

Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2014



City of South Pasadena, CA



CITY OF SOUTH PASADENA, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2014

PREPARED BY: FINANCE DEPARTMENT

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CITY OF SOUTH PASADENA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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CITY OF SOUTH PASADENA

FINANCE DEPARTMENT
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WWW.SOUTHPASADENACA.GOV

December 31, 2014

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 Lance, Soll & Lunghard, 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, 2014, 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, 2014, 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 26,011. 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 2013/14, the City of South Pasadena, the greater Los Angeles region and the State of California, have shown increasing revenues compared to the last several years as the region recovers 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 4.7% for the 2013/14 tax roll, while Los Angeles County experienced an increase in assessed values of 5.47% over the prior year due to a strong rebound in residential real estate values. In the City of South Pasadena, assessed values increased by \$164 million over FY 2012/13. Property taxes have demonstrated several years of 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 shows 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 \$3.5 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, in spite of steady and progressive revenue losses to the State of California, have remained consistent. In prior years, it was estimated that the City of South Pasadena lost at least \$2 million in General Fund property tax revenue each year resulting from property tax revenue shifts that commenced in 1992/93. With the dissolution of redevelopment agencies and the shifting of the former property tax increment back to affected taxing agencies, the City has been recovering some of this lost revenue. Taking matters into our own hands, the City has implemented the many findings of its various financial review committees, including a full allocation of costs between funds based on a professional cost recovery/fee study. These changes have modestly maintained or improved the General Fund bottom line.

Long-term financial planning for infrastructure. Back in 2009, the City established a long-range vision for its sewer system and water enterprise by adjusting charges for service to finance many necessary improvements. In June 2009, the City Council approved additional water and sewer rate adjustments to expedite the restoration and rehabilitation of the aging water and sewer infrastructure within the City. South Pasadena residents and business have realized double digit water and sewer rate increases annually in support of infrastructure repairs. Since 2009, the City has spent \$13.2 million upgrading the water system, and expects to spend an additional \$19 million over the next three years on these projects. For the last two fiscal years, the City Council has also voted to commit at least \$2.0 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 comprehensive annual financial report for the fiscal year ended June 30, 2013. 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 comprehensive annual financial report, 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 27 consecutive years (fiscal years ended 1987 through 2013). 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 Pearl Lieu, Assistant Finance Director. This report would also not have been possible without the leadership of the City Manager, Sergio Gonzalez, 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 again extended to the firm of Lance, Soll & Lunghard, who added many contributions to our internal control structure and improvements in 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, 2013



Executive Director/CEO

CITY OF SOUTH PASADENA, CALIFORNIA

OFFICIALS OF THE CITY OF SOUTH PASADENA

CITY COUNCIL

Marina Khubesian, M.D.
Mayor

Robert S. Joe
Mayor Pro Tempore

Michael A. Cacciotti
Councilmember

Diana Mahmud
Councilmember

Richard D. Schneider, M.D.
Councilmember

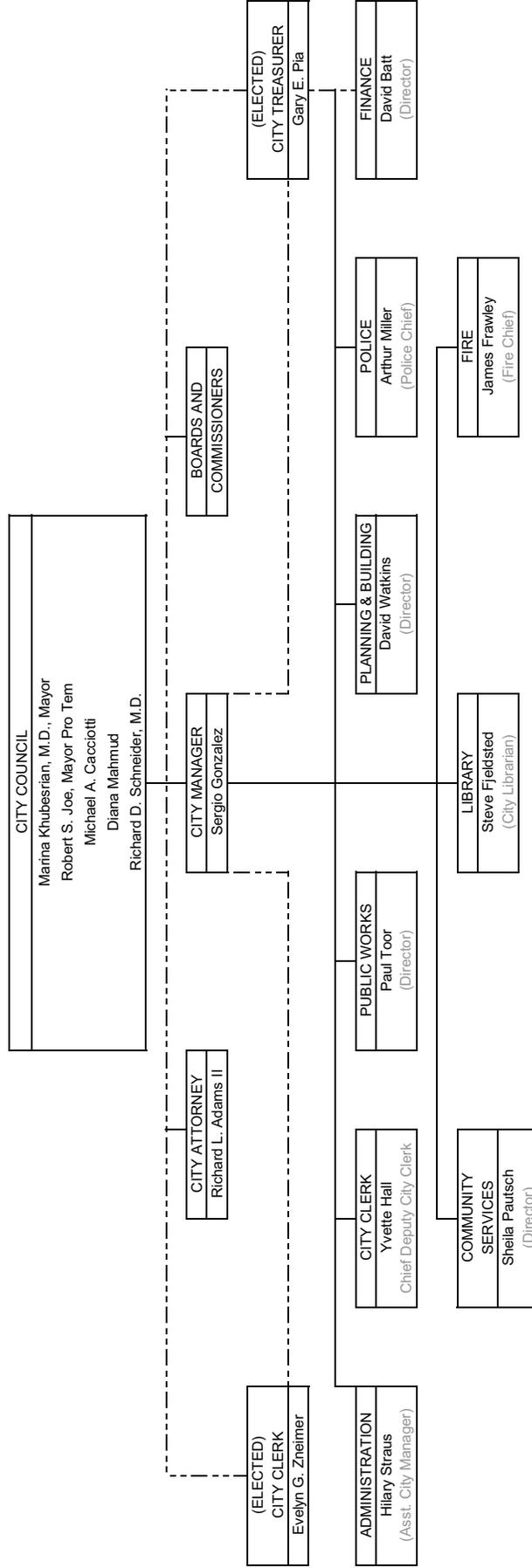
ADMINISTRATION AND DEPARTMENT HEADS

City Manager	Sergio Gonzalez
Assistant City Manager	Hilary Straus
City Clerk	Evelyn G. Zheimer
City Treasurer	Gary E. Pia
Director of Finance	David Batt
Director of Public Works	Paul Toor
Director of Planning and Building	David Watkins
Chief Deputy City Clerk	Yvette Hall
City Librarian	Steve Fjeldsted
Police Chief	Arthur Miller
Fire Chief	James Frawley
Director of Community Services	Sheila Pautsch
City Attorney	Richard L. Adams II

CITY OF SOUTH PASADENA

ORGANIZATIONAL CHART

2013 - 2014



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INDEPENDENT AUDITORS' REPORT

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

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of South Pasadena, California, (the City) as of and for the year ended June 30, 2014, 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.



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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of South Pasadena, California, as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the budgetary comparison information 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 conducted 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 non-major fund financial statements and schedules and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2014 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.

Lance, Soll & Lughard, LLP

Brea, California
December 19, 2014

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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, 2014. 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 \$92,469,483. Of this amount, \$15,664,597 may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$7,000,513.
- At the close of the current fiscal year, the City's governmental funds reported combined fund balances of \$19,651,060 an increase of \$2,724,960. Of this amount, \$11,996,811 or approximately 61% 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 \$12,788,280, or 57.2% of the total General Fund Expenditures.
- The City's net capital assets increased \$8,554,992 from the prior 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 29 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 and Housing Authority Fund, which are considered to be a major funds for the purposes of this report. Data from the other 27 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 Required Supplementary Information; the budgetary comparison statements for the nonmajor governmental funds are presented in the Supplementary Information.

Proprietary funds. The City of South Pasadena maintains one type of proprietary fund, an enterprise fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its 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.

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 \$92,469,483 at the close of the most recent fiscal year. This represents an increase of \$7,000,513 or 8.2% from the prior year, driven primarily by large-scale construction projects undertaken during the current year. By far the largest portion of the City's net position, \$73,620,045 or 79.6% 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, 2014 and 2013**

	Governmental Activities		Business-Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Current and other assets	\$22,142,894	\$19,086,281	\$36,780,939	\$40,919,891	\$58,923,833	\$60,006,172
Capital assets	62,878,901	62,136,898	33,947,486	26,134,497	96,826,387	88,271,395
Total assets	\$85,021,795	\$81,223,179	\$70,728,425	\$67,054,388	\$155,750,220	\$148,277,567
Long-term liabilities outstanding	\$7,598,596	\$7,131,785	\$48,378,867	\$48,907,166	\$55,977,463	\$56,038,951
Other liabilities	2,752,880	2,479,110	4,550,394	4,317,917	7,303,274	6,797,027
Total liabilities	\$10,351,476	\$9,610,895	\$52,929,261	\$53,225,083	\$63,280,737	\$62,835,978
Net position:						
Net investment in capital assets	\$62,764,726	\$61,969,593	\$10,855,319	\$7,448,158	\$73,620,045	\$69,417,751
Restricted	3,184,841	2,328,184	-	-	3,184,841	2,328,184
Unrestricted	8,720,752	7,314,507	6,943,845	6,381,147	15,664,597	13,695,654
Total Net position	\$74,670,319	\$71,612,284	\$17,799,164	\$13,829,305	\$92,469,483	\$85,441,589

The second portion of the City net position of \$3,184,841 represents special revenue resources that are subject to external restrictions on how they may be used. Unrestricted net position shows a balance of \$15,664,597 which may be used to further the purposes of the funds.

The City's governmental current assets increased by \$3,056,613, and capital assets increased by \$742,003. Current assets increased due to an increase in property tax revenues, grants revenues, and insurance reimbursements. Capital assets increased due to the acquisition of two Police vehicles, one Fire vehicle, one CNG passenger vehicle van, and the completion of the CNG fueling station. The City's business-type current assets decreased by \$4,138,952, due to debt service payments and capital spending on the Wilson Reservoir Construction project. The City reported a net increase of \$8,554,992 in capital assets, due mainly to an increase of capital spending on the Wilson Reservoir Construction project of \$5,467,444, the design of the Garfield Reservoir project of \$156,465, repair completed for the Graves and Wilson Wells Pump of \$95,900, and the capitalization of interest on construction in progress of \$2,209,643.

The City's governmental restricted assets increased by \$856,657 due to a decrease in spending on capital projects using special revenue funds. The City's business-type total net position increased by \$3,969,859 due an increase in capital spending on construction projects.

**City of South Pasadena Changes in Net position
As of June 30, 2014 and 2013**

	Gov Activities	Gov Activities	Bus-Type Activities	Bus-Type Activities	Total	Total
	2014	2013	2014	2013	2014	2013
Program revenues:						
Charges for services	\$4,941,979	\$4,359,332	\$11,664,711	\$10,233,374	\$16,606,690	\$14,592,706
Operating contributions and grants	1,260,638	1,706,217	-	-	1,260,638	1,706,217
Capital contributions and grants	1,300,814	93,947	-	-	1,300,814	93,947
General revenues:						
Property taxes	11,462,585	11,074,604	-	-	11,462,585	11,074,604
Other taxes	8,631,269	7,747,702	-	-	8,631,269	7,747,702
Intergovernmental	0	10,980	-	-	-	10,980
Use of Money & Property	498,208	446,167	28,372	38,006	526,580	484,173
Other	32,823	221,658	10,143	5,972	42,966	227,630
Extraordinary items	-	-	-	-	-	-
Total revenues	\$28,128,316	\$25,660,607	\$11,703,226	\$10,277,352	\$39,831,542	\$35,937,959
Expenses:						
General government	\$5,039,084	\$4,152,804	\$ -	\$ -	\$5,039,084	\$4,152,804
Public safety	11,012,625	11,217,279	-	-	11,012,625	11,217,279
Public works	4,990,390	4,758,677	-	-	4,990,390	4,758,677
Community Services	3,132,433	3,101,910	-	-	3,132,433	3,101,910
Community Development	918,665	902,945	-	-	918,665	902,945
Interest on long-term debt	4,465	8,288	-	-	4,465	8,288
Water	-	-	5,804,509	6,135,803	5,804,509	6,135,803
Sewer	-	-	998,603	838,800	998,603	838,800
Golf Course	-	-	930,255	888,930	930,255	888,930
Total expenses	\$25,097,662	\$24,141,903	\$7,733,367	\$7,863,533	\$32,831,029	\$32,005,436
Increase in net position	\$3,030,654	\$1,518,704	\$3,969,859	\$2,413,819	\$7,000,513	\$3,932,523
Net position - July 1, 2013	71,612,284	70,093,580	13,829,305	12,684,019	85,441,589	82,777,599
Restatement of Net position	27,381	-	-	(1,268,533)	27,381	(1,268,533)
Net position - June 30, 2014	\$74,670,319	\$71,612,284	\$17,799,164	\$13,829,305	\$92,469,483	\$85,441,589

Governmental Activities

Governmental activities net position increased by \$3,058,035. Key elements of the change in governmental activities net position are as follows:

- Total taxes from governmental activities, increased by \$1,271,548 (6.76%) from the prior year.
- 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 \$387,981 (3.5%).
- Program revenues increased by \$1,343,935 (22%) primarily as a result of an increase in capital grant funding.

- Investment earnings increased by \$27,354 (6.13%) during the year. This was primarily a result of reallocation of investments and increase in yields.
- Governmental activities expense increased by \$955,759 (3.96%) during FY 2014 due mainly to an increase in capital outlays.

Business-type Activities

The City's proprietary funds (or enterprise 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 fund at the end of the year shows \$6,943,845. Total net position for these funds was \$17,799,164, an increase of \$3,969,859 (28.7%) over the prior year, due to increases in the water and sewer charges and construction expenses for the Wilson Reservoir Construction project.

(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 \$19,651,060 an increase of \$2,724,960 from the prior year. Approximately 61% 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 (16.2%), committed by City Council action for specific purposes (16.6%), or represents net position that are nonspendable resources (6.2%).

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 \$12,788,280, while the total fund balance reached \$16,646,241. 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 57.2% of General Fund expenditures, while the total fund balance represents 74.4% of that same amount.

The fund balance of the City's General Fund increased by \$1,577,837 during the current fiscal year. This represents an increase of 10.5% in fund balance from FY 2014. Key factors in this increase are as follows:

- Tax revenues increased \$431,351 or 2.4%. The majority of tax revenues is reported in and benefits General Fund activities. The nature of the taxes and the reasons for the change in these revenue sources is the same as described earlier for governmental activities.
- Charges for services increased \$417,476, grants revenues increased \$211,104, and miscellaneous revenues increased \$288,122 due to an increase in insurance reimbursements.
- Expenditures increased by \$581,208 or 2.7% over the prior year due primarily to an increase of \$1,840,523 in capital outlay, offset by a decrease of \$1,276,760 in general government as a result of the City changing their insurance carrier and therefore reducing their insurance costs.

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 if available 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 favorable budget variance of \$3,714,890 when comparing actual amounts to the final budget for the current fiscal year. This budget variance reflects a favorable variance in revenues of \$1,613,887 and a favorable variance in total expenditures of \$2,101,003. The only significant budgetary variance between the final amended budget and actual results was for the 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, 2014, amounts to \$62,878,901 and \$33,947,486 (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 \$8,338,355.

City of South Pasadena Long-Term Debt

	Governmental Activities	
	2014	2013
Employee compensated absences	\$ 755,511	\$ 700,660
Capital Leases	114,175	167,305
Gen. Liability Deposit Payable	44,470	-
Net OPEB Liability	7,424,199	7,010,884
Total	\$8,338,355	\$7,878,849

The City's long-term debt increased during the current fiscal year primarily due to an increase in the OPEB liability. The City's policies relating to OPEB are described in Note 7 of the Notes to Financial Statements.

Proprietary Fund Long-Term Debt

	Business-Type Activities	
	2014	2013
2009 Water Revenue Bonds	\$42,690,000	\$43,405,000
2013 Water Revenue Bonds	6,715,000	6,995,000
Compensated Absences	41,836	38,943
2012 State Loan Payable	527,283	-
Unamortized Bond Discount (2009)	(932,853)	(969,798)
Unamortized Bond Premium (2013)	422,615	457,256
Total	\$49,463,881	\$49,926,401

Proprietary fund long-term debt decreased \$462,520 during the current fiscal year due to debt service payments on the 2009 and 2013 Water Revenue Bonds. Further details on long-term debt can be found in Note 5 in the Notes to Financials Statements section of this report.

Economic Factors and Next Year's Budget

- There exists regional concern over housing values. This concern notwithstanding, South Pasadena's assessed property values and property tax collections remain stable. Assessed valuation increases of 5.47% and 4.6% have been realized in FY 2014 and FY 2013, respectively. Property tax revenue (40.8% of City-wide revenues for governmental activities) remains the primary foundation of general fund revenues.
- 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.
- 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 as the City emerges from the recession and receipts have already moved back towards pre-recession levels.

During the 2014 fiscal year, unassigned fund balance in the General Fund remained substantial at \$12,788,280. The fiscal year 2015 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 2009 Water Revenue Bond issue. It remains the intention of City management not to use any other available 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, 626.403.7252, or by U.S. mail: Finance Department, 1414 Mission Street, South Pasadena, CA, 91030.

CITY OF SOUTH PASADENA

STATEMENT OF NET POSITION
JUNE 30, 2014

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
Assets:			
Cash and investments	\$ 18,292,997	\$ 10,148,194	\$ 28,441,191
Receivables:			
Accounts	670,807	1,230,334	1,901,141
Taxes	1,121,070	-	1,121,070
Notes and loans	250,000	-	250,000
Accrued interest	7,865	2,788	10,653
Internal balances	1,160,000	(1,160,000)	-
Due from other governments	432,194	-	432,194
Inventories	207,961	229,745	437,706
Restricted assets:			
Cash with fiscal agent	-	26,329,878	26,329,878
Capital assets not being depreciated	6,725,399	27,115,692	33,841,091
Capital assets, net of depreciation	56,153,502	6,831,794	62,985,296
Total Assets	85,021,795	70,728,425	155,750,220
Liabilities:			
Accounts payable	776,607	2,716,121	3,492,728
Accrued liabilities	561,294	61,531	622,825
Accrued interest	4,106	567,666	571,772
Deposits payable	671,114	120,062	791,176
Noncurrent liabilities:			
Due within one year	739,759	1,085,014	1,824,773
Due in more than one year	7,598,596	48,378,867	55,977,463
Total Liabilities	10,351,476	52,929,261	63,280,737
Net Position:			
Net investment in capital assets	62,764,726	10,855,319	73,620,045
Restricted for:			
Community development projects	91,272	-	91,272
Public safety	124,066	-	124,066
Community services	525,337	-	525,337
Capital projects	2,444,166	-	2,444,166
Unrestricted	8,720,752	6,943,845	15,664,597
Total Net Position	\$ 74,670,319	\$ 17,799,164	\$ 92,469,483

CITY OF SOUTH PASADENA

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2014

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Contributions and Grants</u>	<u>Capital Contributions and Grants</u>
Functions/Programs				
Primary Government:				
Governmental Activities:				
General government	\$ 5,039,084	\$ 1,173,376	\$ 53,999	\$ -
Public safety	11,012,625	983,181	328,654	-
Community development	918,665	761,632	504,312	-
Community services	3,132,433	864,271	24,876	-
Public works	4,990,390	1,159,519	348,797	1,300,814
Interest on long-term debt	4,465	-	-	-
Total Governmental Activities	25,097,662	4,941,979	1,260,638	1,300,814
Business-Type Activities:				
Water	5,804,509	9,210,982	-	-
Sewer	998,603	1,256,682	-	-
Arroyo Seco Golf Course	930,255	1,197,047	-	-
Total Business-Type Activities	7,733,367	11,664,711	-	-
Total Primary Government	\$ 32,831,029	\$ 16,606,690	\$ 1,260,638	\$ 1,300,814

General Revenues:

Taxes:

Property taxes, levied for general purpose

Sales taxes

Franchise taxes

Business licenses taxes

Utility users tax

Other taxes

Use of money and property

Other

Total General Revenues

Change in Net Position

Net Position at Beginning of Year

Restatement of Net Position

Net Position at End of Year

Net (Expenses) Revenues and Changes in Net Position
Primary Government

Governmental Activities	Business-Type Activities	Total
\$ (3,811,709)	\$ -	\$ (3,811,709)
(9,700,790)	-	(9,700,790)
347,279	-	347,279
(2,243,286)	-	(2,243,286)
(2,181,260)	-	(2,181,260)
(4,465)	-	(4,465)
(17,594,231)	-	(17,594,231)
-	3,406,473	3,406,473
-	258,079	258,079
-	266,792	266,792
-	3,931,344	3,931,344
(17,594,231)	3,931,344	(13,662,887)
11,462,585	-	11,462,585
3,447,593	-	3,447,593
804,995	-	804,995
373,935	-	373,935
3,486,775	-	3,486,775
517,971	-	517,971
498,208	28,372	526,580
32,823	10,143	42,966
20,624,885	38,515	20,663,400
3,030,654	3,969,859	7,000,513
71,612,284	13,829,305	85,441,589
27,381	-	27,381
\$ 74,670,319	\$ 17,799,164	\$ 92,469,483

CITY OF SOUTH PASADENA

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2014**

	<u>Special Revenue Funds</u>			Total Governmental Funds
	General	Housing Authority	Other Governmental Funds	
Assets:				
Pooled cash and investments	\$ 14,484,245	\$ 36,870	\$ 3,771,882	\$ 18,292,997
Receivables:				
Accounts	507,910	-	162,897	670,807
Taxes	1,121,070	-	-	1,121,070
Notes and loans	250,000	-	-	250,000
Accrued interest	7,165	3	697	7,865
Due from other governments	65,092	-	367,102	432,194
Due from other funds	1,402,261	-	-	1,402,261
Advances to other funds	750,000	-	-	750,000
Inventories	207,961	-	-	207,961
Total Assets	\$ 18,795,704	\$ 36,873	\$ 4,302,578	\$ 23,135,155
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 548,737	\$ -	\$ 227,870	\$ 776,607
Accrued liabilities	525,998	-	35,296	561,294
Deposits payable	670,385	729	-	671,114
Due to other funds	-	-	992,261	992,261
Total Liabilities	1,745,120	729	1,255,427	3,001,276
Deferred Inflows of Resources:				
Unavailable revenues	404,343	-	78,476	482,819
Total Deferred Inflows of Resources	404,343	-	78,476	482,819
Fund Balances:				
Nonspendable:				
Inventories	207,961	-	-	207,961
Notes and loans	250,000	-	-	250,000
Advances to other funds	750,000	-	-	750,000
Restricted for:				
Community development projects	-	36,144	55,128	91,272
Public safety - police	-	-	124,066	124,066
Community services	-	-	525,337	525,337
Public works - Streets and roads	-	-	1,891,739	1,891,739
Capital Projects	-	-	356,001	356,001
Public works - Street lighting	-	-	196,426	196,426
Committed to:				
Capital Projects	-	-	611,447	611,447
Arroyo Golf Course Facility	500,000	-	-	500,000
Legal Reserve	500,000	-	-	500,000
Renewable Energy Sources	300,000	-	-	300,000
Retiree Medical Benefits	500,000	-	-	500,000
Retiree Pension Benefits	500,000	-	-	500,000
Community Center Reserve	350,000	-	-	350,000
Unassigned	12,788,280	-	(791,469)	11,996,811
Total Fund Balances	16,646,241	36,144	2,968,675	19,651,060
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 18,795,704	\$ 36,873	\$ 4,302,578	\$ 23,135,155

CITY OF SOUTH PASADENA

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2014

Fund balances of governmental funds		\$ 19,651,060
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.		62,878,901
Long-term debt and compensated absences that have not been included in the governmental fund activity:		
Capital lease payable and other debt	\$ (158,645)	
Compensated Absences	<u>(755,511)</u>	(914,156)
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 a asset or liability.		(7,424,199)
Accrued interest payable for the current portion of interest due on Bonds has not been reported in the governmental funds.		(4,106)
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.		<u>482,819</u>
Net Position of governmental activities		<u><u>\$ 74,670,319</u></u>

CITY OF SOUTH PASADENA

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2014

	Special Revenue Funds			Total Governmental Funds
	General	Housing Authority	Other Governmental Funds	
Revenues:				
Taxes	\$ 18,464,548	\$ -	\$ 1,232,463	\$ 19,697,011
Assessments	-	-	896,465	896,465
Licenses and permits	935,629	-	49,557	985,186
Intergovernmental	866,462	-	1,436,632	2,303,094
Charges for services	2,627,420	-	54,654	2,682,074
Use of money and property	483,830	8,034	6,344	498,208
Fines and forfeitures	412,748	-	-	412,748
Contributions	-	-	12,455	12,455
Miscellaneous	555,122	-	39,088	594,210
Total Revenues	24,345,759	8,034	3,727,658	28,081,451
Expenditures:				
Current:				
General government	4,000,990	-	296,383	4,297,373
Public safety	10,538,162	-	98,549	10,636,711
Community development	911,871	-	-	911,871
Community services	2,508,348	-	461,689	2,970,037
Public works	1,499,097	-	1,471,225	2,970,322
Capital outlay	2,841,548	-	694,702	3,536,250
Debt service:				
Principal retirement	53,130	-	-	53,130
Interest and fiscal charges	8,178	-	-	8,178
Total Expenditures	22,361,324	-	3,022,548	25,383,872
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,984,435	8,034	705,110	2,697,579
Other Financing Sources (Uses):				
Transfers in	-	-	421,511	421,511
Transfers out	(406,598)	-	(14,913)	(421,511)
Total Other Financing Sources (Uses)	(406,598)	-	406,598	-
Net Change in Fund Balances	1,577,837	8,034	1,111,708	2,697,579
Fund Balances, Beginning of Year, as previously reported	15,068,404	729	1,856,967	16,926,100
Restatements	-	27,381	-	27,381
Fund Balances, Beginning of Year, as restated	15,068,404	28,110	1,856,967	16,953,481
Fund Balances, End of Year	\$ 16,646,241	\$ 36,144	\$ 2,968,675	\$ 19,651,060

CITY OF SOUTH PASADENA

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2014**

Net change in fund balances - total governmental funds \$ 2,697,579

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

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

Capital outlay	\$ 3,269,320	
Depreciation	<u>(2,527,317)</u>	742,003

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Lease Payments	53,130	
General liability retrospective deposit payable	<u>(44,470)</u>	8,660

Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period. 3,713

Compensated absences 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. (54,851)

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. (413,315)

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. 46,865

Change in net position of governmental activities \$ 3,030,654

CITY OF SOUTH PASADENA

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 JUNE 30, 2014

	Business-Type Activities - Enterprise Funds		
	Water	Other Enterprise Funds	Totals
Assets:			
Current:			
Cash and investments	\$ 8,042,985	\$ 2,105,209	\$ 10,148,194
Receivables:			
Accounts	1,189,923	40,411	1,230,334
Accrued interest	2,431	357	2,788
Inventories	229,745	-	229,745
Restricted:			
Cash with fiscal agent	26,329,878	-	26,329,878
Total Current Assets	35,794,962	2,145,977	37,940,939
Noncurrent:			
Capital assets - net of accumulated depreciation	31,538,495	2,408,991	33,947,486
Total Noncurrent Assets	31,538,495	2,408,991	33,947,486
Total Assets	\$ 67,333,457	\$ 4,554,968	\$ 71,888,425
Liabilities and Net Position:			
Liabilities:			
Current:			
Accounts payable	\$ 2,640,013	\$ 76,108	\$ 2,716,121
Accrued liabilities	48,967	12,564	61,531
Accrued interest	563,560	4,106	567,666
Deposits payable	120,062	-	120,062
Due to other funds	-	410,000	410,000
Accrued compensated absences	17,496	2,518	20,014
Bonds payable	1,065,000	-	1,065,000
Total Current Liabilities	4,455,098	505,296	4,960,394
Noncurrent:			
Advances from other funds	-	750,000	750,000
Accrued compensated absences	15,900	5,922	21,822
Bonds payable	47,829,762	527,283	48,357,045
Total Noncurrent Liabilities	47,845,662	1,283,205	49,128,867
Total Liabilities	52,300,760	1,788,501	54,089,261
Net Position:			
Net investment in capital assets	8,973,611	1,881,708	10,855,319
Unrestricted	6,059,086	884,759	6,943,845
Total Net Position	15,032,697	2,766,467	17,799,164
Total Liabilities and Net Position	\$ 67,333,457	\$ 4,554,968	\$ 71,888,425

CITY OF SOUTH PASADENA

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2014

	Business-Type Activities - Enterprise Funds		
	Water	Other Enterprise Funds	Totals
Operating Revenues:			
Sales and service charges	\$ 9,210,982	\$ 2,453,729	\$ 11,664,711
Miscellaneous	10,143	-	10,143
Total Operating Revenues	9,221,125	2,453,729	11,674,854
Operating Expenses:			
Administration and general	734,171	1,259,304	1,993,475
Pumping	1,344,058	-	1,344,058
Transmission/collection	3,595,960	-	3,595,960
Treatment	-	578,647	578,647
Depreciation expense	129,420	89,036	218,456
Total Operating Expenses	5,803,609	1,926,987	7,730,596
Operating Income (Loss)	3,417,516	526,742	3,944,258
Nonoperating Revenues (Expenses):			
Interest revenue	25,713	2,659	28,372
Interest expense	(900)	(1,871)	(2,771)
Total Nonoperating Revenues (Expenses)	24,813	788	25,601
Changes in Net Position	3,442,329	527,530	3,969,859
Net Position:			
Beginning of Year	11,590,368	2,238,937	13,829,305
End of Fiscal Year	\$ 15,032,697	\$ 2,766,467	\$ 17,799,164

CITY OF SOUTH PASADENA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2014

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Water</u>	<u>Other Enterprise Funds</u>	<u>Totals</u>
Cash Flows from Operating Activities:			
Cash received from customers and users	\$ 9,057,855	\$ 2,437,943	\$ 11,495,798
Cash paid to suppliers for goods and services	(4,894,716)	(550,139)	(5,444,855)
Cash paid to employees for services	(733,627)	(1,254,817)	(1,988,444)
Cash received from (payments to) others	10,143	-	10,143
Net Cash Provided by Operating Activities	<u>3,439,655</u>	<u>632,987</u>	<u>4,072,642</u>
Cash Flows from Capital and Related Financing Activities:			
Proceeds from capital debt	-	527,283	527,283
Acquisition and construction of capital assets	(7,997,897)	(33,548)	(8,031,445)
Principal paid on capital debt	(995,000)	-	(995,000)
Interest paid on capital debt	53,539	-	53,539
Net Cash Used for Capital and Related Financing Activities	<u>(8,939,358)</u>	<u>493,735</u>	<u>(8,445,623)</u>
Cash Flows from Investing Activities:			
Interest received	26,717	2,519	29,236
Net Cash Provided by Investing Activities	<u>26,717</u>	<u>2,519</u>	<u>29,236</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(5,472,986)</u>	<u>1,129,241</u>	<u>(4,343,745)</u>
Cash and Cash Equivalents at Beginning of Year	39,845,849	975,968	40,821,817
Cash and Cash Equivalents at End of Year	<u>\$ 34,372,863</u>	<u>\$ 2,105,209</u>	<u>\$ 36,478,072</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:			
Operating income	\$ 3,417,516	\$ 526,742	\$ 3,944,258
Adjustments to reconcile operating income net cash provided by operating activities:			
Depreciation	129,420	89,036	218,456
(Increase) decrease in accounts receivable	(140,899)	(15,786)	(156,685)
(Increase) decrease in inventories	(48,973)	-	(48,973)
Increase (decrease) in accounts payable	44,902	2,138	47,040
Increase (decrease) in accrued liabilities	400	28,508	28,908
Increase (decrease) in deposits payable	36,745	-	36,745
Increase (decrease) in compensated absences	544	2,349	2,893
Total Adjustments	<u>22,139</u>	<u>106,245</u>	<u>128,384</u>
Net Cash Provided by Operating Activities	<u>\$ 3,439,655</u>	<u>\$ 632,987</u>	<u>\$ 4,072,642</u>

CITY OF SOUTH PASADENA

STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 JUNE 30, 2014

	<u>Private- Purpose Trust Fund Successor Agency of the Former RDA</u>
Assets:	
Pooled cash and investments	\$ 98,577
Receivables:	
Accrued interest	502
Restricted assets:	
Cash and investments	901,436
Cash and investments with fiscal agents	<u>199,589</u>
Total Assets	<u>1,200,104</u>
Liabilities:	
Accounts payable	7,134
Accrued liabilities	6,584
Accrued interest	15,020
Deposits payable	1,500
Long-term liabilities:	
Due in one year	105,000
Due in more than one year	<u>1,445,000</u>
Total Liabilities	<u>1,580,238</u>
Net Position:	
Held in trust for other purposes	<u>(380,134)</u>
Total Net Position	<u>\$ (380,134)</u>

CITY OF SOUTH PASADENA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 YEAR ENDED JUNE 30, 2014

	<u>Private- Purpose Trust Fund Successor Agency of the Former RDA</u>
Additions:	
Taxes	\$ 425,492
Interest and change in fair value of investments	<u>20,515</u>
Total Additions	<u>446,007</u>
Deductions:	
Benefits	30,439
Administrative expenses	161,920
Contractual services	63,895
Interest expense	<u>96,890</u>
Total Deductions	<u>353,144</u>
Changes in Net Position	92,863
Net Position - Beginning of the Year	<u>(472,997)</u>
Net Position - End of the Year	<u>\$ (380,134)</u>

I. SIGNIFICANT ACCOUNTING POLICIES

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 and 61 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. 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 of 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

Note 1: Summary of Significant Accounting Policies (Continued)

goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items 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 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 funds:

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 Housing Authority Special Revenue Fund accounts for the assets and activities of the former Community Development Agency (former CDA) Low and Moderate Income Special Revenue Fund that were assumed by the City when the former CDA dissolved on January 31, 2012.

Note 1: Summary of Significant Accounting Policies (Continued)

The City reports the following major proprietary fund:

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

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.

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 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 pool shares.

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 uncollectibles.

Property tax revenue is recognized in the fiscal year for which the taxes have been levied providing they become available. Available means then 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, on December 10 and April 10, respectively. Unsecured personal property taxes become due on the first of March each year and are delinquent on 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.

Debt Service includes those activities that account for the payment of long-term debt principal, interest and fiscal charges.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2014

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 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 fair market 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

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2014

Note 1: Summary of Significant Accounting Policies (Continued)

<u>Infrastructure</u>	<u>Years</u>
Sewer collection system	60
Storm drain system	60
Bridges	60
Hardscape	40
Parkways and medians	40
Pavement, curb & gutter 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

Note 1: Summary of Significant Accounting Policies (Continued)

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 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.

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.

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.

Note 1: Summary of Significant Accounting Policies (Continued)

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 balance 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.

II. DETAILED NOTES ON ALL FUNDS

Note 2: Cash and Investments

As of June 30, 2014, cash and investments were reported in the accompanying financial statements as follows:

Governmental activities	
Cash and investments	\$ 18,292,997
Business-type activities	
Cash and investments	10,148,194
Cash with fiscal agent	26,329,878
Fiduciary activities	
Cash and investments	1,000,013
Cash with fiscal agent	<u>199,589</u>
Total Cash and Investments	<u><u>\$ 55,970,671</u></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, 2014, the carrying amount of the City's deposits was \$3,751,075 and the bank balance was \$5,266,441. The \$1,515,366 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.

Note 2: Cash and Investments (Continued)

Investments

Under provision of the City's investment policy, and in accordance with the California Government Code, the following investments are authorized:

- Local Agency Investment Fund
- Non-negotiable certificates of deposit (or time deposits, fully insured by the FDIC)
- Negotiable certificates of deposit which are either fully collateralized or fully insured by the FDIC
- Securities of the U.S. Government
- Securities Issued by other Government Agencies (No options or like instruments)
- Other investment instruments whose principal is guaranteed by the U.S. Government
- Money market funds
- Callable Bonds and Notes

Investments Authorized by Debt Agreements

The above investments do not address investment of debt proceeds held by a bond trustee. Investments of debt proceeds held by a bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy.

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.

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, 2014, 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.

CITY OF SOUTH PASADENA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2014

Note 2: Cash and Investments (Continued)

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

As of June 30, 2014, none of the City's deposits or investments were exposed to custodial credit risk.

Concentration of Credit Risk

The City's investment policy does not impose restrictions on the percentage that the City can invest in a single type of investment. 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, 2014, the City has not invested more than 5% of its total investments in any one issuer. Investments guaranteed by the U.S. government and investments in mutual funds and external investment pools are excluded from this requirement.

Interest Rate Risk

The City's investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. It states that no investments shall have a maturity date of more than three years and no more than one third of the investment portfolio shall have a maturity longer than two and a half years. 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. As of June 30, 2014, the City had the following investments and original maturities:

	Remaining Investment Maturities				Fair Value
	6 months or less	6 months to 1 year	1 to 3 years	3 to 5 years	
Local agency investment fund	\$ 13,493,668	\$ -	\$ -	\$ -	\$ 13,493,668
Money market mutual funds	2,340,863	-	-	-	2,340,863
Treasury Bills	7,300,023	-	-	-	7,300,023
Certificates of deposits	1,501,336	-	1,054,239	-	2,555,575
Cash with Fiscal Agent:					
Money market mutual funds	17,172,760	-	-	-	17,172,760
Government agency securities	2,004,940	-	-	-	2,004,940
Certificates of Deposit	1,490,704	1,717,834	2,985,579	1,157,649	7,351,766
	<u>\$ 45,304,294</u>	<u>\$ 1,717,834</u>	<u>\$ 4,039,818</u>	<u>\$ 1,157,649</u>	<u>\$ 52,219,595</u>

CITY OF SOUTH PASADENA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2014

Note 3: Capital Assets

Capital asset activity for the year ended June 30, 2014, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital assets, not being depreciated:					
Land	\$ 2,116,515	\$ -	\$ -	\$ -	\$ 2,116,515
Construction-in-progress	4,841,524	215,344	-	(447,984)	4,608,884
Total Capital Assets, Not Being Depreciated	6,958,039	215,344	-	(447,984)	6,725,399
Capital assets, being depreciated:					
Buildings	10,465,414	-	-	-	10,465,414
Improvements other than buildings	1,939,987	39,414	-	-	1,979,401
Machinery, equipment and vehicles	8,114,031	452,660	39,935	-	8,526,756
Infrastructure	84,721,059	2,561,902	-	447,984	87,730,945
Total Capital Assets, Being Depreciated	105,240,491	3,053,976	39,935	447,984	108,702,516
Less accumulated depreciation:					
Buildings	5,780,209	204,677	-	-	5,984,886
Improvements other than buildings	932,682	23,231	-	-	955,913
Machinery, equipment and vehicles	5,799,314	362,288	39,935	-	6,121,667
Infrastructure	37,549,427	1,937,121	-	-	39,486,548
Total Accumulated Depreciation	50,061,632	2,527,317	39,935	-	52,549,014
Total Capital Assets, Being Depreciated, Net	55,178,859	526,659	-	447,984	56,153,502
Governmental Activities Capital Assets, Net	<u>\$ 62,136,898</u>	<u>\$ 742,003</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 62,878,901</u>

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

Governmental Activities:	
General government	\$ 22,543
Public safety	337,897
Community Service	156,136
Public works	2,010,741
Total Governmental Activities	<u>\$ 2,527,317</u>

CITY OF SOUTH PASADENA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2014

Note 3: Capital Assets (Continued)

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-Type Activities:					
Capital assets, not being depreciated:					
Land	\$ 84,685	\$ -	\$ -	\$ -	\$ 84,685
Construction-in-progress	19,095,462	7,935,545	-	-	27,031,007
Total Capital Assets, Not Being Depreciated	19,180,147	7,935,545	-	-	27,115,692
Capital assets, being depreciated:					
Buildings	4,105,150	-	-	-	4,105,150
Improvements other than buildings	3,943,700	-	-	-	3,943,700
Infrastructure	4,588,507	-	-	-	4,588,507
Machinery, equipment & vehicles	1,087,792	95,900	-	-	1,183,692
Total Capital Assets, Being Depreciated	13,725,149	95,900	-	-	13,821,049
Less Accumulated Depreciation					
Buildings	687,591	71,476	-	-	759,067
Improvements other than buildings	3,117,027	32,209	-	-	3,149,236
Infrastructure	2,244,183	69,754	-	-	2,313,937
Machinery, equipment & vehicles	721,998	45,017	-	-	767,015
Total Accumulated Depreciation	6,770,799	218,456	-	-	6,989,255
Total Capital Assets, Being Depreciated, Net	6,954,350	(122,556)	-	-	6,831,794
Business-Type Activities Capital Assets, Net	<u>\$ 26,134,497</u>	<u>\$ 7,812,989</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,947,486</u>

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

Business-Type Activities:	
Water	\$ 129,420
Sewer	89,036
Total Business-Type Activities	<u>\$ 218,456</u>

CITY OF SOUTH PASADENA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2014

Note 4: Interfund Receivable, Payable and Transfers

The composition of interfund balances as of June 30, 2014, is as follows:

Due To/From Other Funds

	Due To Other Funds			Total
	Nonmajor Funds	Sewer Enterprise Fund	Other Enterprise Funds	
<u>Due From Other Funds</u>				
General Fund	\$ 992,261	\$ 360,000	\$ 50,000	\$ 1,402,261

The due from General Fund of \$1,403,916 to the various nonmajor governmental funds was a result of temporary cash deficit balances in those funds.

Transfers In/Out

	Transfers Out		
	General	Nonmajor Funds	Total
<u>Transfers In</u>			
Nonmajor Funds	\$ 406,598	\$ 14,913	\$ 421,511
Total	\$ 406,598	\$ 14,913	\$ 421,511

Transfers from Non-Major Funds and into the General Fund were made to adjust reserves per the Fiscal Year 2014 Budget, to match the General Fund for Transportation Projects, to fund Capital Improvement Projects, to match the General Fund for the MSRC Grant Projects and to close out the San Gabriel Valley COG Grant Fund. Transfers from Non-Major Funds and into other Non-Major Funds were made to fund Capital Improvement Projects.

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 annually.

CITY OF SOUTH PASADENA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2014

Note 5: Long-Term Debt

a. Changes in Long-Term Debt

The following is a summary of changes in long-term debt for year ended June 30, 2014:

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014	Due Within One Year
Governmental Activities:					
Compensated Absences	\$ 700,660	\$ 689,223	\$ (634,372)	\$ 755,511	\$ 684,034
Capital Leases	167,305	-	(53,130)	114,175	55,725
General Liability Retrospective Deposit Payable	-	44,470	-	44,470	-
Net OPEB liability	7,010,884	978,719	(565,404)	7,424,199	-
Total Governmental Funds	\$ 7,878,849	\$ 1,712,412	\$ (1,252,906)	\$ 8,338,355	\$ 739,759
Business-Type Activities:					
2012 State Loan Payable	\$ -	\$ 527,283	\$ -	\$ 527,283	\$ -
Compensated Absences	38,943	43,230	(40,337)	41,836	20,014
2009 Water Revenue Bonds	43,405,000	-	(715,000)	42,690,000	740,000
2013 Water Revenue Bonds	6,995,000	-	(280,000)	6,715,000	325,000
Total Proprietary Funds	\$ 50,438,943	\$ 570,513	\$ (1,035,337)	49,974,119	\$ 1,085,014
Add: Unamortized bond premium(discount)				(510,238)	
Net Proprietary Funds				\$ 49,463,881	

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.

c. Capital Lease

During fiscal year 2007–2008, the City entered into a \$495,173, ten-year equipment lease purchase agreement with Oshkosh Capital, for the purchase of a fire truck. The lease bears interest at a rate of 4.89%. The related asset has been capitalized in the government-wide financial statements in the equipment asset category. Amortization of the leased assets is included as part of depreciation expense. At June 30, 2014, the outstanding balance was \$114,175.

CITY OF SOUTH PASADENA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2014

Note 5: Long-Term Debt (Continued)

The annual requirements to amortize the capital lease as of June 30, 2014, including interest are as follows:

	<u>Total</u>
2014-2015	\$ 61,308
2015-2016	<u>61,308</u>
Net Minimum Lease Payments	122,616
Less Amount Representing Interest	<u>8,441</u>
Present Value of Net Minimum Lease Payments	<u>\$ 114,175</u>

d. Revenue Bonds

A description of individual issues of bonds (excluding defeased bonds) outstanding as of June 30, 2014, 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.

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 which payments will become due. At June 30, 2014, \$42,690,000 was outstanding.

CITY OF SOUTH PASADENA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2014

Note 5: Long-Term Debt (Continued)

	2009 Water Revenue Bonds	
	Principal	Interest
2014-2015	\$ 740,000	\$ 2,013,150
2015-2016	765,000	1,990,575
2016-2017	790,000	1,966,263
2017-2018	815,000	1,939,163
2018-2019	845,000	1,910,113
2020-2024	4,770,000	9,010,069
2025-2029	6,030,000	7,765,456
2030-2034	10,455,000	5,791,875
2035-2039	14,190,000	2,667,250
2040-2044	3,290,000	82,250
Total	<u>\$ 42,690,000</u>	<u>\$ 35,136,164</u>

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 of a portion of the outstanding California Statewide Communities Development Authority Water and Waste Water 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 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 redemption when payments become due. At June 30, 2014, \$6,715,000 was outstanding.

CITY OF SOUTH PASADENA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2014

Note 5: Long-Term Debt (Continued)

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2014, including interest are as follows:

	2013 Water Revenue Bonds	
	Principal	Interest
2014-2015	\$ 325,000	\$ 226,738
2015-2016	330,000	220,188
2016-2017	340,000	211,788
2017-2018	350,000	201,438
2018-2019	360,000	188,988
2020-2024	2,025,000	718,738
2025-2029	2,440,000	298,209
2030	545,000	8,516
Total	<u>\$ 6,715,000</u>	<u>\$ 2,074,603</u>

Pledged Revenue

The City has committed to appropriate each 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 \$86,615,767 (\$49,405,000 principal, \$37,210,767 interest). For the current year, principal and interest paid and system net revenue received were \$3,266,035 and \$3,417,516, respectively.

e. Net OPEB Liability

The City's policies relating to OPEB are described in Note 7 of the Notes to Financial Statements. The liability will be paid in future years by the General Fund as it becomes due.

f. CJPIA Retrospective Deposit Liability

Retrospective deposits and refunds are cost allocation adjustments to prior coverage periods. Some claims take many years to resolve and over time their estimated value changes. The retrospective adjustments are calculated annually and take into consideration all the changes in claim values that occurred during the most recent year. The formula is designed to adequately cover the cost of claims brought against members and to ensure the overall financial strength and security of the Authority. The formula was developed to be as equitable as possible by taking into consideration both risk exposure and claims experience of individual members. CJPIA has temporarily deferred the payment on retrospective deposits owed to the Authority by members. The payment deferral period extended until July 1, 2013 for the Liability program and extends until July 1, 2015 for the Workers' Compensation program. Retrospective deposit payments are scheduled to resume on these dates. The October 2011, annual retrospective adjustment is included in these balances. The City at June 30, 2014, had a retrospective deposit payable in the amount of \$44,470.

Note 5: Long-Term Debt (Continued)

Optional Payment Plans

When retrospective deposit payments resume as indicated above, members will have the opportunity to select from a variety of optional payment plans. Discounts under the incentive plan are available to members choosing to voluntarily accelerate payment during the deferral period. The City has chosen not to voluntarily accelerate payment at this time.

After the deferral period, members choosing from among the optional payment plans will be subject to a moderate annual fee. The fee is intended to provide a means for the Authority to recover otherwise foregone investment earnings and to serve as a minor disincentive for the selection of longer financing terms.

Retrospective Balances will Change Annually

Retrospective balances will change with each annual computation during the payment deferral period. Member balances may increase or decrease as a result of the most recent year's claim development. Accordingly, some members who chose to pay off their balance in full may be required to pay additional retrospective deposits in the future based on the outcome of actual claim development reflected in subsequent retrospective deposit computations. Conversely, if claim development is favorable then subsequent retrospective adjustments could potentially result in refunds to the member.

More information on the CJPIA retrospective balances can be found on the CJPIA website at CJPIA.org.

g. Loans

2012 State Loan Payable

California State Water Resources Control Board loaned the City an assessible 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, 2014, the total amount withdrawn by the City equaled the amount payable to the California State Water Resources Control Board, \$527,283.

III. OTHER INFORMATION

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

Plan Description

The City of South Pasadena contributes to the California Public Employees Retirement System (PERS), a cost-sharing multiple-employer public employee defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute and City ordinance. Copies of PERS' annual financial report may be obtained from their executive office located at 400 P Street, Sacramento, California 95814.

Funding Policy

Participants are required to contribute 7% (9% for safety employees) of their annual covered salary. The City does not make any contributions required of City employees on their behalf and for their account. Every employee is required to contribute 7% (9% for safety employees). The City is required to contribute at an actuarially determined rate; the current rate is 14.828% for miscellaneous employees and 22.145% for safety employees of annual covered payroll. The contribution requirements of plan members and the City are established and may be amended by PERS.

Annual Pension Cost

For 2014, the City's annual pension cost of \$1,838,709 for PERS was equal to the City's required and actual contributions. The required contribution was determined as part of the June 30, 2012, actuarial valuation using the entry age normal actuarial cost method. This method included the assumption of 2.75% inflation.

Three-Year Trend Information for PERS
(Amounts in Thousands)

Fiscal Year	Required Contributions	Percentage Contributed
6/30/2012	\$ 2,544	100%
6/30/2013	2,054	100%
6/30/2014	1,839	100%

For fiscal year 2013-2014, the City of South Pasadena participated in risk pooling. Risk pooling consists of combining assets and liabilities across employers to produce large groups where the impact of a catastrophic demographic event is shared among all employers of the same risk pool. Participation in risk pools is mandatory for all rate plans with less than 100 active members. Mandated participation in risk pools was initially based on the active membership of each rate plan as of June 30, 2003. The implementation of risk pools was done in a way that minimizes the impact on employer contribution rates. The first year in risk pools, the employer contribution rates are almost identical to what the rates would have been outside pools. Future rates will be based on the experience of each pool. Pooling will reduce the volatility of future employer rates. Mandated participation will occur on an annual basis. If on any valuation date starting with the June 30, 2003, valuation, a rate plan has less than 100 active members, it will be mandated in one of the risk pools effective on that valuation date.

CITY OF SOUTH PASADENA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2014

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 \$565,404 was made during the 2013-2014 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)	\$ 1,121,058
Interest on net OPEB obligation	245,381
Adjustment to ARC	<u>(387,720)</u>
Annual OPEB Cost	978,719
Contributions made	<u>565,404</u>
(Decrease) increase in Net OPEB obligation	413,315
Net OPEB obligation liability June 30, 2013	<u>7,010,884</u>
Net OPEB obligation liability June 30, 2014	<u><u>\$ 7,424,199</u></u>

The contribution rate of 21% is based on the ARC of \$1,121,058, 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 2013-14 and the two preceding years were as follows:

Fiscal Year End	Annual OPEB Cost	Actual Contribution (Net of Adjustments)	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
6/30/2012	\$ 2,268,898	\$ 529,083	23%	\$ 6,581,313
6/30/2013	1,006,981	577,410	57%	7,010,884
6/30/2014	978,719	565,404	58%	7,424,199

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2014

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 year. A subsequent actuarial valuation was performed for fiscal year 2010-2011 and again for fiscal year 2012-2013.

Actuarial Valuation Date	Actuarial Value of Assets	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	UAAL as percent of Covered 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%

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, 2013, actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions include a 3.5% 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 4.0%; and an inflation rate of 2.5%. 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, 2013, was 20 years. At January 1, 2013, the number of active participants was 141 and the number of retirees receiving benefits was 96.

Note 8: Self-Insurance Program

a. Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The City of South Pasadena is a member of the California Joint Powers Insurance Authority (the Authority). The Authority is composed of 119 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

b. Self-Insurance Programs of the Authority

Each member pays an annual contribution to cover estimated losses for the coverage period. This initial funding is paid at the beginning of the coverage period. After the close of the coverage period, outstanding claims are valued. A retrospective deposit computation is then conducted annually thereafter until all claims incurred during the coverage period are closed on a pool-wide basis. This subsequent cost re-allocation among members based on actual claim development can result in adjustments of either refunds or additional deposits required.

The total funding requirement for self-insurance programs is estimated using actuarial models and pre-funded through the annual contribution. Costs are allocated to individual agencies based on exposure (payroll) and experience (claims) relative to other members of the risk-sharing pool. Additional information regarding the cost allocation methodology is provided below.

General Liability

In the liability program claims are pooled separately between police and non-police exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$30,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$30,000 to \$750,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs in excess of \$750,000 up to the reinsurance attachment point of \$5 million are distributed based on the outcome of cost allocation within the first and second loss layers. (5) Costs of covered claims from \$5 million to \$10 million are paid under a reinsurance contract subject to a \$2.5 million annual aggregate deductible. The \$2.5 million annual aggregate deductible is fully covered under a separate policy; as such no portion of it is retained by the Authority. Costs of covered claims from \$10 million to \$15 million are paid under two reinsurance contracts subject to a combined \$3 million annual aggregate deductible. The \$3.0 million annual aggregate deductible is fully retained by the Authority. (6) Costs of covered claims from \$15 million up to \$20 million are paid under reinsurance agreements. (7) Costs of covered claims from \$20 million to \$50 million are paid under excess insurance policies.

The overall coverage limit for each member including all layers of coverage is \$50 million per occurrence.

Note 8: Self-Insurance Program (Continued)

Costs of covered claims for subsidence losses are paid by reinsurance and excess insurance with a pooled sub-limit of \$30 million per occurrence. This \$30 million subsidence sub-limit is composed of (a) \$5 million retained within the pool's SIR, (b) \$15 million in reinsurance, subject to the same annual aggregate deductibles previously stated, and (c) \$10 million in excess insurance. The excess insurance layer has a \$10 million annual aggregate limit.

Workers Compensation

In the workers' compensation program claims are pooled separately between public safety (police and fire) and non-public safety exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$50,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$50,000 to \$100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs in excess of \$100,000 up to the reinsurance attachment point of \$2 million are distributed based on the outcome of cost allocation within the first and second loss layers. (5) Costs of covered claims from \$2 million up to statutory limits are paid under a reinsurance policy. Protection is provided per statutory liability under California Workers' Compensation Law.

Employer's Liability losses are pooled among members to \$2 million. Coverage from \$2 million to \$5 million is purchased as part of a reinsurance policy, and Employer's Liability losses from \$5 million to \$10 million are pooled among members.

c. Purchased Insurance

Property Insurance

The City of South Pasadena participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. City of South Pasadena property is currently insured according to a schedule of covered property submitted by the City of South Pasadena to the Authority. City of South Pasadena property currently has all-risk property insurance protection in the amount of \$38,895,633. There is a \$5,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$1,000 deductible. Premiums for the coverage are paid annually and are not subject to retrospective adjustments.

Crime Insurance

The City of City of South Pasadena purchases crime insurance coverage in the amount of \$1,000,000 with a \$2,500 deductible. The fidelity coverage is provided through the Authority. Premiums are paid annually and are not subject to retrospective adjustments.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2014

Note 8: Self-Insurance Program (Continued)

Pollution Legal Liability Insurance

The City of South Pasadena participates in the pollution legal liability insurance program (formerly called environmental insurance) which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City of South Pasadena. Coverage is on a claims-made basis. There is a \$50,000 deductible. The Authority has a limit of \$50 million for the 3-year period from July 1, 2011 through July 1, 2014. Each member of the Authority has a \$10 million sub-limit during the 3-year term of the policy.

d. Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2013-2014.

Note 9: Commitments and Contingencies

As of June 30, 2014, the City had the following construction commitments:

<u>Project Name</u>	<u>Contract Amount</u>	<u>Expenditures to date as of June 30, 2014</u>	<u>Remaining Commitments</u>
Wilson Reservoir Construction	\$ 7,869,900	\$ 7,717,267	\$ 152,633

Due to the occurrence of several spills from the City's sanitary sewer system, the 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.

CITY OF SOUTH PASADENA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2014

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	\$ 1,000,013
Cash and investments with fiscal agent	199,589
	<u>\$ 1,199,602</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 year ended June 30, 2014:

	Balance June 30, 2013	Additions	Retirements	Balance June 30, 2014	Due Within One Year
Fiduciary Funds:					
2000 Tax Allocation Bond	<u>\$ 1,650,000</u>	<u>\$ -</u>	<u>\$ (100,000)</u>	<u>\$ 1,550,000</u>	<u>\$ 105,000</u>

A description of long-term debt outstanding (excluding defeased debt) of the Successor Agency as of June 30, 2014, follows:

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2014

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

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, 2014, \$1,550,000 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 \$2,158,816 with annual debt service requirements as indicated above. For the current 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 \$425,492 and the debt service obligation on the bonds was \$197,819.

The annual requirements to amortize the outstanding bond indebtedness as of June 30, 2014, including interest are as follows:

	2000 Tax Allocation Bonds	
	Principal	Interest
2014-2015	\$ 105,000	\$ 92,119
2015-2016	110,000	86,081
2016-2017	115,000	79,701
2017-2018	125,000	72,945
2018-2019	130,000	65,570
2020-2024	780,000	201,300
2025	185,000	11,100
Total	\$ 1,550,000	\$ 608,816

On June 14, 2012, Moody's Investors Service ("Moody's") downgraded all California tax allocation bonds rated 'Baa3' and above. As such, the Bonds' insured rating was downgraded from 'A3' to 'Ba1' and underlying rating was downgraded from 'A3' to 'Ba1'. According to Moody's, all California tax allocation bond ratings remain on review for possible withdrawal.

CITY OF SOUTH PASADENA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2014

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.

Note 11: Fund Balance / Net Position

Restatements

Fund balance and Net Position have been restated for the Housing Authority Fund for \$27,381. This is due to an ongoing requirement that the City must keep \$27,381 as cash in this account as a compensating item.

Deficit Fund Balance

The following funds contained deficit fund balances at June 30, 2014:

Fund	Amount
Nonmajor governmental funds:	
MTA Pedestrian Improvement	\$ 202,448
Mission Meridian Public Garage	256,729
County Park Bond	125,032
Homeland Security Grant	11,721
MSRC Grant	180,539
Historic Presentation Grant	15,000

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

Note 12: Supplementary Budgetary information

The City did not adopt a budget for the following funds: CTC Traffic Improvement Grant, Community Development Block Grant, Public Library Grant, Homeland Security Grant, SGVCOG Grant Fund, Historic Presentation Grant Fund, and the Facilities & Equipment Capital Project. 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	\$ 96,900	\$ 3,000	\$ 93,900
Gold Line Mitigation	244,791	238,953	5,838
Parking and Business Improvement	131,842	123,000	8,842
County Park Bond	19,090	16,600	2,490
State Police Grant	98,549	-	98,549

CITY OF SOUTH PASADENA

**BUDGETARY COMPARISON SCHEDULE BY DEPARTMENT
GENERAL FUND
YEAR ENDED JUNE 30, 2014**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 15,068,404	\$ 15,068,404	\$ 15,068,404	\$ -
Resources (Inflows):				
Taxes	17,920,849	17,920,849	18,464,548	543,699
Licenses and permits	1,037,200	1,037,200	935,629	(101,571)
Intergovernmental	545,778	545,778	866,462	320,684
Charges for services	2,088,625	2,088,625	2,627,420	538,795
Use of money and property	379,420	379,420	483,830	104,410
Fines and forfeitures	530,000	530,000	412,748	(117,252)
Miscellaneous	230,000	230,000	555,122	325,122
Amounts Available for Appropriations	37,800,276	37,800,276	39,414,163	1,613,887
Charges to Appropriation (Outflow):				
General government				
City council	58,531	58,531	48,059	10,472
City clerk	402,368	402,368	337,628	64,740
Elections	157,100	157,100	49,214	107,886
City manager	881,100	881,100	846,481	34,619
Personnel	157,000	166,004	289,468	(123,464)
Transportation planning	209,000	209,000	111,597	97,403
Legal services	235,000	235,000	421,647	(186,647)
Finance	505,066	505,066	519,087	(14,021)
City treasurer	8,722	8,722	9,229	(507)
Information services	189,200	189,200	215,122	(25,922)
Non-departmental	1,552,589	1,552,589	1,153,458	399,131
Public safety				
Police	6,643,275	6,643,275	6,891,988	(248,713)
Fire	3,941,027	3,933,727	3,646,174	287,553
Community development				
Community development	944,820	952,515	911,871	40,644
Community services				
Library	1,533,655	1,533,655	1,498,618	35,037
Senior center	261,013	261,013	279,603	(18,590)
Recreation	201,861	201,861	213,435	(11,574)
After-school day care	487,963	487,963	516,692	(28,729)
Public works				
Public works administration	428,644	442,973	280,736	162,237
Environmental services	225,340	225,340	121,011	104,329
Park maintenance	510,481	537,841	415,137	122,704
Facilities maintenance	670,163	670,163	633,884	36,279
Vehicles Maintenance	41,000	48,300	48,329	(29)
Capital outlay	3,428,400	4,335,248	2,841,548	1,493,700
Debt service:				
Principal retirement	62,000	62,000	53,130	8,870
Interest and fiscal charges	-	-	8,178	(8,178)
Transfers out	168,371	168,371	406,598	(238,227)
Total Charges to Appropriations	23,903,689	24,868,925	22,767,922	2,101,003
Budgetary Fund Balance, June 30	\$ 13,896,587	\$ 12,931,351	\$ 16,646,241	\$ 3,714,890

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 2013 were not significant.

The City did not adopt a budget for the Housing Authority and therefore no schedule is presented.

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CITY OF SOUTH PASADENA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2014

	Special Revenue Funds				
	MTA Pedestrian Improvement	Proposition "A"	Proposition "C"	Gold Line Betterments	CTC Traffic Improvement Grant
Assets:					
Pooled cash and investments	\$ -	\$ 377,203	\$ 228,625	\$ -	\$ 13
Receivables:					
Accounts	-	68	-	-	-
Accrued interest	-	103	56	-	-
Due from other governments	58,436	-	-	-	103
Total Assets	\$ 58,436	\$ 377,374	\$ 228,681	\$ -	\$ 116
Liabilities, Deferred Inflows of Resources, and Fund Balances:					
Liabilities:					
Accounts payable	\$ -	\$ 3,771	\$ 1,700	\$ -	\$ -
Accrued liabilities	-	7,379	6,573	-	-
Due to other funds	202,448	-	-	-	-
Total Liabilities	202,448	11,150	8,273	-	-
Deferred Inflows of Resources:					
Unavailable revenues	58,436	-	-	-	-
Total Deferred Inflows of Resources	58,436	-	-	-	-
Fund Balances:					
Restricted for:					
Community development projects	-	-	-	-	-
Public safety - Police	-	-	-	-	-
Community services	-	366,224	-	-	-
Public works - Streets and roads	-	-	220,408	-	-
Capital Projects	-	-	-	-	116
Public works - Street lighting	-	-	-	-	-
Committed to:					
Capital Projects	-	-	-	-	-
Unassigned	(202,448)	-	-	-	-
Total Fund Balances	(202,448)	366,224	220,408	-	116
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 58,436	\$ 377,374	\$ 228,681	\$ -	\$ 116

CITY OF SOUTH PASADENA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2014

(CONTINUED)

	Special Revenue Funds			
	Street Lighting	Clean Air Act	Parking and Business Improvement	Gold Line Mitigation
Assets:				
Pooled cash and investments	\$ 242,238	\$ 73,704	\$ 119,470	\$ 60,381
Receivables:				
Accounts	30,808	-	-	-
Accrued interest	-	20	-	-
Due from other governments	-	8,330	-	-
Total Assets	\$ 273,046	\$ 82,054	\$ 119,470	\$ 60,381
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 71,172	\$ -	\$ 3,034	\$ -
Accrued liabilities	5,448	8	-	-
Due to other funds	-	-	-	-
Total Liabilities	76,620	8	3,034	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Restricted for:				
Community development projects	-	-	-	-
Public safety - Police	-	-	-	-
Community services	-	-	-	-
Public works - Streets and roads	-	-	-	-
Capital Projects	-	82,046	116,436	60,381
Public works - Street lighting	196,426	-	-	-
Committed to:				
Capital Projects	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	196,426	82,046	116,436	60,381
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 273,046	\$ 82,054	\$ 119,470	\$ 60,381

CITY OF SOUTH PASADENA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2014

	Special Revenue Funds			
	Mission Meridian Public Garage	State Gas Tax	County Park Bond	Bike and Pedestrian Paths
Assets:				
Pooled cash and investments	\$ -	\$ 912,521	\$ -	\$ -
Receivables:				
Accounts	-	161	-	-
Accrued interest	-	251	-	-
Due from other governments	-	79,956	-	14,818
Total Assets	\$ -	\$ 992,889	\$ -	\$ 14,818
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 2,572	\$ 8,760	\$ 150	\$ -
Accrued liabilities	-	15,888	-	-
Due to other funds	254,157	-	124,882	14,818
Total Liabilities	256,729	24,648	125,032	14,818
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Restricted for:				
Community development projects	-	-	-	-
Public safety - Police	-	-	-	-
Community services	-	-	-	-
Public works - Streets and roads	-	968,241	-	-
Capital Projects	-	-	-	-
Public works - Street lighting	-	-	-	-
Committed to:				
Capital Projects	-	-	-	-
Unassigned	(256,729)	-	(125,032)	-
Total Fund Balances	(256,729)	968,241	(125,032)	-
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ -	\$ 992,889	\$ -	\$ 14,818

CITY OF SOUTH PASADENA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2014

(CONTINUED)

	Special Revenue Funds			
	Capital Growth Requirements	C.D.B.G.	Asset Forfeiture	CLEEP
Assets:				
Pooled cash and investments	\$ 96,995	\$ -	\$ 21,321	\$ 5,160
Receivables:				
Accounts	-	-	-	-
Accrued interest	27	-	5	1
Due from other governments	-	116,431	-	-
Total Assets	\$ 97,022	\$ 116,431	\$ 21,326	\$ 5,161
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ 116,356	\$ -	\$ -
Accrued liabilities	-	-	-	-
Due to other funds	-	75	-	-
Total Liabilities	-	116,431	-	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Restricted for:				
Community development projects	-	-	-	-
Public safety - Police	-	-	21,326	5,161
Community services	-	-	-	-
Public works - Streets and roads	-	-	-	-
Capital Projects	97,022	-	-	-
Public works - Street lighting	-	-	-	-
Committed to:				
Capital Projects	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	97,022	-	21,326	5,161
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 97,022	\$ 116,431	\$ 21,326	\$ 5,161

CITY OF SOUTH PASADENA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2014

	Special Revenue Funds			
	Public Library Grant	State Police Grant	Homeland Security Grant	Park Impact Fees
Assets:				
Pooled cash and investments	\$ 6,445	\$ 108,047	\$ -	\$ 156,220
Receivables:				
Accounts	-	-	-	-
Accrued interest	-	38	-	-
Due from other governments	-	-	74,028	-
Total Assets	<u>\$ 6,445</u>	<u>\$ 108,085</u>	<u>\$ 74,028</u>	<u>\$ 156,220</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ 10,506	\$ -	\$ 3,552
Accrued liabilities	-	-	-	-
Due to other funds	-	-	80,709	-
Total Liabilities	<u>-</u>	<u>10,506</u>	<u>80,709</u>	<u>3,552</u>
Deferred Inflows of Resources:				
Unavailable revenues	-	-	5,040	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>5,040</u>	<u>-</u>
Fund Balances:				
Restricted for:				
Community development projects	-	-	-	-
Public safety - Police	-	97,579	-	-
Community services	6,445	-	-	152,668
Public works - Streets and roads	-	-	-	-
Capital Projects	-	-	-	-
Public works - Street lighting	-	-	-	-
Committed to:				
Capital Projects	-	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>(11,721)</u>	<u>-</u>
Total Fund Balances	<u>6,445</u>	<u>97,579</u>	<u>(11,721)</u>	<u>152,668</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 6,445</u>	<u>\$ 108,085</u>	<u>\$ 74,028</u>	<u>\$ 156,220</u>

CITY OF SOUTH PASADENA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2014

(CONTINUED)

	<u>Special Revenue Funds</u>			
	<u>Measure R</u>	<u>SGVCOG Grant Fund</u>	<u>Public Education</u>	<u>MSRC Grant Fund</u>
Assets:				
Pooled cash and investments	\$ 702,894	\$ -	\$ 49,198	\$ -
Receivables:				
Accounts	-	-	5,930	125,930
Accrued interest	196	-	-	-
Due from other governments	-	-	-	-
Total Assets	<u>\$ 703,090</u>	<u>\$ -</u>	<u>\$ 55,128</u>	<u>\$ 125,930</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 6,297
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	300,172
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>306,469</u>
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Restricted for:				
Community development projects	-	-	55,128	-
Public safety - Police	-	-	-	-
Community services	-	-	-	-
Public works - Streets and roads	703,090	-	-	-
Capital Projects	-	-	-	-
Public works - Street lighting	-	-	-	-
Committed to:				
Capital Projects	-	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>(180,539)</u>
Total Fund Balances	<u>703,090</u>	<u>-</u>	<u>55,128</u>	<u>(180,539)</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 703,090</u>	<u>\$ -</u>	<u>\$ 55,128</u>	<u>\$ 125,930</u>

CITY OF SOUTH PASADENA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2014

	Special Revenue Funds	Capital Projects Funds	Total Governmental Funds
	Historic Presentation Grant Fund	Facilities & Equip. Capital Project	
Assets:			
Pooled cash and investments	\$ -	\$ 611,447	\$ 3,771,882
Receivables:			
Accounts	-	-	162,897
Accrued interest	-	-	697
Due from other governments	15,000	-	367,102
Total Assets	\$ 15,000	\$ 611,447	\$ 4,302,578
Liabilities, Deferred Inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ 227,870
Accrued liabilities	-	-	35,296
Due to other funds	15,000	-	992,261
Total Liabilities	15,000	-	1,255,427
Deferred Inflows of Resources:			
Unavailable revenues	15,000	-	78,476
Total Deferred Inflows of Resources	15,000	-	78,476
Fund Balances:			
Restricted for:			
Community development projects	-	-	55,128
Public safety - Police	-	-	124,066
Community services	-	-	525,337
Public works - Streets and roads	-	-	1,891,739
Capital Projects	-	-	356,001
Public works - Street lighting	-	-	196,426
Committed to:			
Capital Projects	-	611,447	611,447
Unassigned	(15,000)	-	(791,469)
Total Fund Balances	(15,000)	611,447	2,968,675
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 15,000	\$ 611,447	\$ 4,302,578

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CITY OF SOUTH PASADENA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2014

	Special Revenue Funds				
	MTA Pedestrian Improvement	Proposition "A"	Proposition "C"	Gold Line Betterments	CTC Traffic Improvement Grant
Revenues:					
Taxes	\$ -	\$ 438,840	\$ 363,409	\$ -	\$ -
Assessments	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental	30,000	-	-	-	103
Charges for services	-	3,722	-	-	-
Use of money and property	-	820	492	-	-
Contributions	-	-	-	-	-
Miscellaneous	-	18,092	-	-	-
Total Revenues	30,000	461,474	363,901	-	103
Expenditures:					
Current:					
General government	-	51,743	67,767	-	103
Public safety	-	-	-	-	-
Community services	-	218,174	103,043	-	-
Public works	-	9,158	84	-	-
Capital outlay	-	-	95,356	-	-
Total Expenditures	-	279,075	266,250	-	103
Excess (Deficiency) of Revenues Over (Under) Expenditures	30,000	182,399	97,651	-	-
Other Financing Sources (Uses):					
Transfers in	168,371	-	-	-	-
Transfers out	-	-	-	(14,913)	-
Total Other Financing Sources (Uses)	168,371	-	-	(14,913)	-
Net Change in Fund Balances	198,371	182,399	97,651	(14,913)	-
Fund Balances, Beginning of Year	(400,819)	183,825	122,757	14,913	116
Fund Balances, End of Year	\$ (202,448)	\$ 366,224	\$ 220,408	\$ -	\$ 116

CITY OF SOUTH PASADENA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2014

(CONTINUED)

	Special Revenue Funds			
	Street Lighting	Clean Air Act	Parking and Business Improvement	Gold Line Mitigation
Revenues:				
Taxes	\$ -	\$ -	\$ 158,559	\$ -
Assessments	896,465	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	31,929	-	-
Charges for services	-	-	-	-
Use of money and property	-	429	-	-
Contributions	12,455	-	-	-
Miscellaneous	8,575	-	-	-
Total Revenues	917,495	32,358	158,559	-
Expenditures:				
Current:				
General government	-	302	131,842	-
Public safety	-	-	-	-
Community services	-	96,598	-	-
Public works	790,505	-	-	-
Capital outlay	-	-	-	244,791
Total Expenditures	790,505	96,900	131,842	244,791
Excess (Deficiency) of Revenues Over (Under) Expenditures	126,990	(64,542)	26,717	(244,791)
Other Financing Sources (Uses):				
Transfers in	-	-	-	120,749
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	120,749
Net Change in Fund Balances	126,990	(64,542)	26,717	(124,042)
Fund Balances, Beginning of Year	69,436	146,588	89,719	184,423
Fund Balances, End of Year	\$ 196,426	\$ 82,046	\$ 116,436	\$ 60,381

CITY OF SOUTH PASADENA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2014

	Special Revenue Funds			
	Mission Meridian Public Garage	State Gas Tax	County Park Bond	Bike and Pedestrian Paths
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Assessments	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	809,228	-	14,818
Charges for services	-	-	-	-
Use of money and property	-	2,243	-	-
Contributions	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	-	811,471	-	14,818
Expenditures:				
Current:				
General government	28,669	-	-	-
Public safety	-	-	-	-
Community services	-	-	-	-
Public works	-	526,458	19,090	-
Capital outlay	-	29,661	-	14,818
Total Expenditures	28,669	556,119	19,090	14,818
Excess (Deficiency) of Revenues Over (Under) Expenditures	(28,669)	255,352	(19,090)	-
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(28,669)	255,352	(19,090)	-
Fund Balances, Beginning of Year	(228,060)	712,889	(105,942)	-
Fund Balances, End of Year	\$ (256,729)	\$ 968,241	\$ (125,032)	\$ -

CITY OF SOUTH PASADENA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2014

(CONTINUED)

	Special Revenue Funds			
	Capital Growth Requirements	C.D.B.G.	Asset Forfeiture	CLEEP
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Assessments	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	134,877	-	-
Charges for services	29,941	-	-	-
Use of money and property	233	-	63	15
Contributions	-	-	-	-
Miscellaneous	-	12,421	-	-
Total Revenues	30,174	147,298	63	15
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community services	-	30,867	-	-
Public works	-	-	-	-
Capital outlay	-	116,431	-	-
Total Expenditures	-	147,298	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	30,174	-	63	15
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	30,174	-	63	15
Fund Balances, Beginning of Year	66,848	-	21,263	5,146
Fund Balances, End of Year	\$ 97,022	\$ -	\$ 21,326	\$ 5,161

CITY OF SOUTH PASADENA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2014

	Special Revenue Funds			
	Public Library Grant	State Police Grant	Homeland Security Grant	Park Impact Fees
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Assessments	-	-	-	-
Licenses and permits	-	-	-	49,557
Intergovernmental	-	100,000	189,747	-
Charges for services	-	-	-	-
Use of money and property	-	346	-	-
Contributions	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	-	100,346	189,747	49,557
Expenditures:				
Current:				
General government	-	-	957	-
Public safety	-	98,549	-	-
Community services	-	-	-	13,007
Public works	-	-	-	-
Capital outlay	-	-	166,327	-
Total Expenditures	-	98,549	167,284	13,007
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	1,797	22,463	36,550
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	1,797	22,463	36,550
Fund Balances, Beginning of Year	6,445	95,782	(34,184)	116,118
Fund Balances, End of Year	\$ 6,445	\$ 97,579	\$ (11,721)	\$ 152,668

CITY OF SOUTH PASADENA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2014

(CONTINUED)

	Special Revenue Funds			
	Measure R	SGVCOG Grant Fund	Public Education	MSRC Grant Fund
Revenues:				
Taxes	\$ 271,655	\$ -	\$ -	\$ -
Assessments	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	125,930
Charges for services	-	-	20,991	-
Use of money and property	1,703	-	-	-
Contributions	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	273,358	-	20,991	125,930
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community services	-	-	-	-
Public works	-	-	-	125,930
Capital outlay	27,318	-	-	-
Total Expenditures	27,318	-	-	125,930
Excess (Deficiency) of Revenues Over (Under) Expenditures	246,040	-	20,991	-
Other Financing Sources (Uses):				
Transfers in	-	391	-	100,000
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	391	-	100,000
Net Change in Fund Balances	246,040	391	20,991	100,000
Fund Balances, Beginning of Year	457,050	(391)	34,137	(280,539)
Fund Balances, End of Year	\$ 703,090	\$ -	\$ 55,128	\$ (180,539)

CITY OF SOUTH PASADENA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2014

	Special Revenue Funds	Capital Projects Fund	Total Governmental Funds
	Historic Presentation Grant Fund	Facilities & Equip. Capital Project	
Revenues:			
Taxes	\$ -	\$ -	\$ 1,232,463
Assessments	-	-	896,465
Licenses and permits	-	-	49,557
Intergovernmental	-	-	1,436,632
Charges for services	-	-	54,654
Use of money and property	-	-	6,344
Contributions	-	-	12,455
Miscellaneous	-	-	39,088
Total Revenues	-	-	3,727,658
Expenditures:			
Current:			
General government	15,000	-	296,383
Public safety	-	-	98,549
Community services	-	-	461,689
Public works	-	-	1,471,225
Capital outlay	-	-	694,702
Total Expenditures	15,000	-	3,022,548
Excess (Deficiency) of Revenues Over (Under) Expenditures	(15,000)	-	705,110
Other Financing Sources (Uses):			
Transfers in	-	32,000	421,511
Transfers out	-	-	(14,913)
Total Other Financing Sources (Uses)	-	32,000	406,598
Net Change in Fund Balances	(15,000)	32,000	1,111,708
Fund Balances, Beginning of Year	-	579,447	1,856,967
Fund Balances, End of Year	\$ (15,000)	\$ 611,447	\$ 2,968,675

CITY OF SOUTH PASADENA

BUDGETARY COMPARISON SCHEDULE
 MTA PEDESTRIAN IMPROVEMENT
 YEAR ENDED JUNE 30, 2014

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ (400,819)	\$ (400,819)	\$ (400,819)	\$ -
Resources (Inflows):				
Intergovernmental	-	-	30,000	30,000
Transfers in	168,371	168,371	168,371	-
Amounts Available for Appropriations	<u>(232,448)</u>	<u>(232,448)</u>	<u>(202,448)</u>	<u>30,000</u>
Charges to Appropriation (Outflow):				
Budgetary Fund Balance, June 30	<u>\$ (232,448)</u>	<u>\$ (232,448)</u>	<u>\$ (202,448)</u>	<u>\$ 30,000</u>

CITY OF SOUTH PASADENA

BUDGETARY COMPARISON SCHEDULE
 PROPOSITION "A"
 YEAR ENDED JUNE 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 183,825	\$ 183,825	\$ 183,825	\$ -
Resources (Inflows):				
Taxes	389,484	389,484	438,840	49,356
Charges for services	5,000	5,000	3,722	(1,278)
Use of money and property	-	-	820	820
Miscellaneous	-	-	18,092	18,092
Amounts Available for Appropriations	578,309	578,309	645,299	66,990
Charges to Appropriation (Outflow):				
General government	67,893	67,893	51,743	16,150
Community services	338,910	338,910	218,174	120,736
Public works	6,500	6,500	9,158	(2,658)
Total Charges to Appropriations	413,303	413,303	279,075	134,228
Budgetary Fund Balance, June 30	\$ 165,006	\$ 165,006	\$ 366,224	\$ 201,218

CITY OF SOUTH PASADENA

BUDGETARY COMPARISON SCHEDULE
 PROPOSITION "C"
 YEAR ENDED JUNE 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 122,757	\$ 122,757	\$ 122,757	\$ -
Resources (Inflows):				
Taxes	323,067	323,067	363,409	40,342
Use of money and property	8,000	8,000	492	(7,508)
Amounts Available for Appropriations	453,824	453,824	486,658	32,834
Charges to Appropriation (Outflow):				
General government	81,311	81,311	67,767	13,544
Community services	126,421	126,421	103,043	23,378
Public works	-	-	84	(84)
Capital outlay	200,000	294,680	95,356	199,324
Total Charges to Appropriations	407,732	502,412	266,250	236,162
Budgetary Fund Balance, June 30	\$ 46,092	\$ (48,588)	\$ 220,408	\$ 268,996

CITY OF SOUTH PASADENA

BUDGETARY COMPARISON SCHEDULE
 STREET LIGHTING
 YEAR ENDED JUNE 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 69,436	\$ 69,436	\$ 69,436	\$ -
Resources (Inflows):				
Assessments	885,000	885,000	896,465	11,465
Contributions	-	-	12,455	12,455
Miscellaneous	10,000	10,000	8,575	(1,425)
Amounts Available for Appropriations	964,436	964,436	986,931	22,495
Charges to Appropriation (Outflow):				
Public works	1,068,058	1,068,058	790,505	277,553
Total Charges to Appropriations	1,068,058	1,068,058	790,505	277,553
Budgetary Fund Balance, June 30	\$ (103,622)	\$ (103,622)	\$ 196,426	\$ 300,048

CITY OF SOUTH PASADENA

BUDGETARY COMPARISON SCHEDULE
 CLEAN AIR ACT
 YEAR ENDED JUNE 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 146,588	\$ 146,588	\$ 146,588	\$ -
Resources (Inflows):				
Intergovernmental	15,000	15,000	31,929	16,929
Use of money and property	400	400	429	29
Amounts Available for Appropriations	161,988	161,988	178,946	16,958
Charges to Appropriation (Outflow):				
General government	3,000	3,000	302	2,698
Parks and recreation	-	-	96,598	(96,598)
Total Charges to Appropriations	3,000	3,000	96,900	(93,900)
Budgetary Fund Balance, June 30	\$ 158,988	\$ 158,988	\$ 82,046	\$ (76,942)

CITY OF SOUTH PASADENA

BUDGETARY COMPARISON SCHEDULE
 PARKING AND BUSINESS IMPROVEMENT
 YEAR ENDED JUNE 30, 2014

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 89,719	\$ 89,719	\$ 89,719	\$ -
Resources (Inflows):				
Taxes	140,000	140,000	158,559	18,559
Amounts Available for Appropriations	229,719	229,719	248,278	18,559
Charges to Appropriation (Outflow):				
General government	123,000	123,000	131,842	(8,842)
Total Charges to Appropriations	123,000	123,000	131,842	(8,842)
Budgetary Fund Balance, June 30	\$ 106,719	\$ 106,719	\$ 116,436	\$ 9,717

CITY OF SOUTH PASADENA

BUDGETARY COMPARISON SCHEDULE
 GOLD LINE MITIGATION
 YEAR ENDED JUNE 30, 2014

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 184,423	\$ 184,423	\$ 184,423	\$ -
Resources (Inflows):				
Transfers in	-	-	120,749	120,749
Amounts Available for Appropriations	184,423	184,423	305,172	120,749
Charges to Appropriation (Outflow):				
Capital outlay	-	238,953	244,791	(5,838)
Total Charges to Appropriations	-	238,953	244,791	(5,838)
Budgetary Fund Balance, June 30	\$ 184,423	\$ (54,530)	\$ 60,381	\$ 114,911

CITY OF SOUTH PASADENA

BUDGETARY COMPARISON SCHEDULE
MISSION MERIDIAN PUBLIC GARAGE
YEAR ENDED JUNE 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (228,060)	\$ (228,060)	\$ (228,060)	\$ -
Resources (Inflows):				
Amounts Available for Appropriations	(228,060)	(228,060)	(228,060)	-
Charges to Appropriation (Outflow):				
General government	30,797	30,797	28,669	2,128
Total Charges to Appropriations	30,797	30,797	28,669	2,128
Budgetary Fund Balance, June 30	\$ (258,857)	\$ (258,857)	\$ (256,729)	\$ 2,128

CITY OF SOUTH PASADENA

BUDGETARY COMPARISON SCHEDULE
 STATE GAS TAX
 YEAR ENDED JUNE 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 712,889	\$ 712,889	\$ 712,889	\$ -
Resources (Inflows):				
Intergovernmental	758,181	758,181	809,228	51,047
Use of money and property	7,000	7,000	2,243	(4,757)
Amounts Available for Appropriations	1,478,070	1,478,070	1,524,360	46,290
Charges to Appropriation (Outflow):				
Public works	628,589	628,589	526,458	102,131
Capital outlay	112,000	112,000	29,661	82,339
Total Charges to Appropriations	740,589	740,589	556,119	184,470
Budgetary Fund Balance, June 30	\$ 737,481	\$ 737,481	\$ 968,241	\$ 230,760

CITY OF SOUTH PASADENA

BUDGETARY COMPARISON SCHEDULE
 COUNTY PARK BOND
 YEAR ENDED JUNE 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (105,942)	\$ (105,942)	\$ (105,942)	\$ -
Resources (Inflows):				
Amounts Available for Appropriations	(105,942)	(105,942)	(105,942)	-
Charges to Appropriation (Outflow):				
Public works	16,600	16,600	19,090	(2,490)
Total Charges to Appropriations	16,600	16,600	19,090	(2,490)
Budgetary Fund Balance, June 30	\$ (122,542)	\$ (122,542)	\$ (125,032)	\$ (2,490)

CITY OF SOUTH PASADENA

BUDGETARY COMPARISON SCHEDULE
 BIKE AND PEDESTRIAN PATHS
 YEAR ENDED JUNE 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	54,197	54,197	14,818	(39,379)
Amounts Available for Appropriations	54,197	54,197	14,818	(39,379)
Charges to Appropriation (Outflow):				
Capital outlay	54,197	54,197	14,818	39,379
Total Charges to Appropriations	54,197	54,197	14,818	39,379
Budgetary Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -

CITY OF SOUTH PASADENA

**BUDGETARY COMPARISON SCHEDULE
CAPITAL GROWTH REQUIREMENTS
YEAR ENDED JUNE 30, 2014**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 66,848	\$ 66,848	\$ 66,848	\$ -
Resources (Inflows):				
Charges for services	32,900	32,900	29,941	(2,959)
Use of money and property	170	170	233	63
Amounts Available for Appropriations	99,918	99,918	97,022	(2,896)
Budgetary Fund Balance, June 30	\$ 99,918	\$ 99,918	\$ 97,022	\$ (2,896)

CITY OF SOUTH PASADENA

BUDGETARY COMPARISON SCHEDULE
 ASSET FORFEITURE
 YEAR ENDED JUNE 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 21,263	\$ 21,263	\$ 21,263	\$ -
Resources (Inflows):				
Use of money and property	100	100	63	(37)
Amounts Available for Appropriations	21,363	21,363	21,326	(37)
Budgetary Fund Balance, June 30	\$ 21,363	\$ 21,363	\$ 21,326	\$ (37)

CITY OF SOUTH PASADENA

BUDGETARY COMPARISON SCHEDULE
 CLEEP
 YEAR ENDED JUNE 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 5,146	\$ 5,146	\$ 5,146	\$ -
Resources (Inflows):				
Use of money and property	20	20	15	(5)
Amounts Available for Appropriations	5,166	5,166	5,161	(5)
Budgetary Fund Balance, June 30	\$ 5,166	\$ 5,166	\$ 5,161	\$ (5)

CITY OF SOUTH PASADENA

BUDGETARY COMPARISON SCHEDULE
 STATE POLICE GRANT
 YEAR ENDED JUNE 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 95,782	\$ 95,782	\$ 95,782	\$ -
Resources (Inflows):				
Intergovernmental	100,000	100,000	100,000	-
Use of money and property	500	500	346	(154)
Amounts Available for Appropriations	196,282	196,282	196,128	(154)
Charges to Appropriation (Outflow):				
Public safety	-	-	98,549	(98,549)
Total Charges to Appropriations	-	-	98,549	(98,549)
Budgetary Fund Balance, June 30	\$ 196,282	\$ 196,282	\$ 97,579	\$ (98,703)

CITY OF SOUTH PASADENA

BUDGETARY COMPARISON SCHEDULE
 PARK IMPACT FEES
 YEAR ENDED JUNE 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 116,118	\$ 116,118	\$ 116,118	\$ -
Resources (Inflows):				
Licenses and permits	-	-	49,557	49,557
Amounts Available for Appropriations	116,118	116,118	165,675	49,557
Charges to Appropriation (Outflow):				
Parks and recreation	30,000	55,000	13,007	41,993
Total Charges to Appropriations	30,000	55,000	13,007	41,993
Budgetary Fund Balance, June 30	\$ 86,118	\$ 61,118	\$ 152,668	\$ 91,550

CITY OF SOUTH PASADENA

BUDGETARY COMPARISON SCHEDULE
 MEASURE R
 YEAR ENDED JUNE 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 457,050	\$ 457,050	\$ 457,050	\$ -
Resources (Inflows):				
Taxes	242,307	242,307	271,655	29,348
Use of money and property	6,000	6,000	1,703	(4,297)
Amounts Available for Appropriations	705,357	705,357	730,408	25,051
Charges to Appropriation (Outflow):				
Capital outlay	268,000	667,437	27,318	640,119
Total Charges to Appropriations	268,000	667,437	27,318	640,119
Budgetary Fund Balance, June 30	\$ 437,357	\$ 37,920	\$ 703,090	\$ 665,170

CITY OF SOUTH PASADENA

BUDGETARY COMPARISON SCHEDULE
 PUBLIC EDUCATION
 YEAR ENDED JUNE 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 34,137	\$ 34,137	\$ 34,137	\$ -
Resources (Inflows):				
Charges for services	20,000	20,000	20,991	991
Amounts Available for Appropriation	54,137	54,137	55,128	991
Budgetary Fund Balance, June 30	\$ 54,137	\$ 54,137	\$ 55,128	\$ 991

CITY OF SOUTH PASADENA

BUDGETARY COMPARISON SCHEDULE
 MSRC GRANT FUND
 YEAR ENDED JUNE 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (280,539)	\$ (280,539)	\$ (280,539)	\$ -
Resources (Inflows):				
Intergovernmental	-	-	125,930	125,930
Transfers in	-	-	100,000	100,000
Amounts Available for Appropriations	(280,539)	(280,539)	(54,609)	225,930
Charges to Appropriation (Outflow):				
Public works	137,500	137,500	125,930	11,570
Total Charges to Appropriations	137,500	137,500	125,930	11,570
Budgetary Fund Balance, June 30	\$ (418,039)	\$ (418,039)	\$ (180,539)	\$ 237,500

CITY OF SOUTH PASADENA

COMBINING STATEMENT OF NET POSITION
 NON-MAJOR PROPRIETARY FUNDS
 JUNE 30, 2014

	Business-Type Activities - Enterprise Funds		
	Sewer	Arroyo Seco Golf Course	Totals
Assets:			
Current:			
Cash and investments	\$ 1,384,154	\$ 721,055	\$ 2,105,209
Receivables:			
Accounts	40,411	-	40,411
Accrued interest	357	-	357
Total Current Assets	1,424,922	721,055	2,145,977
Noncurrent:			
Capital assets - net of accumulated depreciation	2,408,991	-	2,408,991
Total Noncurrent Assets	2,408,991	-	2,408,991
Total Assets	\$ 3,833,913	\$ 721,055	\$ 4,554,968
Liabilities:			
Current:			
Accounts payable	\$ 76,108	\$ -	\$ 76,108
Accrued liabilities	12,564	-	12,564
Accrued interest	4,106	-	4,106
Due to other funds	360,000	50,000	410,000
Accrued compensated absences	2,518	-	2,518
Total Current Liabilities	455,296	50,000	505,296
Noncurrent:			
Advances from other funds	750,000	-	750,000
Accrued compensated absences	5,922	-	5,922
Bonds, notes, and capital leases	527,283	-	527,283
Total Noncurrent Liabilities	1,283,205	-	1,283,205
Total Liabilities	1,738,501	50,000	1,788,501
Net Position:			
Net investment in capital assets	1,881,708	-	1,881,708
Unrestricted	213,704	671,055	884,759
Total Net Position	2,095,412	671,055	2,766,467
Total Liabilities and Net Position	\$ 3,833,913	\$ 721,055	\$ 4,554,968

CITY OF SOUTH PASADENA

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
NON-MAJOR PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2014

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Sewer</u>	<u>Arroyo Seco Golf Course</u>	<u>Totals</u>
Operating Revenues:			
Sales and service charges	\$ 1,256,682	\$ 1,197,047	\$ 2,453,729
Total Operating Revenues	1,256,682	1,197,047	2,453,729
Operating Expenses:			
Administration and general	333,048	926,256	1,259,304
Treatment	574,648	3,999	578,647
Depreciation expense	89,036	-	89,036
Total Operating Expenses	996,732	930,255	1,926,987
Operating Income (Loss)	259,950	266,792	526,742
Nonoperating Revenues (Expenses):			
Interest revenue	2,659	-	2,659
Interest expense	(1,871)	-	(1,871)
Total Nonoperating Revenues (Expenses)	788	-	788
Changes in Net Position	260,738	266,792	527,530
Net Position:			
Beginning of Year	1,834,674	404,263	2,238,937
End of Fiscal Year	\$ 2,095,412	\$ 671,055	\$ 2,766,467

CITY OF SOUTH PASADENA

COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2014

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Sewer</u>	<u>Arroyo Seco Golf Course</u>	<u>Totals</u>
Cash Flows from Operating Activities:			
Cash received from customers and users	\$ 1,240,896	\$ 1,197,047	\$ 2,437,943
Cash paid to suppliers for goods and services	(546,140)	(3,999)	(550,139)
Cash paid to employees for services	(328,561)	(926,256)	(1,254,817)
Net Cash Provided by Operating Activities	366,195	266,792	632,987
Cash Flows from Capital and Related Financing Activities:			
Proceeds from capital debt	527,283	-	527,283
Acquisition and construction of capital assets	(33,548)	-	(33,548)
Net Cash Used for Capital and Related Financing Activities	493,735	-	493,735
Cash Flows from Investing Activities:			
Interest received	2,519	-	2,519
Net Cash Provided by Investing Activities	2,519	-	2,519
Net Increase in Cash and Cash Equivalents	862,449	266,792	1,129,241
Cash and Cash Equivalents at Beginning of Year	521,705	454,263	975,968
Cash and Cash Equivalents at End of Year	\$ 1,384,154	\$ 721,055	\$ 2,105,209
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating income	\$ 259,950	\$ 266,792	\$ 526,742
Adjustments to reconcile operating income net cash provided by operating activities:			
Depreciation	89,036	-	89,036
(Increase) decrease in accounts receivable	(15,786)	-	(15,786)
(Increase) decrease in accrued liabilities	2,138	-	2,138
Increase (decrease) in accounts payable	28,508	-	28,508
Increase (decrease) in compensated absences	2,349	-	2,349
Total Adjustments	106,245	-	106,245
Net Cash Provided by Operating Activities	\$ 366,195	\$ 266,792	\$ 632,987

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 says 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 information to help the reader assess the factors affecting the city's ability to generate its property and sales taxes.

Debt Capacity

These schedules present information to help the reader assess the affordability of the city's current levels of outstanding 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 which the city's financial activities take place and to help make comparisons 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.

Sources: *Unless otherwise noted, the information in these 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)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Government activities										
Net investment in capital assets	\$ 52,586,854	\$ 53,938,246	\$ 57,875,243	\$ 59,638,269	\$ 56,086,968	\$ 57,541,752	\$ 60,741,741	\$ 62,226,846	\$ 61,969,593	\$ 62,764,726
Restricted	2,985,309	3,700,356	4,454,617	3,725,863	6,609,467	4,069,279	4,438,340	2,722,783	2,328,184	3,184,841
Unrestricted	2,866,719	3,351,709	6,396,133	8,392,273	8,979,878	6,937,924	6,562,890	5,143,951	7,314,507	8,720,752
Total governmental activities Net Position	\$ 58,438,882	\$ 60,990,311	\$ 68,725,993	\$ 71,756,405	\$ 71,676,313	\$ 68,548,955	\$ 71,742,971	\$ 70,093,580	\$ 71,612,284	\$ 74,670,319
Business-type activities										
Net investment in capital assets	\$ 3,290,506	\$ 3,042,921	\$ 3,263,489	\$ 2,791,280	\$ 1,890,240	\$ 1,276,626	\$ 4,550,204	\$ 4,808,013	\$ 7,448,158	\$ 10,855,319
Restricted	769,344	1,391,957	2,136,719	2,878,966	36,642,005	36,135,935	32,451,626	29,973,386	-	-
Unrestricted	2,952,479	3,319,590	2,831,187	3,542,152	(29,053,954)	(28,488,758)	(26,740,899)	(22,097,380)	6,381,147	6,943,845
Total business-type activities Net Position	\$ 7,012,329	\$ 7,754,468	\$ 8,231,395	\$ 9,212,398	\$ 9,478,291	\$ 8,923,803	\$ 10,260,931	\$ 12,684,019	\$ 13,829,305	\$ 17,799,164
Primary government										
Net investment in capital assets	\$ 55,877,360	\$ 56,981,167	\$ 61,138,732	\$ 62,429,549	\$ 57,977,208	\$ 58,818,378	\$ 65,291,945	\$ 67,034,859	\$ 69,417,751	\$ 73,620,045
Restricted	3,754,653	5,092,313	6,591,336	6,604,829	43,251,472	40,205,214	36,889,966	32,696,169	2,328,184	3,184,841
Unrestricted	5,819,198	6,671,299	9,227,320	11,934,425	(20,074,076)	(21,550,834)	(20,178,009)	(16,953,429)	13,695,654	15,664,597
Total primary government activities Net Position	\$ 65,451,211	\$ 68,744,779	\$ 76,957,388	\$ 80,968,803	\$ 81,154,604	\$ 77,472,758	\$ 82,003,902	\$ 82,777,599	\$ 85,441,589	\$ 92,469,483

CITY OF SOUTH PASADENA

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses										
Governmental Activities:										
General government	\$ 5,238,131	\$ 4,623,433	\$ 4,401,369	\$ 3,911,227	\$ 5,513,124	\$ 5,816,414	\$ 5,935,671	\$ 7,449,632	\$ 4,152,804	\$ 5,039,084
Public safety	9,631,689	9,823,747	9,779,691	9,875,234	11,525,403	11,589,395	10,939,183	11,596,854	11,217,279	11,012,625
Community development	786,021	770,006	883,972	997,287	839,568	920,339	911,718	948,777	902,945	918,665
Community Services	2,426,270	2,446,291	2,523,119	2,806,026	2,914,235	3,033,614	3,175,891	3,052,840	3,101,910	3,132,433
Public works	4,351,990	4,804,715	4,876,678	4,655,996	5,482,505	5,484,601	4,863,335	5,306,742	4,758,677	4,990,390
Interest on long-term debt	178,245	172,698	149,359	143,423	136,769	131,539	125,032	47,185	8,288	4,465
Total Governmental Activities expenses	22,612,346	22,640,890	22,614,188	22,389,193	26,411,604	26,975,902	25,950,830	28,402,030	24,141,903	25,097,662
Business-Type Activities:										
Water utility	3,607,186	4,160,990	3,908,439	3,949,800	4,451,292	7,144,268	5,105,517	4,598,754	6,135,803	5,804,509
Sewer utility	-	-	-	-	-	861,207	715,395	1,104,098	838,800	998,603
Arroyo Seco Golf Course	-	-	-	-	-	-	-	985,611	888,930	930,255
Total Business-Type Activities Expenses	3,607,186	4,160,990	3,908,439	3,949,800	4,451,292	8,005,475	5,820,912	6,688,463	7,863,533	7,733,367
Total Primary Government Expenses	\$ 26,219,532	\$ 26,801,880	\$ 26,522,627	\$ 26,338,993	\$ 30,862,896	\$ 34,981,377	\$ 31,771,742	\$ 35,090,493	\$ 32,005,436	\$ 32,831,029
Program Revenues										
Governmental Activities:										
Charges for services:										
General government	\$ 1,108,740	\$ 1,238,045	\$ 1,358,711	\$ 1,457,911	\$ 1,409,846	\$ 1,319,410	\$ 1,472,338	\$ 1,489,846	\$ 1,005,393	\$ 1,173,376
Public safety	579,762	589,211	569,946	1,306,513	1,349,175	840,207	860,609	899,536	868,577	983,181
Community development	715,107	715,970	598,718	801,200	405,086	446,050	530,395	548,532	576,063	761,632
Community Services	683,576	686,560	690,544	514,523	627,296	672,765	805,608	772,898	805,635	864,271
Public works	1,146,864	1,119,950	1,079,883	1,244,935	1,118,262	1,096,487	1,121,657	1,102,936	1,103,664	1,159,519
Total Charges for Services	4,234,049	4,349,736	4,297,802	5,325,082	4,909,665	4,374,919	4,790,607	4,813,748	4,359,332	4,941,979
Operating Contributions and Grants:										
General government	787,784	1,397,311	500,002	150,998	214,373	71,059	51,115	43,838	32,872	53,999
Public safety	746,820	987,107	2,422,944	175,552	108,406	478,495	437,544	779,399	775,610	328,654
Community development	-	-	-	-	-	457,670	505,547	618,435	610,355	504,312
Community Services	55,596	53,013	63,472	127,136	24,322	29,449	46,012	30,937	31,854	24,876
Public works	167,641	131,107	122,292	539,572	447,962	209,762	2,600,475	184,948	255,526	348,797
Total Operating Contributions and Grants	1,757,841	2,568,538	3,108,710	993,258	795,063	1,246,435	3,640,693	1,657,557	1,706,217	1,260,638
Capital Contributions and Grants:										
Community Services	-	-	-	47,516	-	-	-	-	-	-
Public works	1,259,811	2,536,724	2,712,135	513,368	1,868,187	820,447	1,305,657	1,415,306	93,947	1,300,814
Total Capital Contributions and Grants	1,259,811	2,536,724	2,712,135	560,884	1,868,187	820,447	1,305,657	1,415,306	93,947	1,300,814
Total Governmental Activities Program Revenue	7,251,701	9,454,998	10,118,647	6,879,224	7,572,915	6,441,801	9,736,957	7,886,611	6,159,496	7,503,431
Business-Type Activities:										
Charges for services:										
Water utility	3,902,977	4,442,966	4,687,499	4,543,192	4,549,062	4,270,244	4,943,874	6,903,816	8,022,705	9,210,982
Sewer utility	-	-	-	-	-	657,045	759,680	955,204	1,127,843	1,256,682
Arroyo Seco Golf Course	-	-	-	-	-	-	-	1,195,978	1,082,826	1,197,047
Total Business-Type Activities Program Revenues	3,902,977	4,442,966	4,687,499	4,543,192	4,549,062	4,927,289	5,703,554	9,054,998	10,233,374	11,664,711
Total Primary Government Program Revenues	\$ 11,154,678	\$ 13,897,964	\$ 14,806,146	\$ 11,422,416	\$ 12,121,977	\$ 11,369,090	\$ 15,440,511	\$ 16,941,609	\$ 16,392,870	\$ 19,168,142
Net (Expense)/Revenue										
Governmental Activities	\$ (15,360,645)	\$ (13,185,892)	\$ (12,495,541)	\$ (15,509,969)	\$ (18,838,689)	\$ (20,534,101)	\$ (16,213,873)	\$ (20,515,419)	\$ (17,982,407)	\$ (17,594,231)
Business-Type Activities	295,791	281,976	779,060	593,392	97,770	(3,078,186)	(117,358)	2,366,535	2,369,841	3,931,344
Total primary Government Net Expense	\$ (15,064,854)	\$ (12,903,916)	\$ (11,716,481)	\$ (14,916,577)	\$ (18,740,919)	\$ (23,612,287)	\$ (16,331,231)	\$ (18,148,884)	\$ (15,612,566)	\$ (13,662,887)

CITY OF SOUTH PASADENA

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Revenues and Other Charges in Net Position										
Governmental Activities:										
Taxes:										
Property taxes, levied for general purpose	\$ 6,152,773	\$ 8,367,587	\$ 9,116,431	\$ 9,986,309	\$ 10,404,273	\$ 10,426,753	\$ 10,667,838	\$ 10,557,651	\$ 11,074,604	\$ 11,462,585
Sales taxes	2,572,929	2,890,126	2,911,037	3,078,717	2,399,744	2,797,621	2,714,102	2,956,964	2,481,560	3,447,593
Franchise taxes	671,111	717,624	769,549	777,675	821,144	777,843	803,969	814,766	810,642	804,995
Business licenses taxes	273,432	323,055	334,840	344,497	352,528	323,307	347,665	347,096	363,437	373,935
Other taxes	2,113,733	2,104,870	2,379,845	3,158,469	3,942,594	4,109,696	4,143,183	4,133,582	4,092,063	4,004,746
Motor Vehicle In Lieu - Unrestricted	2,034,071	88,757	171,499	110,144	74,215	76,294	150,390	13,267	10,980	-
Use of money and property	489,121	619,237	839,529	921,232	658,997	517,079	415,280	381,165	446,167	498,208
Gain on sale of assets	-	-	-	1,100,000	-	-	-	-	-	-
Other	154,813	646,065	127,106	69,013	73,594	207,937	165,462	104,245	221,658	32,823
Transfers	-	-	-	-	-	(1,829,787)	-	-	-	-
Extraordinary gain/loss on dissolution of RDA	-	-	-	-	-	-	-	(442,708)	-	-
Total Governmental Activities	14,461,983	15,757,321	16,649,836	19,546,056	18,727,089	17,406,743	19,407,889	18,866,028	19,501,111	20,624,885
Business-Type Activities:										
Use of money and property	211,678	369,399	401,925	370,557	227,528	681,532	77,378	45,652	38,006	28,372
Gain on sale of assets	-	-	-	11,075	-	-	-	-	-	-
Other	97,177	90,764	54,042	14,695	13,814	12,379	13,103	10,901	5,972	10,143
Transfers	-	-	-	-	-	1,829,787	-	-	-	-
Total Business-Type Activities	308,855	460,163	455,967	396,327	241,342	2,523,698	90,481	56,553	43,978	38,515
Total Primary Government	\$ 14,770,838	\$ 16,217,484	\$ 17,105,803	\$ 19,942,383	\$ 18,968,431	\$ 19,930,441	\$ 19,498,370	\$ 18,922,581	\$ 19,545,089	\$ 20,663,400
Changes in Net Position										
Governmental Activities	\$ (898,662)	\$ 2,571,429	\$ 4,154,295	\$ 4,036,087	\$ (111,600)	\$ (3,127,358)	\$ 3,194,016	\$ (1,649,391)	\$ 1,518,704	\$ 3,030,654
Business-Type Activities	604,646	742,139	1,235,027	989,719	339,112	(554,488)	(26,877)	2,423,088	2,413,819	3,969,859
Total Primary Government	\$ (294,016)	\$ 3,313,568	\$ 5,389,322	\$ 5,025,806	\$ 227,512	\$ (3,681,846)	\$ 3,167,139	\$ 773,697	\$ 3,932,523	\$ 7,000,513

CITY OF SOUTH PASADENA

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Fund										
Reserved	\$ 542,341	\$ 645,341	\$ 397,742	\$ 292,562	\$ 1,550,920	\$ 947,588	\$ -	\$ -	\$ -	\$ -
Unreserved	3,459,743	4,489,626	6,351,164	9,559,379	9,491,709	10,251,769	-	-	-	-
Nonspendable	-	-	-	-	-	-	426,430	433,637	1,199,091	1,207,961
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	2,564,280	2,563,481	2,141,481	2,650,000
Unassigned	-	-	-	-	-	-	10,541,790	11,757,341	11,727,832	12,788,280
Total General Fund	\$ 4,002,084	\$ 5,134,967	\$ 6,748,906	\$ 9,851,941	\$ 11,042,629	\$ 11,199,357	\$ 13,532,500	\$ 14,754,459	\$ 15,068,404	\$ 16,646,241
All Other Governmental Funds										
Reserved	\$ 293,809	\$ 2,456,501	\$ 1,537,309	\$ 254,778	\$ 1,194,959	\$ 420,227	\$ -	\$ -	\$ -	\$ -
Unreserved:										
Unreserved, reported in nonmajor,										
Special revenue funds	1,440,330	205,647	384,352	3,056,391	2,584,720	1,112,446	-	-	-	-
Capital Projects funds	-	-	-	-	3,064,554	1,977,128	-	-	-	-
Designated for:										
Low & moderate housing	436,976	463,776	488,506	530,096	-	-	-	-	-	-
Debt service	198,968	202,044	197,110	200,497	-	-	-	-	-	-
Undesignated	2,012,312	941,127	1,260,671	1,480,465	-	-	-	-	-	-
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	4,438,340	2,722,783	2,328,184	3,184,841
Committed	-	-	-	-	-	-	-	-	579,447	611,447
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	(2,355,949)	(4,015,530)	(1,049,935)	(791,469)
Total all other Governmental Funds	\$ 4,382,395	\$ 4,269,095	\$ 3,867,948	\$ 5,522,227	\$ 6,844,233	\$ 3,509,801	\$ 2,082,391	\$ (1,292,747)	\$ 1,857,696	\$ 3,004,819

CITY OF SOUTH PASADENA

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

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues:										
Taxes	\$ 11,449,664	\$ 13,972,117	\$ 15,166,586	\$ 16,850,652	\$ 17,689,431	\$ 18,037,383	\$ 18,317,689	\$ 18,393,272	\$ 19,166,312	\$ 19,697,011
Assessments	1,097,970	1,068,561	1,133,914	895,773	885,515	883,681	885,387	888,619	905,459	896,465
Licenses and permits	791,522	842,947	876,297	893,237	1,004,933	934,708	1,000,988	944,680	1,012,753	985,186
Intergovernmental	3,996,994	3,584,136	5,089,034	2,288,858	2,635,222	1,942,882	2,572,819	2,909,377	4,290,262	2,303,094
Charges for services	2,649,613	2,683,695	2,398,566	2,822,380	2,449,932	1,982,863	2,144,589	2,222,151	2,270,737	2,682,074
Use of money and property	509,282	642,950	868,349	921,232	658,997	517,079	415,280	381,165	446,167	498,208
Fines and forfeitures	544,883	603,086	643,055	636,668	701,894	629,280	552,093	533,035	523,629	412,748
Contributions	-	14,053	20,114	19,005	11,050	10,050	15,637	11,285	17,970	12,455
Miscellaneous	790,231	1,231,214	543,280	579,812	419,952	508,025	733,700	701,995	313,612	594,210
Total revenues	21,830,159	24,642,759	26,739,195	25,907,617	26,456,926	25,445,951	26,638,182	26,985,579	28,946,901	28,081,451
Expenditures:										
Current:										
General government	4,427,679	4,467,746	4,188,718	3,855,522	3,893,079	4,220,337	4,099,345	4,207,231	5,651,008	4,297,373
Public safety	9,496,581	9,703,634	9,727,416	10,670,808	11,134,224	11,147,779	10,608,012	11,217,259	10,968,211	10,636,711
Community development	781,903	766,775	880,902	1,005,406	831,613	919,697	913,862	955,648	898,709	911,871
Community services	2,270,982	2,299,564	2,507,378	2,679,273	2,764,489	2,887,103	3,024,889	2,915,639	2,953,811	2,970,037
Public works	2,511,989	2,721,530	2,777,051	2,852,322	3,217,465	3,297,647	2,806,005	3,024,746	2,921,136	2,970,322
Capital outlay	1,634,550	3,790,870	5,609,950	1,169,533	1,812,804	5,540,889	5,978,832	2,467,712	2,028,330	3,536,250
Debt service:										
Principal retirement	109,826	112,359	127,262	114,894	181,845	123,891	131,037	48,289	50,650	53,130
Interest and fiscal charges	179,240	177,557	128,516	145,997	140,221	134,275	127,929	67,064	10,658	8,178
Total expenses	21,412,750	24,040,035	25,947,193	22,493,755	23,975,740	28,271,618	27,689,911	24,903,588	25,482,513	25,383,872
Excess (Deficiency) of Revenues Over (Under) Expenditures	417,409	602,724	792,002	3,413,862	2,481,186	(2,825,667)	(1,051,729)	2,081,991	3,464,388	2,697,579
Other financing sources (uses):										
Transfers in	96,541	-	18,000	42,573	25,758	24,136	146,179	46,729	1,176,376	421,511
Transfers out	(96,541)	-	(18,000)	(42,573)	(25,758)	(376,173)	(146,179)	(46,729)	(1,176,376)	(421,511)
Proceed from sale of capital assets	-	-	-	1,100,000	-	-	-	-	-	-
Capital leases	-	-	495,173	-	-	-	-	-	-	-
Notes and loans issued	-	-	65,000	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	560,173	1,100,000	-	(352,037)	-	-	-	-
Extraordinary gain/(loss) on dissolution of redevelopment agency	-	-	-	-	-	-	-	(2,277,708)	-	-
Net change in fund balances / net position	\$ 417,409	\$ 602,724	\$ 1,352,175	\$ 4,513,862	\$ 2,481,186	\$ (3,177,704)	\$ (1,051,729)	\$ (195,717)	\$ 3,464,388	\$ 2,697,579
Debt service as a percentage of noncapital expenditures	1.5%	1.4%	1.3%	1.3%	1.4%	1.1%	1.2%	0.5%	0.3%	0.3%

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Revenue Capacity

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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)

Fiscal Year	Residential Property	Commercial Property	Other Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value ^a	Taxable Assessed Value as a Percentage of Actual Taxable Value
2005	\$ 2,087,821	\$ 177,629	\$ 118,885	\$ (20,516)	\$ 2,363,819	0.241%	N/A	N/A
2006	2,262,942	189,286	132,004	(28,647)	2,555,585	0.241%	N/A	N/A
2007	2,478,782	207,724	130,527	(27,756)	2,789,277	0.241%	N/A	N/A
2008	2,690,867	211,373	133,651	(30,013)	3,005,878	0.241%	N/A	N/A
2009	2,850,768	217,653	141,106	(29,101)	3,180,426	0.240%	N/A	N/A
2010	2,899,484	224,824	142,474	(30,931)	3,235,851	0.240%	N/A	N/A
2011	2,972,102	228,851	125,651	(32,678)	3,293,926	0.240%	N/A	N/A
2012	3,049,558	236,648	143,771	(32,852)	3,397,125	0.240%	N/A	N/A
2013	3,175,548	246,971	137,830	(33,508)	3,526,841	0.240%	N/A	N/A
2014	3,329,419	260,726	135,712	(34,820)	3,691,037	0.240%	N/A	N/A

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

Note: ^aEstimated 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 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
	2005	0.2412	0.2412	0.2860	0.2536	0.0060	0.0096
2006	0.2412	0.2412	0.2860	0.2536	0.0060	0.0096	0.0320
2007	0.2412	0.2412	0.2860	0.2536	0.0060	0.0096	0.0320
2008	0.2412	0.2412	0.2860	0.2536	0.0060	0.0096	0.0320
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

Fiscal Year	Overlapping Rates								
	School District	Voter Approved						Pasadena Community College District	Total
		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			
2005	0.1712	0.0005	0.1041	0.0002	0.0058	0.0009	0.0088	1.1199	
2006	0.1712	0.0005	0.0957	0.0001	0.0052	0.0008	0.0041	1.1060	
2007	0.1712	0.0005	0.0897	0.0001	0.0047	0.0007	0.0208	1.1161	
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	1.1342	
2012	0.1712	0.0005	0.1058	-	0.0037	-	0.0196	1.1292	
2013	0.1712	0.0005	0.1011	-	0.0035	-	0.0206	1.1253	
2014	0.1712	0.0005	0.1014	-	0.0035	-	0.0190	1.1240	

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

(1) - The following were included in Los Angeles County; Children's 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

<u>Taxpayer</u>	<u>2014</u>			<u>2005</u>		
	<u>Combined Taxable Value (1)</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>	<u>Combined Taxable Value (1)</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>
H and O Fair Oaks Partners	\$ 17,042,473	1	0.46%	\$ 14,760,605	1	0.62%
Casa De General LLC	11,042,189	2	0.30%			-
99 Pasadena Avenue LLC	10,921,122	3	0.30%			-
Golden Oaks Investment LP	9,568,942	4	0.26%			-
NNC Terraces at South Pasadena LLC	9,439,605	5	0.26%	6,323,370	10	0.27%
California Empire LP	9,191,823	6	0.25%	7,939,013	2	0.34%
City of Hope	8,558,716	7	0.23%			-
Richard Wagner Trust	8,506,997	8	0.23%	7,009,258	5	0.30%
CCCC Growth Fund LLC	8,451,593	9	0.22%	7,320,000	3	0.31%
Hilbert Properties II	7,993,877	10	0.22%	6,930,217	6	0.29%
Ralphs Grocery Co	-		0.00%	7,176,212	4	0.30%
Jerry B and Roberta L. Furrey Trust	-		-	6,861,233	7	0.29%
Kan Investment, LTD LLC	-		-	6,545,973	8	0.28%
David and Wen C. Mak				6,410,595	9	0.27%
Total	\$ 100,717,337		2.73%	\$ 77,276,476		3.27%

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
2005	\$ 5,241,559	\$ 4,807,080	91.7%	\$ 157,836	\$ 4,964,916	94.7%
2006	5,700,244	5,288,176	92.8%	117,615	5,405,791	94.8%
2007	6,257,208	5,882,613	94.0%	99,287	5,981,900	95.6%
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)	7,224,630	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)	8,373,330	97.7%

Sources: Los Angeles County Tax Collector and City of South Pasadena, Finance Division.

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 ^a	Per Capita ^a
	Tax Allocation Bonds	Capital Leases	Loans	Water Revenue Bonds			
2005	\$ 2,285,000	\$ -	\$ -	\$ 8,800,000	\$ 11,085,000	1.21%	436
2006	2,220,000	-	-	8,685,000	10,905,000	1.13%	426
2007	2,150,000	437,911	65,000	8,400,000	11,052,911	1.07%	432
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	48,968,937	3.83%	1,894

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

^a 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, 2014**

Fiscal Year 2013-14 Assessed Valuation : \$3,294,618,312 After Deducting \$396,418,286 Redevelopment increment.

<u>Overlapping Debt:</u>	<u>Debt Outstanding</u>	<u>% Applicable (1)</u>	<u>City's Share of Debt 6/30/14</u>
Metropolitan Water District	\$ 64,271,492	0.357%	\$ 229,191
Pasadena Area Community College District 2002 Ser E	25,295,000	5.567%	1,408,163
Pasadena Area Community College District 2002 Ser D	25,645,000	5.567%	1,427,648
Pasadena Area Community College District 2006 Ser B	26,985,000	5.567%	1,502,245
Pasadena Area Community College District 2006 Ser C	19,443,312	5.567%	1,082,402
South Pasadena Unified 96 Ser A	2,535,000	100.000%	2,535,000
South Pasadena Unified DS 95 Ser B	2,362,563	100.000%	2,362,563
South Pasadena Unified SD DS 95 S-C	6,124,064	100.000%	6,124,064
South Pasadena USD SD DS 95 Ser D	1,548,714	100.000%	1,548,714
South Pasadena USD DS 2002 Ser B	8,179,680	100.000%	8,179,680
South Pasadena USD DS 2010 Ref Bond	18,865,000	100.000%	<u>18,865,000</u>
Total Overlapping Tax and Assessment Debt			<u>45,264,670</u>
 <u>Direct Debt:</u>			
South Pasadena Capital Lease	114,175	100.000%	114,175
Total Direct and Overlapping General Fund Obligation Debt			<u>114,175</u>
COMBINED TOTAL DEBT			<u>\$ 45,378,845 (2)</u>

Source: 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	1.20%
Overlapping Debt	0.17%
Total Debt	1.37%

CITY OF SOUTH PASADENA

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

Legal Debt Margin Calculation for Fiscal Year 2013

Assessed value	\$ 3,294,618
Debt limit (15% of assessed value)	494,193
Debt applicable to limit:	
General obligation bonds	-
Less: Amount set aside for repayment of general obligation debt	-
Total net debt applicable to limit	<u>-</u>
Legal debt margin	<u>\$ 494,193</u>

<u>Fiscal Year</u>	<u>Debt Limit</u>	<u>Total net debt Applicable to Limit</u>	<u>Legal Debt Limit</u>	<u>Total net debt Applicable to the Limit as a Percentage of Debt limit</u>
2005	\$ 354,573	\$ -	\$ 354,573	0.00%
2006	383,338	-	383,338	0.00%
2007	418,392	-	418,392	0.00%
2008	450,882	-	450,882	0.00%
2009	477,064	-	477,064	0.00%
2010	485,378	-	485,375	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%

CITY OF SOUTH PASADENA

Pledged-Revenue Coverage
Last Ten Fiscal Years
(in thousands)

Fiscal Year	Water Revenue Bonds						Coverage
	Utility Service Charges	Less: Operating Expenses	Net Available Revenue	Debt Service			
				Principal	Interest		
2005	\$ 3,903	\$ 3,170	\$ 733	\$ -	\$ 432	1.70	
2006	4,443	3,727	716	195	434	1.14	
2007	4,687	3,379	1,308	205	433	2.05	
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	

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 and 2013

Source: City of South Pasadena Finance Department.

Demographic and Economic Information

CITY OF SOUTH PASADENA

**Demographic and Economic Statistics
Last Ten Calendar Years**

Calendar Year	Population (1)	Personal Income * (2) <i>(thousands of dollars)</i>	Per Capita * Personal Income (2)	Unemployment Rate (3)
2004	\$ 25,441	\$ 914,963	\$ 35,964	3.2%
2005	25,606	966,725	37,754	2.6%
2006	25,578	1,033,688	40,413	2.3%
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%

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

CITY OF SOUTH PASADENA

Principal Employers
Current Year and Ten Years Ago

Employer	2013-2014			2003-2004 *		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
So. Pasadena Convalescent Hospital	170	1	4.50%			
WNC Insurance Services, Inc.	99	2	2.62%			
The Vons Companies Inc. Pavilions	88	3	2.33%			
Trader Joe's	83	4	2.20%			
Ralph's Grocery Co.	81	5	2.14%			
Bristol Farms	79	6	2.09%			
Orchard Supply Hardware	63	7	1.67%			
Stargate Films Inc.	61	8	1.61%			
The Vons Companies Inc.	59	9	1.56%			
Collins, Collins, Muir & Stewart, LLP	58	10	1.54%			
	<u>841</u>		<u>22.26%</u>	<u>0</u>		<u>0.00%</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**

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<u>Function/Program</u>										
General government										
Legislative	7	7	7	7	8	8	8	8	8	8
City Manager	7	7	7	7	8	8	10	10	10	10
Finance	9	8	9	8	8	8	8	8	8	9
Public Safety	81	81	81	81	81	81	88	81	81	79
Community Development	6	6	7	7	6	6	7	6	6	6
Community Services	34	36	38	39	39	39	59	39	39	31
Public Works	16	16	16	22	22	22	18	19	20	20
Water Utility	14	14	14	9	9	9	12	11	11	11
Total	<u>174</u>	<u>175</u>	<u>179</u>	<u>180</u>	<u>181</u>	<u>181</u>	<u>210</u>	<u>182</u>	<u>183</u>	<u>174</u>

Source: South Pasadena Finance Department

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.

Operating Information

CITY OF SOUTH PASADENA

Operating Indicators by Function/Program
Last Ten Fiscal Years

<u>Function/Program</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General government										
Building permits issued	311	381	381	318	282	326	380	342	476	354
Building inspections conducted	1,888	2,154	2,154	2,230	2,152	2,113	2,158	2,376	2,380	2,568
Refuse collection										
Refuse collected (tons per day)	N/A	79	79.3	79.3	89.0	92.0	90.0	90.0	85.0	83.0
Recyclables collected (tons per day)	N/A	33	32.6	36.0	40.0	38.0	38.0	38.0	29.0	28.0
Other public works										
Street resurfacing (miles)	N/A	1	0.7	0.0	0.2	0.8	2.5	2.0	1.0	1.3
Potholes repaired *	N/A	545	450	340	480	520	580	1,600	1,450	1,500
Water										
New connections	N/A	18	20	16	18	18	10	9	6	11
Water main breaks	4	9	10	13	12	4	9	5	9	10
Average daily consumption (million gallons)	N/A	5	4.85	4.52	4.47	4.20	3.80	3.95	4.25	4.60
Peak daily consumption (million gallons)	N/A	7	6.96	6.96	6.10	6.09	5.50	5.50	5.71	5.50
Fire Department										
Total number of emergency calls responded to	1,902	1,620	1,807	1,785	1,850	1,780	1,760	1,664	1,594	1,695
Total number of fire inspections	317	480	480	480	470	254	229	544	296	563
Police Department										
Arrest stats	1,127	1,392	1,392	1,540	1,546	2,056	1,096	1,159	1,080	1,003
Traffic citations	4,101	5,762	1,858	6,669	7,641	8,216	4,734	3,468	3,753	3,717
Parking citations	14,401	13,308	11,387	14,806	12,800	10,967	9,314	9,629	10,936	11,388
Community Services										
Facility rentals	29	36	34	40	45	58	54	60	69	89
Recreation classes	212	207	246	248	181	180	237	419	441	432

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

<u>Function/Program</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Other public works										
Streets (miles)	59	59	55	55	55	55	55	55	55	55
Traffic signals	N/A	30	30	30	30	31	31	31	31	31
Parks and recreation										
Parks	6	6	6	6	6	6	6	6	6	6
Acreage	86	89	89	89	89	89	89	89	89	89
Playgrounds	N/A	4	4	4	4	4	4	4	4	4
Baseball/softball diamonds	N/A	5	5	6	6	6	6	6	6	6
Soccer/football fields	N/A	4	4	4	4	4	4	4	4	4
Community centers	N/A	4	4	5	5	5	5	5	5	5
Water										
Water mains (miles)	68	68	68	68	68	68	68	68	68	68
Fire hydrants	N/A	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.

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