2017

(Continued)

	Special Revenue Funds			Capital Project Fund
	Housing Authority Fund	Golden Streets Grant Fund	HSIP Grant Fund	Facilities & Equip. Capital Project
<b>Assets:</b>				
Pooled cash and investments	\$ 36,312	\$ -	\$ -	\$ 1,187,387
Receivables:				
Accounts				25,826
Accrued interest	38			
Due from other governments		741,659	2,338	
<b>Total Assets</b>	<b>\$ 36,350</b>	<b>\$ 741,659</b>	<b>\$ 2,338</b>	<b>\$ 1,213,213</b>
<b><u>Liabilities, Deferred Inflow of Resources, and Fund Balances</u></b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 155,938	\$ -	\$ 203,420
Accrued liabilities				
Deposits payable	729			
Due to other funds		632,091	2,338	
<b>Total Liabilities</b>	<b>729</b>	<b>788,029</b>	<b>2,338</b>	<b>203,420</b>
<b>Deferred Inflow of Resources:</b>				
Unavailable revenues		217,560	2,338	
<b>Total Deferred Inflow of Resources</b>		<b>217,560</b>	<b>2,338</b>	
<b>Fund Balances:</b>				
Restricted for:				
Community development projects	35,621			
Public safety - Police				
Community services				
Public works - Streets and roads				
Capital projects				
Public works - Street lighting				
Committed to:				
Capital projects				1,009,793
Unassigned		(263,930)	(2,338)	
<b>Total Fund Balances (Deficit)</b>	<b>35,621</b>	<b>(263,930)</b>	<b>(2,338)</b>	<b>1,009,793</b>
<b>Total Liabilities, Deferred Inflow of Resources, and Fund Balances</b>	<b>\$ 36,350</b>	<b>\$ 741,659</b>	<b>\$ 2,338</b>	<b>\$ 1,213,213</b>

CITY OF SOUTH PASADENA

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2017

	Capital Project Funds		Total Governmental Funds
	2000 Tax Allocation Bonds Fund	Streets Improvement Program Fund	
<b>Assets:</b>			
Pooled cash and investments	\$ 901,439	\$ 1,545,894	\$ 8,738,079
Receivables:			
Accounts			49,794
Accrued interest	974		5,500
Due from other governments			1,296,252
<b>Total Assets</b>	<b>\$ 902,413</b>	<b>\$ 1,545,894</b>	<b>\$ 10,089,625</b>
<b><u>Liabilities, Deferred Inflow of Resources, and Fund Balances</u></b>			
<b>Liabilities:</b>			
Accounts payable	\$ -	\$ 72,884	626,236
Accrued liabilities			11,585
Deposits payable			8,137
Due to other funds			1,190,171
<b>Total Liabilities</b>		<b>72,884</b>	<b>1,836,129</b>
<b>Deferred Inflow of Resources:</b>			
Unavailable revenues			234,412
<b>Total Deferred Inflow of Resources</b>			<b>234,412</b>
<b>Fund Balances:</b>			
Restricted for:			
Community development projects	902,413		1,060,998
Public safety - Police			102,056
Community services			967,593
Public works - Streets and roads			3,340,840
Capital projects			605,420
Public works - Street lighting			251,115
Committed to:			
Capital projects		1,473,010	2,482,803
Unassigned			(791,741)
<b>Total Fund Balances (Deficit)</b>	<b>902,413</b>	<b>1,473,010</b>	<b>8,019,084</b>
<b>Total Liabilities, Deferred Inflow of Resources, and Fund Balances</b>	<b>\$ 902,413</b>	<b>\$ 1,545,894</b>	<b>\$ 10,089,625</b>

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CITY OF SOUTH PASADENA

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

(Continued)

	Special Revenue Funds			
	MTA Pedestrian Improvement	Proposition "A"	Proposition "C"	CTC Traffic Improvement Grant
<b>Revenues:</b>				
Taxes	\$ -	\$ 477,606	\$ 395,587	\$ -
Assessments				
Licenses and permits			37,508	
Intergovernmental				336
Charges for services		4,408		
Use of money and property		738	628	
Contributions				
Miscellaneous		10,447		
<b>Total Revenues</b>		<b>493,199</b>	<b>433,723</b>	<b>336</b>
<b>Expenditures:</b>				
Current:				
General government		16,224	6,815	269
Public safety				
Community services		342,407	160,781	
Public works			103	
Capital outlay		184,486		
<b>Total Expenditures</b>		<b>543,117</b>	<b>167,699</b>	<b>269</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures		(49,918)	266,024	67
<b>Other Financing Sources (Uses):</b>				
Transfers in				
Transfers out				
<b>Total Other Financing Sources (Uses)</b>				
Net Change in Fund Balances		(49,918)	266,024	67
<b>Fund Balances (Deficit), Beginning of Fiscal Year</b>	<b>(29,951)</b>	<b>698,404</b>	<b>468,471</b>	<b>(35)</b>
<b>Fund Balances (Deficit), End of Fiscal Year</b>	<b>\$ (29,951)</b>	<b>\$ 648,486</b>	<b>\$ 734,495</b>	<b>\$ 32</b>

CITY OF SOUTH PASADENA

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

(Continued)

	Special Revenue Funds			
	Street Lighting	Clean Air Act	Parking and Business Improvement	Gold Line Mitigation
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ 165,235	\$ -
Assessments	892,361			
Licenses and permits				
Intergovernmental		33,238		
Charges for services				
Use of money and property		143		
Contributions	4,310			
Miscellaneous	55,369			
<b>Total Revenues</b>	<b>952,040</b>	<b>33,381</b>	<b>165,235</b>	
<b>Expenditures:</b>				
Current:				
General government		1,750	185,000	
Public safety				
Community services				
Public works	791,422			
Capital outlay	101,950	40,231		
<b>Total Expenditures</b>	<b>893,372</b>	<b>41,981</b>	<b>185,000</b>	
Excess (Deficiency) of Revenues Over (Under) Expenditures	58,668	(8,600)	(19,765)	
<b>Other Financing Sources (Uses):</b>				
Transfers in	100,000			
Transfers out	(8,171)			
<b>Total Other Financing Sources (Uses)</b>	<b>91,829</b>			
Net Change in Fund Balances	150,497	(8,600)	(19,765)	
<b>Fund Balances (Deficit), Beginning of Fiscal Year</b>	<b>100,618</b>	<b>149,022</b>	<b>147,030</b>	<b>60,381</b>
<b>Fund Balances (Deficit), End of Fiscal Year</b>	<b>\$ 251,115</b>	<b>\$ 140,422</b>	<b>\$ 127,265</b>	<b>\$ 60,381</b>

CITY OF SOUTH PASADENA

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

(Continued)

	Special Revenue Funds			
	Mission Meridian Public Garage	State Gas Tax	County Park Bond	Capital Growth Requirements
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Assessments				
Licenses and permits				
Intergovernmental		497,238	309,028	
Charges for services				50,713
Use of money and property	990	227		155
Contributions				
Miscellaneous				
<b>Total Revenues</b>	<u>990</u>	<u>497,465</u>	<u>309,028</u>	<u>50,868</u>
<b>Expenditures:</b>				
Current:				
General government	15,432			
Public safety				
Community services				
Public works		516,304	120,562	
Capital outlay			247,265	
<b>Total Expenditures</b>	<u>15,432</u>	<u>516,304</u>	<u>367,827</u>	
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(14,442)</u>	<u>(18,839)</u>	<u>(58,799)</u>	<u>50,868</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in				
Transfers out				
<b>Total Other Financing Sources (Uses)</b>				
Net Change in Fund Balances	(14,442)	(18,839)	(58,799)	50,868
<b>Fund Balances (Deficit), Beginning of Fiscal Year</b>	<u>(304,893)</u>	<u>1,004,498</u>	<u>(64,307)</u>	<u>226,484</u>
<b>Fund Balances (Deficit), End of Fiscal Year</b>	<u>\$ (319,335)</u>	<u>\$ 985,659</u>	<u>\$ (123,106)</u>	<u>\$ 277,352</u>

CITY OF SOUTH PASADENA

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

(Continued)

	Special Revenue Funds			
	C.D.B.G.	Asset Forfeiture	CLEEP	Bike and Pedestrian Paths
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Assessments				
Licenses and permits				
Intergovernmental	134,454			11,205
Charges for services				
Use of money and property		3	(5)	12
Contributions				
Miscellaneous	29,149			
<b>Total Revenues</b>	<u>163,603</u>	<u>3</u>	<u>(5)</u>	<u>11,217</u>
<b>Expenditures:</b>				
Current:				
General government				
Public safety				
Community services	47,486			
Public works				
Capital outlay	116,117	13,407	5,241	11,205
<b>Total Expenditures</b>	<u>163,603</u>	<u>13,407</u>	<u>5,241</u>	<u>11,205</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures		(13,404)	(5,246)	12
<b>Other Financing Sources (Uses):</b>				
Transfers in				
Transfers out				
<b>Total Other Financing Sources (Uses)</b>				
Net Change in Fund Balances		(13,404)	(5,246)	12
<b>Fund Balances (Deficit), Beginning of Fiscal Year</b>		16,980	5,246	
<b>Fund Balances (Deficit), End of Fiscal Year</b>	<u>\$ -</u>	<u>\$ 3,576</u>	<u>\$ -</u>	<u>\$ 12</u>

CITY OF SOUTH PASADENA

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

(Continued)

	Special Revenue Funds			
	State Police Grant	Homeland Security Grant	Park Impact Fees	Measure R
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ 297,193
Assessments				
Licenses and permits				
Intergovernmental	168,743			
Charges for services			76,588	
Use of money and property	120			(1,471)
Contributions				
Miscellaneous				
<b>Total Revenues</b>	<u>168,863</u>		<u>76,588</u>	<u>295,722</u>
<b>Expenditures:</b>				
Current:				
General government				
Public safety	17,822			
Community services			66,007	
Public works				
Capital outlay	152,268	9,167	131,169	475,783
<b>Total Expenditures</b>	<u>170,090</u>	<u>9,167</u>	<u>197,176</u>	<u>475,783</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,227)</u>	<u>(9,167)</u>	<u>(120,588)</u>	<u>(180,061)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in				
Transfers out				
<b>Total Other Financing Sources (Uses)</b>				
Net Change in Fund Balances	(1,227)	(9,167)	(120,588)	(180,061)
<b>Fund Balances (Deficit), Beginning of Fiscal Year</b>	<u>99,707</u>	<u>(16,230)</u>	<u>439,695</u>	<u>968,277</u>
<b>Fund Balances (Deficit), End of Fiscal Year</b>	<u>\$ 98,480</u>	<u>\$ (25,397)</u>	<u>\$ 319,107</u>	<u>\$ 788,216</u>

CITY OF SOUTH PASADENA

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

(Continued)

	Special Revenue Funds			
	TDA/Metro Grant Fund	Public Education	MSRC Grant Fund	BTA Grant Fund
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Assessments				
Licenses and permits				
Intergovernmental	452,924	19,179	30,000	28,142
Charges for services				
Use of money and property	123			
Contributions				
Miscellaneous				
<b>Total Revenues</b>	<u>453,047</u>	<u>19,179</u>	<u>30,000</u>	<u>28,142</u>
<b>Expenditures:</b>				
Current:				
General government				
Public safety				
Community services				
Public works				55,639
Capital outlay			30,000	
<b>Total Expenditures</b>			<u>30,000</u>	<u>55,639</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>453,047</u>	<u>19,179</u>		<u>(27,497)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in				
Transfers out				
<b>Total Other Financing Sources (Uses)</b>				
Net Change in Fund Balances	453,047	19,179		(27,497)
<b>Fund Balances (Deficit), Beginning of Fiscal Year</b>	<u>379,391</u>	<u>103,773</u>		<u>(187)</u>
<b>Fund Balances (Deficit), End of Fiscal Year</b>	<u>\$ 832,438</u>	<u>\$ 122,952</u>	<u>\$ -</u>	<u>\$ (27,684)</u>

CITY OF SOUTH PASADENA

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

(Continued)

	Special Revenue Funds			Capital
	Housing Authority Fund	Golden Streets Grant Fund	HSIP Grant Fund	Projects Fund Facilities & Equip. Capital Project
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Assessments				
Licenses and permits				
Intergovernmental		524,099	7,195	
Charges for services				
Use of money and property	8,776			
Contributions				
Miscellaneous				
<b>Total Revenues</b>	<u>8,776</u>	<u>524,099</u>	<u>7,195</u>	
<b>Expenditures:</b>				
Current:				
General government				
Public safety				
Community services				
Public works		436,835	5,044	
Capital outlay				1,506,091
<b>Total Expenditures</b>		<u>436,835</u>	<u>5,044</u>	<u>1,506,091</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>8,776</u>	<u>87,264</u>	<u>2,151</u>	<u>(1,506,091)</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in				1,818,931
Transfers out				
<b>Total Other Financing Sources (Uses)</b>				<u>1,818,931</u>
Net Change in Fund Balances	8,776	87,264	2,151	312,840
<b>Fund Balances (Deficit), Beginning of Fiscal Year</b>	<u>26,845</u>	<u>(351,194)</u>	<u>(4,489)</u>	<u>696,953</u>
<b>Fund Balances (Deficit), End of Fiscal Year</b>	<u>\$ 35,621</u>	<u>\$ (263,930)</u>	<u>\$ (2,338)</u>	<u>\$ 1,009,793</u>

CITY OF SOUTH PASADENA

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Capital Project Funds		Total Governmental Funds
	2000 Tax Allocation Bonds Fund	Streets Improvement Program Fund	
<b>Revenues:</b>			
Taxes	\$ -	\$ -	\$ 1,335,621
Assessments			892,361
Licenses and permits			37,508
Intergovernmental	901,436		3,117,217
Charges for services			131,709
Use of money and property	977		11,416
Contributions			4,310
Miscellaneous			94,965
<b>Total Revenues</b>	<u>902,413</u>	<u></u>	<u>5,625,107</u>
<b>Expenditures:</b>			
Current:			
General government			225,490
Public safety			17,822
Community services			616,681
Public works			1,925,909
Capital outlay		2,032,441	5,056,821
<b>Total Expenditures</b>	<u></u>	<u>2,032,441</u>	<u>7,842,723</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>902,413</u>	<u>(2,032,441)</u>	<u>(2,217,616)</u>
<b>Other Financing Sources (Uses):</b>			
Transfers in		3,505,451	5,424,382
Transfers out			(8,171)
<b>Total Other Financing Sources (Uses)</b>	<u></u>	<u>3,505,451</u>	<u>5,416,211</u>
Net Change in Fund Balances	902,413	1,473,010	3,198,595
<b>Fund Balances (Deficit), Beginning of Fiscal Year</b>	<u></u>	<u></u>	<u>4,820,489</u>
<b>Fund Balances (Deficit), End of Fiscal Year</b>	<u>\$ 902,413</u>	<u>\$ 1,473,010</u>	<u>\$ 8,019,084</u>

CITY OF SOUTH PASADENA

PROPOSITION "A"

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual Amounts	Variance- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 479,568	\$ 479,568	\$ 477,606	\$ (1,962)
Charges for services	5,000	5,000	4,408	(592)
Use of money and property	6,000	6,000	738	(5,262)
Miscellaneous	16,000	16,000	10,447	(5,553)
<b>Total Revenues</b>	<u>506,568</u>	<u>506,568</u>	<u>493,199</u>	<u>(13,369)</u>
<b>Expenditures:</b>				
Current:				
General government	14,997	14,997	16,224	(1,227)
Community services	471,748	471,748	342,407	129,341
Capital outlay	180,000	201,843	184,486	17,357
<b>Total Expenditures</b>	<u>666,745</u>	<u>688,588</u>	<u>543,117</u>	<u>145,471</u>
<b>Net Changes in Fund Balance</b>	(160,177)	(182,020)	(49,918)	132,102
<b>Fund Balance (Deficit) at Beginning of Fiscal Year</b>	<u>698,404</u>	<u>698,404</u>	<u>698,404</u>	
<b>Fund Balance (Deficit) at End of Fiscal Year</b>	<u>\$ 538,227</u>	<u>\$ 516,384</u>	<u>\$ 648,486</u>	<u>\$ 132,102</u>

CITY OF SOUTH PASADENA

**PROPOSITION "C"**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 397,789	\$ 397,789	\$ 395,587	\$ (2,202)
Licenses and permits	35,000	35,000	37,508	2,508
Use of money and property	4,000	4,000	628	(3,372)
<b>Total Revenues</b>	<u>436,789</u>	<u>436,789</u>	<u>433,723</u>	<u>(3,066)</u>
<b>Expenditures:</b>				
Current:				
General government	6,988	6,988	6,815	173
Community services	240,532	242,782	160,781	82,001
Public works		701	103	598
Capital outlay	500,000	515,480		515,480
<b>Total Expenditures</b>	<u>747,520</u>	<u>765,951</u>	<u>167,699</u>	<u>598,252</u>
<b>Net Changes in Fund Balance</b>	(310,731)	(329,162)	266,024	595,186
<b>Fund Balance (Deficit) at Beginning of Fiscal Year</b>	<u>468,471</u>	<u>468,471</u>	<u>468,471</u>	
<b>Fund Balance (Deficit) at End of Fiscal Year</b>	<u>\$ 157,740</u>	<u>\$ 139,309</u>	<u>\$ 734,495</u>	<u>\$ 595,186</u>

CITY OF SOUTH PASADENA

STREET LIGHTING

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual Amounts	Variance- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Assessments	\$ 890,000	\$ 890,000	\$ 892,361	\$ 2,361
Contributions	5,000	5,000	4,310	(690)
Miscellaneous			55,369	55,369
<b>Total Revenues</b>	<u>895,000</u>	<u>895,000</u>	<u>952,040</u>	<u>57,040</u>
<b>Expenditures:</b>				
Current:				
Public works	987,685	1,023,776	791,422	232,354
Capital outlay	170,000	181,930	101,950	79,980
<b>Total Expenditures</b>	<u>1,157,685</u>	<u>1,205,706</u>	<u>893,372</u>	<u>312,334</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(262,685)</u>	<u>(310,706)</u>	<u>58,668</u>	<u>369,374</u>
<b>Other Financing Sources (Uses):</b>				
Transfers in			100,000	100,000
Transfers out	(6,000)	(6,000)	(8,171)	(2,171)
<b>Total Other Financing Sources and (Uses)</b>	<u>(6,000)</u>	<u>(6,000)</u>	<u>91,829</u>	<u>97,829</u>
<b>Net Changes in Fund Balance</b>	<u>(268,685)</u>	<u>(316,706)</u>	<u>150,497</u>	<u>467,203</u>
<b>Fund Balance (Deficit) at Beginning of Fiscal Year</b>	<u>100,618</u>	<u>100,618</u>	<u>100,618</u>	
<b>Fund Balance (Deficit) at End of Fiscal Year</b>	<u>\$ (168,067)</u>	<u>\$ (216,088)</u>	<u>\$ 251,115</u>	<u>\$ 467,203</u>

CITY OF SOUTH PASADENA

CLEAN AIR ACT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual Amounts	Variance- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 32,000	\$ 32,000	\$ 33,238	\$ 1,238
Use of money and property	1,200	1,200	143	(1,057)
<b>Total Revenues</b>	<u>33,200</u>	<u>33,200</u>	<u>33,381</u>	<u>181</u>
<b>Expenditures:</b>				
Current:				
General government			1,750	(1,750)
Capital outlay	40,000	40,000	40,231	(231)
<b>Total Expenditures</b>	<u>40,000</u>	<u>40,000</u>	<u>41,981</u>	<u>(1,981)</u>
<b>Net Changes in Fund Balance</b>	(6,800)	(6,800)	(8,600)	(1,800)
<b>Fund Balance (Deficit) at Beginning of Fiscal Year</b>	<u>149,022</u>	<u>149,022</u>	<u>149,022</u>	
<b>Fund Balance (Deficit) at End of Fiscal Year</b>	<u>\$ 142,222</u>	<u>\$ 142,222</u>	<u>\$ 140,422</u>	<u>\$ (1,800)</u>

CITY OF SOUTH PASADENA

**PARKING AND BUSINESS IMPROVEMENT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 155,000	\$ 155,000	\$ 165,235	\$ 10,235
<b>Total Revenues</b>	<u>155,000</u>	<u>155,000</u>	<u>165,235</u>	<u>10,235</u>
<b>Expenditures:</b>				
Current:				
General government	<u>138,000</u>	<u>183,000</u>	<u>185,000</u>	<u>(2,000)</u>
<b>Total Expenditures</b>	<u>138,000</u>	<u>183,000</u>	<u>185,000</u>	<u>(2,000)</u>
<b>Net Changes in Fund Balance</b>	17,000	(28,000)	(19,765)	8,235
<b>Fund Balance (Deficit) at Beginning of Fiscal Year</b>	<u>147,030</u>	<u>147,030</u>	<u>147,030</u>	
<b>Fund Balance (Deficit) at End of Fiscal Year</b>	<u>\$ 164,030</u>	<u>\$ 119,030</u>	<u>\$ 127,265</u>	<u>\$ 8,235</u>

CITY OF SOUTH PASADENA

**GOLD LINE MITIGATION  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
<b>Total Revenues</b>				
<b>Expenditures:</b>				
Capital outlay	60,381	60,381		60,381
<b>Total Expenditures</b>	60,381	60,381		60,381
<b>Net Changes in Fund Balance</b>	(60,381)	(60,381)		60,381
<b>Fund Balance (Deficit) at Beginning of Fiscal Year</b>	60,381	60,381	60,381	
<b>Fund Balance (Deficit) at End of Fiscal Year</b>	\$ -	\$ -	\$ 60,381	\$ 60,381

CITY OF SOUTH PASADENA

MISSION MERIDIAN PUBLIC GARAGE  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual Amounts	Variance- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money and property	\$ 3,960	\$ 3,960	\$ 990	\$ (2,970)
<b>Total Revenues</b>	<u>3,960</u>	<u>3,960</u>	<u>990</u>	<u>(2,970)</u>
<b>Expenditures:</b>				
Current:				
General government	<u>26,000</u>	<u>26,000</u>	<u>15,432</u>	<u>10,568</u>
<b>Total Expenditures</b>	<u>26,000</u>	<u>26,000</u>	<u>15,432</u>	<u>10,568</u>
<b>Net Changes in Fund Balance</b>	(22,040)	(22,040)	(14,442)	7,598
<b>Fund Balance (Deficit) at Beginning of Fiscal Year</b>	<u>(304,893)</u>	<u>(304,893)</u>	<u>(304,893)</u>	
<b>Fund Balance (Deficit) at End of Fiscal Year</b>	<u>\$ (326,933)</u>	<u>\$ (326,933)</u>	<u>\$ (319,335)</u>	<u>\$ 7,598</u>

CITY OF SOUTH PASADENA

STATE GAS TAX  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual Amounts	Variance- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 542,811	\$ 542,811	\$ 497,238	\$ (45,573)
Use of money and property	8,000	8,000	227	(7,773)
<b>Total Revenues</b>	<u>550,811</u>	<u>550,811</u>	<u>497,465</u>	<u>(53,346)</u>
<b>Expenditures:</b>				
Current:				
Public works	648,225	661,359	516,304	145,055
Capital outlay	<u>160,000</u>	<u>160,000</u>		<u>160,000</u>
<b>Total Expenditures</b>	<u>808,225</u>	<u>821,359</u>	<u>516,304</u>	<u>305,055</u>
<b>Net Changes in Fund Balance</b>	(257,414)	(270,548)	(18,839)	251,709
<b>Fund Balance (Deficit) at Beginning of Fiscal Year</b>	<u>1,004,498</u>	<u>1,004,498</u>	<u>1,004,498</u>	
<b>Fund Balance (Deficit) at End of Fiscal Year</b>	<u>\$ 747,084</u>	<u>\$ 733,950</u>	<u>\$ 985,659</u>	<u>\$ 251,709</u>

CITY OF SOUTH PASADENA

COUNTY PARK BOND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual Amounts	Variance- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ -	\$ 309,028	\$ 309,028
<b>Total Revenues</b>			309,028	309,028
<b>Expenditures:</b>				
Current:				
Public works	3,900	3,900	120,562	(116,662)
Capital outlay			247,265	(247,265)
<b>Total Expenditures</b>	3,900	3,900	367,827	(363,927)
<b>Net Changes in Fund Balance</b>	(3,900)	(3,900)	(58,799)	(54,899)
<b>Fund Balance (Deficit) at Beginning of Fiscal Year</b>	(64,307)	(64,307)	(64,307)	
<b>Fund Balance (Deficit) at End of Fiscal Year</b>	<u>(68,207)</u>	<u>(68,207)</u>	<u>\$ (123,106)</u>	<u>\$ (54,899)</u>

CITY OF SOUTH PASADENA

**CAPITAL GROWTH REQUIREMENTS  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 32,000	\$ 32,000	\$ 50,713	\$ 18,713
Use of money and property	1,500	1,500	155	(1,345)
<b>Total Revenues</b>	<u>33,500</u>	<u>33,500</u>	<u>50,868</u>	<u>17,368</u>
<b>Expenditures:</b>				
Capital outlay		17,134		17,134
<b>Total Expenditures</b>		<u>17,134</u>		<u>17,134</u>
<b>Net Changes in Fund Balance</b>	33,500	16,366	50,868	34,502
<b>Fund Balance (Deficit) at Beginning of Fiscal Year</b>	<u>226,484</u>	<u>226,484</u>	<u>226,484</u>	
<b>Fund Balance (Deficit) at End of Fiscal Year</b>	<u>\$ 259,984</u>	<u>\$ 242,850</u>	<u>\$ 277,352</u>	<u>\$ 34,502</u>

CITY OF SOUTH PASADENA

C.D.B.G

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual Amounts	Variance- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 114,413	\$ 114,413	\$ 134,454	\$ 20,041
Miscellaneous	21,000	21,000	29,149	8,149
<b>Total Revenues</b>	<u>135,413</u>	<u>135,413</u>	<u>163,603</u>	<u>28,190</u>
<b>Expenditures:</b>				
Current:				
Community services	31,500	31,500	47,486	(15,986)
Capital outlay	103,913	106,753	116,117	(9,364)
<b>Total Expenditures</b>	<u>135,413</u>	<u>138,253</u>	<u>163,603</u>	<u>(25,350)</u>
<b>Net Changes in Fund Balance</b>		(2,840)		2,840
<b>Fund Balance (Deficit) at Beginning of Fiscal Year</b>				
<b>Fund Balance (Deficit) at End of Fiscal Year</b>	<u>\$ -</u>	<u>\$ (2,840)</u>	<u>\$ -</u>	<u>\$ 2,840</u>

CITY OF SOUTH PASADENA

BIKE AND PEDESTRIAN PATHS

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual Amounts	Variance- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 17,053	\$ 17,053	\$ 11,205	\$ (5,848)
Use of money and property			12	
<b>Total Revenues</b>	<u>17,053</u>	<u>17,053</u>	<u>11,217</u>	<u>(5,848)</u>
<b>Expenditures:</b>				
Capital outlay	<u>17,053</u>	<u>17,053</u>	<u>11,205</u>	<u>5,848</u>
<b>Total Expenditures</b>	<u>17,053</u>	<u>17,053</u>	<u>11,205</u>	<u>5,848</u>
<b>Net Changes in Fund Balance</b>			12	
<b>Fund Balance (Deficit) at Beginning of Fiscal Year</b>				
<b>Fund Balance (Deficit) at End of Fiscal Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12</u>	<u>\$ -</u>

CITY OF SOUTH PASADENA

STATE POLICE GRANT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual Amounts	Variance- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 100,000	\$ 100,000	\$ 168,743	\$ 68,743
Use of money and property	1,500	1,500	120	(1,380)
<b>Total Revenues</b>	<u>101,500</u>	<u>101,500</u>	<u>168,863</u>	<u>67,363</u>
<b>Expenditures:</b>				
Current:				
Public safety			17,822	(17,822)
Capital outlay	75,000	78,368	152,268	(73,900)
<b>Total Expenditures</b>	<u>75,000</u>	<u>78,368</u>	<u>170,090</u>	<u>(91,722)</u>
<b>Net Changes in Fund Balance</b>	26,500	23,132	(1,227)	(24,359)
<b>Fund Balance (Deficit) at Beginning of Fiscal Year</b>	<u>99,707</u>	<u>99,707</u>	<u>99,707</u>	
<b>Fund Balance (Deficit) at End of Fiscal Year</b>	<u>\$ 126,207</u>	<u>\$ 122,839</u>	<u>\$ 98,480</u>	<u>\$ (24,359)</u>

CITY OF SOUTH PASADENA

**PARK IMPACT FEES  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 30,000	\$ 30,000	\$ 76,588	\$ 46,588
<b>Total Revenues</b>	<u>30,000</u>	<u>30,000</u>	<u>76,588</u>	<u>46,588</u>
<b>Expenditures:</b>				
Current:				
Community services	20,000	114,335	66,007	48,328
Capital outlay	<u>200,000</u>	<u>200,000</u>	<u>131,169</u>	<u>68,831</u>
<b>Total Expenditures</b>	<u>220,000</u>	<u>314,335</u>	<u>197,176</u>	<u>117,159</u>
<b>Net Changes in Fund Balance</b>	(190,000)	(284,335)	(120,588)	163,747
<b>Fund Balance (Deficit) at Beginning of Fiscal Year</b>	<u>439,695</u>	<u>439,695</u>	<u>439,695</u>	
<b>Fund Balance (Deficit) at End of Fiscal Year</b>	<u>\$ 249,695</u>	<u>\$ 155,360</u>	<u>\$ 319,107</u>	<u>\$ 163,747</u>

CITY OF SOUTH PASADENA

MEASURE R

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual Amounts	Variance- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 298,320	\$ 298,320	\$ 297,193	\$ (1,127)
Use of money and property	5,000	5,000	(1,471)	(6,471)
<b>Total Revenues</b>	<u>303,320</u>	<u>303,320</u>	<u>295,722</u>	<u>(7,598)</u>
<b>Expenditures:</b>				
Capital outlay	746,000	746,000	475,783	270,217
<b>Total Expenditures</b>	<u>746,000</u>	<u>746,000</u>	<u>475,783</u>	<u>270,217</u>
<b>Net Changes in Fund Balance</b>	(442,680)	(442,680)	(180,061)	262,619
<b>Fund Balance (Deficit) at Beginning of Fiscal Year</b>	<u>968,277</u>	<u>968,277</u>	<u>968,277</u>	
<b>Fund Balance (Deficit) at End of Fiscal Year</b>	<u>\$ 525,597</u>	<u>\$ 525,597</u>	<u>\$ 788,216</u>	<u>\$ 262,619</u>

CITY OF SOUTH PASADENA

**TDA/METRO GRANT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ -	\$ 452,924	\$ 452,924
Use of money and property	2,000	2,000	123	(1,877)
<b>Total Revenues</b>	<u>2,000</u>	<u>2,000</u>	<u>453,047</u>	<u>451,047</u>
<b>Net Changes in Fund Balance</b>	2,000	2,000	453,047	451,047
<b>Fund Balance (Deficit) at Beginning of Fiscal Year</b>	<u>379,391</u>	<u>379,391</u>	<u>379,391</u>	
<b>Fund Balance (Deficit) at End of Fiscal Year</b>	<u>\$ 381,391</u>	<u>\$ 381,391</u>	<u>\$ 832,438</u>	<u>\$ 451,047</u>

CITY OF SOUTH PASADENA

**PUBLIC EDUCATION  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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	Budget Amounts		Actual Amounts	Variance- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 24,000	\$ 24,000	\$ 19,179	\$ (4,821)
<b>Total Revenues</b>	<u>24,000</u>	<u>24,000</u>	<u>19,179</u>	<u>(4,821)</u>
<b>Net Changes in Fund Balance</b>	24,000	24,000	19,179	(4,821)
<b>Fund Balance (Deficit) at Beginning of Fiscal Year</b>	<u>103,773</u>	<u>103,773</u>	<u>103,773</u>	
<b>Fund Balance (Deficit) at End of Fiscal Year</b>	<u>\$ 127,773</u>	<u>\$ 127,773</u>	<u>\$ 122,952</u>	<u>\$ (4,821)</u>

CITY OF SOUTH PASADENA

BTA GRANT FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual Amounts	Variance- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 224,000	\$ 224,000	\$ 28,142	\$ (195,858)
<b>Total Revenues</b>	<u>224,000</u>	<u>224,000</u>	<u>28,142</u>	<u>(195,858)</u>
<b>Expenditures:</b>				
Current:				
Public works	44,000	44,000	55,639	(11,639)
Capital outlay	<u>180,000</u>	<u>180,000</u>		<u>180,000</u>
<b>Total Expenditures</b>	<u>224,000</u>	<u>224,000</u>	<u>55,639</u>	<u>168,361</u>
<b>Net Changes in Fund Balance</b>			(27,497)	(27,497)
<b>Fund Balance (Deficit) at Beginning of Fiscal Year</b>	<u>(187)</u>	<u>(187)</u>	<u>(187)</u>	
<b>Fund Balance (Deficit) at End of Fiscal Year</b>	<u><u>\$ (187)</u></u>	<u><u>\$ (187)</u></u>	<u><u>\$ (27,684)</u></u>	<u><u>\$ (27,497)</u></u>

CITY OF SOUTH PASADENA

HOUSING AUTHORITY  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual Amounts	Variance- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money and property	\$ 8,998	\$ 8,898	\$ 8,776	\$ (122)
<b>Total Revenues</b>	<u>8,998</u>	<u>8,898</u>	<u>8,776</u>	<u>(122)</u>
<b>Net Changes in Fund Balance</b>	8,998	8,898	8,776	(122)
<b>Fund Balance (Deficit) at Beginning of Fiscal Year</b>	<u>26,845</u>	<u>26,845</u>	<u>26,845</u>	
<b>Fund Balance (Deficit) at End of Fiscal Year</b>	<u>\$ 35,843</u>	<u>\$ 35,743</u>	<u>\$ 35,621</u>	<u>\$ (122)</u>

CITY OF SOUTH PASADENA

HSIP GRANT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual Amounts	Variance- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ -	\$ 7,195	\$ 7,195
<b>Total Revenues</b>			7,195	7,195
<b>Expenditures:</b>				
Current:				
Public works			5,044	(5,044)
<b>Total Expenditures</b>			5,044	(5,044)
<b>Net Changes in Fund Balance</b>			2,151	2,151
<b>Fund Balance (Deficit) at Beginning of Fiscal Year</b>	(4,489)	(4,489)	(4,489)	
<b>Fund Balance (Deficit) at End of Fiscal Year</b>	<u>\$ (4,489)</u>	<u>\$ (4,489)</u>	<u>\$ (2,338)</u>	<u>\$ 2,151</u>

CITY OF SOUTH PASADENA

FACILITIES & EQUIP. CAPITAL PROJECT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budget Amounts		Actual Amounts	Variance- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
<b>Total Revenues</b>				
<b>Expenditures:</b>				
Capital outlay	1,587,000	2,167,343	\$ 1,506,091	\$ 661,252
<b>Total Expenditures</b>	1,587,000	2,167,343	1,506,091	661,252
Excess (deficiency) of revenues over (under) expenditures	(1,587,000)	(2,167,343)	(1,506,091)	661,252
<b>Other Financing Sources (Uses):</b>				
Transfers in	1,536,061	1,536,061	1,818,931	282,870
<b>Total Other Financing Sources and (Uses)</b>	1,536,061	1,536,061	1,818,931	282,870
<b>Net Changes in Fund Balance</b>	(50,939)	(631,282)	312,840	944,122
<b>Fund Balance (Deficit) at Beginning of Fiscal Year</b>	696,953	696,953	696,953	
<b>Fund Balance (Deficit) at End of Fiscal Year</b>	\$ 646,014	\$ 65,671	\$ 1,009,793	\$ 944,122

CITY OF SOUTH PASADENA

**STREETS IMPROVEMENT PROGRAM CAPITAL PROJECT  
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Budget Amounts		Actual Amounts	Variance- Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
<b>Total Revenues</b>				
<b>Expenditures:</b>				
Capital outlay	1,739,000	1,739,000	\$ 2,032,441	(293,441)
<b>Total Expenditures</b>	1,739,000	1,739,000	2,032,441	(293,441)
Excess (deficiency) of revenues over (under) expenditures	(1,739,000)	(1,739,000)	(2,032,441)	(293,441)
<b>Other Financing Sources (Uses):</b>				
Transfers in	1,536,061	1,536,061	3,505,451	1,969,390
<b>Total Other Financing Sources and (Uses)</b>	1,536,061	1,536,061	3,505,451	1,969,390
<b>Net Changes in Fund Balance</b>	(202,939)	(202,939)	1,473,010	1,675,949
<b>Fund Balance (Deficit) at Beginning of Fiscal Year</b>				
<b>Fund Balance (Deficit) at End of Fiscal Year</b>	\$ (202,939)	\$ (202,939)	\$ 1,473,010	\$ 1,675,949

CITY OF SOUTH PASADENA

STATEMENT OF NET POSITION  
 NON-MAJOR PROPRIETARY FUND  
 June 30, 2017

	<u>Business-Type Activities- Enterprise Fund</u>
	<u>Arroyo Seco Golf Course</u>
<b>Assets:</b>	
Current:	
Cash and investments	\$ 364,819
Receivables:	
Accrued interest	86
Inventories	<u>8,642</u>
<b>Total Current Assets</b>	<u>373,547</u>
Noncurrent:	
Capital assets - not being depreciated	16,908
Capital assets - net of accumulated depreciation	<u>793,975</u>
<b>Total Noncurrent Assets</b>	<u>810,883</u>
<b>Total Assets</b>	<u>1,184,430</u>
<b>Liabilities and Net Position:</b>	
<b>Liabilities:</b>	
Current:	
Accounts payable	18,140
Accrued liabilities	<u>9,030</u>
<b>Total Liabilities</b>	<u>27,170</u>
Net position:	
Net investment in capital assets	810,883
Unrestricted	<u>346,377</u>
<b>Total Net Position</b>	<u>1,157,260</u>
<b>Total Liabilities and Net Position</b>	<u><u>\$ 1,184,430</u></u>

CITY OF SOUTH PASADENA

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
 NON-MAJOR PROPRIETARY FUND  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

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	Business-Type Activities- Enterprise Fund
	Arroyo Seco Golf Course
<b>Operating Revenues:</b>	
Sales and service charges	\$ 1,101,970
Total Operating Revenues	1,101,970
<b>Operating Expenses:</b>	
Administration and general	1,021,091
Depreciation expense	11,267
<b>Total Operating Expenses</b>	<b>1,032,358</b>
Operating Income	69,612
<b>Non-operating Revenues:</b>	
Interest revenue	(279)
<b>Total Nonoperating Revenues</b>	<b>(279)</b>
Change in net position	69,333
<b>Net Position at Beginning of Fiscal Year</b>	<b>1,087,927</b>
<b>Net Position at End of Fiscal Year</b>	<b>\$ 1,157,260</b>

CITY OF SOUTH PASADENA

STATEMENT OF CASH FLOWS  
 NON-MAJOR PROPRIETARY FUND  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Business-Type Activities-Enterprise Fund
	Arroyo Seco Golf Course
<b>Cash Flows from Operating Activities:</b>	
Cash received from customers and users	\$ 1,106,948
Cash paid to suppliers for goods and services	<u>(1,109,200)</u>
<b>Net Cash Used for Operating Activities:</b>	<u>(2,252)</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>	
Acquisition and construction of capital assets	<u>(142,302)</u>
<b>Net Cash Provided by (Used for) Capital and Related Financing Activities</b>	<u>(142,302)</u>
<b>Cash Flows from Investing Activities:</b>	
Interest received	<u>(221)</u>
<b>Net Cash Provided by (Used for) Investing Activities</b>	<u>(221)</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	(144,775)
Cash and Cash Equivalents at Beginning of Fiscal Year	<u>509,594</u>
Cash and Cash Equivalents at End of Fiscal Year	<u><u>\$ 364,819</u></u>
<b>Reconciliation of Operating Income to Net Cash (Used for) Operating Activities:</b>	
Operating income	<u>\$ 69,612</u>
<b>Adjustments to Reconcile Operating Income to Net Cash (Used for) Operating Activities</b>	
Depreciation	11,267
(Increase) decrease in accounts receivable	4,978
Increase (decrease) in accounts payable	(97,139)
Increase (decrease) in accrued liabilities	<u>9,030</u>
<b>Total Adjustments</b>	<u>(71,864)</u>
<b>Net Cash (Used for) Operating Activities</b>	<u><u>\$ (2,252)</u></u>

**STATISTICAL SECTION**

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# Statistical Section

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

## **Contents**

### **Financial Trends**

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

### **Revenue Capacity**

*These schedules contain trend information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.*

### **Debt Capacity**

*These schedules contain trend information to help the reader assess the affordability of the City's current levels of understanding debt and the City's ability to issue additional debt in the future.*

### **Demographic and Economic Information**

*These schedules offer demographic and economic indicators to help the reader understand the environment within the City's financial activities take place and to help make comparison over time and with other governments.*

### **Operating Information**

*These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.*

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

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## ***Financial Trends***

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City of South Pasadena

Net Position by Component  
Last Ten Fiscal Years  
(Accrual Basis of Accounting)

	2008	2009	2010	2011
<b>Government Activities</b>				
Net investment in capital assets	\$ 59,638,269	\$ 56,086,968	\$ 57,541,752	\$ 60,741,741
Restricted	3,725,863	6,609,467	4,069,279	4,438,340
Unrestricted	8,392,273	8,979,878	6,937,924	6,562,890
<b>Total governmental activities Net Position</b>	<b><u>\$ 71,756,405</u></b>	<b><u>\$ 71,676,313</u></b>	<b><u>\$ 68,548,955</u></b>	<b><u>\$ 71,742,971</u></b>
<b>Business-type activities</b>				
Net investment in capital assets	\$ 2,791,280	\$ 1,890,240	\$ 1,276,626	\$ 4,550,204
Restricted	2,878,966	36,642,005	36,135,935	32,451,626
Unrestricted	3,542,152	(29,053,954)	(28,488,758)	(26,740,899)
<b>Total business-type activities Net Position</b>	<b><u>\$ 9,212,398</u></b>	<b><u>\$ 9,478,291</u></b>	<b><u>\$ 8,923,803</u></b>	<b><u>\$ 10,260,931</u></b>
<b>Primary government</b>				
Net investment in capital assets	\$ 62,429,549	\$ 57,977,208	\$ 58,818,378	\$ 65,291,945
Restricted	6,604,829	43,251,472	40,205,214	36,889,966
Unrestricted	11,934,425	(20,074,076)	(21,550,834)	(20,178,009)
<b>Total primary government activities Net Position</b>	<b><u>\$ 80,968,803</u></b>	<b><u>\$ 81,154,604</u></b>	<b><u>\$ 77,472,758</u></b>	<b><u>\$ 82,003,902</u></b>

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2012	2013	2014	2015	2016	2017
\$ 62,226,846	\$ 61,969,593	\$ 62,764,726	\$ 63,611,268	\$ 57,152,793	\$ 59,774,372
2,722,783	2,328,184	3,184,841	4,179,297	4,894,822	6,328,022
5,143,951	7,314,507	8,720,752	(14,506,500)	(12,620,721)	(15,130,068)
<b>\$ 70,093,580</b>	<b>\$ 71,612,284</b>	<b>\$ 74,670,319</b>	<b>\$ 53,284,065</b>	<b>\$ 49,426,894</b>	<b>\$ 50,972,326</b>
\$ 4,808,013	\$ 7,448,158	\$ 10,855,319	\$ 11,727,300	\$ 19,878,644	\$ 22,302,873
29,973,386	-	-	2,982,160	2,880,237	2,998,161
(22,097,380)	6,381,147	6,943,845	4,690,608	4,159,721	4,178,403
<b>\$ 12,684,019</b>	<b>\$ 13,829,305</b>	<b>\$ 17,799,164</b>	<b>\$ 19,400,068</b>	<b>\$ 26,918,602</b>	<b>\$ 29,479,437</b>
\$ 67,034,859	\$ 69,417,751	\$ 73,620,045	\$ 75,338,568	\$ 77,031,437	\$ 82,077,245
32,696,169	2,328,184	3,184,841	7,161,457	7,775,059	9,326,183
(16,953,429)	13,695,654	15,664,597	(9,815,892)	(8,461,000)	(10,951,665)
<b>\$ 82,777,599</b>	<b>\$ 85,441,589</b>	<b>\$ 92,469,483</b>	<b>\$ 72,684,133</b>	<b>\$ 76,345,496</b>	<b>\$ 80,451,763</b>

City of South Pasadena

**Changes in Net Position  
Last Ten Fiscal Years  
(Accrual Basis of Accounting)**

	2008	2009	2010	2011	2012
<b>Expenses</b>					
Governmental Activities:					
General government	\$ 3,911,227	\$ 5,513,124	\$ 5,816,414	\$ 5,935,671	\$ 7,449,632
Public safety	9,875,234	11,525,403	11,589,395	10,939,183	11,596,854
Community development	997,287	839,568	920,339	911,718	948,777
Community services	2,806,026	2,914,235	3,033,614	3,175,891	3,052,840
Public works	4,655,996	5,482,505	5,484,601	4,863,335	5,306,742
Interest on long-term debt	143,423	136,769	131,539	125,032	47,185
<b>Total Governmental Activities Expenses</b>	<b>\$ 22,389,193</b>	<b>\$ 26,411,604</b>	<b>\$ 26,975,902</b>	<b>\$ 25,950,830</b>	<b>\$ 28,402,030</b>
Business-Type Activities:					
Water utility	\$ 3,949,800	\$ 4,451,292	\$ 7,144,268	\$ 5,105,517	\$ 4,598,754
Sewer utility	-	-	861,207	715,395	1,104,098
Arroyo Seco Golf Course	-	-	-	-	985,611
<b>Total Business-Type Activities Expenses</b>	<b>3,949,800</b>	<b>4,451,292</b>	<b>8,005,475</b>	<b>5,820,912</b>	<b>6,688,463</b>
<b>Total Primary Government Expenses</b>	<b>\$ 26,338,993</b>	<b>\$ 30,862,896</b>	<b>\$ 34,981,377</b>	<b>\$ 31,771,742</b>	<b>\$ 35,090,493</b>
<b>Program Revenues</b>					
Governmental Activities:					
Charges for services:					
General government	\$ 1,457,911	\$ 1,409,846	\$ 1,319,410	\$ 1,472,338	\$ 1,489,846
Public safety	1,306,513	1,349,175	840,207	860,609	899,536
Community development	801,200	405,086	446,050	530,395	548,532
Community services	514,523	627,296	672,765	805,608	772,898
Public works	1,244,935	1,118,262	1,096,487	1,121,657	1,102,936
<b>Total Charges for Services</b>	<b>5,325,082</b>	<b>4,909,665</b>	<b>4,374,919</b>	<b>4,790,607</b>	<b>4,813,748</b>
Operating Contributions and Grants:					
General government	150,998	214,373	71,059	51,115	43,838
Public safety	175,552	108,406	478,495	437,544	779,399
Community development	-	-	457,670	505,547	618,435
Community services	127,136	24,322	29,449	46,012	30,937
Public works	539,572	447,962	209,762	2,600,475	184,948
<b>Total Operating Contributions and Grants</b>	<b>993,258</b>	<b>795,063</b>	<b>1,246,435</b>	<b>3,640,693</b>	<b>1,657,557</b>
Capital Contributions and Grants:					
Community development	-	-	-	-	-
Community services	47,516	-	-	-	-
Public works	513,368	1,868,187	820,447	1,305,657	1,415,306
<b>Total Capital Contributions and Grants</b>	<b>560,884</b>	<b>1,868,187</b>	<b>820,447</b>	<b>1,305,657</b>	<b>1,415,306</b>
<b>Total Governmental Activities Program Revenue</b>	<b>6,879,224</b>	<b>7,572,915</b>	<b>6,441,801</b>	<b>9,736,957</b>	<b>7,886,611</b>
Business-Type Activities:					
Charges for services:					
Water utility	4,543,192	4,549,062	4,270,244	4,943,874	6,903,816
Sewer utility	-	-	657,045	759,680	955,204
Arroyo Seco Golf Course	-	-	-	-	1,195,978
<b>Total Business-Type Activities Program Revenues</b>	<b>4,543,192</b>	<b>4,549,062</b>	<b>4,927,289</b>	<b>5,703,554</b>	<b>9,054,998</b>
<b>Total Primary Government Program Revenues</b>	<b>\$ 11,422,416</b>	<b>\$ 12,121,977</b>	<b>\$ 11,369,090</b>	<b>\$ 15,440,511</b>	<b>\$ 16,941,609</b>
<b>Net (Expense)/Revenue</b>					
Governmental Activities	\$ (15,509,969)	\$ (18,838,689)	\$ (20,534,101)	\$ (16,213,873)	\$ (20,515,419)
Business-Type Activities	593,392	97,770	(3,078,186)	(117,358)	2,366,535
<b>Total Primary Government Net Expense</b>	<b>\$ (14,916,577)</b>	<b>\$ (18,740,919)</b>	<b>\$ (23,612,287)</b>	<b>\$ (16,331,231)</b>	<b>\$ (18,148,884)</b>

2013	2014	2015	2016	2017
\$ 4,152,804	\$ 5,039,084	\$ 4,354,683	\$ 3,847,476	\$ 4,324,484
11,217,279	11,012,625	12,363,366	13,218,063	15,596,078
902,945	918,665	1,116,084	953,471	1,289,447
3,101,910	3,132,433	3,336,626	3,153,329	3,566,285
4,758,677	4,990,390	5,578,457	5,578,853	5,529,025
8,288	4,465	4,335	-	-
<u>\$ 24,141,903</u>	<u>\$ 25,097,662</u>	<u>\$ 26,753,551</u>	<u>\$ 26,751,192</u>	<u>\$ 30,305,319</u>
\$ 6,135,803	\$ 5,804,509	\$ 4,772,647	\$ 5,886,309	\$ 7,028,827
838,800	998,603	968,996	962,623	1,012,338
888,930	930,255	923,660	954,898	1,032,358
<u>7,863,533</u>	<u>7,733,367</u>	<u>6,665,303</u>	<u>7,803,830</u>	<u>9,073,523</u>
<u>\$ 32,005,436</u>	<u>\$ 32,831,029</u>	<u>\$ 33,418,854</u>	<u>\$ 34,555,022</u>	<u>\$ 39,378,842</u>
\$ 1,005,393	\$ 1,173,376	\$ 1,372,549	\$ 1,126,241	\$ 1,026,398
868,577	983,181	1,189,968	1,154,628	1,166,125
576,063	761,632	963,987	804,309	871,571
805,635	864,271	1,064,439	853,949	926,897
1,103,664	1,159,519	1,226,729	1,172,172	1,189,342
<u>4,359,332</u>	<u>4,941,979</u>	<u>5,817,672</u>	<u>5,111,299</u>	<u>5,180,333</u>
32,872	53,999	21,413	164,625	312,062
775,610	328,654	185,067	116,029	175,919
610,355	504,312	476,886	627,488	810,749
31,854	24,876	38,348	20,527	84,519
255,526	348,797	212,472	399,656	87,864
<u>1,706,217</u>	<u>1,260,638</u>	<u>934,186</u>	<u>1,328,325</u>	<u>1,471,113</u>
-	-	-	-	901,436
-	-	-	-	-
93,947	1,300,814	1,220,504	734,935	1,516,800
<u>93,947</u>	<u>1,300,814</u>	<u>1,220,504</u>	<u>734,935</u>	<u>2,418,236</u>
<u>6,159,496</u>	<u>7,503,431</u>	<u>7,972,362</u>	<u>7,174,559</u>	<u>9,069,682</u>
8,022,705	9,210,982	8,694,880	8,094,350	8,804,890
1,127,843	1,256,682	1,353,233	1,543,925	1,583,362
1,082,826	1,197,047	1,133,562	1,129,927	1,101,970
<u>10,233,374</u>	<u>11,664,711</u>	<u>11,181,675</u>	<u>10,768,202</u>	<u>11,490,222</u>
<u>\$ 16,392,870</u>	<u>\$ 19,168,142</u>	<u>\$ 19,154,037</u>	<u>\$ 17,942,761</u>	<u>\$ 20,559,904</u>
\$ (17,982,407)	\$ (17,594,231)	\$ (18,781,189)	\$ (19,576,633)	\$ (21,235,637)
2,369,841	3,931,344	4,516,372	2,964,372	2,416,699
<u>\$ (15,612,566)</u>	<u>\$ (13,662,887)</u>	<u>\$ (14,264,817)</u>	<u>\$ (16,612,261)</u>	<u>\$ (18,818,938)</u>

**City of South Pasadena**

**Changes in Net Position  
Last Ten Fiscal Years  
(Accrual Basis of Accounting)**

	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>General Revenues and Other Changes In Net Position</b>			
Governmental Activities:			
Taxes:			
Property taxes, levied for general purpose	\$ 9,986,309	\$ 10,404,273	\$ 10,426,753
Sales taxes	3,078,717	2,399,744	2,797,621
Franchise taxes	777,675	821,144	777,843
Business licenses taxes	344,497	352,528	323,307
Other taxes	3,158,469	3,942,594	4,109,696
Motor Vehicle In Lieu - Unrestricted	110,144	74,215	76,294
Use of money and property	921,232	658,997	517,079
Gain on sale of assets	1,100,000	-	-
Other	69,013	73,594	207,937
Transfers	-	-	(1,829,787)
Extraordinary gain/loss on dissolution of RDA	-	-	-
<b>Total Governmental Activities</b>	<u>19,546,056</u>	<u>18,727,089</u>	<u>17,406,743</u>
Business-Type Activities:			
Use of money and property	370,557	227,528	681,532
Gain on sale of assets	11,075	-	-
Other	14,695	13,814	12,379
Transfers	-	-	1,829,787
<b>Total Business-Type Activities</b>	<u>396,327</u>	<u>241,342</u>	<u>2,523,698</u>
<b>Total Primary Government</b>	<u>\$ 19,942,383</u>	<u>\$ 18,968,431</u>	<u>\$ 19,930,441</u>
<b>Changes in Net Position</b>			
Governmental Activities	\$ 4,036,087	\$ (111,600)	\$ (3,127,358)
Business-Type Activities	989,719	339,112	(554,488)
<b>Total Primary Government</b>	<u>\$ 5,025,806</u>	<u>\$ 227,512</u>	<u>\$ (3,681,846)</u>

2011	2012	2013	2014	2015	2016	2017
\$ 10,667,838	\$ 10,557,651	\$ 11,074,604	\$ 11,462,585	\$ 11,779,438	\$ 12,632,984	\$ 13,236,932
2,714,102	2,956,964	2,481,560	3,447,593	3,535,113	3,786,423	3,627,051
803,969	814,766	810,642	804,995	878,332	875,304	818,724
347,665	347,096	363,437	373,935	385,691	397,762	412,594
4,143,183	4,133,582	4,092,063	4,004,746	3,965,217	3,940,883	4,057,552
150,390	13,267	10,980	-	16,845	10,561	11,660
415,280	381,165	446,167	498,208	542,196	739,761	553,165
-	-	-	-	-	-	-
165,462	104,245	221,658	32,823	70,188	745,315	38,877
-	-	-	-	87,000	13,919	24,514
-	(442,708)	-	-	-	-	-
<u>19,407,889</u>	<u>18,866,028</u>	<u>19,501,111</u>	<u>20,624,885</u>	<u>21,260,020</u>	<u>23,142,912</u>	<u>22,781,069</u>
77,378	45,652	38,006	28,372	32,205	137,524	(2,802)
-	-	-	-	-	-	-
13,103	10,901	5,972	10,143	184,786	230,156	171,452
-	-	-	-	(87,000)	(13,919)	(24,514)
<u>90,481</u>	<u>56,553</u>	<u>43,978</u>	<u>38,515</u>	<u>129,991</u>	<u>353,761</u>	<u>144,136</u>
<u>\$ 19,498,370</u>	<u>\$ 18,922,581</u>	<u>\$ 19,545,089</u>	<u>\$ 20,663,400</u>	<u>\$ 21,390,011</u>	<u>\$ 23,496,673</u>	<u>\$ 22,925,205</u>
\$ 3,194,016	\$ (1,649,391)	\$ 1,518,704	\$ 3,030,654	\$ 2,478,831	\$ 3,566,279	\$ 1,545,432
(26,877)	2,423,088	2,413,819	3,969,859	4,646,363	3,318,133	2,588,005
<u>\$ 3,167,139</u>	<u>\$ 773,697</u>	<u>\$ 3,932,523</u>	<u>\$ 7,000,513</u>	<u>\$ 7,125,194</u>	<u>\$ 6,884,412</u>	<u>\$ 4,133,437</u>

City of South Pasadena

**Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(Modified Accrual Basis of Accounting)**

	2008	2009	2010	2011
General Fund				
Reserved	\$ 292,562	\$ 1,550,920	\$ 947,588	\$ -
Unreserved	9,559,379	9,491,709	10,251,769	-
Nonspendable	-	-	-	426,430
Restricted	-	-	-	-
Committed	-	-	-	2,564,280
Unassigned	-	-	-	10,541,790
<b>Total General Fund</b>	<b><u>\$ 9,851,941</u></b>	<b><u>\$ 11,042,629</u></b>	<b><u>\$ 11,199,357</u></b>	<b><u>\$ 13,532,500</u></b>
All Other Governmental Funds				
Reserved	\$ 254,778	\$ 1,194,959	\$ 420,227	\$ -
Unreserved:				
Unreserved, reported in nonmajor,				
Special revenue funds	3,056,391	2,584,720	1,112,446	-
Capital Projects funds	-	3,064,554	1,977,128	-
Designated for:				
Low & moderate housing	530,096	-	-	-
Debt service	200,497	-	-	-
Undesignated	1,480,465	-	-	-
Nonspendable	-	-	-	-
Restricted	-	-	-	4,438,340
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	(2,355,949)
<b>Total all other Governmental Funds</b>	<b><u>\$ 5,522,227</u></b>	<b><u>\$ 6,844,233</u></b>	<b><u>\$ 3,509,801</u></b>	<b><u>\$ 2,082,391</u></b>

GASB No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions" was effective for periods beginning after June 15, 2010.

2012	2013	2014	2015	2016	2017
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
433,637	1,199,091	1,207,961	1,022,841	1,035,224	1,044,519
-	-	-	-	-	-
2,563,481	2,141,481	2,650,000	3,500,000	5,635,000	5,899,130
11,757,341	11,727,832	12,788,280	13,124,419	12,724,205	9,681,531
<u>\$ 14,754,459</u>	<u>\$ 15,068,404</u>	<u>\$ 16,646,241</u>	<u>\$ 17,647,260</u>	<u>\$ 19,394,429</u>	<u>\$ 16,625,180</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,722,783	2,328,184	3,184,841	4,179,297	4,894,822	6,328,022
-	579,447	611,447	461,472	696,953	2,482,803
-	-	-	-	-	-
(4,015,530)	(1,049,935)	(791,469)	(572,623)	(771,286)	(791,741)
<u>\$ (1,292,747)</u>	<u>\$ 1,857,696</u>	<u>\$ 3,004,819</u>	<u>\$ 4,068,146</u>	<u>\$ 4,820,489</u>	<u>\$ 8,019,084</u>

**City of South Pasadena**

**Changes In Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(Modified Accrual Basis of Accounting)**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>Revenues:</b>				
Taxes	\$ 16,850,652	\$ 17,689,431	\$ 18,037,383	\$ 18,317,689
Assesments	895,773	885,515	883,681	885,387
Licenses and permits	893,237	1,004,933	934,708	1,000,988
Intergovernmental	2,288,858	2,635,222	1,942,882	2,572,819
Charges for services	2,822,380	2,449,932	1,982,863	2,144,589
Use of money and property	921,232	658,997	517,079	415,280
Fines and forfeitures	636,668	701,894	629,280	552,093
Contributions	19,005	11,050	10,050	15,637
Miscellaneous	579,812	419,952	508,025	733,700
Total revenues	<u>25,907,617</u>	<u>26,456,926</u>	<u>25,445,951</u>	<u>26,638,182</u>
<b>Expenditures:</b>				
Current:				
General government	3,855,522	3,893,079	4,220,337	4,099,345
Public safety	10,670,808	11,134,224	11,147,779	10,608,012
Community development	1,005,406	831,613	919,697	913,862
Community services	2,679,273	2,764,489	2,887,103	3,024,889
Public works	2,852,322	3,217,465	3,297,647	2,806,005
Capital outlay	1,169,533	1,812,804	5,540,889	5,978,832
Debt service:				
Principal retirement	114,894	181,845	123,891	131,037
Interest and fiscal charges	145,997	140,221	134,275	127,929
Total expenses	<u>22,493,755</u>	<u>23,975,740</u>	<u>28,271,618</u>	<u>27,689,911</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,413,862</u>	<u>2,481,186</u>	<u>(2,825,667)</u>	<u>(1,051,729)</u>
<b>Other financing sources (uses):</b>				
Transfers in	42,573	25,758	24,136	146,179
Transfers out	(42,573)	(25,758)	(376,173)	(146,179)
Proceed from sale of capital assets	1,100,000	-	-	-
Total other financing sources (uses)	<u>1,100,000</u>	<u>-</u>	<u>(352,037)</u>	<u>-</u>
Extraordinary gain/(loss) on dissolution of redevelopment agency	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances/ net position	<u>\$ 4,513,862</u>	<u>\$ 2,481,186</u>	<u>\$ (3,177,704)</u>	<u>\$ (1,051,729)</u>
Debt service as a percentage of noncapital expenditures	1.3%	1.4%	1.1%	1.2%

2012	2013	2014	2015	2016	2017
\$ 18,393,272	\$ 19,166,312	\$ 19,697,011	\$ 20,205,691	\$ 21,235,594	\$ 21,740,257
888,619	905,459	896,465	895,798	876,972	892,361
944,680	1,012,753	985,186	1,047,540	1,069,023	1,093,865
2,909,377	4,290,262	2,303,094	1,989,281	1,104,398	3,193,603
2,222,151	2,270,737	2,682,074	3,880,357	3,439,167	3,529,076
381,165	446,167	498,208	542,194	739,761	553,165
533,035	523,629	412,748	347,585	444,556	397,738
11,285	17,970	12,455	12,365	9,691	4,310
701,995	313,612	594,210	480,206	1,028,401	576,915
<u>26,985,579</u>	<u>28,946,901</u>	<u>28,081,451</u>	<u>29,401,017</u>	<u>29,947,563</u>	<u>31,981,290</u>
4,207,231	5,651,008	4,297,373	3,988,989	3,930,354	4,208,084
11,217,259	10,968,211	10,636,711	11,651,620	12,099,774	13,454,529
955,648	898,709	911,871	1,121,098	1,003,041	1,157,431
2,915,639	2,953,811	2,970,037	3,209,105	3,175,023	3,384,984
3,024,746	2,921,136	2,970,322	3,107,053	3,638,844	3,602,684
2,467,712	2,028,330	3,536,250	3,739,660	3,507,229	5,687,034
48,289	50,650	53,130	55,725	58,450	-
67,064	10,658	8,178	5,583	2,858	-
<u>24,903,588</u>	<u>25,482,513</u>	<u>25,383,872</u>	<u>26,878,833</u>	<u>27,415,573</u>	<u>31,494,746</u>
<u>2,081,991</u>	<u>3,464,388</u>	<u>2,697,579</u>	<u>2,522,184</u>	<u>2,531,990</u>	<u>486,544</u>
46,729	1,176,376	421,511	408,497	648,622	5,424,382
(46,729)	(1,176,376)	(421,511)	(625,137)	(681,100)	(5,481,580)
-	-	-	-	-	-
-	-	-	(216,640)	(32,478)	(57,198)
<u>(2,277,708)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ (195,717)</u>	<u>\$ 3,464,388</u>	<u>\$ 2,697,579</u>	<u>\$ 2,305,544</u>	<u>\$ 2,499,512</u>	<u>\$ 429,346</u>
0.5%	0.3%	0.3%	0.3%	0.3%	0.0%

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City of South Pasadena

**Assessed Value and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years**  
*(in thousands of dollars)*

<b>Fiscal Year</b>	<b>Residential Property</b>	<b>Commercial Property</b>	<b>Other Property</b>	<b>Less: Tax-Exempt Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Actual Taxable Value<sup>a</sup></b>	<b>Taxable Assessed Value as a Percentage of Actual Taxable Value</b>
2008	\$ 2,690,867	\$ 211,373	\$ 133,651	\$ (30,013)	\$ 3,005,878	0.252%	N/A	N/A
2009	2,850,768	217,653	141,106	(29,101)	3,180,426	0.252%	N/A	N/A
2010	2,899,484	224,824	142,474	(30,931)	3,235,851	0.252%	N/A	N/A
2011	2,972,102	228,851	125,651	(32,678)	3,293,926	0.251%	N/A	N/A
2012	3,049,558	236,648	143,771	(32,852)	3,397,125	0.252%	N/A	N/A
2013	3,175,548	246,971	137,830	(33,508)	3,526,841	0.252%	N/A	N/A
2014	3,329,419	260,726	135,712	(34,820)	3,691,037	0.264%	N/A	N/A
2015	3,501,716	267,657	124,487	(32,836)	3,861,024	0.264%	N/A	N/A
2016	3,692,063	269,163	121,018	(9,974)	4,072,270	0.264%	N/A	N/A
2017	3,879,157	277,223	130,593	(9,974)	4,276,999	0.264%	N/A	N/A

**Source:** County of Los Angeles Auditor-Controller and HDL Coren & Cone.

**Note:** <sup>a</sup>Estimated Actual Taxable Value is not available.

In 1978 the voters of the State of California passed Proposition 13 which limited taxes to a total maximum rate of 1%, based upon the assessed value of the property being taxed. Each year, the assessed value of the property may be increased by an "inflation factor" (limited to a maximum of 2%).

**CITY OF SOUTH PASADENA**

**Direct and Overlapping Property Tax Rates,  
Last Ten Fiscal Years**  
*(rate per \$1,000 of assessed value)*

Fiscal Year	City Direct Rates		Overlapping Rates				
	General Basic Tax Levy	Total Direct Rate	Los Angeles County (1)	Educational Revenue Augmentation Fun	Los Angeles County Fire FFW	Los Angeles County Flood Control	Community College
	2008	0.2412	0.2412	0.2860	0.2536	0.0060	0.0096
2009	0.2400	0.2400	0.2857	0.2551	0.0060	0.0096	0.0320
2010	0.2400	0.2400	0.2857	0.2551	0.0060	0.0096	0.0320
2011	0.2400	0.2400	0.2857	0.2551	0.0060	0.0096	0.0320
2012	0.2400	0.2400	0.2857	0.2551	0.0060	0.0096	0.0320
2013	0.2400	0.2400	0.2857	0.2551	0.0060	0.0096	0.0320
2014	0.2400	0.2400	0.2857	0.2551	0.0060	0.0096	0.0320
2015	0.2400	0.2400	0.2857	0.2551	0.0060	0.0096	0.0320
2016	0.2400	0.2400	0.2857	0.2551	0.0060	0.0096	0.0320
2017	0.2400	0.2400	0.2856	0.2551	0.0060	0.0096	0.0320

Fiscal Year	Overlapping Rates							Total
	Voter Approved							
	School District	Upper San Gabriel Valley Municipal Water District	South Pasadena Unified School District	Los Angeles County Flood Control	Upper San Gabriel Valley Municipal Water District	Detention Facilities	Pasadena Community College District	
2008	0.1712	0.0005	0.0860	-	0.0045	-	0.0197	1.1103
2009	0.1712	0.0005	0.0860	-	0.0043	-	0.0174	1.1078
2010	0.1712	0.0005	0.0884	-	0.0043	-	0.0230	1.1158
2011	0.1712	0.0005	0.1105	-	0.0037	-	0.0199	1.1341
2012	0.1712	0.0005	0.1058	-	0.0037	-	0.0196	1.1291
2013	0.1712	0.0005	0.1011	-	0.0035	-	0.0206	1.1252
2014	0.1712	0.0005	0.1014	-	0.0035	-	0.0190	1.1240
2015	0.1712	0.0005	0.1006	-	0.0035	-	0.0103	1.1144
2016	0.1712	0.0005	0.0981	-	0.0035	-	0.0087	1.1104
2017	0.1712	0.0005	0.0993	-	0.0035	-	0.0089	1.1116

**Source:** County of Los Angeles Auditor-Controller and HDL Coren and Cone.

(1) - The following were included in Los Angeles County; Childrens Institutional Tuition Fund, County Sanitation District No. 16, County School Services, Development Center, and LA County General

City of South Pasadena

Principal Property Tax Payers  
Current Year and Nine Years Ago

Taxpayer	2017			2008		
	Combined Taxable Value (1)	Rank	Percentage of Total City Taxable Assessed Value	Combined Taxable Value (1)	Rank	Percentage of Total City Taxable Assessed Value
625 Fair Oaks Investors LLC	\$ 20,305,000	1	0.47%			
Casa De General LLC	11,501,402	2	0.27%			
99 Pasadena Avenue LLC	11,360,534	3	0.27%			
820 Mission Development LLC	10,113,926	4	0.24%			
Golden Oaks Investment LP	9,948,312	5	0.23%	8,796,669	3	0.29%
NNC Apartment Ventures LLC	9,774,071	6	0.23%			
Cal Empire LP	9,561,661	7	0.22%	8,424,938	5	0.28%
Richard Wagner Trust	8,849,273	8	0.21%	7,818,965	6	0.26%
CCCC Growth Fund LLC	8,791,643	9	0.21%	7,768,039	7	0.26%
H P III Limited	8,327,526	10	0.19%	7,351,354	9	0.24%
H and O Fair Oaks Partners	-		-	15,664,070	1	0.52%
MT Olive Sepulveda LP	-		-	10,149,550	2	0.34%
NNC Terraces at South Pasadena LLC	-		-	8,680,863	4	0.29%
Time Warner Communications	-		-	7,428,611	8	0.25%
Jerry B and Roberta L Furrey Trust	-		-	7,280,644	10	0.24%
<b>Total</b>	<b>\$ 108,533,348</b>		<b>2.54%</b>	<b>\$ 89,363,703</b>		<b>2.97%</b>

Source: (1) HDL Coren & Cone and Los Angeles County Assessor.

**CITY OF SOUTH PASADENA**

**Property Tax Levies and Collections,  
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2008	\$ 6,756,257	\$ 6,561,803	97.1%	\$ 4,193	\$ 6,565,996	97.2%
2009	7,153,748	7,054,454	98.6%	5,987	7,060,441	98.7%
2010	7,261,945	7,237,513	99.7%	(12,883)	7,224,631	99.5%
2011	7,422,229	7,375,394	99.4%	(6,476)	7,368,918	99.3%
2012	7,669,207	7,570,264	98.7%	(17,918)	7,552,346	98.5%
2013	8,244,644	8,211,281	99.6%	(12,718)	8,198,563	99.4%
2014	8,569,818	8,389,757	97.9%	(16,427)	8,373,331	97.7%
2015	9,063,962	8,791,225	97.0%	(16,959)	8,774,266	96.8%
2016	9,607,577	9,281,790	96.6%	(19,676)	9,262,115	96.4%
2017	10,163,709	9,757,452	96.0%	(14,953)	9,742,499	95.9%

**Sources: Los Angeles County Tax Collector and City of South Pasadena, Finance Division**  
LA County Rollforward Schedule

# **Debt Capacity**

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City of South Pasadena

Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

Fiscal Year	Government Activities			Business-type Activities		Total Primary Government	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	Tax Allocation Bonds	Capital Leases	Loans	Water Revenue Bonds	State Loan			
2008	\$ 2,075,000	\$ 398,017	\$ 65,000	\$ 8,190,000	\$ -	\$ 10,728,017	0.99%	419
2009	2,000,000	356,172	-	51,375,000	-	53,731,172	4.93%	2,099
2010	1,920,000	312,281	-	51,150,000	-	53,382,281	5.02%	2,074
2011	1,835,000	266,243	-	50,915,000	-	53,016,243	4.60%	2,048
2012	-	217,955	-	50,670,000	-	50,887,955	4.17%	1,978
2013	-	167,305	-	49,887,458	-	50,054,763	3.92%	1,936
2014	-	114,175	-	48,854,762	527,283	49,496,220	4.11%	1,903
2015	-	58,450	-	47,838,993	2,475,913	50,373,356	4.16%	1,936
2016	-	-	-	46,753,226	4,147,892	50,901,118	4.21%	1,956
2017	-	-	-	48,533,332	6,373,623	54,906,955	4.58%	2,112

**Notes:** Details regarding the city's outstanding debt can be found in the notes to the financial statements.

<sup>a</sup> See Demographic and Economic Statistics schedule for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

**City of South Pasadena**

**Direct and Overlapping Governmental Activities Debt  
As of June 30, 2017**

Fiscal Year 2016-17 Assessed Valuation : \$3,815,324,089 After Deducting \$461,674,700 Incremental Value.

	<b>Debt Outstanding</b>	<b>% Applicable (1)</b>	<b>City's Share of Debt 6/30/2017</b>
Overlapping Debt:			
Metropolitan Water District	\$ 36,281,674	0.353%	\$ 128,028
Pasadena Area Community College District 2002, 2006 Ser D	5,265,000	5.419%	285,331
Pasadena Area Community College District 2002, 2009 Ser E	25,295,000	5.419%	1,370,833
Pasadena Area Community College District 2014 Ref Ser A	16,680,000	5.419%	903,953
Pasadena Area Community College District 2016 Ref Ser A	33,390,000	5.419%	1,809,533
South Pasadena Unified 96 Ser A	1,565,000	100.000%	1,565,000
South Pasadena Unified DS 95 Ser B	1,442,647	100.000%	1,442,647
South Pasadena Unified SD DS 95 S-C	4,635,380	100.000%	4,635,380
South Pasadena USD SD DS 95 Ser D	1,464,916	100.000%	1,464,916
South Pasadena USD DS 2002 Ser B	7,499,680	100.000%	7,499,680
South Pasadena USD DS 2010 Ref Bond	42,370,000	100.000%	42,370,000
			<hr/>
Total Overlapping Tax and Assessment Debt			63,475,301
			<hr/>
<u>Direct Debt:</u>			
None	-	100.000%	-
			<hr/>
Total Direct and Overlapping General Fund Obligation Debt			-
			<hr/>
COMBINED TOTAL DEBT			<u>\$ 63,475,301</u> (2)

**Source:** (1) HDL Coren & Cone and Los Angeles County Assessor.

**Note:**

- (1) Percentage of overlapping agency's assessed valuation located within boundaries of the city.
- (2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds.

Debt to Assessed Valuation Ratios:

Direct Debt	0.00%
Overlapping Debt	1.66%
Total Debt	1.66%

**City of South Pasadena**

**Legal Debt Margin Information**  
**Last Ten Fiscal Years**  
*(dollars in thousands)*

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**Legal Debt Margin Calculation for Fiscal Year 2017**

Assessed value	\$	4,276,999
Debt limit (15% of assessed value)		641,550
Debt applicable to limit:		
General obligation bonds		-
Less: Amount set aside for repayment of general obligation debt		-
Total net debt applicable to limit		-
Legal debt margin	\$	641,550

<b>Fiscal Year</b>	<b>Debt Limit</b>	<b>Total net debt Applicable to Limit</b>	<b>Legal Debt Limit</b>	<b>Total net debt Applicable to the Limit as a Percentage of Debt limit</b>
2008	\$ 450,882	\$ -	\$ 450,882	0.00%
2009	477,064	-	477,064	0.00%
2010	485,378	-	485,378	0.00%
2011	494,089	-	494,089	0.00%
2012	509,569	-	509,569	0.00%
2013	471,822	-	471,822	0.00%
2014	494,193	-	494,193	0.00%
2015	516,507	-	516,507	0.00%
2016	544,458	-	544,458	0.00%
2017	641,550	-	641,550	0.00%

**City of South Pasadena**

**Pledged-Revenue Coverage**

**Last Ten Fiscal Years**

*(in thousands)*

**Water Revenue Bonds**

<b>Fiscal Year</b>	<b>Utility Service Charges</b>	<b>Less: Operating Expenses</b>	<b>Net Available Revenue</b>	<b>Debt Service</b>		<b>Coverage</b>
				<b>Principal</b>	<b>Interest</b>	
2008	\$ 4,543	\$ 3,446	\$ 1,097	\$ 210	\$ 414	1.76
2009	4,563	3,683	880	220	635	1.03
2010	4,283	4,490	(207)	225	2,158	(0.09)
2011	4,956	2,581	2,375	235	2,439	0.89
2012	6,911	4,086	2,825	245	2,423	1.06
2013	8,029	5,563	2,466	255	2,046	1.07
2014	9,221	5,674	3,547	995	2,271	1.09
2015	8,695	4,430	4,265	1,065	2,240	1.29
2016	8,094	4,562	3,532	1,095	2,211	1.07
2017	8,805	6,218	2,587	340	1,142	1.75

**Notes:** Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest, depreciation, or amortization expenses.

The Water Revenue bonds were issued in 2009, 2013 and 2017.

**Source:** City of South Pasadena Finance Department.

***Demographic and Economic  
Information***

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City of South Pasadena

Demographic and Economic Statistics  
Last Ten Calendar Years

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<b>Calendar Year</b>	<b>Population (1)</b>	<b>Personal Income* (2) <i>(thousands of dollars)</i></b>	<b>Per Capita* Personal Income (2)</b>	<b>Unemployment Rate (3)</b>
2007	\$ 25,576	\$ 1,078,809	\$ 42,181	2.4%
2008	25,604	1,090,450	42,589	3.6%
2009	25,737	1,063,171	41,309	5.8%
2010	25,881	1,152,274	44,522	6.3%
2011	25,725	1,220,780	47,455	6.1%
2012	25,857	1,277,956	49,424	4.6%
2013	26,011	1,203,347	46,263	3.7%
2014	26,022	1,211,194	46,545	5.9%
2015	26,028	1,208,853	46,444	4.7%
2016	25,992	1,199,887	46,163	3.7%

Source: County of Los Angeles Auditor-Controller and HDL Coren and Cone.

**CITY OF SOUTH PASADENA**

**Principal Employers  
Current Year and Nine Years Ago**

<u>Employer</u>	<u>2016-2017</u>			<u>2007-2008 *</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
The Vons Companies Inc. Pavillions #2228	99	1	2.52%			
Trader Joe No. 18	92	2	2.34%			
Ralph's Grocery Co. #21	88	3	2.24%			
Bristol Farms	83	4	2.11%			
South Pasadena Care Center, LLC	75	5	1.91%			
W N C Insurance Services, Inc.	67	6	1.71%			
Collins, Collins, Muir & Stewart, L L P	64	7	1.63%			
Orchard Supply Company, LLC	63	8	1.60%			
T L C Veterinary Centers Inc.	61	9	1.55%			
The Vons Companies Inc. #3075	60	10	1.53%			
	<u>752</u>		<u>19.14%</u>	<u>-</u>		<u>-</u>

\* Information not available.

**Source:** South Pasadena Finance Department/Business License

**CITY OF SOUTH PASADENA**

**Full-time-Equivalent City Government Employees by Function/Program  
Last Ten Fiscal Years**

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b><u>Function/Program</u></b>										
General government										
Legislative	7	8	8	8	8	8	8	5	5	5
City Manager	7	8	8	10	10	10	10	12	12	11
Finance	8	8	8	8	8	8	9	9	9	9
Public Safety	81	81	81	81	81	81	79	81	80	80
Community Development	7	6	6	7	6	6	6	6	6	6
Public Works	30	30	30	27	28	28	20	21	21	20
Community Services	22	22	22	18	19	20	20	19	20	20
Water Utility	9	9	9	12	11	11	11	10	10	10
<b>Total</b>	<b>171</b>	<b>172</b>	<b>173</b>	<b>171</b>	<b>171</b>	<b>172</b>	<b>163</b>	<b>163</b>	<b>163</b>	<b>161</b>

**Source:** South Pasadena Finance Department/Adopted budget book

**Notes:** A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time-equivalent employment is calculated by dividing total labor hours by 2,080.

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## ***Operating Information***

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CITY OF SOUTH PASADENA

Operating Indicators by Function/Program  
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General government										
Building permits issued	318	282	326	380	342	476	354	349	433	424
Building inspections conducted	2,230	2,152	2,113	2,158	2,376	2,380	2,568	2,087	1,860	2,041
Refuse collection										
Refuse collected (tons per day)	79.3	89.0	92.0	90.0	90.0	85.0	83.0	69.0	74.0	77.0
Recyclables collected (tons per day)	36.0	40.0	38.0	38.0	38.0	29.0	28.0	25.0	29.0	32.0
Other public works										
Street resurfacing (miles)	0.0	0.2	0.8	2.5	2.0	1.0	1.3	1.8	1.5	0.3
Potholes repaired *	340	480	520	580	1,600	1,450	1,500	1,450	1,400	259
Water										
New connections	16	18	18	10	9	6	11	7	8	5
Water main breaks	13	12	4	9	5	9	10	9	6	5
Average daily consumption (million gallons)	4.52	4.47	4.20	3.80	3.95	4.25	4.60	3.40	2.97	3.08
Peak daily consumption (million gallons)	6.96	6.10	6.09	5.50	5.50	5.71	5.50	5.09	4.12	4.27
Fire Department										
Total number of emergency calls responded to	1,785	1,850	1,780	1,760	1,664	1,594	1,695	1,775	1,880	1,483
Total number of fire inspections	480	470	254	229	544	296	563	521	520	540
Police Department										
Arrest stats	1,540	1,546	2,056	1,096	1,159	1,080	1,003	855	699	830
Traffic citations	6,669	7,641	8,216	4,734	3,468	3,753	3,717	2,847	2,288	4,313
Parking citations	14,806	12,800	10,967	9,314	9,629	10,936	11,388	8,843	10,811	9,136
Community Services										
Facility rentals	40	45	58	54	60	69	89	86	95	142
Recreation classes	248	181	180	237	419	441	432	399	416	465

NOTE:

\* Based on average sized potholes and cold patch purchased.

Sources: Various City departments.

CITY OF SOUTH PASADENA

Capital Asset Statistics by Function/Program  
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Other public works										
Streets (miles)	55	55	55	55	55	55	55	55	55	55
Traffic signals	30	30	31	31	31	31	31	31	31	31
Parks and recreation										
Parks	6	6	6	6	6	6	6	6	6	6
Acreage	89	89	89	89	89	89	89	89	89	89
Playgrounds	4	4	4	4	4	4	4	4	4	4
Baseball/softball diamonds	6	6	6	6	6	6	6	6	6	6
Soccer/football fields	4	4	4	4	4	4	4	4	4	4
Community centers	5	5	5	5	5	5	5	5	5	5
Water										
Water mains (miles)	68	68	68	68	68	68	68	68	68	68
Fire hydrants	165	165	165	165	165	165	165	165	165	165
Storage capacity (million gallons)	13	13	13	13	13	13	13	13	13	13
Sewage System										
Sanitary sewers (miles)	55	55	55	55	55	55	55	55	55	55
Storm sewers (miles)	2	2	2	2	2	2	2	2	2	2

**Notes:** No capital asset indicators are available for the general government.

**Sources:** Various City departments.