

CITY OF ARCADIA, CALIFORNIA

ANNUAL COMPREHENSIVE

FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2022



**CITY OF ARCADIA
ARCADIA, CALIFORNIA**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Prepared by:

ADMINISTRATIVE SERVICES DEPARTMENT

Hue Quach, Director

240 West Huntington Drive
P.O. Box 60021
Arcadia, CA 91007

City of Arcadia
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2022

Table of Contents

	<u>Page</u>
<u>INTRODUCTORY SECTION (Unaudited)</u>	
Letter of Transmittal	v
Organization Chart.....	xix
Elected Positions and Administrative Personnel	xx
GFOA Certificate of Achievement for Excellence in Financial Reporting	xxi
<u>FINANCIAL SECTION</u>	
Independent Auditor's Report	1
Management's Discussion and Analysis (Required Supplementary Information) (Unaudited)	5
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	31
Statement of Activities.....	32
Fund Financial Statements:	
Governmental Fund Financial Statements:	
Balance Sheet.....	38
Reconciliation of the Governmental Funds Balance Sheet	
to the Government-Wide Statement of Net Position.....	41
Statement of Revenues, Expenditures, and Changes in Fund Balances.....	42
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and	
Changes in Fund Balances to the Government-Wide Statement of Activities.....	44
Proprietary Fund Financial Statements:	
Statement of Net Position	47
Statement of Revenues, Expenses, and Changes in Net Position	48
Statement of Cash Flows.....	49
Fiduciary Fund Financial Statements:	
Statement of Fiduciary Net Position	53
Statement of Changes in Fiduciary Net Position	54
Notes to the Basic Financial Statements.....	57

City of Arcadia
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2022

Table of Contents

	<u>Page</u>
<u>FINANCIAL SECTION (Continued)</u>	
Required Supplementary Information (Unaudited):	
Budgetary Comparison Schedule – General Fund.....	101
Budgetary Comparison Schedule – Parks and Recreation Special Revenue Fund	102
Budgetary Comparison Schedule – Measure W Safe, Clean Water Program Special Revenue Fund.	103
Notes to the Required Supplementary Information.....	104
Schedule of Changes in Net Pension Liability and Related Ratios.....	105
Schedule of Contributions – Defined Pension Plan.....	108
Schedule of Changes in Net OPEB Liability and Related Ratios.....	110
Schedule of Contributions - OPEB	111
Supplementary Information:	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:	
Major Capital Outlay Capital Projects Fund.....	119
Major General Obligation Bonds Debt Service Fund.....	120
Nonmajor Governmental Funds:	
Combining Balance Sheet.....	122
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances.....	128
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:	
Narcotics Seizure Special Revenue Fund	134
COPS SLESF Special Revenue Fund	135
OTS Grant Special Revenue Fund	136
Traffic Safety Special Revenue Fund	137
Solid Waste Special Revenue Fund	138
AQMD Special Revenue Fund	139
CDBG Special Revenue Fund.....	140
Proposition A Transit Special Revenue Fund	141
Transportation Impact Special Revenue Fund	142
State and County Gas Tax Special Revenue Fund.....	143
Measure R Special Revenue Fund	144
Lighting Maintenance Special Revenue Fund	145
Prop C Special Revenue Fund	146
IRS Task Force Special Revenue Fund.....	147
TDA Article 3 Bikeway Special Revenue Fund	148
Santa Anita Grade Separation Special Revenue Fund	149
Homeland Security Special Revenue Fund.....	150
PEG Access Television Special Revenue Fund	151
Used Oil Grants Special Revenue Fund.....	152
DOC Beverage Grant Special Revenue Fund	153
Road Maintenance and Rehabilitation Act Special Revenue Fund.....	154
Measure M Special Revenue Fund.....	155
CA OES HSGP Special Revenue Fund.....	156

City of Arcadia
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2022

Table of Contents

	<u>Page</u>
<u>FINANCIAL SECTION (Continued)</u>	
Nonmajor Governmental Funds:	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:	
Emergency Response Special Revenue Fund	157
The Taskforce for Regional Autotheft Prevention Special Revenue Fund	158
Nonmajor Enterprise Funds:	
Statement of Net Position.....	159
Statement of Revenues, Expenses, and Changes in Net Position	160
Statement of Cash Flow	161
<u>STATISTICAL SECTION (Unaudited)</u>	
Net Position by Component	166
Changes in Net Position.....	168
Fund Balances of Governmental Funds	172
Changes in Fund Balances of Governmental Funds	174
Governmental Activities Tax Revenue by Source	176
General Governmental Tax Revenue by Source.....	177
Assessed Value of Taxable Property	178
Direct and Overlapping Property Tax Rates	179
Principal Property Tax Owners.....	181
Property Tax Levies and Collections	182
Taxable Sales by Category.....	183
Major Sales Tax Producer.....	184
Ratios of Outstanding Debt by Type.....	186
Ratios of General Bonded Debt Outstanding.....	187
Legal Debt Margin Information.....	188
Direct and Overlapping Debt	190
Demographic and Economic Statistics	192
Principal Employers.....	193
Full-time City Government Employees by Function/Program	194
Operating Indicators by Function/Program.....	195
Capital Asset Statistics by Function/Program.....	196

This page intentionally left blank



January 23, 2023

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

The Annual Comprehensive Financial Report (ACFR) of the City of Arcadia for the fiscal year ended June 30, 2022, 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, 2022, 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, 2022. The independent auditor concluded, based upon the audit that the City of Arcadia's financial statements for the fiscal year ended June 30, 2022, 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 56,700 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 the Shops at Santa Anita (formerly 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 USC Arcadia Hospital (formerly 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, Shops at Santa Anita, 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 2021-22 ACTUALS

For the fiscal year ending June 30, 2022, the General Fund Group, including the internal service funds, resulted in an operating surplus of \$17.2 million. Total revenue was at \$86.9 million, which increased by \$16.9 million, or 24.1%, 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 \$15.6 million, or 21.9%. The overall increase of actuals to budgeted amounts are largely attributed to unexpected increases in tax revenues. Sales Tax (\$6.0 million), Transient Occupancy Tax (\$1.3 million), and Utility Users Tax (\$1.2 million) all came in significantly above expectations as overall tax revenues exceeded the budget by \$9.5 million. As the country continued to open from the restrictions of the COVID pandemic, commerce and travel all showed higher levels of activity due to the pent-up demand. In addition, the City received a \$5.7 million dollar settlement from Dow Chemicals and other companies related to contamination of the City’s drinking water supply and water wells.

General Fund Group expenditures total was \$62.6 million. It is \$2.3 million or 3.6% less compared to the prior fiscal year, but \$4.0 million lower in comparison to the year’s adopted budget. The decrease over the prior year was primarily due to the decision by City Council to issue Pension Obligation Bonds (POB) and used the proceeds to contribute towards the City’s CalPERS pension plans to pay down the Unfunded Actuarial Liability. This action contributed to a decrease of \$6.5 million in pension expenditures. This decrease was offset by the debt service on the POB of \$5.9 million, resulting in a net savings of \$600K. The favorable budget variance could be attributed to the underspending in these two categories: \$1.3 million in personnel costs, and \$2.5 million for operating expenses. Personnel savings was due to higher-than-expected employee vacancies. Key operating budget savings came from contracts services and claims expenses, which were both under budgeted amounts. For the departmental budget comparisons, some City departments ended the fiscal year with a negative budget variance. City Attorney was due to higher-than-expected legal expense, General City was due to higher vacation payoff costs largely resulting from turn overs, and Fire Department variance was due to strike team overtime. Note that the City will be reimbursed by the State, as part of the Mutual Aid System, for those strike team overtime cost, but due to timing those reimbursements will not be post in Fiscal Year 2021-22.

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 2022-23 BUDGET

All governmental funds have legally adopted budgets. 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. Interfund 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.

At the start of the current year’s budget process in mid-February, the general mood for the short-term financial position was generally optimistic. Specifically, reports of cases and deaths due to COVID-19 were down significantly and restrictions were lifted, which helped the economy to come back to life. It is in this context that the proposed Fiscal

Year 2022-23 budget has been developed. The expectation is that receipts of taxes, fees, and other revenue sources will be better than the current Fiscal Year and will move to a recovery level, equal to or greater than the pre-pandemic period. One key element from the revenue trajectory is Measure A, a 0.75% Transaction and Use Tax (Sales Tax) that was passed overwhelmingly by Arcadia voters in June 2019. This revenue stream has been critical in keeping afloat the City's budget by adding \$5-\$6 million per year during the COVID period. In the coming year, Measure A revenues are expected to exceed the annual projections that were provided at the time of adoption.

Summarized in the table below is the General Fund Operating Budget for: Fiscal Year 2021-22 Year Ending Estimates, Fiscal Year 2022-23 Proposed Budget for Adoption, and a Fiscal Year 2023-24 Preliminary Budget Outlook. Please note that Fiscal Year 2023-24 is not proposed for adoption at this time and is merely presented as a forecasting tool, since the City adopts its Operating Budget annually.

	FY 21-22 Estimates	FY 22-23 Budget	FY 23-24 Budget
Beginning Fund Balance	\$ 8,448,700	\$ 12,297,400	\$ 14,798,500
Estimated Revenues	\$ 72,277,300	\$ 74,428,400	\$ 73,800,900
Transfers In	4,722,600	5,898,400	4,387,200
Expenses & Uses	(68,351,200)	(73,025,700)	(74,246,900)
Revenue over Expenses	\$ 8,648,700	\$ 7,301,100	\$ 3,941,200
Transfer to Equipment Replacement Fund	(2,400,000)	(2,400,000)	(2,400,000)
Transfer to Capital Improvement Fund	(2,400,000)	(2,400,000)	(2,400,000)
Subtotal Operating Balance	3,848,700	2,501,100	(858,800)
Ending Fund Balance	\$ 12,297,400	\$ 14,798,500	\$ 13,939,700

As shown in the table above, the City's General Fund Operating Ending Fund Balance will increase to \$14.8 million because of projected surpluses of \$3.85 million in Fiscal Year 2021-22 and \$2.5 million in Fiscal Year 2022-23. Assuming that occurs, a portion of the Operating Fund Balance will be transferred into the City's Emergency Reserve to reach the City's adopted Reserve Policy level equivalent to 20% of annual operating expenditures. Currently, that Emergency Reserve balance is at \$12.8 million. Given the annual operating expenditures proposed in the budget, \$14.5 million should be held in the City's Emergency Reserve Fund; therefore, a transfer of \$1.7 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 \$43.3 million as of this writing.

FY 2021-22 Proposed Revenues

	FY 21-22 Estimates	FY 22-23 Budget	Changes
			\$ %
Taxes	\$ 49,766,800	\$ 51,191,700	\$ 1,424,900 2.78%
License & Permits	5,060,400	5,488,000	427,600 7.79%
Fines & Penalties	417,000	413,500	(3,500) -0.85%
Use Money & Property	1,455,900	1,451,300	(4,600) -0.32%
Revenue from Other Agencies	8,357,900	8,667,700	309,800 3.57%
Charge Current Services	3,859,700	3,471,400	(388,300) -11.19%
Library	81,300	84,700	3,400 4.01%
Recreation	1,088,800	1,325,100	236,300 17.83%
Other Revenue	2,189,500	2,335,000	145,500 6.23%
Total Revenue	\$ 72,277,300	\$ 74,428,400	\$ 2,151,100 2.89%

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 21-22		FY 22-23		Difference	
	Estimates	Proposed Budget		\$	%	
Property Tax	\$ 18,038,400	\$ 18,694,800	\$ 656,400		3.64%	
Sales Tax	18,899,000	19,277,000	378,000		2.00%	
Transient Occupancy Tax	3,304,900	3,503,200	198,300		6.00%	
Utility Users' Tax	7,360,000	7,433,600	73,600		1.00%	
Motor Vehicle License Fees	8,292,900	8,607,700	314,800		3.80%	

Property Tax: The City expects to see continued growth in home valuation, a benefit that can be credited to Arcadia being a desirable community with a top ranked public school district. Home sales and development activities for high market value areas, such as Arcadia, have leveled off in comparison to recent years; however, values are holding, and sales continues but at a more moderate pace. Home sales prices are forecasted to hold or continue slightly higher in Arcadia's desired community and due to scarcity of supply at all price points. However, due to recent rise in interest rates and other uncertainties that may lead to slowing home sales activities, 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 3.6%, or nearly \$656,400, for Fiscal Year 2022-23.

Sales and Transaction Use Tax: Recent economic data may suggest signs of a slowing economy and possibly a recession. It should be noted that there is no predictor to offer when a recession will happen with a high degree of certainty. There is a sense that inflation is expected to ease as supply chain issues and demands will find its balance by the end of 2022. Some signs have already suggested that inflation has reached its peak. Unemployment nationwide is still low, sturdy strength of retail spending continues, and a recent survey showing stronger personal balance sheet gives an indication that the consumer will be able to endure the existing economic concerns. This perspective suggests that a recession is much further away than what some analysts have been predicting. In addition, it should be noted that when economic downturns happen, City revenue shifts lag behind the general economy, which gives the City time to react to any changes that may be coming.

It is predicted that inflation would initially generate higher sales tax level due to higher cost for all things. Sales and Transaction Use Tax in total is projected to come in at \$19.3 million, a 2.0% increase versus the prior Fiscal Year. The projection is a conservative estimate as it has factored in the potential for a slower economy just before the end of Fiscal Year 2022-23. The future forecast in Fiscal Year 2023-24 does anticipate additional slowing in this area in the event that a recession does come to fruition in the 2023 calendar year.

Transient Occupancy Tax (“TOT”): The projection for this category in Fiscal Year 2022-23 is for a 6.0% increase when compared to the prior year, representing expected revenue of \$3.5 million versus the prior year's ending estimate of \$3.3 million. Although the year-to-year comparison may seem overly optimistic, it is supported by data showing that travel and tourism industry have rebounded above pre-pandemic period, caused by pent-up demands during the COVID stretch. These signs include greater air traffic, airlines adding more flights, rental car shortages, and the City's transient occupancy tax receipts showing higher local hotel occupancy levels. The projection of the 6.0% increase in TOT revenue is conservative given the entrance of a new luxury hotel, Le Meridian, and the expected recovery in travel and tourism generally.

Utility Users' Tax: Utility Users' Tax (“UUT”) is projected to generate \$7.4 million, or a 1.0% increase in comparison to the Fiscal Year 2021-22 Year Ending Estimate. Fundamentally, demand for water, electricity, and gas is expected to reduce in comparison to the previous years as more people are expected to return to their workplace versus working remotely at their residence. However, a slight increase in the tax is expected as billings will rise naturally due to inflationary elements. While water conservation is expected to continue, water rates will increase because of rising imported water costs, treatment and filtration costs, and ongoing repairs of City wells, which will offset any potential decreases in this area.

Motor Vehicle License Fees (“VLF”): This tax is projected to increase by 3.8%, to \$8.6 million. Allocation of revenue from this line item are largely tied to annual property assessed valuation. However, in recent years, the pandemic has driven greater demand for autos, causing extraordinarily high prices for new and used vehicles. With higher receipts

relating to the VLF, it naturally increases the revenue distribution to the City aside from just the yearly property assessed valuation. .

Fiscal Year 2022-23 Proposed Expenses

Total operating expenditures for Fiscal Year 2022-23 have been proposed at \$71.7 million, an increase of 2.7% versus Fiscal Year 2021-22 Budget of \$69.8 million. No significant changes have been added to the Fiscal Year 2022-23 Operating Budget other than contractual increases from multi-year service agreements and cost associated with the second of a three-year labor agreement.

While some natural inflationary increases have been included and new services have been added to meet community demands as we begin “normalizing” after the pandemic, staff has carefully controlled costs in most areas so that the increases are negligible and have no material effects to the overall operating expenditures. The Budget also includes transfers of annual set goal amounts of \$2.4 million each to the Capital and Equipment Replacement Funds in order to ensure that funding is available in the future for significant expenditures in those categories, which are described in greater detail later in this report.

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 sizeable 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 had previously reached dangerously low levels due to a lack of regular deposits into these funds. The Fiscal Year 2022-23 Budget proposes a transfer of \$4.8 million from the General Fund, \$2.4 million to Capital Improvement and \$2.4 million to Equipment Replacement to establish a sustaining fund balance for future purchases and projects. The \$2.4 million deposit into these funds is the recommended annual minimum deposit in these funds to maintain sufficient balances over time based on 10-year historical spending patterns and known expenditures in the coming years.

The Fiscal Year 2022-23 Capital Improvement Plan proposes 45 projects totaling \$16.5 million in expenditures, of which \$3.4 million would be paid from the Capital Improvement Fund. The Capital Improvement Fund provides most of the funding for such essential maintenance activities such as pavement rehabilitation, building repairs, and parks maintenance. The table below summarizes some of the major proposed projects planned for the year.

Fiscal Year 2022-23 MAJOR CAPITAL IMPROVEMENT PROJECTS		
Project Description	Project Budget	Funding Source
Annual Slurry Seal Program	\$800,000	Capital Improvement Fund
Advanced Metering Infrastructure (AMI)/ Meter Replacement Program	\$800,000	ARPA Fund
Bonita Park Concession Building Improvement Project	\$710,000	Park & Recreation Facilities Fund
Community Center Facility Improvements	\$325,000	Capital Improvement Fund
Pavement Rehabilitation Program	\$2,050,000	Capital Improvement & RMRP (SB1) - \$1.2Mil Measure W - \$150k
Sewer Main Replacement Program	\$750,000	Sewer Fund

Fiscal Year 2022-23 MAJOR CAPITAL IMPROVEMENT PROJECTS		
Project Description	Project Budget	Funding Source
Water Main Replacement Program	\$400,000	ARPA Fund
Compressed Natural Gas Fueling Station	\$2,000,000	Measure M - \$400k FTA Sec. 5307 - \$1.6 mil
Baseball Field Bleacher Project	\$950,000	Capital Improvement Fund \$430k
Arterial Pavement Rehabilitation: 1st & 2nd Aves from Huntington Dr. to Duarte Rd.	\$2,000,000	Park & Rec Fund \$520k Prop C \$300k & Prop C Grant \$1.7 mil

The Equipment Replacement Fund was originally estimated to require an annual transfer of \$1.8 million on average from the General Fund to ensure sustainability. However, with yearly rising costs from inflation and new equipment demands in the areas of technology investments specifically, a yearly transfer of \$2.4 million would now be the appropriate number to deposit annually to meet future year needs. The Equipment Replacement Fund provides funding for essential equipment such as computers, vehicles, and major office equipment.

New proposals for this year include a larger than usual number of vehicle replacements, including heavy duty vehicles from Public Works, Fire, and Police Departments. The City has a practice of extending the life of vehicles past their typical commercial vehicle life expectancy. Mileage and annual maintenance cost are weighed against their benefit as determinant factors for their replacement. This year, more vehicles are budgeted for replacement due to COVID related manufacturing back-logs. This is because many vehicles currently have up to a 12 month waiting period. Specifically, Police Patrol vehicles and other sedans with long wait times will be pre-ordered in anticipation of the delay so that the vehicles are available when they are needed.

Public Works will need to replace a heavy-duty valve truck in the Water Division and a Sewer CCTV Truck will be purchased to transition from contracting for an annual CCTV video service to being able to do it in-house. Having a CCTV camera vehicle will eliminate the need for an annual contract of \$50,000 for CCTV services, as well as the Engineering staff time required to generate, advertise, execute, and coordinate the CCTV contract – time that can then be spent on other projects. City field staff will eliminate up to 160 hours of time spent annually on traffic control and inspection services, which are requested by the CCTV contractor while performing video services. Most importantly, it will allow staff to respond immediately when issues are found during regular cleaning by videoing the sewer line of concern.

In total, the Equipment Replacement Fund proposes 37 different equipment purchases totaling \$4.7 million, of which \$3.9 million is funded by the Equipment Replacement Fund. The table below summarizes some of the major proposed equipment purchases.

FY 2022-23 MAJOR EQUIPMENT REPLACEMENT PURCHASES		
Equipment Replacement Description	Replacement Budget	Funding Source
Enterprise Resource Planning (ERP) Financial Software	\$500,000	Equipment Replacement
Vehicle Replacement / Water/Sewer: Valve Truck, Sewer CCTV Truck, & Sedans (2)	\$616,000	Water & Sewer Funds

FY 2022-23 MAJOR EQUIPMENT REPLACEMENT PURCHASES

Equipment Replacement Description	Replacement Budget	Funding Source
	\$408,000	Equipment Replacement
Vehicle Replacement/Police: Patrol Vehicles (6); Communication & Lighting Equipment	\$408,000	Equipment Replacement
Vehicle Replacement/Fire: Rescue Ambulance w/Communication & Lighting Equipment	\$385,000	Equipment Replacement
Fire Dept. - Communication & Technology Equipment Replacement	\$80,000	Equipment Replacement
Fire Dept. – Replacement of all Self-Contained Breathing Apparatus (SCBA) & Annual Maintenance Program	\$1,148,800	Equipment Replacement
Library - Complete Facility Furniture Replacement: Study Carrels; Tables & Chairs;	\$227,700	Equipment Replacement

It is imperative that the City find a means for depositing funds into these 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, 2022, the City has outstanding balance of \$4,985,000 for the Series 2021 General Obligation Bonds (Police Station) and \$3,867,000 for the Series 2021 General Obligation Bonds (Measure A). Those 2021 General Obligation Bonds refinanced the outstanding 2011 and 2012 General Obligation Bonds.

On November 12, 2020, the City issues \$90 million dollars of Pension Obligation 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 rated "AAA" by Standards and Poor rating agency. The outstanding balances on these bonds were \$87,265,000 on June 30, 2022.

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 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.

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

- Completed contract negotiations with all five employee associations through June 30, 2024, providing stability for budget planning.
- Completed an update to the comprehensive Fringe Benefits Resolution.
- Conducted 40 recruitments for part-time and fulltime staff.
- Re-designed employment recruitment flyers to showcase Arcadia's work culture when recruiting new talent.
- Implemented voice redundancy at City Hall and Police Department
- Completed Multi-Factor Authentication security project for the City's computer systems, for both Office 365 and Virtual Private Network (VPN)
- Completed Aquirit Cashier system upgrade
- Implemented Citywide wireless network upgrade
- Completed City Hall Laserfiche server upgrade

Police Services

- Acquired and implemented a Body Worn Camera System to enhance policing efforts and better capture Police Department personnel's daily interactions with the community. The technology is 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.
- Expanded the Department's GPS Tracking Device Program by upgrading existing tracking devices and purchased nine new devices; the Program resulted in 31 arrests.
- Participated 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.
- Completed 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 to ensuring uniform data collection and dissemination.
- Developed and implemented bi-annual ADA Telecommunication training in compliance with Section 504 of the Rehabilitation Act.
- As a result of Assembly Bill 953 (2015), implemented a Stop Data Collection Program through the use of a data collection software program that enables the Department to collect and report all Racial Identity Profiling Act ("RIPA") data to the Department of Justice ("DOJ").
- Increased traffic education, engineering, and DUI/drug enforcement efforts through grant funding awarded by the Office of Traffic Safety.
- Expanded the social media team and enhanced the Department's social media platform increasing Department presence, investigative resources, crime awareness, and community engagement.

Fire Services

- Pursued approval of FEMA's Public Assistance funds for the City's COVID19 response efforts.
- Continued to enhance the department's paramedic service model with the goal of fully upgrading its Firefighter positions to Firefighter/Paramedic positions.
- Developed a Wellness Program for the department members to maintain high level of job performance focusing on both physical and mental well-being.
- Continued to support the California state master mutual aid program by proving personnel and apparatus to statewide responses to large scale incidents.
- Implemented the vehicle replacement plan by designing and building a new fire engine and utility support vehicle.
- Secured a consultant to initiate and conduct fire impact fee study to account for the potential impact of continued new developments in the City.
- Obtained new funding for smoke alarm installation program aimed at vulnerable seniors.
- Implemented Part 1 of the fuel modification project in the Very High Fire Hazard Zone and in partnership with the California Conservation Corp.
- Researched, evaluated, and purchased new battery-operated vehicle extrication equipment to match current standard of new technology.
- As part of the Centers for Medicare and Medicaid Services (CMS) recent requirement to all Ground Emergency Medical Transport (GEMT) providers, continued to prepare for the development of a comprehensive collection system for CMS by November 2023, to adequately evaluate ground ambulance providers and suppliers' costs as they relate to Medicare payment rates.

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

- Completed State-required Housing Element. Sent to State for certification.
- 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
- 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.
- Issued "Last and Final ROPS" for the Former Arcadia Redevelopment Agency.
- 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.
- Completed entitlements of a major (314 unit) mixed use project in Arcadia's downtown.

Recreation and Community Services

- Completed the Homeless Five-Point Plan which included:
 - Identified those that are at-risk of becoming homeless and focus on preventing them from becoming homeless.
 - Conducted a true census of homeless in Arcadia.
 - Investigated and reported options working with different organizations to advance homeless efforts.
 - Visited many tiny shelters and some transitional shelters and provided report to City Council the outcomes experienced by the city and the service provider.
- Received additional \$12,000 Prevention and Diversion Grant from the San Gabriel Valley Council of Governments.
- Provided COVID-19 vaccine clinics at the Community Center.
- Operated an evacuation center during the Arcadia shooting incident.

Library and Museum Services Development Services

- Safety for the community, volunteers, interns and staff continued to guide services, collections, and programs as the Library building fully reopened to the public. Safe reopening strategies were regularly revisited and updated, both internally and externally for the public, based on L.A. County Health Dept., CA State, and CDC. Reference and Children's services, virtual and in-person programming, and Passport Services resumed.
- Emphasis on online access, more self-serve and contactless options, including self-pickup of reserves, online payments three ways: self-check-out machines, in-person, with contactless scanner for library card, and online through the Library's website.
- Implemented phase II of a furniture replacement project, specifically replacing study carrels and refinishing existing tables and chairs in the Children's Room as well as replacing public chairs on an ongoing basis, based on wear and tear.
- Increased Number of Online Resources and Collections including databases made available from the CA State Library and Southern California Library Cooperative. This included PressReader, LinkedIn Learning, GetSetUp, Coursera, SkillShare, JobNow/VetNow, CA K-12 Online Content, ProQuest, Ebscol Learning Express, Miss Humblebee's Academy, Scholarships, Fellowships, and Loans.
- 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 2021-2022.
- Refreshed permanent exhibits at the Museum and translated exhibits into Mandarin and Spanish with access through a QR Code.
- 3203 visitors to the Museum, 78 Museum volunteers; 12 interns, 4,383.47 volunteer hours.
- 2,424 family-centered Arcadia History themed learning lessons and crafts given out to the community. 1,974 students benefited from school programs with the Museum.
- Digitization of nine significant collections at the Museum.

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.
- Oversee process to help the City implement a new, state of the art, ERP system that would enhance process efficiencies, automate manual processes, provide robust electronic document storage, and enhance workflow.
- 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.
- Continue to collaborate with departments on strategic outreach measures that recruit and retain a diverse and well-qualified workforce.
- Provide continued development opportunities for employees, including technology, leadership, risk management, and best practices.
- Provide mandatory and compliant training within established timeframes.
- Continue to enhance the City's Wellness Program to promote workplace wellness and help employees adopt health behaviors.
- Work with each Department and bargaining group on updating and simplifying language in the City's Personnel Rules and Regulations.
- Expand and increase the capacity of the Police Department's server farm, including document storage.
- Continue to enhance the City's network security and backup systems.
- Provide recommendations and guidance on the City's IT related projects.

Police Services

- Purchase an Armored Rescue Vehicle to be better able to respond to major emergencies, preserve life, and enhance the safety of citizens and Officers.
- Implement a Peer Support Program to provide peer support to sworn and non-sworn personnel in their personal and professional lives, whether that involves a divorce, alcohol, post-traumatic stress or death of a family member.
- Participate in the San Gabriel Valley Council of Government's Mobile Crisis Team as part of Homeless, Mental Health, and Crisis Response Pilot Program.
- 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, purchase a new K-9 to replace recently retired K-9 Kota, 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) in order 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.
- Complete 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.
- 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 in order to improve police services, and limit risk and civil liability.
- Continue increase traffic education, engineering, and DUI/drug enforcement efforts through grant funding awarded by the Office of Traffic and Safety.
- Continue the growth and development of the Crime Analysis Unit in order to provide additional crime analysis resources and research support to the Department.
- Establish participation in the Taskforce for Regional Autotheft Prevention (TRAP) Program and dedicate police resources to help deter crime in the City, specifically, Auto Theft.
- Continue the expansion of our Automated License Plate Readers (ALPRs) program via a strategic build-out plan to combat criminal activity, enhance productivity, and improve officer safety through an increased collection of vehicle license plate information.
- Continue the implementation of the Special Enforcement Team (SET) in order to support crime prevention and criminal apprehension along with establishing special task force connections with local and regional groups related to burglaries, gangs, drugs, and organized retail crime.
- Complete implementation of 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

- Implement Part 2 of the fuel modification project in the Very High Fire Hazard Zone and in partnership with the California Conservation Corp.
- Complete the build, take delivery, and place into service a new fire engine and fire command vehicle.
- Update and adopt the 2022 California Fire Code.
- Market, promote, and expand the user registration for the Arcadia Community Connect program.
- Research, evaluate, and purchase new Self-Contained Breathing Apparatus to comply with the industry standard of a 15-year life span.
- Improve the delivery of Emergency Medical Services by purchasing state-of-the-art mechanical cardiopulmonary resuscitation devices.

- Continue to develop a methodological structure or system to prepare for the development of a comprehensive collection system for CMS by November 2023, to adequately evaluate ground ambulance providers and suppliers' costs as they relate to Medicare payment rates.
- Assign a temporary Fire Training Captain to assist the Arcadia Fire Department's Training Program for consistent training and evaluation of newly hired and promoted members.
- Train, mentor, and develop new and current staff members for succession planning. Be proactive in hiring and promotional testing processes to maintain staffing levels and minimize constant staffing personnel expenses.
- Continue to provide Fire Suppression personnel with the most current and advanced firefighting techniques/training to promote fire ground safety.
- Continue to research and apply for Federal, State, and private grant opportunities for firefighter training and the procurement of firefighting equipment. Continue to maintain detailed grant records of current and past awards for compliance and to prepare for audits.
- Continue to develop a Wellness Program for the department members to maintain high level of job performance. This will be accomplished by developing a peer support program, providing access to mental health professionals, partnering with a local college for wellness services, re-examining the annual physical process, and incorporating best practices for cancer prevention.
- Continue to conduct a Fire Services Impact study to establish appropriate fees for new developments and help fund heavily used and costly fire equipment resulting from increase in new construction projects.

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 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;
- Design and Construct the Newcastle Park Improvement Project.
- Rehabilitate Chapman Reservoir.
- Replant four hundred sixty-three trees within the City Right of Way utilizing funding from Los Angeles County Flood Control District (LACFCD).
- Complete a feasibility study to identify the most cost-effective treatment/mitigation to place the Chapman Water Facility back on-line.
- Continued the transitioning 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.
- Design and Construct new CNG Station at the Public Works Yard.
- Rehabilitate Orange Grove Well 1A.

Development Services

- Complete major improvement project for South Baldwin Avenue.
- Entitle up to four (4) major mixed-use developments around the City of Arcadia (totaling over 500 housing units).
- Coordinate and collaborate with the new owner of the Westfield Mall to ensure a vibrant asset in the City.
- Implement two major business assistance projects using American Rescue Plan Act (ARPA) funds, including a small grant program and a permit assistance project.
- Continue close work with Downtown Arcadia Improvement Association on downtown developments/beautification and special events.
- Upgrade permit tracking and issuance software to provide superior quality of service.
- Upgrade Geographic Information Systems (GIS) for emergency services purposes.

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

- Build back community visits to the library by creating safe spaces, providing positive patron experiences, and seeking community input for current and future services, collections, and programs. Build back volunteer and intern base as well as in-person programming.
- Create meaningful connections within the community, its' diverse citizenry, and increase community partnerships in program and service development and delivery to better serve everyone within the community.
- Increase responsiveness to changing technology needs and reduce barriers to access by providing basic, modern, technology and digital literacy classes for the community. Implement the grant-funded Memory Lab.
- Continue to recruit, develop, and retain an innovative, talented, nimble, and diverse workforce to fill vacancies. Improve organizational culture, knowledge, skills, and abilities of staff through training, workshops, and professional development. Continue to provide new training opportunities through cross-training, community engagement, and formal training opportunities.
- 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.
- Update the CENIC Broadband public internet equipment to increase the speed from 1 gigabyte per second (Gbps) to 10 Gbps through City and State Library funding.
- Library chiller (1972) replacement of the 90-ton water cooled chiller and controller - deferred. (FY 2022)
- 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 Passport Services as an ongoing, cost-recovery program for the community.
- Continue to take advantage of grants for interns, supplies, and collections processing.
- Pursue matching grant for a family restroom at the library.

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 annual comprehensive financial report for the fiscal year ended June 30, 2021. We believe that our current annual comprehensive 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 Annual Comprehensive 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,



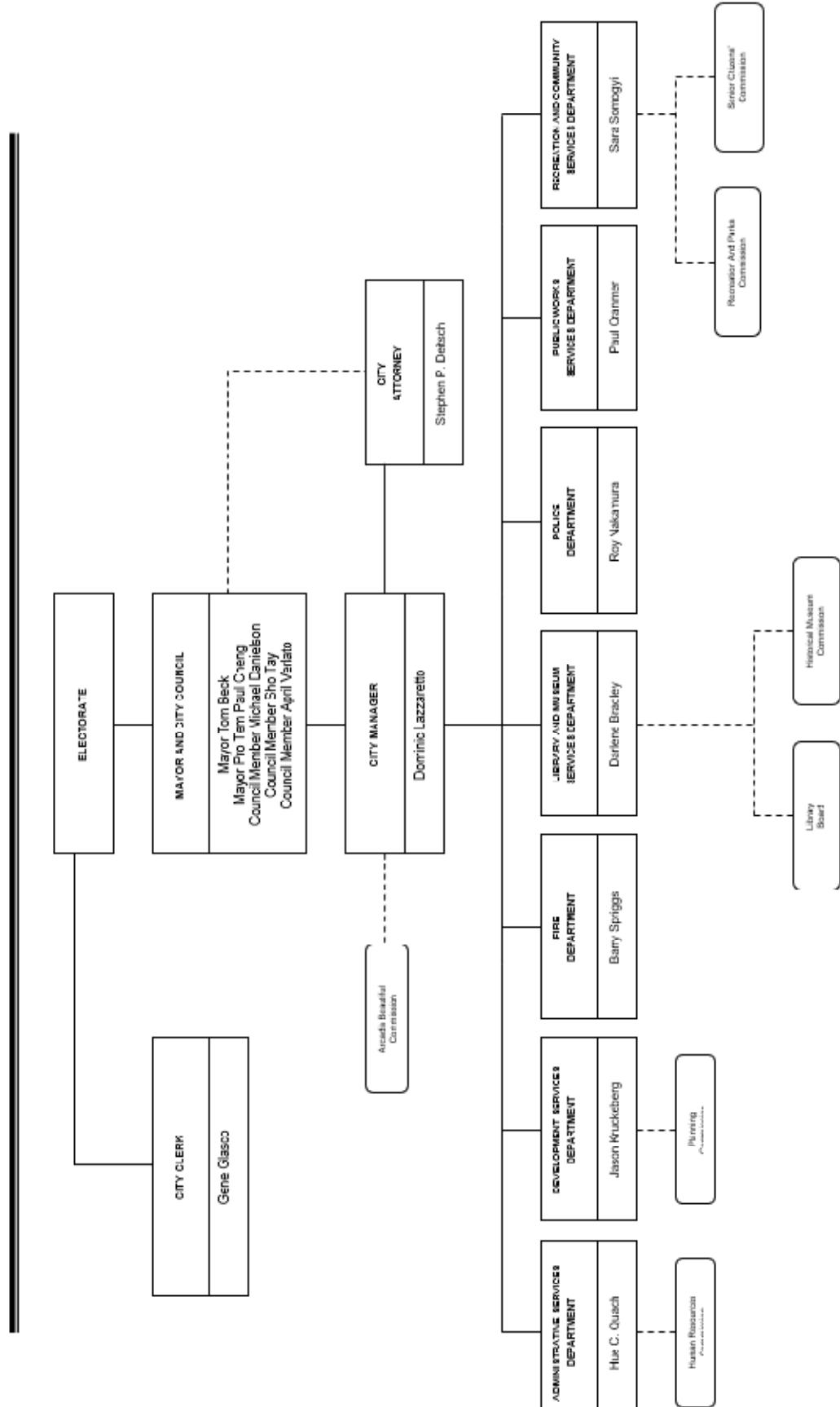
Hue C. Quach
Administrative Services Director



Henry Chen
Financial Services Manager/City Treasurer

City of Arcadia

Organization Chart





CITY OF ARCADIA

Elected Positions and Administration Personnel

June 30, 2022

CITY COUNCIL MEMBERS

		<u>Term Expires</u>
Tom Beck	Mayor	2022
Paul P Cheng	Mayor Pro-Tempore	2024
Michael Daniels on	Council Member	2022
Sho Tay	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
Paul Cranmer	Public Works Services Director
Roy Nakamura	Police Chief
Hue C. Quach	Administrative Services Director
Sara Somogyi	Recreation and Community Services Director
Barry Spriggs	Fire Chief



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Arcadia
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

This page intentionally left blank

**PARTNERS**

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

COMMERCIAL ACCOUNTING & TAX SERVICES 9465
WILSHIRE BLVD., 3RD FLOOR
BEVERLY HILLS, CA 90212
TEL: 310.670.2745
FAX: 310.670.1689
www.mlhcpas.com

GOVERNMENTAL AUDIT SERVICES
5800 HANNUM AVE., SUITE E
CULVER CITY, CA 90230
TEL: 310.670.2745
FAX: 310.670.1689
www.mlhcpas.com

INDEPENDENT AUDITOR'S REPORT

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

Opinions

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, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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, 2022, 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.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions

Change in Accounting Principle

As discussed in Note 1 to the financial statements, for the fiscal year ended June 30, 2022, the City adopted new accounting guidance, GASB Statement No. 87 Leases. Our opinions are not modified with respect to this matter.

Responsibilities of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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 101 through 111 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The Major Capital Project Fund Budgetary Schedule, Combining and Individual Nonmajor Fund Financial Statements, and Budgetary Comparison Schedules are presented for purposes of additional analysis and are not required parts of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Major Capital Project Fund Budgetary Schedule, Combining and Individual Nonmajor Fund Financial Statements, and Budgetary Comparison Schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 23, 2023, 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 23, 2023

This page intentionally left blank

City of Arcadia
Management's Discussion and Analysis
June 30, 2022

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, 2022. 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 Required Supplementary Information (RSI) and 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 outflows and inflows 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 seven 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

City of Arcadia
Management's Discussion and Analysis
June 30, 2022

the General, Measure W, Parks and Recreation, Capital Outlay, America Rescue Plan Act, General Obligation and Pension Obligation Funds. 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 57 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 101 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 122 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 (\$2.9) million for the fiscal year ending June 30, 2022, an improvement of \$26.0 million from last year. The reduction in the Net Position deficit was primarily due to the receipt of federal assistance for COVID-19 response, significant increase in tax revenues, and a reduction in payroll expenditures due to numerous open positions.

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 \$55.0 million. The restricted net position of \$25.5 million represents resources that are subject to external restrictions on how they may be used. The unrestricted net position shows a negative (\$83.4) million. The reason for the large negative unrestricted fund balance is primarily due to the recording of the City's pension liability and OPEB liabilities on the Statement of Net Position. The pension and OPEB 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
Management's Discussion and Analysis
June 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Governmental Activities (Continued)

More information on the pension and postemployment benefits liability are available in Notes 9 and 10 of Notes to the Basic Financial Statements.

City of Arcadia Statement of Net Position
Governmental Activities

Governmental Activities	June 30, 2022	June 30, 2021	\$ Change	% Change
Current and other assets	\$ 104,378,751	\$ 79,792,148	\$ 24,586,603	30.81%
Noncurrent assets	1,088,484	-	1,088,484	0.00%
Capital assets (net of accumulated depreciation)	64,130,313	65,801,600	(1,671,287)	-2.54%
Total assets	169,597,548	145,593,748	24,003,800	16.49%
Deferred outflow of resources	13,692,359	109,594,630	(95,902,271)	-87.51%
Current liabilities	28,628,458	18,153,935	10,474,523	57.70%
Noncurrent liabilities	113,264,062	261,758,939	(148,494,877)	-56.73%
Total liabilities	141,892,520	279,912,874	(138,020,354)	-49.31%
Deferred inflow of resources	44,310,280	4,190,378	40,119,902	957.43%
Net investment in capital assets	54,984,585	55,972,945	(988,360)	-1.77%
Restricted	25,479,121	26,415,355	(936,234)	-3.54%
Unrestricted	(83,376,599)	(111,303,174)	27,926,575	-25.09%
Total net position	\$ (2,912,893)	\$ (28,914,874)	\$ 26,001,981	-89.93%

City of Arcadia
Management's Discussion and Analysis
June 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Governmental Activities (Continued)

City of Arcadia Statement of Activities
Governmental Activities

Governmental Activities	June 30, 2022	June 30, 2021	\$ Change	% Change
Program revenues:				
Charges for services	\$ 11,853,255	\$ 7,591,508	\$ 4,261,747	56.14%
Operating contributions and grants	8,147,751	12,299,250	(4,151,499)	-33.75%
Capital contributions and grants	1,430,019	1,342,260	87,759	6.54%
General revenues:				
Property taxes	21,365,282	20,513,025	852,257	4.15%
Sales taxes	23,378,015	17,197,203	6,180,812	35.94%
Franchise fees	1,049,291	1,037,322	11,969	1.15%
Utilities user taxes	8,429,763	7,193,797	1,235,966	17.18%
Transient occupancy taxes	4,128,326	1,923,352	2,204,974	114.64%
Motor vehicle license taxes	8,316,576	8,105,664	210,912	2.60%
Non-regulatory business license taxes	1,195,992	1,181,862	14,130	1.20%
Other taxes	1,953,404	1,678,449	274,955	16.38%
Investment earnings	(1,441,136)	1,436,597	(2,877,733)	-200.32%
Miscellaneous	8,823,621	3,190,699	5,632,922	176.54%
Total revenues	98,630,159	84,690,988	13,939,171	16.46%
Expenses:				
General government	10,803,452	10,813,414	(9,962)	-0.09%
Public safety	29,066,389	43,574,155	(14,507,766)	-33.29%
Public works services	8,647,033	8,673,614	(26,581)	-0.31%
Community development	7,777,990	8,551,090	(773,100)	-9.04%
Library	4,277,054	4,050,091	226,963	5.60%
Recreation and community services	4,305,064	3,243,583	1,061,481	32.73%
Interest on long-term debt	2,097,318	1,533,534	563,784	36.76%
Total expenses	66,974,300	80,439,481	(13,465,181)	-16.74%
Increase (Decrease) in Net Position before Transfers	31,655,859	4,251,507	27,404,352	
Transfers	(1,221,450)	1,065,290	(2,286,740)	-214.66%
Increase (Decrease) in net position	30,434,409	5,316,797	25,117,612	
Net position – Beginning of fiscal year*	(33,347,302)	(34,231,671)		
Net position – End of fiscal year	\$ (2,912,893)	\$ (28,914,874)		

* Prior period adjustment is due to incorrect accrual of intergovernmental revenue subject to eligibility requirements in the Emergency Response fund.

City of Arcadia
Management's Discussion and Analysis
June 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Governmental Activities (Continued)

Revenue of Governmental Activities was \$98.6 million for the fiscal year ended June 30, 2022, an increase of \$13.9 million in comparison to the prior fiscal year. Further analysis on each revenue category is as follows:

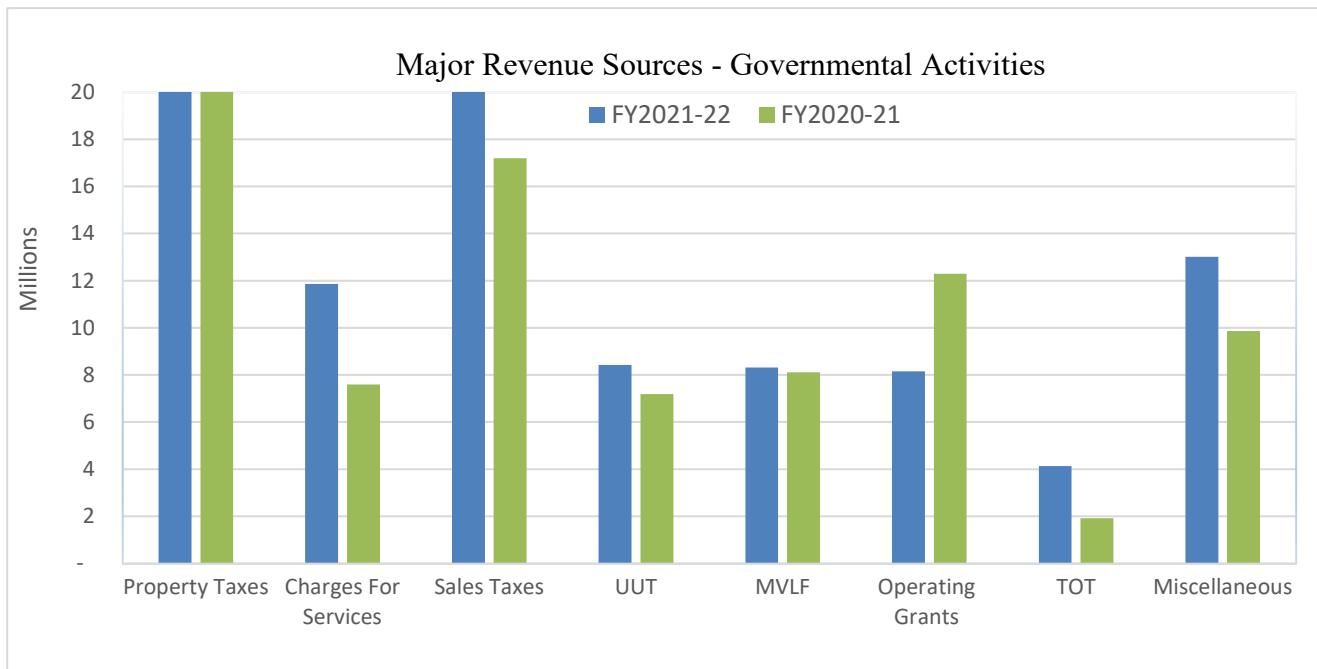
- Charges for Services increased \$4.3 million or 56.1%, compared to the prior fiscal year. The increase is primarily due to recognition of lease revenues (\$1.3 million), development fees (\$0.6 million), parking permits (\$0.3 million), police services (\$0.3 million), and fire services (including strike team reimbursements) (\$1.0 million).
- Operating Contributions and Grants decreased by \$4.2 million or 33.8%, due to receipt of \$4.4 million from the federal government through the America Rescue Plan (ARPA) for COVID-19 pandemic relief in the prior fiscal year. The City recognized the entire \$4.4 million in the prior fiscal year but subsequently realized that eligibility requirements had not been met. A prior period adjustment (see Note 13) was made to remove the recognition of that revenue in the prior fiscal year. As a result, the 2nd tranche of the ARPA monies received during the current fiscal year was deferred instead of recognized.
- Capital Contribution and Grants increased by \$0.1 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 \$0.9 million or 4.2%, due to the continued growth in property value assessment.
- Sales Tax increased by \$6.2 million, or 36.0%, primarily attributed to the strong increase commercial activity and increase in prices coming out of the COVID-19 pandemic. The Transaction and Use Tax (Measure A) increased by 89% while the Bradley-Burns 1% Sales Tax increased by 34.4%.
- Franchise fees remained flat during the fiscal year. The increases due to increased electrical prices were offset by decreases in franchise fees from cable companies as the technological changes and consumer habits for streaming and other on demand entertainment options continue.
- Utility User Tax (UUT) increase by \$1.2 million or 17.2%, compared to prior fiscal year. The UUT from electricity and gas increased more than 20%, which can be attributed to increased prices. This increase was offset as UUT from the telecom category, which decreased 6% as we continue to see reductions of landlines services and trends of lower wireless package pricing as the result of strong competition.
- Transient Occupancy Tax (TOT) increased by \$2.2 million or 114.6%. Coming out of the COVID-19 restrictions, travel significantly increased during the fiscal year, and this contributed to the large increase in TOT receipts. As a comparison, the fiscal year before COVID-19, the City collected \$3.5 million in TOT.

City of Arcadia
Management's Discussion and Analysis
June 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Governmental Activities (Continued)

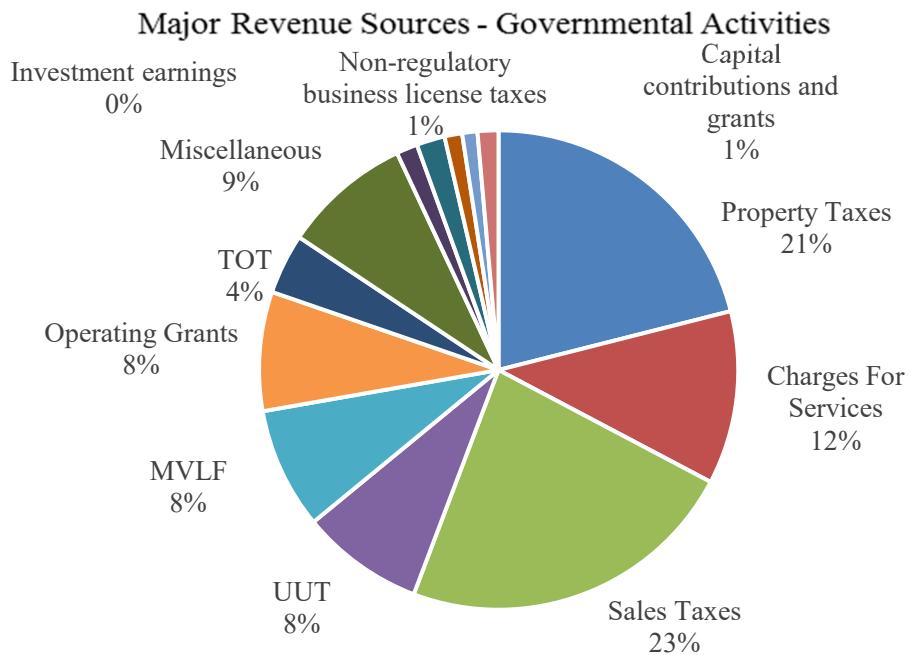
- Motor Vehicle License Fees (MVLF) increased by \$0.2 million or 2.6%. MVLF increase was attributable to legislation passed in fiscal year 2004-05, which tied its growth to the City's annual property tax valuation. The City continues to reap the benefits of this change as the annual growth in property values continues to increase at a healthy annual rate.
- Business License Tax was essentially flat as compared to the prior fiscal year.
- Other Taxes category increased by \$0.3 million or 16.4%, primarily from collection of taxes from the pari-mutuel wagering at Santa Anita.
- Investment Earnings decreased by \$1.4 million, due to the aggressive interest rate hikes by the Federal Reserve to combat the inflationary environment coming out of the COVID-19 pandemic. This caused a significant drop in the value of the City's investment holdings as prices for bonds tend to move in the opposite direction of interest rates. The City is required to mark our investment to market value at the end of the fiscal year and recognize the decrease in value. Though this decrease in market value will not have a permanent impact on the City's financial position as we tend to hold our investments until maturity.
- Miscellaneous Revenue increased by \$5.6 million due to the City receiving a settlement from Dow Chemical and other chemical companies for their pollution of the City's wells and drinking water supply. This money will be used to help remediate and build additional filtration capabilities for the City's water system.



City of Arcadia
Management's Discussion and Analysis
June 30, 2022

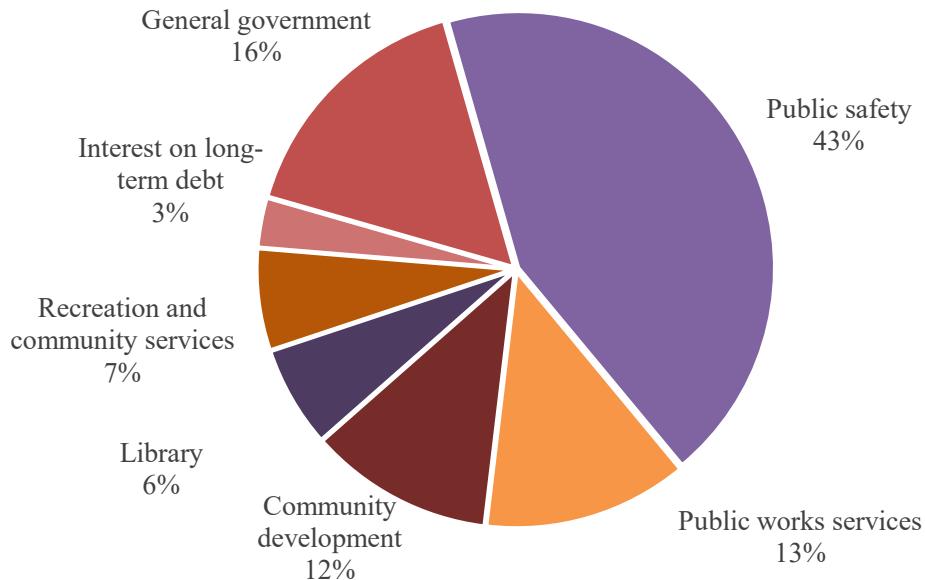
GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Governmental Activities (Continued)



Expenses for the fiscal year totaled \$67.0 million, a \$13.4 million or 16.7% decrease from the prior fiscal year. Detail analysis on the increase by department is as follows:

Expenditures by Department - Governmental Activities



City of Arcadia
Management's Discussion and Analysis
June 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Governmental Activities (Continued)

- General Government costs were flat as compared to the prior fiscal year. The expenditure decreased \$2.4 million as compared to the prior fiscal year due to a decrease in discretionary additional contribution to CalPERS. This decrease was offset by recognition of \$2.6 million of pension liability expense from GASB 68.
- The cost for Public Safety decreased by \$14.5 million, or 33.3%, as the result of reduction in pension expenses (\$11.9) as compared to the prior year when the GASB 68 entries were made according to the annual valuation report. In addition, there were \$1.6 million in one-time capital asset purchases in the prior fiscal year.
- Public Works Services costs were flat as compared to the prior fiscal year. Increased personnel costs were offset by decrease in contract services.
- Community Development Services saw a decrease of \$0.8 million, or 9% in expenses. The decrease increase was primarily due to a less expenses being capitalized during the fiscal year.
- The Library expenses increased by \$0.2 million in comparison to the prior year, primarily due to the increase in salaries and benefits.
- Recreation and Community Services expenditures increased by \$1.1 million, or 32.7%. The overall increase are primarily attributed to increased staffing and programs coming out of the COVID-19 pandemic.
- Long-term Debt Service increased by \$0.6 million due to the increased interest costs associated with the issuance of \$90 million in pension obligations bonds.

Business-Type Activities

Business-Type Activities have a total net position of \$60.5 million, of which \$44.5 million or 73.4% 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 \$16.0 million, representing 26.6% of total net position.

City of Arcadia
Management's Discussion and Analysis
June 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Business-Type Activities (Continued)

City of Arcadia Statement of Net Position
Business-type Activities

Governmental Activities	June 30, 2022	June 30, 2021	\$ Change	% Change
Current and other assets	\$ 25,250,176	\$ 26,792,475	\$ (1,542,299)	-5.76%
Capital assets (net of accumulated depreciation)	44,444,938	45,296,900	(851,962)	-1.88%
Total assets	69,695,114	72,089,375	(2,394,261)	-3.32%
Deferred outflow of resources	739,196	1,434,819	(695,623)	-48.48%
Current liabilities	4,213,048	4,236,630	(23,582)	-0.56%
Noncurrent liabilities	2,422,709	12,628,913	(10,206,204)	-80.82%
Total liabilities	6,635,757	16,865,543	(10,229,786)	-60.65%
Deferred inflow of resources	3,342,504	125,326	3,217,178	2567.05%
Net investment in capital assets	44,444,938	45,296,900	(851,962)	-1.88%
Unrestricted	16,011,111	11,236,425	4,774,686	42.49%
Total net position	\$ 60,456,049	\$ 56,533,325	\$ 3,922,724	6.94%

The net position increased by \$3.9 million, comprising of \$1.9 million of income from the Water operation, \$2.1 million of operating surplus for Sewer, and \$1.0 million of operating loss incurred by non-major enterprise funds. Transfers and investment losses made up the additional \$0.9 million. 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 second 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. Operating results for the Water fund improved significantly, from a \$2.2 million loss to a \$1.9 million income. For the Sewer fund, positive operating results increased from \$0.2 million income to \$2.1 million income. Much of the change is attributable to reductions in expenditures based on recognition of changes to pension liabilities due to the contributions from the POB issuance. The Transit Fund experienced a minor loss due the non-cash depreciation charge and the Golf Par 3 Fund had another very successful year as people continued to play golf even as pandemic restriction were largely removed.

City of Arcadia
Management's Discussion and Analysis
June 30, 2022

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Business-Type Activities (Continued)

City of Arcadia Statement of Activities
Business-type Activities

Business-Type Activities	June 30, 2022	June 30, 2021	\$ Change	% Change
Program revenues:				
Charges for services				
Water	\$ 16,469,592	\$ 16,048,632	420,960	2.62%
Sewer	2,606,646	2,552,327	54,319	2.13%
Transit	6,954	3,773	3,181	84.31%
Golf	1,912,574	1,855,856	56,718	3.06%
Operating contributions and grants				
Water	9,548	-	9,548	0.00%
Transit	684,490	2,449,548	(1,765,058)	-72.06%
General revenues:				
Gain on disposal of assets	7,709	2,108	5,601	265.70%
Investment earnings	(289,306)	154,622	(443,928)	-287.11%
Miscellaneous	945	133,892	(132,947)	-99.29%
Total revenues	21,409,152	23,200,758	(1,791,606)	-7.72%
Expenses:				
Water	14,539,080	18,372,053	(3,832,973)	-20.86%
Sewer	523,704	2,038,907	(1,515,203)	-74.31%
Transit	2,364,783	2,512,915	(148,132)	-5.89%
Golf	1,280,311	1,259,153	21,158	1.68%
Total expenses	18,707,878	24,183,028	(5,475,150)	-22.64%
Increase (Decrease) in Net Position before Transfers	2,701,274	(982,270)	3,683,544	
Transfers	1,221,450	(1,065,290)	2,286,740	-214.66%
Increase (Decrease) in net position	3,922,724	(2,047,560)	5,970,284	
Net position – Beginning of fiscal year	56,533,325	58,580,885		
Net position – End of fiscal year	\$ 60,456,049	\$ 56,533,325		

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
June 30, 2022

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 \$84.1 million vs. \$67.4 million from the prior fiscal year, an increase of \$16.7 million. Approximately \$14.0 million, or 16.7%, 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 \$25.2 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 \$43.9 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 \$1.0 million represents prepaid items and inventory.
- The General Fund's net fund balance increased by \$17.2 million to \$48.4 million. Fiscal year ending revenue was at \$86.9 million and expenditures were at \$62.6 million. The operating surplus, when combined with transfers resulted in a net increase in fund balance of \$17.2 million. The Transfers Out consisted of \$8.1 million transfer to Capital Outlay and Pension Obligation Bond Fund to replenish and maintain a positive fund balance for future projects and debt service. In addition, \$0.7 million was transferred 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 \$7.8 million, an increase of \$0.4 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.
- Measure W Fund had a net fund balance of \$1.0 million, an increase of \$0.7 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.
- America Rescue Plan Act Fund had a net fund balance of \$0. The monies in this fund came from the America Rescue Plan Act of the federal government, which distributed two tranches of aid to local governments. The City received a total \$8.7 million during fiscal years 2020-21 and 2021-2022. This aid is to assist local governments recover from the devastating effects of the COVID-19 pandemic. As the aid dollars are spent on eligible projects, the revenue for this fund will be recognized.
- At the end of the fiscal year, the Capital Outlay Fund had a fund balance of \$10.3 million, an increase of \$0.4 million from the prior fiscal year. 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 of \$2.4 million to help replenish this fund.
- General Obligation Bond Fund had a net fund balance of \$1.0 million, an increase of \$0.1 million from the prior fiscal year. This is primarily due to the receipt of property taxes authorized by the citizens of Arcadia when these bonds were issued.

City of Arcadia
Management's Discussion and Analysis
June 30, 2022

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 Obligation 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 \$15.5 million, an increase of \$2.3 million. Operations in the AQMD, Prop A, Measure R, Santa Anita Grade, PEG Access, RMRA, and Measure M 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, 2022	June 30, 2021	\$ Change	% Change
Revenues:				
Taxes	\$ 61,828,424	\$ 48,224,288	\$ 13,604,136	28.21%
Licenses and permits	5,255,958	4,354,199	901,759	20.71%
Fines and forfeitures	584,429	282,423	302,006	106.93%
Use of money and property	(158,833)	1,435,273	(1,594,106)	-111.07%
Intergovernmental	17,914,946	22,428,521	(4,513,575)	-20.12%
Charges for services	6,630,726	4,543,281	2,087,445	45.95%
Other revenues	8,526,178	3,192,048	5,334,130	167.11%
Total revenues	100,581,828	84,460,033	16,121,795	19.09%
Expenditures:				
General government	8,778,651	100,789,367	(92,010,716)	-91.29%
Public safety	38,778,735	39,679,150	(900,415)	-2.27%
Public works services	7,464,330	7,586,823	(122,493)	-1.61%
Community development	8,510,135	11,646,128	(3,135,993)	-26.93%
Library	4,065,186	3,788,724	276,462	7.30%
Recreation and community services	3,970,106	3,096,724	873,382	28.20%
Debt service	6,740,989	1,071,701	5,669,288	529.00%
Total expenses	78,308,132	167,658,617	(89,350,485)	-53.29%
Excess (deficiency) of revenues over expenditures	22,273,696	(83,198,584)	(105,472,280)	
Other Financing Sources (uses)	(1,109,154)	89,107,890	90,217,044	101.24%
Net change in fund balance	21,164,542	5,909,306	(15,255,236)	
Fund balance – Beginning of fiscal year	67,358,835	61,449,529		
Fund balance – Restatement (Note 13)	(4,432,428)		-	
Fund balance – End of fiscal year	\$ 84,090,949	\$ 67,358,835		

City of Arcadia
Management's Discussion and Analysis
June 30, 2022

FINANCIAL ANALYSIS OF INDIVIDUAL FUNDS (Continued)

Governmental Funds (Continued)

Revenues of the total Governmental Funds were \$100.6 million with an increase of \$16.1 million, or 19.1%, from the prior fiscal year. Analysis of Governmental Funds are as follows:

- Taxes increased by \$13.6 million, or 28.2%. This increase culminates from the mixed tax receipts as described hereafter. Sales Tax has taken over as the City's largest tax revenue after the passage of Measure A. Sales Tax increased by \$6.2 million, or 36.0%, primarily attributed to the strong increase commercial activity and increase in prices coming out of the COVID-19 pandemic. The Transaction and Use Tax (Measure A) increased by 89% while the Bradley-Burns 1% Sales Tax increased by 34.4%. Property Tax is now the City's second largest tax revenue with an increase of \$0.9 million or 4.2%. 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. Transient Occupancy Tax increased by \$2.2 million or 114.6% in comparison to the previous fiscal year. Coming out of the COVID-19 restrictions, travel increased significantly and contributed to the large growth in TOT. Franchise fees had remained flat as compared to the prior fiscal year. Franchise fee increases in gas and electric utilities were offset by decreases in telecommunications. Utility User Tax had an increase of \$1.2 million due to increased receipts from electrical and gas customers but was slightly offset by the continuing reduction of the tax in telecommunication services.
- Licenses and Permits increased by \$0.9 million primarily due to development fees and parking permits. There has been a general increase in development activities in the City and increases in the cost of parking permits contributed to an increase in revenues
- Fines and Forfeitures increased by \$0.3 million due to the number of parking citations issued. The City paused enforcement of overnight parking for most of the last fiscal year.
- Use of Money and Property decreased by \$1.6 million, mainly due to the decrease in the value of investments held by the City. The aggressive interest rate hikes by the Fed helped reduce the value of the bonds that the City held. This will be a temporary reduction as the City generally holds our investments until maturity.
- Intergovernmental Revenue decreased by \$4.5 million, or 20.1%. The decrease was related to COVID-19 pandemic relief (\$4.4 million) that was recognized last fiscal year. Since the City did not meet all the criteria for recognition, the 2nd tranche of that relief revenue was deferred in the current fiscal year, causing a decrease in our intergovernmental revenues.
- Charges for Services increased by \$2.0 million due to increased revenues from police services, fire strike team reimbursement, and recognition of lease revenue of cell tower leases of \$1.0 million.
- Other Revenues increased by \$5.6 million due to the receipt of a settlement with Dow Chemicals and other chemical companies for pollution remediation of the City's water supplies

The Governmental Funds reported \$78.3 million of expenditures, a decrease of \$89.4 million, or 53.3%, from the prior fiscal year. Further analysis on the variance is as follows:

City of Arcadia
Management's Discussion and Analysis
June 30, 2022

FINANCIAL ANALYSIS OF INDIVIDUAL FUNDS (Continued)

Governmental Funds (Continued)

- Personnel costs decreased by \$3.3 million, or 6.7%. The decrease is attributable to reductions in PERS costs (\$6.5 million) due to the reduction in UAAL costs from the City's contributions in the prior fiscal year from the issuance of the Pension Obligation Bonds. Those decreases in PERS costs were offset by increases in staffing costs for public safety (\$2.8 million) from filling some vacancies and overtime. In the recreation programs, the City was able to offer a full slate of classes and camps, which required additional staffing of \$0.5 million.
- Operating costs decreased slightly by \$1.6 million in comparison to the prior fiscal year. The decrease was due to lower spending on contract services and supplies.
- Capital expenditures increased by \$1.1 million in comparison to the prior fiscal year. The increase was mostly due to the purchase of a new fire engines.
- The bulk of the decrease in expenditures was due to a contribution to CalPERS, made in the last fiscal year from the issuance of the 2020 Pension Obligation Bonds, which totaled \$89.5 million.

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 \$60.5 million and it comprises of \$48.2 million of fund balance in Water Utility Fund, \$10.7 million of fund surplus in Sewer Maintenance Fund, \$0.3 million of fund balance for the Transit System Fund and \$1.2 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 \$17.2 million to \$48.4 million at the fiscal year ending June 30, 2022. 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 22.0% of total General Fund expenditures, while total fund balance represents 77.4% 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 \$86.9 million for the fiscal year ending June 30, 2022, which is \$21.3 million, or 32.5%, more than the prior fiscal year's revenue total. Key elements of this increase are as follows:

- Tax revenue had an increase of \$13.3 million that greatly exceeded our budgetary expectations. What drove the growth was mainly due to the increase of sales tax revenues, utility users' tax, and transient occupancy tax. Property Tax is now the 2nd largest tax revenue with an increase of \$0.9 million or 4.2%. 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 \$6.2 million or 35.9%. The increase is primarily due to increased retail activities and related inflationary pricing on all purchases. Transient Occupancy Tax increased by \$2.2 million or 114.6% in comparison to the previous fiscal year. After COVID restrictions were lifted, the travel and leisure industry and experience tremendous growth from the pent-up demand. Additionally, the Le Meridian Hotel added to this growth by collecting a full year of TOT in comparison to the prior fiscal year where only half a year was collected. This returns the TOT receipts to pre-pandemic levels. The utility users' tax increased

City of Arcadia
Management's Discussion and Analysis
June 30, 2022

GENERAL FUND FINANCIAL AND BUDGETARY HIGHLIGHTS (Continued)

by \$1.2 million or 17.2%. The large increase can be attributed to increased economic activity and increase to the price of gas and electricity, since the tax is based on a percentage of the cost.

- Licenses and permits came in matching our budgetary expectations. The growth in this area came primarily from increases in development fees and parking permits. The City did not sell parking permits for the entire year last fiscal year, so revenues were significantly lower as a result.
- Fines and Forfeitures collected by the City increased by \$0.3 million, due to the City enforcing parking regulations for the full fiscal year after pausing enforcement for most of the prior fiscal year.
- Use of Money and Property decreased by \$0.8 million, mainly due to the decrease in value of the City's investment portfolio. The Federal Reserve aggressively raised rates aggressively to combat inflation which caused the City to have to mark down the value of the City's portfolio at the end of the fiscal year as prices for bonds move in the opposite direction of interest rates.
- Intergovernmental revenues increased due to Motor vehicle license fees (MVLF). MVLF 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. MVLF increased by \$0.2 million, or 2.6% for Fiscal Year 2021-22.
- Charges for services had an increase of \$2.0 million or 14.8% primarily due to the strike team reimbursements (\$0.3 million), police and fire services (\$1.0 million) and a return to normal for revenues from recreation classes and camps.
- The increase shown for Other Revenue category was due to the receipt of a settlement (\$5.6 million) with Dow Chemical and other companies for remediation of the City's water supply.

General Fund Revenues	June 30, 2022	June 30, 2021	\$ Change	% Change
Revenues:				
Taxes	\$ 58,228,338	\$ 44,901,921	\$ 13,326,417	29.68%
Licenses and permits	5,109,461	4,123,661	985,800	23.91%
Fines and forfeitures	445,489	169,254	276,235	163.21%
Use of money and property	453,217	1,292,430	(839,213)	-64.93%
Intergovernmental	8,460,942	8,260,792	200,150	2.42%
Charges for services	5,864,391	3,785,302	2,079,089	54.93%
Other revenues	8,333,649	3,033,338	5,300,311	174.74%
Total revenues	\$ 86,895,487	\$ 65,566,698	\$ 21,328,789	32.53%

General Fund expenditures decreased by \$2.3 million, or 3.5%, to \$62.6 million. Most of the decrease was due to the additional PERS contribution last fiscal year of \$2.8 million which decreased by \$500,000 this fiscal year.

City of Arcadia
Management's Discussion and Analysis
June 30, 2022

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	\$ 48,760,500	\$ 58,228,338	\$ 9,467,838	19.42%
Licenses and permits	5,110,500	5,109,461	(1,039)	-0.02%
Fines and forfeitures	415,500	445,489	29,989	7.22%
Use of money and property	1,460,700	453,217	(1,007,483)	-68.97%
Intergovernmental	8,406,700	8,460,942	54,242	0.65%
Charges for services	4,542,700	5,864,391	1,321,691	29.09%
Other revenues	2,639,258	8,333,649	5,694,391	215.76%
Total revenues	71,335,858	86,895,487	15,559,629	21.81%
EXPENDITURES:				
Current:				
General government:				
City council	241,461	208,203	33,258	13.77%
City manager	930,765	916,713	14,052	1.51%
City clerk	282,671	263,549	19,122	6.76%
City attorney	667,771	825,901	(158,130)	-23.68%
General city	2,900,190	3,016,349	(116,159)	-4.01%
Administrative services	4,349,849	3,245,217	1,104,632	25.39%
Public safety:				
Police	22,521,597	20,244,667	2,276,930	10.11%
Fire	17,382,103	17,817,434	(435,331)	-2.50%
Public works services	4,759,880	4,311,280	448,600	9.42%
Community development	5,005,520	4,521,397	484,123	9.67%
Library	4,297,144	4,049,556	247,588	5.76%
Recreation and community services	3,229,735	3,098,452	131,283	4.06%
Debt service:				
Principal retirement	58,100	58,028	72	0.12%
Total expenditures	66,626,786	62,576,746	4,050,040	6.08%
EXCESS (DEFICIENCY) OF REVENUES				
OVER (UNDER) EXPENDITURES	\$ 4,709,072	\$ 24,318,741	\$ 19,609,669	

The adopted General Fund budget projected revenues of \$71.3 million for the fiscal year ending June 30, 2022. The actual total General Fund revenues were \$86.9 million, a difference of \$15.6 million over budget. Key elements of the budget variance are as follows:

City of Arcadia
Management's Discussion and Analysis
June 30, 2022

GENERAL FUND FINANCIAL AND BUDGETARY HIGHLIGHTS (Continued)

- Tax collection in total exceeded budget by \$9.5 million or 19.4%. The property tax collection was \$0.3 million higher than expected. Sales Tax collection greatly exceeded expectations \$6.0 million due to increased economic activity from the removal of pandemic restrictions and supply chain effects on prices. TOT collected was \$1.3 million over expectation from the increased travel coming out of the restrictions due to COVID. Utility Users tax revenues were \$1.2 above expectations, due to increase gas and electricity prices.
- License and Permits came in as budgeted as increases in plan check fees were offset by less parking permits sold and less unoccupied residence fees.
- Fines and Forfeitures mostly met the budgeted expectations. The increases in parking citations were offset by decreases in other fines.
- Use of Money and Property was under budget by \$1.0 million or 69%. Investment earnings were hampered by decreases in the value of the investments held by the City due to the rate increases implemented by the Federal Reserve in an effort to control inflation. The City marks our investment holdings to market at the end of the fiscal year, but these decreases should be temporary as we typically hold investments to maturity.
- Intergovernmental revenues, including the Motor Vehicle License Fees (MVLF), came in as 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 (\$70K) for this category. Offsetting the increase in MVLF was a shortfall from budget of the Prop A maintenance funds of \$40K.
- Charges for Services had a positive variance of \$1.3 million or 29.1% primarily due to increased police and fire services (\$1.0 million). Recreation revenues were \$0.3 million over budget due to the City being able to offer their normal slate of classes and camps.
- The collection of other revenues was higher than expected primarily due to a \$5.6 million legal settlement with Dow Chemicals and other companies over their pollution of the City's water supplies

The City's General Fund expenditures were \$4.0 million, or 6.1%, less than the final adopted budget. Key elements of the budget variance are as follows:

- Personnel cost had a savings of \$1.3 million compared to the budget because of reductions to pension expenses due to contributions that lowered the UAAL and employee vacancies. These savings were offset with higher OT for public safety.
- The favorable variance of \$2.5 million in the operating expense were mainly attributable to the areas of general contract services (\$0.5 million) and claims expense (\$0.6 million), which were lower than expected. Capital outlays were also lower than expected (\$1.3 million) due to delays in purchasing due to items being unavailable because of supply chain issues.
- Some City departments ended the fiscal year with a negative budget variance. City Attorney was due to higher-than-expected legal costs. General City was negative due to higher vacation payoff costs. Fire Department variance was due to strike team overtime.

City of Arcadia
Management's Discussion and Analysis
June 30, 2022

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The City's investment in capital assets as of June 30, 2022, amounted to \$108.6 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 one fire engine and two fire vehicles, completed some replacements of HVAC systems at the police station and library. The City completed miscellaneous traffic signal and crosswalk improvements. The Sewer department purchased one cleaner truck and Water department completed some water main upgrades.

City of Arcadia
Capital Assets

	Governmental Activities		Business – Type Activities		Total	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
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	3,607,916	2,803,755	2,298,994	2,070,463	5,906,910	4,874,218
Total non-depreciable assets	7,943,685	7,139,524	8,093,430	7,864,899	16,037,115	15,004,423
Depreciable assets:						
Buildings and improvements	60,499,943	60,140,156	-	-	60,499,943	60,140,156
Water treatment system	-	-	73,363,554	72,801,166	73,363,554	72,801,166
Sewer system	-	-	12,302,242	12,302,242	12,302,242	12,302,242
Automotive equipment	13,737,670	12,719,543	5,090,494	5,208,669	18,828,164	17,928,212
Furniture and equipment	12,525,525	12,318,778	889,751	607,319	13,415,276	12,926,097
Infrastructure	95,501,765	95,501,765	-	-	95,501,765	95,501,765
Total depreciable assets	182,264,903	180,680,242	91,646,041	90,919,396	273,910,944	271,599,638
Less accumulated depreciation:	(126,078,275)	(122,018,166)	(55,294,533)	(53,487,395)	(181,372,808)	(175,505,561)
Total depreciable assets, net	56,186,628	58,662,076	36,351,508	37,432,001	92,538,136	96,094,077
Total capital assets, net	\$ 64,130,313	\$ 65,801,600	\$ 44,444,938	\$ 45,296,900	\$ 108,575,251	\$ 111,098,500

Additional information on the City's capital assets can be found in the Notes to the Basic Financial Statements in Note 5 beginning on page 75 of this report.

Long-term debt. At the end of the current fiscal year, City of Arcadia had a total outstanding debt of \$124.1 million, a decrease of \$156.2 million from the prior year. The decrease is due to the contribution to CalPERS actuarial liability being reflected in the annual valuation report and a decrease in the accrued pension liabilities due to improvement investment performance.

City of Arcadia
Management's Discussion and Analysis
June 30, 2022

CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)

City of Arcadia
Long-Term Liabilities

Citywide	June 30, 2022	June 30, 2021
Capital lease obligations	\$ 58,028	\$ 116,056
Claims and judgements payable	7,959,696	6,654,154
Compensated absences	3,113,858	4,047,104
OPEB liability	12,242,677	13,995,706
Net pension liability	4,643,809	155,771,593
2020 Pension Obligation Bonds	87,265,000	90,000,000
2011 General Obligation Bonds	-	5,471,177
2012 General Obligation Bonds	-	4,241,422
2021 General Obligation Bonds	4,985,000	-
2021 General Obligation Bonds	3,867,000	-
Total	\$ 124,135,068	\$ 280,297,212

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 6 beginning on page 77 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. During the first fiscal year after the contribution, the City's pension expenses decrease by roughly \$6.5 million. However, the debt service on the POB was \$5.9 million, leaving a net savings of roughly \$0.6 million.

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 2022-23 General Fund Operating Budget anticipates a surplus of \$2.5 million. The budget consists of \$74.4 million of Operating Revenues, \$71.7 million of Operating Expenses and \$0.3 million of transfers. The three-year General Fund operating budget outlook shows a strong recovery from the economic damages suffered during the COVID-19 pandemic but with an uncertain future. As shown in the table on the next page, the projected Fiscal Year 2022-23 beginning General Fund operating balance of \$14.8 million is projected to be increased to \$17.3 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
June 30, 2022

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS (CONTINUED)

City of Arcadia
3-Year General Fund Operating Outlook

	FY21-22 Estimated	FY22-23 Adopted	FY23-24 Projected
Beginning Fund Balance	\$ 5,744,300	\$ 14,800,500	\$17,251,600
Revenues and Sources	81,048,500	74,428,400	73,800,900
Expenditures and Uses	(69,253,000)	(71,689,000)	(73,281,900)
Net Operating Income	11,795,500	2,739,400	519,000
Transfer to Equipment Replacement	(2,400,000)	(2,400,000)	(2,400,000)
Transfer to Capital Equipment	(2,400,000)	(2,400,000)	(2,400,000)
Transfer to Other Funds	2,060,700	4,511,700	3,423,200
Subtotal Operating Balance	9,056,200	2,451,100	(857,800)
Ending Fund Balance	\$ 14,800,500	\$ 17,251,600	16,393,800

Through a strong 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 continued to help the City through 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 current budget projects growth that will continue from the re-opening and normalization to pre-pandemic times but still with caution for uncertainties and challenges as the economy recovers. The proposed FY 2022-23 Operating Budget suggests a more optimistic year ahead but does plan for challenges in future years to come from the economic headwinds caused by the current inflationary environment.

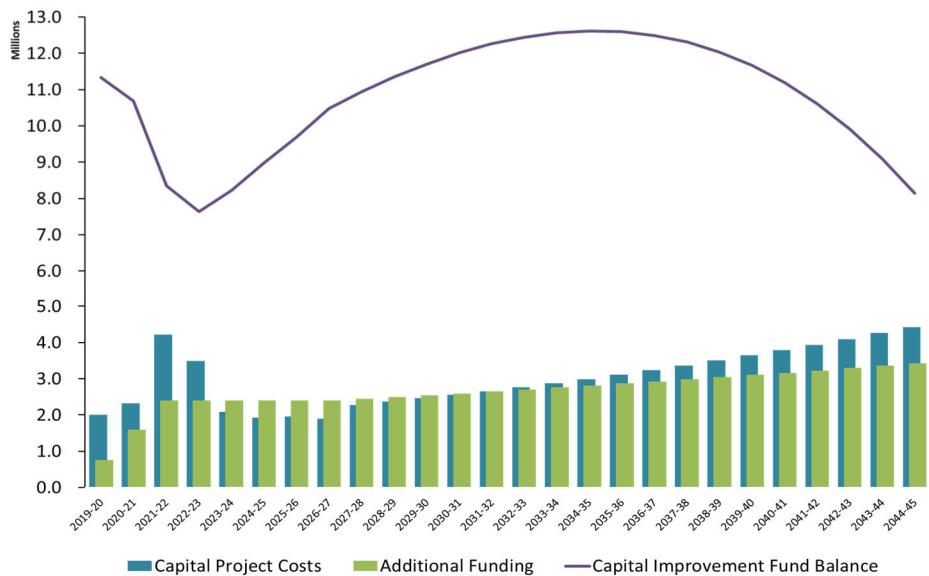
Despite the improved outlook, the City continues to face long-term financial challenges:

- **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 Year 2021-22, CalPERS' investments return was -6.1%. This negative return is a reminder that the returns of the CalPERS' portfolio can and will fluctuate from year to year. Ongoing future challenges for a positive return, a minimum of 6.8%, will continue to be a challenge as any result less than expected will have significant impact on the future financial health of all the cities. Any less than expected return performance would translate to escalating pension costs, adding additional burden on Arcadia in the long run. 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 \$2.4 million to the Equipment Replacement Funds. This reflects an increase of \$0.6 million for the transfer to the Equipment Replacement Funds. The fact the City has continued to make and increase these transfers 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. As shown by the two graphs below, **ONLY** with consistently **increasing** funding to both funds will it allow for City to continue 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.

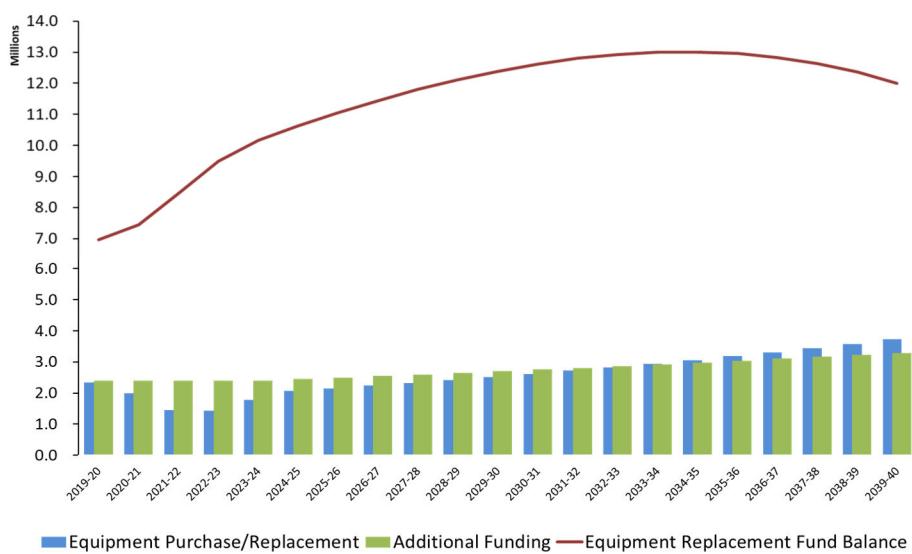
City of Arcadia
Management's Discussion and Analysis
June 30, 2022

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS (CONTINUED)

CAPITAL OUTLAY FUND BALANCE PROJECTIONS



EQUIPMENT REPLACEMENT 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, 2022

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS (CONTINUED)

- Postemployment Benefits (OPEB): City's actuarial accrued liability (AAL) was estimated to be \$12.2 million based on the most recent valuation report dated June 31, 2021, which is \$1.75 million less than the valuation prepared last fiscal year. The decrease is 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, 2022.

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**

This page intentionally left blank.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

This page intentionally left blank.

City of Arcadia
Statement of Net Position
June 30, 2022

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current assets:			
Cash and investments	\$ 94,131,129	\$ 20,647,295	\$ 114,778,424
Cash and investments with fiscal agent	9,744	-	9,744
Accounts receivable	529,065	4,360,376	4,889,441
Interest receivable	141,389	29,779	171,168
Due from other governments	8,353,814	15,526	8,369,340
Prepaid items	22,593	173,455	196,048
Inventories	901,200	23,745	924,945
Lease receivable	289,817	-	289,817
Total current assets	<u>104,378,751</u>	<u>25,250,176</u>	<u>129,628,927</u>
Noncurrent assets:			
Lease receivable, non-current	1,088,484	-	1,088,484
Capital assets:			
Nondepreciable	7,943,685	8,093,430	16,037,115
Depreciable, net	56,186,628	36,351,508	92,538,136
Total capital assets	<u>64,130,313</u>	<u>44,444,938</u>	<u>108,575,251</u>
Total noncurrent assets	<u>65,218,797</u>	<u>44,444,938</u>	<u>109,663,735</u>
Total assets	<u>169,597,548</u>	<u>69,695,114</u>	<u>239,292,662</u>
Deferred outflows of resources:			
Deferred outflows related to net pension liability	8,977,391	666,855	9,644,246
Deferred outflows related to OPEB	4,714,968	72,341	4,787,309
Total deferred outflows of resources	<u>13,692,359</u>	<u>739,196</u>	<u>14,431,555</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
Current liabilities:			
Accounts payable	2,595,427	3,580,623	6,176,050
Accrued salaries payable	1,460,491	135,782	1,596,273
Interest payable	210,063	3,645	213,708
Unearned revenue	9,009,260	-	9,009,260
Deposits	6,925,206	286,860	7,212,066
Retentions payable	36,561	15,913	52,474
Long-term debt - due within one year	8,391,450	190,225	8,581,675
Total current liabilities	<u>28,628,458</u>	<u>4,213,048</u>	<u>32,841,506</u>
Noncurrent liabilities:			
Long-term debt - due in more than one year	96,959,232	1,841,053	98,800,285
Net pension liability	4,343,735	300,074	4,643,809
Net OPEB liability	11,961,095	281,582	12,242,677
Total noncurrent liabilities	<u>113,264,062</u>	<u>2,422,709</u>	<u>115,686,771</u>
Total liabilities	<u>141,892,520</u>	<u>6,635,757</u>	<u>148,528,277</u>
Deferred inflows of resources:			
Deferred gain on bond refunding	235,700	-	235,700
Deferred inflows related to net pension liability	38,352,256	3,239,315	41,591,571
Deferred inflows related to OPEB	4,383,281	103,189	4,486,470
Leases	1,339,043	-	1,339,043
Total deferred inflows of resources	<u>44,310,280</u>	<u>3,342,504</u>	<u>47,652,784</u>
NET POSITION			
Net investment in capital assets	54,984,585	44,444,938	99,429,523
Restricted for:			
Capital projects	987,574	-	987,574
Debt service	1,292,719	-	1,292,719
Community purposes	11,353,303	-	11,353,303
Public safety	870,860	-	870,860
Transportation /streets	10,974,665	-	10,974,665
Total restricted	<u>25,479,121</u>	<u>-</u>	<u>25,479,121</u>
Unrestricted	<u>(83,376,599)</u>	<u>16,011,111</u>	<u>(67,365,488)</u>
Total net position	<u><u>\$ (2,912,893)</u></u>	<u><u>\$ 60,456,049</u></u>	<u><u>\$ 57,543,156</u></u>

See Accompanying Notes to the Basic Financial Statements.

City of Arcadia
Statement of Activities
For the Fiscal Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues				Totals
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		
Primary Government:						
Governmental activities:						
General government	\$ 10,803,452	\$ 1,303,166	\$ 70,362	\$ -	\$ 1,373,528	
Public safety	29,066,389	5,154,191	543,463	1,136,809	6,834,463	
Public works services	8,647,033	16,022	1,226,685	-	1,242,707	
Community development	7,777,990	4,017,212	6,101,751	293,210	10,412,173	
Library	4,277,054	101,332	-	-	101,332	
Recreation and community services	4,305,064	1,261,332	205,490	-	1,466,822	
Interest on long-term debt	2,097,318	-	-	-	-	
Total governmental activities	<u>66,974,300</u>	<u>11,853,255</u>	<u>8,147,751</u>	<u>1,430,019</u>	<u>21,431,025</u>	
Business-type activities:						
Water	14,539,080	16,469,592	9,548	-	16,479,140	
Sewer	523,704	2,606,646	-	-	2,606,646	
Transit	2,364,783	6,954	684,490	-	691,444	
Arcadia PAR 3 Golf Course	<u>1,280,311</u>	<u>1,912,574</u>	<u>-</u>	<u>-</u>	<u>1,912,574</u>	
Total business-type activities	<u>18,707,878</u>	<u>20,995,766</u>	<u>694,038</u>	<u>-</u>	<u>21,689,804</u>	
Total primary government	\$ 85,682,178	\$ 32,849,021	\$ 8,841,789	\$ 1,430,019	\$ 43,120,829	

(Continued)

City of Arcadia
Statement of Activities (Continued)
For the Fiscal Year Ended June 30, 2022

Functions/Programs	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
Primary Government:			
Governmental activities:			
General government	\$ (9,429,924)	\$ -	\$ (9,429,924)
Public safety	(22,231,926)	-	(22,231,926)
Public works services	(7,404,326)	-	(7,404,326)
Community development	2,634,183	-	2,634,183
Library	(4,175,722)	-	(4,175,722)
Recreation and community services	(2,838,242)	-	(2,838,242)
Interest on long-term debt	(2,097,318)	-	(2,097,318)
Total governmental activities	<u>(45,543,275)</u>	<u>-</u>	<u>(45,543,275)</u>
Business-type activities:			
Water	-	1,940,060	1,940,060
Sewer	-	2,082,942	2,082,942
Transit	-	(1,673,339)	(1,673,339)
Arcadia PAR 3 Golf Course	-	632,263	632,263
Total business-type activities	<u>-</u>	<u>2,981,926</u>	<u>2,981,926</u>
Total primary government	<u>(45,543,275)</u>	<u>2,981,926</u>	<u>(42,561,349)</u>
General Revenues:			
Taxes and fees:			
Property taxes	21,365,282	-	21,365,282
Sales taxes	23,378,015	-	23,378,015
Franchise fees	1,049,291	-	1,049,291
Utilities user taxes	8,429,763	-	8,429,763
Transient occupancy taxes	4,128,326	-	4,128,326
Non-regulatory business license taxes	1,195,992	-	1,195,992
Other taxes	1,953,404	-	1,953,404
Total taxes and fees	<u>61,500,073</u>	<u>-</u>	<u>61,500,073</u>
Intergovernmental revenues, unrestricted	8,316,576	-	8,316,576
Investment earnings	(1,441,136)	(289,306)	(1,730,442)
Gain on disposal of assets	-	7,709	7,709
Miscellaneous	8,823,621	945	8,824,566
Transfers	<u>(1,221,450)</u>	<u>1,221,450</u>	<u>-</u>
Total general revenues and transfers	<u>75,977,684</u>	<u>940,798</u>	<u>76,918,482</u>
Change in net position	<u>30,434,409</u>	<u>3,922,724</u>	<u>34,357,133</u>
Net position - beginning of fiscal year	<u>(28,914,874)</u>	<u>56,533,325</u>	<u>27,618,451</u>
Restatement	<u>(4,432,428)</u>	<u>-</u>	<u>(4,432,428)</u>
Net position (deficit) - beginning of fiscal year, as restated	<u>(33,347,302)</u>	<u>56,533,325</u>	<u>23,186,023</u>
Net position - end of fiscal year	<u>\$ (2,912,893)</u>	<u>\$ 60,456,049</u>	<u>\$ 57,543,156</u>

This page intentionally left blank.

FUND FINANCIAL STATEMENTS

Governmental Funds Financial Statements

Proprietary Funds Financial Statements

Fiduciary Funds Financial Statements

This page intentionally left blank.

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.

American Rescue Plan Fund - established to be used to support City's response to and recovery from the COVID-19 public health emergency.

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.

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.

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.

City of Arcadia
Balance Sheet
Governmental Funds
June 30, 2022

	Major Funds				
	General	Parks and Recreation	Measure W	American	Capital Outlay
			Safe, Clean Water Program	Rescue Plan Act	
ASSETS					
Cash and investments	\$ 46,227,195	\$ 7,814,925	\$ 3,359,692	\$ 8,737,886	\$ 10,622,100
Cash and investments with fiscal agent	-	-	-	-	-
Accounts receivable	364,365	-	57,455	-	-
Interest receivable	81,177	12,064	5,644	-	16,397
Due from other funds	879,231	-	-	-	-
Due from other governments	7,627,746	-	-	-	30,308
Prepaid items and deposits	22,593	-	-	-	-
Inventories	901,200	-	-	-	-
Lease receivable	1,378,301	-	-	-	-
Total assets	\$ 57,481,808	\$ 7,826,989	\$ 3,422,791	\$ 8,737,886	\$ 10,668,805
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 1,469,636	\$ -	\$ 89,100	\$ -	\$ 370,724
Accrued salaries payable	1,432,874	-	-	-	-
Due to other funds	-	-	-	-	-
Unearned revenue	271,374	-	-	8,737,886	-
Deposits	4,539,881	-	2,346,117	-	-
Retentions payable	-	-	-	-	22,527
Total liabilities	7,713,765	-	2,435,217	8,737,886	393,251
Deferred Inflow of Resources:					
Unavailable revenue	-	-	-	-	-
Leases	1,339,043	-	-	-	-
Total deferred inflow of resources	1,339,043	-	-	-	-
Fund Balances:					
Nonspendable	963,051	-	-	-	-
Restricted	-	7,826,989	987,574	-	-
Assigned	33,627,562	-	-	-	10,275,554
Unassigned	13,838,387	-	-	-	-
Total fund balances	48,429,000	7,826,989	987,574	-	10,275,554
Total liabilities, deferred inflow of resources, and fund balances	\$ 57,481,808	\$ 7,826,989	\$ 3,422,791	\$ 8,737,886	\$ 10,668,805

	General Obligation Bonds	Pension Obligation Bonds	Nonmajor Governmental Funds	Total Governmental Funds
\$	969,332	\$ -	\$ 16,399,999	\$ 94,131,129
	6,794	2,950	-	9,744
	-	-	107,245	529,065
	1,507	-	24,600	141,389
	-	-	-	879,231
	50,731	-	645,029	8,353,814
	-	-	-	22,593
	-	-	-	901,200
	-	-	-	1,378,301
	<u>\$ 1,028,364</u>	<u>\$ 2,950</u>	<u>\$ 17,176,873</u>	<u>\$ 106,346,466</u>

\$	-	\$ -	\$ 665,967	\$ 2,595,427
	-	-	27,617	1,460,491
	-	1,640	877,591	879,231
	-	-	-	9,009,260
	-	-	39,208	6,925,206
	-	-	14,034	36,561
	-	<u>1,640</u>	<u>1,624,417</u>	<u>20,906,176</u>

-	-	10,298	10,298
-	-	-	1,339,043
-	-	10,298	1,349,341

-	-	-	963,051
1,028,364	1,310	15,371,839	25,216,076
-	-	-	43,903,116
-	-	170,319	14,008,706
<u>1,028,364</u>	<u>1,310</u>	<u>15,542,158</u>	<u>84,090,949</u>

\$	<u>1,028,364</u>	<u>\$ 2,950</u>	<u>\$ 17,176,873</u>	<u>\$ 106,346,466</u>
----	------------------	-----------------	----------------------	-----------------------

This page intentionally left blank.

City of Arcadia
Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2022

Total Fund Balances - Total Governmental Funds	\$ 84,090,949
---	----------------------

Amounts reported for governmental activities in the statement of net position were different because:

Capital assets used in governmental activities are not current financial resources. Therefore, they are not reported in the governmental funds.

	<u>64,130,313</u>
--	-------------------

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.

	<u>(210,063)</u>
--	------------------

Long-term liabilities were not due and payable in the current period. Therefore, they are not reported in the governmental funds:

Long-term liabilities - due within one year	(8,391,450)
Long-term liabilities - due in more than one year	(96,959,232)
Net pension liability	(4,343,735)
Net OPEB liability	<u>(11,961,095)</u>
	<u>(121,655,512)</u>

Deferred outflows and inflows of resources relating to bonds, pensions, and OPEB: In governmental funds, deferred outflows and inflows of resources relating to bonds, 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 bonds, pensions, and OPEB are reported.

Deferred gain on bonds refunding	(235,700)
Deferred outflows related to net pension liability	8,977,391
Deferred inflows related to net pension liability	(38,352,256)
Deferred outflows related to OPEB	4,714,968
Deferred inflows related to OPEB	<u>(4,383,281)</u>
	<u>(29,278,878)</u>

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:

	<u>10,298</u>
--	---------------

Net Position of Governmental Activities	\$ (2,912,893)
--	-----------------------

City of Arcadia
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2022

	Major Funds				
	General	Parks and Recreation	Measure W Safe, Clean Water Program	American Rescue Plan Act	Capital Outlay
REVENUES:					
Taxes	\$ 58,228,338	\$ -	\$ 1,015,429	\$ -	\$ 357,399
Licenses and permits	5,109,461	-	-	-	-
Fines and forfeitures	445,489	-	-	-	-
Use of money and property	453,217	(123,464)	(50,000)	-	(170,347)
Intergovernmental	8,460,942	-	-	126,970	-
Charges for services	5,864,391	570,486	-	-	-
Other revenues	8,333,649	-	-	-	-
Total revenues	86,895,487	447,022	965,429	126,970	187,052
EXPENDITURES:					
Current:					
General government:					
City council	208,203	-	-	-	-
City manager	916,713	-	-	19,000	-
City clerk	263,549	-	-	-	-
City attorney	825,901	-	-	-	-
General city	3,016,349	-	-	-	51,389
Administrative services	3,245,217	-	-	-	-
Public safety:					
Police	20,244,667	-	-	-	31,800
Fire	17,817,434	-	-	7,970	425,569
Public works services	4,311,280	-	246,174	-	1,100,967
Community development	4,521,397	-	-	100,000	-
Library	4,049,556	-	-	-	15,630
Recreation and community services	3,098,452	41,862	-	-	553,562
Debt service:					
Principal retirement	58,028	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	62,576,746	41,862	246,174	126,970	2,178,917
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES					
	24,318,741	405,160	719,255	-	(1,991,865)
OTHER FINANCING SOURCES (USES):					
Transfers in	1,813,790	-	-	-	2,400,000
Transfers out	(8,884,249)	-	-	-	-
Proceeds from bond issuance	-	-	-	-	-
Payment to escrow for bonds refunding	-	-	-	-	-
Total other financing sources (uses)	(7,070,459)	-	-	-	2,400,000
Net changes in fund balances	17,248,282	405,160	719,255	-	408,135
FUND BALANCES:					
Beginning of fiscal year	31,180,718	7,421,829	268,319	-	9,867,419
Restatement	-	-	-	-	-
Beginning of fiscal year, restated	31,180,718	7,421,829	268,319	-	9,867,419
End of fiscal year	\$ 48,429,000	\$ 7,826,989	\$ 987,574	\$ -	\$ 10,275,554

See Accompanying Notes to the Basic Financial Statements.

General Obligation Bonds	Pension Obligation Bonds	Nonmajor Governmental Funds	Total Governmental Funds
\$ 1,074,335	\$ -	\$ 1,152,923	\$ 61,828,424
-	-	146,497	5,255,958
-	-	138,940	584,429
(19,617)	-	(248,622)	(158,833)
-	-	9,327,034	17,914,946
-	-	195,849	6,630,726
-	-	192,529	8,526,178
<u>1,054,718</u>	<u>-</u>	<u>10,905,150</u>	<u>100,581,828</u>
-	-	-	208,203
-	-	-	935,713
-	-	-	263,549
-	-	-	825,901
107,800	1,640	122,890	3,300,068
-	-	-	3,245,217
-	-	230,668	20,507,135
-	-	20,627	18,271,600
-	-	1,805,909	7,464,330
-	-	3,888,738	8,510,135
-	-	-	4,065,186
-	-	276,230	3,970,106
705,000	2,675,500	-	3,438,528
<u>232,803</u>	<u>3,069,658</u>	<u>-</u>	<u>3,302,461</u>
<u>1,045,603</u>	<u>5,746,798</u>	<u>6,345,062</u>	<u>78,308,132</u>
<u>9,115</u>	<u>(5,746,798)</u>	<u>4,560,088</u>	<u>22,273,696</u>
-	5,745,158	739,091	10,698,039
-	-	(3,035,240)	(11,919,489)
8,852,000	-	-	8,852,000
(8,739,704)	-	-	(8,739,704)
112,296	5,745,158	(2,296,149)	(1,109,154)
121,411	(1,640)	2,263,939	21,164,542
906,953	2,950	17,710,647	67,358,835
-	-	(4,432,428)	(4,432,428)
<u>906,953</u>	<u>2,950</u>	<u>13,278,219</u>	<u>62,926,407</u>
<u>\$ 1,028,364</u>	<u>\$ 1,310</u>	<u>\$ 15,542,158</u>	<u>\$ 84,090,949</u>

See Accompanying Notes to the Basic Financial Statements.

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, 2022

Net Change in Fund Balances - Total Governmental Funds	\$ 21,164,542
---	----------------------

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:

General government	23,294
Public safety	1,592,268
Community development	779,037
Library	56,056
Recreation and community services	6,203
Total	2,456,858

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.

(4,128,145)

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:

766,851

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:

(1,305,542)

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:

1,305,161

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	(8,852,000)
Repayment of long-term debt	3,438,528
Payment to escrow for refunding	8,739,704
Total	3,326,232

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.

1,172,948

Accrued interest	1,172,948
Amortization of bond premium	16,644
Amortization of deferred gain on bond refunding	15,551
Total	1,205,143

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:

7,095,167

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.

(1,451,858)

Change in Net Position of Governmental Activities	\$ 30,434,409
--	----------------------

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.

This page intentionally left blank.

City of Arcadia
Statement of Net Position
Proprietary Funds
June 30, 2022

	Enterprise Funds			
	Water Utility	Sewer Maintenance	Nonmajor Enterprise Funds	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Current assets:				
Cash and investments	\$ 13,386,313	\$ 5,907,803	\$ 1,353,179	\$ 20,647,295
Accounts receivable	3,709,350	627,288	23,738	4,360,376
Interest receivable	20,659	9,120	-	29,779
Prepaid items	168,481	-	4,974	173,455
Due from other governments	204	193	15,129	15,526
Inventories	-	-	23,745	23,745
Total current assets	17,285,007	6,544,404	1,420,765	25,250,176
Capital assets:				
Nondepreciable	7,895,006	198,424	-	8,093,430
Depreciable, net	30,197,512	5,215,819	938,177	36,351,508
Total capital assets	38,092,518	5,414,243	938,177	44,444,938
Total assets	55,377,525	11,958,647	2,358,942	69,695,114
Deferred outflows of resources:				
Deferred outflows related to net pension liability	496,946	133,523	36,386	666,855
Deferred outflows related to OPEB	72,341	-	-	72,341
Total deferred outflows of resources	569,287	133,523	36,386	739,196
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES				
Current liabilities:				
Accounts payable	3,007,846	255,367	317,410	3,580,623
Retentions payable	-	15,913	-	15,913
Accrued salaries payable	102,343	26,470	6,969	135,782
Interest payable	2,695	767	183	3,645
Compensated absences payable - due within one year	105,925	-	-	105,925
Pension obligation bonds payable - due within one year	62,400	17,700	4,200	84,300
Deposits	76,904	-	209,956	286,860
Total current liabilities	3,358,113	316,217	538,718	4,213,048
Noncurrent liabilities:				
Net pension liabilities	223,618	60,083	16,373	300,074
Net OPEB liabilities	281,582	-	-	281,582
Compensated absences payable - due in more than one year	27,453	-	-	27,453
Pension obligation bonds payable - due in more than one year	1,340,700	381,700	91,200	1,813,600
Total noncurrent liabilities	1,873,353	441,783	107,573	2,422,709
Total liabilities	5,231,466	758,000	646,291	6,635,757
Deferred inflows of resources:				
Deferred inflows related to net pension liability	2,413,961	648,602	176,752	3,239,315
Deferred inflows related to OPEB	103,189	-	-	103,189
Total deferred inflows of resources	2,517,150	648,602	176,752	3,342,504
NET POSITION				
Net investment in capital assets	38,092,518	5,414,243	938,177	44,444,938
Unrestricted	10,105,678	5,271,325	634,108	16,011,111
Total net position	\$ 48,198,196	\$ 10,685,568	\$ 1,572,285	\$ 60,456,049

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, 2022

	Enterprise Funds			
	Water Utility	Sewer Maintenance	Nonmajor Enterprise Funds	Total
OPERATING REVENUES:				
Charges for services	\$ 16,469,592	\$ 2,606,646	\$ 1,919,528	\$ 20,995,766
Other	945	-	-	945
Total operating revenues	16,470,537	2,606,646	1,919,528	20,996,711
OPERATING EXPENSES:				
Administration and general	(1,363,487)	27,382	324,159	(1,011,946)
Power, supplies, and pumping	14,096,495	107,313	-	14,203,808
Merchandise and food	-	-	76,906	76,906
Supplies and maintenance	-	-	257,446	257,446
Contract costs	177,396	82,922	2,493,065	2,753,383
Depreciation	1,595,091	298,027	491,215	2,384,333
Total operating expenses	14,505,495	515,644	3,642,791	18,663,930
OPERATING INCOME (LOSS)	1,965,042	2,091,002	(1,723,263)	2,332,781
NONOPERATING REVENUES (EXPENSES):				
Investment income	(196,460)	(92,846)	-	(289,306)
Federal and state grants	9,548	-	684,490	694,038
Gain on disposal of capital assets	7,709	-	-	7,709
Interest and fiscal charges	(33,585)	(8,060)	(2,303)	(43,948)
Total nonoperating revenues (expenses)	(212,788)	(100,906)	682,187	368,493
INCOME (LOSS) BEFORE TRANSFERS	1,752,254	1,990,096	(1,041,076)	2,701,274
TRANSFERS:				
Transfers in	-	-	1,221,450	1,221,450
Total transfers	-	-	1,221,450	1,221,450
Changes in net position	1,752,254	1,990,096	180,374	3,922,724
NET POSITION:				
Beginning of fiscal year	46,445,942	8,695,472	1,391,911	56,533,325
End of fiscal year	<u>\$ 48,198,196</u>	<u>\$ 10,685,568</u>	<u>\$ 1,572,285</u>	<u>\$ 60,456,049</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, 2022

CASH FLOWS FROM OPERATING ACTIVITIES:

	Water Utility	Sewer Maintenance	Nonmajor Enterprise Funds	Total
Cash received from customers	\$ 15,795,020	\$ 2,449,414	\$ 1,946,207	\$ 20,190,641
Cash payments to suppliers for goods and services	(14,394,024)	(461,850)	(3,309,121)	(18,164,995)
Cash payments to employees for services	(3,333,008)	(872,590)	(204,792)	(4,410,390)
Cash received for other operating activities	945	-	-	945
Net cash provided by (used in) operating activities	(1,931,067)	1,114,974	(1,567,706)	(2,383,799)

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:

	Water Utility	Sewer Maintenance	Nonmajor Enterprise Funds	Total
Cash received from (paid) to other governments	14,118	(11)	2,110,385	2,124,492
Due to other funds	-	-	(1,155,593)	(1,155,593)
Payments for pension obligation bonds	(44,000)	(12,500)	(3,000)	(59,500)
Payments of interest on pension obligation bonds	(51,549)	(13,173)	(3,524)	(68,246)
Transfers in	-	-	1,221,450	1,221,450
Net cash provided (used) by noncapital financing activities	(81,431)	(25,684)	2,169,718	2,062,603

**CASH FLOWS FROM CAPITAL AND RELATED
FINANCING ACTIVITIES:**

	Water Utility	Sewer Maintenance	Nonmajor Enterprise Funds	Total
Proceeds from sale of capital assets	7,709	-	-	7,709
Acquisition of capital assets	(749,956)	(771,101)	(11,314)	(1,532,371)
Net cash provided by (used in) capital and related financing activities	(742,247)	(771,101)	(11,314)	(1,524,662)

CASH FLOWS FROM INVESTING ACTIVITIES:

	Water Utility	Sewer Maintenance	Nonmajor Enterprise Funds	Total
Interest received (Investment loss)	(187,810)	(91,766)	-	(279,576)
Net cash provided (used) by investing activities	(187,810)	(91,766)	-	(279,576)

**NET INCREASE (DECREASE) IN CASH AND
CASH EQUIVALENTS**

	Water Utility	Sewer Maintenance	Nonmajor Enterprise Funds	Total
CASH AND CASH EQUIVALENTS - Beginning of fiscal year	16,328,868	5,681,380	762,481	22,772,729
CASH AND CASH EQUIVALENTS - End of fiscal year	\$ 13,386,313	\$ 5,907,803	\$ 1,353,179	\$ 20,647,295

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET
CASH PROVIDED (USED) BY OPERATING ACTIVITIES:**

	Water Utility	Sewer Maintenance	Nonmajor Enterprise Funds	Total
Operating income (loss)	\$ 1,965,042	\$ 2,091,002	\$ (1,723,263)	\$ 2,332,781
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	1,595,091	298,027	491,215	2,384,333
Changes in assets, deferred outflows, liabilities, and deferred inflows:				
Accounts receivable	(680,430)	(157,232)	(21,135)	(858,797)
Prepaid items	1	-	(4,163)	(4,162)
Inventories	-	-	(4,767)	(4,767)
Accounts payable	(195,002)	131,025	(73,005)	(136,982)
Retention payable	-	10,731	-	10,731
Accrued salaries payable	(5,106)	(2,448)	217	(7,337)
Deposits	5,858	-	47,814	53,672
Net pension liabilities	(7,190,826)	(2,050,312)	(487,642)	(9,728,780)
Deferred outflow of resources - pension	483,619	145,579	30,271	659,469
Deferred inflow of resources - pension	2,413,961	648,602	176,752	3,239,315
Net OPEB liability	(304,275)	-	-	(304,275)
Deferred outflow of resources - OPEB	36,154	-	-	36,154
Deferred inflow of resources - OPEB	(22,137)	-	-	(22,137)
Compensated absences	(33,017)	-	-	(33,017)
Total adjustments	(3,896,109)	(976,028)	155,557	(4,716,580)
Net cash provided by (used in) operating activities	\$ (1,931,067)	\$ 1,114,974	\$ (1,567,706)	\$ (2,383,799)

See Accompanying Notes to the Basic Financial Statements.

This page intentionally left blank.

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.

This page intentionally left blank.

City of Arcadia
Statement of Fiduciary Net Position
Fiduciary Fund
June 30, 2022

	Successor Agency to the Arcadia Redevelopment Agency Private-Purpose Trust Fund
ASSETS	
Current assets:	
Cash and investments	\$ 2,447,110
Cash and investments with fiscal agent	2
Interest receivable	<u>8,245</u>
Total current assets	<u>2,455,357</u>
Total assets	<u>2,455,357</u>
LIABILITIES	
Current liabilities:	
Accrued salaries payable	559
Interest payable	<u>57,067</u>
Total current liabilities	<u>57,626</u>
Noncurrent liabilities:	
Bonds payable - due in more than one year	<u>9,340,000</u>
Total noncurrent liabilities	<u>9,340,000</u>
Total liabilities	<u>9,397,626</u>
NET POSITION (DEFICIT)	
Held in trust	<u>\$ (6,942,269)</u>

City of Arcadia
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2022

	Successor Agency to the Arcadia Redevelopment Agency Private-Purpose Trust Fund
ADDITIONS:	
Redevelopment Property Tax Trust Fund	\$ 98,101
Use of money and property	<u>(40,143)</u>
Total additions	<u>57,958</u>
DEDUCTIONS:	
Enforceable obligations	171,202
Administration	<u>29,449</u>
Total deductions	<u>200,651</u>
Change in net position	(142,693)
NET POSITION (DEFICIT):	
Beginning of fiscal year	<u>(6,799,576)</u>
End of fiscal year	<u>\$ (6,942,269)</u>

NOTES TO THE BASIC FINANCIAL STATEMENTS

This page intentionally left blank

City of Arcadia
Notes to the Basic Financial Statements
June 30, 2022

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 a consumption of net assets that applies to future periods.

Deferred Inflows of Resources represent an acquisition of net assets that applies to future periods.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

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.

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded under the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. “Available” means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, “available” means collectible within the current period or within 60 days after fiscal year end.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

Governmental Fund Financial Statements (Continued)

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, grants, and entitlements. Under the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are to be used or the fiscal year when use is first permitted; matching requirements, in which the City must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. Under the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

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.
- American Rescue Plan Fund – This fund was established to be used to support City's response to and recovery from the COVID-19 public health emergency.
- 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.
- General Obligation Bonds Debt Service Fund – This fund was 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.
- 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.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

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.
- 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 flow purposes.

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

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

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”.

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. Lease Receivable

The City’s lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the City may receive variable lease payments that are dependent upon the lessee’s revenue. The variable payments are recorded as an inflow of resources in the period the payment is received.

A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

H. 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.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

H. Capital Assets (Continued)

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, curbs 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 “depreciation method”.

Interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

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

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.

I. 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.

J. 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.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

K. 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.

L. 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.

M. 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”).

N. 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

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

O. 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.

P. 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.

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.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

Q. 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

R. 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.

S. New Governmental Accounting Standards

Implementation Status

Governmental Accounting Standards Board Statement No. 87 - Leases

For the fiscal year ended June 30, 2022, the City implemented Governmental Accounting Standards Board (GASB) Statement 87, "Leases". This Statement is effective for periods beginning after June 15, 2021. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. Implementation of the GASB Statement No. 87 did have an impact on the City's financial statements for the fiscal year ended June 2022, see Note 4 – Lease Receivable.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

Note 1 – Summary of Significant Accounting Policies (Continued)

T. Future Accounting Pronouncements

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

Statement No. 91	"Conduit Debt Obligations"	The provisions of this statement are effective for fiscal years beginning after December 31, 2021.
Statement No. 93	"Replacement of Interbank Offered Rates"	The provisions of this statement except for paragraphs 11b, 13, and 14 are effective for fiscal years beginning after June 15, 2020. Paragraph 11b is effective for fiscal years beginning after December 31, 2021. Paragraphs 13 and 14 are effective for fiscal years beginning after June 15, 2021.
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, 2022.
Statement No. 96	"Subscription-Based Information Technology Arrangements"	The provisions of this statement are effective for fiscal years beginning after June 30, 2022.
Statement No. 99	"Omnibus 2022"	The provisions of this statement are effective in April 2022 except for the provisions related to leases, PPPs, SBITAs, financial guarantees and derivative instruments. The provisions related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022. The provisions related to financial guarantees and derivative instruments are effective for fiscal years beginning after June 15, 2023.
Statement No. 100	"Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62"	The provisions of this statement are effective for fiscal years beginning after June 15, 2023.
Statement No. 101	"Compensated Absences"	The provisions of this statement are effective for fiscal years beginning after December 15, 2023.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

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, 2022:

	Government-Wide Statement of Net Position			Fiduciary Fund Statement of Net Position		Total
	Governmental Activities	Business-Type Activities	Total	Net Position	Total	
Cash and investments	\$ 94,131,129	\$ 20,647,295	\$ 114,778,424	\$ 2,447,110	\$ 117,225,534	
Cash and investments with fiscal agent	9,744	-	9,744	2	9,746	
Total cash and investments	\$ 94,140,873	\$ 20,647,295	\$ 114,788,168	\$ 2,447,112	\$ 117,235,280	

The City's cash and investments at June 30, 2022 consists of the following:

Cash and cash equivalents:

Petty cash	\$ 19,756
Demand deposits	9,605,908
Total cash and cash equivalents	9,625,664

Investments:

Local Agency Investment Fund	28,212,540
California Asset Management Program	29,498,971
Certificates of Deposits	866,835
U.S. Treasury Notes	19,372,453
U.S. Government Sponsored Enterprise Securities	6,487,859
Supra-National Bonds	1,172,827
Municipal bonds	1,352,314
Asset Backed Securities/CMO	6,634,997
Corporate Bonds	14,001,074
Total investments	107,599,870

Cash and investments with fiscal agent:

Money Market Funds	9,746
Total cash and investments	\$ 117,235,280

A. Deposits

The carrying amounts of the City's demand deposits were \$9,605,908 at June 30, 2022. Bank balances at that date were \$11,601,695, 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, 2022

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, 2022

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, 2022, 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, 2022, the City had \$28,212,540 invested in LAIF, which had invested 1.88% 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, 2022, the City had \$29,498,971 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, 2022, 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)	\$ 28,212,540	\$ 28,212,540	\$ -	\$ -	\$ -	\$ -
California Asset Management Program (CAMP)	29,498,971	29,498,971	-	-	-	-
Certificates of Deposits	866,835	866,835	-	-	-	-
U.S. Treasury Notes	19,372,453	-	11,875,786	7,496,667	-	-
Federal Home Loan Mortgage Corporation	3,867,096	875,979	2,991,117	-	-	-
Federal National Mortgage Association	2,213,247	879,525	1,333,722	-	-	-
Federal CMO	407,516	400,221	7,295	-	-	-
Supra-National Bonds	1,172,827	367,046	342,358	463,423	-	-
Municipal Bonds	1,352,314	450,372	691,315	210,627	-	-
Asset Backed Securities	6,634,997	-	667,507	1,186,068	1,185,781	3,595,641
Corporate Bonds	14,001,074	474,219	4,989,978	7,315,115	1,221,762	-
Held by Fiscal Agent:						
Money Market Funds	9,746	9,746	-	-	-	-
Total	\$ 107,609,616	\$ 62,035,454	\$ 22,899,078	\$ 16,671,900	\$ 2,407,543	\$ 3,595,641

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

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, 2022, the City’s credit risks, expressed on a percentage basis, were as follows:

Investment Type	Credit Quality Distribution for Securities with Credit Exposure as a Percentage of Total Investments		
	Moody's Credit Rating	S&P's Credit Rating	% of Investments with Interest Rate Risk
Certificates of Deposit	Not Rated	Not Rated	0.81%
United States Treasury Notes	Aaa	AA+	18.00%
Federal Farm Credit Bank	Aaa	AA+	0.00%
Federal Home Loan Bank	Aaa	AA+	0.00%
Federal Home Loan Mortgage Corp.	Aaa	AA+	3.59%
Federal National Mortgage Association	Aaa	AA+	2.06%
Federal CMO	Aaa	AA+	0.38%
Supranational Bonds - Intl Bank for Reconstruction & Development	Aaa	AAA	0.32%
Supranational Bonds - Inter-American Devel Bank	Aaa	AAA	0.77%
Municipal Bonds - CA State Earthquake Authority	Not rated	Not rated	0.09%
Municipal Bonds - NY State Urban Development Corp	Not rated	AA+	0.40%
Municipal Bonds - Chaffee Community College District	Aa2	AA	0.23%
Municipal Bonds - Los Angeles Community College District	Aaa	AA+	0.11%
Municipal Bonds - State of Maryland	Aaa	AAA	0.23%
Municipal Bonds - NJ Turnpike Authority	A1	AA-	0.09%
Municipal Bonds - Florida State Board of Administration	Aa3	AA	0.11%
Asset Backed Securities - GM Financial Automobile Leasing Trust 2020-3	Aaa	AAA	0.05%
Asset Backed Securities - Carmax Auto Owner Trust 2018-4	Not rated	AAA	0.00%
Asset Backed Securities - Capital One Prime Auto Rcvbl Trust 2019-1	Aaa	AAA	0.01%
Asset Backed Securities - Mercedes-Benz Auto Lease Trust 2020-B	Not rated	AAA	0.05%
Asset Backed Securities - Fifth Third Auto Trust 2019-1	Aaa	AAA	0.01%
Asset Backed Securities - BM W Vehicle Leasing Trust 2021-1	Aaa	AAA	0.08%
Asset Backed Securities - Harley-Davidson Motorcycle Trust 2019-A	Aaa	Not rated	0.00%
Asset Backed Securities - Carmax Auto Owner Trust 2019-2	Not rated	AAA	0.03%
Asset Backed Securities - Toyota Lease Owner Trust 2021-A	Aaa	AAA	0.12%
Asset Backed Securities - Verizon Owner Trust 2019-C	Not rated	AAA	0.10%
Asset Backed Securities - GM Financial Automobile Leasing Trust 2021-2	Not rated	AAA	0.17%
Asset Backed Securities - Nissan Auto Receivables 2020-B Owner Trust	Aaa	AAA	0.09%
Asset Backed Securities - Verizon Owner Trust 2020-A	Aaa	AAA	0.06%
Asset Backed Securities - Harley-Davidson Motorcycle Trust 2020-A	Aaa	AAA	0.03%
Asset Backed Securities - Toyota Auto Rcvbl 2020-C	Aaa	AAA	0.10%
Asset Backed Securities - Honda Auto Rcvbl 2020-3	Not rated	AAA	0.12%
Asset Backed Securities - BM W Vehicle Owner Trust 2020-A	Not rated	AAA	0.06%
Asset Backed Securities - Carmax Auto Owner Trust 2020-1	Not rated	AAA	0.08%
Asset Backed Securities - Hyundai Auto Receivables Trust 2020-B	Not rated	AAA	0.10%
Asset Backed Securities - Verizon Owner Trust 2020-B	Aaa	Not rated	0.25%
Asset Backed Securities - GM Financial Consumer Auto Receivables Trust 2020-3	Aaa	Not rated	0.11%
Asset Backed Securities - World Omni Auto Receivables Trust 2020-B	Not rated	AAA	0.10%
Asset Backed Securities - Volkswagen Auto Lease Trust 2022-A	Aaa	Not rated	0.09%
Asset Backed Securities - Kubota Credit Owner Trust 2021-1	Aaa	Not rated	0.10%
Asset Backed Securities - Hyundai Auto Receivables Trust 2021-A	Not rated	AAA	0.09%

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

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 - Kubota Credit Owner Trust 2021-2	Aaa	Not rated	0.16%
Asset Backed Securities - Honda Auto Receivables 2021-4 Owner Trust	Aaa	Not rated	0.13%
Asset Backed Securities - Carmax Auto Owner Trust 2021-2	Not rated	AAA	0.11%
Asset Backed Securities - Hyundai Auto Receivables Trust 2021-C	Not rated	AAA	0.10%
Asset Backed Securities - Carmax Auto Owner Trust 2021-3	Aaa	AAA	0.21%
Asset Backed Securities - Ford Credit Auto Owner Trust 2022-A	Not rated	AAA	0.12%
Asset Backed Securities - BMW Vehicle Owner Trust 2022-A	Aaa	AAA	0.12%
Asset Backed Securities - Capital One Prime Auto Rcvbl Trust 2021-1	Aaa	AAA	0.13%
Asset Backed Securities - Discover Card Execution Note Trust 2021-A1	Aaa	AAA	0.12%
Asset Backed Securities - Toyota Auto Receivables 2022-B	Aaa	AAA	0.13%
Asset Backed Securities - GM Financial Consumer Auto Receivables Trust 2021-4	Aaa	AAA	0.08%
Asset Backed Securities - Hyundai Auto Receivables Trust 2022-A	Not rated	AAA	0.13%
Asset Backed Securities - Kubota Credit Owner Trust 2022-1	Aaa	Not rated	0.23%
Asset Backed Securities - World Omni Auto Receivables Trust 2021-D	Not rated	AAA	0.15%
Asset Backed Securities - Ally Auto Receivables Trust 2022-1	Aaa	AAA	0.23%
Asset Backed Securities - Capital One Multi-Asset Execution Trust 2021-A3	Not rated	AAA	0.25%
Asset Backed Securities - GM Financial Consumer Auto Receivables Trust 2022-1	Not rated	AAA	0.10%
Asset Backed Securities - Harley-Davidson Motorcycle Trust 2022-A	Aaa	AAA	0.23%
Asset Backed Securities - Carmax Auto Owner Trust 2022-2	Aaa	AAA	0.19%
Asset Backed Securities - GM Financial Consumer Auto Receivables Trust 2022-2	Aaa	AAA	0.12%
Asset Backed Securities - Capital One Multi-Asset Execution Trust 2022-A1	Not rated	AAA	0.23%
Asset Backed Securities - American Express Credit Account Master Trust 2022-2	Not rated	AAA	0.34%
Asset Backed Securities - Capital One Multi-Asset Execution Trust 2022-A2	Not rated	AAA	0.31%
Asset Backed Securities - Discover Card Execution Note Trust 2022-A2	Aaa	Not rated	0.25%
Corporate Bonds - JPMorgan Chase	A2	A-	1.59%
Corporate Bonds - Citigroup Global Markets Holdings	A2	A	0.92%
Corporate Bonds - The Hershey Co	Aa2	AA-	0.32%
Corporate Bonds - PNC Bank	A2	A	0.23%
Corporate Bonds - Goldman Sachs	A2	BBB+	0.36%
Corporate Bonds - IBM	A3	A-	0.23%
Corporate Bonds - Charles Schwab Corp	A2	A	0.14%
Corporate Bonds - Comcast Corp	A3	A-	0.16%
Corporate Bonds - Amazon.com	A1	AA	0.50%
Corporate Bonds - Citigroup	A3	BBB+	0.33%
Corporate Bonds - UnitedHealth Group	A3	A+	0.15%
Corporate Bonds - Caterpillar	A2	A	0.34%
Corporate Bonds - Bank of America	A2	A-	0.49%
Corporate Bonds - HSBC USA	A1	A-	0.35%
Corporate Bonds - AstraZeneca	A3	A-	0.22%
Corporate Bonds - Hormel Foods Corp	A1	A	0.16%
Corporate Bonds - John Deere Capital	A2	A	0.34%
Corporate Bonds - Target	A2	A	0.16%
Corporate Bonds - Bristol-Myers Squibb	A2	A+	0.18%
Corporate Bonds - American Express	A2	BBB+	0.34%

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

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
Corporate Bonds - American Honda	A3	A-	0.34%
Corporate Bonds - Paccar Financial Corp	A1	A+	0.34%
Corporate Bonds - BMW US Capital LLC	A2	A	0.20%
Corporate Bond - Unilever	A1	A+	0.22%
Corporate Bonds - Toyota Motor	A1	A+	0.34%
Corporate Bonds - Nestle Holdings Inc.	Aa3	AA-	0.24%
Corporate Bonds - Cooperative Rabobank UA/NY	Aa2	A+	0.22%
Corporate Bonds - Linde Inc	A2	A	0.16%
Corporate Bonds - National Rural Utilities Cooperative	A2	A-	0.22%
Corporate Bonds - Merck	A1	A+	0.11%
Corporate Bonds - Exxon Mobil	Aa2	AA-	0.11%
Corporate Bonds - Roche Holdings Inc	AA3	AA	0.58%
Corporate Bonds - Abbott Laboratories	A1	AA-	0.15%
Corporate Bonds - Burlington Northern Santa Fe LLC	A3	AA-	0.11%
Corporate Bonds - Brown-Forman Corp	A1	A-	0.11%
Corporate Bonds - Home Depot	A2	A	0.04%
Corporate Bonds - BNY Mellon	A1	A	0.44%
Corporate Bonds - Cintas Corp	A3	A-	0.16%
Corporate Bonds - General Dynamics	A2	A-	0.15%
Corporate Bonds - Honeywell International	A2	A	0.15%
Corporate Bonds - Truist Financial Corp	A3	A-	0.22%
Corporate Bonds - National Australia Bank LTD/New York	Aa3	AA-	0.24%
Corporate Bonds - Morgan Stanley	A1	A-	0.33%
Corporate Bonds - State Street Corp	A1	A	0.32%
Local Agency Investment Fund	Not Rated	Not Rated	26.21%
California Asset Management Program	Not Rated	Not Rated	27.42%
			<u>100.00%</u>

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, \$9,746 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, 2022.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

Note 2 – Cash and Investments (Continued)

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, 2022:

Investment by Fair Value Level	Fair Value	Fair Value Measurements Using			
		Quoted Prices in		Significant Other Observable Input (Level 2)	Significant Unobservable Inputs (Level 3)
		Active Markets for Identical Assets (Level 1)			
Debt securities					
Certificates of Deposits	\$ 866,835	\$ 866,835	\$ -	\$ -	\$ -
U.S. Treasury Notes	19,372,453	19,372,453	-	-	-
Federal Home Loan Mortgage Corporation	3,867,096	3,867,096	-	-	-
Federal National Mortgage Association	2,213,247	2,213,247	-	-	-
Federal CMO	407,516	407,516	-	-	-
Supra-National Bonds	1,172,827	1,172,827	-	-	-
Municipal Bonds	1,352,314	1,352,314	-	-	-
Asset Backed Securities	6,634,997	6,634,997	-	-	-
Corporate Bonds	14,001,074	14,001,074	-	-	-
Total Investments Measured at Fair Value	<u>49,888,359</u>	<u>\$ 49,888,359</u>	<u>\$ -</u>	<u>\$ -</u>	
Investments Measured at Amortized Cost					
LAIF	28,212,540				
CAMP	<u>29,498,971</u>				
Total Pooled Investments	<u>\$ 107,599,870</u>				

Note 3 – Interfund Transactions

A. Government-Wide Financial Statements

Transfers - At June 30, 2022, the City had the following transfers for the operation of the Transit System Enterprise Fund and Pension Obligation Bonds Fund:

Transfers In	
Transfers Out	Business-type Activities
Governmental Activities	<u>\$ (1,221,450)</u>

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

Note 3 – Interfund Transactions (Continued)

B. Fund Financial Statements

Due From/To Other Funds - At June 30, 2022, the City had the following due from/to other funds:

Due to Other Funds		Due from Other Funds
		General Fund
Pension Obligation Bonds Fund		\$ 1,640
Nonmajor Governmental Funds		<u>877,591</u>
Total		<u>\$ 879,231</u>

The above interfund balances resulted from temporary reclassifications made at June 30, 2022 to cover cash shortfalls.

Transfers In/Out - At June 30, 2022, the City had the following transfers in/out which arise in the normal course of operations:

Transfers Out	Transfers In					Total
	General Fund	Capital Projects Fund	Pension Obligation Fund	Nonmajor Governmental Funds	Nonmajor Enterprise Fund	
General Fund	\$ -	\$ 2,400,000	\$ 5,745,158	\$ 739,091	\$ -	\$ 8,884,249
Nonmajor Governmental Funds	1,813,790	-	-	-	1,221,450	3,035,240
Total	\$ 1,813,790	\$ 2,400,000	\$ 5,745,158	\$ 739,091	\$ 1,221,450	\$ 11,919,489

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.

Note 4 – Lease Receivable

The City entered into various land and building leases with cellphone operator and Chamber of Commerce at various City's properties. The following table summarized the terms of the leases.

Lessee	Type of Lease	Lease Term	Total Lease Payment Over	
			Lease Term	
Cellphone Operator	Land	1/1/17-1/1/27	\$ 341,205	
Cellphone Operator	Land	10/1/17-10/1/27	340,352	
Cellphone Operator	Land	3/1/17-3/1/27	341,205	
Cellphone Operator	Land	10/1/17-10/1/27	340,352	
Cellphone Operator	Land	8/10/18-8/10/23	192,420	
Cellphone Operator	Land	1/14/19-1/14/24	192,420	
Chamber of Commerce	Office	12/1/20-12/1/26	28,800	
Cellphone Operator	Land	10/1/20-1/1/30	531,577	
Cellphone Operator	Land	8/6/16-8/6/26	556,440	

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

Note 4 – Lease Receivable (Continued)

The lease receivable \$1,378,301 at June 30, 2022 is measured as the present value of the future minimum rent payments expected to received during the lease term at a discount rate of 3% which is US Treasury bill rate.

A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease. As of June 30, 2022, the balance was \$1,339,043.

In fiscal year 2022, the City recognized \$306,258 in lease revenue and \$41,589 in interest revenue.

Note 5 – 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, 2022, is as follows:

	Governmental Activities			
	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022
Nondepreciable assets:				
Land	\$ 4,335,769	\$ -	\$ -	\$ 4,335,769
Construction in progress	2,803,755	804,161	-	3,607,916
Total nondepreciable assets	7,139,524	804,161	-	7,943,685
Depreciable assets:				
Buildings and improvements	60,140,157	359,786	-	60,499,943
Automotive equipment	12,719,543	1,028,127	(10,000)	13,737,670
Furniture and equipment	12,318,778	264,784	(58,037)	12,525,525
Infrastructure	95,501,765	-	-	95,501,765
Total capital assets, being depreciated	180,680,243	1,652,697	(68,037)	182,264,903
Less accumulated depreciation:				
Buildings and improvements	(32,085,531)	(1,906,300)	-	(33,991,831)
Automobile equipment	(10,324,669)	(487,636)	10,000	(10,802,305)
Furniture and equipment	(2,740,325)	(465,334)	58,037	(3,147,622)
Infrastructure	(76,867,642)	(1,268,875)	-	(78,136,517)
Total accumulated depreciation	(122,018,167)	(4,128,145)	68,037	(126,078,275)
Total depreciable assets, net	58,662,076	(2,475,448)	-	56,186,628
Governmental activities capital assets, net	\$ 65,801,600	\$ (1,671,287)	\$ -	\$ 64,130,313

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

Note 5 – Capital Assets (Continued)

A. Government-Wide Financial Statements (Continued)

Depreciation expense was charged to functions/programs of governmental activities for the fiscal year ended June 30, 2022, as follows:

General government	\$ 246,251
Public safety	1,605,967
Public works services	1,520,898
Community development	108,115
Library	267,924
Recreation and community services	<u>378,990</u>
Total depreciation expense	<u>\$ 4,128,145</u>

A summary of changes in the capital assets for the business-type activities for the fiscal year ended June 30, 2022, is as follows:

	Business-Type Activities				
	Balance July 1, 2021	Additions	Deletions	Transfers	Balance June 30, 2022
Nondepreciable assets:					
Land	\$ 192,436	\$ -	\$ -	\$ -	\$ 192,436
Water rights	5,602,000	-	-	-	5,602,000
Construction in progress	2,070,464	401,019	-	(172,489)	2,298,994
Total nondepreciable assets	7,864,900	401,019	-	(172,489)	8,093,430
Depreciable assets:					
Water treatment plant and systems	72,801,170	562,384	-	-	73,363,554
Sewer pipes	12,302,242	-	-	-	12,302,242
Automotive equipment	5,134,234	533,459	(577,199)	-	5,090,494
Furniture and equipment	681,753	35,509	-	172,489	889,751
Total capital assets, being depreciated	90,919,399	1,131,352	(577,199)	172,489	91,646,041
Less accumulated depreciation:					
Water treatment plant and systems	(42,682,556)	(1,564,007)	-	-	(44,246,563)
Sewer pipes	(7,600,088)	(179,872)	-	-	(7,779,960)
Automobile equipment	(2,819,305)	(586,335)	577,199	-	(2,828,441)
Furniture and equipment	(385,450)	(54,119)	-	-	(439,569)
Total accumulated depreciation	(53,487,399)	(2,384,333)	577,199	-	(55,294,533)
Total depreciable assets, net	37,432,000	(1,252,981)	-	172,489	36,351,508
Business-type activities capital assets, net	\$ 45,296,900	\$ (851,962)	\$ -	\$ -	\$ 44,444,938

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

Note 5 – Capital Assets (Continued)

A. Government-Wide Financial Statements (Continued)

Depreciation expense for business-type activities for the fiscal year ended June 30, 2022, was charged as follows:

Water Utility	\$ 1,595,091
Sewer Maintenance	298,027
Transit System	451,888
Arcadia PAR 3 Golf Course	39,327
Total depreciation expense	<u>\$ 2,384,333</u>

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.

Note 6 – Long-Term Liabilities

A. Governmental Activities

A summary of changes in long-term liabilities for governmental activities for the fiscal year ended June 30, 2022 is as follows:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022	Due within One Year	Due in more than One Year
2011 General Obligation Bonds	\$ 5,245,000	\$ -	(5,245,000)	\$ -	-	\$ -
2012 General Obligation Bonds	4,045,000	-	(4,045,000)	-	-	-
2021 General Obligation Refunding Bonds (Police Station)	-	4,985,000	-	4,985,000	556,000	4,429,000
2021 General Obligation Refunding Bonds (Measure A)	-	3,867,000	-	3,867,000	378,000	3,489,000
2020 Pension Obligation Bonds	88,042,600	-	(2,675,500)	85,367,100	3,790,700	81,576,400
Subtotal	<u>97,332,600</u>	<u>8,852,000</u>	<u>(11,965,500)</u>	<u>94,219,100</u>	<u>4,724,700</u>	<u>89,494,400</u>
Add deferred amounts:						
Bond premium - 2011 GOB	226,177	-	(226,177)	-	-	-
Bond premium - 2012 GOB	196,422	-	(196,422)	-	-	-
Subtotal	<u>422,599</u>	<u>-</u>	<u>(422,599)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total bonds payable	<u>97,755,199</u>	<u>8,852,000</u>	<u>(12,388,099)</u>	<u>94,219,100</u>	<u>4,724,700</u>	<u>89,494,400</u>
Capital lease obligations	116,056	-	(58,028)	58,028	58,028	-
Claims and judgments payable	6,654,154	2,161,432	(855,890)	7,959,696	1,587,276	6,372,420
Compensated absences	3,880,709	1,254,595	(2,021,446)	3,113,858	2,021,446	1,092,412
Total	<u>\$ 108,406,118</u>	<u>\$ 12,268,027</u>	<u>\$ (15,323,463)</u>	<u>\$ 105,350,682</u>	<u>\$ 8,391,450</u>	<u>\$ 96,959,232</u>

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

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

Note 6 – Long-Term Liabilities (Continued)

A. Governmental Activities (Continued)

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.

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.

As noted below, on November 23, 2021, the remaining outstanding balances of the 2011 General Obligation Bonds in the total amount of \$4,860,000, were refunded by the General Obligation Refunding Bonds Series 2021.

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.

As noted below, on November 23, 2021, the remaining outstanding balances of the 2012 General Obligation Refunding Bonds in the total amount of \$3,725,000, were refunded by the General Obligation Refunding Bonds, Series 2021.

General Obligations Refunding Bonds Series 2021 (Bond Measure A and Police Station Project)

On November 23, 2021, the City issued General Obligations Refunding Bonds, Election 2006 (Bond Measure A), Series 2021 in the amount of \$4,985,000 and General Obligation Refunding Bonds, Series 2021 (Police Station Project) in the amount of \$3,867,000. The Bonds are being issued: (i) to advance refund the 2011 General Obligation Bonds and 2012 General Obligation Refunding Bonds and (ii) to pay costs of issuance of the Bonds.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

Note 6 – Long-Term Liabilities (Continued)

A. Governmental Activities (Continued)

General Obligations Refunding Bonds Series 2021 (Bond Measure A and Police Station Project) (Continued)

The bonds consisted of \$4,985,000 and \$3,867,000 of serial bonds. The serial bonds accrue interest at rates between 1.28% and mature between August 1, 2022 and August 1, 2031.

The advance refunding resulted in a legal defeasance of the previously issued bonds. An irrevocable trust was established with funds sufficient to fund payments on the bonds until the redemption date. The refunding resulted in a decrease of the City's total debt service payments by \$742,795 and an economic gain (difference between the present values of the old and new debt) of \$695,700. Because the transaction qualifies as a legal defeasance the obligations for the defeased bonds have been removed from the City's financial statements.

As of June 30, 2022, the principal balance outstanding was \$4,985,000 and \$3,867,000.

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

Fiscal Year Ending June 30,	<i>General Obligation Refunding Bonds, Election 2006 (Bond Measure A)</i>			<i>General Obligation Refunding Bonds, Series 2021 (Police Station Project)</i>		
	Principal	Interest	Total	Principal	Interest	Total
2023	\$ 556,000	\$ 60,250	\$ 616,250	\$ 378,000	\$ 55,393	\$ 433,393
2024	467,000	53,703	520,703	363,000	42,336	405,336
2025	473,000	47,687	520,687	371,000	37,638	408,638
2026	479,000	41,594	520,594	373,000	32,877	405,877
2027	488,000	35,405	523,405	381,000	28,051	409,051
2028 - 2032	2,522,000	81,533	2,603,533	2,001,000	64,800	2,065,800
TOTAL	\$ 4,985,000	\$ 320,172	\$ 5,305,172	\$ 3,867,000	\$ 261,095	\$ 4,128,095

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.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

Note 6 – Long-Term Liabilities (Continued)

A. Governmental Activities (Continued)

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

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 rates 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, 2022 for the governmental activities was \$85,367,100 and the business-type activities was \$1,897,900 and totaled \$87,265,000.

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

Fiscal Year Ending June 30,	Governmental Activities		Business-type Activities		
	Principal	Interest	Principal	Interest	Total
2022	\$ 3,790,700	\$ 1,955,603	\$ 84,300	\$ 43,478	\$ 5,874,081
2023	3,820,100	1,927,430	84,900	42,851	5,875,281
2024	3,854,300	1,892,594	85,700	42,077	5,874,671
2025	3,893,400	1,850,660	86,600	41,145	5,871,805
2027	3,947,200	1,798,084	87,800	39,976	5,873,060
2028-2032	20,890,500	7,834,982	464,500	174,191	29,364,173
2033-2037	23,590,600	5,144,144	524,400	114,367	29,373,511
2038-2040	21,580,300	1,396,641	479,700	31,051	23,487,692
TOTAL	\$ 85,367,100	\$ 23,800,138	\$ 1,897,900	\$ 529,136	\$ 111,594,274

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, 2022, the balance outstanding amount to \$58,028 and it is due by next fiscal year end.

Claims and Judgments Payable

The amount of claims and judgments payable at June 30, 2022 was \$7,956,696. See Note 8B 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 \$3,113,858.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

Note 6 – 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, 2022, is as follows:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022	Due within One Year	Due in more than One Year
2020 Pension Obligation Bonds	\$ 1,957,400	\$ -	\$ (59,500)	\$ 1,897,900	\$ 84,300	\$ 1,813,600
Compensated absences	166,395	72,908	(105,925)	133,378	105,925	27,453
Total long-term debt	\$ 2,123,795	\$ 72,908	\$ (165,425)	\$ 2,031,278	\$ 190,225	\$ 1,841,053

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

The pension obligation bonds at June 30, 2022 in the proprietary funds amounted to \$1,897,900. See Note 6A 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 \$133,378 at June 30, 2022.

C. Fiduciary Activities

A summary of changes in long-term debt for the private-purpose trust fund for the fiscal year ended June 30, 2022, is as follows:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022	Due within One Year	Due in more than One Year
2020 Tax Allocation Refunding Bonds	\$ 9,340,000	\$ -	\$ -	\$ 9,340,000	\$ -	\$ 9,340,000
Total bonds payable	\$ 9,340,000	\$ -	\$ -	\$ 9,340,000	\$ -	\$ 9,340,000

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

Note 6 – 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, 2022 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		Principal	Interest	Total
June 30,				
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		\$ 9,340,000	\$ 543,026	\$ 9,883,026

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

Note 7 – 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 attorney	\$ 667,771	\$ 825,901	\$ 158,130
General city	2,900,190	3,016,349	116,159
Public safety:			
Fire	17,382,103	17,817,434	435,331
General Obligation Bonds Debt Service Fund:			
General government:			
General city	2,300	107,800	105,500
Nonmajor Governmental Funds:			
Special Revenue Funds:			
COPS SLESF:			
Public safety:			
Police	152,400	152,750	350
Proposition A Transit:			
Public works services	124,747	128,964	4,217
State and County Gas Tax:			
Public works services	-	2,984	2,984
DOC Beverage Grant:			
Public works services	14,500	24,923	10,423
Emergency Response			
General government:			
General city	33,000	122,890	89,890

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

Note 8 – Risk Management

A. Coverage

At June 30, 2022 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 \$20,000,000 annual aggregate in proportion to their annual premiums.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

Note 8 – Risk Management (Continued)

A. Coverage (Continued)

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, 2022. 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.

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, 2022, the amount of these liabilities was \$7,959,696 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
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
2022	6,654,154	2,161,432	(855,890)	7,959,696

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 9 – 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.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

Note 9 – Pension Plan (Continued)

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.

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, 2022, are summarized as follows:

	City Miscellaneous Plan			
	Classic	Tier I	Tier II	Tier III
	Hired between	On or after	On or after	On or after
Hire date	Prior to July 1, 2011	July 1, 2011 - October 8, 2011	On or after October 9, 2011	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 10.400%. Employee pays 8% of employer cost through cost-sharing	10.400%	10.400%	10.400%
Required employer payment of unfunded liability	\$ 4,404,803	\$ 4,404,803	\$ 4,404,803	\$ 4,404,803

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

Note 9 – Pension Plan (Continued)

A. General Information about the Pension Plan (Continued)

The Plans' provisions and benefits in effect at June 30, 2022, are summarized as follows (Continued):

	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 21.210%. Employee pays 9% of employer cost through cost-sharing	21.210%	21.210%	21.210%
Required employer payment of unfunded liability	\$ 7,711,329	\$ 7,711,329	\$ 7,711,329	\$ 7,711,329

Employees Covered – At June 30, 2022, the following employees were covered by the benefit terms for each Plan:

	Miscellaneous	Safety
Inactive employees or beneficiaries currently receiving benefits	417	249
Inactive employees entitled to but not yet receiving benefits	353	117
Active employees	186	115
Total	956	481

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.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

Note 9 – Pension Plan (Continued)

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, 2021, using an annual actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 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, 2021 (measurement date), actuarial valuations were determined using the following actuarial assumptions:

	Miscellaneous	Safety
Valuation Date	June 30, 2020	June 30, 2020
Measurement Date	June 30, 2021	June 30, 2021
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 ¹	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	

¹The mortality table used was developed based on CalPERS-specific data. 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. For more details on this table, please refer to the CalPERS' Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS' website.

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:

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

Note 9 – Pension Plan (Continued)

B. Net Pension Liability (Continued)

Asset Class ¹	Assumed Asset Allocation	Real Return Years 1 - 10 ²	Real Return Years 11+ ³
Public 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 ACFR, 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 - On July 12, 2021, CalPERS reported a preliminary 21.3% net return on investments for fiscal year 2020-21. Based on the thresholds specified in CalPERS Funding Risk Mitigation policy, the excess return of 14.3% prescribes a reduction in investment volatility that corresponds to a reduction in the discount rate used for funding purposes of 0.20%, from 7.00% to 6.80%. Since CalPERS was in the final stages of the four-year Asset Liability Management (ALM) cycle, the board elected to defer any changes to the asset allocation until the ALM process concluded, and the board could make its final decision on the asset allocation in November 2021.

On November 17, 2021, the board adopted a new strategic asset allocation. The new asset allocation along with the new capital market assumptions, economic assumptions and administrative expense assumption support a discount rate of 6.90% (net of investment expense but without a reduction for administrative expense) for financial reporting purposes. This includes a reduction in the price inflation assumption from 2.50% to 2.30% as recommended in the November 2021 CalPERS' Experience Study and Review of Actuarial Assumptions. This study also recommended modifications to retirement rates, termination rates, mortality rates and rates of salary increases that were adopted by the board. These new assumptions will be reflected in the GASB Statement No. 68 accounting valuation reports for the June 30, 2022, measurement date.

Amortization of Deferred Outflows and Deferred Inflows of Resources - Under GASB Statement No. 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, 2022

Note 9 – 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 and actual earnings on investments	5 years straight-line amortization
All other amounts	Straight-line amortization over the expected average remaining service lifetime (EARSL) 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, 2020	\$ 165,344,374	\$ 114,006,715	\$ 51,337,659
Changes during the fiscal year:			
Service Cost	2,517,187	-	2,517,187
Interest on the Total Pension Liability	11,593,471	-	11,593,471
Differences between Expected and Actual Experience	(198,638)	-	(198,638)
Contributions - Employer	-	33,024,710	(33,024,710)
Contributions - Employees	-	1,099,003	(1,099,003)
Net Investment Income	-	29,812,725	(29,812,725)
Benefit Payments, including Refunds of Employee Contributions	(8,515,738)	(8,515,738)	-
Administrative Expense	-	(113,886)	113,886
Net Changes	5,396,282	55,306,814	(49,910,532)
Balance at June 30, 2021	\$ 170,740,656	\$ 169,313,529	\$ 1,427,127

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

Note 9 – 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, 2020	\$ 277,781,031	\$ 173,347,097	\$ 104,433,934
Changes during the fiscal year:			
Service Cost	4,442,542	-	4,442,542
Interest on the Total Pension Liability	19,479,942	-	19,479,942
Differences between Expected and Actual			
Experience	(388,137)	-	(388,137)
Contributions - Employer	-	74,743,487	(74,743,487)
Contributions - Employees	-	1,435,152	(1,435,152)
Net Investment Income	-	48,746,123	(48,746,123)
Benefit Payments, including Refunds of			
Employee Contributions	(14,334,859)	(14,334,859)	-
Administrative Expense	-	(173,163)	173,163
Net Changes	9,199,488	110,416,740	(101,217,252)
Balance at June 30, 2021	\$ 286,980,519	\$ 283,763,837	\$ 3,216,682

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	\$ 23,813,491	\$ 42,621,525
Current Discount Rate	7.15%	7.15%
Net Pension Liability	\$ 1,427,127	\$ 3,216,682
1% Increase	8.15%	8.15%
Net Pension Liability	\$ (17,007,828)	\$ (29,021,002)

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, 2022

Note 9 – Pension Plan (Continued)

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

For the fiscal year ended June 30, 2022, the City recognized pension income of \$100,214 and \$3,232,726 for Miscellaneous and Safety plan respectively. At June 30, 2022, 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	\$ 3,127,968	\$ -	\$ 6,464,255	\$ -
Differences between Expected and Actual Experiences	43,537	(112,274)	8,486	(837,977)
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	-	(15,293,611)	-	(25,347,709)
Total	\$ 3,171,505	\$ (15,405,885)	\$ 6,472,741	\$ (26,185,686)

\$9,592,223 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, 2023. 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
2023	\$ (3,927,845)	\$ (6,951,408)	
2024	(3,599,706)	(6,227,950)	
2025	(3,684,062)	(6,167,883)	
2026	(4,150,735)	(6,829,959)	

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

Note 10 – Other Postemployment Benefit (OPEB) - Health Care Benefits

At June 30, 2022, 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	\$ 2,553,234	\$ 21,451	\$ 2,574,685
Changes of assumptions	<u>2,161,734</u>	<u>50,890</u>	<u>2,212,624</u>
Total deferred outflows of resources	<u><u>\$ 4,714,968</u></u>	<u><u>\$ 72,341</u></u>	<u><u>\$ 4,787,309</u></u>
Net OPEB liabilities:	<u><u>\$ 11,961,095</u></u>	<u><u>\$ 281,582</u></u>	<u><u>\$ 12,242,677</u></u>
Deferred inflows of Resources:			
Net differences between Projected and Actual			
Earnings on Investments	\$ 826,753	\$ 19,463	\$ 846,216
Differences between Expected and Actual Experiences	<u>3,556,528</u>	<u>83,726</u>	<u>3,640,254</u>
Total deferred inflows of resources	<u><u>\$ 4,383,281</u></u>	<u><u>\$ 103,189</u></u>	<u><u>\$ 4,486,470</u></u>

Plan Description

In addition to the retirement plan described in Note 9, 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.

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, 2021, the date of the latest actuarial valuation:

Active plan members	305
Inactive employees or beneficiaries currently receiving benefit payments	150
Inactive employees entitled to but not yet receiving benefit payments	-
Total	<u>455</u>

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

Note 10 – Other Postemployment Benefit (OPEB) - Health Care Benefits (Continued)

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, 2022, 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, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021.

Actuarial assumptions

The total OPEB liability in the June 30, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal Level % of Pay
Amortization Method	Level % of Payroll Closed 30 Years
Amortization Period	20 Years Remain
Asset Valuation Method	Market Value
Inflation	2.50%
Healthcare Cost Trend Rates	5.8% in 2023 grading down to 3.9% in 2076
Salary Increase	3.00%
Investment Rate of Return	6.10%
Retirement Age	From 50 to 75
Mortality	2017 CalPERS Experience Study
Mortality Improvement	MW Scale 2022

Discount Rate

The discount rate used to measure the total OPEB liability was 6.10 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, 2022

Note 10 – Postemployment Health Care Benefits (Continued)

Change in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (c) = (a) - (b)
Balance at June 30, 2020	\$ 19,297,842	\$ 5,302,136	\$ 13,995,706
Changes Recognized for the Measurement Period:			
Service Cost	555,773	-	555,773
Interest on the total OPEB liability	1,315,564	-	1,315,564
Difference between expected and actual experience	(1,159,229)	402,509	(1,561,738)
Changes of assumptions	1,545,077	-	1,545,077
Contributions from the employer	-	2,446,606	(2,446,606)
Net investment income	-	1,163,298	(1,163,298)
Administrative expenses	-	(2,199)	2,199
Benefit payments	(1,296,606)	(1,296,606)	-
Net Changes during July 1, 2020 to June 30, 2021	<u>960,579</u>	<u>2,713,608</u>	<u>(1,753,029)</u>
Balance at June 30, 2021 (Measurement Date)	<u>\$ 20,258,421</u>	<u>\$ 8,015,744</u>	<u>\$ 12,242,677</u>

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 (5.10 percent) or 1-percentage-point higher (7.10 percent) than the current discount rate:

Plan's Net OPEB Liability (Asset)		
Current Discount	Current Discount	Current Discount
Rate - 1% (5.10%)	Rate (6.10%)	Rate + 1% (7.10%)
\$ 14,461,328	\$ 12,242,677	\$ 10,366,169

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	Healthcare Cost Current Trend Rate*	Current Trend Rate
-1%	Current Trend Rate*	+ 1%
\$ 10,082,873	\$ 12,242,677	\$ 14,871,875

*Healthcare cost trend rate was assumed to start at 5.8% (increase effective January 1, 2023) and grade down to 3.9% for years 2076 and later.

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

Note 10 – Postemployment Health Care Benefits (Continued)

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

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

For the fiscal year ended June 30, 2022, the City recognized OPEB expense of \$979,267. At June 30, 2022, 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
Contributions made subsequent to the measurement date	\$ 2,574,685	\$ -
Changes of assumptions	2,212,624	-
 Differences between expected and actual experience	 -	 3,640,254
Net differences between Projected and Actual		
Earnings on Investments	-	846,216
 Total	 \$ 4,787,309	 \$ 4,486,470

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 as a reduction of the Net OPEB liability. Other 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
2023	\$ (480,190)
2024	(476,251)
2025	(479,267)
2026	(513,268)
2027	(339,652)
Thereafter	14,782
Total	 \$ (2,273,846)

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

Note 11 – Classification of Fund Balances

At June 30, 2022, fund balances are classified as follows:

	General	Parks and Recreation	Measure W Safe, Clean Water Program	Capital Outlay	General Obligation Bonds	Pension Obligation	Nonmajor Governmental Funds	Total
Nonspendable:								
Prepaid items and deposits	\$ 22,593	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,593
Inventories	901,200	-	-	-	-	-	-	901,200
Lease receivable	39,258	-	-	-	-	-	-	39,258
Total nonspendable	963,051	-	-	-	-	-	-	963,051
Restricted:								
Debt service	-	-	-	-	1,028,364	1,310	-	1,029,674
Law enforcement	-	-	-	-	-	-	870,860	870,860
Transportation / streets	-	-	-	-	-	-	11,694,083	11,694,083
Parks and recreation	-	7,826,989	-	-	-	-	-	7,826,989
Solid waste	-	-	-	-	-	-	1,980,862	1,980,862
Clean air	-	-	-	-	-	-	236,602	236,602
Clean water	-	-	987,574	-	-	-	-	987,574
Street lighting	-	-	-	-	-	-	237,394	237,394
Library	-	-	-	-	-	-	624	624
Cable access	-	-	-	-	-	-	1,006,666	1,006,666
Recycling	-	-	-	-	-	-	64,166	64,166
Total restricted	-	7,826,989	987,574	-	1,028,364	1,310	16,091,257	25,935,494
Assigned:								
Capital improvements	5,568,527	-	-	10,275,554	-	-	-	15,844,081
Equipment replacement	8,154,051	-	-	-	-	-	-	8,154,051
Self-insurance	5,000,328	-	-	-	-	-	-	5,000,328
Emergency reserves	14,447,832	-	-	-	-	-	-	14,447,832
Medical/dental fund	456,824	-	-	-	-	-	-	456,824
Total assigned	33,627,562	-	-	10,275,554	-	-	-	43,903,116
Unassigned	13,838,387	-	-	-	-	-	(549,099)	13,289,288
Total	\$ 48,429,000	\$ 7,826,989	\$ 987,574	\$ 10,275,554	\$ 1,028,364	\$ 1,310	\$ 15,542,158	\$ 84,090,949

At June 30, 2022, outstanding encumbrances are as follows:

Funds	Amount
General Fund	\$ 1,212,683
Capital Outlay Capital Projects Fund	254,539
Water Utility Fund	636,090
Sewer Maintenance Fund	866,981
Nonmajor Enterprise Funds	1,375,604
Nonmajor Governmental Funds	1,468,224
Total	\$ 5,814,121

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

Note 12 – Deficit Fund Balances/Net Position

As of June 30, 2022, deficit fund balances will be eliminated either through future revenues or transfers from the General Fund. Deficit fund balances/net position were recorded as follows:

Nonmajor Special Revenue Funds:		
CDBG		\$ 9,618
State and County Gas Tax		\$ 266,707
TDA Article 3 Bikeway		\$ 93,786
Homeland Security Fund		\$ 23,644
County Homelessness Grant		\$ 68,766
CA OES HSGP		\$ 39,797
Emergency Response		\$ 41,282
The Taskforce for Regional Autotheft Prevention		\$ 5,500
Fiduciary Fund:		
Successor Agency to the Arcadia Redevelopment		
Agency Private-Purpose Trust Fund		\$ 6,942,269

Note 13 – Restatement

During the fiscal year ended June 30, 2022, the City determined that intergovernmental revenue that was subject to eligibility requirements in the Emergency Response special revenue fund as of June 30, 2021, on a modified accrual basis of accounting, had been accrued. Therefore, an adjustment to beginning fund balance has been recorded to account for those accruals, the net effect of which decreased beginning fund balance by \$4,432,428. This revenue was not properly accrued in the government-wide statements; therefore, beginning net position was also restated by the same amount.

During the fiscal year end June 30, 2022, the City determined that certain expenditures that were recorded in the Santa Anita Grade Separation special revenue fund should have been recorded to the Prop C Local Return special revenue fund. Therefore, an adjustment to beginning fund balance has been recorded in the amount of \$1,407,778 and the net effect was zero.

Note 14 - 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 8).

City of Arcadia
Notes to the Basic Financial Statements (Continued)
June 30, 2022

Note 14 – Contingencies (Continued)

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.

REQUIRED SUPPLEMENTARY INFORMATION (Unaudited)

This page intentionally left blank

City of Arcadia
Required Supplementary Information (Unaudited)
For the Fiscal Year Ended June 30, 2022

Budgetary Comparison Schedule, General Fund

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Taxes	\$ 48,760,500	\$ 48,760,500	\$ 58,228,338	\$ 9,467,838
Licenses and permits	5,110,500	5,110,500	5,109,461	(1,039)
Fines and forfeitures	415,500	415,500	445,489	29,989
Use of money and property	1,460,700	1,460,700	453,217	(1,007,483)
Intergovernmental	8,406,700	8,406,700	8,460,942	54,242
Charges for services	4,542,700	4,542,700	5,864,391	1,321,691
Other revenues	3,290,900	2,639,258	8,333,649	5,694,391
Total revenues	71,987,500	71,335,858	86,895,487	15,559,629
EXPENDITURES:				
Current:				
General government:				
City council	228,400	241,461	208,203	33,258
City manager	870,300	930,765	916,713	14,052
City clerk	275,000	282,671	263,549	19,122
City attorney	660,100	667,771	825,901	(158,130)
General city	2,889,900	2,900,190	3,016,349	(116,159)
Administrative services	4,818,300	4,349,849	3,245,217	1,104,632
Public safety:				
Police	21,420,200	22,521,597	20,244,667	2,276,930
Fire	16,615,000	17,382,103	17,817,434	(435,331)
Public works services	4,408,000	4,759,880	4,311,280	448,600
Community development	4,814,600	5,005,520	4,521,397	484,123
Library	4,134,200	4,297,144	4,049,556	247,588
Recreation and community services	3,129,200	3,229,735	3,098,452	131,283
Debt service:				
Principal retirement	58,100	58,100	58,028	72
Total expenditures	64,321,300	66,626,786	62,576,746	4,050,040
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	7,666,200	4,709,072	24,318,741	19,609,669
OTHER FINANCING SOURCES (USES):				
Transfers in	1,719,000	1,719,000	1,813,790	94,790
Transfers out	(3,700,000)	(3,100,000)	(8,884,249)	(5,784,249)
Total other financing sources (uses)	(1,981,000)	(1,381,000)	(7,070,459)	(5,689,459)
Net changes in fund balance	\$ 5,685,200	\$ 3,328,072	\$ 17,248,282	\$ 13,920,210
FUND BALANCE:				
Beginning of fiscal year			31,180,718	
End of fiscal year			\$ 48,429,000	

See accompanying Notes to the Required Supplementary Information.

City of Arcadia
Required Supplementary Information (Unaudited)
For the Fiscal Year Ended June 30, 2022

Budgetary Comparison Schedule, Parks and Recreation Special Revenue Fund

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Use of money and property	\$ 72,300	\$ 72,300	\$ (123,464)	\$ (195,764)
Charges for services	1,200,000	1,200,000	570,486	(629,514)
Total revenues	1,272,300	1,272,300	447,022	(825,278)
EXPENDITURES:				
Current:				
Recreation and community services	4,112,900	4,118,617	41,862	4,076,755
Total expenditures	4,112,900	4,118,617	41,862	4,076,755
Net change in fund balance	\$ (2,840,600)	\$ (2,846,317)	405,160	\$ 3,251,477
FUND BALANCE:				
Beginning of fiscal year			7,421,829	
End of fiscal year			\$ 7,826,989	

City of Arcadia
Required Supplementary Information (Unaudited)
For the Fiscal Year Ended June 30, 2022

Budgetary Comparison Schedule, Measure W Safe, Clean Water Program Special Revenue Fund

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Taxes	\$ 864,000	\$ 864,000	\$ 1,015,429	\$ 151,429
Use of money and property	5,200	5,200	(50,000)	(55,200)
Total revenues	869,200	869,200	965,429	96,229
EXPENDITURES:				
Current:				
Public works services	247,000	397,000	246,174	150,826
Total expenditures	247,000	397,000	246,174	150,826
Net change in fund balance	\$ 622,200	\$ 472,200	719,255	\$ 247,055
FUND BALANCE:				
Beginning of fiscal year			268,319	
End of fiscal year			<u>\$ 987,574</u>	

City of Arcadia
Note to the Required Supplementary Information (Unaudited) (Continued)
For the Fiscal Year Ended June 30, 2022

A. General Budget Policies

All governmental funds have legally adopted budgets except for the American Rescue Plan Act Special Revenue Fund, 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, 2022

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

Schedule of Changes in the Net Pension Liability and Related Ratios

Employer Fiscal Year	Miscellaneous Plan	Public Safety	Miscellaneous Plan	Public Safety	Miscellaneous Plan	Public Safety
	2022	2022	2021	2021	2020	2020
Measurement Period	2020-21 ¹	2020-21 ¹	2019-20 ¹	2019-20 ¹	2018-19 ¹	2018-19 ¹
Total Pension Liability						
Service Cost	2,517,187	\$ 4,442,542	\$ 2,513,089	\$ 4,813,185	\$ 2,471,582	\$ 4,550,453
Interest on the Total Pension Liability	11,593,471	19,479,942	11,224,512	18,818,770	10,829,020	18,202,912
Changes of Assumptions	-	-	-	-	-	-
Difference between Expected and Actual Experience	(198,638)	(388,137)	261,219	(1,449,797)	1,256,812	93,353
Benefit Payments, including Refunds of Employee Contributions	(8,515,738)	(14,334,859)	(8,245,720)	(13,287,809)	(7,856,734)	(12,355,271)
Net Change in Total Pension Liability	5,396,282	9,199,488	5,753,100	8,894,349	6,700,680	10,491,447
Total Pension Liability - Beginning	165,344,374	277,781,031	159,591,274	268,886,682	152,890,594	258,395,235
Total Pension Liability - Ending (a)	\$ 170,740,656	\$ 286,980,519	\$ 165,344,374	\$ 277,781,031	\$ 159,591,274	\$ 268,886,682
Plan Fiduciary Net Position						
Contributions - Employer	\$ 33,024,710	\$ 74,743,487	\$ 4,951,643	\$ 9,417,055	\$ 4,372,487	\$ 8,413,611
Contributions - Employees	1,099,003	1,435,152	1,057,314	1,488,874	1,058,595	1,465,739
Net Investment Income	29,812,725	48,746,123	5,505,059	8,449,650	6,963,383	10,474,946
Benefit Payments, including Refunds of Employee Contributions	(8,515,738)	(14,334,859)	(8,245,720)	(13,287,809)	(7,856,734)	(12,355,271)
Net Plan to Plan Resource Movement	-	-	-	-	-	-
Administrative Expense	(113,886)	(173,163)	(156,334)	(236,156)	(75,953)	(113,915)
Other Miscellaneous Income/(Expense)	-	-	-	-	248	372
Net Change in Plan Fiduciary Net Position	55,306,814	110,416,740	3,111,962	5,831,614	4,462,026	7,885,482
Plan Fiduciary Net Position - Beginning	114,006,715	173,347,097	110,894,753	167,515,483	106,432,727	159,630,001
Plan Fiduciary Net Position - Ending (b)	\$ 169,313,529	\$ 283,763,837	\$ 114,006,715	\$ 173,347,097	\$ 110,894,753	\$ 167,515,483
Net Pension Liability - Ending (a)-(b)	\$ 1,427,127	\$ 3,216,682	\$ 51,337,659	\$ 104,433,934	\$ 48,696,521	\$ 101,371,199
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	99.16%	98.88%	68.95%	62.40%	69.49%	62.30%
Covered Payroll	\$ 14,626,303	\$ 15,039,071	\$ 14,526,524	\$ 16,244,295	\$ 14,123,323	\$ 15,237,762
Net Pension Liability as Percentage of Covered Payroll	9.76%	21.39%	353.41%	642.90%	344.80%	665.26%

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 generally include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the Measurement Date. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the 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 eight fiscal years are shown.

City of Arcadia
Required Supplementary Information (Unaudited) (Continued)
For the Fiscal Year Ended June 30, 2022

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

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

Employer Fiscal Year	Miscellaneous Plan		Public Safety		Miscellaneous Plan		Public Safety		Miscellaneous Plan		Public Safety	
	2019	2017-18¹	2019	2017-18¹	2018	2016-17¹	2018	2016-17¹	2017	2015-16¹	2017	2015-16¹
Measurement Period												
Total Pension Liability												
Service Cost	\$ 2,414,680		\$ 4,550,348		\$ 2,479,413		\$ 4,421,293		\$ 2,154,256		\$ 3,814,364	
Interest on the Total Pension Liability	10,388,343		17,496,493		10,112,665		16,966,601		9,896,489		16,526,033	
Changes of Assumptions	(708,241)		(1,004,801)		8,439,391		14,657,803		-		-	
Difference between Expected and Actual Experience	(510,244)		(1,131,087)		(1,844,825)		(2,513,643)		3,004		1,423,294	
Benefit Payments, including Refunds of Employee Contributions	(7,993,155)		(12,165,240)		(6,978,080)		(11,645,698)		(6,497,665)		(11,393,253)	
Net Change in Total Pension Liability	3,591,383		7,745,713		12,208,564		21,886,356		5,556,084		10,370,438	
Total Pension Liability - Beginning	149,299,211		250,649,522		137,090,647		228,763,166		131,534,563		218,392,728	
Total Pension Liability - Ending (a)	\$ 152,890,594		\$ 258,395,235		\$ 149,299,211		\$ 250,649,522		\$ 137,090,647		\$ 228,763,166	
Plan Fiduciary Net Position												
Contributions - Employer	\$ 3,857,676		\$ 7,393,585		\$ 3,547,604		\$ 6,660,024		\$ 3,252,745		\$ 6,049,364	
Contributions - Employees	1,019,318		1,591,963		1,013,824		1,401,873		1,052,718		1,323,542	
Net Investment Income	8,665,866		12,757,688		10,572,689		15,647,198		487,596		704,558	
Benefit Payments, including Refunds of Employee Contributions	(7,993,155)		(12,165,240)		(6,978,080)		(11,645,698)		(6,497,665)		(11,393,253)	
Plan to Plan Resource Movement	(2,714)		2,094		-		-		(186)		186	
Administrative Expense	(157,921)		(234,880)		(137,789)		(205,036)		(57,951)		(86,709)	
Other Miscellaneous Income/(Expense)	(299,895)		(446,041)		-		-		-		-	
Net Change in Plan Fiduciary Net Position	5,089,175		8,899,169		8,018,248		11,858,361		(1,762,743)		(3,402,312)	
Plan Fiduciary Net Position - Beginning	101,343,552		150,730,832		93,325,304		138,872,471		95,088,047		142,274,783	
Plan Fiduciary Net Position - Ending (b)	\$ 106,432,727		\$ 159,630,001		\$ 101,343,552		\$ 150,730,832		\$ 93,325,304		\$ 138,872,471	
Net Pension Liability - Ending (a)-(b)	\$ 46,457,867		\$ 98,765,234		\$ 47,955,659		\$ 99,918,690		\$ 43,765,343		\$ 89,890,695	
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.61%		61.78%		67.88%		60.14%		68.08%		60.71%	
Covered Payroll	\$ 13,505,676		\$ 15,247,111		\$ 13,759,226		\$ 14,774,086		\$ 13,185,552		\$ 14,384,057	
Net Pension Liability as Percentage of Covered Payroll	343.99%		647.76%		348.53%		676.31%		331.92%		624.93%	

City of Arcadia
Required Supplementary Information (Unaudited) (Continued)
For the Fiscal Year Ended June 30, 2022

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

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

Employer Fiscal Year	Miscellaneous Plan	Public Safety	Miscellaneous Plan	Public Safety
	2016 2014-15 ¹	2016 2014-15 ¹	2015 2013-14 ¹	2015 2013-14 ¹
Measurement Period				
Total Pension Liability				
Service Cost	\$ 2,219,359	\$ 3,763,633	\$ 2,248,238	\$ 3,861,700
Interest on the Total Pension Liability	9,503,789	15,776,405	9,195,374	15,027,164
Changes of Assumptions	(2,327,431)	(3,988,041)	-	-
Difference between Expected and Actual Experience	(1,103,125)	1,494,687	-	-
Benefit Payments, including Refunds of Employee Contributions	(6,622,897)	(10,986,006)	(6,119,226)	(9,976,294)
Net Change in Total Pension Liability	1,669,695	6,060,678	5,324,386	8,912,570
Total Pension Liability - Beginning	129,864,868	212,332,050	124,540,482	203,419,480
Total Pension Liability - Ending (a)	\$ 131,534,563	\$ 218,392,728	\$ 129,864,868	\$ 212,332,050
Plan Fiduciary Net Position				
Contributions - Employer	\$ 3,005,140	\$ 5,537,175	\$ 2,723,852	\$ 5,003,393
Contributions - Employees	1,041,598	1,299,531	1,050,853	1,500,951
Net Investment Income	2,193,768	3,239,139	14,566,912	22,017,842
Benefit Payments, including Refunds of Employee Contributions	(6,622,897)	(10,986,006)	(6,119,226)	(9,976,294)
Plan to Plan Resource Movement	(420)	(23,206)	-	-
Administrative Expense	(107,014)	(160,137)	-	-
Other Miscellaneous Income/Expense	-	-	-	-
Net Change in Plan Fiduciary Net Position	(489,825)	(1,093,504)	12,222,391	18,545,892
Plan Fiduciary Net Position - Beginning	95,577,872	143,368,287	83,355,481	124,822,395
Plan Fiduciary Net Position - Ending (b)	\$ 95,088,047	\$ 142,274,783	\$ 95,577,872	\$ 143,368,287
Net Pension Liability - Ending (a)-(b)	\$ 36,446,516	\$ 76,117,945	\$ 34,286,996	\$ 68,963,763
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.29%	65.15%	73.60%	67.52%
Covered Payroll	\$ 13,353,541	\$ 14,161,240	\$ 12,766,824	\$ 14,011,974
Net Pension Liability as Percentage of Covered Payroll	272.94%	537.51%	268.56%	492.18%

City of Arcadia
Required Supplementary Information (Unaudited) (Continued)
For the Fiscal Year Ended June 30, 2022

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

Schedule of Contributions¹

	Miscellaneous Plan			
	2022	2021	2020	2019
Employer Fiscal Year End				
Actuarially Determined Contribution	\$ 3,127,968	\$ 5,366,181	\$ 4,951,643	\$ 4,372,487
Contributions in Relation to the Actuarially Determined Contribution	(3,127,968)	(33,024,710)	(4,951,643)	(4,372,487)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ (27,658,529)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 15,336,468	\$ 14,626,303	\$ 14,526,524	\$ 14,123,323
Contributions as a Percentage of Covered Payroll	20.40%	36.69%	34.09%	30.96%

	Miscellaneous Plan			
	2018	2017	2016	2015
Employer Fiscal Year End				
Actuarially Determined Contribution	\$ 3,857,676	\$ 3,547,604	\$ 3,252,745	\$ 3,005,140
Contributions in Relation to the Actuarially Determined Contribution	(3,857,676)	(3,547,604)	(3,252,745)	(3,005,140)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 13,505,676	\$ 13,759,226	\$ 13,185,552	\$ 13,353,541
Contributions as a Percentage of Covered Payroll	28.56%	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 2021-22 were from the June 30, 2019 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 eight fiscal years are shown.

City of Arcadia
Required Supplementary Information (Unaudited) (Continued)
For the Fiscal Year Ended June 30, 2022

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

Schedule of Contributions¹

	Public Safety Plan			
	2022	2021	2020	2019
Employer Fiscal Year End	\$ 6,464,255	\$ 10,100,516	\$ 9,417,055	\$ 8,413,611
Actuarially Determined Contribution	<u>(6,464,255)</u>	<u>(74,743,487)</u>	<u>(9,417,055)</u>	<u>(8,413,611)</u>
Contributions in Relation to the Actuarially Determined Contribution	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Contribution Deficiency (Excess)	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Covered Payroll	\$ 17,150,016	\$ 15,039,071	\$ 16,244,295	\$ 15,237,762
Contributions as a Percentage of Covered Payroll	37.69%	497.00%	57.97%	55.22%
Public Safety Plan				
Employer Fiscal Year End	\$ 7,393,585	\$ 6,660,024	\$ 6,049,364	\$ 5,537,175
Actuarially Determined Contribution	<u>(7,393,585)</u>	<u>(6,660,024)</u>	<u>(6,049,364)</u>	<u>(5,537,175)</u>
Contributions in Relation to the Actuarially Determined Contribution	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Contribution Deficiency (Excess)	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Covered Payroll	\$ 15,247,111	\$ 14,774,086	\$ 14,384,057	\$ 14,161,240
Contributions as a Percentage of Covered Payroll	48.49%	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 2021-22 were from the June 30, 2019 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 eight fiscal years are shown.

City of Arcadia
Required Supplementary Information (Unaudited) (Continued)
For the Fiscal Year Ended June 30, 2022

Schedule of Changes in Net OPEB Liability and Related Ratios*

Employer Fiscal Year End Measurement Period	2021-22 2020-21 ¹	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	\$ 555,773	\$ 539,587	\$ 624,092	\$ 571,905	\$ 553,903
Interest on the Total OPEB Liability	1,315,564	1,277,195	1,473,509	1,433,073	1,373,468
Changes of Benefit Terms	-	-	-	-	-
Difference between Expected and Actual Experience	(1,159,229)	-	(4,103,434)	-	-
Changes of Assumptions	1,545,077	-	926,042	518,256	-
Benefit Payments	(1,296,606)	(1,249,082)	(1,232,218)	(1,188,482)	(1,064,775)
Net Change in Total OPEB Liability	960,579	567,700	(2,312,009)	1,334,752	862,596
Total OPEB Liability - Beginning	19,297,842	18,730,142	21,042,151	19,707,399	18,844,803
Total OPEB Liability - Ending	\$ 20,258,421	\$ 19,297,842	\$ 18,730,142	\$ 21,042,151	\$ 19,707,399
OPEB Fiduciary Net Position					
Contributions from the Employer	\$ 2,446,606	\$ 2,191,682	\$ 2,143,818	\$ 1,839,281	\$ 1,715,575
Plan experience	402,509	(137,211)	-	19,701	-
Net Investment Income	1,163,298	318,573	229,602	183,040	180,573
Administrative Expenses	(2,199)	(2,462)	(826)	(1,425)	(875)
Other expenses	-	-	-	(2,901)	-
Benefit Payments	(1,296,606)	(1,249,082)	(1,232,218)	(1,188,482)	(1,064,775)
Net Change in Plan Fiduciary Net Position	2,713,608	1,121,500	1,140,376	849,214	830,498
Plan Fiduciary Net Position - Beginning	\$ 5,302,136	\$ 4,180,636	\$ 3,040,260	2,191,046	1,360,548
Plan Fiduciary Net Position - Ending	\$ 8,015,744	\$ 5,302,136	\$ 4,180,636	\$ 3,040,260	\$ 2,191,046
Plan Net OPEB Liability - Ending	\$ 12,242,677	\$ 13,995,706	\$ 14,549,506	\$ 18,001,891	\$ 17,516,353
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	39.57%	27.48%	22.32%	14.45%	11.12%
Covered-Employee Payroll	\$ 33,974,008	\$ 34,745,161	\$ 34,666,237	\$ 33,785,974	\$ 33,578,926
Net OPEB Liability as a Percentage of Covered-Employee Payroll	36.04%	40.28%	41.97%	53.28%	52.16%

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

* Fiscal year 2018 was the 1st year of implementation, therefore only five fiscal years are shown.

City of Arcadia
Required Supplementary Information (Unaudited) (Continued)
For the Fiscal Year Ended June 30, 2022

Schedule of Contributions – OPEB

Last Ten Fiscal Years¹

	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018
Actuarially Determine Contribution	\$ 1,618,693	\$ 1,636,344	\$ 1,634,135	\$ 1,891,281	\$ 1,828,930
Contributions in Relation to the Actuarially Determined Contribution	<u>2,574,685</u>	<u>2,446,606</u>	<u>2,191,682</u>	<u>2,143,818</u>	<u>1,839,281</u>
Contribution Deficiency (Excess)	<u><u>\$ (955,992)</u></u>	<u><u>\$ (810,262)</u></u>	<u><u>\$ (557,547)</u></u>	<u><u>\$ (252,537)</u></u>	<u><u>\$ (10,351)</u></u>
Cover Employee Payroll During Fiscal Year	\$ 36,964,789	\$ 33,974,008	\$ 34,745,161	\$ 34,884,018	\$ 33,785,974
Contributions as a Percentage of Covered Employee Payroll	6.97%	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 five fiscal years are shown.

Notes to Schedule:

	June 30, 2021	June 30, 2019	June 30, 2019	June 30, 2017	June 30, 2017
Valuation Date	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Actuarial Cost Method	Normal Level	Normal Level	Normal Level	Normal Level	Normal Level
	% of Pay	% of Pay	% of Pay	% of Pay	% 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	Level % of Payroll Closed 30 Years
Amortization Period	20 Years Remain	21 Years Remain	21 Years Remain	22 Years Remain	23 Years Remain
Asset Valuation Method	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Inflation	2.50%	2.50%	2.50%	2.75%	2.75%
Healthcare Cost Trend Rates	5.8% in 2023, grading down to 3.9% by 2076	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%	3.00%	3.25%	3.25%
Investment Rate of Return	6.10%	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	From 50 to 75
Mortality	2017 CalPERS Experience Study	2017 CalPERS Experience Study	2017 CalPERS Experience Study	2017 CalPERS Experience Study	2017 CalPERS Experience Study
Mortality Improvement	MW Scale 2022	MW Scale 2020	MW Scale 2020	MW Scale 2017	MW Scale 2017

This page intentionally left blank

SUPPLEMENTARY INFORMATION

This page intentionally left blank

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.

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 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.

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

SPECIAL REVENUE FUNDS (Continued)

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.

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.

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

SPECIAL REVENUE FUNDS (Continued)

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.

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.

The Taskforce for Regional Autotheft Prevention Fund - established to investigates, prosecutes and deters vehicle theft and vehicle fraud on a coordinated and cooperative basis.

NONMAJOR ENTERPRISE 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.

This page intentionally left blank

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, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Taxes	\$ 315,000	\$ 315,000	\$ 357,399	\$ 42,399
Use of money and property	60,000	60,000	(170,347)	(230,347)
Intergovernmental	168,000	168,000	-	(168,000)
Total revenues	543,000	543,000	187,052	(355,948)
EXPENDITURES				
Current:				
General government:				
General City	334,700	568,832	51,389	517,443
Public safety:				
Police	60,000	173,414	31,800	141,614
Fire	303,000	945,359	425,569	519,790
Public works services	2,040,000	2,679,989	1,100,967	1,579,022
Library	30,000	187,176	15,630	171,546
Recreation and community services	1,007,000	1,154,693	553,562	601,131
Total expenditures	3,774,700	5,709,463	2,178,917	3,530,546
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,231,700)	(5,166,463)	(1,991,865)	3,174,598
OTHER FINANCING SOURCES (USES):				
Transfers in	2,400,000	2,400,000	2,400,000	-
Total other financing sources (uses)	2,400,000	2,400,000	2,400,000	-
Net change in fund balance	\$ (831,700)	\$ (2,766,463)	408,135	\$ 3,174,598
FUND BALANCE:				
Beginning of fiscal year			9,867,419	
End of fiscal year			\$ 10,275,554	

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, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Taxes	\$ 1,065,000	\$ 1,065,000	\$ 1,074,335	\$ 9,335
Use of money and property	200	200	(19,617)	(19,817)
Total revenues	1,065,200	1,065,200	1,054,718	(10,482)
EXPENDITURES:				
Current:				
General government:				
General city	2,300	2,300	107,800	(105,500)
Debt service:				
Principal retirement	705,000	705,000	705,000	-
Interest and fiscal charges	307,600	307,600	232,803	74,797
Total expenditures	1,014,900	1,014,900	1,045,603	(30,703)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	50,300	50,300	9,115	(41,185)
OTHER FINANCING SOURCES (USES):				
Proceeds from bond issuance	-	-	8,852,000	8,852,000
Payment to escrow for bonds refunding	-	-	(8,739,704)	(8,739,704)
Total other financing sources (uses)	-	-	112,296	112,296
Net change in fund balance	\$ 50,300	\$ 50,300	121,411	\$ 71,111
FUND BALANCE:				
Beginning of fiscal year			<u>906,953</u>	
End of fiscal year			<u>\$ 1,028,364</u>	

This page intentionally left blank.

City of Arcadia
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022

	Special Revenue				
	Narcotics Seizure	COPS SLESF	OTS Grant	Traffic Safety	Solid Waste
ASSETS					
Cash and investments	\$ 122,086	\$ 275,875	\$ -	\$ 732	\$ 1,893,629
Cash and investments with fiscal agent	-	-	-	-	-
Accounts receivable	-	-	-	-	10,059
Interest receivable	-	426	-	-	2,922
Due from other governments	<u>11,382</u>	<u>-</u>	<u>5,264</u>	<u>2,375</u>	<u>85,071</u>
Total assets	<u>\$ 133,468</u>	<u>\$ 276,301</u>	<u>\$ 5,264</u>	<u>\$ 3,107</u>	<u>\$ 1,991,681</u>
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ 3,107	\$ 6,989
Accrued salaries payable	-	4,718	-	-	3,830
Due to other funds	-	-	1,709	-	-
Unearned revenue	-	-	-	-	-
Deposits	-	-	-	-	-
Retentions payable	-	-	-	-	-
Total liabilities	<u>-</u>	<u>4,718</u>	<u>1,709</u>	<u>3,107</u>	<u>10,819</u>
Deferred Inflow of Resources:					
Unavailable revenue	-	-	-	-	-
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:					
Restricted	133,468	271,583	3,555	-	1,980,862
Unassigned	-	-	-	-	-
Total fund balances (deficits)	<u>133,468</u>	<u>271,583</u>	<u>3,555</u>	<u>-</u>	<u>1,980,862</u>
Total liabilities and deferred inflow of resources and fund balances	<u>\$ 133,468</u>	<u>\$ 276,301</u>	<u>\$ 5,264</u>	<u>\$ 3,107</u>	<u>\$ 1,991,681</u>

(Continued)

City of Arcadia
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
June 30, 2022

	Special Revenue				
	AQMD	CDBG	Prop A Transit	Transportation Impact	State and County Gas Tax
ASSETS					
Cash and investments	\$ 236,237	\$ -	\$ 2,863,426	\$ 1,366,272	\$ -
Cash and investments with fiscal agent	-	-	-	-	-
Accounts receivable	-	-	-	-	-
Interest receivable	365	-	4,446	2,109	-
Due from other governments	-	254,576	-	-	105,465
Total assets	\$ 236,602	\$ 254,576	\$ 2,867,872	\$ 1,368,381	\$ 105,465
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ 16,347	\$ 1,378	\$ 75,319	\$ -
Accrued salaries payable	-	-	5,775	-	-
Due to other funds	-	228,272	-	-	372,172
Unearned revenue	-	-	-	-	-
Deposits	-	-	-	-	-
Retentions payable	-	9,277	-	-	-
Total liabilities	-	253,896	7,153	75,319	372,172
Deferred Inflow of Resources:					
Unavailable revenue	-	10,298	-	-	-
Total deferred inflow of resources	-	10,298	-	-	-
Fund Balances:					
Restricted	236,602	-	2,860,719	1,293,062	-
Unassigned	-	(9,618)	-	-	(266,707)
Total fund balances (deficits)	236,602	(9,618)	2,860,719	1,293,062	(266,707)
Total liabilities and deferred inflow of resources and fund balances	\$ 236,602	\$ 254,576	\$ 2,867,872	\$ 1,368,381	\$ 105,465

(Continued)

City of Arcadia
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
June 30, 2022

	Special Revenue				
	Measure R	Lighting Maintenance	Prop C	IRS Task Force	TDA Article 3 Bikeway
ASSETS					
Cash and investments	\$ 1,614,013	\$ 277,682	\$ 1,886,742	\$ 462,254	\$ -
Cash and investments with fiscal agent	-	-	-	-	-
Accounts receivable	-	-	97,185	-	-
Interest receivable	2,484	368	4,531	-	-
Due from other governments	-	19,116	-	-	41,749
Total assets	<u>\$ 1,616,497</u>	<u>\$ 297,166</u>	<u>\$ 1,988,458</u>	<u>\$ 462,254</u>	<u>\$ 41,749</u>
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ 52,742	\$ 10,725	\$ -	\$ 90,379
Accrued salaries payable	2,003	7,030	2,856	-	-
Due to other funds	-	-	-	-	40,399
Unearned revenue	-	-	-	-	-
Deposits	-	-	-	-	-
Retentions payable	-	-	-	-	4,757
Total liabilities	<u>2,003</u>	<u>59,772</u>	<u>13,581</u>	<u>-</u>	<u>135,535</u>
Deferred Inflow of Resources:					
Unavailable revenue	-	-	-	-	-
Total deferred inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:					
Restricted	1,614,494	237,394	1,974,877	462,254	-
Unassigned	-	-	-	-	(93,786)
Total fund balances (deficits)	<u>1,614,494</u>	<u>237,394</u>	<u>1,974,877</u>	<u>462,254</u>	<u>(93,786)</u>
Total liabilities and deferred inflow of resources and fund balances	<u>\$ 1,616,497</u>	<u>\$ 297,166</u>	<u>\$ 1,988,458</u>	<u>\$ 462,254</u>	<u>\$ 41,749</u>

(Continued)

City of Arcadia
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
June 30, 2022

	Special Revenue					
	Santa Anita		Library		PEG	
	Grade Separation	Homeland Security	State Grant	Access Television	Used Oil Grant	
ASSETS						
Cash and investments	\$ 819,545	\$ -	\$ 624	\$ 987,994	\$ 8,500	
Cash and investments with fiscal agent	-	-	-	-	-	
Accounts receivable	1	-	-	-	-	
Interest receivable	-	-	-	1,526	13	
Due from other governments	-	-	-	17,146	-	
Total assets	\$ 819,546	\$ -	\$ 624	\$ 1,006,666	\$ 8,513	
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 688	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued salaries payable	-	-	-	-	-	-
Due to other funds	99,439	23,644	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Deposits	-	-	-	-	-	-
Retentions payable	-	-	-	-	-	-
Total liabilities	100,127	23,644	-	-	-	-
Deferred Inflow of Resources:						
Unavailable revenue	-	-	-	-	-	-
Total deferred inflow of resources	-	-	-	-	-	-
Fund Balances:						
Restricted	-	-	624	1,006,666	8,513	
Unassigned	719,419	(23,644)	-	-	-	-
Total fund balances (deficits)	719,419	(23,644)	624	1,006,666	8,513	
Total liabilities and deferred inflow of resources and fund balances	\$ 819,546	\$ -	\$ 624	\$ 1,006,666	\$ 8,513	

(Continued)

City of Arcadia
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
June 30, 2022

	Special Revenue							
	Road Maintenance and Rehabilitation		County		Homelessness Grant	CA OES HSGP		
	DOC Beverage Grant	Act	Measure M					
ASSETS								
Cash and investments	\$ 55,567	\$ 1,367,650	\$ 2,081,346	\$ -	\$ -	\$ -	\$ -	
Cash and investments with fiscal agent	-	-	-	-	-	-	-	
Accounts receivable	-	-	-	-	-	-	-	
Interest receivable	86	2,111	3,213	-	-	-	-	
Due from other governments	-	102,885	-	-	-	-	-	
Total assets	\$ 55,653	\$ 1,472,646	\$ 2,084,559	\$ -	\$ -	\$ -	\$ -	
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ -	\$ 1,115	\$ 324,577	\$ 675	\$ 27	\$ -	\$ -	
Accrued salaries payable	-	-	-	1,405	-	-	-	
Due to other funds	-	-	-	66,686	39,770	-	-	
Unearned revenue	-	-	-	-	-	-	-	
Deposits	-	-	-	-	-	-	-	
Retentions payable	-	-	-	-	-	-	-	
Total liabilities	-	1,115	324,577	68,766	39,797	-	-	
Deferred Inflow of Resources:								
Unavailable revenue	-	-	-	-	-	-	-	
Total deferred inflow of resources	-	-	-	-	-	-	-	
Fund Balances:								
Restricted	55,653	1,471,531	1,759,982	-	-	-	-	
Unassigned	-	-	-	(68,766)	(39,797)	(39,797)	(39,797)	
Total fund balances (deficits)	55,653	1,471,531	1,759,982	(68,766)	(39,797)	(39,797)	(39,797)	
Total liabilities and deferred inflow of resources and fund balances	\$ 55,653	\$ 1,472,646	\$ 2,084,559	\$ -	\$ -	\$ -	\$ -	

City of Arcadia
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
June 30, 2022

	Special Revenue		Total	
	Emergency Response	The Taskforce for Regional Autotheft Prevention	Nonmajor Governmental Funds	
ASSETS				
Cash and investments	\$ 79,825	\$ -	\$ 16,399,999	
Cash and investments with fiscal agent	-	-	-	
Accounts receivable	-	-	107,245	
Interest receivable	-	-	24,600	
Due from other governments	-	-	645,029	
Total assets	\$ 79,825	\$ -	\$ 17,176,873	
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 81,899	\$ -	\$ 665,967	
Accrued salaries payable	-	-	27,617	
Due to other funds	-	5,500	877,591	
Unearned revenue	-	-	-	
Deposits	39,208	-	39,208	
Retentions payable	-	-	14,034	
Total liabilities	121,107	5,500	1,624,417	
Deferred Inflow of Resources:				
Unavailable revenue	-	-	10,298	
Total deferred inflow of resources	-	-	10,298	
Fund Balances:				
Restricted	-	-	15,371,839	
Unassigned	(41,282)	(5,500)	170,319	
Total fund balances (deficits)	(41,282)	(5,500)	15,542,158	
Total liabilities and deferred inflow of resources and fund balances	\$ 79,825	\$ -	\$ 17,176,873	

(Concluded)

City of Arcadia
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2022

	Special Revenue				
	Narcotics Seizure	COPS SLESF	OTS Grant	Traffic Safety	Solid Waste
REVENUES:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 580,576
Licenses and permits	-	-	-	-	-
Fines and forfeitures	-	-	-	138,940	-
Use of money and property	120	(4,320)	-	-	(30,492)
Intergovernmental	-	-	36,176	-	82,290
Charges for services	45,505	-	-	-	124,734
Other revenues	-	161,285	-	-	2,520
Total revenues	45,625	156,965	36,176	138,940	759,628
EXPENDITURES:					
Current:					
General government:					
General city	-	-	-	-	-
Public safety:					
Police	-	152,750	32,621	-	-
Fire	-	-	-	-	-
Public works services	-	-	-	-	413,751
Community development	-	-	-	-	-
Recreation and community services	-	-	-	-	-
Total expenditures	-	152,750	32,621	-	413,751
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	45,625	4,215	3,555	138,940	345,877
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	(16,742)	-	-	(138,940)	(300,000)
Total other financing sources (uses)	(16,742)	-	-	(138,940)	(300,000)
Net changes in fund balances	28,883	4,215	3,555	-	45,877
FUND BALANCES (DEFICIT):					
Beginning of fiscal year	104,585	267,368	-	-	1,934,985
Prior period adjustments	-	-	-	-	-
Beginning of fiscal year, restated	104,585	267,368	-	-	1,934,985
End of fiscal year	\$ 133,468	\$ 271,583	\$ 3,555	\$ -	\$ 1,980,862

(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, 2022

	Special Revenue				
	AQMD	CDBG	Prop A Transit	Transportation Impact	State and County Gas Tax
REVENUES:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	- -	- -	- -	146,497	- -
Fines and forfeitures	- -	- -	- -	- -	- -
Use of money and property	(3,715) -	(42,330)	(22,166)	56	- -
Intergovernmental	55,253 423,180	1,444,776	- -	1,351,608	- -
Charges for services	- 25,610	- -	- -	- -	- -
Other revenues	- -	- -	- -	- -	- -
Total revenues	51,538	448,790	1,402,446	124,331	1,351,664
EXPENDITURES:					
Current:					
General government:					
General city	- -	- -	- -	- -	- -
Public safety:					
Police	- -	- -	- -	- -	- -
Fire	- -	- -	- -	- -	- -
Public works services	- -	128,964	- -	2,984	- -
Community development	17,448 378,400	115,439	389,521	- -	- -
Recreation and community services	- 79,609	17,687	- -	- -	- -
Total expenditures	17,448	458,009	262,090	389,521	2,984
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	34,090	(9,219)	1,140,356	(265,190)	1,348,680
OTHER FINANCING SOURCES (USES):					
Transfers in	- -	- -	- -	- -	- -
Transfers out	- -	(722,870)	- -	(1,358,108)	- -
Total other financing sources (uses)	- -	(722,870)	- -	(1,358,108)	- -
Net changes in fund balances	34,090	(9,219)	417,486	(265,190)	(9,428)
FUND BALANCES (DEFICIT):					
Beginning of fiscal year	202,512 (399)	2,443,233	1,558,252	(257,279)	- -
Prior period adjustments	- -	- -	- -	- -	- -
Beginning of fiscal year, restated	202,512 (399)	2,443,233	1,558,252	(257,279)	- -
End of fiscal year	\$ 236,602	\$ (9,618)	\$ 2,860,719	\$ 1,293,062	\$ (266,707)

(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, 2022

	Special Revenue				
	Measure R	Lighting Maintenance	Prop C	IRS Task Force	TDA Article 3 Bikeway
		-	-	-	-
REVENUES:					
Taxes	\$ -	\$ 506,743	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Use of money and property	(23,226)	(4,696)	(49,477)	765	-
Intergovernmental	1,347,113	-	1,886,771	-	41,749
Charges for services	-	-	-	-	-
Other revenues	28,724	-	-	-	-
Total revenues	1,352,611	502,047	1,837,294	765	41,749
EXPENDITURES:					
Current:					
General government:					
General city	-	-	-	-	-
Public safety:					
Police	-	-	-	-	-
Fire	-	-	-	-	-
Public works services	-	1,231,819	-	-	-
Community development	259,915	-	1,269,260	-	95,136
Recreation and community services	-	-	-	-	-
Total expenditures	259,915	1,231,819	1,269,260	-	95,136
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,092,696	(729,772)	568,034	765	(53,387)
OTHER FINANCING SOURCES (USES):					
Transfers in	-	739,091	-	-	-
Transfers out	(498,580)	-	-	-	-
Total other financing sources (uses)	(498,580)	739,091	-	-	-
Net changes in fund balances	594,116	9,319	568,034	765	(53,387)
FUND BALANCES (DEFICIT):					
Beginning of fiscal year	1,020,378	228,075	2,814,621	461,489	(40,399)
Prior period adjustments	-	-	(1,407,778)	-	-
Beginning of fiscal year, restated	1,020,378	228,075	1,406,843	461,489	(40,399)
End of fiscal year	\$ 1,614,494	\$ 237,394	\$ 1,974,877	\$ 462,254	\$ (93,786)

(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, 2022

	Special Revenue				
	Santa Anita	Library	PEG	Used Oil	Grant
	Grade Separation	Homeland Security	State Grant		
REVENUES:					
Taxes	\$ -	\$ -	\$ -	\$ 65,604	\$ -
Licenses and permits	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Use of money and property	785	-	-	(15,625)	(175)
Intergovernmental	-	-	-	-	4,682
Charges for services	-	-	-	-	-
Other revenues	-	-	-	-	-
Total revenues	785	-	-	49,979	4,507
EXPENDITURES:					
Current:					
General government:					
General city	-	-	-	-	-
Public safety:					
Police	-	-	-	-	-
Fire	-	20,627	-	-	-
Public works services	-	-	-	-	3,468
Community development	17,001	-	-	-	-
Recreation and community services	-	-	-	-	-
Total expenditures	17,001	20,627	-	-	3,468
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(16,216)	(20,627)	-	49,979	1,039
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net changes in fund balances	(16,216)	(20,627)	-	49,979	1,039
FUND BALANCES (DEFICIT):					
Beginning of fiscal year	(672,143)	(3,017)	624	956,687	7,474
Prior period adjustments	1,407,778	-	-	-	-
Beginning of fiscal year, restated	735,635	(3,017)	624	956,687	7,474
End of fiscal year	\$ 719,419	\$ (23,644)	\$ 624	\$ 1,006,666	\$ 8,513

(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, 2022

	Special Revenue				
	DOC Beverage Grant	Road Maintenance and Rehabilitation		County Homelessness Grant	CA OES HSGP
		Act	Measure M		
REVENUES:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Use of money and property	(899)	(20,587)	(32,640)	-	-
Intergovernmental	14,567	1,152,183	1,080,673	151,491	-
Charges for services	-	-	-	-	-
Other revenues	-	-	-	-	-
Total revenues	13,668	1,131,596	1,048,033	151,491	-
EXPENDITURES:					
Current:					
General government:					
General city	-	-	-	-	-
Public safety:					
Police	-	-	-	-	39,797
Fire	-	-	-	-	-
Public works services	24,923	-	-	-	-
Community development	-	853,070	493,548	-	-
Recreation and community services	-	-	-	178,934	-
Total expenditures	24,923	853,070	493,548	178,934	39,797
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(11,255)	278,526	554,485	(27,443)	(39,797)
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net changes in fund balances	(11,255)	278,526	554,485	(27,443)	(39,797)
FUND BALANCES (DEFICIT):					
Beginning of fiscal year	66,908	1,193,005	1,205,497	(41,323)	-
Prior period adjustments	-	-	-	-	-
Beginning of fiscal year, restated	<u>66,908</u>	<u>1,193,005</u>	<u>1,205,497</u>	<u>(41,323)</u>	<u>-</u>
End of fiscal year	<u>\$ 55,653</u>	<u>\$ 1,471,531</u>	<u>\$ 1,759,982</u>	<u>\$ (68,766)</u>	<u>\$ (39,797)</u>

City of Arcadia
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds (Continued)
For the Fiscal Year Ended June 30, 2022

	Special Revenue		Total
	The Taskforce for Regional Autotheft Prevention		Nonmajor Governmental Funds
	Emergency Response		
REVENUES:			
Taxes	\$ -	\$ -	\$ 1,152,923
Licenses and permits	-	-	146,497
Fines and forfeitures	-	-	138,940
Use of money and property	-	-	(248,622)
Intergovernmental	254,522	-	9,327,034
Charges for services	-	-	195,849
Other revenues	-	-	192,529
Total revenues	254,522	-	10,905,150
EXPENDITURES:			
Current:			
General government:			
General city	122,890	-	122,890
Public safety:			
Police	-	5,500	230,668
Fire	-	-	20,627
Public works services	-	-	1,805,909
Community development	-	-	3,888,738
Recreation and community services	-	-	276,230
Total expenditures	122,890	5,500	6,345,062
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	131,632	(5,500)	4,560,088
OTHER FINANCING SOURCES (USES):			
Transfers in	-	-	739,091
Transfers out	-	-	(3,035,240)
Total other financing sources (uses)	-	-	(2,296,149)
Net changes in fund balances	131,632	(5,500)	2,263,939
FUND BALANCES (DEFICIT):			
Beginning of fiscal year	4,259,514	-	17,710,647
Prior period adjustments	(4,432,428)	-	(4,432,428)
Beginning of fiscal year, restated	<u>(172,914)</u>	<u>-</u>	<u>13,278,219</u>
End of fiscal year	<u>\$ (41,282)</u>	<u>\$ (5,500)</u>	<u>\$ 15,542,158</u>

(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, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Use of money and property	\$ 100	\$ 100	\$ 120	\$ 20
Charges for services	30,700	30,700	45,505	14,805
Other revenues	20,000	20,000	-	(20,000)
Total revenues	50,800	50,800	45,625	(5,175)
EXPENDITURES:				
Current:				
Public safety:				
Police	-	-	-	-
Total expenditures	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	50,800	50,800	45,625	(5,175)
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	(16,742)	(16,742)
Total other financing sources (uses)	-	-	(16,742)	(16,742)
Net change in fund balance	\$ 50,800	\$ 50,800	28,883	\$ (21,917)
FUND BALANCE:				
Beginning of fiscal year			104,585	
End of fiscal year			\$ 133,468	

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, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Use of money and property	\$ 2,200	\$ 2,200	\$ (4,320)	\$ (6,520)
Other revenues	150,000	150,000	161,285	11,285
Total revenues	152,200	152,200	156,965	4,765
EXPENDITURES:				
Current:				
Public safety:				
Police	152,400	152,400	152,750	(350)
Total expenditures	152,400	152,400	152,750	(350)
Net change in fund balance	\$ (200)	\$ (200)	4,215	\$ 4,415
FUND BALANCE:				
Beginning of fiscal year			267,368	
End of fiscal year			\$ 271,583	

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, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 96,500	\$ 96,500	\$ 36,176	\$ (60,324)
Total revenues	96,500	96,500	36,176	(60,324)
EXPENDITURES:				
Current:				
Public safety:				
Police	96,500	96,500	32,621	63,879
Total expenditures	96,500	96,500	32,621	63,879
Net change in fund balance	\$ -	\$ -	3,555	\$ 3,555
FUND BALANCE:				
Beginning of fiscal year				-
End of fiscal year			\$ 3,555	

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, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Fines and forfeitures	\$ 197,000	\$ 197,000	\$ 138,940	\$ (58,060)
Total revenues	197,000	197,000	138,940	(58,060)
OTHER FINANCING SOURCES (USES):				
Transfers out	(159,000)	(159,000)	(138,940)	20,060
Total other financing sources (uses)	(159,000)	(159,000)	(138,940)	20,060
Net change in fund balance	\$ 38,000	\$ 38,000	-	\$ (38,000)
FUND BALANCE:				
Beginning of fiscal year			-	
End of fiscal year			\$ -	

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, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Taxes	\$ 550,000	\$ 550,000	\$ 580,576	\$ 30,576
Use of money and property	16,000	16,000	(30,492)	(46,492)
Intergovernmental	-	-	82,290	82,290
Charges for services	127,000	127,000	124,734	(2,266)
Other revenues	500	500	2,520	2,020
Total revenues	693,500	693,500	759,628	66,128
EXPENDITURES:				
Current:				
Public works services	420,100	443,130	413,751	29,379
Total expenditures	420,100	443,130	413,751	29,379
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	273,400	250,370	345,877	95,507
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	\$ (26,600)	\$ (49,630)	45,877	\$ 95,507
FUND BALANCE:				
Beginning of fiscal year			1,934,985	
End of fiscal year			\$ 1,980,862	

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, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Use of money and property	\$ 700	\$ 700	\$ (3,715)	\$ (4,415)
Intergovernmental	74,000	74,000	55,253	(18,747)
Total revenues	74,700	74,700	51,538	(23,162)
EXPENDITURES:				
Current:				
Public works services	50,000	160,000	-	160,000
Community development	22,300	22,300	17,448	4,852
Total expenditures	72,300	182,300	17,448	164,852
Net change in fund balance	\$ 2,400	\$ (107,600)	34,090	\$ 141,690
FUND BALANCE:				
Beginning of fiscal year			202,512	
End of fiscal year			\$ 236,602	

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, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 301,500	\$ 301,500	\$ 423,180	\$ 121,680
Charges for services	29,700	29,700	25,610	(4,090)
Total revenues	331,200	331,200	448,790	117,590
EXPENDITURES:				
Current:				
Community development	242,300	444,728	378,400	66,328
Recreation and community services	88,900	88,900	79,609	9,291
Total expenditures	331,200	533,628	458,009	75,619
Net change in fund balance	\$ -	\$ (202,428)	(9,219)	\$ 193,209
FUND BALANCE:				
Beginning of fiscal year				(399)
End of fiscal year				\$ (9,618)

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, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Use of money and property	\$ 19,500	\$ 19,500	\$ (42,330)	\$ (61,830)
Intergovernmental	1,155,400	1,155,400	1,444,776	289,376
Total revenues	1,174,900	1,174,900	1,402,446	227,546
EXPENDITURES:				
Current:				
Public works services	119,000	124,747	128,964	(4,217)
Community development	113,400	120,109	115,439	4,670
Recreation and community services	20,700	20,700	17,687	3,013
Total expenditures	253,100	265,556	262,090	3,466
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	921,800	909,344	1,140,356	231,012
OTHER FINANCING SOURCES (USES):				
Transfers out	(800,000)	(800,000)	(722,870)	77,130
Total other financing sources (uses)	(800,000)	(800,000)	(722,870)	77,130
Net change in fund balance	\$ 121,800	\$ 109,344	417,486	\$ 308,142
FUND BALANCE:				
Beginning of fiscal year			2,443,233	
End of fiscal year			\$ 2,860,719	

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, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Licenses and permits	\$ 300,000	\$ 300,000	\$ 146,497	\$ (153,503)
Use of money and property	17,000	17,000	(22,166)	(39,166)
Total revenues	317,000	317,000	124,331	(192,669)
EXPENDITURES:				
Current:				
Community development	100,000	2,068,493	389,521	1,678,972
Total expenditures	100,000	2,068,493	389,521	1,678,972
Net change in fund balance	\$ 217,000	\$ (1,751,493)	(265,190)	\$ 1,486,303
FUND BALANCE:				
Beginning of fiscal year			1,558,252	
End of fiscal year			<u>\$ 1,293,062</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, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 56	\$ 56
Intergovernmental	1,458,600	1,458,600	1,351,608	(106,992)
Total revenues	1,458,600	1,458,600	1,351,664	(106,936)
EXPENDITURES:				
Current:				
Public works services	-	-	2,984	(2,984)
Total expenditures	-	-	2,984	(2,984)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,458,600	1,458,600	1,348,680	(109,920)
OTHER FINANCING SOURCES (USES):				
Transfers out	(1,260,000)	(1,260,000)	(1,358,108)	(98,108)
Total other financing sources (uses)	(1,260,000)	(1,260,000)	(1,358,108)	(98,108)
Net change in fund balance	\$ 198,600	\$ 198,600	(9,428)	\$ (208,028)
FUND BALANCE (DEFICITS):				
Beginning of fiscal year			(257,279)	
End of fiscal year			\$ (266,707)	

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, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Use of money and property	\$ 7,000	\$ 7,000	\$ (23,226)	\$ (30,226)
Intergovernmental	718,800	718,800	1,347,113	628,313
Other revenues	-	-	28,724	28,724
Total revenues	725,800	725,800	1,352,611	626,811
EXPENDITURES:				
Current:				
Community development	64,600	580,267	259,915	320,352
Total expenditures	64,600	580,267	259,915	320,352
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	661,200	145,533	1,092,696	947,163
OTHER FINANCING SOURCES (USES):				
Transfers out	(550,000)	(550,000)	(498,580)	51,420
Total other financing sources (uses)	(550,000)	(550,000)	(498,580)	51,420
Net change in fund balance	\$ 111,200	\$ (404,467)	594,116	\$ 998,583
FUND BALANCE:				
Beginning of fiscal year			1,020,378	
End of fiscal year			\$ 1,614,494	

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, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Taxes	\$ 525,000	\$ 525,000	\$ 506,743	\$ (18,257)
Use of money and property	2,000	2,000	(4,696)	(6,696)
Total revenues	527,000	527,000	502,047	(24,953)
EXPENDITURES:				
Current:				
Public works services	1,265,400	1,286,402	1,231,819	54,583
Total expenditures	1,265,400	1,286,402	1,231,819	54,583
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(738,400)	(759,402)	(729,772)	29,630
OTHER FINANCING SOURCES (USES):				
Transfers in	700,000	700,000	739,091	39,091
Total other financing sources (uses)	700,000	700,000	739,091	39,091
Net change in fund balance	\$ (38,400)	\$ (59,402)	9,319	\$ 68,721
FUND BALANCE:				
Beginning of fiscal year			228,075	
End of fiscal year			\$ 237,394	

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, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Use of money and property	\$ 24,000	\$ 24,000	\$ (49,477)	\$ (73,477)
Intergovernmental	958,300	958,300	1,886,771	928,471
Total revenues	982,300	982,300	1,837,294	854,994
EXPENDITURES:				
Current:				
Community development	1,196,500	2,958,527	1,269,260	1,689,267
Total expenditures	1,196,500	2,958,527	1,269,260	1,689,267
Net change in fund balance	\$ (214,200)	\$ (1,976,227)	568,034	\$ 2,544,261
FUND BALANCE:				
Beginning of fiscal year			2,814,621	
Prior period adjustments			(1,407,778)	
Beginning of fiscal year, restated			1,406,843	
End of fiscal year			\$ 1,974,877	

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, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Use of money and property	\$ 500	\$ 500	\$ 765	\$ 265
Total revenues	500	500	765	265
Net change in fund balance	\$ 500	\$ 500	765	\$ 265

FUND BALANCE:

Beginning of fiscal year	<u>461,489</u>
End of fiscal year	<u>\$ 462,254</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, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 100,000	\$ 100,000	\$ 41,749	\$ (58,251)
Total revenues	100,000	100,000	41,749	(58,251)
EXPENDITURES:				
Current:				
Community development	100,000	100,503	95,136	5,367
Total expenditures	100,000	100,503	95,136	5,367
Net change in fund balance	\$ -	\$ (503)	(53,387)	\$ (52,884)
FUND BALANCE (DEFICIT):				
Beginning of fiscal year			(40,399)	
End of fiscal year			<u>\$ (93,786)</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, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Use of money and property	\$ 12,000	\$ 12,000	\$ 785	\$ (11,215)
Intergovernmental	-	-	-	-
Total revenues	12,000	12,000	785	(11,215)
EXPENDITURES:				
Current:				
Community development	-	192,127	17,001	175,126
Total expenditures	-	192,127	17,001	175,126
Net change in fund balance	\$ 12,000	\$ (180,127)	(16,216)	\$ 163,911
FUND BALANCE (DEFICIT):				
Beginning of fiscal year			(672,143)	
Prior period adjustments			1,407,778	
Beginning of fiscal year, restated			735,635	
End of fiscal year			\$ 719,419	

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, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES:				
Current:				
Public safety:				
Fire	-	50,000	20,627	29,373
Total expenditures	-	50,000	20,627	29,373
Net change in fund balance	\$ -	\$ (50,000)	(20,627)	\$ 29,373
FUND BALANCE (DEFICIT):				
Beginning of fiscal year			(3,017)	
End of fiscal year			\$ (23,644)	

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, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Taxes	\$ 80,000	\$ 80,000	\$ 65,604	\$ (14,396)
Use of money and property	7,800	7,800	(15,625)	(23,425)
Total revenues	87,800	87,800	49,979	(37,821)
EXPENDITURES:				
Current:				
General city	25,000	25,000	-	25,000
Total expenditures	25,000	25,000	-	25,000
Net change in fund balance	\$ 62,800	\$ 62,800	49,979	\$ (12,821)
FUND BALANCE:				
Beginning of fiscal year			956,687	
End of fiscal year			<u>\$ 1,006,666</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, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ (175)	\$ (175)
Intergovernmental	<u>15,500</u>	<u>15,500</u>	<u>4,682</u>	<u>(10,818)</u>
Total revenues	<u>15,500</u>	<u>15,500</u>	<u>4,507</u>	<u>(10,993)</u>
EXPENDITURES:				
Current:				
Public works services	<u>15,000</u>	<u>15,000</u>	<u>3,468</u>	<u>11,532</u>
Total expenditures	<u>15,000</u>	<u>15,000</u>	<u>3,468</u>	<u>11,532</u>
Net change in fund balance	<u>\$ 500</u>	<u>\$ 500</u>	<u>1,039</u>	<u>\$ 539</u>
FUND BALANCE:				
Beginning of fiscal year			<u>7,474</u>	
End of fiscal year			<u>\$ 8,513</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, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Use of money and property	\$ 500	\$ 500	\$ (899)	\$ (1,399)
Intergovernmental	<u>14,500</u>	<u>14,500</u>	<u>14,567</u>	<u>67</u>
Total revenues	<u>15,000</u>	<u>15,000</u>	<u>13,668</u>	<u>(1,332)</u>
EXPENDITURES:				
Current:				
Public works services	<u>14,500</u>	<u>14,500</u>	<u>24,923</u>	<u>(10,423)</u>
Total expenditures	<u>14,500</u>	<u>14,500</u>	<u>24,923</u>	<u>(10,423)</u>
Net change in fund balance	<u>\$ 500</u>	<u>\$ 500</u>	<u>(11,255)</u>	<u>\$ (11,755)</u>
FUND BALANCE:				
Beginning of fiscal year			<u>66,908</u>	
End of fiscal year			<u>\$ 55,653</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, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Use of money and property	\$ 3,000	\$ 3,000	\$ (20,587)	\$ (23,587)
Intergovernmental	1,151,000	1,151,000	1,152,183	1,183
Total revenues	1,154,000	1,154,000	1,131,596	(22,404)
EXPENDITURES:				
Current:				
Community development	1,100,000	2,198,482	853,070	1,345,412
Total expenditures	1,100,000	2,198,482	853,070	1,345,412
Net change in fund balance	\$ 54,000	\$ (1,044,482)	278,526	\$ 1,323,008
FUND BALANCE:				
Beginning of fiscal year			1,193,005	
End of fiscal year			\$ 1,471,531	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Measure M Special Revenue Fund
For the Fiscal Year Ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Use of money and property	\$ 6,000	\$ 6,000	\$ (32,640)	\$ (38,640)
Intergovernmental	<u>2,414,600</u>	<u>2,414,600</u>	<u>1,080,673</u>	<u>(1,333,927)</u>
Total revenues	<u>2,420,600</u>	<u>2,420,600</u>	<u>1,048,033</u>	<u>(1,372,567)</u>
EXPENDITURES:				
Current:				
Community development	<u>2,195,000</u>	<u>2,447,546</u>	<u>493,548</u>	<u>1,953,998</u>
Total expenditures	<u>2,195,000</u>	<u>2,447,546</u>	<u>493,548</u>	<u>1,953,998</u>
Net change in fund balance	<u>\$ 225,600</u>	<u>\$ (26,946)</u>	<u>554,485</u>	<u>\$ 581,431</u>
FUND BALANCE:				
Beginning of fiscal year			<u>1,205,497</u>	
End of fiscal year			<u>\$ 1,759,982</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, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES:				
Current:				
Public safety:				
Police	51,800	51,800	39,797	12,003
Total expenditures	51,800	51,800	39,797	12,003
Net change in fund balance	\$ (51,800)	\$ (51,800)	(39,797)	\$ 12,003
FUND BALANCE (DEFICIT):				
Beginning of fiscal year				-
End of fiscal year			\$ (39,797)	

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, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 254,522	\$ 254,522
Total revenues	-	-	254,522	254,522
EXPENDITURES:				
Current:				
General government:				
General city	33,000	33,000	122,890	(89,890)
Total expenditures	33,000	33,000	122,890	(89,890)
Net change in fund balance	\$ (33,000)	\$ (33,000)	131,632	\$ 164,632
FUND BALANCE (DEFICIT):				
Beginning of fiscal year			4,259,514	
Prior period adjustments			(4,432,428)	
Beginning of fiscal year, restated			(172,914)	
End of fiscal year			\$ (41,282)	

City of Arcadia
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
The Taskforce for Regional Autotheft Prevention Special Revenue Fund
For the Fiscal Year Ended June 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES:				
Intergovernmental	\$ 149,200	\$ 149,200	\$ -	\$ (149,200)
Total revenues	149,200	149,200	-	(149,200)
EXPENDITURES:				
Current:				
Public safety:				
Police	154,400	154,400	5,500	148,900
Total expenditures	154,400	154,400	5,500	148,900
Net change in fund balance	\$ (5,200)	\$ (5,200)	(5,500)	\$ (300)
FUND BALANCE (DEFICIT):				
Beginning of fiscal year				-
End of fiscal year			\$ (5,500)	

City of Arcadia
Statement of Net Position
Nonmajor Enterprise Funds
June 30, 2022

	Transit System	Arcadia PAR 3 Golf Course	Total Nonmajor Enterprise Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Current assets:			
Cash and investments	\$ 27,798	\$ 1,325,381	\$ 1,353,179
Accounts receivable	-	23,738	23,738
Prepaid items	-	4,974	4,974
Due from other governments	15,129	-	15,129
Inventories	-	23,745	23,745
Total current assets	42,927	1,377,838	1,420,765
Capital assets:			
Depreciable, net	863,553	74,624	938,177
Total capital assets	863,553	74,624	938,177
Total assets	906,480	1,452,462	2,358,942
Deferred outflows of resources:			
Deferred outflows related to net pension liability	36,386	-	36,386
Total deferred outflows of resources	36,386	-	36,386
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES			
Current liabilities:			
Accounts payable	320,798	(3,388)	317,410
Accrued salaries payable	6,969	-	6,969
Interest payable	183	-	183
Pension obligation bonds payable - due within one year	4,200	-	4,200
Deposits	-	209,956	209,956
Total current liabilities	332,150	206,568	538,718
Noncurrent liabilities:			
Net pension liabilities	16,373	-	16,373
Pension obligation bonds payable - due in more than one year	91,200	-	91,200
Total noncurrent liabilities	107,573	-	107,573
Total liabilities	439,723	206,568	646,291
Deferred inflows of resources:			
Deferred inflows related to net pension liability	176,752	-	176,752
Total deferred inflows of resources	176,752	-	176,752
NET POSITION			
Net investment in capital assets	863,553	74,624	938,177
Unrestricted	(537,162)	1,171,270	634,108
Total net position	\$ 326,391	\$ 1,245,894	\$ 1,572,285

City of Arcadia
Statement of Revenues, Expenses, and Changes in Net Position
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2022

	Transit System	Arcadia PAR 3 Golf Course	Total Nonmajor Enterprise Funds
OPERATING REVENUES:			
Charges for services	\$ 6,954	\$ 1,912,574	\$ 1,919,528
Total operating revenues	6,954	1,912,574	1,919,528
OPERATING EXPENSES:			
Administration and general	107,160	216,999	324,159
Merchandise and food	-	76,906	76,906
Supplies and maintenance	-	257,446	257,446
Contract costs	1,803,432	689,633	2,493,065
Depreciation	451,888	39,327	491,215
Total operating expenses	2,362,480	1,280,311	3,642,791
OPERATING INCOME (LOSS)	(2,355,526)	632,263	(1,723,263)
NONOPERATING REVENUES (EXPENSES):			
Federal and state grants	684,490	-	684,490
Interest and fiscal charges	(2,303)	-	(2,303)
Total nonoperating revenues (expenses)	682,187	-	682,187
INCOME (LOSS) BEFORE TRANSFERS	(1,673,339)	632,263	(1,041,076)
TRANSFERS:			
Transfers in	1,221,450	-	1,221,450
Total transfers	1,221,450	-	1,221,450
Changes in net position	(451,889)	632,263	180,374
NET POSITION:			
Beginning of fiscal year	778,280	613,631	1,391,911
End of fiscal year	\$ 326,391	\$ 1,245,894	\$ 1,572,285

City of Arcadia
Statement of Cash Flows
Nonmajor Enterprise Funds
For the Fiscal Year Ended June 30, 2022

	Transit System	Arcadia PAR 3 Golf Course	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	\$ 6,954	\$ 1,939,253	\$ 1,946,207
Cash payments to suppliers for goods and services	(1,944,082)	(1,365,039)	(3,309,121)
Cash payments to employees for services	(204,792)	-	(204,792)
Net cash provided by (used in) operating activities	(2,141,920)	574,214	(1,567,706)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Cash received from other governments	2,110,385	-	2,110,385
Due to other funds	(1,155,593)	-	(1,155,593)
Payments for pension obligation bonds	(3,000)	-	(3,000)
Payments of interest on pension obligation bonds	(3,524)	-	(3,524)
Transfers in	1,221,450	-	1,221,450
Net cash provided (used) by noncapital financing activities	2,169,718	-	2,169,718
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition of capital assets	-	(11,314)	(11,314)
Net cash provided by (used in) capital and related financing activities	-	(11,314)	(11,314)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS			
	27,798	562,900	590,698
CASH AND CASH EQUIVALENTS - Beginning of fiscal year	-	762,481	762,481
CASH AND CASH EQUIVALENTS - End of fiscal year	\$ 27,798	\$ 1,325,381	\$ 1,353,179
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating income (loss)	\$ (2,355,526)	\$ 632,263	\$ (1,723,263)
Adjustments to reconcile operating income (loss)			
to net cash provided by (used in) operating activities:			
Depreciation	451,888	39,327	491,215
Changes in assets, deferred outflows, liabilities, and deferred inflows:			
Accounts receivable	-	(21,135)	(21,135)
Prepaid items	-	(4,163)	(4,163)
Inventories	-	(4,767)	(4,767)
Accounts payable	42,120	(115,125)	(73,005)
Accrued salaries payable	217	-	217
Deposits	-	47,814	47,814
Net pension liabilities	(487,642)	-	(487,642)
Deferred outflow of resources - pension	30,271	-	30,271
Deferred inflow of resources - pension	176,752	-	176,752
Total adjustments	213,606	(58,049)	155,557
Net cash provided by (used in) operating activities	\$ (2,141,920)	\$ 574,214	\$ (1,567,706)

This page intentionally left blank.

STATISTICAL SECTION

(Unaudited)

This part of the City of Arcadia's annual comprehensive 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.

<u>Contents</u>	<u>Page</u>
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.	
1 Net Position by Component	166
2 Changes in Net Position	168
3 Fund Balances of Governmental Funds	172
4 Changes in Fund Balances of Governmental Funds	174
5 Governmental Activities Tax Revenue by Source	176
6 General Governmental Tax Revenue by Source	177
Revenue Capacity - These schedules contain information to help the reader assess the City's property tax.	
7 Assessed Value of Taxable Property	178
8 Direct and Overlapping Property Tax Rates	179
9 Principal Property Tax Owners	181
10 Property Tax Levies and Collections	182
11 Taxable Sales by Category	183
12 Major Sales Tax Producer	184
Debt Capacity - These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
13 Ratios of Outstanding Debt by Type	186
14 Ratios of General Bonded Debt Outstanding	187
15 Legal Debt Margin Information	188
16 Direct and Overlapping Debt	190
Demographic and Economic Information - These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	
17 Demographic and Economic Statistics	192
18 Principal Employers	193
Operating Information - These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	
19 Full-time City Government Employees by Function/Program	194
20 Operating Indicators by Function/Program	195
21 Capital Asset Statistics by Function/Program	196

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

This page intentionally left blank.

This page intentionally left blank.

City of Arcadia
Net Position by Component
Last Ten Fiscal Years

	Fiscal Year				
	2013	2014	2015	2016	2017
Governmental Activities:					
Net investment in capital assets	\$ 59,598,320	\$ 50,203,892	\$ 50,652,770	\$ 51,124,268	\$ 50,448,943
Restricted for:					
Capital Projects	6,912,977	755,064	-	-	-
Debt Service	699,444	786,567	694,085	664,992	706,723
Specific Projects and Programs	16,064,646	14,564,481	-	-	-
Community Purposes			8,236,718	10,578,749	12,424,349
Public Safety			1,340,410	1,253,412	1,058,486
Transportation/Streets			9,312,873	9,165,526	9,440,319
Total Restricted	<u>23,677,067</u>	<u>16,106,112</u>	<u>19,584,086</u>	<u>21,662,679</u>	<u>23,629,877</u>
Unrestricted	<u>10,527,461</u>	<u>25,857,397</u>	<u>(75,062,952)</u>	<u>(71,558,258)</u>	<u>(72,803,923)</u>
Total governmental activities net position	<u><u>\$ 93,802,848</u></u>	<u><u>\$ 92,167,401</u></u>	<u><u>\$ (4,826,096)</u></u>	<u><u>\$ 1,228,689</u></u>	<u><u>\$ 1,274,897</u></u>
Business-type Activities:					
Net investment in capital assets	\$ 52,092,442	\$ 50,835,309	\$ 48,858,963	\$ 46,957,250	\$ 46,000,669
Unrestricted	<u>36,522,942</u>	<u>35,505,795</u>	<u>23,494,250</u>	<u>22,536,965</u>	<u>20,182,581</u>
Total business-type activities net position	<u><u>\$ 88,615,384</u></u>	<u><u>\$ 86,341,104</u></u>	<u><u>\$ 72,353,213</u></u>	<u><u>\$ 69,494,215</u></u>	<u><u>\$ 66,183,250</u></u>
Primary Government:					
Net investment in capital assets	\$ 111,690,762	\$ 101,039,201	\$ 99,511,733	\$ 98,081,518	\$ 96,449,612
Restricted	23,677,067	16,106,112	19,584,086	21,662,679	23,629,877
Unrestricted	47,050,403	61,363,192	(51,568,702)	(49,021,293)	(52,621,342)
Total Primary Government net position	<u><u>\$ 182,418,232</u></u>	<u><u>\$ 178,508,505</u></u>	<u><u>\$ 67,527,117</u></u>	<u><u>\$ 70,722,904</u></u>	<u><u>\$ 67,458,147</u></u>

Source: City of Arcadia Financial Reports

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

	Fiscal Year				
	2018	2019	2020	2021	2022
Governmental Activities:					
Net investment in capital assets	\$ 47,725,910	\$ 48,831,491	\$ 55,858,893	\$ 55,972,945	\$ 54,984,585
Restricted for:					
Capital Projects	-	-	-	268,319	987,574
Debt Service	698,863	690,343	714,457	-	1,292,719
Specific Projects and Programs*	-	-	-	-	-
Community Purposes	13,472,245	14,939,901	9,542,104	10,819,094	11,353,303
Public Safety	925,971	820,309	837,230	833,442	870,860
Transportation/Streets	9,943,521	8,635,526	10,458,741	10,234,986	10,974,665
Total Restricted	<u>25,040,600</u>	<u>25,086,079</u>	<u>21,552,532</u>	<u>22,155,841</u>	<u>25,479,121</u>
Unrestricted	(95,840,709)	(102,593,443)	(111,643,096)	(107,043,660)	(83,376,599)
Total governmental activities net position	<u>\$ (23,074,199)</u>	<u>\$ (28,675,873)</u>	<u>\$ (34,231,671)</u>	<u>\$ (28,914,874)</u>	<u>\$ (2,912,893)</u>
Business-type Activities:					
Net investment in capital assets	\$ 44,405,319	\$ 44,379,157	\$ 44,852,614	\$ 45,296,900	\$ 44,444,938
Unrestricted	18,243,338	16,885,183	13,728,271	11,236,425	16,011,111
Total business-type activities net position	<u>\$ 62,648,657</u>	<u>\$ 61,264,340</u>	<u>\$ 58,580,885</u>	<u>\$ 56,533,325</u>	<u>\$ 60,456,049</u>
Primary Government:					
Net investment in capital assets	\$ 92,131,229	\$ 93,210,648	\$ 100,711,507	\$ 101,269,845	\$ 99,429,523
Restricted	25,040,600	25,086,079	21,552,532	22,155,841	25,479,121
Unrestricted	(77,597,371)	(85,708,260)	(97,914,825)	(95,807,235)	(67,365,488)
Total Primary Government net position	<u>\$ 39,574,458</u>	<u>\$ 32,588,467</u>	<u>\$ 24,349,214</u>	<u>\$ 27,618,451</u>	<u>\$ 57,543,156</u>

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				
	2013	2014	2015	2016	2017
Expenses					
Governmental activities:					
General government	\$ 8,772,439	\$ 6,984,927	\$ 7,458,250	\$ 6,890,053	\$ 9,515,214
Public safety	30,816,795	31,879,134	32,579,734	34,089,922	36,377,345
Public works services	7,684,123	7,318,800	7,741,343	8,525,715	7,829,369
Community development	3,615,072	15,469,651	5,050,382	6,316,456	6,542,784
Library	3,371,939	3,381,138	3,640,914	3,858,956	4,000,700
Economic development*	-	-	-	-	-
Recreation and community services	3,051,783	3,740,097	3,310,420	3,455,024	3,593,171
Interest on long-term debt	673,196	455,077	434,682	417,780	398,133
Total governmental activities expenses	<u>\$ 57,985,347</u>	<u>\$ 69,228,824</u>	<u>\$ 60,215,725</u>	<u>\$ 63,553,906</u>	<u>\$ 68,256,716</u>
Business-type activities:					
Water	\$ 12,373,758	\$ 13,911,484	\$ 16,891,412	\$ 12,563,018	\$ 14,942,992
Sewer	1,318,107	1,347,002	1,457,275	1,360,509	1,440,677
Transit	2,023,651	2,010,402	1,836,228	1,818,171	1,935,418
Arcadia Par 3 Golf Course **	-	-	-	-	-
Total business-type activities expenses	<u>15,715,516</u>	<u>17,268,888</u>	<u>20,184,915</u>	<u>15,741,698</u>	<u>18,319,087</u>
Total primary government expenses	<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>	<u><u>\$ 86,575,803</u></u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 260	\$ 1,065	\$ -	\$ 33,223	\$ 596
Public safety	3,146,493	3,801,154	3,683,293	3,972,018	3,896,797
Public works services	325,403	455,285	312,995	434,681	363,274
Community development	3,175,993	5,951,472	4,497,375	4,577,662	5,406,275
Library	69,350	74,007	71,564	72,242	71,393
Recreation and community services	2,450,915	3,149,525	3,045,343	3,237,272	2,804,010
Operating Grants and Contributions	4,592,325	5,481,152	5,020,312	4,876,997	4,523,948
Capital Grants and Contributions	2,272,285	658,109	804,556	927,837	254,204
Total governmental activities program revenues	<u>16,033,024</u>	<u>19,571,769</u>	<u>17,435,438</u>	<u>18,131,932</u>	<u>17,320,497</u>
Business-type activities:					
Charges for services:					
Water	10,902,718	11,467,284	10,132,653	9,122,745	10,990,520
Sewer	1,277,868	1,308,313	1,310,499	1,664,249	2,046,705
Transit	86,208	89,710	76,484	63,520	12,408
Arcadia Par 3 Golf Course **	-	-	-	-	-
Operating Grants and Contributions	616,491	685,118	786,352	768,229	696,053
Capital Grants and Contributions	648,875	-	-	-	-
Total business-type activities program revenues	<u>13,532,160</u>	<u>13,550,425</u>	<u>12,305,988</u>	<u>11,618,743</u>	<u>13,745,686</u>
Total primary government program revenues	<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>	<u><u>\$ 31,066,183</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				
	2018	2019	2020	2021	2022
Expenses					
Governmental activities:					
General government	\$ 17,454,570	\$ 13,584,059	\$ 10,103,949	\$ 10,813,414	\$ 10,803,452
Public safety	37,298,318	40,360,568	47,203,348	43,574,155	29,066,389
Public works services	9,224,613	7,519,824	7,663,032	8,673,614	8,647,033
Community development	7,527,613	7,790,989	6,790,407	8,551,090	7,777,990
Library	3,982,384	4,168,410	5,016,702	4,050,091	4,277,054
Economic development*	-	-	-	-	-
Recreation and community services	3,600,354	3,691,627	3,414,698	3,243,583	4,305,064
Interest on long-term debt	373,622	343,846	314,741	1,533,534	2,097,318
Total governmental activities expenses	<u>\$ 79,461,474</u>	<u>\$ 77,459,323</u>	<u>\$ 80,506,877</u>	<u>\$ 80,439,481</u>	<u>\$ 66,974,300</u>
Business-type activities:					
Water	\$ 17,005,371	\$ 16,853,369	\$ 17,758,315	\$ 18,372,053	\$ 14,539,080
Sewer	1,779,385	1,819,847	1,872,674	2,038,907	523,704
Transit	1,823,710	2,020,690	2,244,345	2,512,915	2,364,783
Arcadia Par 3 Golf Course **	-	515,560	867,314	1,259,153	1,280,311
Total business-type activities expenses	<u>20,608,466</u>	<u>21,209,466</u>	<u>22,742,648</u>	<u>24,183,028</u>	<u>18,707,878</u>
Total primary government expenses	<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>	<u><u>\$ 85,682,178</u></u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 7,184	\$ 16,899	\$ 10,329	\$ 13,960	\$ 1,303,166
Public safety	4,335,707	3,952,519	4,166,144	3,488,709	5,154,191
Public works services	491,341	28,385	29,516	25,152	16,022
Community development	2,712,354	3,313,734	2,707,638	2,865,163	4,017,212
Library	96,038	162,421	107,810	59,372	101,332
Recreation and community services	2,112,552	1,940,232	1,843,145	1,139,152	1,261,332
Operating Grants and Contributions	5,542,417	6,441,413	7,447,444	12,299,250	8,147,751
Capital Grants and Contributions	45,850	526,077	741,641	1,342,260	1,430,019
Total governmental activities program revenues	<u>15,343,443</u>	<u>16,381,680</u>	<u>17,053,667</u>	<u>21,233,018</u>	<u>21,431,025</u>
Business-type activities:					
Charges for services:					
Water	13,223,624	12,806,780	14,284,391	16,048,632	16,469,592
Sewer	2,347,364	2,408,365	2,493,274	2,552,327	2,606,646
Transit	13,246	12,613	9,311	3,773	6,954
Arcadia Par 3 Golf Course **	-	511,860	887,942	1,855,856	1,912,574
Operating Grants and Contributions	772,915	1,509,498	1,055,193	2,449,548	694,038
Capital Grants and Contributions	-	-	-	-	-
Total business-type activities program revenues	<u>16,357,149</u>	<u>17,249,116</u>	<u>18,730,111</u>	<u>22,910,136</u>	<u>21,689,804</u>
Total primary government program revenues	<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>	<u><u>\$ 43,120,829</u></u>

(continued)

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				
	2013	2014	2015	2016	2017
Net (Expense)/Revenue					
Governmental activities	\$ (41,952,323)	\$ (49,657,055)	\$ (42,780,287)	\$ (45,421,974)	\$ (50,936,219)
Business-type activities	<u>(2,183,356)</u>	<u>(3,718,463)</u>	<u>(7,878,927)</u>	<u>(4,122,955)</u>	<u>(4,573,401)</u>
Total primary government net expense	<u><u>\$ (44,135,679)</u></u>	<u><u>\$ (53,375,518)</u></u>	<u><u>\$ (50,659,214)</u></u>	<u><u>\$ (49,544,929)</u></u>	<u><u>\$ (55,509,620)</u></u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$ 13,644,310	\$ 13,892,020	\$ 13,865,978	\$ 15,149,171	\$ 16,150,617
Sales taxes	9,646,630	10,082,196	10,427,065	11,441,622	10,766,558
Franchise fees	1,091,812	1,070,809	1,192,519	1,100,952	1,000,308
Utilities user taxes	5,118,597	6,545,713	7,142,118	6,816,464	6,773,169
Transient occupancy taxes	2,823,399	3,215,261	3,365,408	3,531,944	3,543,908
Motor vehicle license taxes	4,900,991	5,213,847	5,641,681	6,136,906	6,461,508
Non-regulatory business license taxes	1,186,704	1,249,583	1,202,350	1,293,357	1,270,876
Other Taxes	<u>1,541,319</u>	<u>1,683,520</u>	<u>1,662,956</u>	<u>1,538,467</u>	<u>1,647,136</u>
Total Taxes and fees	39,953,762	42,952,949	44,500,075	47,008,883	47,614,080
Investment earnings	1,035,634	1,598,314	1,632,484	1,856,318	1,458,553
Miscellaneous	3,374,585	4,724,159	4,421,469	3,482,819	3,007,213
Gain/loss on disposal of capital assets	935,125	64,696	28,323	-	13,587
Transfers	(1,119,930)	(1,031,360)	(817,751)	(871,261)	(1,111,006)
Restatement	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Governmental activities	<u>44,179,176</u>	<u>48,308,758</u>	<u>49,764,600</u>	<u>51,476,759</u>	<u>50,982,427</u>
Business-type activities:					
Investment earnings	85,231	396,892	332,719	380,861	138,679
Miscellaneous	17,009	15,931	18,300	11,835	12,751
Transfers	1,119,930	1,031,360	817,751	871,261	1,111,006
Restatement	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total business-type activities	<u>1,222,170</u>	<u>1,444,183</u>	<u>1,168,770</u>	<u>1,263,957</u>	<u>1,262,436</u>
Total primary government	<u><u>\$ 45,401,346</u></u>	<u><u>\$ 49,752,941</u></u>	<u><u>\$ 50,933,370</u></u>	<u><u>\$ 52,740,716</u></u>	<u><u>\$ 52,244,863</u></u>
Change in Net Position					
Governmental activities	\$ 2,226,853	\$ (1,348,297)	\$ 6,984,313	\$ 6,054,785	\$ 46,208
Business-type activities	<u>(961,186)</u>	<u>(2,274,280)</u>	<u>(6,710,157)</u>	<u>(2,858,998)</u>	<u>(3,310,965)</u>
Total primary government	<u><u>\$ 1,265,667</u></u>	<u><u>\$ (3,622,577)</u></u>	<u><u>\$ 274,156</u></u>	<u><u>\$ 3,195,787</u></u>	<u><u>\$ (3,264,757)</u></u>

Source: City of Arcadia Financial Reports

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

	Fiscal Year				
	2018	2019	2020	2021	2022
Net (Expense)/Revenue					
Governmental activities	\$ (64,118,031)	\$ (61,077,643)	\$ (63,453,210)	\$ (59,206,463)	\$ (45,543,275)
Business-type activities	<u>(4,251,317)</u>	<u>(3,960,350)</u>	<u>(4,012,537)</u>	<u>(1,272,892)</u>	<u>2,981,926</u>
Total primary government net expense	<u><u>\$ (68,369,348)</u></u>	<u><u>\$ (65,037,993)</u></u>	<u><u>\$ (67,465,747)</u></u>	<u><u>\$ (60,479,355)</u></u>	<u><u>\$ (42,561,349)</u></u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$ 16,965,156	\$ 18,301,135	\$ 19,070,668	\$ 20,513,025	\$ 21,365,282
Sales taxes	11,115,292	11,399,632	12,154,052	17,197,203	23,378,015
Franchise fees	982,756	931,750	954,878	1,037,322	1,049,291
Utilities user taxes	6,856,067	6,591,834	6,779,875	7,193,797	8,429,763
Transient occupancy taxes	3,320,953	3,447,186	2,748,642	1,923,352	4,128,326
Motor vehicle license taxes	6,906,050	7,309,525	7,773,429	8,105,664	8,316,576
Non-regulatory business license taxes	1,248,106	1,227,480	1,211,783	1,181,862	1,195,992
Other Taxes	<u>1,621,716</u>	<u>1,057,546</u>	<u>912,537</u>	<u>1,678,449</u>	<u>1,953,404</u>
Total Taxes and fees	<u>49,016,096</u>	<u>50,266,088</u>	<u>51,605,864</u>	<u>58,830,674</u>	<u>69,816,649</u>
Investment earnings	1,529,734	3,432,169	3,270,868	1,436,597	(1,441,136)
Miscellaneous	3,486,199	3,447,105	3,391,726	3,143,829	8,823,621
Gain/loss on disposal of capital assets	49,243	-	-	46,870	-
Transfers	(1,006,826)	(1,669,393)	(1,055,363)	1,065,290	(1,221,450)
Extraordinary item	<u>(13,305,511)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Governmental activities	<u>39,768,935</u>	<u>55,475,969</u>	<u>57,213,095</u>	<u>64,523,260</u>	<u>75,977,684</u>
Business-type activities:					
Investment earnings	150,511	896,111	860,880	154,622	(289,306)
Miscellaneous	13,976	10,529	97,156	136,000	8,654
Transfers	1,006,826	1,669,393	1,055,363	(1,065,290)	1,221,450
Restatement	<u>(454,589)</u>				
Total business-type activities	<u>716,724</u>	<u>2,576,033</u>	<u>2,013,399</u>	<u>(774,668)</u>	<u>940,798</u>
Total primary government	<u><u>\$ 40,485,659</u></u>	<u><u>\$ 58,052,002</u></u>	<u><u>\$ 59,226,494</u></u>	<u><u>\$ 63,748,592</u></u>	<u><u>\$ 76,918,482</u></u>
Change in Net Position					
Governmental activities	\$ (24,349,096)	\$ (5,601,674)	\$ (6,240,115)	\$ 5,316,797	\$ 30,434,409
Business-type activities	<u>(3,534,593)</u>	<u>(1,384,317)</u>	<u>(1,999,138)</u>	<u>(2,047,560)</u>	<u>3,922,724</u>
Total primary government	<u><u>\$ (27,883,689)</u></u>	<u><u>\$ (6,985,991)</u></u>	<u><u>\$ (8,239,253)</u></u>	<u><u>\$ 3,269,237</u></u>	<u><u>\$ 34,357,133</u></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				
	2013	2014	2015	2016	2017
General Fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	- -	- -	- -	- -	- -
Nonspendable	698,729	708,053	768,417	797,305	845,513
Assigned	13,815,582	22,223,334	23,710,862	24,756,336	23,015,454
Unassigned	12,701,494	8,180,075	12,357,558	6,399,003	7,323,121
Total General Fund	<u>\$ 27,215,805</u>	<u>\$ 31,111,462</u>	<u>\$ 36,836,837</u>	<u>\$ 31,952,644</u>	<u>\$ 31,184,088</u>
All Other Governmental Funds					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special Revenue Funds	- -	- -	- -	- -	- -
Debt Service Funds	- -	- -	- -	- -	- -
Capital projects funds	- -	- -	- -	- -	- -
Nonspendable	305	384	- -	- -	11,540
Restricted	23,677,067	16,106,112	19,779,855	21,851,364	23,810,229
Assigned	3,735,533	6,207,820	4,894,097	11,203,221	12,921,656
Unassigned					(7,818)
Total all other Governmental Funds	<u>\$ 27,412,905</u>	<u>\$ 22,314,316</u>	<u>\$ 24,673,952</u>	<u>\$ 33,054,585</u>	<u>\$ 36,735,607</u>
Total Governmental Funds	<u>\$ 54,628,710</u>	<u>\$ 53,425,778</u>	<u>\$ 61,510,789</u>	<u>\$ 65,007,229</u>	<u>\$ 67,919,695</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				
	2018	2019	2020	2021	2022
General Fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	- -	- -	- -	- -	- -
Nonspendable	1,068,976	1,112,837	996,006	715,474	963,051
Assigned	22,829,444	23,295,469	22,394,350	22,738,731	33,627,562
Unassigned	7,225,918	5,101,129	6,202,314	7,726,513	13,838,387
Total General Fund	<u>\$ 31,124,338</u>	<u>\$ 29,509,435</u>	<u>\$ 29,592,670</u>	<u>\$ 31,180,718</u>	<u>\$ 48,429,000</u>
All Other Governmental Funds					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special Revenue Funds	- -	- -	- -	- -	- -
Debt Service Funds	- -	- -	- -	- -	- -
Capital projects funds	- -	- -	- -	- -	- -
Nonspendable	3,000	8,640	1,517	- -	- -
Restricted	25,207,910	25,227,986	20,886,106	27,325,258	25,216,076
Assigned	11,404,087	11,976,987	11,332,519	9,867,419	10,275,554
Unassigned	(3,627)	(8,691)	(363,283)	(1,014,560)	170,319
Total all other Governmental Funds	<u>\$ 36,611,370</u>	<u>\$ 37,204,922</u>	<u>\$ 31,856,859</u>	<u>\$ 36,178,117</u>	<u>\$ 35,661,949</u>
Total Governmental Funds	<u>\$ 67,735,708</u>	<u>\$ 66,714,357</u>	<u>\$ 61,449,529</u>	<u>\$ 67,358,835</u>	<u>\$ 84,090,949</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				
	2013	2014	2015	2016	2017
REVENUES:					
Taxes	\$ 33,866,067	\$ 36,489,519	\$ 37,911,174	\$ 39,504,488	\$ 40,258,016
Licenses, fees and permits	5,008,304	8,031,036	6,512,028	6,723,286	7,583,907
Fines and penalties	839,477	913,156	935,629	801,161	634,261
Use of money of property	1,035,634	1,598,310	1,632,483	1,856,318	1,458,553
Intergovernmental revenues	11,437,572	10,881,323	11,508,381	11,653,593	10,782,388
Charges for services	5,095,987	6,356,736	6,086,755	6,777,300	6,140,231
Other revenues	4,049,089	4,167,904	4,390,220	3,419,455	3,062,448
Total revenues	61,332,130	68,437,984	68,976,670	70,735,601	69,919,804
EXPENDITURES:					
Current:					
General government	7,484,871	7,051,033	6,730,305	8,920,807	8,338,619
Public safety	29,905,370	30,842,988	31,748,649	33,772,958	35,497,246
Public works services	5,940,589	5,805,936	6,372,293	7,827,183	7,199,751
Community development	6,885,395	17,046,641	8,168,873	8,003,227	6,673,998
Library	3,179,305	3,165,746	3,433,071	3,612,759	3,830,240
Economic development	-	-	-	-	-
Recreation and community services	3,014,469	3,729,337	3,099,283	3,209,492	3,343,402
Debt service:					
Interest	756,210	502,875	525,000	555,000	448,076
Principal	215,000	465,000	484,854	466,474	565,000
Debt issuance costs	132,228	-	-	-	-
Total expenditures	57,513,437	68,609,556	60,562,328	66,367,900	65,896,332
Less: acquisition of capital assets	(4,349,512)	(2,559,961)	(3,756,352)	(4,180,176)	(2,978,796)
Total expenditures excluding capital assets	53,163,925	66,049,595	56,805,976	62,187,724	62,917,536
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	3,818,693	(171,572)	8,414,342	4,367,701	4,023,472
OTHER FINANCING SOURCES (USES):					
Transfers in	2,455,802	4,623,066	3,874,984	10,330,462	5,259,012
Transfers out	(3,575,732)	(5,654,426)	(4,692,735)	(11,201,723)	(6,370,018)
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)	-	-	-	-
Total other financing sources (uses)	(1,162,830)	(1,031,360)	(817,751)	(871,261)	(1,111,006)
Net change in fund balances	\$ 2,655,863	\$ (1,202,932)	\$ 7,596,591	\$ 3,496,440	\$ 2,912,466
Debt service as a percentage of non-capital expenditures	1.83%	1.47%	1.78%	1.64%	1.61%

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				
	2018	2019	2020	2021	2022
REVENUES:					
Taxes	\$ 40,506,071	\$ 42,050,021	\$ 42,898,353	\$ 48,224,288	\$ 61,828,424
Licenses, fees and permits	4,833,508	5,165,340	4,666,441	4,354,199	5,255,958
Fines and penalties	690,703	643,858	611,714	282,423	584,429
Use of money of property	1,529,733	3,432,169	3,270,862	1,435,273	(158,833)
Intergovernmental revenues	12,530,015	14,289,330	15,346,681	22,428,521	17,914,946
Charges for services	6,088,728	5,591,091	5,482,124	4,543,281	6,630,726
Other revenues	3,525,714	3,052,228	3,054,712	3,192,048	8,526,178
Total revenues	69,704,472	74,224,037	75,330,887	84,460,033	100,581,828
EXPENDITURES:					
Current:					
General government	8,134,490	7,971,659	8,399,145	100,789,367	8,778,651
Public safety	36,941,437	39,912,792	40,487,037	39,679,150	38,778,735
Public works services	8,024,811	7,491,991	7,295,018	7,586,823	7,464,330
Community development	7,599,862	9,992,826	8,257,180	11,646,128	8,510,135
Library	3,826,333	3,917,195	4,750,047	3,788,724	4,065,186
Economic development	-	-	-	-	-
Recreation and community services	3,339,426	3,509,543	9,969,738	3,096,724	3,970,106
Debt service:					
Interest	590,000	673,028	698,028	733,028	3,438,528
Principal	425,274	397,101	368,476	338,673	3,302,461
Debt issuance costs	-	-	-	-	-
Total expenditures	68,881,633	73,866,135	80,224,669	167,658,617	78,308,132
Less: acquisition of capital assets	(2,357,155)	(5,187,456)	(10,712,049)	(3,612,270)	(2,456,858)
Total expenditures excluding capital assets	66,524,478	68,678,679	69,512,620	164,046,347	75,851,274
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	822,839	357,902	(4,893,782)	(83,198,584)	22,273,696
OTHER FINANCING SOURCES (USES):					
Transfers in	3,617,262	4,843,303	3,127,518	4,744,623	10,698,039
Transfers out	(4,624,088)	(6,512,696)	(4,182,881)	(3,679,333)	(11,919,489)
Proceeds from capital lease obligations	-	290,140	-	-	-
Proceeds of bond issuance	-	-	-	88,042,600	8,852,000
Bond discount	-	-	-	-	-
Bond premium	-	-	-	-	-
Payment on refunded bonds	-	-	-	-	(8,739,704)
Total other financing sources (uses)	(1,006,826)	(1,379,253)	(1,055,363)	89,107,890	(1,109,154)
Net change in fund balances	\$ (183,987)	\$ (1,021,351)	\$ (5,949,145)	\$ 5,909,306	\$ 21,164,542
Debt service as a percentage of non-capital expenditures	1.53%	1.56%	1.53%	0.65%	8.89%

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
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
2022	21,365,282	23,378,015	1,049,291	8,429,763	4,128,326	8,316,576	1,195,992	1,953,404	69,816,649

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
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
2022	20,891,736	17,500,291	1,059,331	8,377,291	3,626,494	2,001,862	53,457,004

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
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%
2022	15,554,122,719	1,872,543,673	223,797,807	387,645,484	942,248,963	18,809,368,631	2.3%	0.10056%

Note: Exempt values are not included in total.

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

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>
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
2022	0.09602	N/A	0.10056

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

Year	City Direct and Overlapping Rates %						
	Basic Levy	General Obligation Debt Service	Lighting District	School Districts	Community College	Water Districts	Tax Rate %
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
2022	1.0000	0.005580	0.00000	0.44563	0.07257	0.03000	1.55378

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

2021/22

<u>Taxpayer</u>	Assessed Value	Est. Total * Tax Revenue	Rank	Percentage of Total City Property Tax Revenue
Santa Anita Borrower LLC	\$ 428,668,729	\$ 431,069	1	2.31%
Methodist Hospital of So California	226,158,537	227,425	2	1.22%
Santa Anita Land Holdings LLC	224,792,686	226,052	3	1.21%
Scannell Properties 255 LLC LSEE	103,960,472	104,543	4	0.55%
Baldwin Arcadia Center LP	86,758,538	87,244	5	0.47%
JLJ Properties Arcadia LLC	66,551,561	66,924	6	0.36%
New World International LLC	53,984,730	54,287	7	0.29%
SAICP Hotel LLC	50,527,454	50,810	8	0.27%
Stanley A Sirott Trust	47,207,100	47,471	9	0.25%
Arcadia Propco LLC	<u>46,143,357</u>	<u>46,402</u>	10	0.25%
Total	<u><u>\$ 1,334,753,164</u></u>	<u><u>\$ 1,342,228</u></u>		<u><u>7.18%</u></u>

2012/13

<u>Taxpayer</u>	Assessed Value	Est. Total * Tax Revenue	Rank	Percentage of Total City Property Tax Revenue
Santa Anita Fashion Park LP	\$ 358,720,539	479,251	1	3.23%
Santa Anita Land Holdings LLC	175,985,563	235,117	2	1.58%
Baldwin Arcadia Center LP	87,604,740	117,040	3	0.79%
Safeway Inc	31,797,843	42,482	4	0.29%
Marriott Residence Inn II Limited	30,366,827	40,570	5	0.27%
Arcadia Hotel Venture LP	25,142,539	33,590	6	0.23%
Arcadia Gateway Centre Delaware Partner	19,244,101	25,710	7	0.17%
Post Exchange LLC	18,653,776	24,921	8	0.17%
Windrose Santa Anita Properties LLC	18,200,000	24,315	9	0.16%
Bre Esa Properties LLC	<u>17,210,000</u>	<u>22,993</u>	10	0.15%
Total	<u><u>\$ 782,925,928</u></u>	<u><u>\$ 1,045,989</u></u>		<u><u>7.04%</u></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 *
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%
2022	1,050,000	1,074,335	102.32%	22,943	1,097,278	104.50%

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									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Apparel Stores	\$ 131,885	\$ 142,131	\$ 143,438	\$ 140,715	\$ 151,076	\$ 148,029	\$ 149,951	\$ 135,507	\$ 55,993	\$ 131,352
General Merchandise	152,615	154,142	152,946	157,053	154,455	152,525	151,481	142,457	71,663	116,939
Food Stores	33,072	32,815	32,779	31,966	31,641	28,002	31,848	30,055	35,219	39,049
Eating and Drinking Places	144,462	154,827	168,156	178,138	189,305	208,192	211,436	219,587	121,886	188,588
Building Materials	7,219	7,571	9,103	8,295	8,641	7,694	8,542	7,941	8,874	7,961
Auto Dealers and Supplies	78,975	90,937	104,139	101,018	114,630	118,929	108,964	106,147	97,658	133,746
Service Stations	92,244	91,296	90,016	75,902	62,544	64,789	71,949	72,008	50,533	79,739
Other Retail Stores	122,249	128,883	141,640	146,024	144,184	149,597	146,909	140,177	83,153	123,255
All Other Outlets	<u>178,659</u>	<u>201,187</u>	<u>223,275</u>	<u>222,588</u>	<u>243,803</u>	<u>251,065</u>	<u>255,278</u>	<u>294,858</u>	<u>258,356</u>	<u>326,105</u>
Total	<u><u>\$ 941,380</u></u>	<u><u>\$ 1,003,789</u></u>	<u><u>\$ 1,065,492</u></u>	<u><u>\$ 1,061,699</u></u>	<u><u>\$ 1,100,279</u></u>	<u><u>\$ 1,128,822</u></u>	<u><u>\$ 1,136,358</u></u>	<u><u>\$ 1,148,737</u></u>	<u><u>\$ 783,335</u></u>	<u><u>\$ 1,146,734</u></u>

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

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

2021/22

<u>Business Name</u>	<u>Business Category</u>
Allstar Fire Equipment	Light Industrial/Printers
Arco AM PM	Service Stations
Arco AM PM	Service Stations
Burlington	Family Apparel
Cheesecake Factory	Casual Dining
CVS Pharmacy	Drug Stores
Daimler Trust	Auto Lease
Din Tai Fung	Casual Dining
Foot Locker	Shoe Stores
Forever 21	Women's Apparel
JC Penney	Department Stores
Macys	Department Stores
Macy's	Department Stores
Mercedes Benz Of Arcadia	New Motor Vehicle Dealers
Nordstrom	Department Stores
Osim	Home Furnishings
Racetrack 76	Service Stations
Ralphs	Grocery Stores
REI	Sporting Goods/Bike Stores
Santa Anita Park	Leisure/Entertainment
Sephora	Specialty Stores
Uniqlo	Family Apparel
Vons	Grocery Stores
World Oil	Service Stations
Zara	Women's Apparel

Percent of Fiscal Year Total Paid By Top 25 Accounts

47.56%

Period: July 2021 Thru June 2022

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

2012/13

<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
CVS Pharmacy	Drug Stores
Daimler Trust	Auto Lease
Foot Locker	Shoe Stores
Forever 21	Women's Apparel
H & M	Family Apparel
JC Penney	Department Stores
Macys	Department Stores
Mercedes Benz Of Arcadia	New Motor Vehicle Dealers
Mobil	Service Stations
Nordstrom	Department Stores
Ralphs	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 Service
World Oil	Stations

Percent of Fiscal Year Total Paid By Top 25 Accounts

50.72%

Period: July 2012 Thru June 2013

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						Total Primary Government	Percentage of Personal Income	Per Capita			
	General Obligation Bonds			Pension Obligation Bonds	Capital Leases							
	2011	2012	2021									
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				
2022	-	-	8,852,000	85,367,100	58,028	94,277,128	3.606%	1,686				

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	14,912,744	0.705%	264
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	9,712,599	0.380%	168

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	\$ 18,809,368,631
Debt Limit (15% of assessed value)	2,821,405,295
Debt Applicable to limit:	
Total Bonds Payable	97,871,255
Legal Debt Margin	\$ 2,723,534,040
Percent of Charter Debt Limit	3.47%

	2013	2014	2015	2016	2017
Debt Limit	\$ 1,666,145,249	\$ 1,774,831,776	\$ 1,921,301,692	\$ 2,090,788,840	\$ 2,201,029,447
Total net debt applicable to limit	14,675,479	14,168,869	13,602,259	13,005,649	12,399,039
Legal debt margin	1,651,469,770	1,760,662,907	1,907,699,433	2,077,783,191	2,188,630,408
Total debt applicable to the limit	0.88%	0.80%	0.71%	0.62%	0.56%

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

Notes: 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

	2018	2019	2020	2021
Debt Limit	\$ 2,351,470,734	\$ 2,490,311,353	\$ 2,642,494,809	\$ 2,723,534,040
Total net debt applicable to limit	<u>11,767,429</u>	<u>11,342,931</u>	<u>10,603,293</u>	<u>9,712,600</u>
Legal debt margin	2,339,703,305	2,478,968,422	2,631,891,516	2,713,821,440
Total debt applicable to the limit	0.50%	0.46%	0.40%	0.36%

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 property

Notes: 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

2021/22

	Gross Bonded Debt Balance	% Applicable	Net Bonded Debt
Direct Debt			
Arcadia General Obligation Bond 2011	\$ 4,985,000	100.000%	\$ 4,985,000
Arcadia General Obligation Bond 2012	3,867,000	100.000%	\$ 3,867,000
Total Direct Debit	<u>8,852,000</u>		<u>\$ 8,852,000</u>
Overlapping Debt			
Metropolitan Water District Area Upper San Gabriel Valley Area *	9,835,780	1.086%	\$ 106,817
El Monte City School District DS 2004 RF BD SR C	5,876,911	5.057%	\$ 297,191
El Monte City School District DS 2004 RF BD SR D (2009)	5,015,000	5.057%	\$ 253,605
El Monte City School District 2008 Series B	5,719,716	5.057%	\$ 289,242
El Monte City School District 2012 RF BD	4,450,000	5.057%	\$ 225,034
El Monte City School District 2014 Series A	31,920,000	5.057%	\$ 1,614,173
El Monte City School District 2015 Ref BDS	9,900,000	5.057%	\$ 500,636
El Monte City School District 2014 Series B	8,935,000	5.057%	\$ 451,837
El Monte City School District 17 R BD Series A	3,155,000	5.057%	\$ 159,546
El Monte City School District 17 R BD Series B	28,235,000	5.057%	\$ 1,427,825
El Monte Union High School District 2008 Series B	29,117,830	2.690%	\$ 783,267
El Monte Union High School District 2015 RF BD	10,200,000	2.690%	\$ 274,379
El Monte Union High School District 2008 Series C	47,225,000	2.690%	\$ 1,270,349
El Monte Union High School District 16 Ref BDS	9,970,098	2.690%	\$ 268,195
El Monte Union High School District 2008 Series D	44,005,000	2.690%	\$ 1,183,731
El Monte Union High School District 2018 Series A	100,711,221	2.690%	\$ 2,709,123
Citrus CCD Refunding Bond Series 2013	7,220,302	0.189%	\$ 13,634
Citrus CCD Series 2004 2014D	1,016,152	0.189%	\$ 1,919
Citrus CCD Refunding Bonds 2004 2015 Series E	2,255,000	0.189%	\$ 4,258
Citrus CCD Refunding Bonds 2015 Series A	22,155,000	0.189%	\$ 41,836
Citrus CCD Refunding Bonds 2020 Series A	41,625,000	0.189%	\$ 78,602
Citrus CCD Refunding Bonds 2020 Series 2021A	69,740,000	0.189%	\$ 131,692
Pasadena Area CCD 14 RF Series A	9,280,000	17.990%	\$ 1,669,504
Pasadena Area CCD 16 RF Series A	27,435,000	17.990%	\$ 4,935,652
Pasadena Area CCD 20 RF	21,950,000	17.990%	\$ 3,948,881
Rio Hondo Community College District Ref 2004 2019 Series B	113,112,824	0.820%	\$ 927,285
Arcadia Unified School District 2017 REF BDS	190,110,000	96.577%	\$ 183,602,657
Arcadia Unified School District 2006 Series C 2020	28,995,000	96.577%	\$ 28,002,520
Arcadia Unified School District 2020 Refunding	28,920,000	96.577%	\$ 27,930,087
Monrovia Unified School District 2005 Refunding Bonds	13,274,602	0.831%	\$ 110,250
Monrovia Unified School District 2006 Series C-1 BABS	14,057,915	0.831%	\$ 116,756
Monrovia Unified School District 2015 Refunding Bonds	20,520,000	0.831%	\$ 170,426
Pasadena Unified School District 2008 Series 2016	96,070,000	0.012%	\$ 11,880
Pasadena Unified School District 2016 Refunding Bonds Series A	3,725,000	0.012%	\$ 461
Pasadena Unified School District 2016 Refunding Bonds Series B	78,470,000	0.012%	\$ 9,704
Pasadena Unified School District 2019 Refunding Bonds	91,325,000	0.012%	\$ 11,293
Pasadena Unified School District 2020 Bonds Series A	20,000,000	0.012%	\$ 2,473
Pasadena Unified School District 2020 Bonds Series B	40,000,000	0.012%	\$ 4,946
Temple City Unified School District 1998 Series B	4,192,970	7.876%	\$ 330,218
Temple City Unified School District 2005 Refunding Bonds	2,560,000	7.876%	\$ 201,613
Temple City Unified School District 2012 Series A	4,661,823	7.876%	\$ 367,143
Temple City Unified School District 2012 Series B	33,397,588	7.876%	\$ 2,630,233
Temple City Unified School District 2017 Refunding Bond	19,720,000	7.876%	\$ 1,553,052
Temple City Unified School District 2012 Series C	7,400,000	7.876%	\$ 582,788
Temple City Unified School District 2019 Refunding Bonds	19,545,000	7.876%	\$ 1,539,270
Total Overlapping Debt			<u>\$ 270,745,988</u>
TOTAL Direct and Overlapping Debt			<u><u>\$ 279,597,988</u></u>

2021/22 Assessed Valuation : \$17,879,505,685 after deducting \$929,862,946 of Incremental Value.

Debt to Assessed Valuation Ratios:

Direct Debt	0.050%
Overlapping Debt	1.510%
Total Debt	1.560%

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

2012/13

	Gross Bonded Debt Balance	% Applicable	Net Bonded Debt
Direct Debt			
Arcadia 01 General Obligation Bonds	\$ 20,270,000	100.000%	\$ 20,270,000
Total Direct Debit	<u>20,270,000</u>		<u>20,270,000</u>
Overlapping Debt			
Metropolitan Water District	79,696,126	1.207%	961,680
El Monte City School District 1999 Series A	1,420,000	3.871%	54,965
El Monte City School District 1999 Series C	435,000	3.871%	16,838
El Monte City School District 2004 Refunding Bonds	5,745,000	3.871%	222,375
El Monte Union School District 1999 Series D	13,640,000	3.871%	527,971
El Monte City School District 2005 Refunding Bonds	16,891,310	3.871%	653,821
El Monte City School District 2004 Series B	23,018,006	3.871%	890,971
El Monte School District 2008 Series A	9,150,747	3.871%	354,203
El Monte School District 2008 Series A-1	18,540,000	3.871%	717,638
El Monte School District 2008 Series B	5,998,159	3.871%	232,174
El Monte Union High School District 2002 Series A	1,260,000	2.021%	25,461
El Monte Union High School District Series B	2,370,000	2.021%	47,892
El Monte Union High School District 2006 Refunding Bonds	34,798,086	2.021%	703,180
El Monte Union High School District 2002 Series C	28,190,000	2.021%	569,647
El Monte Union High School District 2008 Series A	52,822,277	2.021%	1,067,402
El Monte Union High School District 2008 Series B	30,297,787	2.021%	612,240
Citrus CCD 2004 Series 2004A	13,130,000	0.184%	24,211
Citrus CCD 2004 Series 2007B	34,195,000	0.184%	63,054
Citrus CCD 2004 Series 2004 2009 Series C	29,870,302	0.184%	55,079
Pasadena Area Community College District 2006 Series B	46,100,000	17.330%	7,989,225
Pasadena Area Community College District 2006 REF Series C	5,315,367	17.330%	921,164
Pasadena Area Community College District 2002, 2006 Series D	26,505,000	17.330%	4,593,371
Pasadena Area Community College District 2002, 2009 Series E (BABS)	25,295,000	17.330%	4,383,676
Rio Hondo CC Series 2004A	3,650,000	0.516%	18,849
Rio Hondo CCD 2005 Refunding Bonds	42,055,387	0.516%	217,178
Rio Hondo CC 2004 Series 2008	61,881,844	0.516%	319,564
Rio Hondo CC 2004-2010 Series C	60,040,980	0.516%	310,733
Arcadia Unified School District 1993 Series A	4,600,085	96.375%	4,433,331
Arcadia Unified School District 1993 Series C	1,160,498	96.375%	1,118,430
Arcadia Unified School District Refunding 1993 2005 Series A	3,060,000	96.375%	2,949,074
Arcadia Unified School District 2006 Series A	158,930,423	96.375%	153,169,150
Monrovia Unified School District 1997 Series A	3,410,023	0.813%	27,728
Monrovia Unified School District 2005 Refunding Bonds	12,945,000	0.813%	105,261
Monrovia Unified School District 2006 Series A	9,999,602	0.813%	81,310
Monrovia Unified School District 2006 Series B	13,950,000	0.813%	113,433
Monrovia Unified School District 2006 Series C	17,866,665	0.813%	145,280
Monrovia Unified School District 2006 Series C-1 BABS	11,756,250	0.813%	95,594
Pasadena Unified School District 2004 Refunding Bonds	37,800,000	0.018%	6,725
Pasadena Unified School District 2005 Refunding Bonds	104,680,000	0.018%	18,624
Pasadena Unified School District 2008 Series 2009	24,680,000	0.018%	4,391
Pasadena Unified School District 2008 Series 2009A-2 BABS	84,680,000	0.018%	15,066
Pasadena Unified School District 2008 Series 2012	119,735,000	0.018%	21,302
Temple City Unified School District 1998 Series A	2,710,316	8.561%	232,038
Temple City Unified School District 1998 Series B	4,871,501	8.561%	417,064
Temple City Unified School District 2005 Refunding Bond	9,475,000	8.561%	811,184
Total Overlapping Debt			<u>190,319,547</u>
TOTAL Direct and Overlapping Debt			<u>\$ 210,589,547</u>

2012/13 Assessed Valuation : \$10,653,825,024 after deducting \$453,809,967 of Incremental Value.

Debt to Assessed Valuation Ratios:

Direct Debt	0.190%
Overlapping Debt	1.790%
Total Debt	1.980%

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
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%
2021	55,934	2,614,487	46,742	6.60%

Source: US Bureau of Census, Employment Development Department

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

Employer	2021		
	Employees	Rank	Percentage of Total City Employment
Atlas Assembly, Inc.	800	1	5.03%
Fedex Ground Package System, Inc.	781	2	4.91%
Macy's West	419	3	2.63%
Nordstrom Inc	370	4	2.32%
Optum	228	5	1.43%
The Cheesecake Factory Restaurants, Inc	186	6	1.17%
Arcadia Care Center	153	7	0.96%
JC Penney	128	8	0.80%
Vons 3208	126	9	0.79%
BJ'S Restaurant & Brewhouse	120	10	0.75%
Total	3311		20.80%

Employer	2012		
	Employees	Rank	Percentage of Total City Employment
Vons Companies Inc	474	1	3.12%
Worley Parsons Group, Inc	367	2	2.42%
J C Penney Corp, Inc # 1417-5	350	3	2.31%
Macy's West	311	4	2.05%
Nordstrom Inc	307	5	2.02%
Emergency Groups Office	200	6	1.32%
24 Hour Fitness	180	7	1.19%
The Cheesecake Factory Restaurants, Inc	165	8	1.09%
Dave & Buster's	155	9	1.02%
J T Posey Company	152	10	1.00%
Total	2661		17.53%

Source: Business License Division, City of Arcadia

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

<u>Function/Program</u>	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2012
General Government:										
City Manager	5	5	5	5	5	5	4	4	4	4
City Clerk	3	4	4	4	3	3	3	3	3	3
City Attorney	0	0	1	1	0	0	0	0	0	0
Administrative Services	16	16	16	16	16	16	17	17	18	17
Police	96	94	94	95	98	98	98	98	97	96
Fire	57	58	58	58	58	58	58	58	58	58
Public Works:										
Streets	25	25	25	25	27	27	25	25	25	25
Water & Sewer	33	33	33	34	34	34	34	34	34	34
Garage	4	4	4	4	4	4	5	5	5	5
Development:										
Community Development	20	21	23	25	23	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	10	11	12	12	12	12	12
Library	19	19	19	19	19	19	19	19	19	23
Total	292	293	296	301	303	304	303	303	303	305

Source: Administrative Services Department, City of Arcadia

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

Function/Program	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police:										
Physical Arrests	2,053	2,404	2,103	2,098	1,828	1,704	1,904	1,131	765	897
Parking Violations	10,908	13,211	14,348	11,805	11,449	10,395	9,636	9,869	5,210	13,432
Moving & Non-Moving Violations	6,560	6,158	5,885	6,122	4,726	2,865	3,273	1,668	174	276
Fire:										
Emergency Responses	4,882	4,960	5,123	5,560	5,614	5,688	5,734	5,301	5,167	6,007
Fires Extinguished	74	126	111	123	114	147	130	129	169	174
Inspections	3,514	4,732	4,089	3,798	4,187	3,921	3,863	3,821	3,246	3,451
Public Works:										
Street Slurry Resurfacing (SF)	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	2,370,668
Sidewalk Repaired (SF)	12,475	11,435	11,300	28,475	7,491	750	12,486	5,960	1,210	917
Curb & Gutter Repaired (LF)	1,662	6,067	1,793	15,815	3,595	4,771	16,881	7,267	3,065	5,887
Street Lights Repaired	240	116	106	340	83	213	175	235	176	170
Street AC Resurfacing (SF)	-	-	-	347,550	328,716	344,640	432,614	369,429	275,595	306,008
PCC Driveway Approaches (SF)					856	1,043	6,111	4,157	2,466	5,468
PCC Cross Gutter/Spandrel					4,259	9,308	3,317	14,498	2,185	7,960
PCC ADA Ramps					31	16	24	12	5	8
Economic Development:										
Street Resurfacing (SF)	170,331	269,450	44,000	335,500	157,200	292,100	515,900	453,600	461,200	1,014,500
Building Permits	1,419	1,548	1,615	1,724	1,551	1,433	1,889	1,742	1,758	1,955
Planning Cases Submitted and Processed	543	680	655	538	474	515	584	557	610	647
Parks and Community Services:										
(Number of Participation)										
Youth Programs	50,122	45,010	50,800	58,463	69,796	77,470	114,557	53,959	20,284	35,322
Swim Program	11,577	7,915	N/A							
Senior Citizen Programs	90,422	86,099	82,671	79,371	77,523	88,581	111,540	75,428	7,966	41,202
Contract Classes/Adult Programs	123,527	130,189	138,032	97,475	89,601	44,337	48,095	36,303	7,269	33,300
Community Center Rental Usages	15,765	12,730	12,391	10,561	10,038	12,250	21,414	8,872	-	1,580
Special Events	8,900	8,553	19,576	14,563	16,476	20,847	14,954	10,531	-	10,019
Dana Gym	18,496	19,563	20,168	13,295	28,869	31,959	27,476	19,726	-	18,206
Wilderness Park Classes & Rentals	5,959	5,729	5,871	5,488	5,011	12,936	9,123	7,403	1,593	4,010
Library:										
Books and other items total	204,642	205,658	205,107	200,980	259,000	208,109	203,859	186,694	186,837	173,246
Total Circulation	789,354	792,333	685,362	719,432	695,250	869,472	975,318	705,831	227,718	592,548
Water:										
Number of Water Accounts	14,021	13,651	13,942	13,659	14,114	13,688	14,146	13,554	14,160	14,354
Total Water Served to Direct Customer (AF)	15,495	15,704	15,325	11,089	11,801	14,416	13,574	13,935	15,010	14,279
Sewer:										
Sewer Cleaning (Miles)	227	226	227	224	168	150	150	194	178	195
Transit Services/Dial-A-Ride:										
Total Route Miles (round-trip)	292,742	296,004	251,420	243,873	295,991	280,941	280,616	282,326	250,290	266,370
Passengers	126,044	130,134	112,398	108,005	67,228	79,624	79,809	54,159	17,853	40,118

Source: Various City Departments

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

<u>Function/Program</u>	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



CITY OF
ARCADIA