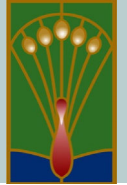




ANNUAL COMPREHENSIVE FINANCIAL REPORT



CITY OF ARCADIA, CALIFORNIA FISCAL YEAR ENDED JUNE 30, 2021



**CITY OF ARCADIA
ARCADIA, CALIFORNIA**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Prepared by:

ADMINISTRATIVE SERVICES DEPARTMENT

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For the Fiscal Year Ended June 30, 2021

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January 27, 2022

To the Honorable Mayor, Members of the Governing Council and Citizens of the City of Arcadia:

The Comprehensive Annual Financial Report (CAFR) of the City of Arcadia for the fiscal year ended June 30, 2021, is hereby submitted as mandated by applicable statutes. These statutes require that the City of Arcadia annually issue a report on its financial position and activity, and that an independent firm of certified public accountants audit this report. Responsibilities for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City's management. The information in this report is intended to present the reader with a comprehensive view of the City's financial position and the results of its operations for the fiscal year ending June 30, 2021, along with additional disclosures and financial information designed to enable the reader to gain an understanding of the City's financial activities.

Moss, Levy & Hartzheim LLP, Certified Public Accountants, have issued an unmodified opinion on the City of Arcadia financial statements for the fiscal year ended June 30, 2021. The independent auditor concluded, based upon the audit that the City of Arcadia's financial statements for the fiscal year ended June 30, 2021 are fairly presented in conformity with accounting principles generally accepted in the United States of America. The auditor's report is presented as the first component of the financial section of this report. Generally Accepted Accounting Principles (GAAP) in the United States of America also require that management provide a narrative introduction, overview, and analysis of the basic financial statements in the form of Management's discussion and analysis (MD&A). This information can be found following the independent auditor's report.

PROFILE OF THE GOVERNMENT

The City of Arcadia, incorporated in 1903, is located approximately 20 miles northeast of downtown Los Angeles in the San Gabriel Valley, at the base of the San Gabriel Mountains. It is the site of the Santa Anita Park Racetrack and home to the Los Angeles County Arboretum and Botanic Garden. Arcadia is known as the "Community of Homes" with over 57,660 residents. The City is a charter city with council/manager form of government. The City is governed by a City Council of five members elected at-large, who selects the City Manager. The City provides a full range of services, including Police and Fire protection, Administrative Services, Public Works, Development Services, Recreation and Community Services, and Library and Museum Services. The City also operates and maintains its own water utility and offers a transit program that provides fixed route and door-to-door transportation services for residents.

LOCAL ECONOMY

The City of Arcadia has a thriving and successful regional shopping center in Westfield Santa Anita, and a diverse local economy with a mix of commercial, retail, office, service, and industrial uses. There is also the world-famous Santa Anita Park Racetrack, a growing medical office sector in close proximity to Methodist Hospital, and a Gold Line Light Rail that goes eastbound as far as the City of Azusa, and west to Downtown Los Angeles, where other light rail lines and subway connections are available to traverse throughout Metropolitan Los Angeles. The varying micro economies provide a balance to the City's revenue base which consists of property tax, sales tax, hotel tax, utility user tax, and various user fees that have placed the City in a proper position to continue its high service levels throughout the fiscal year. This diversified base has also created a well-balanced labor pool to support the retail, health care, hospitality, and service-based industries located within the community.

In 2018, Arcadia was one of the two cities, with a population under 68,000 that received the Eddy Awards for the Most Business-Friendly City by the Los Angeles County Economic Development Corporation (LAEDC). The award encapsulates the “See Arcadia. Above & Beyond” business friendly mission. A marketing campaign to brand the City’s nimble and dedicated staff, a vibrant local economy, and a business-friendly approach committed to going above and beyond one’s expectations. City highlights include Santa Anita Park, Westfield Santa Anita mall, a resurgent historic downtown district, and world-renowned Asian cuisine. Arcadia’s high quality of life, great schools, and cultural amenities continue to attract new residents, visitors, as well as new businesses due to the friendly zoning code that was adopted in 2016. Since then, the City continues its focus on finding creative solutions for new businesses, providing resources and assistance to existing businesses, and fostering a business-friendly environment throughout the City.

FISCAL YEAR 2020-21 ACTUALS

For the fiscal year ending June 30, 2021, the General Fund Group, including the internal service funds, resulted in an operating surplus of \$6.0 million. Total revenue was at \$70.0 million, which increased by \$7.2 million, or 11.6%, in comparison to the prior fiscal year. When comparing actuals to budget, total actuals came in higher than the adopted budget with a variance of \$3.1 million, or 4.61%. The overall increase of actuals to budgeted amounts are attributed to federal aid to assist local governments recover from COVID-19. For most of the fiscal year, the effects of the pandemic continued to be felt. Towards the end of the fiscal year, as cases fell and vaccinations became more widely available, people were able to return to a semblance of normalcy. Among major tax categories, Property Tax was one among the few that exceeded the budgeted figure. The category ended the year with \$0.8 million, or 4.5% above budgeted projections. The tax that was most adversely affected by the pandemic was transient occupancy tax. With limited travel due to restrictions to mitigate the spread of COVID-19 exposure, our local hotels continued to be adversely affected. Transient Occupancy Tax came in less than budgeted by \$0.9 million. All other revenue categories were mixed in their comparison to the estimated budgets. A notable area of increase was in the intergovernmental revenue which increased by \$4.7 million. That amount was attributed to the federal government’s America Rescue Plan, which allocated \$4.4 million to the City in Fiscal Year 2020-21. In total, the City expects to receive \$8.8 million, with the second payment of \$4.4 million to come in Fiscal Year 2021-22.

General Fund Group expenditures total was \$64.9 million. It is \$4.6 million or 7.1% more compared to the prior fiscal year, but \$0.9 million lower in comparison to the year’s adopted budget. The increase over the prior year was primarily due to the decision by City Council to contribute an additional \$2.9 million towards the City’s CalPERS pension plans to pay down the Unfunded Actuarial Liability. The favorable budget variance could be attributed to the underspending in these two categories: \$0.6 million in personnel costs, and \$0.3 million for operating expenses. Personnel savings was due to higher-than-expected employee vacancies. Key operating budget savings came from contracts services, which were offset by claims expenses that exceeded budgeted expectations. For the departmental budget comparisons, some City departments ended the fiscal year with a negative budget variance. City Manager and City Clerk were due to higher-than-expected personnel costs, Community Development were due to higher contract services, and Fire Department variance was due to strike team overtime. Note that the City will be reimbursed by the State for those strike team overtime cost, but due to timing those reimbursements will not be post in Fiscal Year 2020-21. The cost overrun for General City was due to the extra contributions to the City’s CalPERS pension plans to reduce its unfunded liability obligation.

More details on the financials of General Fund and other City Funds are available in the Management’s Discussion and Analysis (MD&A).

FISCAL YEAR 2021-22 BUDGET

The FY 2021-22 budget year focuses on recovery and putting the City back on the right financial path while continuing to provide critical and essential services. It is in this context that the proposed FY 2021-22 budget has been developed. The expectation is that receipts of taxes, fees, and others revenue sources will be better than the current Fiscal Year and will fully recover in the following year. One key element from the revenue trajectory is Measure A, a 0.75% Transaction and Use Tax (Sales Tax) that was passed overwhelming by Arcadia voters in June 2019. This new revenue stream has significantly buoyed the City’s budget even before it has reached its full tax generation capacity. In FY 2020-21, the tax was significantly limited by the pandemic, as it was dependent on high-end retail and various other commerce activities that were most affected by the downturn. With a brighter economic outlook, it is expected that Measure A will generate about \$7.6 million into the General Fund annually.

The adopted FY 2021-22 General Fund Operating Budget anticipates Total Operating Revenues of \$75.5 million and Expenditures of \$74.3 million, which comprised of Operating Expenses of \$68.5 million and the annual debt service payment of \$5.9 million for Pension Obligation Bonds that were issued in November 2020. Collectively, the net of revenue to expenditures is projected to provide a surplus of \$1.1 million at the end of the Fiscal Year.

Through an enduring and resilient economy, fiscal restraint, and strong management techniques, the City has been able to weather through the COVID-19 pandemic that commenced in March 2020. The prior year's budget was a conservatively proposed budget framework that carried the City through multiple waves of shutdowns and uncertainties associated with the pandemic. Departments have been able to find ways to keep critical services intact by adapting through a tough economic environment and remaining focused on delivering those things most valued by residents and business customers. The City also did everything in its powers to reduce impacts on residents during the tight economy, such as not charging for overnight parking or levying fines at the Library, to providing assistance grants to local businesses to keep them operating and equipped to recover when the economy fully re-opened. The proposed FY 2021-22 Operating Budget suggests a brighter and more optimistic year ahead.

Added to the City's overall Operating Budget this year are new programs totaling \$185,500 proposed in the General Fund. These new programs and expenditures are anticipated from various departments to respond to emerging operational needs or to further improve services. The largest of these requests are for updating the City's Business License Code and the Safety Element of the General Plan, both of which will ensure that the community keeps up with emerging best practices.

After total revenue and expenditures are considered, the ending Operating General Fund Balance, as proposed, will reflect a balanced budget with an expected surplus of \$1.1 million, increasing the Operating Fund Balance to \$8,427,400. The projected General Fund Operating Fund Balance would maintain a certain balance to provide cash flow needs of daily operations during the Fiscal Year; however, to meet the Financial Advisory Committee's guideline of keeping a 20% Emergency Reserve, the General Fund will make a transfer to the Emergency Reserve Fund balance of \$3.9 million to bring it to the 20% goal level. General Fund Operating, Emergency Reserve, Capital Improvement, and Equipment Replacement totals approximately \$38.8 million.

General Fund

	FY 20-21 Estimates	FY 21-22 Budget	FY 22-23 Budget
Beginning Fund Balance	\$ 7,198,300	\$ 7,301,000	\$ 8,427,400
Estimated Revenues	\$ 62,624,200	\$ 70,728,000	\$ 73,414,800
Transfers In	2,630,000	4,722,600	3,221,700
Expenses & Uses	(61,951,500)	(70,124,200)	(69,987,100)
Revenue over Expenses	\$ 3,302,700	\$ 5,326,400	\$ 6,649,400
Transfer to Equipment Replacement Fund	(1,600,000)	(1,800,000)	(1,800,000)
Transfer to Capital Improvement Fund	(1,600,000)	(2,400,000)	(2,400,000)
Subtotal Operating Balance	102,700	1,126,400	2,449,400
Ending Fund Balance	\$ 7,301,000	\$ 8,427,400	\$ 10,876,800

As shown in the table above, the City's General Fund Operating Ending Fund Balance will increase to \$8.4 million because of a projected surplus of \$1.1 million. A portion of the Operating General Fund Balance will be transferred to the City's Emergency Reserve to reach the recommended level equivalent to 20% of annual operating expenditures. Currently, that Emergency Reserve is at \$10.1 million. Given the annual operating expenditures proposed in the budget, \$14.0 million should be held in the City's Emergency Reserve Fund; therefore, a transfer of \$3.9 million is expected from the Operating Fund Balance at the conclusion of the Fiscal Year. Inclusive of other designated fund balances, such as the Self Insurance Medical Fund, Capital Improvement and Equipment Replacement Fund, the City's Reserve balances total \$38.8 million as of this writing.

FY 2021-22 Proposed Revenues

	FY 20-21		FY 21-22		Changes	
	Estimates		Budget		\$	%
Taxes	\$	42,572,300	\$	48,760,500	\$ 6,188,200	12.69%
License & Permits		4,312,800		5,110,500	797,700	15.61%
Fines & Penalties		134,000		415,500	281,500	67.75%
Use Money & Property		1,630,000		1,394,600	(235,400)	-16.88%
Revenue from Other Agencies		8,920,100		8,306,700	(613,400)	-7.38%
Charge Current Services		2,705,700		3,371,400	665,700	19.75%
Library		19,500		87,500	68,000	77.71%
Recreation		184,400		1,088,800	904,400	83.06%
Other Revenue		2,145,800		2,192,500	46,700	2.13%
Total Revenue	\$	62,624,600	\$	70,728,000	\$ 8,103,400	11.46%

For FY 2021-22, total General Fund revenues are expected to increase 11.5% when compared to FY 2020-21 Year End Estimates. The largest revenue source to the City's General Fund is from Taxes. The key revenues under this group are: Property Tax, Sales Tax, Transient Occupancy Tax, Utility Users' Tax, and Motor Vehicle License Fees. Their projected receipts are shown in the table below.

	FY 20-21		FY 21-22		Difference	
	Estimates		Proposed Budget		\$	%
Property Tax	\$	17,208,100	\$	17,896,500	\$ 688,400	4.00%
Sales Tax		14,871,000		18,796,700	3,925,700	26.40%
Transient Occupancy Tax		1,892,000		2,875,700	983,700	51.99%
Utility Users' Tax		6,690,400		7,251,100	560,700	8.38%
Motor Vehicle License Fees		8,063,700		8,246,700	183,000	2.27%

Property Tax: The City expects to continue to see growth in home valuation, a benefit that can be credited to Arcadia being a desirable community and the current low interest rate environment. Home sales and development activities for high market value areas, such as Arcadia, have leveled off in comparison to recent years. However, home sales prices are forecasted to reflect higher price points in California due scarcity of supply at all price points. Arcadia is expected to be at or above the historical valuation trends in Los Angeles County. A 4.0% growth projection is budgeted and could be considered as a moderate growth value when considering that Arcadia has grown at over 5% annually in the past decade. Due to uncertainties associated with the pandemic, a cautious projection is used to give some latitude to respond should the budget reflect a downward trend during the year. The City expects see a continued growth in Property Tax receipts in the range of 4.0%, or nearly \$688,400, for FY 2021-22.

Sales and Transaction Use Tax: As news of a recovering economy continues to be positive, both in the matter of economics and medical advances, Sales Tax revenue is expected to see significant increases when comparing to the prior year's estimated ending figure. This would occur for two key reasons. One, from the improved situation related to the pandemic wherein restrictions on social gatherings are lifted, which allows for public gatherings or having less restrictive rules that would allow for re-opening of various trades and businesses to take place. The most significant of these would be re-opening of the Westfield Mall and Santa Anita Park, both of which were closed to foot traffic for significant portions of the prior calendar year. Secondly, since the passage of Measure A in 2019 (0.75% Transaction and Use Tax), FY 2021-22 will be the first full year of collection under a semi-normalized economy.

Sales and Transaction Use Tax in total is projected to come in at \$18.8 million, a 26.4% increase versus the prior Fiscal Year. Even as this would be a sizeable and considerable growth in both percentage and dollars, the projection remains below FY 2019-20 receipts since full economic recovery is not expected until FY 2022-23.

Transient Occupancy Tax ("TOT"): The pandemic's impact on the economy was sudden and led to closure of all types of business where gathering may take place. The travel and tourism industries were especially hard-hit last year. The projection for this category in FY 2021-22 is for a 51.0% increase when compared to the prior year, representing

expected revenue of \$2.8 million versus the prior year's ending estimate of \$1.9 million. The estimate of \$2.8 million in TOT revenues has been proposed for FY 2021-22 to include the opening of the Le Meridian hotel in June 2021. Although the year-to-year comparison can seem optimistic by increasing the revenue by 51.0%, it should be noted that TOT revenue was reduced by more than 43% when comparing last year to pre-pandemic years. Given the entrance of a new luxury hotel that is projected to generate \$1.2 million of TOT under normal circumstance and the recovering economy, the overall dollar figure projected remains conservative.

Utility Users' Tax: Utility Users' Tax ("UUT") is projected to generate \$7.3 million, or an 8.4% increase when compared to FY 2020-21 Year Ending Estimate. While water conservation is expected to continue, water rates will increase accordingly because of rising imported water costs, the need to add treatment, and repairs of City wells. Additionally, demand seems to be higher as more people are working remotely from home. Fundamentally, the demand of water, electricity, and gas is expected to increase, and bills are expected to rise with naturally occurrence of inflationary factors, which directly affects UUT revenues. However, this will be slightly offset by a continued reduction in the telephone UUT as landline telephones become less favored. Not factored into these figures is the result of a recent lawsuit cities, including Arcadia, won over the amount of UUT collected and remitted by Southern California Edison. The Courts found that SCE was under reporting the amount owed; going forward, it is expected that a slight increase will be experienced now that SCE can be expected to forward the proper amount of UUT. That increase cannot be reliably projected, thus its impact has not been included in the budget, but it is expected to be a minor increase overall.

Motor Vehicle License Fees ("VLF"): This tax is projected to increase by 2.27%, to \$8.2 million. Revenues from this line item are largely tied to annual property assessed valuation. Because of this, the City has benefitted from many years of generous growth and will continue to do so in the next Fiscal Year.

Total operating expenditures for FY 2021-22 have been proposed at \$74.3 million, an increase of 9.2% versus FY 2020-22 Budget of \$68.0 million. However, the year-to-year comparison does not account for the cuts and reductions that were implemented in the prior year's Operating Budget due to the pandemic. Additionally, there were numerous projects that were deferred from the Capital Improvement and Equipment Replacement Funds that are now presented in the FY 2021-22 Proposed Budget. When accounting for programs that were placed on hold and other cuts made to respond to the pandemic, the growth in expenditures are very minimal. Most significantly, for the first time in many years, pension costs are reduced in many areas thanks to the pension obligation bonds that have been issued and other pension strategies that have been implemented by the City Council in recent years.

While some new services have been added to meet community demands and some natural inflationary increases have been included, staff has carefully controlled costs in most areas so that the increases are negligible and have no material effects to the overall operating expenditures.

More details on the City's budget are available on the City's website.

Capital Improvement and Equipment Replacement Funds

Over the past several years, the City to has been able to transfer a significant amount of funds into the Capital Improvement and Equipment Replacement Funds through disciplined savings as well as transferring any excess funds at the end of each year. It is still important for the City to continue a steady deposit into these funds, which were not replenished for many years during the last economic downturn in 2008 and began to reach dangerously low levels. The FY 2021-22 Budget proposes a transfer of \$4.2 million from the General Fund, \$2.4 million to Capital Improvement and \$1.8 million to Equipment Replacement to establish a sustaining fund balance for future years purchases and projects.

The FY 2021-22 Capital Improvement Plan proposes 28 projects totaling \$15.1 million in expenditures, of which \$3.1 million would be paid from the Capital Improvement Fund. The Capital Improvement Fund provides the majority of funding for such essential maintenance as pavement rehabilitation, building repairs, and parks maintenance. This year's list of project includes items that were deferred, about \$1.2 million, from the prior year due to COVID. The table below summarizes some of the major proposed projects planned for the year.

FY 2021-22 MAJOR CAPITAL IMPROVEMENT PROJECTS

Project Description	Project Budget	Funding Source
Annual Slurry Seal Program	\$700,000	Capital Improvement
Advanced Metering Infrastructure (AMI)/ Meter Replacement Program	\$800,000	Water Fund
New Storm Drain Improvement Project	\$500,000	Water & City of Sierra Madre - \$250K
Newcastle Park Improvement Project – Design Build	\$3,751,000	Park & Recreation Facilities Fund
Pavement Rehabilitation Program	\$2,100,000	Capital Improvement & RMRP (SB1) - \$1.1Mil
Sewer Main Replacement Program	\$1,200,000	Sewer Fund
Wilderness Park Mudslide Restoration	\$300,000	Capital Improvement
Downtown Alley Improvements	\$1,600,000	Measure M
Arterial Pavement Rehabilitation: First Avenue & Santa Clara	\$800,000	Proposition C Fund
Arcadia High School Track Replacement (Final Payment)	\$647,000	Capital Improvement

The Equipment Fund was originally estimated to require an annual transfer of \$1.8 million on average from the General Fund to ensure sustainability. However, looking at the past 10 years of expenditures and the ongoing increase in equipment costs – most specifically in the areas of technology and vehicle costs – it is anticipated that \$2.4 million would now be the appropriate number to deposit annually in future year budgets. The Equipment Replacement Fund provides funding for essential equipment such as computers, vehicles, and major office equipment. Similar to the Capital Improvement Fund, roughly \$1.5 million of scheduled replacements were deferred in the prior year due to the pandemic. The most significant of those deferrals included the purchase of a pumper truck in the Fire Department.

In terms of new proposals, the Police Department is requesting the addition of body worn cameras for officers to use in the field. This is in response to growing concerns nationwide over the interactions between officers and the public and the City quickly becoming an outlier by not deploying the devices. While the City of Arcadia has always been proud of the actions of its officers in the field, having videos to review an entire interaction will be helpful for validation, verification, and training purposes.

In total, the Equipment Replacement Fund proposes 45 different equipment purchases totaling \$2.8 million, of which \$2.5 million is funded by the Equipment Replacement Fund. The table below summarizes some of the major proposed equipment purchases.

FY 2020-21 MAJOR EQUIPMENT REPLACEMENT PURCHASES

Equipment Replacement Description	Replacement Budget	Funding Source
Police Dept. Radio Equipment Replacement	\$117,000	Equipment Replacement
Police Dept. Body Worn Cameras	\$120,000	Equipment Replacement
Fire Dept. Vehicle Replacement: Pump Truck (1) Crew Cab Pickup (1) Communication & Safety Equipment	\$1,045,000	Equipment Replacement
Fire Dept. – Truck 105 Vehicle Extrication Equipment Replacement	\$61,900	Equipment Replacement
Fire Dept. - Communication & Technology Equipment Replacement	\$84,000	Equipment Replacement
Fire Dept. – Suppression Equipment Replacement	\$40,000	Equipment Replacement
Fire Dept. – Urban Search & Rescue (USAR) Equipment Replacement	\$50,000	Equipment Replacement
PW Streets – Vehicle Replacement: CNG Truck (1); ¾ Ton Truck (1); Communication & Safety Equipment	\$193,000	AQMD - \$143K Equipment Replacement - \$50K
Automatic License Plate Reader Replacement & Upgrades	\$82,000	Equipment Replacement
Fire Communication & Technology Equipment Replacement Program	\$80,000	Equipment Replacement

It is imperative that the City find a means for depositing funds into these highly essential accounts at or above the minimum required contributions in the coming years to help them approach sustainable levels. Otherwise, the City's infrastructure will quickly fall into disrepair and the staff will not have the tools and equipment necessary to do their essential duties.

DEBT ADMINISTRATION

As of June 30, 2021, the City has outstanding balance of \$5,245,000 for the Series 2011 General Obligation Bonds and \$4,045,000 for the Series 2012 General Obligation Bonds. Those 2011 Bond proceeds were used to finance the costs of constructing a grade separation at the intersection of Santa Anita Avenue and the proposed Foothill extension of the Metropolitan Transit Authority Gold Line. The 2012 issuance was to refinance the 2001 General Obligation Bonds, which proceeds were used to fund the construction of the Police Station.

The City's General Obligation Bonds are rated as "AAA" while affirming the stable outlook by Standards and Poor since 2016, which is the highest credit rating only given to organizations with outstanding economic outlook.

On November 12, 2020, the City issues \$90 million dollars of Pension Obligations Bonds to fund contributions towards the City's Unfunded Actuarial Liability (UAL) balance with the California Public Employees Retirement System

(CalPERS). A total of \$89.5 million was contributed to ensure the stability and health of the City's retirement funds. These bonds were also rated "AAA" by Standards and Poor rating agency.

INTERNAL CONTROL

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. The internal control structure is designed to protect the City's assets from loss, theft, or misuse and to ensure that adequate accounting data is compiled for the preparation of financial statements in conformity with Generally Accepted Accounting Principles. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

BUDGETARY CONTROL

The City's ordinance requires the adoption of a budget for the following fiscal year before July 1st every year. The City's Management presents a two-year operating budget and five-year Capital Improvement and Equipment Plan annually.

The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. The City's budgetary control is maintained at the individual departmental level and any change in the adopted appropriations, by department, requires approval from the City Manager and/or City Council. The City maintains an encumbrance accounting system. Encumbrances and appropriation for unfinished capital projects are generally re-appropriated as part of the following year's budget.

MAJOR ACCOMPLISHMENTS

Substantial progress was made during the past fiscal year toward responding to priorities previously identified by the City Council and staff. Accomplishments by departments include:

General Government

- Plan/implement backup connection for critical data communications for Fire105/106 via DSL/Cable internet connection.
- Reviewed and updated the City's current bid/quote thresholds limits, revise the Purchasing Manual and Municipal Code accordingly and provide training to city employees on the new limits and procedures.
- Reviewed and establish a procedural manual for solicitation of Request for Proposals/Bids and provide training to all City departments.
- Research and evaluate various electronic bid solicitation software and services to expand the City's vendor pool.
- Enhanced efficiencies within the Human Resources Division's Records Retention plan utilizing document imaging computer systems to improve record keeping and information retrieval with respect to various personnel and workers compensation records.
- Continued to collaborate with departments on strategic outreach measures that recruit and retain a diverse and qualified workforce.
- Completed an informal request for proposals for industrial clinic services including pre-employment physicals and medical services for injured workers.
- Partner with departments to provide comprehensive training to increase use of technology, link training to core competencies, and mitigate risk exposure.

Police Services

- Increased participation in the Los Angeles Interagency Metropolitan Police Apprehension Crime Task Force (L.A. IMPACT), a multi-jurisdictional taskforce, to increase proficiency in investigating major crimes related to drug trafficking, gang enforcement, money laundering, and covert operation information development amongst others.

- Expanded the Department's GPS Tracking Device Program to increase misdemeanor and felony arrests of suspects committing criminal activities, such as package thefts and commercial burglaries in various regions of the City.
- With the continued support of the Arcadia Police Foundation, expanded the K-9 Program to include K9 Kruz, which further supports daily law enforcement operations and enhances the effectiveness of patrol duties such as handler protection, searching techniques, article searches, and narcotics detection; ultimately increasing officer safety, apprehension of suspects, and safety for the community.
- Completed the installation of the Bi-Directional Amplifier system for the Police Station for the facility to have the capability of receiving and transmitting high-quality radio signals from inside the building.
- Expanded the Automated License Plate Reader (ALPR) camera system throughout the City to combat criminal activity, enhance productivity, and improve officer safety through an increased collection of vehicle license plate information.

Fire Services

- Pursued approval of FEMA's Public Assistance funds for the City's COVID-19 response efforts.
- Developed a comprehensive report on "lessons learned" from the Bobcat Fire incident, that started on September 5, 2020, which could serve as a guideline for enhancing the department's and/or City's future response on similar incidents.
- Continued to enhance the department's paramedic service model with the goal of fully upgrading its Firefighter positions to Firefighter/Paramedic positions.
- Continued to fully upgrade our capability for tactical medicine to better prepare for responses to violent or hostile events.
- Continued to develop a Wellness Program for the department members to maintain high level of job performance. This Program will consist of developing a Peer Support Program, re-examining the annual physical process, and incorporating best practices for cancer prevention.
- Responded to nine (9) strike team deployments due to the following statewide fire incidents: Apple Fire (San Bernardino County); Lake Fire (Los Angeles County); Red Salmon Complex (Humboldt County); CZU Lightning Complex (Santa Cruz County); SCU Lightning Complex (Several counties near the Diablo Range); El Dorado Fire (San Bernardino County); Bobcat Fire (Los Angeles County); Glass Fire (San Bernardino County); Bond Fire (Orange County).
- Planned, coordinated, and implemented a COVID-19 vaccination clinic to vaccinate over 400 firefighters across the San Gabriel Mountain and Valley area fire departments. FEMA awarded a \$32,000 grant for the department's efforts on this project.
- Planned, coordinated, and implemented in partnership with the Los Angeles County Department of Public Health a homebound COVID-19 vaccination program to deliver and vaccinate individuals who are at high-risk and unable to leave their home.
- Engaged and provided support with different community partners including but not limited to the school district, nursing homes, assisted living facilities, hospitals, and different businesses to ensure needs and concerns as related to the COVID-19 pandemic.
- Completed the transition to Bendix King mobile VHF radios for all apparatus and stations for purposes of functioning better in the wildland environment.
- Continued to replace apparatus in accordance with the vehicle replacement schedule and plan by placing Engine 106 into service and operation.
- Completed the training and onboarding of seven (7) new firefighters.
- Participated in a Department-wide Purpose-building workshop with the "All American Leadership" group to develop the department's purpose statement and core values.
- Resumed and implemented new safety protocols to prevent COVID-19 transmission for the Fire Explorer Program and adding three (3) new members for a total of six (6) Explorers.
- Implemented a better, more technological, and efficient vehicle maintenance tracking system with PSTrax.
- Accepted and completed training on operations related to the delivery of a new Office of Emergency Services Type 6 fire engine for use in the California state master mutual aid system.
- Implemented additional new technology to increase fire apparatus response safety with the installation of the HAAS mobile application alerting system.
- Partnered with the Arcadia Public Library to create a fun, virtual educational video for kids on summer safety and a virtual visit to the fire station.

- As part of the City of Arcadia's Homeless Resource HUB funded through the L A County's Measure H, fire personnel provided 207 hours of paramedic assistance which includes first aid, checking vital signs, basic health counseling/consultation, logistical needs, and overall presence to support individuals experiencing homelessness.
- Provided staffing and support for large events such as the 626 Night Market to ensure sufficient Fire Department coverage for both the City and those who attend the event as it relates to emergency medical response and other potential hazards.
- Built, and transitioned to a cloud-based platform for training materials, manuals, and various resources
- Successfully incorporated electronic filing for the fire inspection plan review process.
- Conducted multiple fire inspections for the new Le Meridien Hotel. A 5-story, 234-room hotel with a restaurant and banquet rooms.
- Updated brush inspection procedures and parameters.
- Updated AFD's fee schedule.
- Awarded a \$10,062 grant by the California Fire Foundation's (CFF) to fund the Arcadia Fire Department's Wildland Safety Gear Replacement Project 2021.
- Awarded a \$24,070 grant through the CARES Act Provider Relief Fund Program to fund revenue losses associated with COVID-19 ground ambulance transports.

Public Works Services

- Completed the final phase of the Median Turf Restoration Program and renovated center medians by installing drought tolerant plants, mulch, decomposed granite, drip irrigation, and rock features.
- Replaced the existing 12-inch sewer pipe on Baldwin Avenue between Fairview Avenue and Duarte Road with a 16-inch sewer pipe to alleviate the potential of a sewer back up and overflow.
- Adopted the City of Arcadia 2020 Urban Water Management Plan and Water Shortage Contingency Plan.
- Determined a suitable location for a new municipal water well and executed an Agreement for the design, construction, operation, and maintenance of a new joint groundwater production well ("Joint Well") with the City of Sierra Madre.
- Updated the water and sewer cost study.
- Completed the Precise Scoping Plan for the Newcastle Park Project.
- Executed a five-year Agreement for the implementation of the Coordinated Integrated Monitoring Program ("CIMP") for the Rio Hondo/San Gabriel Water Quality Group and a Memorandum of Agreement with the Cities of Bradbury, Duarte, Monrovia, and Sierra Madre, the County of Los Angeles, and the Los Angeles County Flood Control District.

Development Services

- Completing plan check on three major mixed use and hotel projects in the City.
- Completed numerous traffic signal upgrades throughout the City, including adding new traffic signals and pedestrian signals to improve traffic flow throughout the City.
- Rehabilitated several major arterials throughout the City
- Completed major project to install bike lanes and routes throughout the City of Arcadia.
- Initiated work on Housing Element Update to meet the City's Regional Housing Needs Allocation requirements.
- Utilized CDBG funds to establish 75 small business grants to issue to deserving Arcadia small businesses to help during COVID-19.
- Final Certificate of Occupancy issued for new 234 room Le Meridien Hotel
- Code Enforcement of important quality of life issues such as unoccupied homes, short term rentals, boarding houses, and other unpermitted uses for residential properties continues to be an important accomplishment in the City.
- Allowed flexible outdoor seating approvals to well over 50 businesses to allow them to continue during COVID.
- Completed major grant funded Pedestrian Improvement project in and around the Gold Line Station.
- Completed Surplus Lands Act process for Par-3 Golf Course to facilitate sale.

Recreation and Community Services

- Received Grant in the amount of \$405,000 to operate various homelessness programs in the community.
- Received additional \$8,025 Bridge Funding from LA County Measure H to extend Case Manager until December 2021.
- Received an emergency grant in the amount of \$10,000 for portable restrooms and handwashing stations at four locations during the Covid 19 pandemic.
- Operated the homeless resource hub, providing 1,077 units of service.
- Operated the evacuation center with the Bobcat Fire. Organized a month's long Meal Train for the Arcadia First Responders for their work with the Bobcat Fire.
- Completed the Eisenhower Park Project and provide a virtual grand opening of the facility.
- Completed community outreach for the Newcastle Park Project.
- Completed the new security exit door project at the community center.
- Worked with the First Responder Toy Foundation to provide toys to Methodist Hospital employees and community members.
- Provided several Covid 19 vaccine clinics at the community center.
- Completed the installation of the Joint Use Track at Arcadia High School.
- Provided a Community Forum on Homelessness.
- Received thousands of donations of Personal Protective Equipment for the Arcadia Community and our First Responders.
- Operated Half Day afterschool program to accommodate for virtual learning.

Library and Museum Services Development Services

- Due to COVID-19, the Library building remained closed to the public until May 2021. No COVID -19 cases transmitted between staff.
- Curbside pickup; reference services; virtual programming offered to the public.
- Installed credit card readers on Self-Check machines.
- Online eLibrary card now available.
- Contactless Services at the Library and Museum.
- Arcadia Discovery catalog layer added, simplifying searches.
- Trellis replacement (ongoing).
- Increased Number of Online Resources and Collections including ProQuest, TrueFlix, and Miss Humblebee to support students online learning.
- 24/7 online payment system and eLibrary card registration implemented.
- Data storage for Library and Museum history collections now updated. AndorNot and Catalog-It with iCloud storage options.
- Landscape improvement to back area of the Library.
- Updated the 20-year-old permanent and temporary exhibit spaces. Added a new digital touchscreen at the Museum, expanding the Movies in Arcadia, Japanese Assembly Center, and Arcadia Walk of Fame.
- Digitized the Anthony Wilkinson letter collection at the Museum, using community transcribers.
- Create fun, creative, open-ended exploration and educational programming that ignites curiosity, encourages discovery, and develops a lifelong learning and love for local history that benefit all cultures and age groups of Arcadia's communities. Create formal and informal learning environments at the Museum through curbside and virtual programs. Virtual class visits and scouting programs blossomed this year.
- Continued to build a strong volunteer base of teens and unpaid internship programs at the Museum to work with collections and assist with programs. Applied for and received a Getty Intern for the spring/summer of 2021.
- Pivoting services, collections, and programs and work environment in a safe manner during COVID-19 (July 2020 - June 30,2021)
- Refreshed permanent exhibits at the Museum in preparation for its 20th Anniversary.

FUTURE INITIATIVES

The following program Goals have been established for the immediate future to respond to community and organizational needs, which will ensure that Arcadia remains a highly effective and efficient organization for many years.

General Government

- Ensure that all City programs and operations are carried out efficiently, effectively, and in a timely manner.
- Provide oversight of the City's Operating Budget and Capital Improvement Program.
- Provide managerial and administrative support to the City Council. Coordinate City Council meetings, presentations, and events in the community; dignitary visits and public outreach.
- Serve as a resource for the public in terms of providing responses to public information requests, answering questions, and resolving problems.
- Manage projects that do not easily fit into the operation of another department or that require centralized coordination.
- Organize special events, community functions, and meetings that have a citywide interest and/or are hosted by the City Council.
- Act as the City's overall Public Information Office. Direct and execute communication and community outreach efforts for the City; manage the City website, the government access television channel, and the City-controlled aspects of local cable television operators.
- Provide staff support to the City Council, City Clerk, City Manager, and City Attorney.
- Provide staff support to the Arcadia Beautiful Commission and organize the Commission's Spring Home Awards, Water Smart Hero Awards, Holiday Decoration Awards, and the Arbor Day/Tree City USA programs.
- Oversee the City's legislative advocacy efforts.
- Administration of the City's legal affairs, including litigation and claims against the City. Provide confidential legal advice to the City Council, City Manager, and City staff.
- Oversee the preparation of both the City's General Budget and Capital Improvement and Equipment Plan for the following fiscal year.
- Continue to seek and execute new monitoring guidelines to ensure that proper controls and safeguards are in place with respect to departmental spending.
- Complete all financial reporting in a proper and timely manner including the City's audited financial statements and various reports and schedules as mandated by County, State, and Federal agencies.
- Continue to review and evaluate the City's investment practices, including the monitoring of contracted investment management services. Endeavor to meet or exceed targeted rates of return on investments.
- Continue to implement various enhanced functions in the City's financial system, eFinancePLUS V5.0 and CommunityPLUS V9.0, including functions related to document and workflow management that will allow staff to further automate accounting processes and eliminate certain paper filing, and make the information access easier.
- Continue the efforts on implementing paperless filing solution that stores documents electronically for easy access, better security and consistent organization.
- Continue to assist departments in the implementation of various computer related applications including efforts to upgrade systems with web-based modules that facilitate processing and payment by the public.
- Continue to dispose of surplus equipment located in the basement of City Hall and City Council Chambers.
- Enhance efficiencies within the Human Resources Division's Records Retention plan utilizing document imaging computer systems to improve record keeping and information retrieval with respect to various personnel and workers compensation records.
- Negotiate successor Memoranda of Understanding for 5 Bargaining Groups.

Police Services

- Continue to build the Department's social media platform in order to increase Department presence, investigative resources, crime awareness, and community engagement.

- Expand the Police Cadet Program to reach full capacity, providing for a greater number of potential police officers for the future, and allowing for diversified learning opportunities within multiple departments.
- Further participation in the Los Angeles Interagency Metropolitan Police Apprehension Crime Task Force (L.A. IMPACT) – a multi-jurisdictional taskforce by actively participating in the Crime Impact Team/Group 25, which will combat burglary and robbery crimes in Arcadia and surrounding cities.
- With the continued support of the Arcadia Police Foundation, further enhance the K-9 Program to support daily law enforcement operations and enhance the effectiveness of patrol duties such as handler protection, searching techniques, article searches, and narcotics detection; ultimately increasing officer safety, apprehension of suspects, and safety for the community.
- Continue to support the mission and objectives of the Arcadia Police Foundation to address the complexities of policing in the 21st century. The foundation will continue to promote partnerships between APD and the public, mobilize community support, and enhance community understanding of law enforcement initiatives.
- Continue the expansion of the Department's GPS Tracking Device Program to increase misdemeanor and felony arrests of suspects committing criminal activities in various regions of the City.
- Continue to upgrade the Police Dispatch Center's Customer Premise Equipment (CPR) to keep abreast with the ever-evolving public safety communication system now called New Generation 911 (NG911), which will transform the outdated system into a digital network that is faster, more efficient, more cost-effective, and safer for the public and law enforcement agencies.
- Implement the new Text-to-911 service offering the public the ability to send a text message to reach 911 emergency call takers from a mobile phone or device.
- Continue participation in the West San Gabriel Valley Mental Evaluation Team (WSGMET) and collaboration with the Los Angeles County Department of Mental Health to address and combat mental health incidents and provide mental health assistance and resources to homeless persons in Arcadia.
- Further expand homelessness outreach efforts through the activities of APD's Homeless Education & Liaison Program (HELP Team), which aims to improve the quality of life in Arcadia by reaching out to the homeless community and providing information, resources, and motivation with the ultimate goal of finding an alternative to life on the streets.
- Pursue additional homelessness outreach efforts through participation in Los Angeles County's Homeless Outreach Service Team (HOST) program, supported by Measure H funding, to work toward implementing the City's plan to prevent and combat homelessness in Arcadia.
- Develop and implement bi-annual ADA Telecommunication training to comply with Section 504 of the Rehabilitation Act.
- Continue the development of the Department's new Professional Standards Office to provide direction and guidance on pending law enforcement reforms, transparency requirements, reporting guidelines, and policies and procedures to improve police services, and limit risk and civil liability.
- Continue to monitor the evolving impacts of the COVID-19 pandemic on police services and continue to adhere to County, State, and Federal public health guidelines to protect police personnel and ensure public safety through new safety precautions, adaptive operations and communications, and resource management.
- Increase traffic education, engineering, and DUI/drug enforcement efforts through grant funding awarded by the Office of Traffic and Safety.
- Complete the Department's CAD/Records Management System (PS.Net) Upgrade Project to comply with the FBI's new National Incident-Based Reporting System (NIBRS) Standard by the end of Fiscal Year 2021-22 to ensure uniform data collection and dissemination.
- Re-establish community outreach events within the COVID-19 health and safety guidelines to enhance civic engagement and public participation; and engaged the community through the Department's Meet Your Area Commander and Coffee-With-A-Cop events.
- Acquire and implement a Body Worn Camera System to enhance policing efforts and better capture Police Department personnel's daily interactions with the community. The technology will be in line with the Department's and City's proven record of successfully utilizing technology as a force multiplier, ensuring a transparent and accountable workforce, and increasing Department efficiency.
- As a result of Assembly Bill 953 (2015), implement a Stop Data Collection Program through the use of a data collection software program that will enable the Department to collect and report all Racial Identity Profiling Act ("RIPA") data to the Department of Justice ("DOJ") by January 1, 2022; and
- Implement new advanced training equipment to include virtual reality and simulation training (e.g., force options) to enhance training quality and provide opportunities to better protect and serve the community.

Fire Services

- Continue to pursue approval of FEMA's Public Assistance funds for the City's COVID19 response efforts.
- Continue to enhance the department's paramedic service model with the goal of fully upgrading its Firefighter positions to Firefighter/Paramedic positions.
- Continue to develop a Wellness Program for the department members to maintain high level of job performance focusing on both physical and mental well-being.
- Continue to support the California state master mutual aid program by proving personnel and apparatus to statewide responses to large scale incidents.
- Evaluate and adjust staffing needs for large scale events in the City including but not limited to the 626 Night Market, the State Fair, and Breeder's Cup.
- Assess, research, and follow the latest recommended safety protocols related to the COVID-19 pandemic and implement procedures as applicable and needed.
- Continue to implement the vehicle replacement plan by designing and building a new battalion chief command and utility support vehicle.
- Continue to research and implement new technology to increase firefighter safety including the HAAS alert system.
- Research and implement initiatives to lower the potential impacts from city development, such as a fire impact fee.
- Seek new funding for smoke alarm installation program aimed at vulnerable seniors.
- As part of the Centers for Medicare and Medicaid Services (CMS) new Medicare Ground Ambulance Data Collection System Program, department will develop a comprehensive collection system for CMS to adequately evaluate ground ambulance providers and suppliers' costs as they relate to Medicare payment rates.

Public Works Services

- Drill and equip a new municipal water supply well in the Main San Gabriel Basin to serve as a source of supply for the City's distribution system.
- Design the Enhanced Water Management Program (EWMP) stormwater projects with the City of Azusa, Bradbury, Duarte, Monrovia, Sierra Madre, County of Los Angeles, and the Los Angeles County Flood Control District.
- Update the 2002 Sewer Master Plan to evaluate our existing sewer infrastructure and identify any deficiencies in the sewer system.
- Design and Construct the Newcastle Park Improvement Project.
- Design and construct two new 10" ductile iron water mains and replace two existing 6" cast iron water mains on Camino Real Avenue between 10th Avenue and Loganrita Avenue.
- Rehabilitated Chapman Reservoir.
- Transition the use of Automatic Meter Reading (AMR) meters to Advanced Metering Infrastructure (AMI) meters which will provide water loss prevention, real-time data analysis, and leak detection for residents.
- Replanting of approximately five hundred trees within the City Right of Way utilizing funding from Los Angeles County Flood Control District (LACFCD).

Development Services

- Complete State-required Housing Element.
- Work closely with the Chamber of Commerce and Business community on a recovery plan for small businesses and the City's business districts after COVID-19.
- Work with Westfield Santa Anita Mall and the Santa Anita Racetrack on innovations and improvements post COVID-19.
- Complete sale of Par-3 Golf Course.
- Issue building permits for major mixed-use projects throughout the City (totaling over 500 housing units)
- Begin construction on "Phase 2" of the Le Meridien hotel project (97 unit residential/mixed-use project)
- Continue close work with Downtown Arcadia Improvement Association on downtown developments/beautification and special events.
- Continue to process multi-family projects throughout City.

- Upgrade permit tracking and issuance software to provide superior quality of service.
- Issue "Last and Final ROPS" for the Former Arcadia Redevelopment Agency.

Recreation and Community Services

- Work on procuring grants from the San Gabriel Valley Council of Government's Grant for Homelessness.
- Continue to work on homelessness in the community as directed by the City Council.
- Begin the Newcastle Park renovation project.

Library and Museum Services Development Services

- Continue to create a safe reopening strategy based on L.A. County Health Department, California State, and CDC control guidelines.
- Implement Radio Frequency Identifier Conversion project to replace the 25-year-old electromagnetic tags and sensors, security gates, and self-checkout system and equipment, that are no longer supported by the industry.
- Library chiller replacement of the 90-ton water cooled chiller and controller - deferred (1972). (FY 2020)
- Develop a strong library-wide volunteer and internship program.
- Provide strong educational programs for all ages at the Library and Museum.
- Continue to ethically accession, deaccession, and maintain proper documentation, indexing, storage, and care for the Arcadia history and artifact collections.
- Refresh temporary exhibits at the Museum.
- Continue a strong marketing, publicity, and social media presence in the community, informing the community of the wide variety of services, programs, and collections available in-person and virtually.
- Continue Passport Services as an ongoing, cost-recovery program for the community.
- Continue to take advantage of grants for interns, supplies, and collections processing.
- Update Museum's Long-Range Plan.
- Update Library's collection and retention policy for Arcadia current and historical items.

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 Arcadia for its comprehensive annual financial report for the fiscal year ended June 30, 2020. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The City's Comprehensive Annual Financial Report was prepared through the combined efforts of City staff. Special recognition is due to the Financial Services Division staff for their effort to ensure timely and accurate reporting. We would also like to thank the City Council for their continued support and interest in planning and conducting their financial operations of the City in a responsible and progressive manner.

Respectfully submitted,



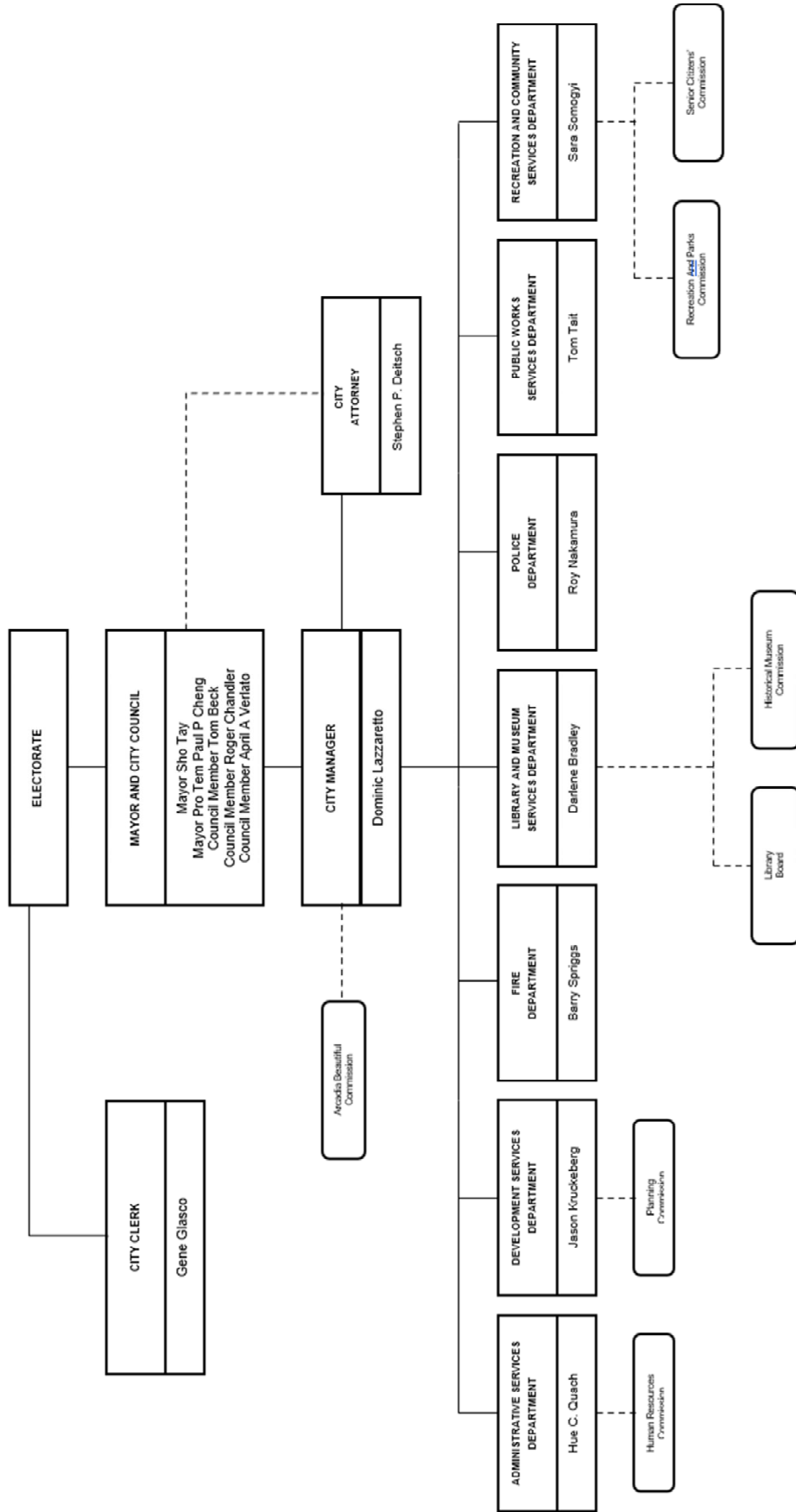
Hue C. Quach
Administrative Services Director



Henry Chen
Financial Services Manager/City Treasurer

City of Arcadia

Organization Chart





CITY OF ARCADIA

Elected Positions and Administration Personnel

June 30, 2021

CITY COUNCIL MEMBERS

		<u>Term Expires</u>
Sho Tay	Mayor	2022
Paul P Cheng	Mayor Pro-Tempore	2024
Tom Beck	Council Member	2022
Roger Chandler	Council Member	2022
April A Verlato	Council Member	2024

CITY CLERK

	<u>Term Expires</u>
Gene Glasco	2024

ADMINISTRATIVE PERSONNEL CITY OFFICIALS

Dominic Lazzaretto	City Manager
Stephen Deitsch	City Attorney
Jason Kruckeberg	Assistant City Manager/Development Services Director
Darlene Bradley	Library and Museum Services Director
Roy Nakamura	Police Chief
Barry Spriggs	Fire Chief
Hue C. Quach	Administrative Services Director
Sara Somogyi	Recreation and Community Services Director
Tom Tait	Public Works Services Director



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California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morrell

Executive Director/CEO



MOSS, LEVY & HARTZHEIM LLP

CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS

RONALD A LEVY, CPA
CRAIG A HARTZHEIM, CPA
HADLEY Y HUI, CPA
ALEXANDER C HOM, CPA
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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council
of the City of Arcadia
Arcadia, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information for the City of Arcadia, California (the "City") as of and for the fiscal year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2021, and the respective changes in financial position, and where applicable, cash flows thereof, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, Budgetary Comparison Schedules of the General and Major Special Revenue Funds, Schedule of Changes in the Net Pension Liability and Related Ratios, Schedule of Pension Contributions, Schedule of Changes in Net OPEB Liability and Related Ratios, and Schedule of OPEB Contributions on pages 5 through 26 and 97 through 107 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 27, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Moss, Levy & Hartzheim

Moss, Levy & Hartzheim, LLP
Culver City, California
January 27, 2022

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City of Arcadia

Management's Discussion and Analysis

June 30, 2021

As management of the City of Arcadia (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are 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 basic 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, liabilities, and deferred outflow and inflow of resources, with the net difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the 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, 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).

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 fund, debt service, capital projects, and special revenue funds. The City's business-type activities include water utility, sewer maintenance, golf course, and transit operations.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All 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 funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains five major governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for

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the General Fund, Measure W, Parks and Recreation Fund, Capital Outlay and Pension Obligation Fund. Data from the twenty-seven other governmental funds are combined into one single, aggregated presentation. Individual fund data for each of these *non-major* governmental funds is provided in the form of *combining statements* later in this report.

The City adopts an annual appropriated budget for each of its governmental funds. A budgetary comparison statement has been provided for each governmental fund to demonstrate compliance with this budget.

Proprietary Funds. The City maintains only one category of a *proprietary fund*, the enterprise funds. As indicated earlier, these funds include the water utility, sewer maintenance, golf course, and transit system funds.

Fiduciary Funds. The City maintains a fund to account the successor agency private-purpose trust fund created on February 1, 2012 to account for the transferred assets and liabilities from the former Arcadia Redevelopment Agency.

Notes to the basic financial statements. The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found beginning on page 55 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's budgetary comparison schedules for the General Fund and each major special revenue fund and schedules of progress in funding its obligation to provide pensions and other postemployment benefits to its employees. Required supplementary information can be found starting on page 97 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information. The combining statements and schedules can be found beginning on page 116 of this report. The following analysis of the Government-Wide financial statements includes a comparison between current and prior fiscal years' year-end balances and operations.

Governmental Activities

The Statement of Net Position may serve, over time, as a useful indicator of a government's financial position. Total Net Position of the City's Governmental Activities shows a deficit of (\$28.9) million for the fiscal year ending June 30, 2021, an improvement of \$5.3 million from last year. The reduction in the Net Position deficit was primarily due to the receipt of federal assistance for COVID-19 response, a grant for Eisenhower Park, and a general reduction in expenditures as a response to the uncertainty of COVID-19.

More information on the pension and postemployment benefits liability are available in Notes 8 and 9 of Notes to the Basic Financial Statements.

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GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Governmental Activities (Continued)

The largest portion of the net position is the net investment in capital assets (e.g. land, infrastructure, buildings and equipment, net of accumulated depreciation and related debt) of \$56.0 million. The restricted net position of \$26.4 million represents resources that are subject to external restrictions on how they may be used. The unrestricted net position shows a negative (\$111.3) million. The reason for the large negative unrestricted fund balance is primarily due to the recording of the City's pension liability on the Statement of Net Position. The pension liabilities reduced the unrestricted net position to a negative position. However, these are very long-term liabilities that will be paid incrementally for many years to come.

City of Arcadia Statement of Net Position
Governmental Activities

Governmental Activities	June 30, 2021	June 30, 2020	\$ Change	% Change
Current and other assets	\$ 79,792,148	\$ 67,518,837	\$ 12,273,311	18.18%
Capital assets (net of accumulated depreciation)	65,801,600	66,462,186	(660,586)	-0.99%
Total assets	145,593,748	133,981,023	11,612,725	8.67%
Deferred outflow of resources	109,594,630	19,503,244	90,091,386	461.93%
Current liabilities	18,153,935	8,354,604	9,799,331	117.29%
Noncurrent liabilities	261,758,939	172,959,025	88,799,914	51.34%
Total liabilities	279,912,874	181,313,629	98,599,245	54.38%
Deferred inflow of resources	4,190,378	6,402,309	(2,211,931)	-34.55%
Net investment in capital assets	55,972,945	55,858,893	114,052	0.20%
Restricted	26,415,355	21,552,532	4,862,823	22.56%
Unrestricted	(111,303,174)	(111,643,096)	339,922	-0.30%
Total net position	\$ (28,914,874)	\$ (34,231,671)	\$ 5,316,797	-15.53%

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GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Governmental Activities (Continued)

City of Arcadia Statement of Activities
Governmental Activities

Governmental Activities	June 30, 2021	June 30, 2020	\$ Change	% Change
Program revenues:				
Charges for services	\$ 7,591,508	\$ 8,864,582	\$ (1,273,074)	-14.36%
Operating contributions and grants	12,299,250	7,447,444	4,851,806	65.15%
Capital contributions and grants	1,342,260	741,641	600,619	80.99%
General revenues:				
Property taxes	20,513,025	19,070,668	1,442,357	7.56%
Sales taxes	17,197,203	12,154,052	5,043,151	41.49%
Franchise fees	1,037,322	954,878	82,444	8.63%
Utilities user taxes	7,193,797	6,779,875	413,922	6.11%
Transient occupancy taxes	1,923,352	2,748,642	(825,290)	-30.03%
Motor vehicle license taxes	8,105,664	7,773,429	332,235	4.27%
Non-regulatory business license taxes	1,181,862	1,211,783	(29,921)	-2.47%
Other taxes	1,678,449	912,537	765,912	83.93%
Investment earnings	1,436,597	3,270,868	(1,834,271)	-56.08%
Miscellaneous	3,190,699	3,391,726	(201,027)	-5.93%
Total revenues	84,690,988	75,322,125	9,368,863	12.44%
Expenses:				
General government	10,813,414	10,103,949	709,465	7.02%
Public safety	43,574,155	47,203,348	(3,629,193)	-7.69%
Public works services	8,673,614	7,663,032	1,010,582	13.19%
Community development	8,551,090	6,790,407	1,760,683	25.93%
Library	4,050,091	5,016,702	(966,611)	-19.27%
Recreation and community services	3,243,583	3,414,698	(171,115)	-5.01%
Interest on long-term debt	1,533,534	314,741	1,218,793	387.24%
Total expenses	80,439,481	80,506,877	(67,396)	-0.08%
Increase (Decrease) in Net Position before Transfers	4,251,507	(5,184,752)	9,436,259	
Transfers	1,065,290	(1,055,363)	2,120,653	-200.94%
Increase (Decrease) in net position	5,316,797	(6,240,115)	11,556,912	
Net position – Beginning of fiscal year	(34,231,671)	(27,991,556)		
Net position – End of fiscal year	\$ (28,914,874)	\$ (34,231,671)		

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Management's Discussion and Analysis
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GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Governmental Activities (Continued)

Revenue of Governmental Activities was \$84.7 million for the fiscal year ended June 30, 2021, an increase of \$9.4 million in comparison to the prior year. Further analysis on each revenue category is as follows:

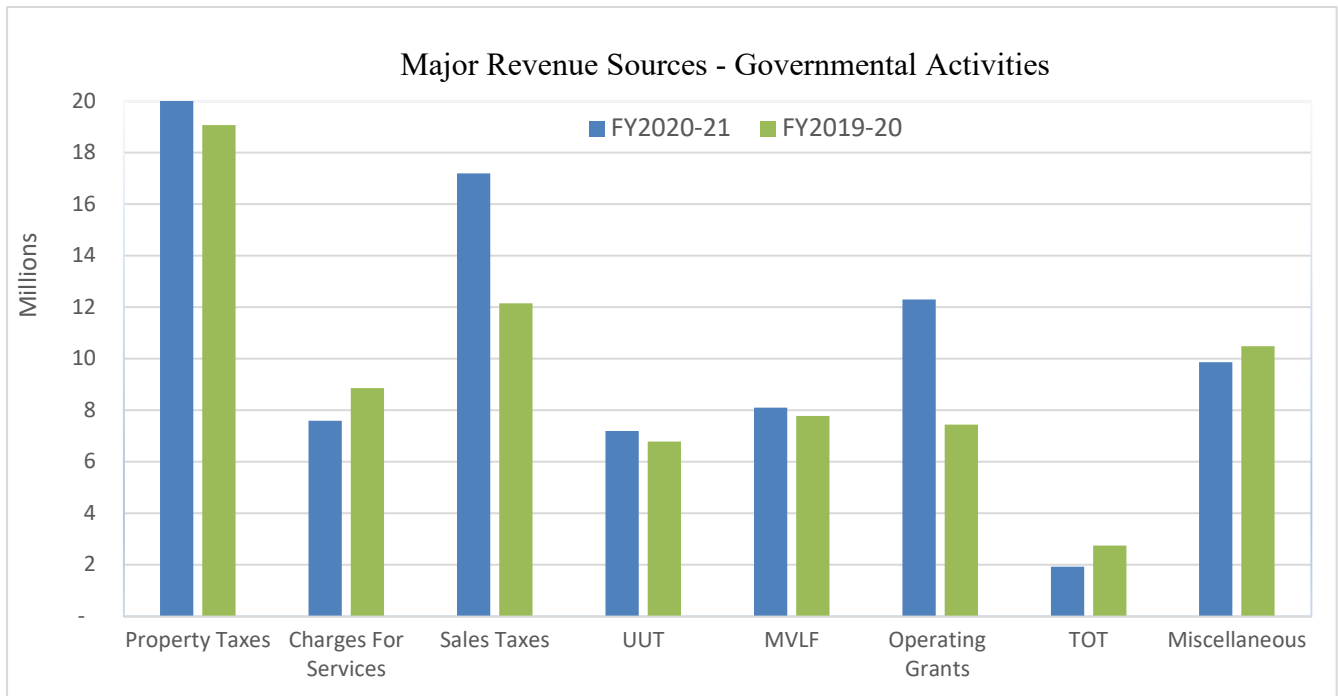
- Charges for Services decreased \$1.3 million or 14.4%, compared to the prior year. The decrease is primarily due to reductions in dwelling unit fees (\$0.3 million), recreation services (\$0.4 million), ambulance charges (\$0.2 million) and police services (\$0.2 million). The dwelling fees are charged on new residential developments which have been on a decline in recent years. Notably, due to COVID-19, City programs and Charges for Services activities were reduced during the fiscal year which caused the overall reduction of fees in this category.
- Operating Contributions and Grants increased by \$4.9 million or 65.2%, due to receipt of \$4.4 million from the federal government through the America Rescue Plan (ARPA) for COVID-19 pandemic relief. The City also received several grants from the County for homeless services which totaled roughly \$0.3 million.
- Capital Contribution and Grants increased by \$0.6 million, primarily due to more work being completed for projects funded by Los Angeles County Metropolitan Transportation Authority (MTA) for transit and pedestrian mobility enhancement.
- Property Tax revenue increased by \$1.4 million or 7.6%, due to the continued growth in property value assessment. Although home sale activities declined through the first part of the pandemic, the price increases and subsequent rebound in sales contributed to the growth in property tax revenues.
- Sales Tax increased by \$5.0 million, or 41.5%, primarily attributed to the full year effect of the passage of Measure A, Transactions & Use Tax, which brought in \$6.5 million for the fiscal year. Last fiscal year, with Measure A in effect for only 6 months, it brought in \$2.4 million for the fiscal year. With the ending of restrictions that were put in place to combat COVID-19 and availability of vaccines, sales tax growth strongly rebounded the 2nd half of the fiscal year contributing to the growth.
- Franchise fees increased by 8.6%, primarily due to increased electric rates. Franchise fees from cable companies continue to decline due to technological changes and consumer habits for streaming and other on demand entertainment options.
- Utility User Tax (UUT) increase by 6.1%. The UUT from electricity increased almost 10%, which can be attributed to changing weather patterns and therefore increased sales. This increase was offset as UUT from the telecom category as we continue to see reductions of landlines services and trends of lower wireless package pricing as the result of strong competition.

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GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Governmental Activities (Continued)

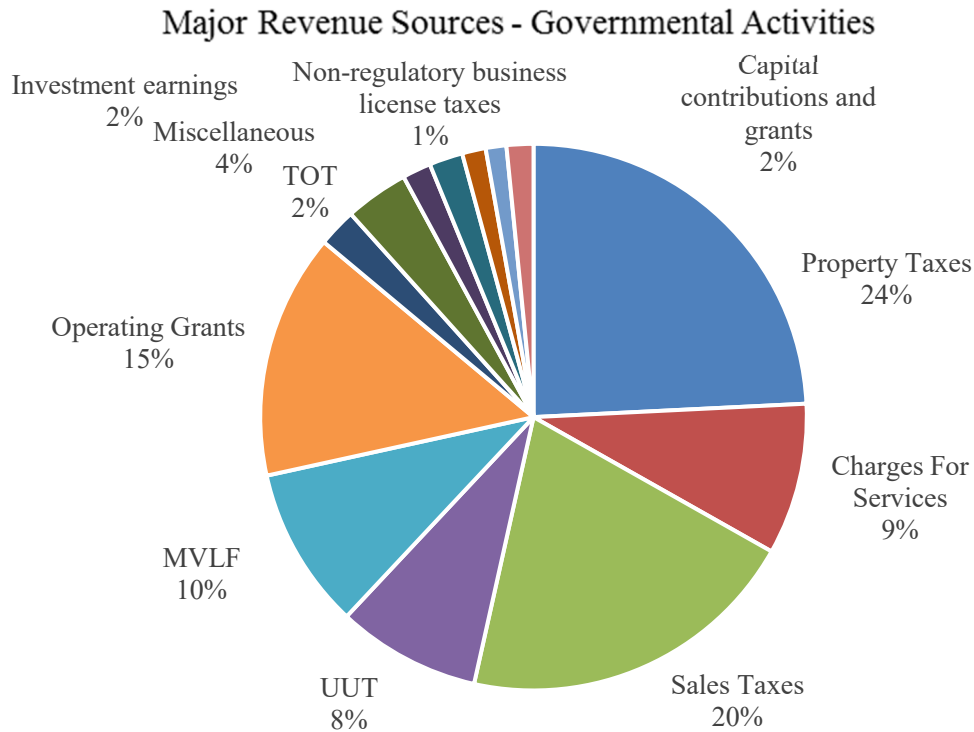
- Transient Occupancy Tax (TOT) decreased by \$0.8 million or 30%. As most of the hotels/motels in the City caters to business travels, the impact from COVID-19 restrictions continued to have a significant impact on their operations.
- Motor Vehicle License Fees (MVLFF) increased by \$0.3 million or 4.3%. MVLFF increase was attributable to legislation passed in fiscal year 2004-05, which tied its growth to the City's annual property tax valuation. The City continues to reap the benefits of this change as the annual growth in property values continues to increase at a healthy annual rate.
- Business License Tax decreased slightly by \$29,921, due to fewer business renewals in the current year.
- Other Taxes category increased by \$0.8 million or 83.9%, primarily from collection of taxes from Measure W, which are assessed on properties in the LA County Flood Control District and provides monies for projects to capture and treat and recycle rainwater.
- Investment Earnings decreased by \$1.8 million, due to the low interest rate market. Due to the economic impact of the COVID-19 pandemic, the Federal Reserve reduced interest rates to stabilize the economy, impacting interest earnings.
- Miscellaneous Revenue decreased by 5.9%, mainly due to the City's decision to suspend parking citation enforcement for overnight parking for most of the fiscal year during the COVID-19 pandemic.



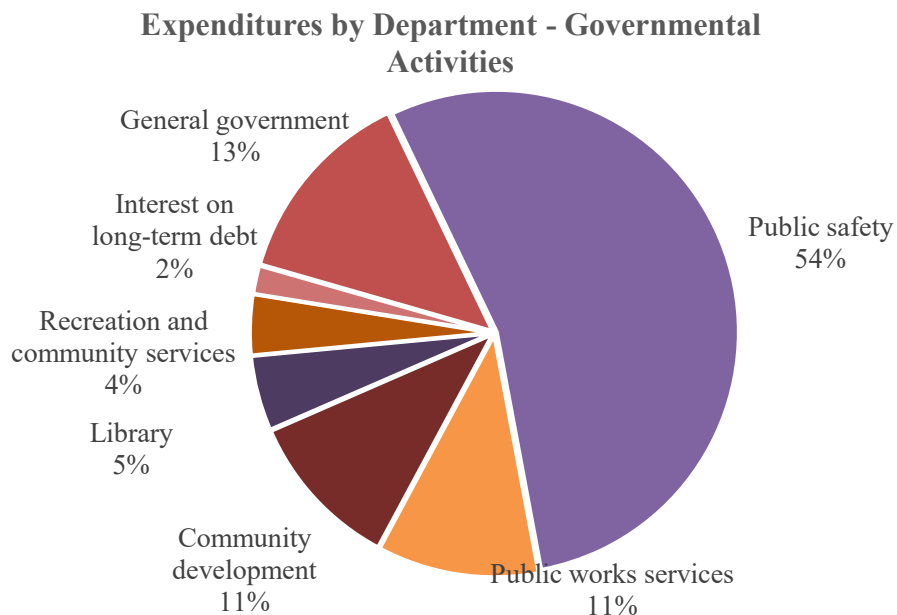
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Management's Discussion and Analysis
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GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Governmental Activities (Continued)



Expenses for the fiscal year totaled \$80.4 million, a \$0.1 million or 0.08% decrease from the prior fiscal year. Detail analysis on the increase by department is as follows:



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GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Governmental Activities (Continued)

- General Government costs increased by \$0.7 million, or 7.02%. Most of this was due to an additional pension contribution which was offset by reduction in OPEB liability. Operating expenses in the General Government, including insurance and equipment expenses, decreased by \$0.5 million from prior year.
- The cost for Public Safety decreased by \$3.6 million, or 7.7%, as the result of reduction in pension expenses as compared to the prior year when the GASB 68 entries were made according the annual valuation report.
- Public Works Services costs increased by \$1.0 million, or 13.2%, mainly due to less projects being capitalized during the fiscal year.
- Community Development Services incurred an increase of \$1.7 million, or 25.9%. The increase was primarily due to a less expenses being capitalized during the fiscal year.
- The Library expenses went down \$1.0 million in comparison to the prior year, primarily due to the cost in replacement of the Library building roof last year.
- Recreation and Community Services expenditures decreased by \$0.2 million. The overall decrease are primarily attributed to reduction of staffing and programs due to COVID-19. However, even though there were fewer recreational programs, the department was active in working with consultants, causing an increase to the contract costs, for services related to homelessness response.
- Long-term Debt Service increased by \$1.2 million due to the issuance of \$90 million of pension obligations bonds.

Business-Type Activities

Business-Type Activities have a total net position of \$56.5 million, of which \$45.3 million or 80.2%, of the net position is net investment in capital assets (e.g., water treatment infrastructure, buses, and equipment, net of accumulated depreciation and related debt). These assets are used to provide water, sewer, and transit services to the community; consequently, these assets are not available for future spending. The unrestricted net position totaled \$11.2 million, representing 19.8% of total net position.

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Management's Discussion and Analysis
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GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Business-Type Activities (Continued)

City of Arcadia Statement of Net Position
Business-type Activities

Governmental Activities	June 30, 2021	June 30, 2020	\$ Change	% Change
Current and other assets	\$ 26,792,475	\$ 25,878,227	\$ 914,248	3.53%
Capital assets (net of accumulated depreciation)	45,296,900	44,852,614	444,286	0.99%
Total assets	72,089,375	70,730,841	1,358,534	1.92%
Deferred outflow of resources	1,434,819	1,280,217	154,602	12.08%
Current liabilities	4,236,630	2,927,355	1,309,275	44.73%
Noncurrent liabilities	12,628,913	10,176,904	2,452,009	24.09%
Total liabilities	16,865,543	13,104,259	3,761,284	28.70%
Deferred inflow of resources	125,326	325,914	(200,588)	-61.55%
Net investment in capital assets	45,296,900	44,852,614	444,286	0.99%
Unrestricted	11,236,425	13,728,271	(2,491,846)	-18.15%
Total net position	\$ 56,533,325	\$ 58,580,885	\$ (2,047,560)	-3.50%

The net position decreased by \$2.0 million, comprising of \$3.6 million of loss from the Water operation, \$0.2 million of operating surplus for Sewer, and \$1.4 million of operating gain incurred by non-major enterprise funds. Water sales increased due to increase rates. The City conducted a cost study to determine the appropriate rates for the next 5 years and this is the first year the new rate structure. The new rate structures will help ensure that the City can continue to invest in water infrastructure while maintaining current service levels. The operating loss from Water operations narrowed significantly to \$2.2 million from \$3.4 million last year. A majority of these losses are attributable to depreciation, which is a non-cash charge for equipment previous purchased by the Water fund. The remaining portion was due to a \$1.4 million contribution towards pension liability. The Transit Fund experienced positive results for the fiscal year due to reimbursements for bus purchases and the Golf Par 3 Fund had a very successful year due to increased sales as people played more golf during the pandemic.

City of Arcadia
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GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Business-Type Activities (Continued)

City of Arcadia Statement of Activities
Business-type Activities

Governmental Activities	June 30, 2021	June 30, 2020	\$ Change	% Change
Program revenues:				
Charges for services				
Water	\$ 16,048,632	\$ 14,284,391	1,764,241	12.35%
Sewer	2,552,327	2,493,274	59,053	2.37%
Transit	3,773	9,311	(5,538)	-59.48%
Golf	1,855,856	887,942	967,914	109.01%
Operating contributions and grants				
Transit	2,449,548	1,055,193	1,394,355	132.14%
General revenues:				
Gain on disposal of assets	2,108	4,051	(1,943)	-47.96%
Investment earnings	154,622	860,880	(706,258)	-82.04%
Miscellaneous	133,892	93,105	40,787	43.81%
Total revenues	23,200,758	19,688,147	3,512,611	17.84%
Expenses:				
Water	18,372,053	17,758,315	613,738	3.46%
Sewer	2,038,907	1,872,674	166,233	8.88%
Transit	2,512,915	2,244,345	268,570	11.97%
Golf	1,259,153	867,314	391,839	45.18%
Total expenses	24,183,028	22,742,648	1,440,380	6.33%
Increase (Decrease) in Net Position before Transfers	(982,270)	(3,054,501)	2,072,231	
Transfers	(1,065,290)	1,055,363	(2,120,653)	-200.94%
Increase (Decrease) in net position	(2,047,560)	(1,999,138)	(48,422)	
Net position – Beginning of fiscal year	58,580,885	60,580,023		
Net position – End of fiscal year	\$ 56,533,325	\$ 58,580,885		

FINANCIAL ANALYSIS OF INDIVIDUAL FUNDS

The City uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. This section provides an analysis and discussion of individual funds and fund types presented in the fund financial statements.

City of Arcadia
Management's Discussion and Analysis
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FINANCIAL ANALYSIS OF INDIVIDUAL FUNDS

Governmental Funds

Analyses on the fluctuations of Governmental Funds are as follows:

- The City's governmental funds reported combined ending fund balances of \$67.4 million vs. \$61.4 million from the prior fiscal year, an increase of \$6.0 million. Approximately \$12.0 million, or 17.8%, of the combined ending fund balances are categorized as Unassigned Fund Balance. This means that those funds have not been obligated and are available for any purpose. The Restricted Fund Balance of \$22.0 million are funds restricted for special purposes or reserves for the debt services payments of City's Pension and General Obligation Bonds. The Assigned Fund Balance of \$32.6 million is a combined balance of these funds: Emergency Reserve, Equipment Replacement, Capital Improvement Projects, and Self-insurance of General Liability and Workers' Compensation. The non-spendable fund balance of \$0.70 million represents prepaid items and inventory.
- The General Fund's net fund balance increased by \$6.0 million to \$35.6 million. Fiscal year ending revenue was at \$70.0 million and expenditures were at \$65.0 million. The operating deficit, when combined with transfers resulted in a net increase in fund balance of \$6.0 million. The Transfers Out consisted of \$0.1 million transfer to Capital Outlay Funds to replenish and maintain a positive fund balance for future projects and a \$0.8 million transfer to the Lighting District Assessment Fund as the City's share of street lighting expenses. The Transfers In include funds from Gas Tax Fund, Solid Waste Fund, and Traffic Safety Funds for related and qualifying expenses. More analysis on its revenue and expenditures are available in the section of General Fund Financial and Budgetary Highlights.
- Parks and Recreation Fund had a net fund balance of \$7.4 million, an increase of \$1.2 million from last fiscal year. Park Development fees are collected on new residential development projects and those fees are restricted for the use of eligible park projects. Additionally, the City received a grant of \$0.9 million for the reconstruction of Eisenhower Park during the fiscal year.
- Measure W Fund had a net fund balance of \$0.3 million, an increase of \$0.6 million from the prior fiscal year. This is primarily due to the receipt of taxes from Measure W, which provides funds to capture, treat, and recycle stormwater.
- At the end of the fiscal year, the Capital Outlay Fund had a fund balance of \$9.9 million, a decrease of \$1.5 million from the prior year. This was due to Council directing staff to contribute the \$1.5 million that had been set aside for a future City Hall toward the City's pension liability. As noted earlier, \$1.6 million was transferred from General Fund for the purpose of replenishing and keeping an adequate fund balance for infrastructure improvements. Historically, pari-mutuel revenues received from Santa Anita Racetrack provided adequate funding for yearly capital improvement projects. However, this revenue source has been decreasing over the years due to less horse racing interest and the changing format for wagering. The current annual pari-mutuel revenue level has not kept up with the demands and cost of capital improvements. Due to the shrinking revenue stream, the annual General Fund operating budget includes a transfer amount and additionally, City Council has authorized transfers of operating surpluses to replenish the Capital Outlay Fund.

City of Arcadia
Management's Discussion and Analysis
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FINANCIAL ANALYSIS OF INDIVIDUAL FUNDS (Continued)

Governmental Funds (Continued)

- Pension Obligation Fund was created to track the issuance and proceeds from the City's 2020 Pension Obligation Bonds. On November 12, 2020, the City issues \$90 million dollars of Pension Obligations Bonds to fund contributions towards the City's Unfunded Actuarial Liability (UAL) balance with the California Public Employees Retirement System (CalPERS). A total of \$89.5 million was deposited with CalPERS to pay down the UAL of both Miscellaneous and Public Safety plans to ensure the stability and health of those retirement funds.
- The Non-major Governmental Fund group had an aggregated fund balance of \$18.6 million, an increase of \$3.9 million. Operations in the AQMD, Prop A, Measure R, Prop C, IRS Taskforce, PEG Access, RMRA, Beverage Grant, Measure M, and Emergency Response, funds have all resulted in a surplus. All other funds with decreased fund balances were due to higher spending than the current year allocations.

City of Arcadia
Statements of Revenues, Expenditures, and Changes in Fund Balances
Government Funds

Governmental Funds	June 30, 2021	June 30, 2020	\$ Change	% Change
Revenues:				
Taxes	\$ 48,224,288	\$ 42,898,353	\$ 5,325,935	12.42%
Licenses and permits	4,354,199	4,666,441	(312,242)	-6.69%
Fines and forfeitures	282,423	611,714	(329,291)	-53.83%
Use of money and property	1,435,273	3,270,862	(1,835,589)	-56.12%
Intergovernmental	22,428,521	15,346,681	7,081,840	46.15%
Charges for services	4,543,281	5,482,124	(938,843)	-17.13%
Other revenues	3,192,048	3,054,712	137,336	4.50%
Total revenues	84,460,033	75,330,887	9,129,146	12.12%
Expenditures:				
General government	100,789,367	8,399,145	92,390,222	1100.00%
Public safety	39,679,150	40,487,037	(807,887)	-2.00%
Public works services	7,586,823	7,295,018	291,805	4.00%
Community development	11,646,128	8,257,180	3,388,948	41.04%
Library	3,788,724	4,750,047	(961,323)	-20.24%
Recreation and community services	3,096,724	9,969,738	(6,873,014)	-68.94%
Debt service	1,071,701	1,066,504	5,197	0.49%
Total expenses	167,658,617	80,224,669	87,433,948	108.99%
Excess (deficiency) of revenues over expenditures	(83,198,584)	(4,893,782)	78,304,802	
Other Financing Sources (uses)	89,107,890	(1,055,363)	(90,163,253)	8543.34%
Net change in fund balance	5,909,306	(5,949,145)	(11,858,451)	
Fund balance – Beginning of fiscal year	61,449,529	67,398,674		
Fund balance – End of fiscal year	\$ 67,358,835	\$ 61,449,529		

City of Arcadia
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FINANCIAL ANALYSIS OF INDIVIDUAL FUNDS (Continued)

Governmental Funds (Continued)

Revenues of the total Governmental Funds were \$84.5 million with an increase of \$9.1 million, or 12.1%, from the prior fiscal year. Analysis of Governmental Funds are as follows:

- Taxes increased by \$5.3 million, or 12.4%. This increase culminates from the mixed tax receipts as described hereafter. Property Tax continues to be the City's largest tax revenue with an increase of \$1.30 million or 7.8%. The property tax growth is credit to continuing rise of property values and homes sales that are reassessed at market versus being under Prop 13 assessment. Sales Tax increased \$3.50 million or 28.5%. The increase is primarily attributable to the full effect of the passage of Measure A, which increased the sales tax rate that the City receives from 1.0% to 1.75%. Measure A was only effective for 6 months in the prior fiscal year in comparison to the entire recent fiscal year. Transient Occupancy Tax decreased by \$0.8 million or 29.1% in comparison to the previous fiscal year. The lockdowns necessitated by the COVID-19 restrictions have had a significant impact on our hotel occupancy levels. Franchise fees had a 4.2% increase due to increased electric and gas rates. Franchise fees are based on a percentage of the rates charged to the customers, so the increase in rates are reflected in the franchise fees as well. Utility User Tax had an increase of \$0.4 million due to increased receipts from electrical customers but was slightly offset by the continuing reduction of the tax in telecommunication services.
- Licenses and Permits decreased by \$0.3 million primarily due to lower plan check and traffic impact fees. Although there are still several mixed-use projects currently under development in the City, development in general has reduced in comparison to past years.
- Fines and Forfeitures decreased due to lower number of parking citations issued. The City paused enforcement of overnight parking for most of the fiscal year due to the COVID-19 pandemic.
- Use of Money and Property decreased by \$1.8 million, mainly due to lower earnings that are attributed to the low interest environment. that is shaped by the Federal Reserve to drive economic growth as a counter to the damaging COVID-19 pandemic.
- Intergovernmental Revenue increased by \$7.1 million, or 46.2%. Motor Vehicle License Fees, a fee that is tied to the growth of the City's annual property tax valuation increased by \$0.3 million. The City also received a \$0.8 million grant for improvements at Eisenhower Park. The other increases were related to COVID-19 pandemic relief. The City received \$0.5 million through the State from the CARES Act and \$4.2 million through the America Rescue Plan Act (ARPA).
- Charges for Services decreased by \$0.9 million due to lower revenues from recreation programing fees that were reduced during the COVID-19 pandemic and dwelling unit fees. That decrease was offset by increases in police services and strike team reimbursements.
- Other Revenues remained flat when compared to the prior year. Increases consisted of some miscellaneous sale of property.

The Governmental Funds reported \$167.7 million of expenditures, an increase of \$87.4 million, or 109%, from the prior fiscal year. Further analysis on the variance is as follows:

City of Arcadia
Management's Discussion and Analysis
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FINANCIAL ANALYSIS OF INDIVIDUAL FUNDS (Continued)

Governmental Funds (Continued)

- Personnel costs increased by \$92.3 million, or 71.3%. The increase is attributable to the contribution to PERS made during the fiscal year. The City made two additional discretionary payments to PERS, one for \$89.5 million from the pension obligation bonds and a payment of \$2.8 million. The remaining difference comes from reductions in personnel costs.
- Operating costs decreased slightly by \$0.2 million in comparison to the prior fiscal year. The decrease was due to lower spending on services and supplies.
- Capital expenditures decreased by \$5.4 million in comparison to the prior fiscal year. The reduction was due to the completion of the Eisenhower Park project in the prior year.

Proprietary Funds

As noted earlier, total Net Position may serve, over time, as a useful indicator of a government's financial position. In the case of the Proprietary Funds, assets exceeded liabilities by \$56.5 million and it comprises of \$46.4 million of fund balance in Water Utility Fund, \$8.6 million of fund surplus in Sewer Maintenance Fund, \$0.8 million of fund balance for the Transit System Fund and \$0.6 million of fund surplus in the Golf fund. As it is the City's policy to always transfer sufficient resources from Prop C and Measure R to fund transit operation, the fund balance in the Transit System Fund only comprises of net capital investment and liability balances.

GENERAL FUND FINANCIAL AND BUDGETARY HIGHLIGHTS

General Fund is the primary operating fund of the City. The fund balance reported an increase of \$6.0 million to \$35.6 million at the fiscal year ending June 30, 2021. 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: unassigned fund balance represents 18.7% of total General Fund expenditures, while total fund balance represents 54.8% of that same amount. The City has implemented an emergency reserve policy to maintain its operating fund balance at 20% of the General Fund expenditures, and it is more than fully funded.

Revenues of the General Fund totaled \$70.0 million for the fiscal year ending June 30, 2021, which is \$7.2 million, or 11.6%, more than the prior fiscal year's revenue total. Key elements of this increase are as follows:

- Tax revenue had an increase of \$4.5 million, mainly due to the increase of property tax and sales tax revenues. Property Tax continues to be the City's largest tax revenue with an increase of \$1.30 million or 7.8%. The property tax growth is credit to continuing rise of property values and homes sales that are reassessed at market versus being under Prop 13 assessment. Sales Tax has an increase of \$3.5 million or 28.3%. The increase is primarily due to the passage of Measure A, which was in effect for the entire fiscal year. Without Measure A, sales taxes would have decreased by \$0.6 million. Transient Occupancy Tax decreased by \$0.8 million or 29.1% in comparison to the previous fiscal year. The impact of the COVID-19 restrictions on travel had a tremendous impact on our local hotels and motels.

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GENERAL FUND FINANCIAL AND BUDGETARY HIGHLIGHTS (Continued)

- Licenses and permits were lower primarily due to a decrease in parking permit sales. The City did not start selling parking permits until April and so revenues were significantly lower as a result.
- Fines and Forfeitures collected by the City decrease by \$0.3 million, due to the City not enforcing parking regulations for most of the fiscal year.
- Use of Money and Property decreased by \$0.8 million, mainly due to the extremely low interest rate environment to counter the economic damages caused from the COVID-19 pandemic.
- Intergovernmental revenues increased due to Motor vehicle license fees (MVLFF) and COVID-19 aid from the federal government. MVLFF is tied to the City's property assessed value and benefitted from the strong real estate market during the latter half of the fiscal year. MVLFF increased by \$0.3 million, or 4.3% for Fiscal Year 2020-21. The City received \$4.2 million of aid from the federal government under the America Rescue Plan.
- Charges for services had a decrease of \$0.7 million or 14.8% primarily due to the reduced revenues from recreation classes and camps, which was offset by increased strike team reimbursement and police services.
- The increase shown for Other Revenue category was due to some miscellaneous revenues and sale of property.

General Fund Revenues	June 30, 2021	June 30, 2020	\$ Change	% Change
Revenues:				
Taxes	\$ 44,901,921	\$ 40,403,032	\$ 4,498,889	11.14%
Licenses and permits	4,123,661	4,510,580	(386,919)	-8.58%
Fines and forfeitures	169,254	440,353	(271,099)	-61.56%
Use of money and property	1,292,466	2,086,309	(793,843)	-38.05%
Intergovernmental	12,693,220	7,982,689	4,710,531	59.01%
Charges for services	3,785,302	4,443,453	(658,151)	-14.81%
Other revenues	3,033,338	2,883,329	150,009	5.20%
Total revenues	\$ 69,999,162	\$ 62,749,745	\$ 7,249,417	11.55%

General Fund expenditures increased by \$2.1 million, or 3.4%, to \$64.9 million. Most of the increase was due to the extra \$2.8 million contributed to PERS. This was offset by reduced vacation payoff and decreases in personnel costs.

City of Arcadia
Management's Discussion and Analysis
June 30, 2021

GENERAL FUND FINANCIAL AND BUDGETARY HIGHLIGHTS (Continued)

City of Arcadia
General Fund Budgetary Comparison Schedule

	Final Budget	Actual Amounts	\$ Variance with Final Budget	% Variance with Final Budget
REVENUES:				
Taxes	\$ 44,034,500	\$ 44,901,921	\$ 867,421	1.97%
Licenses and permits	4,556,200	4,123,661	(432,539)	-9.49%
Fines and forfeitures	416,500	169,254	(247,246)	-59.36%
Use of money and property	1,585,700	1,292,466	(293,234)	-18.49%
Intergovernmental	8,884,800	8,260,792	(624,008)	-7.02%
Charges for services	4,108,300	3,785,302	(322,998)	-7.86%
Other revenues	3,331,600	3,033,338	(298,262)	-8.95%
Total revenues	66,917,600	65,566,734	(1,350,866)	-2.02%
EXPENDITURES:				
Current:				
General government:				
City council	218,700	200,744	17,956	8.21%
City manager	882,300	935,457	(53,157)	-6.02%
City clerk	242,500	259,576	(17,076)	-7.04%
City attorney	659,200	451,615	207,585	31.49%
General city	2,381,700	5,238,365	(2,856,665)	-119.94%
Administrative services	4,746,104	3,445,080	1,301,024	27.41%
Public safety:				
Police	23,848,934	21,358,135	2,490,799	10.44%
Fire	16,814,940	18,016,211	(1,201,271)	-7.14%
Public works services	4,462,432	4,333,416	129,016	2.89%
Community development	4,638,862	4,686,103	(47,241)	-1.02%
Library	4,141,500	3,748,433	393,067	9.49%
Recreation and community services	2,770,478	2,212,484	557,994	20.14%
Debt service:				
Principal retirement	-	58,028	(58,028)	0.00%
Total expenditures	65,807,650	64,943,647	864,003	1.31%
EXCESS (DEFICIENCY) OF REVENUES				
OVER (UNDER) EXPENDITURES	\$ 1,109,950	\$ 623,087	\$ 486,863	

The adopted General Fund budget projected revenues of \$66.9 million for the fiscal year ending June 30, 2021. The actual total General Fund revenues were \$65.6 million, a difference of \$1.4 million under budget. Key elements of the budget variance are as follows:

City of Arcadia
Management's Discussion and Analysis
June 30, 2021

GENERAL FUND FINANCIAL AND BUDGETARY HIGHLIGHTS (Continued)

- Tax collection in total was less than budget by \$0.9 million or 1.97%. The property tax collection was \$0.8 million higher than expected. Sales Tax collection was lower than budget by \$0.8 million due to continued effects from the pandemic. The TOT collected was \$0.1 million under expectations. Utility and Franchise tax revenues were \$0.1 and \$0.6 million above expectations, respectively.
- License and Permits was \$0.4 million, or 9.5%, less than projected, mainly due to less parking permit fees.
- The issuance of parking citations was less than expected due to the suspension of parking enforcement during most of the fiscal year because of COVID-19. This resulted in \$0.2 million of negative budget variance in the Fines and Forfeitures category.
- Use of Money and Property was under budget by \$0.3 million or 18.5%. Investment earnings were hampered by the continued low interest rate environment as the Federal Reserve tried to support the economy with lower rates because of COVID-19.
- Intergovernmental revenues, including the Motor Vehicle License Fees (MVLFF), was 7% less than budgeted. As the growth on Motor Vehicle License Fees is tied to the property assessed value, the continued growth of property valuations has also resulted in the positive variance (\$138K) for this category. Offsetting the increase in MVLFF was a shortfall from budget of the Prop A maintenance funds of \$780K.
- Charges for Services had a negative variance of \$0.3 million or 9.0% due to restrictions necessitated by the COVID-19 pandemic. Recreation revenues were \$0.2 under budget due to the reduced capacity of most classes. All other charges were under budget by about \$0.3million. Reimbursements for safety related services by the State for their mutual-aid response to wildfires and other nature disaster incidents were over budget by \$0.3 million.
- The collection of other revenues was lower than expected primarily due to lowered cost reimbursements from other funds for general fund expenditures.

The City's General Fund expenditures were \$0.9 million, or 1.31%, less than the final adopted budget. Key elements of the budget variance are as follows:

- Personnel cost had a savings of \$0.6 million because of more than expected employee vacancies and turnovers. The City's vacancy rate was more than the 3% built into the adopted budget.
- The favorable variance of \$0.3 million in the operating expense were mainly attributable to the areas of general contract services (\$0.6 million) that was offset by claims expense (\$0.3 million) exceeding expectations.
- Some City departments ended the fiscal year with a negative budget variance. City Manager and City Clerk were due to higher-than-expected personnel costs, Community Development were due to higher contract services and Fire Department variance was due to strike team overtime. The cost overrun for General City was due to extra contributions to the City's pension, paying down the unfunded accrual liability.

City of Arcadia
Management's Discussion and Analysis
June 30, 2021

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The City's investment in capital assets as of June 30, 2021, amounted to \$101.3 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, park improvements, roadways, sewer, storm drains, vehicles, computer equipment, furniture, other equipment, and construction in progress.

The City replaced several police vehicles as well as completing the remaining bus purchases for Arcadia Transit. The City finished its median turf reduction project, traffic signal and crosswalk improvements, and a bike facility at the Gold Line Station. The Water department completed the work on the construction of the treatment system on the Live Oak Well, some water main upgrades, as well as sewer improvements along Baldwin Blvd.

City of Arcadia
Capital Assets

	Governmental Activities		Business – Type Activities		Total	
	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020	June 30, 2021	June 30, 2020
Non-depreciable assets:						
Land	\$ 4,335,769	\$ 4,335,769	\$ 192,436	\$ 192,436	\$ 4,528,205	\$ 4,528,205
Water rights	-	-	5,602,000	5,602,000	5,602,000	5,602,000
Construction in progress	2,803,755	4,430,307	2,070,463	1,940,494	4,874,218	6,370,801
Total non-depreciable assets	7,139,524	8,766,076	7,864,899	7,734,930	15,004,423	16,501,006
Depreciable assets:						
Buildings and improvements	60,140,156	58,890,916	-	-	60,140,156	58,890,916
Water treatment system	-	-	72,801,166	71,886,753	72,801,166	71,886,753
Sewer system	-	-	12,302,242	11,871,117	12,302,242	11,871,117
Automotive equipment	12,719,543	12,777,860	5,208,669	4,005,308	17,928,212	16,783,168
Furniture and equipment	12,318,778	12,244,248	607,319	659,267	12,926,097	12,903,515
Infrastructure	95,501,765	91,887,239	-	-	95,501,765	91,887,239
Total depreciable assets	180,680,242	175,800,263	90,919,396	88,422,445	271,599,638	264,222,708
Less accumulated depreciation:	(122,018,166)	(118,104,153)	(53,487,395)	(51,304,761)	(175,505,561)	(169,408,914)
Total depreciable assets, net	58,662,076	57,696,110	37,432,001	37,117,684	96,094,077	94,813,794
Total capital assets, net	\$ 65,801,600	\$ 66,462,186	\$ 45,296,900	\$ 44,852,614	\$ 111,098,500	\$ 111,314,800

Additional information on the City's capital assets can be found in the Notes to the Basic Financial Statements in Note 4 beginning on page 72 of this report.

City of Arcadia
Management's Discussion and Analysis
June 30, 2021

Long-term debt. At the end of the current fiscal year, City of Arcadia had a total outstanding debt of \$280.3 million, an increase of \$94.3 million from the prior year. The increase is due to the issuance of the 2020 pension obligations bonds and a slight increase in the accrued pension liabilities.

City of Arcadia
Long-Term Liabilities

Citywide	June 30, 2021	June 30, 2020
Capital lease obligations	\$ 116,056	\$ 174,084
Claims and judgements payable	6,654,154	6,754,700
Compensated absences	4,047,104	4,048,859
OPEB liability	13,995,706	14,549,506
Net pension liability	155,771,593	150,067,720
2020 Pension Obligation Bonds	90,000,000	-
2011 General Obligation Bonds	5,471,177	5,863,442
2012 General Obligation Bonds	4,241,422	4,565,767
Total	\$ 280,297,212	\$ 186,024,078

As noted earlier in our discussion, pension liability increase was a result of policy changes by the CalPERS Board to further secure funding level and ensure the long-term sustainability of its pension fund. Policies that made changes to members' demographics, life expectancy, and lowering of investment return assumptions have the cause-and-effect of lowering the overall funded status of the pension plan. As such, this created a sizeable increase of the net pension liability for the City. In addition to pension, GASB Statement No. 75, require governments to report a liability on the face of the financial statements for postemployment benefits other than pensions (OPEB). More details on the changes in long-term debt are available in the Notes to the Basic Financial Statements in Note 5 beginning on page 74 of this report.

As part of the City's long-term financial planning, the City engaged with outside consultants to work with the City's Citizen Financial Advisory Committee (CFAC) develop recommendation to address the City's rising pension costs and unfunded accrual liabilities. After conducting numerous meeting and study sessions, a comprehensive management plan to address the City's rising pension costs was adopted by the Council on February 18, 2020. A part of the comprehensive plan was a recommendation to issue pension obligation bonds to pay down the City's unfunded accrual liabilities. On November 12, 2020, the City issued \$90 million in Pension Obligation Bonds (POB). This prepayment is expected to save City significant future interest costs related to their unfunded accrual liabilities.

State statutes limit the amount of general obligation debt a governmental entity may issue to 15% of its total assessed valuation. The current debt limitation for the City of Arcadia is in excess of \$1 billion.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The adopted fiscal year 2021-22 General Fund Operating Budget anticipates a surplus of \$1.1 million. The budget consists of \$70.7 million of Operating Revenues, \$69.1 million of Operating Expenses and \$0.4 million of transfers. The three-year General Fund operating budget outlook shows a cautious recovery from the economic damages suffered during the COVID-19 pandemic. If not for the passage of Measure A, the outlook for the City would be even more dire. As shown in the table on the next page, the projected Fiscal Year 2022-23 beginning General Fund operating balance of \$8.4 million is projected to be increased to \$10.9 million by the end of that fiscal year based on current revenue and expenditure estimates, including transfers to the Capital Outlay and Equipment Replacement funds.

City of Arcadia
Management's Discussion and Analysis
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ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS (CONTINUED)

City of Arcadia
3-Year General Fund Operating Outlook

	FY20-21	FY21-22	FY22-23
	Estimated	Adopted	Projected
Beginning Fund Balance	\$ 7,198,300	\$ 7,301,000	\$ 8,427,400
Revenues and Sources	62,624,200	70,728,000	73,414,800
Expenditures and Uses	(61,040,400)	(69,128,700)	(69,127,100)
Net Operating Income	1,583,800	1,599,300	4,287,700
Transfer to Equipment Replacement	(1,600,000)	(1,800,000)	(1,800,000)
Transfer to Capital Equipment	(1,600,000)	(2,400,000)	(2,400,000)
Transfer to Other Funds	1,718,900	3,727,100	2,361,700
Subtotal Operating Balance	102,700	1,126,400	2,449,400
Ending Fund Balance	\$ 7,301,000	\$ 8,427,400	10,876,800

Through an enduring and resilient economy, fiscal restraint, and strong management techniques, the City has been able to weather through the COVID-19 pandemic that commenced in March 2020. The prior year's budget was a conservatively proposed budget framework that carried the City through multiple waves of shutdowns and uncertainties associated with the pandemic. Departments have been able to find ways of keeping critical services intact by adapting through a tough economic environment and remaining focused on delivering those things most valued by residents and business customers in new and inventive ways. The City also did everything in its powers to reduce impacts on residents during the tight economy, such as not charging for overnight parking or levying fines at the Library to providing grants to local businesses to keep them operating and ready to recover when the economy fully re-opened. The proposed FY 2021-22 Operating Budget suggests a brighter and more optimistic year ahead.

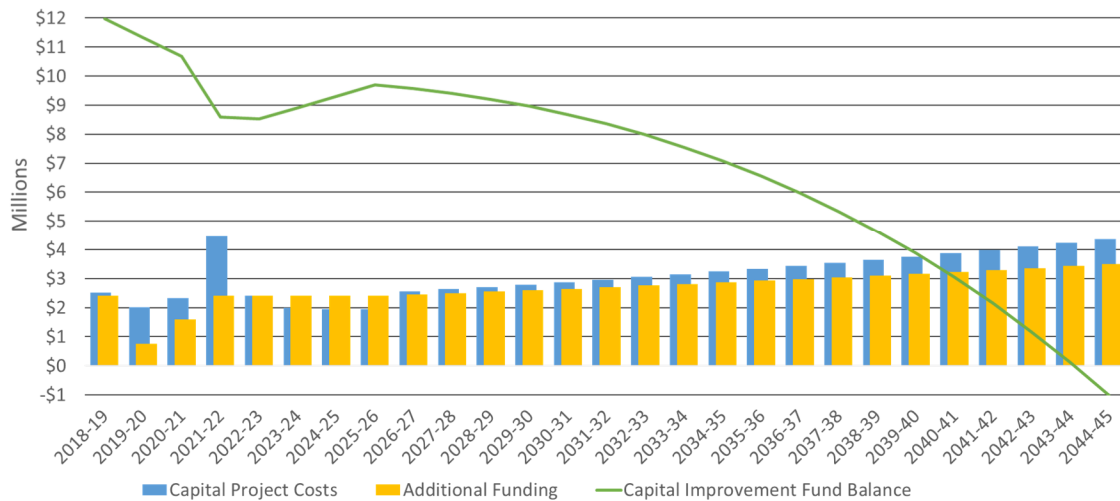
Despite the improved outlook, the City continues to face long-term financial challenges:

- **CalPERS Challenges:** In November 2021, the City issued \$90 million of pension obligation bonds and \$89.5 million of the proceeds were used to pay down the City's Unfunded Actuarial Liabilities (UAL). This will significantly lower the City's future contributions to CalPERS. This will create a cushion for the City to be able to absorb future costs increases. In fiscal 2020-21, CalPERS investments returned 21.3%. While this performance is great news, it also triggered the Funding Risk Mitigation Policy, which lowered the discount rate from 7% to 6.8%. While CalPERS has indicated that this change will likely have minimal impact on the employer contributions, the precise impact on the City remains unknown at this time. Escalating pension costs will continue to weigh on Arcadia in the long run and the City will need to be judicious in managing our finances to ensure that this issue will not impact our ability to provide the high level of service that the residents have come to expect.
- **Capital Outlay and Equipment Replacement Funds:** The adopted budget reflects transfers of \$2.4 million to the Capital Outlay and \$1.8 million to the Equipment Replacement Funds. During a financial crisis, being able to transfer even these amounts is a luxury few cities can afford and a testament to the restraint the organization has shown to keep costs low relative to service levels. Although projected transfer amounts were established to account for and ensure that both funds have sufficient balances available for critical infrastructure improvements and replacement of equipment in the near term, their fund balances will eventually be depleted as these two funds do not generate revenue streams that can fully fund their annual projected expenses. As shown by the two graphs below, **ONLY** with consistently **increasing** funding to both funds will it allow for City to continue

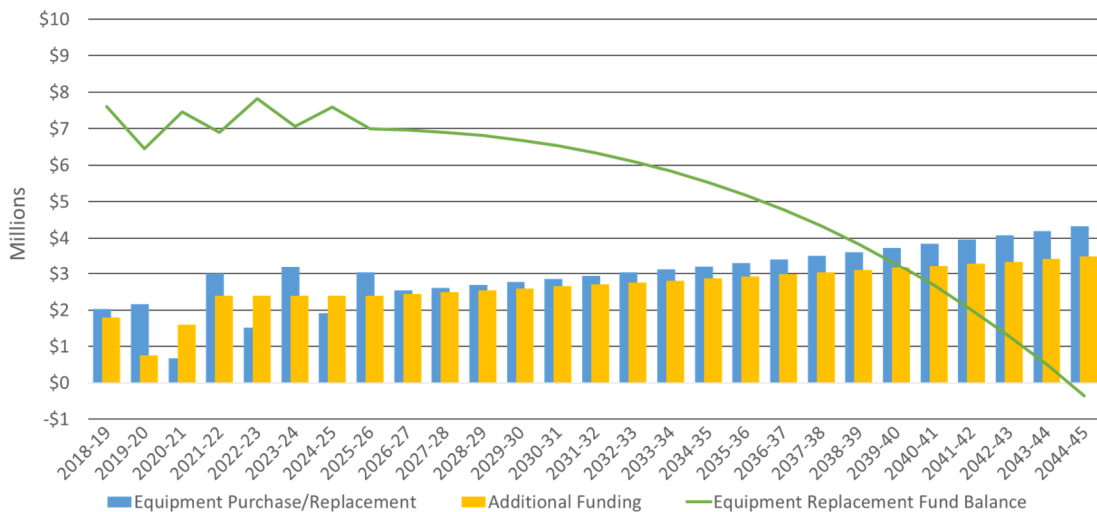
City of Arcadia
Management's Discussion and Analysis
June 30, 2021

funding projects to maintain or improve city infrastructures and purchases of major equipment for daily operations. Unfortunately, the funding is not certain as it is strictly dependent of surpluses generated from the General Fund budget.

CAPITAL FUND BALANCE PROJECTIONS



EQUIPMENT FUND BALANCE PROJECTIONS



It is also important to note that current projections do not include nearly \$56.9 million in unfunded capital improvement projects, which include a citywide Parks Master Plan, downtown parking lot development, right-of-way and streetscape improvements, and parking lot resurfacing projects. Additionally, the recent change in state law also requires the City to implement enhanced watershed management program to eliminate pollutant discharge into our local supply, and the costs are estimated to range from \$122 million to \$354 million. Although part of the costs will be offset by a parcel tax approved in November of 2018, the City is likely to be responsible for the remaining costs.

City of Arcadia
Management's Discussion and Analysis
June 30, 2021

- Postemployment Benefits (OPEB): City's actuarial accrued liability (AAL) was estimated to be \$14.0 million based on the most recent valuation report dated June 31, 2020, which is \$0.5 million less than the valuation prepared last year. The decrease could be primarily attributed to favorable plan experiences from lower than projected medical premium rates and favorable demographic experiences. Despite this most recent plan experience and changes City made in 2011 to reduce OPEB benefits, the Accrued Actuarial Liability for the City's OPEB liability is expected to continue to grow. It is essential for the City to continue to fund the trust established exclusively for this benefit. The trust account had a balance of \$8.0 million as of June 30, 2021.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the financial position of the City of Arcadia. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Administrative Services Department, 240 West Huntington Drive, Arcadia, CA 91007.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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City of Arcadia
Statement of Net Position
June 30, 2021

	Primary Government		
	Governmental	Business-Type	
	Activities	Activities	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current assets:			
Cash and investments	\$ 70,231,946	\$ 22,772,729	\$ 93,004,675
Cash and investments with fiscal agent	2,969	-	2,969
Accounts receivable	510,306	3,501,579	4,011,885
Interest receivable	121,872	39,509	161,381
Due from other governments	7,053,988	1,445,980	8,499,968
Prepaid items	10,064	169,293	179,357
Internal balances	1,155,593	(1,155,593)	-
Inventories	705,410	18,978	724,388
Total current assets	79,792,148	26,792,475	106,584,623
Noncurrent assets:			
Capital assets:			
Nondepreciable	7,139,524	7,864,900	15,004,424
Depreciable, net	58,662,076	37,432,000	96,094,076
Total capital assets	65,801,600	45,296,900	111,098,500
Total noncurrent assets	65,801,600	45,296,900	111,098,500
Total assets	145,593,748	72,089,375	217,683,123
Deferred outflows of resources:			
Deferred outflows related to net pension liability	106,133,608	1,326,324	107,459,932
Deferred outflows related to OPEB	3,461,022	108,495	3,569,517
Total deferred outflows of resources	109,594,630	1,434,819	111,029,449
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
Current liabilities:			
Accounts payable	2,754,580	3,717,605	6,472,185
Accrued salaries payable	1,231,664	143,119	1,374,783
Interest payable	1,383,011	27,943	1,410,954
Unearned revenue	234,454	-	234,454
Deposits	6,551,778	233,188	6,784,966
Retentions payable	198,681	5,182	203,863
Long-term debt - due within one year	5,799,767	109,593	5,909,360
Total current liabilities	18,153,935	4,236,630	22,390,565
Noncurrent liabilities:			
Long-term debt - due in more than one year	102,606,351	2,014,202	104,620,553
Net pension liability	145,742,739	10,028,854	155,771,593
Net OPEB liability	13,409,849	585,857	13,995,706
Total noncurrent liabilities	261,758,939	12,628,913	274,387,852
Total liabilities	279,912,874	16,865,543	296,778,417
Deferred inflows of resources:			
Deferred inflows related to net pension liability	1,204,636	-	1,204,636
Deferred inflows related to OPEB	2,985,742	125,326	3,111,068
Total deferred inflows of resources	4,190,378	125,326	4,315,704
NET POSITION			
Net investment in capital assets	55,972,945	45,296,900	101,269,845
Restricted for:			
Capital projects	268,319	-	268,319
Community purposes	15,078,608	-	15,078,608
Public safety	833,442	-	833,442
Transportation /streets	10,234,986	-	10,234,986
Total restricted	26,415,355	-	26,415,355
Unrestricted	(111,303,174)	11,236,425	(100,066,749)
Total net position	\$ (28,914,874)	\$ 56,533,325	\$ 27,618,451

See Accompanying Notes to the Basic Financial Statements.

City of Arcadia
Statement of Activities
For the Fiscal Year Ended June 30, 2021

Functions/Programs	Expenses	Program Revenues			Totals
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary Government:					
Governmental activities:					
General government	\$ 10,813,414	\$ 13,960	\$ 72,546	\$ -	\$ 86,506
Public safety	43,574,155	3,488,709	4,586,625	1,263,722	9,339,056
Public works services	8,673,614	25,152	2,311,256	-	2,336,408
Community development	8,551,090	2,865,163	4,157,780	78,538	7,101,481
Library	4,050,091	59,372	-	-	59,372
Recreation and community services	3,243,583	1,139,152	1,171,043	-	2,310,195
Interest on long-term debt	1,533,534	-	-	-	-
Total governmental activities	80,439,481	7,591,508	12,299,250	1,342,260	21,233,018
Business-type activities:					
Water	18,372,053	16,048,632	-	-	16,048,632
Sewer	2,038,907	2,552,327	-	-	2,552,327
Transit	2,512,915	3,773	2,449,548	-	2,453,321
Arcadia PAR 3 Golf Course	1,259,153	1,855,856	-	-	1,855,856
Total business-type activities	24,183,028	20,460,588	2,449,548	-	22,910,136
Total primary government	\$ 104,622,509	\$ 28,052,096	\$ 14,748,798	\$ 1,342,260	\$ 44,143,154

(Continued)

City of Arcadia
Statement of Activities (Continued)
For the Fiscal Year Ended June 30, 2021

Functions/Programs	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
Primary Government:			
Governmental activities:			
General government	\$ (10,726,908)	\$ -	\$ (10,726,908)
Public safety	(34,235,099)	-	(34,235,099)
Public works services	(6,337,206)	-	(6,337,206)
Community development	(1,449,609)	-	(1,449,609)
Library	(3,990,719)	-	(3,990,719)
Recreation and community services	(933,388)	-	(933,388)
Interest on long-term debt	(1,533,534)	-	(1,533,534)
Total governmental activities	(59,206,463)	-	(59,206,463)
Business-type activities:			
Water	-	(2,323,421)	(2,323,421)
Sewer	-	513,420	513,420
Transit	-	(59,594)	(59,594)
Arcadia PAR 3 Golf Course	-	596,703	596,703
Total business-type activities	-	(1,272,892)	(1,272,892)
Total primary government	(59,206,463)	(1,272,892)	(60,479,355)
General Revenues:			
Taxes and fees:			
Property taxes	20,513,025	-	20,513,025
Sales taxes	17,197,203	-	17,197,203
Franchise fees	1,037,322	-	1,037,322
Utilities user taxes	7,193,797	-	7,193,797
Transient occupancy taxes	1,923,352	-	1,923,352
Non-regulatory business license taxes	1,181,862	-	1,181,862
Other taxes	8,105,664	-	8,105,664
Total taxes and fees	57,152,225	-	57,152,225
Intergovernmental revenues, unrestricted	1,678,449	-	1,678,449
Investment earnings	1,436,597	154,622	1,591,219
Gain on disposal of assets	46,870	2,108	48,978
Miscellaneous	3,143,829	133,892	3,277,721
Transfers	1,065,290	(1,065,290)	-
Total general revenues and transfers	64,523,260	(774,668)	63,748,592
Change in net position	5,316,797	(2,047,560)	3,269,237
Net position - beginning of fiscal year	(34,231,671)	58,580,885	24,349,214
Net position - end of fiscal year	\$ (28,914,874)	\$ 56,533,325	\$ 27,618,451

See Accompanying Notes to the Basic Financial Statements.

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FUND FINANCIAL STATEMENTS

Governmental Funds Financial Statements

Proprietary Funds Financial Statements

Fiduciary Funds Financial Statements

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GOVERNMENTAL FUNDS FINANCIAL STATEMENTS

General Fund - established to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

Parks and Recreation Special Revenue Fund - established to account for the development of new park sites and playground facilities. Financing is provided by state and federal reimbursement programs in conjunction with fees charged to residential and commercial developers.

Measure W Safe, Clean Water Program Fund – established to be used on projects for capturing, treating, and recycling stormwater.

Capital Outlay Capital Projects Fund - established to account for acquisition of capital items and construction of capital projects as determined by City Council. Financing is provided by the City's share of proceeds from the Santa Anita Race Track as allowed by the State.

Pension Obligation Bonds Debt Service Fund – established to accumulate monies for payment of principal and interest on Pension Obligation Bonds. Debt service is from any source of legally available funds of the City.

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City of Arcadia
Balance Sheet
Governmental Funds
June 30, 2021

	Major Funds					Nonmajor Governmental Funds	Total Governmental Funds
	General	Parks and Recreation	Measure W Safe, Clean Water Program	Capital Outlay	Pension Obligation Bonds		
ASSETS							
Cash and investments	\$ 30,714,357	\$ 7,418,887	\$ 2,313,539	\$ 9,965,627	\$ -	\$ 19,819,536	\$ 70,231,946
Cash and investments with fiscal agent	-	-	-	-	2,950	19	2,969
Accounts receivable	337,278	-	162,969	-	-	10,059	510,306
Interest receivable	65,434	13,328	481	17,903	-	24,726	121,872
Due from other funds	1,741,763	-	-	-	-	-	1,741,763
Due from other governments	4,983,895	-	-	21,915	-	589,438	5,595,248
Prepaid items and deposits	10,064	-	-	-	-	-	10,064
Inventories	705,410	-	-	-	-	-	705,410
Total assets	\$ 38,558,201	\$ 7,432,215	\$ 2,476,989	\$ 10,005,445	\$ 2,950	\$ 20,443,778	\$ 78,919,578
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 1,514,489	\$ 10,386	\$ 127,057	\$ 111,533	\$ -	\$ 991,115	\$ 2,754,580
Accrued salaries payable	1,197,583	-	-	-	-	34,081	1,231,664
Due to other funds	-	-	-	-	-	586,170	586,170
Unearned revenue	234,454	-	-	-	-	-	234,454
Deposits	4,430,957	-	2,081,613	-	-	39,208	6,551,778
Retentions payable	-	-	-	26,493	-	172,188	198,681
Total liabilities	7,377,483	10,386	2,208,670	138,026	-	1,822,762	11,557,327
Deferred Inflow of Resources:							
Unavailable revenue	-	-	-	-	-	3,416	3,416
Total deferred inflow of resources	-	-	-	-	-	3,416	3,416
Fund Balances:							
Nonspendable	715,474	-	-	-	-	-	715,474
Restricted	-	7,421,829	268,319	-	2,950	19,632,160	27,325,258
Assigned	22,738,731	-	-	9,867,419	-	-	32,606,150
Unassigned	7,726,513	-	-	-	-	(1,014,560)	6,711,953
Total fund balances	31,180,718	7,421,829	268,319	9,867,419	2,950	18,617,600	67,358,835
Total liabilities and deferred inflow of resources and fund balances	\$ 38,558,201	\$ 7,432,215	\$ 2,476,989	\$ 10,005,445	\$ 2,950	\$ 20,443,778	\$ 78,919,578

See Accompanying Notes to the Basic Financial Statements.

City of Arcadia
Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2021

Total Fund Balances - Total Governmental Funds	\$ 67,358,835
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Amounts reported for governmental activities in the statement of net position were different because:

Capital assets used in governmental activities were not current financial resources. Therefore, they were not reported in the governmental funds.	65,801,600
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Interest payable on long-term debt did not require current financial resources. Therefore, interest payable was not reported as a liability in the governmental funds.	(1,383,011)
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Long-term liabilities were not due and payable in the current period. Therefore, they were not reported in the governmental funds:

Long-term liabilities - due within one year	(5,799,767)
Long-term liabilities - due in more than one year	(102,606,351)
Net pension liability	(145,742,739)
Net OPEB liability	(13,409,849)
	(267,558,706)

Deferred outflows and inflows of resources relating to pensions and OPEB: In governmental funds, deferred outflows and inflows of resources relating to pensions and OPEB are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions are reported.

Deferred outflows related to net pension liability	106,133,608
Deferred inflows related to net pension liability	(1,204,636)
Deferred outflows related to OPEB	3,461,022
Deferred inflows related to OPEB	(2,985,742)
	105,404,252

In governmental funds, revenue is recognized only to the extent that it is "available" meaning it will be collected soon enough after the end of the period to finance expenditures of that period. Receivables for revenues that are earned but unavailable are deferred until the period in which the revenues become available. In the government-wide statements, revenue is recognized when earned, regardless of availability. The amount of unavailable revenues that are recognized in the government-wide statements is:

	1,462,156
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Net Position of Governmental Activities	\$ (28,914,874)
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City of Arcadia
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2021

	Major Funds					Nonmajor	Total
	General	Parks and Recreation	Measure W Safe, Clean Water Program	Capital Outlay	Pension Obligation Bonds	Governmental Funds	Governmental Funds
REVENUES:							
Taxes	\$ 44,901,921	\$ -	\$ 1,008,001	\$ 132,761	\$ -	\$ 2,181,605	\$ 48,224,288
Licenses and permits	4,123,661	-	-	-	-	230,538	4,354,199
Fines and forfeitures	169,254	-	-	-	-	113,169	282,423
Use of money and property	1,292,430	39,183	6,492	47,855	-	49,313	1,435,273
Intergovernmental	8,260,792	837,750	-	-	-	13,329,979	22,428,521
Charges for services	3,785,302	622,346	-	-	-	135,633	4,543,281
Other revenues	3,033,338	-	-	-	-	158,710	3,192,048
Total revenues	65,566,698	1,499,279	1,014,493	180,616	-	16,198,947	84,460,033
EXPENDITURES:							
Current:							
General government:							
City council	200,744	-	-	-	-	-	200,744
City manager	935,457	-	-	-	-	-	935,457
City clerk	259,576	-	-	-	-	-	259,576
City attorney	451,615	-	-	-	-	-	451,615
General city	5,238,365	-	-	118,719	89,997,050	142,761	95,496,895
Administrative services	3,445,080	-	-	-	-	-	3,445,080
Public safety:							
Police	21,358,135	-	-	17,666	-	224,972	21,600,773
Fire	18,016,211	-	-	57,571	-	4,595	18,078,377
Public works services	4,333,416	-	385,908	803,533	-	2,063,966	7,586,823
Community development	4,686,103	-	-	500,000	-	6,460,025	11,646,128
Library	3,748,433	-	-	40,291	-	-	3,788,724
Recreation and community services	2,212,484	278,380	-	208,037	-	397,823	3,096,724
Debt service:							
Principal retirement	58,028	-	-	-	-	675,000	733,028
Interest and fiscal charges	-	-	-	-	-	338,673	338,673
Total expenditures	64,943,647	278,380	385,908	1,745,817	89,997,050	10,307,815	167,658,617
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	623,051	1,220,899	628,585	(1,565,201)	(89,997,050)	5,891,132	(83,198,584)
OTHER FINANCING SOURCES (USES):							
Transfers in	1,876,110	-	-	100,101	1,957,400	811,012	4,744,623
Transfers out	(911,113)	-	-	-	-	(2,768,220)	(3,679,333)
Proceeds from bond issuance	-	-	-	-	88,042,600	-	88,042,600
Total other financing sources (uses)	964,997	-	-	100,101	90,000,000	(1,957,208)	89,107,890
Net changes in fund balances	1,588,048	1,220,899	628,585	(1,465,100)	2,950	3,933,924	5,909,306
FUND BALANCES:							
Beginning of fiscal year	29,592,670	6,200,930	(360,266)	11,332,519	-	14,683,676	61,449,529
End of fiscal year	<u>\$ 31,180,718</u>	<u>\$ 7,421,829</u>	<u>\$ 268,319</u>	<u>\$ 9,867,419</u>	<u>\$ 2,950</u>	<u>\$ 18,617,600</u>	<u>\$ 67,358,835</u>

City of Arcadia
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and
Changes in Fund Balances to the Government-Wide Statement of Activities
For the Fiscal Year Ended June 30, 2021

Net Change in Fund Balances - Total Governmental Funds	\$ 5,909,306
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Amounts reported for governmental activities in the Statement of Activities were different because:

Acquisition of capital assets was reported as expenditures in the governmental funds. However, in the statement of activities, the cost of those assets was allocated over the estimated useful lives as depreciation expense. The following was the amount of capital assets recorded in the current period:

Public safety	145,115
Public works services	160,899
Community development	3,102,643
Library	6,345
Recreation and community services	197,268
Total	3,612,270

In governmental funds, the entire proceeds from disposal of capital assets are reported as revenue. In the statement of activities, only the resulting gain or loss is reported. The difference between the proceeds from disposal of capital assets and the resulting gain or loss is:

(35,348)

Depreciation expense on capital assets was reported in the statement of activities, but it did not require the use of current financial resources. Therefore, depreciation expense was not reported as an expenditure in the governmental funds.

(4,237,508)

Compensated absences was reported in the statement of activities, but it did not require the use of current financial resources. Therefore, compensated absences was not reported as an expenditure in the governmental funds. The differences between paid and earned for the period was:

6,455

Claims and judgments payable was reported in the Statement of Activities, but it did not require the use of current financial resources. Therefore, claims and judgments payable was not reported as an expenditure in the governmental funds. The differences between claims incurred and paid for the period was:

100,546

Long-term Net OPEB liability was reported in the Statement of Activities, but it did not require the use of current financial resources. Therefore, OPEB was not reported as an expenditure in the governmental funds. The differences between accrual-basis OPEB costs and actual employer contributions was:

1,241,063

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of the principal of long-term debt consumes the current financial resources of governmental funds. Also, governmental funds report the effect of premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Proceeds from bond issuance	(88,042,600)
Repayment of long-term debt	733,028
Total	(87,309,572)

Some expenses are reported in the Statement of Activities, but they did not require the use of current financial resources. Therefore, these expenses were not reported as an expenditure in the governmental funds.

Accrued interest	(1,236,471)
Amortization of bond premium	41,610
Total	(1,194,861)

In governmental funds, pension costs are recognized when employer contributions are made. In the Statement of Activities, pension costs are recognized on the accrual basis. This fiscal year, the difference between accrual-basis pension costs and actual employer contributions was:

86,477,391

Unavailable revenue is not recognized as revenue in the governmental funds in current fiscal year since the revenue is not available to fund current fiscal year expenditures.

747,055

Change in Net Position of Governmental Activities	\$ 5,316,797
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PROPRIETARY FUNDS

FINANCIAL STATEMENTS

Water Utility Enterprise Fund - established to account for the operation of the City's water utility, a self-supporting activity which renders services on a user charge basis to residents and businesses located in Arcadia.

Sewer Maintenance Enterprise Fund - established to account for maintenance of the City's sewer system. Financing is provided by fees charged to residential and commercial developers.

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City of Arcadia
Statement of Net Position
Proprietary Funds
June 30, 2021

	Enterprise Funds			
	Water Utility	Sewer Maintenance	Nonmajor Enterprise Funds	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Current assets:				
Cash and investments	\$ 16,328,868	\$ 5,681,380	\$ 762,481	\$ 22,772,729
Accounts receivable	3,028,920	470,056	2,603	3,501,579
Interest receivable	29,309	10,200	-	39,509
Prepaid items	168,482	-	811	169,293
Due from other governments	4,774	182	1,441,024	1,445,980
Inventories	-	-	18,978	18,978
Total current assets	19,560,353	6,161,818	2,225,897	27,948,068
Capital assets:				
Nondepreciable	7,835,056	29,844	-	7,864,900
Depreciable, net	31,102,597	4,911,325	1,418,078	37,432,000
Total capital assets	38,937,653	4,941,169	1,418,078	45,296,900
Total assets	58,498,006	11,102,987	3,643,975	73,244,968
Deferred outflows of resources:				
Deferred outflows related to net pension liability	980,565	279,102	66,657	1,326,324
Deferred outflows related to OPEB	108,495	-	-	108,495
Total deferred outflows of resources	1,089,060	279,102	66,657	1,434,819
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES				
Current liabilities:				
Accounts payable	3,202,848	124,342	390,415	3,717,605
Retentions payable	-	5,182	-	5,182
Accrued salaries payable	107,449	28,918	6,752	143,119
Interest payable	20,659	5,880	1,404	27,943
Due to other funds	-	-	1,155,593	1,155,593
Compensated absences payable - due within one year	50,093	-	-	50,093
Pension obligation bonds payable - due within one year	44,000	12,500	3,000	59,500
Deposits	71,046	-	162,142	233,188
Total current liabilities	3,496,095	176,822	1,719,306	5,392,223
Noncurrent liabilities:				
Net pension liabilities	7,414,444	2,110,395	504,015	10,028,854
Net OPEB liabilities	585,857	-	-	585,857
Compensated absences payable - due in more than one year	116,302	-	-	116,302
Pension obligation bonds payable - due in more than one year	1,403,100	399,400	95,400	1,897,900
Total noncurrent liabilities	9,519,703	2,509,795	599,415	12,628,913
Total liabilities	13,015,798	2,686,617	2,318,721	18,021,136
Deferred inflows of resources:				
Deferred inflows related to OPEB	125,326	-	-	125,326
Total deferred inflows of resources	125,326	-	-	125,326
NET POSITION				
Net investment in capital assets	38,937,653	4,941,169	1,418,078	45,296,900
Unrestricted	7,508,289	3,754,303	(26,167)	11,236,425
Total net position	\$ 46,445,942	\$ 8,695,472	\$ 1,391,911	\$ 56,533,325

See Accompanying Notes to the Basic Financial Statements.

City of Arcadia
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2021

	Enterprise Funds			
	Water Utility	Sewer Maintenance	Nonmajor Enterprise Funds	Total
OPERATING REVENUES:				
Charges for services	\$ 16,048,632	\$ 2,552,327	\$ 1,859,629	\$ 20,460,588
Other	30,284	28,394	75,214	133,892
Total operating revenues	16,078,916	2,580,721	1,934,843	20,594,480
OPERATING EXPENSES:				
Administration and general	3,529,344	1,368,191	589,951	5,487,486
Power, supplies, and pumping	13,040,214	281,822	-	13,322,036
Merchandise and food	-	-	75,921	75,921
Supplies and maintenances	-	-	231,205	231,205
Contract costs	186,015	86,223	2,424,649	2,696,887
Depreciation	1,595,821	296,791	448,938	2,341,550
Total operating expenses	18,351,394	2,033,027	3,770,664	24,155,085
OPERATING INCOME (LOSS)	(2,272,478)	547,694	(1,835,821)	(3,560,605)
NONOPERATING REVENUES (EXPENSES):				
Investment income	113,070	41,552	-	154,622
Federal and state grants	-	-	2,449,548	2,449,548
Gain on disposal of capital assets	2,108	-	-	2,108
Interest and fiscal charges	(20,659)	(5,880)	(1,404)	(27,943)
Total nonoperating revenues (expenses)	94,519	35,672	2,448,144	2,578,335
INCOME (LOSS) BEFORE TRANSFERS	(2,177,959)	583,366	612,323	(982,270)
TRANSFERS:				
Transfers in	-	-	892,110	892,110
Transfers out	(1,447,100)	(411,900)	(98,400)	(1,957,400)
Total transfers	(1,447,100)	(411,900)	793,710	(1,065,290)
Changes in net position	(3,625,059)	171,466	1,406,033	(2,047,560)
NET POSITION:				
Beginning of fiscal year	50,071,001	8,524,006	(14,122)	58,580,885
End of fiscal year	<u>\$ 46,445,942</u>	<u>\$ 8,695,472</u>	<u>\$ 1,391,911</u>	<u>\$ 56,533,325</u>

See Accompanying Notes to the Basic Financial Statements.

City of Arcadia
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2021

	Enterprise Funds			
	Water Utility	Sewer Maintenance	Nonmajor Enterprise Funds	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from customers	\$ 15,549,852	\$ 2,523,105	\$ 1,961,279	\$ 20,034,236
Cash payments to suppliers for goods and services	(12,602,693)	(656,466)	(2,930,278)	(16,189,437)
Cash payments to employees for services	(3,152,298)	(945,589)	(238,971)	(4,336,858)
Cash received for other operating activities	30,284	28,394	75,214	133,892
Net cash provided by (used in) operating activities	(174,855)	949,444	(1,132,756)	(358,167)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Cash received from other governments	13,204	12	1,423,743	1,436,959
Due to other funds	-	-	889,243	889,243
Proceeds from bond issuance	1,447,100	411,900	98,400	1,957,400
Advances from other funds	-	-	(201,614)	(201,614)
Transfers in	-	-	892,110	892,110
Transfers out	(1,447,100)	(411,900)	(98,400)	(1,957,400)
Net cash provided (used) by noncapital financing activities	13,204	12	3,003,482	3,016,698
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Proceeds from sale of capital assets	2,108	-	-	2,108
Acquisition of capital assets	(1,024,817)	(450,695)	(1,310,324)	(2,785,836)
Net cash provided by (used in) capital and related financing activities	(1,022,709)	(450,695)	(1,310,324)	(2,783,728)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest received	156,058	52,615	-	208,673
Net cash provided by investing activities	156,058	52,615	-	208,673
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,028,302)	551,376	560,402	83,476
CASH AND CASH EQUIVALENTS - Beginning of fiscal year	17,357,170	5,130,004	202,079	22,689,253
CASH AND CASH EQUIVALENTS - End of fiscal year	\$ 16,328,868	\$ 5,681,380	\$ 762,481	\$ 22,772,729
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating income (loss)	\$ (2,272,478)	\$ 547,694	\$ (1,835,821)	\$ (3,560,605)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	1,595,821	296,791	448,938	2,341,550
Changes in assets, deferred outflows, liabilities, and deferred inflows:				
Accounts receivable	(473,564)	(29,222)	499	(502,287)
Prepaid items	(53,569)	-	3,073	(50,496)
Inventories	-	-	(7,080)	(7,080)
Accounts payable	841,457	114,154	175,228	1,130,839
Retention payable	(32,504)	3,570	-	(28,934)
Accrued salaries payable	23,549	3,861	781	28,191
Deposits	(25,216)	-	101,151	75,935
Net pension liabilities	500,074	84,891	(4,820)	580,145
Deferred outflow of resources - pension	(138,320)	(32,374)	(4,676)	(175,370)
Deferred inflow of resources - pension	(136,275)	(39,921)	(10,029)	(186,225)
Net OPEB liability	(14,935)	-	-	(14,935)
Deferred outflow of resources - OPEB	20,768	-	-	20,768
Deferred inflow of resources - OPEB	(14,363)	-	-	(14,363)
Compensated absences	4,700	-	-	4,700
Total adjustments	2,097,623	401,750	703,065	3,202,438
Net cash provided by (used in) operating activities	\$ (174,855)	\$ 949,444	\$ (1,132,756)	\$ (358,167)

See Accompanying Notes to the Basic Financial Statements.

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FIDUCIARY FUND

Successor Agency to the Arcadia Redevelopment Agency Private-Purpose Trust Fund - established to account for activities of the Successor Agency to the Arcadia Redevelopment Agency.

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City of Arcadia
Statement of Fiduciary Net Position
Fiduciary Fund
June 30, 2021

	Successor Agency to the Arcadia Redevelopment Agency Private-Purpose Trust Fund
	<u>Trust Fund</u>
ASSETS	
Current assets:	
Cash and investments	\$ 2,594,430
Cash and investments with fiscal agent	1
Interest receivable	3,586
Total current assets	<u>2,598,017</u>
Total assets	<u>2,598,017</u>
LIABILITIES	
Current liabilities:	
Accrued salaries payable	526
Interest payable	57,067
Total current liabilities	<u>57,593</u>
Noncurrent liabilities:	
Bonds payable - due in more than one year	9,340,000
Total noncurrent liabilities	<u>9,340,000</u>
Total liabilities	<u>9,397,593</u>
NET POSITION (DEFICIT)	
Held in trust	<u>\$ (6,799,576)</u>

City of Arcadia
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2021

	Successor Agency to the Arcadia Redevelopment Agency Private-Purpose Trust Fund
	<hr/>
ADDITIONS:	
Redevelopment Property Tax Trust Fund	\$ 1,168,054
Use of money and property	(21,703)
Other revenues	320,314
Total additions	<hr/> 1,466,665 <hr/>
DEDUCTIONS:	
Enforceable obligations	667,877
Administration	51,522
Total deductions	<hr/> 719,399 <hr/>
Change in net position	747,266
NET POSITION (DEFICIT):	
Beginning of fiscal year	<hr/> (7,546,842)
End of fiscal year	<hr/> \$ (6,799,576) <hr/>

NOTES TO THE BASIC FINANCIAL STATEMENTS

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City of Arcadia
Notes to the Basic Financial Statements
June 30, 2021

Note 1 – Summary of Significant Accounting Policies

The basic financial statements of the City of Arcadia, California (the “City”) have been prepared in conformity with accounting principles generally accepted in the United States (“U.S. GAAP”) as applied to governmental agencies. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the significant policies:

A. Financial Reporting Entity

The City was incorporated on August 15, 1903 as a charter city under the laws of the State of California and enjoys all the rights and privileges allowed by its charter. The City is governed by an elected five-member council.

Component units are legally separate entities that meet any one of the following tests:

1. The City appoints the voting majority of the board and:
 - is able to impose its will on the component unit and/or
 - is in a relationship of financial benefit or burden with the component unit.
2. The component unit is fiscally dependent upon the City.
3. The financial statements of the City would be misleading if data from the component unit were omitted.

The City had no blended or discretely presented component units.

B. Basis of Accounting and Measurement Focus

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. City resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

In accordance with GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, the statement of net position reports separate sections for Deferred Outflows of Resources and Deferred Inflows of Resources, when applicable.

Deferred Outflows of Resources represent outflows of resources (consumption of net position) that apply to future periods and, therefore, will not be recognized as an expense until that time.

Deferred Inflows of Resources represent inflows of resources (acquisition of net position) that apply to future periods and, therefore, are not recognized as revenue until that time.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

Government-Wide Financial Statements

The Government-Wide Financial Statements are presented on an “*economic resources*” measurement focus and the accrual basis of accounting. Accordingly, all of the City’s assets and liabilities, including capital assets, as well as infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. Fiduciary activities of the City are not included in these statements.

Certain types of transactions are reported as program revenues for the City in three categories:

- Charges for services
- Operating grants and contributions
- Capital grants and contributions

Certain eliminations have been made in regards to interfund activities, payables, and receivables. All internal balances in the statement of net position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the statement of activities, transactions between governmental and business-type activities have not been eliminated. The following interfund activities have been eliminated:

- Due from/to other funds
- Transfers in/out

Governmental Fund Financial Statements

All governmental funds are accounted for on a spending or “*current financial resources*” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balances. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

An accompanying schedule is presented to reconcile and explain the differences in fund balances as presented in these statements to the net position presented in the government-wide financial statements.

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 these purposes, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The primary revenue sources, which have been treated as susceptible to accrual by the City, are property taxes, sales taxes, certain grant revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

Governmental Fund Financial Statements (Continued)

The City reports the following major governmental funds:

- General Fund – This fund was established to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.
- Parks and Recreation Special Revenue Fund – This fund was established to account for the development of new park sites and playground facilities. Financing is provided by state and federal reimbursement programs in conjunction with fees charged to residential and commercial developers.
- Measure W Safe, Clean Water Program Fund – This fund was established to be used on projects for capturing, treating, and recycling stormwater.
- Capital Outlay Capital Projects Fund – This fund was established to account for acquisition of capital items and construction of capital projects as determined by City Council. Financing is provided by the City's share of proceeds from the Santa Anita Race Track as allowed by the State.
- Pension Obligation Bonds Debt Service Fund – This fund was established to accumulate monies for payment of principal and interest on Pension Obligation Bonds. Debt service is from any source of legally available funds of the City.

Proprietary Fund Financial Statements

Proprietary funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the statement of net position. The statement of revenues, expenses, and changes in net position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. In these funds, receivables have been recorded as revenue and provisions have been made for uncollectible amounts.

Proprietary funds distinguish operating revenues and expenses from non-operating 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 proprietary funds are charges to customers for sales and services. Operating expenses for the proprietary funds include the costs 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.

The City reports the following major proprietary funds:

- Water Utility Enterprise Fund – This fund was established to account for the operation of the City's water utility, a self-supporting activity which renders services on a user charge basis to residents and businesses located within the City.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

Proprietary Fund Financial Statements (Continued)

- Sewer Maintenance Enterprise Fund – This fund was established to account for the maintenance of the City’s sewer system. Financing is provided by fees charged to residential and commercial developers.

Fiduciary Fund Financial Statements

The fiduciary fund is reported using the accrual basis of accounting.

The City reports the following fiduciary fund:

- Successor Agency to the Arcadia Redevelopment Agency Fund – This private-purpose trust fund was established to account for the activities of the Successor Agency to the Arcadia Redevelopment Agency.

C. Cash, Cash Equivalents and Investments

The City considered to be cash on hand, demand deposits, and short-term investments with original maturity of three months or less from the date of acquisition as cash and cash equivalents. All cash and investments of proprietary funds are held in the City's investment pool. These cash pools have the general characteristics of a demand deposit account, therefore, all cash and investments in the proprietary funds are considered cash and cash equivalents for statement of cash flows purposes.

Investments are stated at fair value (quoted market price or best available estimate thereof).

D. Cash and Investments with Fiscal Agent

Cash and investments with fiscal agent are restricted for the redemption of bonded debt and for acquisition and construction of capital projects.

E. Interfund Transactions

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

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

F. Inventories and Prepaid Items

Inventories within the various fund types consist of materials and supplies which are valued at cost on a first-in, first-out basis. Reported expenditures reflect the consumption method of recognizing inventory-related expenditures. A nonspendable fund balance has been reported in the governmental funds to show that inventories do not constitute “*available spendable resources*”, even though they are a component of current assets.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

G. Capital Assets

In the government-wide financial statements, capital assets are recorded at cost where historical records are available and at an estimated original cost where no historical records exist. Donated capital assets are valued at their acquisition value on the date donated. City policy has set the capitalization threshold for reporting infrastructure at \$50,000; all other capital assets are set at \$5,000.

The City defines infrastructure assets as the basic physical assets that allow the City to function. The assets include streets, storm drains, park lands, and buildings. Each major infrastructure system can be divided into subsystems. For example, the street system can be subdivided into pavement, curb and gutters, sidewalks, medians, streetlights, landscaping and land. These subsystems are not delineated in the basic financial statements. The appropriate operating department maintains information regarding the subsystems. For all infrastructure systems, the City elected to use the “Basic Approach”.

Interest accrued during capital assets construction, if any, is capitalized for the enterprise funds as part of the asset cost.

Capital assets used in operations are depreciated over their estimated useful lives using the straight-line method. The lives used for depreciation purposes are as follows:

Hydrants	30 years
Pipes	40-75 years
Wells	25-40 years
Booster pumps	25 years
Reservoirs	60 years
Chlorination equipment	20 years
Telemetry system	30 years
Meters	20 years
Auto equipment	4-15 years
Office furniture and equipment	3-20 years
Infrastructure:	
Streets	30-50 years
Sewers	40-100 years
Traffic signals	20 years
Street lights	30 years
Bridges	40-50 years

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

G. Capital Assets (Continued)

In the fund financial statements, the governmental fund financial statements do not present capital assets. Consequently, capital assets are presented as reconciling items in the reconciliation of the governmental funds balance sheet to the government-wide statement of net position.

H. Interest Payable

In the government-wide financial statements, interest payable on long-term debt is recognized as the liability is incurred for governmental activities and business-type activities. In the fund financial statements, only proprietary fund types recognize the interest payable when the liability is incurred.

I. Unearned Revenue

Unearned revenue is recognized for transactions for which revenue has not yet been earned. Typical transactions recorded as unearned revenues are prepaid charges for services.

J. Compensated Absences

City employees have vested interest in varying levels of vacation and sick leave based on their length of employment. Vacation leave is payable to employees at the time a vacation is taken or upon termination of employment. Vacation leave cannot be accrued for more than 65 pay periods at the accrual rate. Sick leave is payable only when an employee is unable to work due to personal or family illness. Sick leave may be accrued up to a maximum of 1,500 hours for general employees, 2,000 hours for public works employees, 1,500 for civilian police, 1,600 hours for sworn police, and 2,100 hours for fire employees. Unused sick leave does not vest and is forfeited upon termination. The amount of compensated absences is accrued when incurred in the government-wide financial statements and proprietary funds. Compensated absences are primarily liquidated by the General Fund and proprietary funds.

K. Long-Term Liabilities

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the appropriate activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, the governmental fund financial statements do not present long-term liabilities. Consequently, long term debt is shown as a reconciling item in the reconciliation of the governmental funds balance sheet to the government-wide statement of net position.

L. Claims and Judgments

When it is probable that a claim or judgment liability has been incurred at fiscal year-end, and the amount of the loss can be reasonably estimated, the City records the estimated loss, net of any insurance coverage. The City is self-insured and has insurance coverage in excess of the self-insured amounts as a member of the California Insurance Pool Authority (“CIPA”).

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

M. Property Taxes

Under California law, property taxes are assessed and collected by the counties up to 1% of assessed value, plus other increases approved by the voters. The property taxes go into a pool with the County and are then allocated to the cities based on complex formulas. Accordingly, the City accrues only those taxes which are received from the County of Los Angeles (the “County”) within sixty days after fiscal year-end.

The following are key dates pertaining to property taxes:

Lien Date:	January 1
Levy Date:	July 1
Due Date:	November 1 and February 1
Collection Date:	December 10 and April 10

N. Net Position

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

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

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

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

O. Fund Balances

In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable – Nonspendable fund balances are items that cannot be spent because they are not in spendable form, such as prepaid items and inventories, or items that are legally or contractually required to be maintained intact, such as principal of an endowment or revolving loan funds.

Restricted – Restricted fund balances encompass the portion of net fund resources subject to externally enforceable legal restrictions. This includes externally imposed restrictions by creditors, such as through debt covenants, grantors, contributors, laws or regulations of other governments, as well as restrictions imposed by law through constitutional provisions or enabling legislation.

Committed – Committed fund balances encompass the portion of net fund resources, the use of which is constrained by limitations that the government imposes upon itself at its highest level of decision making, normally the governing body, and that remain binding unless removed in the same manner. The City Council is considered the highest authority for the City. Adoption of a resolution by the City Council is required to commit resources or to rescind the commitment.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

O. Fund Balances (Continued)

Assigned – Assigned fund balances encompass the portion of net fund resources reflecting the government's intended use of resources. Assignment of resources can be done by the highest level of decision making or by a committee or official designated for that purpose. The City Council has by resolution authorized the City Manager and the Administrative Services Director for that purpose.

Unassigned – This amount is for any portion of the fund balances that do not fall into one of the above categories. The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

P. Spending Policy

Government-Wide Financial Statements and the Proprietary Fund Financial Statements

When expenses are incurred for purposes for which both restricted and unrestricted components of net position are available, the City's policy is to apply the restricted component of net position first, then the unrestricted component of net position as needed.

Governmental Fund Financial Statements

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, the City's policy is to apply restricted fund balances first, then unrestricted fund balances as needed.

When expenditures are incurred for purposes where only unrestricted fund balances are available, the City uses the unrestricted resources in the following order, except for instances wherein an ordinance specifies the fund balance:

Committed
Assigned
Unassigned

Q. Use of Estimates

The preparation of the basic financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

R. New Governmental Accounting Standards

Implementation Status

In October 2021, The GASB issued Statement No. Statement 98, The Annual Comprehensive Financial Report. This Statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. This Statement was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym for comprehensive annual financial report sounds like a profoundly objectionable racial slur. This Statement's introduction of the new term is founded on a commitment to promoting inclusiveness. The City has implemented this Statement for the current fiscal year.

In January 2017, the GASB issued Statement No. 84, Fiduciary Activities. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria. The City has implemented this Statement for the current fiscal year. As a result, the City reclass all deposits that were previously report as Agency Fund into City's General Fund.

In August 2018, the GASB issued Statement No. 90 Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61. This Statement defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method. For all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit, and the government or fund that holds the equity interest should report an asset related to the majority equity interest using the equity method. This Statement establishes that ownership of a majority equity interest in a legally separate organization results in the government being financially accountable for the legally separate organization and, therefore, the government should report that organization as a component unit. In Fiscal Year 2021, the City determined that these requirements do not affect the financial reporting for the City.

In January 2020, the GASB issued Statement 92, Omnibus 2020. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. In Fiscal Year 2021, the City determined that the portions of this statement pertaining to the current fiscal year do not affect the financial reporting for the City.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 1 – Summary of Significant Accounting Policies (Continued)

S. Future Accounting Pronouncements

GASB Statements listed below will be implemented in future financial statements:

Statement No. 87	"Leases"	The provisions of this statement are effective for fiscal years beginning after June 30, 2022
Statement No. 89	"Accounting for Interest Cost incurred before the End of a Construction Period"	The provisions of this statement are effective for fiscal years beginning after December 31, 2021
Statement No. 91	"Conduit Debt Obligations"	The provisions of this statement are effective for fiscal years beginning after December 31, 2022.
Statement No. 92	"Omnibus 2020"	The provisions of this statement are effective for fiscal years beginning after June 30, 2022.
Statement No. 93	"Replacement of Interbank Offered Rates"	The provisions of this statement are effective for fiscal years beginning after June 30, 2022.
Statement No. 94	"Public-Private and Public-Public Partnerships and Availability Payment Arrangements"	The provisions of this statement are effective for fiscal years beginning after June 30, 2023.
Statement No. 96	"Subscription-Based Information Technology Arrangements"	The provisions of this statement are effective for fiscal years beginning after June 30, 2023.
Statement No. 97	"Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans"	The provisions of this statement are effective for fiscal years beginning after June 30, 2022.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 2 – Cash and Investments

The City maintains a cash and investment pool, which includes cash balances and authorized investments of all funds. Certain restricted funds which are held and invested by independent outside custodians through contractual agreements are not pooled. These restricted funds include cash and investments with fiscal agent.

The City had the following cash and investments at June 30, 2021:

	Government-Wide Statement of Net Position			Fiduciary Fund Statement of Net Position	Total
	Governmental Activities	Business-Type Activities	Total		
Cash and investments	\$ 70,231,946	\$ 22,772,729	\$ 93,004,675	\$ 2,594,430	\$ 95,599,105
Cash and investments with fiscal agent	2,969	-	2,969	1	2,970
Total cash and investments	\$ 70,234,915	\$ 22,772,729	\$ 93,007,644	\$ 2,594,431	\$ 95,602,075

The City's cash and investments at June 30, 2021 consists of the following:

Cash and cash equivalents:	
Petty cash	\$ 19,756
Demand deposits	3,981,249
Total cash and cash equivalents	<u>4,001,005</u>
Investments:	
Local Agency Investment Fund	36,798,355
California Asset Management Program	1,957,935
Certificates of Deposits	2,147,373
U.S. Treasury Notes	20,584,742
U.S. Government Sponsored Enterprise Securities	13,944,703
Supra-National Bonds	1,079,529
Municipal bonds	1,733,862
Asset Backed Securities/CMO	4,544,395
Corporate Bonds	8,807,206
Total investments	<u>91,598,100</u>
Cash and investments with fiscal agent:	
Money Market Funds	<u>2,970</u>
Total cash and investments	<u>\$ 95,602,075</u>

A. Deposits

The carrying amounts of the City's demand deposits were \$3,981,249 at June 30, 2021. Bank balances at that date were \$4,982,816, the total amount of which was collateralized or insured with securities held by the pledging financial institutions in the City's name as discussed below. The difference between the carrying amount and bank balances represents outstanding checks, deposits in transit, and other reconciling items.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 2 – Cash and Investments (Continued)

A. Deposits (Continued)

The California Government Code requires California banks and savings and loan associations to secure the City's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the City's name.

The fair value of pledged securities must equal at least 110% of the City's cash deposits. California law also allows institutions to secure City's deposits by pledging first trust deed mortgage notes having a value of 150% of the City's total cash deposits. The City may waive collateral requirements for cash deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation ("FDIC"). The City, however, has not waived the collateralization requirements.

The City follows the practice of pooling cash and investments of all funds, except for funds required to be held by fiscal agents under the provisions of bond indentures. Interest income earned on pooled cash and investments is allocated on an accounting period basis to the various funds based on the period-end cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the related fund.

B. Investments

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

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio *	Maximum Investment in One Issuer
United States Treasury Obligations	5 years	No Limit	No Limit
Federal Agency or United States Government-Sponsored Enterprise Obligations.			
Participations, or Other Instruments	5 years	No Limit	No Limit
Repurchase Agreements	30 days	No Limit	5%
Supranational Bonds	5 years	30%	No Limit
Prime Commercial Paper	270 days	25%	10%
Eligible Bankers' Acceptances	180 days	15%	15%
Medium-term notes (Corporate Notes/Bonds)	3 or 5 years**	30%	5%
Asset-Backed Securities	5 years	20%	5%
Negotiable Certificates of deposit (amount limited to FDIC insurance limits)	5 years	No Limit	5%
Non-negotiable Certificates of deposit and savings deposits	5 years	20%	5%
Placement Service Deposits	5 years	20%	5%
Local Agency Investment Fund ("LAIF")	N/A	No Limit	\$75 Million
Money Market Mutual Funds	N/A	20%	No Limit
Local Government Investment Pools	N/A	No Limit	No Limit
Municipal & State Obligations	5 years	20%	5%

N/A - Not Applicable

* Excluding amounts held by bond trustees that are not subject to California Government Code restrictions.

** 3 years for "A" rated corporate bonds and 5 years for "AA" rated bonds

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 2 – Cash and Investments (Continued)

B. Investments (Continued)

The City is a participant in LAIF which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City's investments with LAIF at June 30, 2021, included a portion of the pool funds invested in Structured Notes and Asset-Backed Securities:

Structured Notes: debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

Asset-Backed Securities: generally mortgage-backed securities that entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (for example, Collateralized Mortgage Obligations) or credit card receivables.

As of June 30, 2021, the City had \$36,798,355 invested in LAIF, which had invested 2.31% of the pool investment funds in Structured Notes and Asset-Backed Securities.

The City is also participating in California Asset Management Program (CAMP). The CAMP is a permitted investment for all local agencies under California Government Code Section 53601(p). As of June 30, 2021, the City had \$1,957,935 invested in CAMP.

C. Risk Disclosures

Interest Rate Risk - As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits investments to a maximum maturity of five years. At June 30, 2021, the City had the following investment maturities:

Investment Type	Fair Value	Investment Maturities (in Years)				
		Less than 1	1 to 2	2 to 3	3 to 4	4 to 5
Local Agency Investment Fund (LAIF)	\$ 36,798,355	\$ 36,798,355	\$ -	\$ -	\$ -	\$ -
California Asset Management Program (CAMP)	1,957,935	1,957,935	-	-	-	-
Certificates of Deposits	2,147,373	881,056	1,266,317	-	-	-
U.S. Treasury Notes	20,584,742	1,371,861	8,300,288	7,765,089	3,147,504	-
Federal Home Loan Bank	2,008,670	2,008,670	-	-	-	-
Federal Home Loan Mortgage Corporation	7,188,634	1,001,210	3,100,074	3,087,350	-	-
Federal National Mortgage Association	3,409,489	-	2,039,640	1,369,849	-	-
Federal CMO	1,337,910	720,500	536,745	80,665	-	-
Supra-National Bonds	1,079,529	-	725,700	353,829	-	-
Municipal Bonds	1,733,862	100,993	659,973	746,707	226,189	-
Asset Backed Securities	4,544,395	4,846	623,337	1,612,756	1,968,499	334,957
Corporate Bonds	8,807,206	-	4,078,407	3,322,076	1,406,723	-
Held by Fiscal Agent:						
Money Market Funds	2,970	2,970	-	-	-	-
Total	\$ 91,601,070	\$ 44,848,396	\$ 21,330,481	\$ 18,338,321	\$ 6,748,915	\$ 334,957

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 2 – Cash and Investments (Continued)

C. Risk Disclosures (Continued)

Credit Risk - State law limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized statistical rating organizations (“NRSROs”). It is the City’s policy to limit its investments in these investment types to the top rating issued by Standard & Poor’s and Moody’s Investors Service. At June 30, 2021, the City’s credit risks, expressed on a percentage basis, were as follows:

Credit Quality Distribution for Securities with Credit Exposure as a Percentage of Total Investments			
Investment Type	Moody's Credit Rating	S&P's Credit Rating	% of Investments with Interest Rate Risk
Certificates of Deposit	Not Rated	Not Rated	2.34%
United States Treasury Notes	Aaa	AA+	22.47%
Federal Farm Credit Bank	Aaa	AA+	0.00%
Federal Home Loan Bank	Aaa	AA+	2.19%
Federal Home Loan Mortgage Corp.	Aaa	AA+	7.85%
Federal National Mortgage Association	Aaa	AA+	3.72%
Federal CMO	Aaa	AA+	1.46%
Supranational Bonds - Intl Bank for Reconstruction & Development	Aaa	AAA	0.77%
Supranational Bonds - Inter-American Devel Bank	Aaa	AAA	0.41%
Municipal Bonds - CA State Earthquake Authority	Not rated	Not rated	0.11%
Municipal Bonds - NY State Urban Development Corp	Not rated	AA+	0.53%
Municipal Bonds - Chaffee Community College District	Aa2	AA	0.28%
Municipal Bonds - Port Authority of NY/NJ	Aa3	A+	0.32%
Municipal Bonds - Los Angeles Community College District	Aaa	AA+	0.14%
Municipal Bonds - State of Maryland	Aaa	AAA	0.27%
Municipal Bonds - NJ Turnpike Authority	A2	A+	0.11%
Municipal Bonds - Florida State Board of Administration	Aa3	AA	0.13%
Asset Backed Securities - Honda Auto Rcvbl 2018-2	Not rated	AAA	0.01%
Asset Backed Securities - Toyota Auto Rcvbl 2018-B	Aaa	AAA	0.07%
Asset Backed Securities - Ford Credit 2018-A	Not rated	AAA	0.02%
Asset Backed Securities - Volkswagen Auto Lease Trust 2019-A	Not rated	AAA	0.14%
Asset Backed Securities - Hyundai Auto Rcvbl 2018-B	Aaa	AAA	0.03%
Asset Backed Securities - Volkswagen Auto Loan Enhanced Trust	Aaa	AAA	0.13%
Asset Backed Securities - GM Financial Consumer Automobile Rcvbl Trust 2018-3	Not rated	AAA	0.07%
Asset Backed Securities - Carmax Auto Owner Trust 2018-3	Not rated	AAA	0.09%
Asset Backed Securities - Hyundai Auto Rcvbl Trust 2019-A	Not rated	AAA	0.13%
Asset Backed Securities - GM Financial Automobile Leasing Trust 2020-3	Aaa	AAA	0.14%
Asset Backed Securities - Carmax Auto Owner Trust 2018-4	Not rated	AAA	0.11%
Asset Backed Securities - Capital One Prime Auto Rcvbl Trust 2019-1	AAA	AAA	0.10%
Asset Backed Securities - Mercedes-Benz Auto Lease Trust 2020-B	Not rated	AAA	0.07%
Asset Backed Securities - GM Financial Consumer Automobile Rcvbl Trust 2019-1	Aaa	Not rated	0.12%
Asset Backed Securities - Fifth Third Auto Trust 2019-1	Aaa	AAA	0.12%
Asset Backed Securities - BMW Vehicle Leasing Trust 2021-1	Aaa	AAA	0.10%
Asset Backed Securities - Harley-Davidson Motorcycle Trust 2019-A	Aaa	Not rated	0.16%
Asset Backed Securities - Carmax Auto Owner Trust 2019-2	Not rated	AAA	0.14%
Asset Backed Securities - Toyota Lease Owner Trust 2021-A	Aaa	AAA	0.14%
Asset Backed Securities - Verizon Owner Trust 2019-C	Not rated	AAA	0.35%
Asset Backed Securities - GM Financial Automobile Leasing Trust 2021-2	Not rated	AAA	0.20%
Asset Backed Securities - Nissan Auto Receivables 2020-B Owner Trust	Aaa	AAA	0.21%
Asset Backed Securities - Verizon Owner Trust 2020-A	Aaa	AAA	0.14%
Asset Backed Securities - Discover Card Execution Note Trust	Aaa	Not rated	0.20%
Asset Backed Securities - Harley-Davidson Motorcycle Trust 2020-A	Aaa	AAA	0.13%

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 2 – Cash and Investments (Continued)

C. Risk Disclosures (Continued)

Credit Quality Distribution for Securities with Credit Exposure as a Percentage of Total Investments			
Investment Type	Moody's Credit Rating	S&P's Credit Rating	% of Investments with Interest Rate Risk
Asset Backed Securities - Toyota Auto Rcvbl 2020-C	Aaa	AAA	0.19%
Asset Backed Securities - Honda Auto Rcvbl 2020-3	Not rated	AAA	0.17%
Asset Backed Securities - BMW Vehicle Owner Trust 2020-A	Not rated	AAA	0.12%
Asset Backed Securities - Carmax Auto Owner Trust 2020-1	Not rated	AAA	0.16%
Asset Backed Securities - Hyundai Auto Receivables Trust 2020-B	Aaa	Not rated	0.18%
Asset Backed Securities - Verizon Owner Trust 2020-B	Aaa	Not rated	0.30%
Asset Backed Securities - GM Financial Consumer Auto Receivables Trust 2020-3	Aaa	Not rated	0.19%
Asset Backed Securities - World Omni Auto Receivables Trust 2020-B	Not rated	AAA	0.16%
Asset Backed Securities - Kubota Credit Owner Trust 2021-1	Aaa	Not rated	0.12%
Asset Backed Securities - Hyundai Auto Receivables Trust 2021-A	Not rated	AAA	0.11%
Asset Backed Securities - Carmax Auto Owner Trust 2021-2	Not rated	AAA	0.14%
Corporate Bonds - Amazon.com	A1	AA	0.77%
Corporate Bonds - JPMorgan Chase	A2	A-	0.64%
Corporate Bonds - Exxon Mobil	Aa2	AA-	0.48%
Corporate Bonds - Goldman Sachs	A2	BBB+	0.44%
Corporate Bonds - Caterpillar	A2	A	0.41%
Corporate Bonds - Citigroup	A3	BBB+	0.41%
Corporate Bonds - Honeywell International	A2	A	0.37%
Corporate Bonds - Apple	Aa1	AA+	0.34%
Corporate Bonds - Bristol-Myers Squibb	A2	A+	0.34%
Corporate Bonds - Bank of America	A2	A-	0.34%
Corporate Bonds - Toyota Motor	A1	A+	0.33%
Corporate Bonds - BNY Mellon	A1	A	0.30%
Corporate Bonds - PNC Bank	A2	A	0.29%
Corporate Bonds - Northern Trust Corp	A2	A+	0.28%
Corporate Bonds - Procter & Gamble	Aa3	AA-	0.28%
Corporate Bonds - Visa	Aa3	AA-	0.28%
Corporate Bonds - Morgan Stanley	A1	BBB+	0.28%
Corporate Bonds - AstraZeneca	A3	BBB+	0.28%
Corporate Bonds - Chevron Corp	Aa2	AA-	0.26%
Corporate Bonds - The Hershey Co	A1	A	0.25%
Corporate Bonds - Clorox	Baa1	A-	0.22%
Corporate Bonds - American Honda	A3	A-	0.21%
Corporate Bonds - John Deere Capital	A2	A	0.21%
Corporate Bonds - Comcast Corp	A3	A-	0.21%
Corporate Bonds - Adobe Inc	A2	A	0.20%
Corporate Bonds - General Dynamics	A2	A-	0.20%
Corporate Bonds - UnitedHealth Group	A3	A+	0.19%
Corporate Bonds - IBM	A2	A-	0.18%
Corporate Bonds - Charles Schwab Corp	A2	A	0.17%
Corporate Bonds - Pepsico Inc	A1	A+	0.14%
Corporate Bonds - Burlington Northern Santa Fe LLC	A3	AA-	0.14%
Corporate Bonds - Merck	A1	A+	0.13%
Corporate Bonds - Paccar Financial Corp	A1	A+	0.05%
Local Agency Investment Fund	Not Rated	Not Rated	40.18%
California Asset Management Program	Not Rated	Not Rated	2.14%
			100.00%

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 2 – Cash and Investments (Continued)

C. Risk Disclosures (Continued)

Custodial Credit Risk - For deposits, custodial credit risk is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Of the City's investments, \$2,970 of securities is held by the investment's counterparty, the trustee for the general obligation and tax allocation bonds, not in the name of the City as of June 30, 2021.

D. Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by U.S. generally accepted accounting principles. These principles recognize a three-tiered fair value hierarchy, as follows:

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

The City pooled investments has the following recurring fair value measurements as of June 30, 2021:

Investment by Fair Value Level	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Input (Level 2)	Significant Unobservable Inputs (Level 3)
Debt securities				
Certificates of Deposits	\$ 2,147,373	\$ 2,147,373	\$ -	\$ -
U.S. Treasury Notes	20,584,742	20,584,742	-	-
Federal Home Loan Bank	2,008,670	2,008,670	-	-
Federal Home Loan Mortgage Corporation	7,188,634	7,188,634	-	-
Federal National Mortgage Association	3,409,489	3,409,489	-	-
Federal CMO	1,337,910	1,337,910	-	-
Supra-National Bonds	1,079,529	1,079,529	-	-
Municipal Bonds	1,733,862	1,733,862	-	-
Asset Backed Securities	4,544,395	4,544,395	-	-
Corporate Bonds	8,807,206	8,807,206	-	-
Total Investments Measured at Fair Value	52,841,810	\$ 52,841,810	\$ -	\$ -
Investments Measured at Amortized Cost				
LAIF	36,798,355			
CAMP	1,957,935			
Total Pooled Investments	\$ 91,598,100			

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 3 – Interfund Transactions

A. Government-Wide Financial Statements

Transfers - At June 30, 2021, the City had the following transfers for the operation of the Transit System Enterprise Fund and Pension Obligation Bonds Fund:

Transfers Out		Transfers In	
		Governmental Activities	
Business-type Activities		\$	1,065,290

B. Fund Financial Statements

Due From/To Other Funds - At June 30, 2021, the City had the following due from/to other funds:

Due to Other Funds		Due from Other Funds	
		General Fund	
Nonmajor Governmental Funds			586,170
Nonmajor Enterprise Fund			1,155,593
Total		\$	1,741,763

The above interfund balances resulted from temporary reclassifications made at June 30, 2021 to cover cash shortfalls.

Transfers In/Out - At June 30, 2021, the City had the following transfers in/out which arise in the normal course of operations:

Transfers Out	Transfers In					Total
	General Fund	Capital Outlay Capital Projects Fund	Pension Obligation Fund	Nonmajor Governmental Funds	Nonmajor Enterprise Fund	
General Fund	\$ -	\$ 100,101	\$ -	\$ 811,012	\$ -	\$ 911,113
Nonmajor Governmental Funds	1,876,110	-	-	-	892,110	2,768,220
Water Utility Fund	-	-	1,447,100	-	-	1,447,100
Sewer Maintenance Fund	-	-	411,900	-	-	411,900
Nonmajor Enterprise Funds	-	-	98,400	-	-	98,400
Total	<u>\$ 1,876,110</u>	<u>\$ 100,101</u>	<u>\$ 1,957,400</u>	<u>\$ 811,012</u>	<u>\$ 892,110</u>	<u>\$ 5,636,733</u>

In general, transfers are used to 1) transfer restricted revenues collected in one fund to finance eligible programs accounted for in other funds in accordance with budgetary authorizations, 2) to fund future capital projects, and 3) to fund pension.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 4 – Capital Assets

A. Government-Wide Financial Statements

A summary of changes in the capital assets for the governmental activities for the fiscal year ended June 30, 2021 is as follows:

	Governmental Activities				Balance June 30, 2021
	Balance July 1, 2020	Additions	Deletions	Transfers	
Nondepreciable assets:					
Land	\$ 4,335,769	\$ -	\$ -	\$ -	\$ 4,335,769
Construction in progress	4,430,307	3,385,429	(11,566)	(5,000,415)	2,803,755
Total nondepreciable assets	8,766,076	3,385,429	(11,566)	(5,000,415)	7,139,524
Depreciable assets:					
Building and improvements	58,890,916	44,495	-	1,204,746	60,140,157
Automotive equipment	12,777,860	4,809	(244,269)	181,143	12,719,543
Furniture and equipment	12,244,248	177,537	(103,007)	-	12,318,778
Infrastructure	91,887,239	-	-	3,614,526	95,501,765
Total capital assets, being depreciated	175,800,263	226,841	(347,276)	5,000,415	180,680,243
Less accumulated depreciation:					
Building and improvements	(30,219,387)	(1,866,144)	-	-	(32,085,531)
Automobile equipment	(9,922,387)	(622,769)	220,487	-	(10,324,669)
Furniture and equipment	(2,338,176)	(505,156)	103,007	-	(2,740,325)
Infrastructure	(75,624,203)	(1,243,439)	-	-	(76,867,642)
Total accumulated depreciation	(118,104,153)	(4,237,508)	323,494	-	(122,018,167)
Total depreciable assets, net	57,696,110	(4,010,667)	(23,782)	5,000,415	58,662,076
Governmental activities capital assets, net	\$ 66,462,186	\$ (625,238)	\$ (35,348)	\$ -	\$ 65,801,600

Depreciation expense was charged to functions/programs of governmental activities for the fiscal year ended June 30, 2021 as follows:

General government	\$ 249,837
Public safety	1,696,048
Public works services	1,576,390
Community development	67,956
Library	267,712
Recreation and community services	379,565
Total depreciation expense	\$ 4,237,508

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 4 – Capital Assets (Continued)

A. Government-Wide Financial Statements (Continued)

A summary of changes in the capital assets for the business-type activities for the fiscal year ended June 30, 2021 is as follows:

	Business-Type Activities				
	Balance July 1, 2020	Additions	Deletions	Transfers	Balance June 30, 2021
Nondepreciable assets:					
Land	\$ 192,436	\$ -	\$ -	\$ -	\$ 192,436
Water rights	5,602,000	-	-	-	5,602,000
Construction in progress	1,940,494	1,468,947	-	(1,338,977)	2,070,464
Total nondepreciable assets	7,734,930	1,468,947	-	(1,338,977)	7,864,900
Depreciable assets:					
Water treatment plant and systems	71,886,753	6,565	-	907,852	72,801,170
Sewer pipes	11,871,117	-	-	431,125	12,302,242
Automotive equipment	4,005,308	1,287,837	(158,911)	-	5,134,234
Furniture and equipment	659,266	22,487	-	-	681,753
Total capital assets, being depreciated	88,422,444	1,316,889	(158,911)	1,338,977	90,919,399
Less accumulated depreciation:					
Water treatment plant and systems	(41,131,607)	(1,550,949)	-	-	(42,682,556)
Sewer pipes	(7,434,587)	(165,501)	-	-	(7,600,088)
Automobile equipment	(2,419,364)	(558,852)	158,911	-	(2,819,305)
Furniture and equipment	(319,202)	(66,248)	-	-	(385,450)
Total accumulated depreciation	(51,304,760)	(2,341,550)	158,911	-	(53,487,399)
Total depreciable assets, net	37,117,684	(1,024,661)	-	1,338,977	37,432,000
Business-type activities capital assets, net	\$ 44,852,614	\$ 444,286	\$ -	\$ -	\$ 45,296,900

Depreciation expense for business-type activities for the fiscal year ended June 30, 2021 was charged as follows:

Water Utility	\$ 1,595,821
Sewer Maintenance	296,791
Transit System	398,228
Arcadia PAR 3 Golf Course	50,710
Total depreciation expense	\$ 2,341,550

B. Fund Financial Statements

The governmental fund financial statements do not present capital assets. Consequently, capital assets are presented as reconciling items in the reconciliation of the governmental funds balance sheet to the government-wide statement of net position.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 5 – Long-Term Liabilities

A. Governmental Activities

A summary of changes in long-term liabilities for governmental activities for the fiscal year ended June 30, 2021 is as follows:

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021	Due within One Year	Due in more than One Year
2011 General Obligation Bonds	\$ 5,615,000	\$ -	(370,000)	\$ 5,245,000	385,000	\$ 4,860,000
2012 General Obligation Bonds	4,350,000	-	(305,000)	4,045,000	320,000	3,725,000
Pension Obligation Bonds	-	88,042,600	-	88,042,600	2,675,500	85,367,100
Subtotal	9,965,000	88,042,600	(675,000)	97,332,600	3,380,500	93,952,100
Add deferred amounts:						
Bond premium - 2011 GOB	248,442	-	(22,265)	226,177	22,265	203,912
Bond premium - 2012 GOB	215,767	-	(19,345)	196,422	19,345	177,077
Subtotal	464,209	-	(41,610)	422,599	41,610	380,989
Total bonds payable	10,429,209	88,042,600	(716,610)	97,755,199	3,422,110	94,333,089
Capital lease obligations	174,084	-	(58,028)	116,056	58,028	58,028
Claims and judgments payable	6,754,700	1,403,262	(1,503,808)	6,654,154	1,335,099	5,319,055
Compensated absences	3,887,164	978,075	(984,530)	3,880,709	984,530	2,896,179
Total	\$ 21,245,157	\$ 90,423,937	\$ (3,262,976)	\$ 108,406,118	\$ 5,799,767	\$ 102,606,351

Typically, the General Fund has been used to liquidate the liability for compensated absences and claims and judgments payable.

2011 General Obligation Bonds – Original Issue \$8,000,000

In May 2011, the City issued General Obligation Bonds in the amount of \$8,000,000. The bonds were authorized at an election on April 11, 2006, at which more than two-thirds of the persons voting on the proposition voted to authorize the issuance and sale of the bonds. The purpose of the bonds was to finance the costs of constructing, installing, acquiring and improving of a grade separation at the intersection of Santa Anita Avenue and the proposed Foothill Extension of the Metropolitan Transit Authority Gold Line.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 5 – Long-Term Liabilities (Continued)

A. Governmental Activities (Continued)

2011 General Obligation Bonds – Original Issue \$8,000,000 (Continued)

The bonds consisted of \$3,545,000 of serial bonds and \$4,455,000 of term bonds. The serial bonds accrue interest at rates between 2.00% and 5.00% and mature between August 1, 2012 and August 1, 2022. The term bonds accrue interest at a rate ranging from 3.50% to 4.20% and mature between August 1, 2024 and August 1, 2031. Bonds maturing on or after August 1, 2024 shall be subject to mandatory sinking fund redemption, in part by lot, prior to their stated maturity at redemption prices equal to 100% of the principal amount. There are no future revenues pledged for payment of principal and interest on these bonds.

The amount of bonds outstanding at June 30, 2021 totaled \$5,245,000.

The annual debt service requirements on these bonds are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2022	\$ 385,000	\$ 204,745	\$ 589,745
2023	405,000	184,995	589,995
2024	425,000	167,433	592,433
2025	440,000	152,295	592,295
2026	455,000	136,064	591,064
2027 - 2031	2,560,000	392,871	2,952,871
2032	575,000	12,075	587,075
TOTAL	<u>\$ 5,245,000</u>	<u>\$ 1,250,478</u>	<u>\$ 6,495,478</u>

2012 General Obligation Refunding Bonds – Original Issue \$6,135,000

In September 2012, the City issued General Obligation Refunding Bonds in the amount of \$6,135,000. The bonds were authorized by City Council. The purpose of the bonds was to refund the 2001 A General Obligation Bonds and to pay costs relating to the issuance the bonds and the refunding of the prior bonds, which were issued for the construction of the City's Police Station. The refunding reduced the net true interest cost from 5.1% originally to 2.16% and saved \$1.55 million in present value.

Bonds maturing in the years 2013 to 2031 are serial bonds payable August 1 in annual installments of \$185,000 to \$420,000. The bonds bear interest at 2.00% to 5.00% due February 1 and August 1 of each year. Bonds maturing on or after August 1, 2023 are subject to optional redemption in whole or in part on any date commencing August 1, 2022. The bonds are payable solely from ad valorem property taxes.

The amount of bonds outstanding at June 30, 2021 totaled \$4,045,000.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 5 – Long-Term Liabilities (Continued)

A. Governmental Activities (Continued)

2012 General Obligation Refunding Bonds – Original Issue \$6,135,000 (Continued)

The annual debt service requirements on these bonds are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2022	\$ 320,000	\$ 100,225	\$ 420,225
2023	330,000	88,875	418,875
2024	340,000	80,525	420,525
2025	350,000	73,625	423,625
2026	355,000	66,575	421,575
2027-2031	1,930,000	200,650	2,130,650
2032	420,000	6,300	426,300
TOTAL	<u>\$ 4,045,000</u>	<u>\$ 616,775</u>	<u>\$ 4,661,775</u>

2020 Taxable Pension Obligation Bonds – Original Issue \$90,000,000

In November 2020, the City issued Taxable Pension Obligation Bonds in the amount of \$90,000,000. The Bonds are being issued: (i) to pay all or a portion of the City's currently unamortized, unfunded accrued actuarial liability to the California Public Employees Retirement System with respect to the City's defined benefit retirement plans for City employees; and (ii) to pay costs of issuance of the Bonds.

The Bonds are obligations of the City payable from any lawfully available funds, are not limited as to payment to any special source of funds of the City, and is subject to appropriation in accordance with the Trust Agreement. The Bonds do not constitute an obligation of the City for which the City is obligated to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation.

The bonds consisted of \$39,365,000 of serial bonds and \$50,635,000 of term bonds. The serial bonds accrue interest at rates between 0.497% and 2.228% and mature between December 1, 2021 and December 1, 2030. The term bonds accrue interest at a rate ranging from 2.478% to 3.173% and mature between December 1, 2033 and December 1, 2040. Bonds maturing on or after December 1, 2030 are subject to mandatory sinking fund redemption at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium.

The amount of bonds outstanding at June 30, 2021 for the governmental activities \$88,042,600 and the business-type activities \$1,957,400 totaled \$90,000,000.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 5 – Long-Term Liabilities (Continued)

A. Governmental Activities (Continued)

2020 Taxable Pension Obligation Bonds – Original Issue \$90,000,000 (Continued)

The annual debt service requirements on these bonds are as follows:

Fiscal Year Ending June 30,	Governmental Activities		Business-type Activities		Total
	Principal	Interest	Principal	Interest	
2022	\$ 2,675,500	\$ 3,069,658	\$ 59,500	\$ 68,246	\$ 5,872,904
2023	3,790,700	1,955,603	84,300	43,478	5,874,081
2024	3,820,100	1,927,430	84,900	42,851	5,875,281
2025	3,854,300	1,892,594	85,700	42,077	5,874,671
2026	3,893,400	1,850,660	86,600	41,145	5,871,805
2027-2031	20,474,700	8,251,199	455,300	183,444	29,364,643
2032-2036	22,969,400	5,762,198	510,600	128,108	29,370,306
2037-2040	26,564,500	2,160,455	590,500	48,032	29,363,487
TOTAL	<u>\$ 88,042,600</u>	<u>\$ 26,869,797</u>	<u>\$ 1,957,400</u>	<u>\$ 597,381</u>	<u>\$ 117,467,178</u>

Capital lease obligations

During the fiscal year 2019, the City entered into a capital lease with options to purchase for paramedic equipment in an amount of \$290,140. Payments for the capital lease obligations are made in the General fund. As of June 30, 2021, the balance outstanding amount to \$116,056. The remaining outstanding balance will be paid over two equal installment amounts to \$58,028.

Claims and Judgments Payable

The amount of claims and judgments payable at June 30, 2021 was \$6,654,154. See Note 7B for details.

Compensated Absences

The City's liability for vested and unpaid compensated absences (accrued vacation) in the governmental activities has been accrued and amounted to \$3,880,709.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 5 – Long-Term Liabilities (Continued)

B. Business-Type Activities

A summary of changes in long-term liabilities for business-type activities for the fiscal year ended June 30, 2021 is as follows:

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021	Due within One Year	Due in more than One Year
Pension Obligation Bonds	\$ -	\$ 1,957,400	\$ -	\$ 1,957,400	\$ 59,500	\$ 1,897,900
Compensated absences	161,695	54,793	(50,093)	166,395	50,093	116,302
Total long-term debt	\$ 161,695	\$ 2,012,193	\$ (50,093)	\$ 2,123,795	\$ 109,593	\$ 2,014,202

2020 Taxable Pension Obligation Bonds – Original Issue \$90,000,000

The pension obligation bonds at June 30, 2021 in the proprietary funds amounted to \$1,957,400. See Note 5A for additional detail.

Compensated Absences

In the proprietary funds, the liability for vested and unpaid compensated absences (accrued vacation) is reported in the fund as the benefits are vested and earned. The compensated absences accrued in the proprietary funds amounted to \$166,395 at June 30, 2021.

C. Fiduciary Activities

A summary of changes in long-term debt for the private-purpose trust fund for the fiscal year ended June 30, 2021 is as follows:

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021	Due within One Year	Due in more than One Year
2001A Tax Allocation Bonds	\$ 2,155,000	\$ -	\$ (2,155,000)	\$ -	\$ -	\$ -
2010 Tax Allocation Bonds	12,035,000	-	(12,035,000)	-	-	-
2020 Tax Allocation Refunding Bonds	-	10,385,000	(1,045,000)	9,340,000	-	9,340,000
Subtotal	14,190,000	10,385,000	(15,235,000)	9,340,000	-	9,340,000
Less deferred amounts:						
Bond discount	(163,356)	-	163,356	-	-	-
Total bonds payable	\$ 14,026,644	\$ 10,385,000	\$ (15,071,644)	\$ 9,340,000	\$ -	\$ 9,340,000

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 5 – Long-Term Liabilities (Continued)

C. Fiduciary Activities (Continued)

2020 Tax Allocation Refunding Bonds, Series A (Federally Taxable) – Original Issue \$10,385,000

In September 2020, the Successor Agency to the Arcadia Redevelopment Agency (the “Agency”) issued \$10,385,000 Tax Allocation Refunding Bonds, Series A (Federally Taxable) with interest rates of 1.83%. The Agency issued the bonds to refund \$2,155,000 of the outstanding 2001A Tax Allocation Bonds and \$10,900,000 of the outstanding 2010 Tax Allocation Bonds. In October 2020, the net proceeds of the refunding bonds were used to redeem the entire 2001A and 2010 outstanding bonds balance. As a result, both 2001A and 2010 Tax Allocation Bonds are considered defeased, and the Agency has removed the liability from its accounts. The outstanding principal of the defeased bonds is \$0. The refunding reduced total debt service payments over the next 6 years by nearly 4.9 million. This results in an economic gain (difference between the present values of the debt service payments on the old and new debt) of 1.8 million.

The amount of bonds outstanding at June 30, 2021 totaled \$9,340,000 in the Successor Agency to the Arcadia Redevelopment Agency Private-Purpose Trust Fund.

The annual debt service requirements on these bonds are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2022	\$ -	\$ 171,202	\$ 171,202
2023	-	171,202	171,202
2024	1,580,000	156,721	1,736,721
2025	2,540,000	118,962	2,658,962
2026	2,585,000	71,991	2,656,991
2027	2,635,000	24,150	2,659,150
TOTAL	<u>\$ 9,340,000</u>	<u>\$ 714,228</u>	<u>\$ 10,054,228</u>

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 6 – Expenditures in Excess of Appropriations

The following funds had expenditures in excess of budget:

Fund	Appropriations	Expenditures	Excess Expenditures over Appropriations
Major Governmental Fund			
General Fund:			
General government:			
City manager	\$ 882,300	\$ 935,457	\$ 53,157
City clerk	242,500	259,576	17,076
General city	2,381,700	5,238,365	2,856,665
Public safety:			
Fire	16,814,940	18,016,211	1,201,271
Community development	4,638,862	4,686,103	47,241
Nonmajor Governmental Funds:			
Special Revenue Funds:			
Proposition A Transit:			
Public works services	127,400	127,799	399
Community development	120,700	123,957	3,257
Lighting Maintenance:			
Public works services	1,278,200	1,350,692	72,492
TDA Article 3 Bikeway			
Community development	94,692	113,956	19,264
Emergency Response			
General government:			
General city	50,000	134,458	84,458

Sufficient revenues were available to fund the excess expenditures in all funds.

Note 7 – Risk Management

A. Coverage

At June 30, 2021 the City was self-insured for workers' compensation and general liability. The self-insured portion for workers' compensation and general liability is limited to the first \$500,000 of liability per occurrence. Coverage in excess of these amounts is maintained in layers to a maximum of \$43,000,000 for general liability and the statutory limit for workers compensation (of which \$3,000,000 per occurrence is for each employee accident or disease) through the California Insurance Pool Authority (CIPA). CIPA is a consortium of 13 cities in Southern California, established to pool resources, share risks, purchase excess insurance and to share costs for professional risk management and claims administration. Member agencies make payments based on underwriting estimates. Each agency may be assessed the difference between funds available and the \$33,000,000 annual aggregate in proportion to their annual premiums.

The Governing Board is comprised of one member from each City and is responsible for the selection of management, and for the budgeting and financial management of CIPA. No determination has been made as to each participant's proportionate share of the fund equity as of June 30, 2021. Upon termination of CIPA, and after settlement of all claims, any excess or deficit will be divided among the cities in proportion to the amount of their contributions.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 7 – Risk Management

B. Claims Activity

Claims expenses and liabilities were reported when they were probable that a loss had occurred and the amount of that loss can be reasonably estimated. At June 30, 2021, the amount of these liabilities was \$6,654,154 and was the City's best estimate based on available information. The liabilities for unpaid claims were calculated using actuarial methods and assumptions with the conclusions consistent with GASB Statement No. 10. The liabilities included allocated loss adjustment expenses containing case reserves, the development on known claims and incurred but not reported claims. It did not include a provision for non-incremental expenses.

A summary of the changes in claims liabilities for the past three fiscal years follows:

Fiscal Year Ending June 30,	Claims Payable July 1	Claims Incurred during the Fiscal Year	Claims Payments	Fiscal Year Ended June 30
2019	\$ 7,448,260	\$ 458,132	\$ (1,136,074)	\$ 6,770,318
2020	6,770,318	1,230,614	(1,246,232)	6,754,700
2021	6,754,700	1,403,262	(1,503,808)	6,654,154

During the past three fiscal (claims) years, none of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage. There have been no significant reductions in pooled or insured liability coverage from coverage in the prior year.

Note 8 – Pension Plan

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

A. General Information about the Pension Plan

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

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 8 – Pension Plan (Continued)

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plans' provisions and benefits in effect at June 30, 2021, are summarized as follows:

City Miscellaneous Plan				
	Classic	Tier I	Tier II	Tier III
Hire date	Prior to July 1, 2011	Hired between July 1, 2011 - October 8, 2011	On or after October 9, 2011	On or after January 1, 2013
Benefit formula	2.0% @ 55	2.5% @ 55	2% @ 60	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life	monthly for life
Retirement age	50-63	50-63	50-63	52 - 67
Monthly benefits, as a % of eligible compensation	2.0% - 2.5%	2.0% - 2.5%	1.092%-2.418%	1.0% to 2.5%
Required employee contribution rates	Total 8%. 7% paid by City (EMPC)	8.00%	7.00%	6.75%
Required employer contribution rates	Total 37.187%. Employee pays 8% of employer cost through cost-sharing	37.187%	37.187%	37.187%

City Safety Plan				
	Classic	Tier I	Tier II	Tier III
Hire date	Prior to July 1, 2011	Hired between July 1, 2011 - October 8, 2011	On or after October 9, 2011	On or after January 1, 2013
Benefit formula	3.0% @ 50	3.0% @ 50	3% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life	monthly for life
Retirement age	50-55	50-55	50-55	52 - 67
Monthly benefits, as a % of eligible compensation	3.0%	3.0%	2.4%-3.0%	1.0% to 2.5%
Required employee contribution rates	Total 9%. 9% paid by City (EMPC)	9.00%	9.00%	12.00%
Required employer contribution rates	Total 65.961%. Employee pays 9% of employer cost through cost-sharing	65.961%	65.961%	65.961%

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 8 – Pension Plan (Continued)

A. General Information about the Pension Plan (Continued)

Employees Covered – At June 30, 2021, the following employees were covered by the benefit terms for each Plan:

	Miscellaneous	Safety
Inactive employees or beneficiaries currently receiving benefits	402	240
Inactive employees entitled to but not yet receiving benefits	349	112
Active employees	189	123
Total	940	475

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

B. Net Pension Liability

The City’s net pension liability for each Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2020, using an annual actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions – The total pension liabilities in the June 30, 2019 actuarial valuations were determined using the following actuarial assumptions:

	Miscellaneous	Safety
Valuation Date	June 30, 2019	June 30, 2019
Measurement Date	June 30, 2020	June 30, 2020
Actuarial Cost Method	Entry Age Normal in Accordance with the Requirements of GASB 68	
Actuarial Assumptions:		
Discount Rate	7.15%	7.15%
Inflation	2.50%	2.50%
Salary Increases	Varies by Entry Age and Service	
Mortality Rate Table	Derived using CalPERS' Membership Data for all Funds	
Post Retirement Benefit Increase	The lesser of contract COLA or 2.50% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.50% thereafter	

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 8 – Pension Plan (Continued)

B. Net Pension Liability (Continued)

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The expected real rates of return by asset class are as followed:

Asset Class ¹	Assumed Asset Allocation	Real Return Years 1 - 10 ²	Real Return Years 11+ ³
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	100.00%		

(1) In the System's CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

(2) An expected inflation of 2.00% used for this period.

(3) An expected inflation of 2.92% used for this period.

Discount Rate - The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Subsequent Events - There were no subsequent events that would materially affect the results presented in this disclosure.

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

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 8 – Pension Plan (Continued)

B. Net Pension Liability (Continued)

Amortization of Deferred Outflows and Deferred Inflows of Resources (Continued)

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

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

Net Difference between projected 5 years straight-line amortization
and actual earnings on investments

All other amounts Straight-line amortization over the expected average remaining service
lifetime (EARS�) of all members that are provided with benefits (active,
inactive, and retired) as of the beginning of the measurement period

C. Changes in the Net Pension Liability

The change in the Net Pension Liability for each Plan follows:

Miscellaneous Plan:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at June 30, 2019	\$ 159,591,274	\$ 110,894,753	\$ 48,696,521
Changes during the fiscal year:			
Service Cost	2,513,089	-	2,513,089
Interest on the Total Pension Liability	11,224,512	-	11,224,512
Change of Assumptions	-	-	-
Differences between Expected and Actual Experience	261,219	-	261,219
Net Plan to Plan Resource Movement	-	-	-
Contributions - Employer	-	4,951,643	(4,951,643)
Contributions - Employees	-	1,057,314	(1,057,314)
Net Investment Income	-	5,505,059	(5,505,059)
Benefit Payments, including Refunds of Employee Contributions	(8,245,720)	(8,245,720)	-
Administrative Expense	-	(156,334)	156,334
Other Miscellaneous Income/(Expense)	-	-	-
Net Changes	5,753,100	3,111,962	2,641,138
Balance at June 30, 2020	\$ 165,344,374	\$ 114,006,715	\$ 51,337,659

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 8 – Pension Plan (Continued)

C. Changes in the Net Pension Liability (Continued)

Public Safety Plan:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at June 30, 2019	\$ 268,886,682	\$ 167,515,483	\$ 101,371,199
Changes during the fiscal year:			
Service Cost	4,813,185	-	4,813,185
Interest on the Total Pension Liability	18,818,770	-	18,818,770
Change of Assumptions	-	-	-
Differences between Expected and Actual Experience	(1,449,797)	-	(1,449,797)
Net Plan to Plan Resource Movement	-	-	-
Contributions - Employer	-	9,417,055	(9,417,055)
Contributions - Employees	-	1,488,874	(1,488,874)
Net Investment Income	-	8,449,650	(8,449,650)
Benefit Payments, including Refunds of Employee Contributions	(13,287,809)	(13,287,809)	-
Administrative Expense	-	(236,156)	236,156
Other Miscellaneous Income/(Expense)	-	-	-
Net Changes	8,894,349	5,831,614	3,062,735
Balance at June 30, 2020	\$ 277,781,031	\$ 173,347,097	\$ 104,433,934

Sensitivity of the Net Pension Liability to Changes in the Discount Rate –The following presents the net pension liability of the Local Government for each Plan, calculated using the discount rate for each Plan, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	Miscellaneous	Safety
1% Decrease	6.15%	6.15%
Net Pension Liability	\$ 73,187,899	\$ 142,991,403
Current Discount Rate	7.15%	7.15%
Net Pension Liability	\$ 51,337,659	\$ 104,433,934
1% Increase	8.15%	8.15%
Net Pension Liability	\$ 33,362,153	\$ 72,900,371

Pension Plan Fiduciary Net Position – Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

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

For the fiscal year ended June 30, 2021, the City recognized pension expense of \$6,476,912 and \$12,319,865 for Miscellaneous and Safety plan respectively. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Miscellaneous		Safety	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to Measurement Date	\$ 33,311,717	\$ -	\$ 71,743,901	\$ -
Changes of Assumptions		-	-	(91,346)
Differences between Expected and Actual Experiences	361,846	-	36,775	(1,113,290)
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	774,407	-	1,231,286	-
Total	<u>\$ 34,447,970</u>	<u>\$ -</u>	<u>\$ 73,011,962</u>	<u>\$ (1,204,636)</u>

\$105,055,618 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2022. Other amounts reported as deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Measurement Periods Ended		
June 30	Miscellaneous	Safety
2022	\$ (216,619)	\$ (1,346,049)
2023	309,256	(158)
2024	576,941	723,300
2025	466,675	686,332

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 9 – Postemployment Health Care Benefits

At June 30, 2021, net OPEB liability and related deferred outflows of resources and deferred inflows of resources are as follows:

	Governmental Activities	Business-Type Activities	Total
Deferred outflows of resources:			
Contribution subsequent to measurement date	\$ 2,380,625	\$ 65,981	\$ 2,446,606
Changes of assumptions	983,341	40,199	1,023,540
Net differences between Projected and Actual Earnings on Investments	97,056	2,315	99,371
Total deferred outflows of resources	<u>\$ 3,461,022</u>	<u>\$ 108,495</u>	<u>\$ 3,569,517</u>
Net OPEB liabilities:	<u>\$ 13,409,849</u>	<u>\$ 585,857</u>	<u>\$ 13,995,706</u>
Total net OPEB liabilities	<u>\$ 13,409,849</u>	<u>\$ 585,857</u>	<u>\$ 13,995,706</u>
Deferred inflows of Resources:			
Differences between Expected and Actual Experiences	\$ 2,985,742	\$ 125,326	\$ 3,111,068
Total deferred inflows of resources	<u>\$ 2,985,742</u>	<u>\$ 125,326</u>	<u>\$ 3,111,068</u>

Plan Description

In addition to the retirement plan describe in Note 8, the City also provides certain health insurance benefits, in accordance with the fringe benefits resolution, to retired employees. The City Council has the authority to establish and amend the benefits offered by the single-employer plan. The City Council approved contracts with employees capping the maximum monthly retiree health benefit contribution made by the City for existing employees who retire on or after July 1, 2011; reducing retiree health insurance benefits for employees hired on or after July 1, 2011 to the mandatory minimum contribution established by California Government Code Section 22892(b). An eligible retiree is an employee who retires on a service retirement and has 125 days of accumulated sick leave at the date of retirement. Such payment shall cease by the employee's sixty-fifth (65) birthday. If the retired employee has other group medical coverage available to them, then this other group insurance shall be primary and the City's health insurance plan shall function as a secondary coinsurance. An employee who has fewer than 125 days of accumulated sick leave at the date of retirement may become eligible for coverage by paying the City an amount equal to the employee's daily pay rate at the time of retirement times the number of days needed to meet the 125 days of accumulated sick leave requirement with restrictions. The requirement varies slightly among different employee groups.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 9 – Postemployment Health Care Benefits (Continued)

Eligibility

Employees of the City are eligible for retiree health benefits if they are between 50-55 years of age as of the last day of work prior to retirement and are a vested member of CalPERS. Membership in the plan consisted of the following at June 30, 2019, the date of the latest actuarial valuation:

Active plan members	312
Inactive employees or beneficiaries currently receiving benefit payments	147
Inactive employees entitled to but not yet receiving benefit payments	-
Total	<u>459</u>

Contribution

The obligation of the City to contribute to the plan is established and may be amended by the City Council. For the fiscal year ended June 30, 2021, the City made contributions based on an actuarially determined rate.

Net OPEB Liability

The City's net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2019.

Actuarial assumptions

The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal Level % of Pay
Amortization Method	Level % of Payroll Closed 30 Years
Amortization Period	21 Years Remain
Asset Valuation Method	Fair Value
Inflation	2.50%
Healthcare Cost Trend Rates	6.5% in 2021, grading down to 4% by 2076
Salary Increase	3.00%
Investment Rate of Return	6.85%
Retirement Age	From 50 to 75
Mortality	2017 CalPERS Experience Study
Mortality Improvement	MW Scale 2020

Discount Rate

The discount rate used to measure the total OPEB liability was 6.85 percent. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 9 – Postemployment Health Care Benefits (Continued)

Change in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
	(a)	(b)	(c) = (a) - (b)
Balance at June 30, 2019	\$ 18,730,142	\$ 4,180,636	\$ 14,549,506
Changes Recognized for the Measurement Period:			
Service Cost	539,587	-	539,587
Interest on the total OPEB liability	1,277,195	-	1,277,195
Changes of benefit terms	-	-	-
Difference between expected and actual experience	-	(137,211)	137,211
Changes of assumptions	-	-	-
Contributions from the employer	-	2,191,682	(2,191,682)
Plan experience	-	-	-
Net investment income	-	318,573	(318,573)
Administrative expenses	-	(2,462)	2,462
Other expenses	-	-	-
Benefit payments	(1,249,082)	(1,249,082)	-
Net Changes during July 1, 2019 to June 30, 2020	567,700	1,121,500	(553,800)
Balance at June 30, 2020 (Measurement Date)	\$ 19,297,842	\$ 5,302,136	\$ 13,995,706

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

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.85 percent) or 1-percentage-point higher (7.85 percent) than the current discount rate:

Plan's Net OPEB Liability (Asset)		
Current Discount Rate - 1% (5.85%)	Current Discount Rate (6.85%)	Current Discount Rate + 1% (7.85%)
\$ 15,977,928	\$ 13,995,706	\$ 12,298,222

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

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

Plan's Net OPEB Liability (Asset)		
Current Trend Rate - 1%	Healthcare Cost Current Trend Rate*	Current Trend Rate + 1%
\$ 12,043,110	\$ 13,995,706	\$ 16,342,554

*Healthcare cost trend rate was assumed to start at 6.5% and then fluctuate to an ultimate increase rate of 4.0% for years 2076 and later.

OPEB plan fiduciary net position. Detailed information about the OPEB plan's fiduciary net position is available in the separately issued plan financial report.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 9 – Postemployment Health Care Benefits (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2021, the City recognized OPEB expense of \$1,197,014. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred outflows of resources	Deferred inflows of resources
Contribution made subsequent to the measurement date	\$ 2,446,606	\$ -
Changes of assumptions	1,023,540	-
Differences between expected and actual experience	-	3,111,068
Net differences between Projected and Actual Earnings on Investments	99,371	-
Total	<u>\$ 3,569,517</u>	<u>\$ 3,111,068</u>

The net difference between projected OPEB plan investment earnings and actual earnings is amortized over a five years period. The other amounts are amortized using straight-line recognition over the expected average remaining service lifetime (EARSL) of all members that are provided with benefits, determined as of the beginning of the measurement period. In determining the EARSL, all active, retired and inactive (vested) members are counted, with the latter two groups having 0 remaining service years.

The City will recognize the contribution made subsequent to the measurement date in the next fiscal year. Amount reported as deferred outflows of resources related to OPEB will be recognized as future OPEB expense as follows:

Measurement period ended June 30,	Amount
2022	\$ (303,656)
2023	(292,085)
2024	(288,146)
2025	(291,162)
2026	(325,165)
Thereafter	(487,943)
Total	<u>\$ (1,988,157)</u>

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 10 – Classification of Fund Balances

At June 30, 2021, fund balances are classified as follows:

	General	Parks and Recreation	Measure W Safe, Clean Water Program	Capital Outlay	Pension Obligation	Nonmajor Governmental Funds	Total
Nonspendable:							
Prepaid items and deposits	\$ 10,064	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,064
Inventories	705,410	-	-	-	-	-	705,410
Total nonspendable	715,474	-	-	-	-	-	715,474
Restricted:							
Debt service	-	-	-	-	2,950	906,953	909,903
Law enforcement	-	-	-	-	-	833,442	833,442
Transportation / streets	-	-	-	-	-	10,234,986	10,234,986
Parks and recreation	-	7,421,829	-	-	-	-	7,421,829
Solid waste	-	-	-	-	-	1,934,985	1,934,985
Clean air	-	-	-	-	-	202,512	202,512
Clean water	-	-	268,319	-	-	-	268,319
Street lighting	-	-	-	-	-	228,075	228,075
Library	-	-	-	-	-	624	624
Cable access	-	-	-	-	-	956,687	956,687
Recycling	-	-	-	-	-	74,382	74,382
Emergency response	-	-	-	-	-	4,259,514	4,259,514
Total restricted	-	7,421,829	268,319	-	2,950	19,632,160	27,325,258
Assigned:							
Capital improvements	2,427	-	-	9,867,419	-	-	9,869,846
Equipment replacement	7,644,510	-	-	-	-	-	7,644,510
Self-insurance	4,566,704	-	-	-	-	-	4,566,704
Emergency reserves	10,097,111	-	-	-	-	-	10,097,111
Medical/dental fund	427,979	-	-	-	-	-	427,979
Total assigned	22,738,731	-	-	9,867,419	-	-	32,606,150
Unassigned	7,726,513	-	-	-	-	(1,014,560)	6,711,953
Total	\$ 31,180,718	\$ 7,421,829	\$ 268,319	\$ 9,867,419	\$ 2,950	\$ 18,617,600	\$ 67,358,835

At June 30, 2021, outstanding encumbrances are as follows:

Funds	Amount
General Fund	\$ 1,203,846
Park and Recreation Fund	27,622
Capital Outlay Capital Projects Fund	633,316
Water Utility Fund	719,569
Sewer Maintenance Fund	707,778
Transit System Fund	886,834
Nonmajor Governmental Funds	473,969
Total	\$ 4,652,934

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2021

Note 11 – Deficit Fund Balances/Net Position

As of June 30, 2021, deficit fund balances/net position were recorded as follows:

Statement of Net Position	
Governmental Activities	\$ 28,914,874
Nonmajor Special Revenue Funds:	
CDBG	\$ 399
State and County Gas Tax	\$ 257,279
TDA Article 3 Bikeway	\$ 40,399
Santa Anita Grade Separation	\$ 672,143
Homeland Security Fund	\$ 3,017
County Homelessness Grant	\$ 41,323
Fiduciary Fund:	
Successor Agency to the Arcadia Redevelopment	
Agency Private-Purpose Trust Fund	\$ 6,799,576

Note 12 - Contingencies

A. Lawsuits

The City is presently involved in certain matters of litigation that have arisen in the normal course of conducting City business. City management believes, based upon consultation with the City Attorney, that these cases, in the aggregate, are not expected to result in a material adverse financial impact on the City. Additionally, City management believes that the City's insurance programs are sufficient to cover any potential losses should an unfavorable outcome materialize (See Note 7).

B. Federal and State Grant Programs

The City participates in Federal and State grant programs. These programs were audited in accordance with the provisions of the Uniform Guidance in 2 CFR 200 Subpart Single Audit and applicable State requirements. No cost disallowance is expected as a result of these audits; however, these programs are subject to further examination by the grantors. Expenditures which may be disallowed, if any, by the granting agencies, cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

Note 13 – Subsequent Events

In November, 2021, the City issued General Obligation Refunding Bonds, Series 2021 (Police Station Project) and General Obligation Refunding Bonds, Election of 2006 (Bon Measure A), Series 2021) in the amount of \$3,867,000 and \$4,985,000, respectively to refund both the 2011 and 2012 General Obligation Bonds.

REQUIRED SUPPLEMENTARY INFORMATION (Unaudited)

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City of Arcadia
Required Supplementary Information (Unaudited)
For the Fiscal Year Ended June 30, 2021

Budgetary Comparison Schedule, General Fund

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Taxes	\$ 44,040,900	\$ 44,034,500	\$ 44,901,921	\$ 867,421
Licenses and permits	4,866,200	4,556,200	4,123,661	(432,539)
Fines and forfeitures	506,500	416,500	169,254	(247,246)
Use of money and property	1,600,500	1,585,700	1,292,430	(293,270)
Intergovernmental	8,882,800	8,884,800	8,260,792	(624,008)
Charges for services	4,186,800	4,108,300	3,785,302	(322,998)
Other revenues	3,483,100	3,331,600	3,033,338	(298,262)
Total revenues	67,566,800	66,917,600	65,566,698	(1,350,902)
EXPENDITURES:				
Current:				
General government:				
City council	218,700	218,700	200,744	17,956
City manager	907,300	882,300	935,457	(53,157)
City clerk	242,500	242,500	259,576	(17,076)
City attorney	663,700	659,200	451,615	207,585
General city	2,381,700	2,381,700	5,238,365	(2,856,665)
Administrative services	4,634,400	4,746,104	3,445,080	1,301,024
Public safety:				
Police	23,698,300	23,848,934	21,358,135	2,490,799
Fire	16,775,300	16,814,940	18,016,211	(1,201,271)
Public works services	4,219,900	4,462,432	4,333,416	129,016
Community development	4,637,200	4,638,862	4,686,103	(47,241)
Library	4,141,500	4,141,500	3,748,433	393,067
Recreation and community services	2,767,700	2,770,478	2,212,484	557,994
Debt service:				
Principal retirement	-	-	58,028	(58,028)
Total expenditures	65,288,200	65,807,650	64,943,647	864,003
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	2,278,600	1,109,950	623,051	(486,899)
OTHER FINANCING SOURCES (USES):				
Transfers in	1,955,200	1,955,200	1,876,110	(79,090)
Transfers out	(2,436,300)	(2,436,300)	(911,113)	1,525,187
Total other financing sources (uses)	(481,100)	(481,100)	964,997	1,446,097
Net changes in fund balance	\$ 1,797,500	\$ 628,850	1,588,048	\$ 959,198
FUND BALANCE:				
Beginning of fiscal year			29,592,670	
End of fiscal year			<u>\$ 31,180,718</u>	

See accompanying Notes to the Required Supplementary Information.

City of Arcadia
Required Supplementary Information (Unaudited)
For the Fiscal Year Ended June 30, 2021

Budgetary Comparison Schedule, Parks and Recreation Special Revenue Fund

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Use of money and property	\$ 47,300	\$ 47,300	\$ 39,183	\$ (8,117)
Intergovernmental	-	-	837,750	837,750
Charges for services	750,000	750,000	622,346	(127,654)
Total revenues	797,300	797,300	1,499,279	701,979
EXPENDITURES:				
Current:				
Recreation and community services	131,300	484,362	278,380	205,982
Total expenditures	131,300	484,362	278,380	205,982
Net change in fund balance	\$ 666,000	\$ 312,938	1,220,899	\$ 907,961
FUND BALANCE:				
Beginning of fiscal year			6,200,930	
End of fiscal year			\$ 7,421,829	

See accompanying Notes to the Required Supplementary Information.

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Measure W Safe, Clean Water Program Special Revenue Fund
For the Fiscal Year Ended June 30, 2021

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Taxes	\$ 1,020,000	\$ 1,020,000	\$ 1,008,001	\$ (11,999)
Use of money and property	3,200	3,200	6,492	3,292
Total revenues	<u>1,023,200</u>	<u>1,023,200</u>	<u>1,014,493</u>	<u>(8,707)</u>
EXPENDITURES:				
Current:				
Public works services	<u>300,000</u>	<u>539,734</u>	<u>385,908</u>	<u>153,826</u>
Total expenditures	<u>300,000</u>	<u>539,734</u>	<u>385,908</u>	<u>153,826</u>
Net change in fund balance	<u>\$ 723,200</u>	<u>\$ 483,466</u>	<u>628,585</u>	<u>\$ 145,119</u>
FUND BALANCE (DEFICIT):				
Beginning of fiscal year			<u>(360,266)</u>	
End of fiscal year			<u>\$ 268,319</u>	

City of Arcadia
Note to the Required Supplementary Information (Unaudited) (Continued)
For the Fiscal Year Ended June 30, 2021

A. General Budget Policies

All governmental funds have legally adopted budgets except for the Pension Obligation Bonds Debt Service Fund, County Homelessness Grant Special Revenue Fund, and Library State Grant Special Revenue Fund. Budgets are developed in accordance with U.S. GAAP. The City Council approves each fiscal year's budget submitted by the City Manager prior to the beginning of the new fiscal year. Public hearings are conducted prior to its adoption by the Council. Supplemental appropriations, where required during the period are also approved by the Council. Several supplemental appropriations were made during the fiscal year. Intrafund budget changes are approved by the City Manager. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the department level. At fiscal year-end, all unencumbered operating budget appropriations lapse with the exception of continuing appropriations.

B. Continuing Appropriations

At fiscal year-end, all unencumbered appropriations lapse, however, certain unexpended capital funds are carried over into the next fiscal year's budget.

C. Encumbrances

Encumbrances are estimations of costs related to unperformed contracts for goods and services. These commitments are recorded for budgetary control purposes in the General, special revenue, and similar governmental funds. Encumbrances outstanding at fiscal year-end represent the estimated amount of the expenditure ultimately to result if unperformed contracts in-process at fiscal year-end are completed. They do not constitute expenditures or estimated liabilities.

City of Arcadia
Required Supplementary Information (Unaudited) (Continued)
For the Fiscal Year Ended June 30, 2021

Agent Multiple-Employer Defined Benefit Pension Plan
Last 10 Fiscal Years*

Schedule of Changes in the Net Pension Liability and Related Ratios

	Miscellaneous Plan	Public Safety	Miscellaneous Plan	Public Safety	Miscellaneous Plan	Public Safety
Employer Fiscal Year	2021	2021	2020	2020	2019	2019
Measurement Period	2019-20 ¹	2019-20 ¹	2018-19 ¹	2018-19 ¹	2017-18 ¹	2017-18 ¹
Total Pension Liability						
Service Cost	\$ 2,513,089	\$ 4,813,185	\$ 2,471,582	\$ 4,550,453	\$ 2,414,680	\$ 4,550,348
Interest on the Total Pension Liability	11,224,512	18,818,770	10,829,020	18,202,912	10,388,343	17,496,493
Changes of Assumptions	-	-	-	-	(708,241)	(1,004,801)
Difference between Expected and Actual Experience	261,219	(1,449,797)	1,256,812	93,353	(510,244)	(1,131,087)
Benefit Payments, including Refunds of Employee Contributions	(8,245,720)	(13,287,809)	(7,856,734)	(12,355,271)	(7,993,155)	(12,165,240)
Net Change in Total Pension Liability	5,753,100	8,894,349	6,700,680	10,491,447	3,591,383	7,745,713
Total Pension Liability - Beginning	159,591,274	268,886,682	152,890,594	258,395,235	149,299,211	250,649,522
Total Pension Liability - Ending (a)	\$ 165,344,374	\$ 277,781,031	\$ 159,591,274	\$ 268,886,682	\$ 152,890,594	\$ 258,395,235
Plan Fiduciary Net Position						
Contributions - Employer	\$ 4,951,643	\$ 9,417,055	\$ 4,372,487	\$ 8,413,611	\$ 3,857,676	\$ 7,393,585
Contributions - Employees	1,057,314	1,488,874	1,058,595	1,465,739	1,019,318	1,591,963
Net Investment Income	5,505,059	8,449,650	6,963,383	10,474,946	8,665,866	12,757,688
Benefit Payments, including Refunds of Employee Contributions	(8,245,720)	(13,287,809)	(7,856,734)	(12,355,271)	(7,993,155)	(12,165,240)
Net Plan to Plan Resource Movement	-	-	-	-	(2,714)	2,094
Administrative Expense	(156,334)	(236,156)	(75,953)	(113,915)	(157,921)	(234,880)
Other Miscellaneous Income/(Expense)	-	-	248	372	(299,895)	(446,041)
Net Change in Plan Fiduciary Net Position	3,111,962	5,831,614	4,462,026	7,885,482	5,089,175	8,899,169
Plan Fiduciary Net Position - Beginning	110,894,753	167,515,483	106,432,727	159,630,001	101,343,552	150,730,832
Plan Fiduciary Net Position - Ending (b)	\$ 114,006,715	\$ 173,347,097	\$ 110,894,753	\$ 167,515,483	\$ 106,432,727	\$ 159,630,001
Net Pension Liability - Ending (a)-(b)	\$ 51,337,659	\$ 104,433,934	\$ 48,696,521	\$ 101,371,199	\$ 46,457,867	\$ 98,765,234
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.95%	62.40%	69.49%	62.30%	69.61%	61.78%
Covered Payroll	\$ 14,526,524	\$ 16,244,295	\$ 14,123,323	\$ 15,237,762	\$ 13,505,676	\$ 15,247,111
Net Pension Liability as Percentage of Covered Payroll	353.41%	642.90%	344.80%	665.26%	343.99%	647.76%

¹ Historical information is required only for measurement periods for which GASB 68 is applicable.

Note to Schedule of Changes in Net Pension Liability and Related Ratios:

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2019 valuation date. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the June 30, 2019 valuation date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

Changes in Assumptions: None in 2019 or 2020. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate was Experience reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense.) In 2014, amounts reported were based on the 7.5 percent discount rate.

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

City of Arcadia
Required Supplementary Information (Unaudited) (Continued)
For the Fiscal Year Ended June 30, 2021

Agent Multiple-Employer Defined Benefit Pension Plan
Last 10 Fiscal Years*

Schedule of Changes in the Net Pension Liability and Related Ratios (Continued)

	Miscellaneous Plan	Public Safety	Miscellaneous Plan	Public Safety	Miscellaneous Plan	Public Safety
Employer Fiscal Year	2018	2018	2017	2017	2016	2016
Measurement Period	2016-17 ¹	2016-17 ¹	2015-16 ¹	2015-16 ¹	2014-15 ¹	2014-15 ¹
Total Pension Liability						
Service Cost	\$ 2,479,413	\$ 4,421,293	\$ 2,154,256	\$ 3,814,364	\$ 2,219,359	\$ 3,763,633
Interest on the Total Pension Liability	10,112,665	16,966,601	9,896,489	16,526,033	9,503,789	15,776,405
Changes of Assumptions	8,439,391	14,657,803	-	-	(2,327,431)	(3,988,041)
Difference between Expected and Actual Experience	(1,844,825)	(2,513,643)	3,004	1,423,294	(1,103,125)	1,494,687
Benefit Payments, including Refunds of Employee Contributions	(6,978,080)	(11,645,698)	(6,497,665)	(11,393,253)	(6,622,897)	(10,986,006)
Net Change in Total Pension Liability	12,208,564	21,886,356	5,556,084	10,370,438	1,669,695	6,060,678
Total Pension Liability - Beginning	137,090,647	228,763,166	131,534,563	\$ 218,392,728	129,864,868	212,332,050
Total Pension Liability - Ending (a)	\$ 149,299,211	\$ 250,649,522	\$ 137,090,647	\$ 228,763,166	\$ 131,534,563	\$ 218,392,728
Plan Fiduciary Net Position						
Contributions - Employer	\$ 3,547,604	\$ 6,660,024	\$ 3,252,745	\$ 6,049,364	\$ 3,005,140	\$ 5,537,175
Contributions - Employees	1,013,824	1,401,873	1,052,718	1,323,542	1,041,598	1,299,531
Net Investment Income	10,572,689	15,647,198	487,596	704,558	2,193,768	3,239,139
Benefit Payments, including Refunds of Employee Contributions	(6,978,080)	(11,645,698)	(6,497,665)	(11,393,253)	(6,622,897)	(10,986,006)
Plan to Plan Resource Movement	-	-	(186)	186	(420)	(23,206)
Administrative Expense	(137,789)	(205,036)	(57,951)	(86,709)	(107,014)	(160,137)
Other Miscellaneous Income/(Expense)	-	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	8,018,248	11,858,361	(1,762,743)	(3,402,312)	(489,825)	(1,093,504)
Plan Fiduciary Net Position - Beginning	93,325,304	138,872,471	95,088,047	142,274,783	95,577,872	143,368,287
Plan Fiduciary Net Position - Ending (b)	\$ 101,343,552	\$ 150,730,832	\$ 93,325,304	\$ 138,872,471	\$ 95,088,047	\$ 142,274,783
Net Pension Liability - Ending (a)-(b)	\$ 47,955,659	\$ 99,918,690	\$ 43,765,343	\$ 89,890,695	\$ 36,446,516	\$ 76,117,945
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	67.88%	60.14%	68.08%	60.71%	72.29%	65.15%
Covered Payroll	\$ 13,759,226	\$ 14,774,086	\$ 13,185,552	\$ 14,384,057	\$ 13,353,541	\$ 14,161,240
Net Pension Liability as Percentage of Covered Payroll	348.53%	676.31%	331.92%	624.93%	272.94%	537.51%

City of Arcadia
Required Supplementary Information (Unaudited) (Continued)
For the Fiscal Year Ended June 30, 2021

Agent Multiple-Employer Defined Benefit Pension Plan
Last 10 Fiscal Years*

Schedule of Changes in the Net Pension Liability and Related Ratios (Continued)

	Miscellaneous Plan	Public Safety
Employer Fiscal Year	2015	2015
Measurement Period	2013-14 ¹	2013-14 ¹
Total Pension Liability		
Service Cost	\$ 2,248,238	\$ 3,861,700
Interest on the Total Pension Liability	9,195,374	15,027,164
Changes of Assumptions	-	-
Difference between Expected and Actual Experience	-	-
Benefit Payments, including Refunds of Employee Contributions	(6,119,226)	(9,976,294)
Net Change in Total Pension Liability	5,324,386	8,912,570
Total Pension Liability - Beginning	124,540,482	203,419,480
Total Pension Liability - Ending (a)	<u>\$ 129,864,868</u>	<u>\$ 212,332,050</u>
Plan Fiduciary Net Position		
Contributions - Employer	\$ 2,723,852	\$ 5,003,393
Contributions - Employees	1,050,853	1,500,951
Net Investment Income	14,566,912	22,017,842
Benefit Payments, including Refunds of Employee Contributions	(6,119,226)	(9,976,294)
Plan to Plan Resource Movement	-	-
Administrative Expense	-	-
Other Miscellaneous Income/(Expense)	-	-
Net Change in Plan Fiduciary Net Position	12,222,391	18,545,892
Plan Fiduciary Net Position - Beginning	83,355,481	124,822,395
Plan Fiduciary Net Position - Ending (b)	<u>\$ 95,577,872</u>	<u>\$ 143,368,287</u>
Net Pension Liability - Ending (a)-(b)	<u>\$ 34,286,996</u>	<u>\$ 68,963,763</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	73.60%	67.52%
Covered Payroll	\$ 12,766,824	\$ 14,011,974
Net Pension Liability as Percentage of Covered Payroll	268.56%	492.18%

City of Arcadia
Required Supplementary Information (Unaudited) (Continued)
For the Fiscal Year Ended June 30, 2021

Agent Multiple-Employer Defined Benefit Pension Plan
Last 10 Fiscal Years*

Schedule of Contributions¹

	Miscellaneous Plan			
Employer Fiscal Year End	2021	2020	2019	2018
Actuarially Determined Contribution	\$ 5,653,188	\$ 4,951,643	\$ 4,372,487	\$ 3,857,676
Contributions in Relation to the Actuarially Determined Contribution	(5,653,188)	(4,951,643)	(4,372,487)	(3,857,676)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 14,910,787	\$ 14,526,524	\$ 14,123,323	\$ 13,505,676
Contributions as a Percentage of Covered Payroll	37.91%	34.09%	30.96%	28.56%

	Miscellaneous Plan		
Employer Fiscal Year End	2017	2016	2015
Actuarially Determined Contribution	\$ 3,547,604	\$ 3,252,745	\$ 3,005,140
Contributions in Relation to the Actuarially Determined Contribution	(3,547,604)	(3,252,745)	(3,005,140)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
Covered Payroll	\$ 13,759,226	\$ 13,185,552	\$ 13,353,541
Contributions as a Percentage of Covered Payroll	25.78%	24.67%	22.50%

¹ Historical information is required only for measurement periods for which GASB 68 is applicable.

Notes to Schedule of Plan Contributions:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2020-21 were from the June 30, 2018 public agency valuations.

Actuarial Cost Method	Entry-Age Normal Cost Method
Amortization Method/Period	Level Percent of Payroll
Asset Valuation Method	Fair Value of Assets
Inflation	2.500%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	2.75%
Investment Rate of Return	7.00% Net of Pension Plan Investment and Administrative Expenses; includes Inflation.
Retirement Age	The probabilities of Retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

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

City of Arcadia
Required Supplementary Information (Unaudited) (Continued)
For the Fiscal Year Ended June 30, 2021

Agent Multiple-Employer Defined Benefit Pension Plan
Last 10 Fiscal Years*

Schedule of Contributions¹

	Public Safety Plan			
	2021	2020	2019	2018
Employer Fiscal Year End				
Actuarially Determined Contribution	\$ 9,952,430	\$ 9,417,055	\$ 8,413,611	\$ 7,393,585
Contributions in Relation to the Actuarially Determined Contribution	(9,952,430)	(9,417,055)	(8,413,611)	(7,393,585)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 16,087,363	\$ 16,244,295	\$ 15,237,762	\$ 15,247,111
Contributions as a Percentage of Covered Payroll	61.86%	57.97%	55.22%	48.49%

	Public Safety Plan		
	2017	2016	2015
Employer Fiscal Year End			
Actuarially Determined Contribution	\$ 6,660,024	\$ 6,049,364	\$ 5,537,175
Contributions in Relation to the Actuarially Determined Contribution	(6,660,024)	(6,049,364)	(5,537,175)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
Covered Payroll	\$ 14,774,086	\$ 14,384,057	\$ 14,161,240
Contributions as a Percentage of Covered Payroll	45.08%	42.06%	39.10%

¹ Historical information is required only for measurement periods for which GASB 68 is applicable.

Notes to Schedule of Plan Contributions:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2020-21 were from the June 30, 2018 public agency valuations.

Actuarial Cost Method	Entry-Age Normal Cost Method
Amortization Method/Period	Level Percent of Payroll
Asset Valuation Method	Fair Value of Assets
Inflation	2.500%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	2.75%
Investment Rate of Return	7.00% Net of Pension Plan Investment and Administrative Expenses; includes Inflation.
Retirement Age	The probabilities of Retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016

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

City of Arcadia
Required Supplementary Information (Unaudited) (Continued)
For the Fiscal Year Ended June 30, 2021

Schedule of Changes in Net OPEB Liability and Related Ratios

Employer Fiscal Year End Measurement Period	2020-21 2019-20 ¹	2019-20 2018-19 ¹	2018-19 2017-18 ¹	2017-18 2016-17 ¹
Total OPEB Liability				
Service Cost	\$ 539,587	\$ 624,092	\$ 571,905	\$ 553,903
Interest on the Total OPEB Liability	1,277,195	1,473,509	1,433,073	1,373,468
Changes of Benefit Terms	-	-	-	-
Difference between Expected and Actual Experience	-	(4,103,434)	-	-
Changes of Assumptions	-	926,042	518,256	-
Benefit Payments	(1,249,082)	(1,232,218)	(1,188,482)	(1,064,775)
Net Change in Total OPEB Liability	567,700	(2,312,009)	1,334,752	862,596
Total OPEB Liability - Beginning	18,730,142	21,042,151	19,707,399	18,844,803
Total OPEB Liability - Ending	<u>\$ 19,297,842</u>	<u>\$ 18,730,142</u>	<u>\$ 21,042,151</u>	<u>\$ 19,707,399</u>
OPEB Fiduciary Net Position				
Contributions from the Employer	\$ 2,191,682	\$ 2,143,818	\$ 1,839,281	\$ 1,715,575
Plan experience	(137,211)	-	19,701	-
Net Investment Income	318,573	229,602	183,040	180,573
Administrative Expenses	(2,462)	(826)	(1,425)	(875)
Other expenses	-	-	(2,901)	-
Benefit Payments	(1,249,082)	(1,232,218)	(1,188,482)	(1,064,775)
Net Change in Plan Fiduciary Net Position	1,121,500	1,140,376	849,214	830,498
Plan Fiduciary Net Position - Beginning	\$ 4,180,636	\$ 3,040,260	2,191,046	1,360,548
Plan Fiduciary Net Position - Ending	<u>\$ 5,302,136</u>	<u>\$ 4,180,636</u>	<u>\$ 3,040,260</u>	<u>\$ 2,191,046</u>
Plan Net OPEB Liability - Ending	<u>\$ 13,995,706</u>	<u>\$ 14,549,506</u>	<u>\$ 18,001,891</u>	<u>\$ 17,516,353</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	<u>27.48%</u>	<u>22.32%</u>	<u>14.45%</u>	<u>11.12%</u>
Covered-Employee Payroll	\$ 34,745,161	\$ 34,666,237	\$ 33,785,974	\$ 33,578,926
Net OPEB Liability as a Percentage of Covered-Employee Payroll	40.28%	41.97%	53.28%	52.16%

¹ Historical information is required only for measurement periods for which GASB 75 is applicable.

Notes to Schedule:

Change of Assumptions: There were changes of assumption of the June 30, 2019 valuation.

City of Arcadia
Required Supplementary Information (Unaudited) (Continued)
For the Fiscal Year Ended June 30, 2021

Schedule of Contributions – OPEB

Last Ten Fiscal Years¹

	2020-2021	2019-2020	20018-2019	2017-2018
Actuarially Determine Contribution	\$ 1,636,344	\$ 1,634,135	\$ 1,891,281	\$ 1,828,930
Contributions in Relation to the Actuarially Determined Contribution	2,446,606	2,191,682	2,143,818	1,839,281
Contribution Deficiency (Excess)	\$ (810,262)	\$ (557,547)	\$ (252,537)	\$ (10,351)
Cover Employee Payroll During Fiscal Year	\$ 33,974,008	\$ 34,745,161	\$ 34,884,018	\$ 33,785,974
Contributions as a Percentage of Covered Employee Payroll	7.20%	6.31%	6.15%	5.44%

¹ GASB 75 requires this information for plans funding with OPEB trusts be reported in the employer's Required Supplementary Information for 10 years or as many years as are available upon implementation. Fiscal year 2018 was the 1st year of implementation, therefore only four fiscal years are shown.

Notes to Schedule:

Valuation Date	June 30, 2019	June 30, 2019	June 30, 2017	June 30, 2017
Actuarial Cost Method	Entry Age	Entry Age	Entry Age	Entry Age
	Normal Level % of Pay	Normal Level % of Pay	Normal Level % of Pay	Normal Level % of Pay
Amortization Method	Level % of Payroll Closed 30 Years	Level % of Payroll Closed 30 Years	Level % of Payroll Closed 30 Years	Level % of Payroll Closed 30 Years
Amortization Period	21 Years Remain	21 Years Remain	22 Years Remain	23 Years Remain
Asset Valuation Method	Fair Value	Fair Value	Fair Value	Fair Value
Inflation	2.50%	2.50%	2.75%	2.75%
Healthcare Cost Trend Rates	6.5% in 2021, grading down to 4% by 2076	6.5% in 2021, grading down to 4% by 2076	8.0% in 2018, step down by 0.5% to 5% by 2024	8.0% in 2018, step down by 0.5% to 5% by 2024
Salary Increase	3.00%	3.00%	3.25%	3.25%
Investment Rate of Return	6.85%	6.85%	7.28%	7.28%
Retirement Age	From 50 to 75	From 50 to 75	From 50 to 75	From 50 to 75
Mortality	2017 CalPERS Experience Study	2017 CalPERS Experience Study	2017 CalPERS Experience Study	2017 CalPERS Experience Study
Mortality Improvement	MW Scale 2020	MW Scale 2020	MW Scale 2017	MW Scale 2017

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SUPPLEMENTARY INFORMATION

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MAJOR GOVERNMENTAL FUND

CAPITAL PROJECTS FUND

Capital Outlay Capital Projects Fund - established to account for all Pari-mutuel revenues received from Santa Anita Race Track. Expenditures from this Fund generally relate to the acquisition of capital, but also includes traffic control in and around the race track.

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Narcotics Seizure Fund - established to account for revenues and expenditures related to law enforcement activities.

Citizens' Option for Public Safety Supplemental Law Enforcement Services Fund (COPS SLESF) - established to account for funds distributed in support of the Citizens Option for Public Safety (COPS) Program. Funds must be used for front line police services.

OTS Grant Fund - established to account for the activities of the Selective Traffic Enforcement Grant Program (STEP) coordinated by the Office of Traffic and Safety. The grant is designed to help persons killed and injured in crashes involving alcohol, speed and other primary collision factors. The program supports DUI saturation patrols, and measures that concentrate on seat belt enforcement, intersection operations with disproportion collisions, traffic safety presentations, and motorcycle safety.

Traffic Safety Fund - established to account for fines received on Vehicle Code violations which can be used only for traffic safety expenditures.

Solid Waste Fund - established to account for revenues and expenditures to administer the requirements established by the California Integrated Waste Management Act (AB 939).

Air Quality Management District Fund (AQMD) - established for the administration, studies and implementation of air quality measures.

Community Development Block Grant Fund (CDBG) - established to account for financing the rehabilitation of privately held homes and government infrastructure. Financing is provided by the Federal Housing and Community Development Act.

Proposition A Transit Fund - established to account for the receipts of the City's share of the 1/2 cent sales tax levied in Los Angeles County for local transit uses.

Transportation Impact Fund - established to account for the revenues generated by the Transportation Impact Fee Program and expenditures paid for the intersection improvements identified in the City's Transportation Master Plan. The Transportation Impact Fee Program, which is consistent with state law, establishes a contribution from new development based on the number of P.M. peak-hour vehicle trips added to the City's arterial network.

State and County Gas Tax Fund - established to account for the construction and maintenance of the road network system of the City. Financing is provided by the City's share of state gasoline taxes and funds made available by Los Angeles County. State and County laws require that these gasoline taxes be used to maintain streets.

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

SPECIAL REVENUE FUNDS (Continued)

Measure R Fund - established to account for monies received from Measure R allocation, which can be used to major street resurfacing, rehabilitation and reconstruction; pothole repair; left turn signals; bikeway; pedestrian improvements; streetscapes; signal synchronizations; and transit operations.

Lighting Maintenance Fund - established to account for the maintenance of street lighting systems installed at the request of local residents. Original financing is provided through assessments to the benefiting property owners.

Prop C Local Return Fund - established to account for financial activities for the City's share of Proposition C monies; designated for transportation related activities.

IRS Task Force Fund - established to account for financial activities related to the Department of Treasury Internal Revenue Service Los Angeles Suspicious Activity Reports and Money Services Businesses Task Force.

TDA Article 3 Bikeway Fund - established to account for Transportation Development Act funds for facility use by pedestrians and bicycles.

Santa Anita Grade Separation Fund - established to account for financial activities for the Gold Line Foothill Extension. City management has decided to fund a Gold Line grade separation at Santa Anita Avenue.

Homeland Security Fund - established to account for grants received through the Office of Homeland Security to purchase specialized equipment that would enhance the capabilities of local agencies to respond to incidents of terrorism involving the use of weapons of mass destruction.

Library State Grant Fund - established to account for the monies allocated by the State legislature for augmenting public library funds and for circulation based reimbursements which allows for universal borrowing privileges for the citizens of California.

Public, Education, and Government (PEG) Access Television Fund - established to account for the fees received from the cable operators for administration and improvement to any public, educational, and government access television.

Used Oil Grant Fund - established to account for the funding received from the used oil payment program administered by the Department of Resources Recycling and Recovery to provide for used oil and used oil filter collection and recycling and for public education.

DOC Beverage Grant Fund - established to account for funding received from CalRecycle for beverage container recycling and litter cleanup activities.

Road Maintenance and Rehabilitation Act Fund - established to address deferred maintenance on the state highway system and the local street and road system.

Measure M Fund - established to account for monies received from Measure M allocation, which can be used to major street resurfacing, rehabilitation and reconstruction; pothole repair; left turn signals; bikeway; pedestrian improvements; streetscapes; signal synchronizations; and transit operations.

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

SPECIAL REVENUE FUNDS (Continued)

County Homelessness Grant Fund - established to track funding and the activities related to the City of Arcadia's response to those experiencing homelessness

California Governor's Office of Emergency Services (Cal OES) Homeland Security Grant Program (HSGP) Fund - established to account for grant reimburses eligible equipment, training, organization, exercise, and planning needs of the Arcadia Police Department that meets Cal OES's homeland security grant objectives

Emergency Response Fund - established to track expenditures related to a City declared emergency.

DEBT SERVICE FUND

General Obligation Bonds Debt Service Fund - established to accumulate monies for payment of principal and interest on General Obligation Bonds. Debt service is financed through voter approved indebtedness assessed against property owners.

NONMAJOR ENTERPRISES FUNDS

Transit System Enterprise Fund - established to account for the City-operated "Dial-A-Ride" van service to the general public. Principal sources of revenue are the Los Angeles County Proposition "A" funds, Federal Transit Administration Capital Assistance, State Transportation Development Act Funds, and passenger fees.

Arcadia PAR 3 Golf Course Enterprise Fund - established to account for the City-operated golf course service to the general public.

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City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Capital Outlay Capital Projects Fund
For the fiscal year ended June 30, 2021

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Taxes	\$ 225,000	\$ 225,000	\$ 132,761	\$ (92,239)
Use of money and property	42,800	42,800	47,855	5,055
Total revenues	<u>267,800</u>	<u>267,800</u>	<u>180,616</u>	<u>(87,184)</u>
EXPENDITURES				
Current:				
General government:				
General City	113,300	425,726	118,719	307,007
Public safety:				
Police	29,000	131,080	17,666	113,414
Fire	65,000	734,642	57,571	677,071
Public works services	640,000	2,155,440	803,533	1,351,907
Community development	-	500,000	500,000	-
Library	30,000	230,580	40,291	190,289
Recreation and community services	176,500	380,815	208,037	172,778
Total expenditures	<u>1,053,800</u>	<u>4,558,283</u>	<u>1,745,817</u>	<u>2,812,466</u>
EXCESS (DEFICIENCY) OF				
 REVENUES OVER (UNDER) EXPENDITURES	<u>(786,000)</u>	<u>(4,290,483)</u>	<u>(1,565,201)</u>	<u>2,725,282</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	1,600,000	1,600,000	100,101	(1,499,899)
Total other financing sources (uses)	<u>1,600,000</u>	<u>1,600,000</u>	<u>100,101</u>	<u>(1,499,899)</u>
Net change in fund balance	<u>\$ 814,000</u>	<u>\$ (2,690,483)</u>	<u>(1,465,100)</u>	<u>\$ 1,225,383</u>
FUND BALANCE:				
Beginning of fiscal year			11,332,519	
End of fiscal year			<u>\$ 9,867,419</u>	

City of Arcadia
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021

	Special Revenue				
	Narcotics Seizure	COPS SLESF	OTS Grant	Traffic Safety	Solid Waste
ASSETS					
Cash and investments	\$ 100,289	\$ 271,507	\$ -	\$ 3,793	\$ 1,870,652
Cash and investments with fiscal agent	-	-	-	-	-
Accounts receivable	-	-	-	-	10,059
Interest receivable	-	488	-	-	3,360
Due from other governments	4,296	-	9,263	-	60,057
Total assets	\$ 104,585	\$ 271,995	\$ 9,263	\$ 3,793	\$ 1,944,128
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ 3,793	\$ 311
Accrued salaries payable	-	4,627	-	-	8,832
Due to other funds	-	-	9,263	-	-
Deposits	-	-	-	-	-
Retentions payable	-	-	-	-	-
Total liabilities	-	4,627	9,263	3,793	9,143
Deferred Inflow of Resources:					
Unavailable revenue	-	-	-	-	-
Total deferred inflow of resources	-	-	-	-	-
Fund Balances:					
Restricted	104,585	267,368	-	-	1,934,985
Unassigned	-	-	-	-	-
Total fund balances (deficits)	104,585	267,368	-	-	1,934,985
Total liabilities and deferred inflow of resources and fund balances	\$ 104,585	\$ 271,995	\$ 9,263	\$ 3,793	\$ 1,944,128

(Continued)

City of Arcadia
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
June 30, 2021

	Special Revenue				
	AQMD	CDBG	Prop A Transit	Transportation Impact	State and County Gas Tax
ASSETS					
Cash and investments	\$ 183,187	\$ -	\$ 2,445,445	\$ 1,619,160	\$ -
Cash and investments with fiscal agent	-	-	-	-	-
Accounts receivable	-	-	-	-	-
Interest receivable	329	-	3,147	2,909	-
Due from other governments	18,996	177,822	-	-	-
Total assets	\$ 202,512	\$ 177,822	\$ 2,448,592	\$ 1,622,069	\$ -
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ 42,227	\$ -	\$ 51,036	\$ -
Accrued salaries payable	-	-	5,359	-	-
Due to other funds	-	135,595	-	-	257,279
Deposits	-	-	-	-	-
Retentions payable	-	-	-	12,781	-
Total liabilities	-	177,822	5,359	63,817	257,279
Deferred Inflow of Resources:					
Unavailable revenue	-	399	-	-	-
Total deferred inflow of resources	-	399	-	-	-
Fund Balances:					
Restricted	202,512	-	2,443,233	1,558,252	-
Unassigned	-	(399)	-	-	(257,279)
Total fund balances (deficits)	202,512	(399)	2,443,233	1,558,252	(257,279)
Total liabilities and deferred inflow of resources and fund balances	\$ 202,512	\$ 177,822	\$ 2,448,592	\$ 1,622,069	\$ -

(Continued)

City of Arcadia
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
June 30, 2021

	Special Revenue				
	Measure R	Lighting Maintenance	Prop C	IRS Task Force	TDA Article 3 Bikeway
ASSETS					
Cash and investments	\$ 1,023,955	\$ 419,094	\$ 2,887,364	\$ 461,489	\$ -
Cash and investments with fiscal agent	-	-	-	-	-
Accounts receivable	-	-	-	-	-
Interest receivable	1,009	707	5,187	-	-
Due from other governments	-	8,196	-	-	73,557
Total assets	\$ 1,024,964	\$ 427,997	\$ 2,892,551	\$ 461,489	\$ 73,557
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 2,734	\$ 190,769	\$ 19,700	\$ -	\$ 14,180
Accrued salaries payable	1,852	9,153	2,693	-	-
Due to other funds	-	-	-	-	99,776
Deposits	-	-	-	-	-
Retentions payable	-	-	55,537	-	-
Total liabilities	4,586	199,922	77,930	-	113,956
Deferred Inflow of Resources:					
Unavailable revenue	-	-	-	-	-
Total deferred inflow of resources	-	-	-	-	-
Fund Balances:					
Restricted	1,020,378	228,075	2,814,621	461,489	-
Unassigned	-	-	-	-	(40,399)
Total fund balances (deficits)	1,020,378	228,075	2,814,621	461,489	(40,399)
Total liabilities and deferred inflow of resources and fund balances	\$ 1,024,964	\$ 427,997	\$ 2,892,551	\$ 461,489	\$ 73,557

(Continued)

City of Arcadia
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
June 30, 2021

	Special Revenue				
	Santa Anita		Library	PEG	
	Grade	Homeland	State	Access	Used Oil
	Separation	Security	Grant	Television	Grant
ASSETS					
Cash and investments	\$ -	\$ -	\$ 624	\$ 935,965	\$ 13,859
Cash and investments with fiscal agent	-	-	-	-	-
Accounts receivable	-	-	-	-	-
Interest receivable	-	-	-	1,682	25
Due from other governments	-	3,018	-	19,040	-
Total assets	\$ -	\$ 3,018	\$ 624	\$ 956,687	\$ 13,884
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 562,127	\$ -	\$ -	\$ -	\$ 6,410
Accrued salaries payable	-	-	-	-	-
Due to other funds	6,146	3,018	-	-	-
Deposits	-	-	-	-	-
Retentions payable	103,870	-	-	-	-
Total liabilities	672,143	3,018	-	-	6,410
Deferred Inflow of Resources:					
Unavailable revenue	-	3,017	-	-	-
Total deferred inflow of resources	-	3,017	-	-	-
Fund Balances:					
Restricted	-	-	624	956,687	7,474
Unassigned	(672,143)	(3,017)	-	-	-
Total fund balances (deficits)	(672,143)	(3,017)	624	956,687	7,474
Total liabilities and deferred inflow of resources and fund balances	\$ -	\$ 3,018	\$ 624	\$ 956,687	\$ 13,884

(Continued)

City of Arcadia
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
June 30, 2021

	Special Revenue				
	DOC Beverage	Road Maintenance		County	CA OES
	Grant	and Rehabilitation	Measure M	Homelessness	HSGP
		Act		Grant	
ASSETS					
Cash and investments	\$ 66,788	\$ 1,088,653	\$ 1,244,304	\$ -	\$ -
Cash and investments with fiscal agent	-	-	-	-	-
Accounts receivable	-	-	-	-	-
Interest receivable	120	1,956	2,235	-	-
Due from other governments	-	103,390	-	81,562	-
Total assets	\$ 66,908	\$ 1,193,999	\$ 1,246,539	\$ 81,562	\$ -
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ 994	\$ 41,042	\$ 46,227	\$ -
Accrued salaries payable	-	-	-	1,565	-
Due to other funds	-	-	-	75,093	-
Deposits	-	-	-	-	-
Retentions payable	-	-	-	-	-
Total liabilities	-	994	41,042	122,885	-
Deferred Inflow of Resources:					
Unavailable revenue	-	-	-	-	-
Total deferred inflow of resources	-	-	-	-	-
Fund Balances:					
Restricted	66,908	1,193,005	1,205,497	-	-
Unassigned	-	-	-	(41,323)	-
Total fund balances (deficits)	66,908	1,193,005	1,205,497	(41,323)	-
Total liabilities and deferred inflow of resources and fund balances	\$ 66,908	\$ 1,193,999	\$ 1,246,539	\$ 81,562	\$ -

City of Arcadia
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
June 30, 2021

	Special Revenue	Debt Service	Total
	Emergency	General	Nonmajor
	Response	Obligation	Governmental
	Bonds	Funds	
ASSETS			
Cash and investments	\$ 4,308,287	\$ 875,121	\$ 19,819,536
Cash and investments with fiscal agent	-	19	19
Accounts receivable	-	-	10,059
Interest receivable	-	1,572	24,726
Due from other governments	-	30,241	589,438
Total assets	\$ 4,308,287	\$ 906,953	\$ 20,443,778
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 9,565	\$ -	\$ 991,115
Accrued salaries payable	-	-	34,081
Due to other funds	-	-	586,170
Deposits	39,208	-	39,208
Retentions payable	-	-	172,188
Total liabilities	48,773	-	1,822,762
Deferred Inflow of Resources:			
Unavailable revenue	-	-	3,416
Total deferred inflow of resources	-	-	3,416
Fund Balances:			
Restricted	4,259,514	906,953	19,632,160
Unassigned	-	-	(1,014,560)
Total fund balances (deficits)	4,259,514	906,953	18,617,600
Total liabilities and deferred inflow of resources and fund balances	\$ 4,308,287	\$ 906,953	\$ 20,443,778

(Concluded)

City of Arcadia
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2021

	Special Revenue				
	Narcotics Seizure	COPS SLESF	OTS Grant	Traffic Safety	Solid Waste
REVENUES:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 537,687
Licenses and permits	-	-	-	-	-
Fines and forfeitures	-	-	-	113,169	-
Use of money and property	115	2,039	-	-	12,575
Intergovernmental	-	-	10,286	-	-
Charges for services	12,849	-	-	-	122,784
Other revenues	-	156,726	-	-	1,564
Total revenues	12,964	158,765	10,286	113,169	674,610
EXPENDITURES:					
Current:					
General government:					
General city	-	-	-	-	-
Public safety:					
Police	-	162,381	10,286	-	-
Fire	-	-	-	-	-
Public works services	-	-	-	-	426,170
Community development	-	-	-	-	-
Recreation and community services	-	-	-	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	-	162,381	10,286	-	426,170
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	12,964	(3,616)	-	113,169	248,440
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	(127,042)	(300,000)
Total other financing sources (uses)	-	-	-	(127,042)	(300,000)
Net changes in fund balances	12,964	(3,616)	-	(13,873)	(51,560)
FUND BALANCES (DEFICIT):					
Beginning of fiscal year	91,621	270,984	-	13,873	1,986,545
End of fiscal year	\$ 104,585	\$ 267,368	\$ -	\$ -	\$ 1,934,985

(Continued)

City of Arcadia
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds (Continued)
For the Fiscal Year Ended June 30, 2021

	Special Revenue				
	AQMD	CDBG	Prop A Transit	Transportation Impact	State and County Gas Tax
REVENUES:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	230,538	-
Fines and forfeitures	-	-	-	-	-
Use of money and property	1,558	-	13,621	6,371	(1,262)
Intergovernmental	74,706	353,189	1,184,894	180,483	1,243,285
Charges for services	-	-	-	-	-
Other revenues	-	-	-	-	-
Total revenues	76,264	353,189	1,198,515	417,392	1,242,023
EXPENDITURES:					
Current:					
General government:					
General city	-	-	-	-	-
Public safety:					
Police	-	-	-	-	-
Fire	-	-	-	-	-
Public works services	-	-	127,799	-	153,837
Community development	11,164	345,852	123,957	655,121	-
Recreation and community services	-	7,736	17,900	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	11,164	353,588	269,656	655,121	153,837
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	65,100	(399)	928,859	(237,729)	1,088,186
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	(535,266)	-	(1,449,068)
Total other financing sources (uses)	-	-	(535,266)	-	(1,449,068)
Net changes in fund balances	65,100	(399)	393,593	(237,729)	(360,882)
FUND BALANCES (DEFICIT):					
Beginning of fiscal year	137,412	-	2,049,640	1,795,981	103,603
End of fiscal year	\$ 202,512	\$ (399)	\$ 2,443,233	\$ 1,558,252	\$ (257,279)

(Continued)

City of Arcadia
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds (Continued)
For the Fiscal Year Ended June 30, 2021

	Special Revenue				
	Measure R	Lighting Maintenance	Prop C	IRS Task Force	TDA Article 3 Bikeway
REVENUES:					
Taxes	\$ -	\$ 503,507	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Use of money and property	(5,457)	1,325	15,741	737	-
Intergovernmental	1,177,405	-	1,714,219	-	73,557
Charges for services	-	-	-	-	-
Other revenues	-	-	-	-	-
Total revenues	1,171,948	504,832	1,729,960	737	73,557
EXPENDITURES:					
Current:					
General government:					
General city	-	-	-	-	-
Public safety:					
Police	-	-	-	-	-
Fire	-	-	-	-	-
Public works services	-	1,350,692	-	-	-
Community development	799,806	-	1,328,584	-	113,956
Recreation and community services	-	-	-	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	799,806	1,350,692	1,328,584	-	113,956
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	372,142	(845,860)	401,376	737	(40,399)
OTHER FINANCING SOURCES (USES):					
Transfers in	-	811,012	-	-	-
Transfers out	(356,844)	-	-	-	-
Total other financing sources (uses)	(356,844)	811,012	-	-	-
Net changes in fund balances	15,298	(34,848)	401,376	737	(40,399)
FUND BALANCES (DEFICIT):					
Beginning of fiscal year	1,005,080	262,923	2,413,245	460,752	-
End of fiscal year	<u>\$ 1,020,378</u>	<u>\$ 228,075</u>	<u>\$ 2,814,621</u>	<u>\$ 461,489</u>	<u>\$ (40,399)</u>

(Continued)

City of Arcadia
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds (Continued)
For the Fiscal Year Ended June 30, 2021

	Special Revenue				
	Santa Anita Grade Separation	Homeland Security	Library State Grant	PEG Access Television	Used Oil Grant
REVENUES:					
Taxes	\$ -	\$ -	\$ -	\$ 72,546	\$ -
Licenses and permits	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Use of money and property	(10,531)	-	-	6,421	(123)
Intergovernmental	-	4,595	-	-	567
Charges for services	-	-	-	-	-
Other revenues	-	-	-	-	-
Total revenues	(10,531)	4,595	-	78,967	444
EXPENDITURES:					
Current:					
General government:					
General city	-	-	-	6,003	-
Public safety:					
Police	-	-	-	-	-
Fire	-	4,595	-	-	-
Public works services	-	-	-	-	5,468
Community development	2,165,814	-	-	-	-
Recreation and community services	-	-	-	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	2,165,814	4,595	-	6,003	5,468
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,176,345)	-	-	72,964	(5,024)
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net changes in fund balances	(2,176,345)	-	-	72,964	(5,024)
FUND BALANCES (DEFICIT):					
Beginning of fiscal year	1,504,202	(3,017)	624	883,723	12,498
End of fiscal year	<u>\$ (672,143)</u>	<u>\$ (3,017)</u>	<u>\$ 624</u>	<u>\$ 956,687</u>	<u>\$ 7,474</u>

(Continued)

City of Arcadia
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds (Continued)
For the Fiscal Year Ended June 30, 2021

	Special Revenue				
	DOC Beverage	Road Maintenance		County	CA OES
	Grant	and Rehabilitation	Measure M	Homelessness	HSGP
		Act		Grant	
REVENUES:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Use of money and property	420	906	10,793	-	-
Intergovernmental	14,346	1,053,058	836,340	325,557	52,305
Charges for services	-	-	-	-	-
Other revenues	-	-	-	-	-
Total revenues	14,766	1,053,964	847,133	325,557	52,305
EXPENDITURES:					
Current:					
General government:					
General city	-	-	-	-	-
Public safety:					
Police	-	-	-	-	52,305
Fire	-	-	-	-	-
Public works services	-	-	-	-	-
Community development	-	768,571	147,200	-	-
Recreation and community services	-	-	-	372,187	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	-	768,571	147,200	372,187	52,305
EXCESS (DEFICIENCY) OF REVENUES					
 OVER (UNDER) EXPENDITURES	14,766	285,393	699,933	(46,630)	-
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net changes in fund balances	14,766	285,393	699,933	(46,630)	-
FUND BALANCES (DEFICIT):					
Beginning of fiscal year	52,142	907,612	505,564	5,307	-
End of fiscal year	\$ 66,908	\$ 1,193,005	\$ 1,205,497	\$ (41,323)	\$ -

City of Arcadia
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds (Continued)
For the Fiscal Year Ended June 30, 2021

	Special Revenue	Debt Service	Total
	Emergency	General	Nonmajor
	Response	Obligation	Governmental
	Bonds	Funds	
REVENUES:			
Taxes	\$ -	\$ 1,067,865	\$ 2,181,605
Licenses and permits	-	-	230,538
Fines and forfeitures	-	-	113,169
Use of money and property	-	(5,936)	49,313
Intergovernmental	5,031,187	-	13,329,979
Charges for services	-	-	135,633
Other revenues	420	-	158,710
Total revenues	5,031,607	1,061,929	16,198,947
EXPENDITURES:			
Current:			
General government:			
General city	134,458	2,300	142,761
Public safety:			
Police	-	-	224,972
Fire	-	-	4,595
Public works services	-	-	2,063,966
Community development	-	-	6,460,025
Recreation and community services	-	-	397,823
Debt service:			
Principal retirement	-	675,000	675,000
Interest and fiscal charges	-	338,673	338,673
Total expenditures	134,458	1,015,973	10,307,815
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	4,897,149	45,956	5,891,132
OTHER FINANCING SOURCES (USES):			
Transfers in	-	-	811,012
Transfers out	-	-	(2,768,220)
Total other financing sources (uses)	-	-	(1,957,208)
Net changes in fund balances	4,897,149	45,956	3,933,924
FUND BALANCES (DEFICIT):			
Beginning of fiscal year	(637,635)	860,997	14,683,676
End of fiscal year	\$ 4,259,514	\$ 906,953	\$ 18,617,600

(Concluded)

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Narcotics Seizure Special Revenue Fund
For the Fiscal Year Ended June 30, 2021

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Use of money and property	\$ 800	\$ 800	\$ 115	\$ (685)
Charges for services	-	-	12,849	12,849
Other revenues	60,000	60,000	-	(60,000)
Total revenues	<u>60,800</u>	<u>60,800</u>	<u>12,964</u>	<u>(47,836)</u>
EXPENDITURES:				
Current:				
Public safety:				
Police	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ 60,800</u>	<u>\$ 60,800</u>	12,964	<u>\$ (47,836)</u>
FUND BALANCE:				
Beginning of fiscal year			91,621	
End of fiscal year			<u>\$ 104,585</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
COPS SLESF Special Revenue Fund
For the Fiscal Year Ended June 30, 2021

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Use of money and property	\$ 2,000	\$ 2,000	\$ 2,039	\$ 39
Other revenues	166,600	166,600	156,726	(9,874)
Total revenues	<u>168,600</u>	<u>168,600</u>	<u>158,765</u>	<u>(9,835)</u>
EXPENDITURES:				
Current:				
Public safety:				
Police	167,700	167,700	162,381	5,319
Total expenditures	<u>167,700</u>	<u>167,700</u>	<u>162,381</u>	<u>5,319</u>
Net change in fund balance	<u>\$ 900</u>	<u>\$ 900</u>	(3,616)	<u>\$ (4,516)</u>
FUND BALANCE:				
Beginning of fiscal year			270,984	
End of fiscal year			<u>\$ 267,368</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
OTS Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2021

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Intergovernmental	\$ 73,800	\$ 73,800	\$ 10,286	\$ (63,514)
Total revenues	<u>73,800</u>	<u>73,800</u>	<u>10,286</u>	<u>(63,514)</u>
EXPENDITURES:				
Current:				
Public safety:				
Police	<u>72,800</u>	<u>72,800</u>	<u>10,286</u>	<u>62,514</u>
Total expenditures	<u>72,800</u>	<u>72,800</u>	<u>10,286</u>	<u>62,514</u>
Net change in fund balance	<u><u>\$ 1,000</u></u>	<u><u>\$ 1,000</u></u>	<u>-</u>	<u><u>\$ (1,000)</u></u>
FUND BALANCE:				
Beginning of fiscal year			<u>-</u>	
End of fiscal year			<u><u>\$ -</u></u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Traffic Safety Special Revenue Fund
For the Fiscal Year Ended June 30, 2021

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Fines and forfeitures	\$ 220,000	\$ 220,000	\$ 113,169	\$ (106,831)
Total revenues	<u>220,000</u>	<u>220,000</u>	<u>113,169</u>	<u>(106,831)</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(220,000)	(220,000)	(127,042)	92,958
Total other financing sources (uses)	<u>(220,000)</u>	<u>(220,000)</u>	<u>(127,042)</u>	<u>92,958</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	(13,873)	<u>\$ (13,873)</u>
FUND BALANCE:				
Beginning of fiscal year			<u>13,873</u>	
End of fiscal year			<u>\$ -</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Solid Waste Special Revenue Fund
For the Fiscal Year Ended June 30, 2021

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Taxes	\$ 550,000	\$ 550,000	\$ 537,687	\$ (12,313)
Use of money and property	14,800	14,800	12,575	(2,225)
Charges for services	119,000	119,000	122,784	3,784
Other revenues	500	500	1,564	1,064
Total revenues	684,300	684,300	674,610	(9,690)
EXPENDITURES:				
Current:				
Public works services	442,100	442,100	426,170	15,930
Total expenditures	442,100	442,100	426,170	15,930
EXCESS (DEFICIENCY) OF				
REVENUES OVER (UNDER) EXPENDITURES	242,200	242,200	248,440	6,240
OTHER FINANCING SOURCES (USES):				
Transfers out	(300,000)	(300,000)	(300,000)	-
Total other financing sources (uses)	(300,000)	(300,000)	(300,000)	-
Net change in fund balance	\$ (57,800)	\$ (57,800)	(51,560)	\$ 6,240
FUND BALANCE:				
Beginning of fiscal year			1,986,545	
End of fiscal year			<u>\$ 1,934,985</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
AQMD Special Revenue Fund
For the Fiscal Year Ended June 30, 2021

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Use of money and property	\$ 100	\$ 100	\$ 1,558	\$ 1,458
Intergovernmental	74,300	74,300	74,706	406
Total revenues	74,400	74,400	76,264	1,864
EXPENDITURES:				
Current:				
Public works services	-	110,000	-	110,000
Community development	22,300	22,300	11,164	11,136
Total expenditures	22,300	132,300	11,164	121,136
Net change in fund balance	<u>\$ 52,100</u>	<u>\$ (57,900)</u>	65,100	<u>\$ 123,000</u>
FUND BALANCE:				
Beginning of fiscal year			137,412	
End of fiscal year			<u>\$ 202,512</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
CDBG Special Revenue Fund
For the Fiscal Year Ended June 30, 2021

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Intergovernmental	\$ 304,800	\$ 304,800	\$ 353,189	\$ 48,389
Charges for services	29,700	29,700	-	(29,700)
Total revenues	334,500	334,500	353,189	18,689
EXPENDITURES:				
Current:				
Community development	237,200	444,232	345,852	98,380
Recreation and community services	88,900	88,900	7,736	81,164
Total expenditures	326,100	533,132	353,588	179,544
Net change in fund balance	\$ 8,400	\$ (198,632)	(399)	\$ 198,233
FUND BALANCE:				
Beginning of fiscal year			-	
End of fiscal year			\$ (399)	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Proposition A Transit Special Revenue Fund
For the Fiscal Year Ended June 30, 2021

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Use of money and property	\$ 18,600	\$ 18,600	\$ 13,621	\$ (4,979)
Intergovernmental	1,248,000	1,248,000	1,184,894	(63,106)
Total revenues	<u>1,266,600</u>	<u>1,266,600</u>	<u>1,198,515</u>	<u>(68,085)</u>
EXPENDITURES:				
Current:				
Public works services	127,400	127,400	127,799	(399)
Community development	120,700	120,700	123,957	(3,257)
Recreation and community services	20,700	20,700	17,900	2,800
Total expenditures	<u>268,800</u>	<u>268,800</u>	<u>269,656</u>	<u>(856)</u>
EXCESS (DEFICIENCY) OF				
REVENUES OVER (UNDER) EXPENDITURES	<u>997,800</u>	<u>997,800</u>	<u>928,859</u>	<u>(68,941)</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>(868,800)</u>	<u>(868,800)</u>	<u>(535,266)</u>	<u>333,534</u>
Total other financing sources (uses)	<u>(868,800)</u>	<u>(868,800)</u>	<u>(535,266)</u>	<u>333,534</u>
Net change in fund balance	<u>\$ 129,000</u>	<u>\$ 129,000</u>	<u>393,593</u>	<u>\$ 264,593</u>
FUND BALANCE:				
Beginning of fiscal year			<u>2,049,640</u>	
End of fiscal year			<u>\$ 2,443,233</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Transportation Impact Special Revenue Fund
For the Fiscal Year Ended June 30, 2021

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Licenses and permits	\$ 300,000	\$ 300,000	\$ 230,538	\$ (69,462)
Use of money and property	7,800	7,800	6,371	(1,429)
Intergovernmental	-	-	180,483	180,483
Total revenues	307,800	307,800	417,392	109,592
EXPENDITURES:				
Current:				
Community development	1,300,000	2,620,121	655,121	1,965,000
Total expenditures	1,300,000	2,620,121	655,121	1,965,000
Net change in fund balance	\$ (992,200)	\$ (2,312,321)	(237,729)	\$ 2,074,592
FUND BALANCE:				
Beginning of fiscal year			1,795,981	
End of fiscal year			<u>\$ 1,558,252</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
State and County Gas Tax Special Revenue Fund
For the Fiscal Year Ended June 30, 2021

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Use of money and property	\$ 1,800	\$ 1,800	\$ (1,262)	\$ (3,062)
Intergovernmental	1,381,200	1,381,200	1,243,285	(137,915)
Total revenues	<u>1,383,000</u>	<u>1,383,000</u>	<u>1,242,023</u>	<u>(140,977)</u>
EXPENDITURES:				
Current:				
Public works services	-	300,000	153,837	146,163
Total expenditures	<u>-</u>	<u>300,000</u>	<u>153,837</u>	<u>146,163</u>
EXCESS (DEFICIENCY) OF				
REVENUES OVER (UNDER) EXPENDITURES	<u>1,383,000</u>	<u>1,083,000</u>	<u>1,088,186</u>	<u>5,186</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>(1,435,200)</u>	<u>(1,435,200)</u>	<u>(1,449,068)</u>	<u>(13,868)</u>
Total other financing sources (uses)	<u>(1,435,200)</u>	<u>(1,435,200)</u>	<u>(1,449,068)</u>	<u>(13,868)</u>
Net change in fund balance	<u>\$ (52,200)</u>	<u>\$ (352,200)</u>	<u>(360,882)</u>	<u>\$ (8,682)</u>
FUND BALANCE (DEFICITS):				
Beginning of fiscal year			<u>103,603</u>	
End of fiscal year			<u>\$ (257,279)</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Change in Fund Balance - Budget and Actual
Measure R Special Revenue Fund
For the Fiscal Year Ended June 30, 2021

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Use of money and property	\$ 3,500	\$ 3,500	\$ (5,457)	\$ (8,957)
Intergovernmental	772,000	772,000	1,177,405	405,405
Total revenues	775,500	775,500	1,171,948	396,448
EXPENDITURES:				
Current:				
Community development	69,400	1,054,057	799,806	254,251
Total expenditures	69,400	1,054,057	799,806	254,251
EXCESS (DEFICIENCY) OF				
REVENUES OVER (UNDER) EXPENDITURES	706,100	(278,557)	372,142	650,699
OTHER FINANCING SOURCES (USES):				
Transfers out	(579,200)	(579,200)	(356,844)	222,356
Total other financing sources (uses)	(579,200)	(579,200)	(356,844)	222,356
Net change in fund balance	\$ 126,900	\$ (857,757)	15,298	\$ 873,055
FUND BALANCE:				
Beginning of fiscal year			1,005,080	
End of fiscal year			<u>\$ 1,020,378</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Lighting Maintenance Special Revenue Fund
For the Fiscal Year Ended June 30, 2021

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Taxes	\$ 524,200	\$ 524,200	\$ 503,507	\$ (20,693)
Use of money and property	-	-	1,325	1,325
Total revenues	<u>524,200</u>	<u>524,200</u>	<u>504,832</u>	<u>(19,368)</u>
EXPENDITURES:				
Current:				
Public works services	<u>1,278,200</u>	<u>1,278,200</u>	<u>1,350,692</u>	<u>(72,492)</u>
Total expenditures	<u>1,278,200</u>	<u>1,278,200</u>	<u>1,350,692</u>	<u>(72,492)</u>
EXCESS (DEFICIENCY) OF				
REVENUES OVER (UNDER) EXPENDITURES	<u>(754,000)</u>	<u>(754,000)</u>	<u>(845,860)</u>	<u>(91,860)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	<u>786,300</u>	<u>786,300</u>	<u>811,012</u>	<u>24,712</u>
Total other financing sources (uses)	<u>786,300</u>	<u>786,300</u>	<u>811,012</u>	<u>24,712</u>
Net change in fund balance	<u>\$ 32,300</u>	<u>\$ 32,300</u>	<u>(34,848)</u>	<u>\$ (67,148)</u>
FUND BALANCE:				
Beginning of fiscal year			<u>262,923</u>	
End of fiscal year			<u>\$ 228,075</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Prop C Special Revenue Fund
For the Fiscal Year Ended June 30, 2021

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Use of money and property	\$ 4,600	\$ 4,600	\$ 15,741	\$ 11,141
Intergovernmental	1,029,000	1,029,000	1,714,219	685,219
Total revenues	1,033,600	1,033,600	1,729,960	696,360
EXPENDITURES:				
Current:				
Community development	1,103,700	3,084,732	1,328,584	1,756,148
Total expenditures	1,103,700	3,084,732	1,328,584	1,756,148
Net change in fund balance	\$ (70,100)	\$ (2,051,132)	401,376	\$ 2,452,508
FUND BALANCE:				
Beginning of fiscal year			2,413,245	
End of fiscal year			<u>\$ 2,814,621</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
IRS Task Force Special Revenue Fund
For the Fiscal Year Ended June 30, 2021

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Use of money and property	\$ 3,500	\$ 3,500	\$ 737	\$ (2,763)
Total revenues	<u>3,500</u>	<u>3,500</u>	<u>737</u>	<u>(2,763)</u>
Net change in fund balance	<u>\$ 3,500</u>	<u>\$ 3,500</u>	<u>737</u>	<u>\$ (2,763)</u>
FUND BALANCE:				
Beginning of fiscal year			<u>460,752</u>	
End of fiscal year			<u>\$ 461,489</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
TDA Article 3 Bikeway Special Revenue Fund
For the Fiscal Year Ended June 30, 2021

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Intergovernmental	\$ 50,000	\$ 50,000	\$ 73,557	\$ 23,557
Total revenues	<u>50,000</u>	<u>50,000</u>	<u>73,557</u>	<u>23,557</u>
EXPENDITURES:				
Current:				
Community development	<u>50,000</u>	<u>94,692</u>	<u>113,956</u>	<u>(19,264)</u>
Total expenditures	<u>50,000</u>	<u>94,692</u>	<u>113,956</u>	<u>(19,264)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (44,692)</u>	<u>(40,399)</u>	<u>\$ 4,293</u>
FUND BALANCE (DEFICIT):				
Beginning of fiscal year			<u>-</u>	
End of fiscal year			<u>\$ (40,399)</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Santa Anita Grade Separation Special Revenue Fund
For the Fiscal Year Ended June 30, 2021

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Use of money and property	\$ 12,200	\$ 12,200	\$ (10,531)	\$ (22,731)
Total revenues	<u>12,200</u>	<u>12,200</u>	<u>(10,531)</u>	<u>(22,731)</u>
EXPENDITURES:				
Current:				
Community development	-	2,357,941	2,165,814	192,127
Total expenditures	<u>-</u>	<u>2,357,941</u>	<u>2,165,814</u>	<u>192,127</u>
Net change in fund balance	<u>\$ 12,200</u>	<u>\$ (2,345,741)</u>	<u>(2,176,345)</u>	<u>\$ 169,396</u>
FUND BALANCE (DEFICIT):				
Beginning of fiscal year			<u>1,504,202</u>	
End of fiscal year			<u>\$ (672,143)</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Homeland Security Special Revenue Fund
For the Fiscal Year Ended June 30, 2021

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Intergovernmental	\$ 10,000	\$ 10,000	\$ 4,595	\$ (5,405)
Total revenues	<u>10,000</u>	<u>10,000</u>	<u>4,595</u>	<u>(5,405)</u>
EXPENDITURES:				
Current:				
Public safety:				
Fire	10,000	10,000	4,595	5,405
Total expenditures	<u>10,000</u>	<u>10,000</u>	<u>4,595</u>	<u>5,405</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
FUND BALANCE (DEFICIT):				
Beginning of fiscal year			(3,017)	
End of fiscal year			<u>\$ (3,017)</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
PEG Access Television Special Revenue Fund
For the Fiscal Year Ended June 30, 2021

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Taxes	\$ 85,000	\$ 85,000	\$ 72,546	\$ (12,454)
Use of money and property	6,400	6,400	6,421	21
Total revenues	<u>91,400</u>	<u>91,400</u>	<u>78,967</u>	<u>(12,433)</u>
EXPENDITURES:				
Current:				
General city	25,000	44,036	6,003	38,033
Total expenditures	<u>25,000</u>	<u>44,036</u>	<u>6,003</u>	<u>38,033</u>
Net change in fund balance	<u>\$ 66,400</u>	<u>\$ 47,364</u>	72,964	<u>\$ 25,600</u>

FUND BALANCE:

Beginning of fiscal year	<u>883,723</u>
End of fiscal year	<u>\$ 956,687</u>

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Used Oil Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2021

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Use of money and property	\$ -	\$ -	\$ (123)	\$ (123)
Intergovernmental	15,500	15,500	567	(14,933)
Total revenues	15,500	15,500	444	(15,056)
EXPENDITURES:				
Current:				
Public works services	15,500	15,500	5,468	10,032
Total expenditures	15,500	15,500	5,468	10,032
Net change in fund balance	\$ -	\$ -	(5,024)	\$ (5,024)
FUND BALANCE:				
Beginning of fiscal year			12,498	
End of fiscal year			<u>\$ 7,474</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
DOC Beverage Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2021

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Use of money and property	\$ 300	\$ 300	\$ 420	\$ 120
Intergovernmental	14,500	14,500	14,346	(154)
Total revenues	14,800	14,800	14,766	(34)
EXPENDITURES:				
Current:				
Public works services	14,500	14,500	-	14,500
Total expenditures	14,500	14,500	-	14,500
Net change in fund balance	<u>\$ 300</u>	<u>\$ 300</u>	14,766	<u>\$ 14,466</u>
FUND BALANCE:				
Beginning of fiscal year			52,142	
End of fiscal year			<u>\$ 66,908</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Road Maintenance and Rehabilitation Act Special Revenue Fund
For the Fiscal Year Ended June 30, 2021

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Use of money and property	\$ 2,000	\$ 2,000	\$ 906	\$ (1,094)
Intergovernmental	1,012,100	1,012,100	1,053,058	40,958
Total revenues	1,014,100	1,014,100	1,053,964	39,864
EXPENDITURES:				
Current:				
Community development	1,100,000	1,864,549	768,571	1,095,978
Total expenditures	1,100,000	1,864,549	768,571	1,095,978
Net change in fund balance	\$ (85,900)	\$ (850,449)	285,393	\$ 1,135,842
FUND BALANCE:				
Beginning of fiscal year			907,612	
End of fiscal year			<u>\$ 1,193,005</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Measure M Special Revenue Fund Center
For the Fiscal Year Ended June 30, 2021

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Use of money and property	\$ 4,900	\$ 4,900	\$ 10,793	\$ 5,893
Intergovernmental	875,000	875,000	836,340	(38,660)
Total revenues	879,900	879,900	847,133	(32,767)
EXPENDITURES:				
Current:				
Community development	255,000	459,034	147,200	311,834
Total expenditures	255,000	459,034	147,200	311,834
Net change in fund balance	<u>\$ 624,900</u>	<u>\$ 420,866</u>	699,933	<u>\$ 279,067</u>
FUND BALANCE:				
Beginning of fiscal year			505,564	
End of fiscal year			<u>\$ 1,205,497</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
CA OES HSGP Special Revenue Fund
For the Fiscal Year Ended June 30, 2021

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Intergovernmental	\$ 120,000	\$ 120,000	\$ 52,305	\$ (67,695)
Total revenues	<u>120,000</u>	<u>120,000</u>	<u>52,305</u>	<u>(67,695)</u>
EXPENDITURES:				
Current:				
Public safety:				
Police	<u>120,000</u>	<u>120,000</u>	<u>52,305</u>	<u>67,695</u>
Total expenditures	<u>120,000</u>	<u>120,000</u>	<u>52,305</u>	<u>67,695</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
FUND BALANCE:				
Beginning of fiscal year			<u>-</u>	
End of fiscal year			<u>\$ -</u>	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Emergency Response Special Revenue Fund
For the Fiscal Year Ended June 30, 2021

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 5,031,187	\$ 5,031,187
Other revenues	-	-	420	420
Total revenues	-	-	5,031,607	5,031,607
EXPENDITURES:				
Current:				
General government:				
General city	50,000	50,000	134,458	(84,458)
Total expenditures	50,000	50,000	134,458	(84,458)
EXCESS (DEFICIENCY) OF				
REVENUES OVER (UNDER) EXPENDITURES	(50,000)	(50,000)	4,897,149	4,947,149
OTHER FINANCING SOURCES (USES):				
Transfers in	50,000	50,000	-	(50,000)
Total other financing sources (uses)	50,000	50,000	-	(50,000)
Net change in fund balance	\$ -	\$ -	4,897,149	\$ 4,897,149
FUND BALANCE (DEFICIT):				
Beginning of fiscal year			(637,635)	
End of fiscal year			\$ 4,259,514	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
General Obligation Bonds Debt Service Fund
For the Fiscal Year Ended June 30, 2021

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
REVENUES:				
Taxes	\$ 1,016,400	\$ 1,016,400	\$ 1,067,865	\$ 51,465
Use of money and property	300	300	(5,936)	(6,236)
Total revenues	<u>1,016,700</u>	<u>1,016,700</u>	<u>1,061,929</u>	<u>45,229</u>
EXPENDITURES:				
Current:				
General city	2,300	2,300	2,300	-
Debt service:				
Principal retirement	675,000	675,000	675,000	-
Interest and fiscal charges	<u>339,400</u>	<u>339,400</u>	<u>338,673</u>	<u>727</u>
Total expenditures	<u>1,016,700</u>	<u>1,016,700</u>	<u>1,015,973</u>	<u>727</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	45,956	<u>\$ 45,956</u>
FUND BALANCE:				
Beginning of fiscal year			<u>860,997</u>	
End of fiscal year			<u>\$ 906,953</u>	

City of Arcadia
Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2021

	Transit System	Arcadia PAR 3 Golf Course	Total Nonmajor Enterprise Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current assets:			
Cash and investments	\$ -	\$ 762,481	\$ 762,481
Accounts receivable	-	2,603	2,603
Prepaid items	-	811	811
Due from other governments	1,441,024	-	1,441,024
Inventories	-	18,978	18,978
Total current assets	1,441,024	784,873	2,225,897
Capital assets:			
Depreciable, net	1,315,441	102,637	1,418,078
Total capital assets	1,315,441	102,637	1,418,078
Total assets	2,756,465	887,510	3,643,975
Deferred outflows of resources:			
Deferred outflows related to net pension liability	66,657	-	66,657
Total deferred outflows of resources	66,657	-	66,657
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
Current liabilities:			
Accounts payable	278,678	111,737	390,415
Accrued salaries payable	6,752	-	6,752
Interest payable	1,404	-	1,404
Due to other funds	1,155,593	-	1,155,593
Pension obligation bonds payable - due within one year	3,000	-	3,000
Deposits	-	162,142	162,142
Total current liabilities	1,445,427	273,879	1,719,306
Noncurrent liabilities:			
Net pension liabilities	504,015	-	504,015
Pension obligation bonds payable - due in more than one year	95,400	-	95,400
Total noncurrent liabilities	599,415	-	599,415
Total liabilities	2,044,842	273,879	2,318,721
NET POSITION			
Net investment in capital assets	1,315,441	102,637	1,418,078
Unrestricted	(537,161)	510,994	(26,167)
Total net position	\$ 778,280	\$ 613,631	\$ 1,391,911

City of Arcadia
Statement of Revenues, Expenses, and Changes in Net Position
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2021

	Transit System	Arcadia PAR 3 Golf Course	Total Nonmajor Enterprise Funds
OPERATING REVENUES:			
Charges for services	\$ 3,773	\$ 1,855,856	\$ 1,859,629
Other	75,214	-	75,214
Total operating revenues	78,987	1,855,856	1,934,843
OPERATING EXPENSES:			
Administration and general	384,245	205,706	589,951
Merchandise and food	-	75,921	75,921
Supplies and maintenances	-	231,205	231,205
Contract costs	1,729,038	695,611	2,424,649
Depreciation	398,228	50,710	448,938
Total operating expenses	2,511,511	1,259,153	3,770,664
OPERATING INCOME (LOSS)	(2,432,524)	596,703	(1,835,821)
NONOPERATING REVENUES (EXPENSES):			
Federal and state grants	2,449,548	-	2,449,548
Interest and fiscal charges	(1,404)	-	(1,404)
Total nonoperating revenues (expenses)	2,448,144	-	2,448,144
INCOME (LOSS) BEFORE TRANSFERS	15,620	596,703	612,323
TRANSFERS:			
Transfers in	892,110	-	892,110
Transfers out	(98,400)	-	(98,400)
Total transfers	793,710	-	793,710
Changes in net position	809,330	596,703	1,406,033
NET POSITION (DEFICIT):			
Beginning of fiscal year	(31,050)	16,928	(14,122)
End of fiscal year	<u>\$ 778,280</u>	<u>\$ 613,631</u>	<u>\$ 1,391,911</u>

City of Arcadia
Statement of Cash Flows
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2021

	Transit System	Arcadia PAR 3 Golf Course	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 3,773	\$ 1,957,506	\$ 1,961,279
Cash payments to suppliers for goods and services	(1,757,275)	(1,173,003)	(2,930,278)
Cash payments to employees for services	(238,971)	-	(238,971)
Cash received for other operating activities	75,214	-	75,214
Net cash provided by (used in) operating activities	(1,917,259)	784,503	(1,132,756)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Cash received from other governments	1,423,743	-	1,423,743
Due to other funds	889,243	-	889,243
Proceeds from bond issuance	98,400	-	98,400
Advances from other funds	-	(201,614)	(201,614)
Transfers in	892,110	-	892,110
Transfers out	(98,400)	-	(98,400)
Net cash provided (used) by noncapital financing activities	3,205,096	(201,614)	3,003,482
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition of capital assets	(1,287,837)	(22,487)	(1,310,324)
Net cash provided by (used in) capital and related financing activities	(1,287,837)	(22,487)	(1,310,324)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-	560,402	560,402
CASH AND CASH EQUIVALENTS - Beginning of fiscal year	-	202,079	202,079
CASH AND CASH EQUIVALENTS - End of fiscal year	\$ -	\$ 762,481	\$ 762,481
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating income (loss)	\$ (2,432,524)	\$ 596,703	\$ (1,835,821)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	398,228	50,710	448,938
Changes in assets, deferred outflows, liabilities, and deferred inflows:			
Accounts receivable	-	499	499
Prepaid items	-	3,073	3,073
Inventories	-	(7,080)	(7,080)
Accounts payable	135,781	39,447	175,228
Accrued salaries payable	781	-	781
Deposits	-	101,151	101,151
Net pension liabilities	(4,820)	-	(4,820)
Deferred outflow of resources - pension	(4,676)	-	(4,676)
Deferred inflow of resources - pension	(10,029)	-	(10,029)
Total adjustments	515,265	187,800	703,065
Net cash provided by (used in) operating activities	\$ (1,917,259)	\$ 784,503	\$ (1,132,756)

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STATISTICAL SECTION

(Unaudited)

This part of the City of Arcadia's 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.

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

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Sources: Unless otherwise noted, the information in these schedules was derived from the City's comprehensive annual financial reports for the relevant year.

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City of Arcadia
Net Position by Component
Last Ten Fiscal Years

	Fiscal Year				
	2012	2013	2014	2015	2016
Governmental Activities:					
Net investment in capital assets	\$ 58,679,540	\$ 59,598,320	\$ 50,203,892	\$ 50,652,770	\$ 51,124,268
Restricted for:					
Capital Projects	6,899,157	6,912,977	755,064	-	-
Debt Service	762,708	699,444	786,567	694,085	664,992
Specific Projects and Programs	14,150,646	16,064,646	14,564,481	-	-
Community Purposes				8,236,718	10,578,749
Public Safety				1,340,410	1,253,412
Transportation/Streets				9,312,873	9,165,526
Total Restricted	21,812,511	23,677,067	16,106,112	19,584,086	21,662,679
Unrestricted	11,083,944	10,527,461	25,857,397	(75,062,952)	(71,558,258)
Total governmental activities net position	\$ 91,575,995	\$ 93,802,848	\$ 92,167,401	\$ (4,826,096)	\$ 1,228,689
Business-type Activities:					
Net investment in capital assets	\$ 53,119,660	\$ 52,092,442	\$ 50,835,309	\$ 48,858,963	\$ 46,957,250
Unrestricted	36,456,910	36,522,942	35,505,795	23,494,250	22,536,965
Total business-type activities net position	\$ 89,576,570	\$ 88,615,384	\$ 86,341,104	\$ 72,353,213	\$ 69,494,215
Primary Government:					
Net investment in capital assets	\$ 111,799,200	\$ 111,690,762	\$ 101,039,201	\$ 99,511,733	\$ 98,081,518
Restricted	21,812,511	23,677,067	16,106,112	19,584,086	21,662,679
Unrestricted	47,540,854	47,050,403	61,363,192	(51,568,702)	(49,021,293)
Total Primary Government net position	\$ 181,152,565	\$ 182,418,232	\$ 178,508,505	\$ 67,527,117	\$ 70,722,904

Source: City of Arcadia Financial Reports

City of Arcadia
Net Position by Component (Continued)
Last Ten Fiscal Years

	Fiscal Year				
	2017	2018	2019	2020	2021
Governmental Activities:					
Net investment in capital assets	\$ 50,448,943	\$ 47,725,910	\$ 48,831,491	\$ 55,858,893	\$ 55,972,945
Restricted for:					
Capital Projects	-	-	-	-	268,319
Debt Service	706,723	698,863	690,343	714,457	-
Specific Projects and Programs*	-	-	-	-	-
Community Purposes	12,424,349	13,472,245	14,939,901	9,542,104	10,819,094
Public Safety	1,058,486	925,971	820,309	837,230	833,442
Transportation/Streets	9,440,319	9,943,521	8,635,526	10,458,741	10,234,986
Total Restricted	23,629,877	25,040,600	25,086,079	21,552,532	22,155,841
Unrestricted	(72,803,923)	(95,840,709)	(102,593,443)	(111,643,096)	(107,043,660)
Total governmental activities net position	\$ 1,274,897	\$ (23,074,199)	\$ (28,675,873)	\$ (34,231,671)	\$ (28,914,874)
Business-type Activities:					
Net investment in capital assets	\$ 46,000,669	\$ 44,405,319	\$ 44,379,157	\$ 44,852,614	\$ 45,296,900
Unrestricted	20,182,581	18,243,338	16,885,183	13,728,271	11,236,425
Total business-type activities net position	\$ 66,183,250	\$ 62,648,657	\$ 61,264,340	\$ 58,580,885	\$ 56,533,325
Primary Government:					
Net investment in capital assets	\$ 96,449,612	\$ 92,131,229	\$ 93,210,648	\$ 100,711,507	\$ 101,269,845
Restricted	23,629,877	25,040,600	25,086,079	21,552,532	22,155,841
Unrestricted	(52,621,342)	(77,597,371)	(85,708,260)	(97,914,825)	(95,807,235)
Total Primary Government net position	\$ 67,458,147	\$ 39,574,458	\$ 32,588,467	\$ 24,349,214	\$ 27,618,451

Source: City of Arcadia Financial Reports

* Specific Projects and Programs were divided into Community Purposes, Public Safety and Transportation/Street starting in 2015

City of Arcadia
Changes in Net Position
Last Ten Fiscal Years (accrual basis of accounting)

	Fiscal Year				
	2012	2013	2014	2015	2016
Expenses					
Governmental activities:					
General government	\$ 8,060,384	\$ 8,772,439	\$ 6,984,927	\$ 7,458,250	\$ 6,890,053
Public safety	29,494,115	30,816,795	31,879,134	32,579,734	34,089,922
Public works services	8,595,701	7,684,123	7,318,800	7,741,343	8,525,715
Community development	4,650,800	3,615,072	15,469,651	5,050,382	6,316,456
Library	3,269,158	3,371,939	3,381,138	3,640,914	3,858,956
Economic development*	1,091,721	-	-	-	-
Recreation and community services	2,796,582	3,051,783	3,740,097	3,310,420	3,455,024
Interest on long-term debt	969,994	673,196	455,077	434,682	417,780
Total governmental activities expenses	<u>\$ 58,928,455</u>	<u>\$ 57,985,347</u>	<u>\$ 69,228,824</u>	<u>\$ 60,215,725</u>	<u>\$ 63,553,906</u>
Business-type activities:					
Water	\$ 13,195,083	\$ 12,373,758	\$ 13,911,484	\$ 16,891,412	\$ 12,563,018
Sewer	1,135,487	1,318,107	1,347,002	1,457,275	1,360,509
Transit	1,792,216	2,023,651	2,010,402	1,836,228	1,818,171
Arcadia Par 3 Golf Course **	-	-	-	-	-
Total business-type activities expenses	<u>16,122,786</u>	<u>15,715,516</u>	<u>17,268,888</u>	<u>20,184,915</u>	<u>15,741,698</u>
Total primary government expenses	<u><u>\$ 75,051,241</u></u>	<u><u>\$ 73,700,863</u></u>	<u><u>\$ 86,497,712</u></u>	<u><u>\$ 80,400,640</u></u>	<u><u>\$ 79,295,604</u></u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 1,245	\$ 260	\$ 1,065	\$ -	\$ 33,223
Public safety	3,304,856	3,146,493	3,801,154	3,683,293	3,972,018
Public works services	393,639	325,403	455,285	312,995	434,681
Community development	2,698,841	3,175,993	5,951,472	4,497,375	4,577,662
Library	74,518	69,350	74,007	71,564	72,242
Recreation and community services	2,295,475	2,450,915	3,149,525	3,045,343	3,237,272
Operating Grants and Contributions	3,612,486	4,592,325	5,481,152	5,020,312	4,876,997
Capital Grants and Contributions	1,500,626	2,272,285	658,109	804,556	927,837
Total governmental activities program revenues	<u>13,881,686</u>	<u>16,033,024</u>	<u>19,571,769</u>	<u>17,435,438</u>	<u>18,131,932</u>
Business-type activities:					
Charges for services:					
Water	10,191,324	10,902,718	11,467,284	10,132,653	9,122,745
Sewer **	1,221,817	1,277,868	1,308,313	1,310,499	1,664,249
Transit	73,846	86,208	89,710	76,484	63,520
Arcadia Par 3 Golf Course ***	-	-	-	-	-
Operating Grants and Contributions	606,878	616,491	685,118	786,352	768,229
Capital Grants and Contributions	401,697	648,875	-	-	-
Total business-type activities program revenues	<u>12,495,562</u>	<u>13,532,160</u>	<u>13,550,425</u>	<u>12,305,988</u>	<u>11,618,743</u>
Total primary government program revenues	<u><u>\$ 26,377,248</u></u>	<u><u>\$ 29,565,184</u></u>	<u><u>\$ 33,122,194</u></u>	<u><u>\$ 29,741,426</u></u>	<u><u>\$ 29,750,675</u></u>

Source: City of Arcadia Financial Reports

* Due to the closing of Arcadia Redevelopment Agency, Economic Development function was combined as part of the Economic Development Department

** The Arcadia Par 3 Golf Course began operating as an enterprise fund in fiscal year 2019.

City of Arcadia
Changes in Net Position (Continued)
Last Ten Fiscal Years (accrual basis of accounting)

	Fiscal Year				
	2017	2018	2019	2020	2021
Expenses					
Governmental activities:					
General government	\$ 9,515,214	\$ 17,454,570	\$ 13,584,059	\$ 10,103,949	\$ 10,813,414
Public safety	36,377,345	37,298,318	40,360,568	47,203,348	43,574,155
Public works services	7,829,369	9,224,613	7,519,824	7,663,032	8,673,614
Community development	6,542,784	7,527,613	7,790,989	6,790,407	8,551,090
Library	4,000,700	3,982,384	4,168,410	5,016,702	4,050,091
Economic development*	-	-	-	-	-
Recreation and community services	3,593,171	3,600,354	3,691,627	3,414,698	3,243,583
Interest on long-term debt	398,133	373,622	343,846	314,741	1,533,534
Total governmental activities expenses	<u>\$ 68,256,716</u>	<u>\$ 79,461,474</u>	<u>\$ 77,459,323</u>	<u>\$ 80,506,877</u>	<u>\$ 80,439,481</u>
Business-type activities:					
Water	\$ 14,942,992	\$ 17,005,371	\$ 16,853,369	\$ 17,758,315	\$ 18,372,053
Sewer	1,440,677	1,779,385	1,819,847	1,872,674	2,038,907
Transit	1,935,418	1,823,710	2,020,690	2,244,345	2,512,915
Arcadia Par 3 Golf Course **	-	-	515,560	867,314	1,259,153
Total business-type activities expenses	<u>18,319,087</u>	<u>20,608,466</u>	<u>21,209,466</u>	<u>22,742,648</u>	<u>24,183,028</u>
Total primary government expenses	<u><u>\$ 86,575,803</u></u>	<u><u>\$ 100,069,940</u></u>	<u><u>\$ 98,668,789</u></u>	<u><u>\$ 103,249,525</u></u>	<u><u>\$ 104,622,509</u></u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 596	\$ 7,184	\$ 16,899	\$ 10,329	\$ 13,960
Public safety	3,896,797	4,335,707	3,952,519	4,166,144	3,488,709
Public works services	363,274	491,341	28,385	29,516	25,152
Community development	5,406,275	2,712,354	3,313,734	2,707,638	2,865,163
Library	71,393	96,038	162,421	107,810	59,372
Recreation and community services	2,804,010	2,112,552	1,940,232	1,843,145	1,139,152
Operating Grants and Contributions	4,523,948	5,542,417	6,441,413	7,447,444	12,299,250
Capital Grants and Contributions	254,204	45,850	526,077	741,641	1,342,260
Total governmental activities program revenues	<u>17,320,497</u>	<u>15,343,443</u>	<u>16,381,680</u>	<u>17,053,667</u>	<u>21,233,018</u>
Business-type activities:					
Charges for services:					
Water	10,990,520	13,223,624	12,806,780	14,284,391	16,048,632
Sewer **	2,046,705	2,347,364	2,408,365	2,493,274	2,552,327
Transit	12,408	13,246	12,613	9,311	3,773
Arcadia Par 3 Golf Course ***	-	-	511,860	887,942	1,855,856
Operating Grants and Contributions	696,053	772,915	1,509,498	1,055,193	2,449,548
Capital Grants and Contributions	-	-	-	-	-
Total business-type activities program revenues	<u>13,745,686</u>	<u>16,357,149</u>	<u>17,249,116</u>	<u>18,730,111</u>	<u>22,910,136</u>
Total primary government program revenues	<u><u>\$ 31,066,183</u></u>	<u><u>\$ 31,700,592</u></u>	<u><u>\$ 33,630,796</u></u>	<u><u>\$ 35,783,778</u></u>	<u><u>\$ 44,143,154</u></u>

Source: City of Arcadia Financial Reports

* Due to the closing of Arcadia Redevelopment Agency, Economic Development function was combined as part of the Economic Development Department

** The Arcadia Par 3 Golf Course began operating as an enterprise fund in fiscal year 2019.

City of Arcadia
Changes in Net Position (Continued)
Last Ten Fiscal Years (accrual basis of accounting)

	Fiscal Year				
	2012	2013	2014	2015	2016
Net (Expense)/Revenue					
Governmental activities	\$ (45,046,769)	\$ (41,952,323)	\$ (49,657,055)	\$ (42,780,287)	\$ (45,421,974)
Business-type activities	(3,627,224)	(2,183,356)	(3,718,463)	(7,878,927)	(4,122,955)
Total primary government net expense	<u>\$ (48,673,993)</u>	<u>\$ (44,135,679)</u>	<u>\$ (53,375,518)</u>	<u>\$ (50,659,214)</u>	<u>\$ (49,544,929)</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$ 11,416,754	\$ 13,644,310	\$ 13,892,020	\$ 13,865,978	\$ 15,149,171
Sales taxes	8,962,391	9,646,630	10,082,196	10,427,065	11,441,622
Franchise fees	1,061,719	1,091,812	1,070,809	1,192,519	1,100,952
Utilities user taxes	5,046,439	5,118,597	6,545,713	7,142,118	6,816,464
Transient occupancy taxes	2,560,371	2,823,399	3,215,261	3,365,408	3,531,944
Motor vehicle license taxes	4,653,845	4,900,991	5,213,847	5,641,681	6,136,906
Non-regulatory business license taxes	1,108,428	1,186,704	1,249,583	1,202,350	1,293,357
Other Taxes	1,581,577	1,541,319	1,683,520	1,662,956	1,538,467
Total Taxes and fees	36,391,524	39,953,762	42,952,949	44,500,075	47,008,883
Investment earnings	1,689,361	1,035,634	1,598,314	1,632,484	1,856,318
Miscellaneous	4,153,019	3,374,585	4,724,159	4,421,469	3,482,819
Gain/loss on disposal of capital assets	35,714	935,125	64,696	28,323	-
Transfers	(976,894)	(1,119,930)	(1,031,360)	(817,751)	(871,261)
Restatement	(4,808,021)	-	-	-	-
Total Governmental activities	<u>36,484,703</u>	<u>44,179,176</u>	<u>48,308,758</u>	<u>49,764,600</u>	<u>51,476,759</u>
Business-type activities:					
Investment earnings	280,621	85,231	396,892	332,719	380,861
Miscellaneous	19,509	17,009	15,931	18,300	11,835
Transfers	976,894	1,119,930	1,031,360	817,751	871,261
Restatement					
Total business-type activities	<u>1,277,024</u>	<u>1,222,170</u>	<u>1,444,183</u>	<u>1,168,770</u>	<u>1,263,957</u>
Total primary government	<u>\$ 37,761,727</u>	<u>\$ 45,401,346</u>	<u>\$ 49,752,941</u>	<u>\$ 50,933,370</u>	<u>\$ 52,740,716</u>
Change in Net Position					
Governmental activities	\$ (8,562,066)	\$ 2,226,853	\$ (1,348,297)	\$ 6,984,313	\$ 6,054,785
Business-type activities	(2,350,200)	(961,186)	(2,274,280)	(6,710,157)	(2,858,998)
Total primary government	<u>\$ (10,912,266)</u>	<u>\$ 1,265,667</u>	<u>\$ (3,622,577)</u>	<u>\$ 274,156</u>	<u>\$ 3,195,787</u>

Source: City of Arcadia Financial Reports

City of Arcadia
Changes in Net Position (Continued)
Last Ten Fiscal Years (accrual basis of accounting)

	2017	2018	2019	2020	2021
Net (Expense)/Revenue					
Governmental activities	\$ (50,936,219)	\$ (64,118,031)	\$ (61,077,643)	\$ (63,453,210)	\$ (59,206,463)
Business-type activities	(4,573,401)	(4,251,317)	(3,960,350)	(4,012,537)	(1,272,892)
Total primary government net expense	<u>\$ (55,509,620)</u>	<u>\$ (68,369,348)</u>	<u>\$ (65,037,993)</u>	<u>\$ (67,465,747)</u>	<u>\$ (60,479,355)</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$ 16,150,617	\$ 16,965,156	\$ 18,301,135	\$ 19,070,668	\$ 20,513,025
Sales taxes	10,766,558	11,115,292	11,399,632	12,154,052	17,197,203
Franchise fees	1,000,308	982,756	931,750	954,878	1,037,322
Utilities user taxes	6,773,169	6,856,067	6,591,834	6,779,875	7,193,797
Transient occupancy taxes	3,543,908	3,320,953	3,447,186	2,748,642	1,923,352
Motor vehicle license taxes	6,461,508	6,906,050	7,309,525	7,773,429	8,105,664
Non-regulatory business license taxes	1,270,876	1,248,106	1,227,480	1,211,783	1,181,862
Other Taxes	1,647,136	1,621,716	1,057,546	912,537	1,678,449
Total Taxes and fees	47,614,080	49,016,096	50,266,088	51,605,864	58,830,674
Investment earnings	1,458,553	1,529,734	3,432,169	3,270,868	1,436,597
Miscellaneous	3,007,213	3,486,199	3,447,105	3,391,726	3,143,829
Gain/loss on disposal of capital assets	13,587	49,243	-	-	46,870
Transfers	(1,111,006)	(1,006,826)	(1,669,393)	(1,055,363)	1,065,290
Extraordinary item	-	(13,305,511)			
Total Governmental activities	<u>50,982,427</u>	<u>39,768,935</u>	<u>55,475,969</u>	<u>57,213,095</u>	<u>64,523,260</u>
Business-type activities:					
Investment earnings	138,679	150,511	896,111	860,880	154,622
Miscellaneous	12,751	13,976	10,529	97,156	136,000
Transfers	1,111,006	1,006,826	1,669,393	1,055,363	(1,065,290)
Restatement		(454,589)			
Total business-type activities	<u>1,262,436</u>	<u>716,724</u>	<u>2,576,033</u>	<u>2,013,399</u>	<u>(774,668)</u>
Total primary government	<u>\$ 52,244,863</u>	<u>\$ 40,485,659</u>	<u>\$ 58,052,002</u>	<u>\$ 59,226,494</u>	<u>\$ 63,748,592</u>
Change in Net Position					
Governmental activities	\$ 46,208	\$ (24,349,096)	\$ (5,601,674)	\$ (6,240,115)	\$ 5,316,797
Business-type activities	(3,310,965)	(3,534,593)	(1,384,317)	(1,999,138)	(2,047,560)
Total primary government	<u>\$ (3,264,757)</u>	<u>\$ (27,883,689)</u>	<u>\$ (6,985,991)</u>	<u>\$ (8,239,253)</u>	<u>\$ 3,269,237</u>

Source: City of Arcadia Financial Reports

City of Arcadia
Fund Balances of Governmental Funds
Last Ten Fiscal Years (modified accrual basis of accounting)

	Fiscal Year				
	2012	2013	2014	2015	2016
General Fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-
Nonspendable	727,715	698,729	708,053	768,417	797,305
Assigned	15,325,993	13,815,582	22,223,334	23,710,862	24,756,336
Unassigned	9,745,454	12,701,494	8,180,075	12,357,558	6,399,003
Total General Fund	<u>\$ 25,799,162</u>	<u>\$ 27,215,805</u>	<u>\$ 31,111,462</u>	<u>\$ 36,836,837</u>	<u>\$ 31,952,644</u>
All Other Governmental Funds					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special Revenue Funds	-	-	-	-	-
Debt Service Funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Nonspendable	23,251	305	384	-	-
Restricted	21,812,511	23,677,067	16,106,112	19,779,855	21,851,364
Assigned	4,337,923	3,735,533	6,207,820	4,894,097	11,203,221
Unassigned					
Total all other Governmental Funds	<u>\$ 26,173,685</u>	<u>\$ 27,412,905</u>	<u>\$ 22,314,316</u>	<u>\$ 24,673,952</u>	<u>\$ 33,054,585</u>
Total Governmental Funds	<u>\$ 51,972,847</u>	<u>\$ 54,628,710</u>	<u>\$ 53,425,778</u>	<u>\$ 61,510,789</u>	<u>\$ 65,007,229</u>

Source: City of Arcadia Financial Reports

* Fund balance categories were changed due to the implementation of GASB 54 in 2011

City of Arcadia
Fund Balances of Governmental Funds (Continued)
Last Ten Fiscal Years (modified accrual basis of accounting)

	Fiscal Year				
	2017	2018	2019	2020	2021
General Fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-
Nonspendable	845,513	1,068,976	1,112,837	996,006	715,474
Assigned	23,015,454	22,829,444	23,295,469	22,394,350	22,738,731
Unassigned	7,323,121	7,225,918	5,101,129	6,202,314	7,726,513
Total General Fund	<u>\$ 31,184,088</u>	<u>\$ 31,124,338</u>	<u>\$ 29,509,435</u>	<u>\$ 29,592,670</u>	<u>\$ 31,180,718</u>
All Other Governmental Funds					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special Revenue Funds	-	-	-	-	-
Debt Service Funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Nonspendable	11,540	3,000	8,640	1,517	-
Restricted	23,810,229	25,207,910	25,227,986	20,886,106	27,325,258
Assigned	12,921,656	11,404,087	11,976,987	11,332,519	9,867,419
Unassigned	(7,818)	(3,627)	(8,691)	(363,283)	(1,014,560)
Total all other Governmental Funds	<u>\$ 36,735,607</u>	<u>\$ 36,611,370</u>	<u>\$ 37,204,922</u>	<u>\$ 31,856,859</u>	<u>\$ 36,178,117</u>
Total Governmental Funds	<u>\$ 67,919,695</u>	<u>\$ 67,735,708</u>	<u>\$ 66,714,357</u>	<u>\$ 61,449,529</u>	<u>\$ 67,358,835</u>

Source: City of Arcadia Financial Reports

* Fund balance categories were changed due to the implementation of GASB 54 in 2011

City of Arcadia
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years (modified accrual basis of accounting)

	Fiscal Year				
	2012	2013	2014	2015	2016
REVENUES:					
Taxes	\$ 30,629,251	\$ 33,866,067	\$ 36,489,519	\$ 37,911,174	\$ 39,504,488
Licenses, fees and permits	4,542,324	5,008,304	8,031,036	6,512,028	6,723,286
Fines and Penalties	918,949	839,477	913,156	935,629	801,161
Use of money of property	1,833,161	1,035,634	1,598,310	1,632,483	1,856,318
Intergovernmental Revenues	9,776,817	11,437,572	10,881,323	11,508,381	11,653,593
Charges for services	5,041,963	5,095,987	6,356,736	6,086,755	6,777,300
Other Revenues	3,410,965	4,049,089	4,167,904	4,390,220	3,419,455
Total revenues	56,153,430	61,332,130	68,437,984	68,976,670	70,735,601
EXPENDITURES:					
Current:					
General government	8,923,780	7,484,871	7,051,033	6,730,305	8,920,807
Public safety	28,402,141	29,905,370	30,842,988	31,748,649	33,772,958
Public works services	6,897,481	5,940,589	5,805,936	6,372,293	7,827,183
Community development	5,380,890	6,885,395	17,046,641	8,168,873	8,003,227
Library	3,050,203	3,179,305	3,165,746	3,433,071	3,612,759
Economic development	1,091,721	-	-	-	-
Recreation and community services	2,571,010	3,014,469	3,729,337	3,099,283	3,209,492
Debt service:					
Interest	900,000	756,210	502,875	525,000	555,000
Principal	1,282,872	215,000	465,000	484,854	466,474
Cost of issuance	-	132,228	-	-	-
Total expenditures	58,500,098	57,513,437	68,609,556	60,562,328	66,367,900
Less: acquisition of capital assets	(2,931,313)	(4,349,512)	(2,559,961)	(3,756,352)	(4,180,176)
Total expenditures excluding capital assets	55,568,785	53,163,925	66,049,595	56,805,976	62,187,724
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,346,668)	3,818,693	(171,572)	8,414,342	4,367,701
OTHER FINANCING SOURCES (USES):					
Transfers in	8,760,016	2,455,802	4,623,066	3,874,984	10,330,462
Transfers out	(9,736,910)	(3,575,732)	(5,654,426)	(4,692,735)	(11,201,723)
Proceeds from capital lease obligations	-	-	-	-	-
Proceeds of bond issuance	-	6,135,000	-	-	-
Bond discount	-	-	-	-	-
Bond Premium	-	362,100	-	-	-
Payment on refunded bonds	-	(6,540,000)	-	-	-
Loss on dissolution of Arcadia Redevelopment Agency	(30,616,403)	-	-	-	-
Total other financing sources (uses)	(31,593,297)	(1,162,830)	(1,031,360)	(817,751)	(871,261)
Net change in fund balances	\$ (33,939,965)	\$ 2,655,863	\$ (1,202,932)	\$ 7,596,591	\$ 3,496,440
Debt service as a percentage of non-capital expenditures	3.93%	1.83%	1.47%	1.78%	1.64%

Source: City of Arcadia Financial Reports

City of Arcadia
Changes in Fund Balances of Governmental Funds (Continued)
Last Ten Fiscal Years (modified accrual basis of accounting)

	Fiscal Year				
	2017	2018	2019	2020	2021
REVENUES:					
Taxes	\$ 40,258,016	\$ 40,506,071	\$ 42,050,021	\$ 42,898,353	\$ 48,224,288
Licenses, fees and permits	7,583,907	4,833,508	5,165,340	4,666,441	4,354,199
Fines and Penalties	634,261	690,703	643,858	611,714	282,423
Use of money of property	1,458,553	1,529,733	3,432,169	3,270,862	1,435,273
Intergovernmental Revenues	10,782,388	12,530,015	14,289,330	15,346,681	22,428,521
Charges for services	6,140,231	6,088,728	5,591,091	5,482,124	4,543,281
Other Revenues	3,062,448	3,525,714	3,052,228	3,054,712	3,192,048
Total revenues	69,919,804	69,704,472	74,224,037	75,330,887	84,460,033
EXPENDITURES:					
Current:					
General government	8,338,619	8,134,490	7,971,659	8,399,145	100,789,367
Public safety	35,497,246	36,941,437	39,912,792	40,487,037	39,679,150
Public works services	7,199,751	8,024,811	7,491,991	7,295,018	7,586,823
Community development	6,673,998	7,599,862	9,992,826	8,257,180	11,646,128
Library	3,830,240	3,826,333	3,917,195	4,750,047	3,788,724
Economic development	-	-	-	-	-
Recreation and community services	3,343,402	3,339,426	3,509,543	9,969,738	3,096,724
Debt service:					
Interest	448,076	590,000	673,028	698,028	733,028
Principal	565,000	425,274	397,101	368,476	338,673
Cost of issuance	-	-	-	-	-
Total expenditures	65,896,332	68,881,633	73,866,135	80,224,669	167,658,617
Less: acquisition of capital assets	(2,978,796)	(2,357,155)	(5,187,456)	(10,712,049)	(3,612,270)
Total expenditures excluding capital assets	62,917,536	66,524,478	68,678,679	69,512,620	164,046,347
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	4,023,472	822,839	357,902	(4,893,782)	(83,198,584)
OTHER FINANCING SOURCES (USES):					
Transfers in	5,259,012	3,617,262	4,843,303	3,127,518	4,744,623
Transfers out	(6,370,018)	(4,624,088)	(6,512,696)	(4,182,881)	(3,679,333)
Proceeds from capital lease obligations	-	-	290,140	-	-
Proceeds of bond issuance	-	-	-	-	88,042,600
Bond discount	-	-	-	-	-
Bond Premium	-	-	-	-	-
Payment on refunded bonds	-	-	-	-	-
Loss on dissolution of Arcadia Redevelopment Agency	-	-	-	-	-
Total other financing sources (uses)	(1,111,006)	(1,006,826)	(1,379,253)	(1,055,363)	89,107,890
Net change in fund balances	\$ 2,912,466	\$ (183,987)	\$ (1,021,351)	\$ (5,949,145)	\$ 5,909,306
Debt service as a percentage of non-capital expenditures	1.61%	1.53%	1.56%	1.53%	0.65%

Source: City of Arcadia Financial Reports

City of Arcadia
Governmental Activities Tax Revenue by Source
Last Ten Fiscal Years (accrual basis of accounting)

Fiscal Year Ended June 30,	Property Tax	Sales Tax	Franchise Fee	Utilities user Tax	Transient Occupancy Tax	Motor Vehicle License Tax	Business License Tax	Other Taxes	Total Taxes and Fees
2012	11,416,754	8,962,391	1,061,719	5,046,439	2,560,371	4,653,845	1,108,428	1,581,577	36,391,524
2013	13,644,310	9,646,630	1,091,812	5,118,597	2,823,399	4,900,991	1,186,704	1,541,319	39,953,762
2014	13,892,020	10,082,196	1,070,809	6,545,713	3,215,261	5,213,847	1,249,583	1,683,520	42,952,949
2015	13,865,978	10,427,065	1,192,519	7,142,118	3,365,408	5,641,681	1,202,350	1,662,956	44,500,075
2016	15,149,171	11,441,622	1,100,952	6,816,464	3,531,944	6,136,906	1,293,357	1,538,467	47,008,883
2017	16,150,617	10,766,558	1,000,308	6,773,169	3,543,908	6,461,508	1,270,876	1,647,136	47,614,080
2018	16,965,156	11,115,292	982,756	6,856,067	3,320,953	6,906,050	1,248,106	1,621,716	49,016,096
2019	18,301,135	11,399,632	931,750	6,591,834	3,447,186	7,309,525	1,227,480	1,057,546	50,266,088
2020	19,070,668	12,154,052	954,878	6,779,875	2,748,642	7,773,429	1,211,783	912,537	51,605,864
2021	20,513,025	17,197,203	1,037,322	7,193,797	1,923,352	8,105,664	1,181,862	1,678,449	58,830,674

Source: City of Arcadia Financial Reports

City of Arcadia
General Governmental Tax Revenue by Source
Last Ten Fiscal Years (modified accrual basis of accounting)

Fiscal Year Ended June 30,	Property Tax	Sales Tax	Franchise Fee	Utilities User Tax	Transient Occupancy Tax	Other Taxes	Total Taxes
2012	11,416,754	8,962,391	1,061,719	5,046,439	2,560,371	1,581,577	30,629,251
2013	13,644,310	9,646,630	1,091,812	5,118,597	2,823,399	1,541,319	33,866,067
2014	13,892,020	10,082,196	1,070,809	6,545,713	3,215,261	1,683,520	36,489,519
2015	13,865,978	10,587,947	1,192,519	7,142,118	3,365,408	1,757,204	37,911,174
2016	15,149,171	11,264,090	1,100,952	6,816,464	3,531,944	1,641,867	39,504,488
2017	16,150,617	11,069,263	1,000,308	6,773,169	3,543,908	1,720,751	40,258,016
2018	16,965,156	10,670,332	982,756	6,856,067	3,320,953	1,710,806	40,506,070
2019	18,301,135	11,641,002	931,750	6,591,834	3,447,186	1,137,115	42,050,022
2020	19,070,668	12,315,129	954,878	6,779,875	2,748,642	988,723	42,857,915
2021	20,029,560	17,264,537	941,552	6,706,446	1,351,745	1,649,982	47,943,822

Source: City of Arcadia Financial Reports

City of Arcadia
Assessed Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Residential Property	Commercial Property	Recreational Property	Industrial Property	Others	Total Taxable Assessed Value	Percent Increase	Total Direct Rate
2012	8,667,971,752	1,217,932,398	194,107,146	186,684,883	343,635,441	10,610,331,620	2.8%	0.13688%
2013	9,119,940,977	1,235,622,033	197,989,278	188,696,515	365,386,188	11,107,634,991	4.7%	0.13360%
2014	9,784,166,701	1,283,395,020	207,049,008	191,408,716	366,192,396	11,832,211,841	6.5%	0.10249%
2015	10,562,151,620	1,306,789,917	312,687,185	191,721,395	435,327,830	12,808,677,947	8.3%	0.10249%
2016	11,422,747,681	1,398,109,370	308,101,469	203,248,894	606,384,854	13,938,592,268	8.8%	0.10110%
2017	12,199,219,454	1,432,309,677	312,799,943	206,523,314	522,677,256	14,673,529,644	5.3%	0.10131%
2018	12,959,501,963	1,524,210,934	315,605,776	237,411,247	639,741,642	15,676,471,562	6.8%	0.10064%
2019	13,771,100,892	1,704,921,018	316,133,985	244,561,003	565,358,789	16,602,075,687	5.9%	0.10070%
2020	14,486,048,290	1,772,159,777	218,752,715	360,976,906	778,694,374	17,616,632,062	6.1%	0.10054%
2021	15,161,280,034	1,834,565,702	221,262,459	381,768,216	785,828,161	18,384,704,572	4.4%	0.10073%

Note: Exempt values are not included in total

Source: HdL Coren & Cone, Los Angeles County Assessor Combined Tax Rolls

City of Arcadia
Direct and Overlapping Property Tax Rates (Rate Per \$100 of Taxable Value)
Last Ten Fiscal Years

<u>Year</u>	<u>City's Share of 1% Levy Per Prop 13</u>	<u>Redevelopment Rate</u>	<u>Total Direct Rate *</u>
2012	0.09602	1.00370	0.13688
2013	0.09602	N/A	0.13360
2014	0.09602	N/A	0.10249
2015	0.09602	N/A	0.10249
2016	0.09602	N/A	0.10110
2017	0.09602	N/A	0.10131
2018	0.09602	N/A	0.10064
2019	0.09602	N/A	0.10070
2020	0.09602	N/A	0.10036
2021	0.09602	N/A	0.10073

Source: HDL Coren & Cone and Los Angeles County Assessor

* Total Direct Rate is the weighted average of all individual direct rates applied to the City, and excludes revenue derived from aircraft.

City of Arcadia
Direct and Overlapping Property Tax Rates (Rate Per \$100 of Taxable Value) (Continued)
Last Ten Fiscal Years

City Direct and Overlapping Rates %							
Year	Basic Levy	General Obligation Debt Service	Lighting District	School Districts	Community College	Water Districts	Tax Rate %
2012	1.0000	0.004990	0.00000	0.54958	0.07821	0.02170	1.65448
2013	1.0000	0.009590	0.00000	0.55242	0.07457	0.02150	1.65808
2014	1.0000	0.008380	0.00000	0.60099	0.07017	0.02150	1.70104
2015	1.0000	0.008221	0.00000	0.57233	0.06180	0.02150	1.66385
2016	1.0000	0.006681	0.00000	0.60790	0.05225	0.01800	1.68483
2017	1.0000	0.006817	0.00000	0.60344	0.06099	0.02300	1.69425
2018	1.0000	0.006170	0.00000	0.59725	0.05796	0.03000	1.69138
2019	1.0000	0.005970	0.00000	0.57076	0.05559	0.03000	1.66232
2020	1.0000	0.005690	0.00000	0.49749	0.05464	0.03000	1.58782
2021	1.0000	0.005800	0.00000	0.42355	0.04072	0.03000	1.50007

Note: Overlapping rates are those of local and county governments that apply to an average taxpayer within the City.

Source: HDL Coren & Cone and Los Angeles County Assessor

City of Arcadia
Principal Property Tax Owners
Last Fiscal Year & Nine Years Prior

2020/21				
<u>Taxpayer</u>	Assessed Value	Est. Total * Tax Revenue	Rank	Percentage of Total City Property Tax Revenue
Santa Anita Borrower LLC	\$ 424,273,264	\$ 426,564	1	2.31%
Methodist Hospital of So California	223,839,560	225,048	2	1.22%
Santa Anita Land Holdings LLC	222,487,718	223,689	3	1.21%
Scannell Properties 255 LLC LSEE	102,894,478	103,450	4	0.56%
Baldwin Arcadia Center LP	85,868,954	86,333	5	0.47%
JLJ Properties Arcadia LLC	65,869,174	66,225	6	0.36%
SAICP Hotel LLC	53,417,807	53,706	7	0.29%
New World International LLC	53,250,400	53,538	8	0.29%
Arcadia Propco LLC	50,143,094	50,414	9	0.27%
ALC Building 1 LLC LSOR	41,777,826	42,003	10	0.23%
Total	<u>\$ 1,323,822,275</u>	<u>\$ 1,330,971</u>		<u>7.21%</u>

2011/12				
<u>Taxpayer</u>	Assessed Value	Est. Total * Tax Revenue	Rank	Percentage of Total City Property Tax Revenue
Santa Anita Fashion Park LP	\$ 282,124,222	389,275	1	2.66%
Santa Anita Land Holdings LLC	172,534,868	238,064	2	1.63%
Baldwin Arcadia Center LP	85,887,000	118,507	3	0.81%
Santa Anita Fashion Park LLC	69,562,586	95,982	4	0.66%
Safeway Inc	25,806,690	35,608	5	0.30%
Marriott Residence Inn II Limited	29,771,400	41,079	6	0.28%
Arcadia Hotel Venture LP	25,785,064	35,578	7	0.24%
Apple Six Hospitality Inc	20,486,990	28,268	8	0.20%
Arcadia Gateway Centre Delaware Partner	18,866,767	26,032	9	0.18%
Pecos Properties LP	18,461,419	25,473	10	0.17%
Total	<u>\$ 749,287,006</u>	<u>\$ 1,033,866</u>		<u>7.13%</u>

Source: HdL Coren & Cone, Los Angeles County Assessor Combined Tax Rolls

* Estimated Total Tax Revenue is a calculation of the total City share of direct rate times Assessed Value

City of Arcadia
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 Year **	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy *
2012	958,156	930,566	97.12%	36,079	966,645	100.89%
2013	1,047,162	1,068,505	102.04%	16,319	1,084,824	103.60%
2014	976,606	1,022,387	104.69%	30,025	1,052,412	107.76%
2015	1,036,042	1,103,805	106.54%	6,900	1,110,705	107.21%
2016	916,767	957,245	104.42%	22,813	980,058	106.90%
2017	986,300	1,020,512	103.47%	25,356	1,045,868	106.04%
2018	967,300	964,452	99.71%	32,920	997,372	103.11%
2019	990,300	948,177	95.75%	25,303	973,480	98.30%
2020	1,001,500	992,051	99.06%	13,148	1,005,199	100.37%
2021	1,065,000	1,037,624	97.43%	30,241	1,067,865	100.27%

Source: Administrative Services Department, City of Arcadia

* Percentage of Levy greater than 100% is attributable to the property value increase during the fiscal year as a result of property sales, new constructions and additional home improvements.

** Collections in subsequent years include the property taxes received in July and August after the end of the respective tax years.

City of Arcadia
Taxable Sales by Category
Last Ten Calendar Years

(in thousands of dollars)

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Apparel Stores	\$ 120,593	\$ 131,885	\$ 142,131	\$ 143,438	\$ 140,715	\$ 151,076	\$ 148,029	\$ 149,951	\$ 135,507	\$ 55,993
General Merchandise	154,167	152,615	154,142	152,946	157,053	154,455	152,525	151,481	142,457	71,663
Food Stores	30,684	33,072	32,815	32,779	31,966	31,641	28,002	31,848	30,055	35,219
Eating and Drinking Places	136,399	144,462	154,827	168,156	178,138	189,305	208,192	211,436	219,587	121,886
Building Materials	7,234	7,219	7,571	9,103	8,295	8,641	7,694	8,542	7,941	8,874
Auto Dealers and Supplies	78,570	78,975	90,937	104,139	101,018	114,630	118,929	108,964	106,147	97,658
Service Stations	85,573	92,244	91,296	90,016	75,902	62,544	64,789	71,949	72,008	50,533
Other Retail Stores	121,842	122,249	128,883	141,640	146,024	144,184	149,597	146,909	140,177	83,153
All Other Outlets	170,790	178,659	201,187	223,275	222,588	243,803	251,065	255,278	294,858	258,356
Total	<u>\$ 905,852</u>	<u>\$ 941,380</u>	<u>\$ 1,003,789</u>	<u>\$ 1,065,492</u>	<u>\$ 1,061,699</u>	<u>\$ 1,100,279</u>	<u>\$ 1,128,822</u>	<u>\$ 1,136,358</u>	<u>\$ 1,148,737</u>	<u>\$ 783,335</u>

Due to confidentiality issues, the names of the ten largest revenue payers are not available.

Note: The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

Source: State of California Board of Equalization and HdL Coren &

CITY OF ARCADIA
TOP 25 SALES TAX PRODUCERS
Last Fiscal Year & Nine Years Prior

2020/21

<u>Business Name</u>	<u>Business Category</u>
Albertsons	Grocery Stores
Allstar Fire Equipment	Light Industrial/Printers
Andritz Herr Voss Stamco	Heavy Industrial
Arco	Service Stations
Big Lots	Variety Stores
Burlington	Family Apparel
Cheesecake Factory	Casual Dining
CVS Pharmacy	Drug Stores
Dainler Trust	Auto Lease
Din Tai Fung	Casual Dining
Foot Locker	Shoe Stores
Forever 21	Women's Apparel
In N Out Burger	Quick-Service Restaurants
JCPenney	Department Stores
JCPenney	Department Stores
Macys	Department Stores
Mercedes Benz of Arcadia	New Motor Vehicle Dealers
Methodist Hospital	Medical/Biotech
Nordstrom	Department Stores
Racetrack 76	Service Stations
Ralphs	Grocery Stores
REI	Sporting Goods/Bike Stores
Santa Anita Park	Leisure/Entertainment
Vons	Grocery Stores
Zara	Women's Apparel
Percent of Fiscal Year Total Paid By Top 25 Accounts	<u>52.2%</u>

Period: July 2020 Thru March 2021

Source: State Board of Equalization, California Department of Taxes and Fees Administration, State Controller's Office, HDL Companies

CITY OF ARCADIA
TOP 25 SALES TAX PRODUCERS
Last Fiscal Year & Nine Years Prior

2011/12

<u>Business Name</u>	<u>Business Category</u>
Abercrombie & Fitch	Family Apparel
Allstar Fire Equipment	Light Industrial/Printers
Arco AM PM	Service Stations
Arco AM PM	Service Stations
Burlington	Family Apparel
Cheesecake Factory	Casual Dining
Chevron	Service Stations
CVS Pharmacy	Drug Stores
Daimler Trust	Auto Lease
Dave & Busters	Casual Dining
H & M	Family Apparel
JCPenney	Department Stores
Macy's	Department Stores
Mercedes Benz of Arcadia	New Motor Vehicle Dealers
Mobil	Service Stations
Nordstrom	Department Stores
Ralph's	Grocery Stores
REI	Sporting Goods/Bike Stores
Santa Anita Park	Leisure/Entertainment
Sephora	Specialty Stores
Sport Chalet	Sporting Goods/Bike Stores
Victoria's Secret	Women's Apparel
Vons	Grocery Stores
Western Medical Supply	Medical/Biotech
World Oil	Service Stations
Percent of Fiscal Year Total Paid By Top 25 Accounts	<u><u>51.2%</u></u>

Period: July 2011 Thru June 2012

Source: State Board of Equalization, California Department of Taxes and Fees Administration, State Controller's Office, HDL Companies

City of Arcadia
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Year	Governmental Activities							Percentage of Personal Income	Per Capita						
	General Obligation Bonds			Pension Obligation Bonds	Capital Leases	Total Primary Government									
	2001	2011	2012												
2012	\$	6,540,000	\$	8,426,562		\$	-	\$	-	\$	14,966,562	0.708%	\$	265	
2013	\$	-	\$	8,189,297	\$	6,486,182	\$	-	\$	-	\$	14,675,479	0.680%	\$	258
2014	\$	-	\$	7,887,032	\$	6,281,837	\$	-	\$	-	\$	14,168,869	0.648%	\$	246
2015	\$	-	\$	7,579,767	\$	6,022,492	\$	-	\$	-	\$	13,602,259	0.612%	\$	236
2016	\$	-	\$	7,262,502	\$	5,743,147	\$	-	\$	-	\$	13,005,649	0.589%	\$	228
2017	\$	-	\$	6,935,237	\$	5,463,802	\$	-	\$	-	\$	12,399,039	0.556%	\$	216
2018	\$	-	\$	6,592,972	\$	5,174,457	\$	-	\$	-	\$	11,767,429	0.509%	\$	204
2019	\$	-	\$	6,235,707	\$	4,875,112	\$	-	\$	232,112	\$	11,342,931	0.464%	\$	193
2020	\$	-	\$	5,863,442	\$	4,565,767	\$	-	\$	174,084	\$	10,603,293	0.436%	\$	185
2021	\$	-	\$	5,471,177	\$	4,241,422	\$	88,042,600	\$	116,056	\$	97,871,255	3.832%	\$	1,697

City of Arcadia
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Governmental Activities			
Year	General Obligation Bonds	Percentage of Personal Income	Per Capita
2012	\$ 14,966,562	0.708%	265
2013	\$ 14,675,479	0.680%	258
2014	\$ 14,168,869	0.648%	246
2015	\$ 13,602,259	0.612%	236
2016	\$ 13,005,649	0.589%	228
2017	\$ 12,399,039	0.556%	216
2018	\$ 11,767,429	0.509%	204
2019	\$ 11,342,931	0.464%	193
2020	\$ 10,603,293	0.436%	185
2021	\$ 97,871,255	3.832%	1,697

Note: Details regarding the City's outstanding debt can be found in the Notes to the Basic Financial Statements.

City of Arcadia
Legal Debt Margin Information
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2021

Assessed Taxable Value	\$ 18,384,704,572
Debt Limit (15% of assessed value)	<u>2,757,705,686</u>
Debt Applicable to limit:	
Total Bonds Payable	<u>97,871,255</u>
Legal Debt Margin	<u><u>\$ 2,659,834,431</u></u>
Percent of Charter Debt Limit	3.55%

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Debt Limit	\$ 1,591,549,743	\$ 1,666,145,249	\$ 1,774,831,776	\$ 1,921,301,692	\$ 2,090,788,840
Total net debt applicable to limit	<u>14,966,562</u>	<u>14,675,479</u>	<u>14,168,869</u>	<u>13,602,259</u>	<u>13,005,649</u>
Legal debt margin	1,576,583,181	1,651,469,770	1,760,662,907	1,907,699,433	2,077,783,191
Total debt applicable to the limit	0.94%	0.88%	0.80%	0.71%	0.62%

Source: Los Angeles County Assessor's office, City of Arcadia financial reports

Under State Finance Law, the City's outstanding general obligation debt shall not exceed

Notes: 15 percent of total assessed property value. The general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation debt.

City of Arcadia
Legal Debt Margin Information (Continued)
Last Ten Fiscal Years

	2017	2018	2019	2020
Debt Limit	\$ 2,201,029,447	\$ 2,351,470,734	\$ 2,490,311,353	\$ 2,642,494,809
Total net debt applicable to limit	12,399,039	11,767,429	11,110,819	11,110,819
Legal debt margin	2,188,630,408	2,339,703,305	2,479,200,534	2,631,383,990
Total debt applicable to the limit	0.56%	0.50%	0.45%	0.42%

Source: Los Angeles County Assessor's office, City of Arcadia financial reports

Under State Finance Law, the City's outstanding general obligation debt shall not exceed 15 percent of total assessed

Notes: property value. The general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation debt.

City of Arcadia

Direct and Overlapping Debt

Last Fiscal Year & Nine Years Prior

2020/21

	Gross Bonded Debt Balance	% Applicable	Net Bonded Debt
Direct Debt			
Arcadia General Obligation Bond 2011	\$ 5,245,000	100.000%	\$ 5,245,000
Arcadia General Obligation Bond 2012	4,045,000	100.000%	\$ 4,045,000
Arcadia Capital Lease	116,056.00	100.000%	116,056.00
Total Direct Debit	9,406,056		\$ 9,406,056
Overlapping Debt			
Metropolitan Water District Area Upper San Gabriel Valley Area *	13,101,783	1.154%	\$ 151,233
El Monte City School District DS14 RF BD SR A	8,391,911	4.943%	\$ 414,827
El Monte City School District 2008 Series B	5,897,545	4.943%	\$ 291,526
El Monte City School District DS14 RF BD SR B	5,865,000	4.943%	\$ 289,918
El Monte City School District 2014 Series A	4,975,000	4.943%	\$ 245,923
El Monte City School District 2015 Ref BDS	42,480,000	4.943%	\$ 2,099,864
El Monte City School District 2014 Series B	9,410,000	4.943%	\$ 465,153
El Monte City School District 17 R BD Series A	21,540,000	4.943%	\$ 1,064,761
El Monte Union High School District 2008 Series B	29,510,457	2.623%	\$ 774,196
El Monte Union High School District 2015 RF BD	23,840,000	2.623%	\$ 625,434
El Monte Union High School District 2008 Series C	1,230,000	2.623%	\$ 32,269
El Monte Union High School District 16 Ref BDS	47,925,000	2.623%	\$ 1,257,295
El Monte Union High School District 2008 Series D	10,275,098	2.623%	\$ 269,563
El Monte Union High School District 2018 Series A	47,745,000	2.623%	\$ 1,252,573
Citrus CCD Refunding Bond Series 2013	7,980,302	0.189%	\$ 15,118
Citrus CCD Series 2004 2014D	1,414,253	0.189%	\$ 2,679
Citrus CCD Refunding Bonds 2004 2015 Series E	6,055,000	0.189%	\$ 11,471
Citrus CCD Refunding Bonds 2015 Series A	80,055,000	0.189%	\$ 151,659
Pasadena Area CCD 14 RF Series A	10,880,000	18.191%	\$ 1,979,223
Pasadena Area CCD 16 RF Series A	51,650,000	18.191%	\$ 9,395,853
Rio Hondo Community College District Ref 2004 2019 Series B	117,367,824	0.800%	\$ 938,641
Arcadia Unified School District 1993 Series C	110,444	96.627%	\$ 106,718
Arcadia Unified School District 2006 Series B 2014	205,000	96.627%	\$ 198,085
Arcadia Unified School District 2017 REF BDS	248,310,000	96.627%	\$ 239,933,856
Monrovia Unified School District 2005 Refunding Bonds	16,224,602	0.841%	\$ 136,452
Monrovia Unified School District 2006 Series C-1 BABS	11,041,250	0.841%	\$ 92,859
Monrovia Unified School District 2015 Refunding Bonds	22,000,000	0.841%	\$ 185,025
Pasadena Unified School District 2008 Series 2012	3,855,000	0.014%	\$ 527
Pasadena Unified School District 2008 Series 2016	103,245,000	0.014%	\$ 14,112
Pasadena Unified School District 2016 Refunding Bonds Series A	78,470,000	0.014%	\$ 10,726
Pasadena Unified School District 2019 Refunding Bonds	152,810,000	0.014%	\$ 20,887
Temple City Unified School District 1998 Series B	4,239,218	7.943%	\$ 336,736
Temple City Unified School District 2005 Refunding Bonds	4,780,000	7.943%	\$ 379,692
Temple City Unified School District 2012 Series A	4,911,823	7.943%	\$ 390,164
Temple City Unified School District 2012 Series B	33,432,588	7.943%	\$ 2,655,670
Temple City Unified School District 2017 Refunding Bond	19,720,000	7.943%	\$ 1,566,430
Temple City Unified School District 2012 Series C	7,400,000	7.943%	\$ 587,808
Temple City Unified School District 2019 Refunding Bonds	19,545,000	7.943%	\$ 1,552,529
Total Overlapping Debt			\$ 269,897,460
TOTAL Direct and Overlapping Debt			\$ 279,303,516

2020/21 Assessed Valuation : \$17,492,956,923 after deducting \$891,396,649 of Incremental Value.

Debt to Assessed Valuation Ratios:	Direct Debt	0.050%
	Overlapping Debt	1.540%
	Total Debt	1.600%

Note:

This report reflects debt which is being repaid through voter-approved property tax indebtedness. It excludes mortgage revenue, tax allocation bonds, interim financing obligations, non-bonded capital lease obligations, and certificates of participation.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. The percentage of overlapping debt applicable is estimated by using taxable assessed values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.

Source: HdL Coren & Cone, Los Angeles County Assessor Combined Tax Rolls

City of Arcadia
Direct and Overlapping Debt (Continued)
Last Fiscal Year & Nine Years Prior

2011/12

<u>Direct Debt</u>	Gross Bonded Debt Balance	% Applicable	Net Bonded Debt
Arcadia 01 General Obligation Bonds	\$ 14,540,000	100.000%	\$ 14,540,000
Total Direct Debit	<u>14,540,000</u>		<u>14,540,000</u>
<u>Overlapping Debt</u>			
Metropolitan Water District	94,031,705	1.177%	1,106,580
El Monte City School District 1999 Series A	1,510,000	3.955%	59,722
El Monte City School District 1999 Series C	85,000	3.955%	33,816
El Monte City School District 2004 Refunding Bonds	5,795,000	3.955%	229,198
El Monte Union School District 1999 Series D	14,160,000	3.955%	560,041
El Monte City School District 2005 Refunding Bonds	18,066,265	3.955%	714,538
El Monte City School District 2004 Series B	14,434,439	3.955%	570,896
El Monte School District 2008 Series A	9,120,000	3.955%	360,705
El Monte School District 2008 Series A-1	18,540,000	3.955%	733,274
El Monte Union High School District 2002 Series A	2,065,000	2.073%	42,813
El Monte Union High School District Series B	3,485,000	2.073%	72,254
El Monte Union High School District 2006 Refunding Bonds	35,718,692	2.073%	740,548
El Monte Union High School District 2002 Series C	28,705,000	2.073%	595,135
El Monte Union High School District 2008 Series A	53,225,754	2.073%	1,103,518
Citrus CCD 2004 Series 2004A	14,670,000	0.160%	23,522
Citrus CCD 2004 Series 2007B	35,270,000	0.160%	56,552
Citrus CCD 2004 Series 2004 2009 Series C	29,995,302	0.160%	48,095
Pasadena Area Community College District 2002 Series A	980,000	17.069%	167,274
Pasadena Area Community College District 2006 Series B	47,560,000	17.069%	8,117,922
Pasadena Area Community College District 2006 REF Series C	8,660,106	17.069%	1,478,176
Pasadena Area Community College District 2002, 2006 Series D	26,615,000	17.337%	4,614,321
Pasadena Area Community College District 2002, 2009 Series E (BABS)	25,295,000	17.069%	4,317,553
Rio Hondo CC Series 2004A	5,340,000	0.522%	27,852
Rio Hondo CCD 2005 Refunding Bonds	43,206,005	0.522%	225,351
Rio Hondo CC 2004 Series 2008	63,651,844	0.522%	331,990
Arcadia Unified School District 1993 Series A	5,331,704	96.344%	5,136,789
Arcadia Unified School District 1993 Series C	1,357,666	96.344%	1,308,033
Arcadia Unified School District Refunding 1993 2005 Series A	3,370,000	96.344%	3,246,801
Arcadia Unified School District 2006 Series A	159,425,423	96.344%	153,597,194
Monrovia Unified School District 1997 Series A	14,047,105	0.713%	100,086
Monrovia Unified School District 2005 Refunding Bonds	12,945,000	0.713%	92,234
Monrovia Unified School District 2006 Series A	14,000,000	0.713%	99,751
Monrovia Unified School District 2006 Series B	17,866,665	0.713%	127,301
Monrovia Unified School District 2006 Series C	3,981,250	0.713%	28,367
Monrovia Unified School District 2006 Series C-1 BABS	8,025,000	0.713%	57,178
Pasadena Unified School District 2004 Refunding Bonds	47,540,000	0.018%	8,486
Pasadena Unified School District 2005 Refunding Bonds	108,685,000	0.018%	19,401
Pasadena Unified School District 2008 Series 2009	30,680,000	0.018%	5,477
Pasadena Unified School District 2008 Series 2009A-2 BABS	84,680,000	0.018%	15,116
Temple City Unified School District 1998 Series A	3,008,429	8.644%	260,041
Temple City Unified School District 1998 Series B	4,956,501	8.644%	428,453
Temple City Unified School District 2005 Refunding Bond	9,600,000	8.644%	829,849
Total Overlapping Debt			<u>191,692,203</u>
TOTAL Direct and Overlapping Debt			<u>\$ 206,232,203</u>

2010/11 Assessed Valuation : \$9,871,674,684 after deducting \$449,870,865 of Incremental Value.

Debt to Assessed Valuation Ratios:	Direct Debt	0.140%
	Overlapping Debt	1.890%
	Total Debt	2.030%

Note:

This report reflects debt which is being repaid through voter-approved property tax indebtedness. It excludes mortgage revenue, tax allocation bonds, interim financing obligations, non-bonded capital lease obligations, and certificates of participation.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. The percentage of overlapping debt applicable is estimated by using taxable assessed values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.

Source: HdL Coren & Cone, Los Angeles County Assessor Combined Tax Rolls

City of Arcadia

Demographic and Economic Statistics

Last Ten Calendar Years

Year	Population	Personal Income (in Thousands)	Per Capita Personal Income	Unemployment Rate
2011	56,546	2,115,216	37,407	7.10%
2012	56,866	2,156,700	37,926	5.30%
2013	57,500	2,185,058	38,001	4.30%
2014	57,526	2,221,309	38,614	4.80%
2015	57,050	2,208,838	38,717	3.90%
2016	57,374	2,228,856	38,847	3.00%
2017	57,704	2,310,918	40,047	3.40%
2018	58,891	2,443,094	41,485	3.50%
2019	57,212	2,429,207	42,459	3.40%
2020	57,660	2,554,238	44,298	10.00%

Source: US Bureau of Census, Employment Development Department

City of Arcadia
Principal Employers
Last Fiscal Year & Nine Years Prior

2020			
Employer	Employees	Rank	Percentage of Total City Employment
Macy's West	419	1	2.65%
Nordstrom Inc	409	2	2.59%
Optum	210	3	1.33%
The Cheesecake Factory Restaurants, Inc	181	4	1.15%
Arcadia Care Center	156	5	0.99%
Dave & Buster's	153	6	0.97%
Din Tai Fung Santa Anita Restaurant	135	7	0.85%
99 Ranch Market 7	120	8	0.76%
Coldwell Banker Residential Real Estate	119	9	0.75%
Vons 3208	115	10	0.73%
Total	2017		12.76%

2011			
Employer	Employees	Rank	Percentage of Total City Employment
Emergency Groups Office	300	1	2.19%
Nordstrom Inc	293	2	2.14%
Macy's West	291	3	2.12%
J C Penney Corp, Inc # 1417-5	280	4	2.04%
Worley Parsons Group, Inc	251	5	1.83%
J T Posey Company	178	6	1.30%
M W H Americas, Inc.	177	7	1.29%
The Cheesecake Factory Restaurants, Inc	152	8	1.11%
Dave & Buster's	151	9	1.10%
Vons 3208	132	10	0.96%
Total	2205		16.08%

Source: Business License Division, City of Arcadia

City of Arcadia
Full-time City Government Employees by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government:										
City Manager	5	5	5	5	5	5	5	4	4	4
City Clerk	2	3	4	4	4	3	3	3	3	3
City Attorney	0	0	0	1	1	0	0	0	0	0
Administrative Services	16	16	16	16	16	16	16	17	17	18
Police	100	96	94	94	95	98	98	98	98	97
Fire	57	57	58	58	58	58	58	58	58	58
Public Works:										
Streets	24	25	25	25	25	27	27	25	25	25
Water & Sewer	33	33	33	33	34	34	34	34	34	34
Garage	5	4	4	4	4	4	4	5	5	5
Development:										
Community Development	20	20	21	23	25	23	23	23	23	23
Redevelopment	0	0	0	0	0	0	0	0	0	0
Engineering	5	5	5	5	5	5	5	5	5	5
Recreation	9	9	9	9	10	11	12	12	12	12
Library	19	19	19	19	19	19	19	19	19	19
Total	295	292	293	296	301	303	304	303	303	303

Source: Administrative Services Department, City of Arcadia

City of Arcadia
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police:										
Physical Arrests	2,076	2,053	2,404	2,103	2,098	1,828	1,704	1,904	1,131	765
Parking Violations	13,056	10,908	13,211	14,348	11,805	11,449	10,395	9,636	9,869	5,210
Moving & Non-Moving Violations	5,202	6,560	6,158	5,885	6,122	4,726	2,865	3,273	1,668	174
Fire:										
Emergency Responses	4,944	4,882	4,960	5,123	5,560	5,614	5,688	5,734	5,301	5,167
Fires Extinguished	146	74	126	111	123	114	147	130	129	169
Inspections	3,874	3,514	4,732	4,089	3,798	4,187	3,921	3,863	3,821	3,246
Public Works:										
Street Slurry Resurfacing (SF)	2,309,300	3,231,925	2,936,698	3,341,306	3,441,499	3,581,577	2,856,213	2,529,210	2,314,640	3,201,889
Sidewalk Repaired (SF)	18,859	12,475	11,435	11,300	28,475	7,491	750	12,486	5,960	1,210
Curb & Gutter Repaired (LF)	1,273	1,662	6,067	1,793	15,815	3,595	4,771	16,881	7,267	3,065
Street Lights Repaired	290	240	116	106	340	83	213	175	235	176
Street AC Resurfacing (SF)	-	-	-	-	347,550	328,716	344,640	432,614	369,429	275,595
PCC Driveway Approaches (SF)						856	1,043	6,111	4,157	2,466
PCC Cross Gutter/Spandrel						4,259	9,308	3,317	14,498	2,185
PCC ADA Ramps						31	16	24	12	5
Economic Development:										
Street Resurfacing (SF)	163,520	170,331	269,450	44,000	335,500	157,200	292,100	515,900	453,600	461,200
Building Permits	1,096	1,419	1,548	1,615	1,724	1,551	1,433	1,889	1,742	1,758
Planning Cases Submitted and Processed	466	543	680	655	538	474	515	584	557	610
Parks and Community Services:										
(Number of Participation)										
Youth Programs	53,511	50,122	45,010	50,800	58,463	69,796	77,470	114,557	53,959	20,284
Swim Program	31,963	11,577	7,915	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Senior Citizen Programs	87,943	90,422	86,099	82,671	79,371	77,523	88,581	111,540	75,428	7,966
Contract Classes/Adult Programs	122,669	123,527	130,189	138,032	97,475	89,601	44,337	48,095	36,303	7,269
Community Center Rental Usages	17,496	15,765	12,730	12,391	10,561	10,038	12,250	21,414	8,872	-
Special Events	11,165	8,900	8,553	19,576	14,563	16,476	20,847	14,954	10,531	-
Dana Gym	9,846	18,496	19,563	20,168	13,295	28,869	31,959	27,476	19,726	-
Wilderness Park Classes & Rentals	5,670	5,959	5,729	5,871	5,488	5,011	12,936	9,123	7,403	1,593
Library:										
Books and other items total	206,020	204,642	205,658	205,107	200,980	259,000	208,109	203,859	186,694	186,837
Total Circulation	775,481	789,354	792,333	685,362	719,432	695,250	869,472	975,318	705,831	227,718
Water:										
Number of Water Accounts	14,011	14,021	13,651	13,942	13,659	14,114	13,688	14,146	13,554	14,160
Total Water Served to Direct Customer (AF)	14,988	15,495	15,704	15,325	11,089	11,801	14,416	13,574	13,935	15,010
Sewer:										
Sewer Cleaning (Miles)	187	227	226	227	224	168	150	150	194	178
Transit Services/Dial-A-Ride:										
Total Route Miles (round-trip)	263,844	292,742	296,004	251,420	243,873	295,991	280,941	280,616	282,326	250,290
Passengers	109,613	126,044	130,134	112,398	108,005	67,228	79,624	79,809	54,159	17,853

Source: Various City Departments

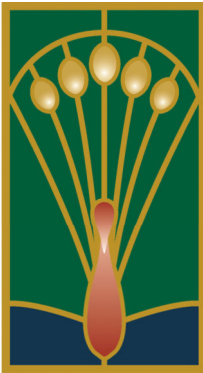
City of Arcadia
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	20	22	23	23	23	23	23	23	23	23
Motor Units	2	0	0	0	0	0	0	0	0	0
Fire Stations	3	3	3	3	3	3	3	3	3	3
Streets:										
Streets (miles)	148	148	148	148	148	148	148	148	148	148
Streetlights	1,640	1,640	1,642	1,642	1,642	1,642	1,642	1,642	1,642	1,642
Traffic Signals	67	67	69	69	69	69	73	75	76	76
Parks and Community Services:										
Total Park Acreage	166	166	166	166	166	166	166	166	166	166
Playgrounds	8	8	8	8	8	8	8	8	8	8
Tennis Courts	19	19	19	19	19	19	19	19	19	19
Baseball/softball diamonds	4	4	4	4	4	4	4	4	4	4
Soccer/football fields	1	1	1	1	1	1	1	1	1	1
Community Centers	1	1	1	1	1	1	1	1	1	1
Gymnasium	1	1	1	1	1	1	1	1	1	1
Water:										
Water Main (miles)	169	169	169	169	169	169	169	169	169	169
Fire Hydrants	1,529	1,530	1,534	1,539	1,542	1,542	1,542	1,542	1,543	1,543
Storage Capacity (millions of gallons)	45	45	45	45	45	45	45	45	45	45
Wastewater:										
Sanitary Sewers (miles)	140	140	140	140	140	140	140	140	140	140
Storm Sewers (miles)	8	8	8	8	8	8	8	8	8	8
Library	1	1	1	1	1	1	1	1	1	1
Museum								1	1	1
Museum Education Center (Museum/Community Center joint use)								1	1	1
Transit Services/Dial-A-Ride:										
Transit Buses	18	18	18	18	18	18	18	18	18	18

Note: Include only properties owned by the City

Source: Various City Departments

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CITY OF
ARCADIA