



CITY OF  
ARCADIA

# ANNUAL COMPREHENSIVE FINANCIAL REPORT

City of Arcadia, California | Fiscal Year Ended June 30, 2025





**CITY OF ARCADIA  
ARCADIA, CALIFORNIA**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**Prepared by:**

**ADMINISTRATIVE SERVICES DEPARTMENT**

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**City of Arcadia**  
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**For the Fiscal Year Ended June 30, 2025**

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January 30, 2026

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, 2025, 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, rest 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, 2025, 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, 2025. The independent auditor concluded, based upon the audit that the City of Arcadia's financial statements for the fiscal year ended June 30, 2024, 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 by District, 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 near the USC Arcadia Hospital (formerly Methodist Hospital), and the Metro A Line (formerly the Gold Line) Light Rail that goes eastbound as far as the City of Azusa, and south to Long Beach. Passengers are able to transfer at 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.

The City continues to be a welcoming environment for all businesses with our “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, access to quality transit options, 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 has continued to directly support small businesses in the aftermath of the pandemic, by leveraging American Rescue Plan Act (ARPA) monies to fund our Small Business Permit Assistance and Small Business Grant Programs, a collective \$1 million dollars to directly benefit our businesses to make improvements and enhancements to their storefronts or overall business operations. 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 2024-25 ACTUALS**

For the fiscal year ending June 30, 2025, the General Fund Group, including the internal service funds, resulted in an operating surplus of \$7.6 million. Total revenue was \$98.1 million, which increased by \$5.3 million, or 5.7%, 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 \$8.9 million, or 10%. The overall increase of actual to budgeted amounts is largely attributed to unexpected increases in tax revenues, use of money and property, and other revenues. Tax revenues were \$1.8 million higher than expected. The largest variance was in utility users’ taxes, which came roughly about \$900K over budget. Property and sales taxes were also higher than budgeted, each were about \$300K over budget. High energy costs contributed to receipts coming above expectations. Use of money and property were higher than budgeted by about \$1.4 million primarily due to the Federal Reserve cutting interest rates more slowly than we were expecting. This left interest rates higher than we had projected, which earned the city extra interest income.

General Fund Group expenditure was \$88.3 million. It is \$11.1 million or 11.1% more compared to the prior fiscal year, but \$14.0 million lower in comparison to the year’s adopted budget. The favorable budget variance could be attributed to the underspending in these main categories: \$12.0 million in capital expenditures and \$2.0 million for operating expenses. Key capital budget savings came from well construction projects (\$5.5 million) and vehicle and equipment purchases (\$4.5 million), which were not able to be completed in the current fiscal year. On the operating side, personnel costs were under budget by \$0.7 million, services and supplies were under budget by \$1.9 million and other costs exceeded budget by \$0.5 million. For the departmental budget comparisons, all City departments ended the fiscal year with a positive variance to their adopted budget except for City Clerk and City Attorney and Recreation. The negative variance in City Clerk and City Attorney was due to staff allocation adjustment during the year. The negative variance for Recreation was due to higher-than-expected excursion and event costs.

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 2025-26 BUDGET**

The Fiscal Year 2025-26 Operating Budget considers the rapid shifts in economic policy, ongoing trade tensions, and financial market volatility have contributed to high levels of uncertainty in both global and local economies, underscoring the need for budgetary precautions in the upcoming fiscal year. Due to Arcadia’s longstanding practice of fiscal restraint and prudent budgeting, the City’s financial position is strong and will provide a buffer against potential economic instability. Despite a healthy fiscal position, Arcadia will continue with its practices of fiscal restraint and employ a cautious approach to the FY 2025–26 Budget. Through this approach, the City is charting a responsible path forward that allows for the continuation of high-quality services while preparing for less favorable economic outcomes.

This year’s budget process started with a Budget Study Sessions with the City Council on May 20, 2025. Inclusive in the draft budget were all operating funds, including General, Special Revenue, Enterprise, and the Successor Agency. Additionally, the City Council received the Capital Improvement and Equipment Replacement Fund budgets in a

separate document. All funds total \$178.9 million in expenditures, of which the General Fund’s budget is \$96.2 million (including Transfers Out as noted below).

The proposed FY 2025-26 General Fund Operating Budget outlines Total Operating Revenues of \$96.2 million and Expenditures of \$91.3 million, resulting in a projected operating surplus of \$4.9 million before any transfers to equipment or capital funds. After accounting for all Transfers In and Out, the General Fund is expected to end the fiscal year with a net balance of \$88,400. At the end of FY 2025-26, the projected Fund Balance of the General Fund Operating Budget is expected to be \$27.2 million, prior to any additional transfers to long-term savings accounts.

**General Fund Operating Budget**

The General Fund Operating budget is summarized in the table below:

**GENERAL FUND SUMMARY**

	<b>FY25-26 Budget</b>
Beginning Fund Balance	\$ 27,075,000
Estimated Revenues	92,490,400
Transfers In	3,676,800
Expenses & Uses	<b>(91,146,500)</b>
New Programs	<b>(132,300)</b>
Revenue over Expenses	\$ 4,888,400
Transfer to Equipment Replacement	<b>(1,900,000)</b>
Transfer to Capital Improvement Fund	<b>(2,900,000)</b>
Total Transfer Out	<b>(4,800,000)</b>
Subtotal Operating Balance	88,400
<b>Ending Fund Balance</b>	<b>\$ 27,163,400</b>

Overall, new programs proposed for the City’s Operating Budget demonstrate Arcadia’s commitment to being responsive to community needs. All new programs proposed for the City’s General Fund Operating Budget for FY 2025-26 total \$132,300. These new programs represent vital investments in all areas of the community, specifically focusing on improved delivery service to meet increasing demands and modernization of operations.

In alignment with the City's pension strategy, the proposed FY 2025-26 Budget allocates funds for addressing long-term liabilities. To this end, \$1 million has been allocated for the City’s Pension and Other Post Employment Benefits (“OPEB”) Trust accounts, which help address future employee benefits costs, especially in times of economic constraint. The \$1 million allocation is in addition to required payments to CalPERS and the pension obligation bond payments.

The Capital Improvement Fund plays a vital role in funding crucial maintenance projects, including pavement rehabilitation, building repairs, and parks maintenance. In FY2025-26 Budget, \$4.8 million will be transferred into the Capital Improvement and Equipment Replacement Funds, with the Equipment fund receiving \$1.9 million and the Capital Improvement Fund receiving \$2.9 million. The transfer amounts equate to approximately the 10-year average spend in these accounts, collectively.

In the upcoming fiscal year, several key projects are budgeted within the Capital Improvement Fund, such as plumbing and carpet repairs at the Arcadia Public Library, lighting upgrades at all three Fire Stations, and debris removal at Wilderness Park. Due to increasing water quality standards, the City will heavily invest in expanding the water treatment capacity of the Orange Grove Well. The proposed projects budgeted in the Capital Improvement Fund total \$5.1 million. Combined, the capital projects across all funds have been budgeted at \$24.4 million.

The Equipment Replacement Fund helps replace equipment that has reached the end of its useful life like computers, vehicles, and major office equipment. The total cost of asset replacement through the Equipment Replacement Fund is \$2.0 million in FY 2025-26. Notably, significant purchases for the upcoming year include \$273,700 for replacement vehicles in the Streets Division and \$451,500 for Police Department vehicle replacements.

As the Fiscal Year 2025–26 Operating Budget was being developed, high levels of uncertainty were observed in both the global and local economies, driven by rapid shifts in economic policy, ongoing trade tensions, and financial market volatility. In this complex environment, a wide range of economic outcomes are possible, requiring cities to be adaptable and plan with caution. With this in mind, Arcadia is maintaining a conservative and flexible approach to ensure responsiveness to evolving conditions.

Due to a longstanding practice of fiscal restraint and prudent budgeting, a strong financial position has been established for Arcadia, providing a buffer against economic instability. Although a recession is not being projected, signs of softness have been noted in some of Arcadia’s revenue sources, with minimal growth, or in some cases, reductions planned for the upcoming fiscal year.

Accordingly, a cautious strategy is being employed in the FY 2025–26 Budget, with built-in flexibility to undertake rapid adjustments, should economic conditions arise. The City is charting a responsible path forward, continuing its commitment to delivering high-quality services, while preparing for a variety of economic scenarios. While the proposed budget anticipates some economic struggles, no programs, events, or positions have been reduced or eliminated to achieve a balanced budget. Rather, City staff have curtailed new spending and found more efficient ways to deliver services. In addition, major pension reforms and cost cutting measures initiated in previous years are assisting the current budget outlook.

As Special Revenue, Enterprise, and Debt Service funds have restricted revenues and expenses, this report will primarily focus on the General Fund’s Operating Budget.

Summarized in the table below is the General Fund Operating Budget, inclusive of FY 2024-25 Year-End Estimates; FY 2025-26 Proposed Budget; the FY 2026-27 Preliminary Budget; and the Ending Fund Balance, which is projected to reach \$27.2 million by the end of FY 2025-26, without any additional transfers into long-term savings accounts.

**GENERAL FUND**

	FY 24-25 Estimates	FY 25-26 Budget	FY 26-27 Budget
Beginning Fund Balance	\$ 27,041,000	\$ 27,075,000	\$ 27,163,400
Estimated Revenues	\$ 89,708,100	\$ 92,490,400	\$ 93,729,600
Transfers In	9,361,600	3,676,800	7,268,200
Expenses & Uses	<u>(92,235,700)</u>	<u>(91,278,800)</u>	<u>(99,181,200)</u>
Revenue over Expenses	\$ 6,834,000	\$ 4,888,400	\$ 1,816,600
Transfer to Equipment Replacement Fund	(3,400,000)	(1,900,000)	(1,900,000)
Transfer to Capital Improvement Fund	<u>(3,400,000)</u>	<u>(2,900,000)</u>	<u>(2,900,000)</u>
Total Transfer Out	(6,800,000)	(4,800,000)	(4,800,000)
Subtotal Operating Balance	34,000	88,400	(2,983,400)
<b>Ending Fund Balance</b>	<b>\$ 27,075,000</b>	<b>\$ 27,163,400</b>	<b>\$ 24,180,000</b>

As shown in the table above, City staff have helped eliminate a deficit for FY 2024-25, which at one point, was expected to exceed \$3 million. Due to some favorable revenues and conscientious cost management, the City now expects a small surplus of \$34,000. The FY 2025-26 budget is projected to have a surplus of \$88,400, while the FY 2026-27 budget is showing a nearly \$3 million deficit using standard growth assumptions and known economic indicators. The City’s Executive Management Team will closely monitor this budget and make any necessary adjustments to ensure a balanced budget is proposed before adoption next year.

**FY 2025-26 Expected Revenues**

The FY 2025-26 Budget takes a cautious approach with a varied outlook across the City’s revenue sources. A slight decrease is projected in Sales Tax revenue, while moderate growth is expected to be shown in Property Tax revenues, which tend to be linear. Growth in Licenses and Permit Fees is anticipated, driven by a few large projects expected within the next Fiscal Year. Most other tax categories are projected to remain flat, except for the Transient Occupancy Tax, which is expected to grow due to the opening of the new Hilton Arcadia during the first half of the upcoming Fiscal Year.

Despite the slight decline anticipated in overall Sales Tax revenue, Measure A has continued to play a critical role in maintaining Arcadia’s financial stability. Measure A, a 0.75% Transaction and Use Tax (Sales Tax), approved by Arcadia voters in June 2019, has consistently contributed significant revenue to the General Fund. In FY 2024–25 alone, approximately \$11.1 million was generated through Measure A. Without this voter-approved measure, service reductions and alternative strategies would have been required to achieve a balanced budget.

For FY 2025-26, total General Fund revenues are expected to increase 3.01% when compared to FY 2024-25 Year-End Estimates. The largest revenue source for the City’s General Fund is Taxes and Fees. The key revenues under these two groups are: Sales & Use Tax, Property Tax, Utility Users’ Tax, Transient Occupancy Tax, and Motor Vehicle License Fees. The projected receipts for each tax are shown in the tables below:

**GENERAL FUND REVENUES**

	FY 24-25		FY 25-26		Changes	
	Estimates		Budget		\$	%
Taxes	\$ 61,566,800		\$ 62,745,800		\$ 1,179,000	1.88%
License & Permits	5,624,200		6,746,800		1,122,600	16.64%
Fines & Penalties	415,000		390,500		(24,500)	-6.27%
Use Money & Property	3,030,000		3,140,000		110,000	3.50%
Revenue from Other Agencies	9,542,400		10,039,400		497,000	4.95%
Charge Current Services	5,458,100		5,366,100		(92,000)	-1.71%
Library	94,000		102,000		8,000	7.84%
Recreation	1,451,700		1,506,600		54,900	3.64%
Other Revenue	2,525,900		2,453,200		(72,700)	-2.96%
<b>Total Revenue</b>	<b>\$ 89,708,100</b>		<b>\$ 92,490,400</b>		<b>\$ 2,782,300</b>	<b>3.01%</b>

**GENERAL FUND TAX REVENUE SUMMARY**

Description	FY 2024-25 YE Estimates	FY 2025-26 Proposed Budget	Difference	% Change
Sales and Use Tax	\$ 23,549,100	\$ 23,415,300	\$ (133,800)	-0.57%
Property Tax	20,617,600	21,132,300	514,700	2.44%
Utility Users’ Tax	9,093,400	9,197,400	104,000	1.13%
Transient Occupancy Tax	5,824,600	6,537,000	712,400	10.90%
Motor Vehicle License Fees	9,461,400	9,744,800	283,400	2.91%

**Sales and Transaction Use Tax:** For Sales and Transaction Use Tax, the total estimates for the upcoming Fiscal Year are \$23.4 million, reflecting a 0.57% decrease compared to the previous year’s revenues. Recent trends in retail data show economic uncertainty and rapid price increases contribute to lower consumer confidence, limiting the growth rate in sales tax revenue. It is projected that this trend will continue into FY 2025-26, with sales tax revenue slightly decreasing due to the overall reduction in economic activity.

**Property Tax:** Arcadia’s status as a desirable community, along with its highly regarded public school system, is expected to add to the growth in home valuations over the coming year. Although home sales across California have slowed significantly due to the persistence of elevated interest rates, price levels in Arcadia have remained steady because of sustained demand. As a result of these conditions, some growth in Property Tax revenue is expected, though at a lower rate than has been experienced in recent years. For FY 2025–26, Property Tax receipts are estimated to increase by approximately 2.4%, or to \$21.1 million.

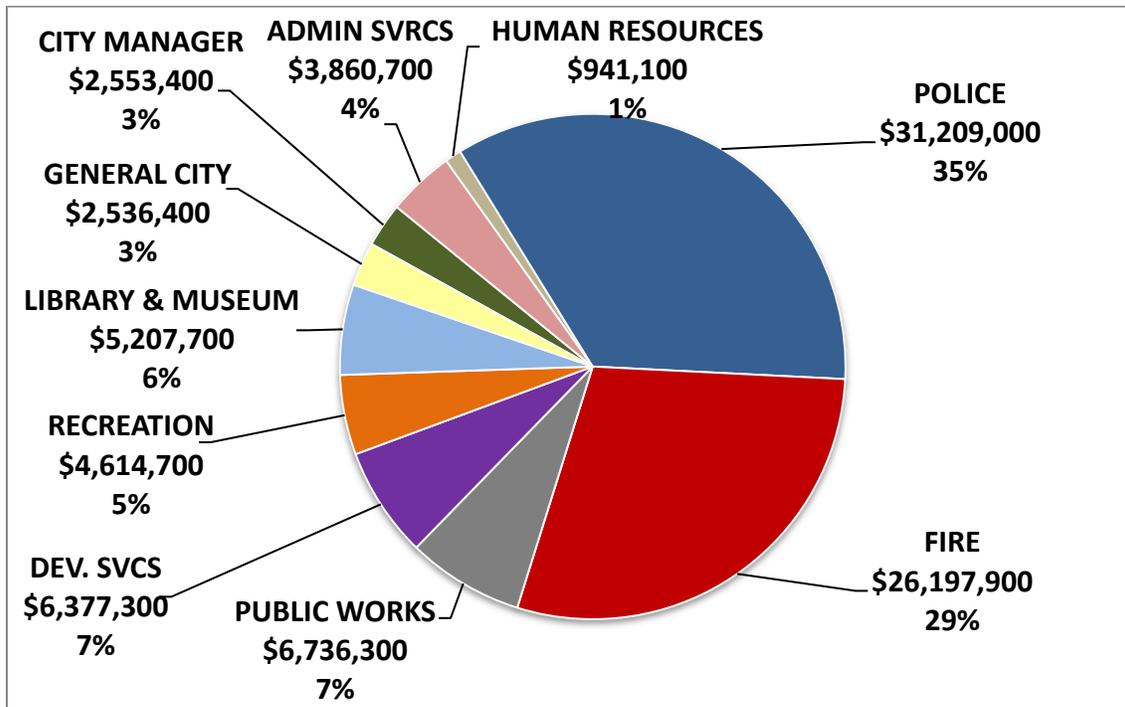
**Utility Users’ Tax:** The projected revenue from the Utility Users' Tax (“UUT”) is \$9.2 million, representing a 1.1% increase compared to the previous Fiscal Year. The Utility Users’ Tax is expected to show moderate growth next Fiscal Year, due to electricity rate increases to fund infrastructure development and growth in internet services. Those revenues will be offset by the declining demand for cable TV services, as well as less utility revenue from diminished work from home employment, a decreasing trend nationwide.

**Transient Occupancy Tax (“TOT”):** The TOT revenue projected for FY 2025-26 represents a 10.9% increase compared to the previous year, resulting in expected revenue of \$6.5 million. A large portion of this increase is based on the new Hilton Arcadia, which is expected to open toward the end of 2025. Arcadia’s TOT has grown and performed well over the past several years, but demand is expected to level off in the coming Fiscal Year due to international travel restrictions and the susceptibility of tourism to economic downturn.

**Motor Vehicle License Fees (“VLF”):** The Motor Vehicle License Fees (“VLF”) tax is projected to increase by 2.9%, generating \$9.7 million in revenue next Fiscal Year. Since the State made a formulaic change to directly tie the City’s VLF to the annual property assessment, the growth rate has proven to be healthy in Arcadia. This growth trend is expected to continue into the next Fiscal Year.

**FY 2025-26 Proposed Expenses**

**GENERAL FUND EXPENDITURES BY DEPARTMENT**



The proposed FY 2025-26 Operating Budget sets total operating expenditures at \$90.2 million, representing a 3.2% decrease compared to the previous year's Revised Budget of \$93.3 million. Much of this decrease can be attributed to reduced transfers to the City's capital and equipment funds. It is important to highlight that the FY 2025-26 Operating Budget remains largely unchanged apart from contractual increases from multi-year service agreements, and the expected increases in salary and benefits.

Furthermore, the budget continues to allocate "prefunding" of long-term benefit accounts, including the City's Retiree Medical Benefit (Other Post Employee Benefit liabilities) and the contribution to the City's Pension Trust Account. The proposed budget includes a total of \$1.0 million for those accounts (\$500,000 each).

### **Proposed New Programs**

New services and programs are presented by various departments to respond to emerging operational needs and direction from the City Council. New programs proposed for the FY 2025-26 Budget total \$132,300 and are described in the following sections.

**City Manager Office: Public Records Portal (\$11,100):** The City utilizes Laserfiche as a document management platform for official City records. The City currently has 10 concurrent viewing licenses, which are often fully utilized, preventing the public and City staff members from accessing and viewing City records. Upgrading the portal will add 15 additional licenses, bringing the total to 25 concurrent viewing licenses, and improving access for staff and the public; this upgrade is a one-time cost.

**Police Department: Sharp Performance App (\$28,700):** Sharp Performance's mobile app offers a wellness solution that is tailored to individual users and uniquely aligned with the needs of law enforcement. By providing easy access to mental health resources, stress management, and wellness tracking, the app aims to enhance the overall wellbeing of employees. This, in turn, can lead to improved job performance, greater job satisfaction, and a reduction in burnout and work-related stress.

The cost of the program totals \$43,700; \$15,000 of the cost can be covered using grant funding, so the net cost to the City would be \$28,700. This program is a one-time cost.

**Fire Department: Standards of Cover ("SOC") Assessment (\$80,000):** Conducting a Standards of Cover assessment will provide an in-depth analysis of the Fire Department's operations. The SOC is a systematic process to assess community risks, evaluate response performance, and identify opportunities for improvement. Through data analysis, a SOC assessment will identify and determine the current levels of response, response time objectives, standards for measuring resource effectiveness, and the deployment of those resources. An analysis will be performed for fire and emergency medical services in Arcadia. In reviewing historical documents spanning over 25 years, no prior assessment was found.

The \$80,000 cost of the assessment will be initially covered by the City. Future developments that will impact the Fire Department's service delivery will be required to pay a portion of this cost to the City, similar to other development impact fees and requirements.

**Fire Department: Provide Community Emergency Response Team ("CERT") Training (\$12,500):** The CERT program will educate volunteers about disaster preparedness for hazards that may occur. The CERT volunteers will learn basic skills in fire safety, search and rescue, team organization, and disaster medical operations. This training will be delivered and coordinated by Fire Department personnel. This training will be conducted a maximum of three times annually and will have regular drills for CERT team members to review training and upcoming events. CERT team members will be qualified to support City events, assisting as needed. The \$12,500 cost for the program will be ongoing but may fluctuate each year depending on the need for supplies, training materials, and the number of volunteers. In addition, the Arcadia Chinese Association has shown interest in assisting with the funding of this program, so community resources may be available to offset this expense.

The table below summarizes the New Programs included in this proposed budget.

**NEW PROGRAMS**

<b>Proposed New Programs</b>	<b>FY 2025-26 Start Up Costs</b>	<b>Ongoing Annual Costs</b>
<b>City Manager</b>		
Public Records Portal	\$ 11,100	\$ -
<b>Police</b>		
Sharp Performance App	28,700	-
<b>Fire</b>		
Standards of Cover (SOC) Assessment	80,000	-
Community Emergency Response Team (CERT) Training	12,500	12,500
<b>Total New Programs</b>	<b>\$ 132,300</b>	<b>\$ 12,500</b>

**Capital Improvement and Equipment Replacement Funds**

The City intentionally sets aside funds in the Capital Improvement and Equipment Replacement Funds to save for significant purchases that occur intermittently. The balance of each fund has grown through financial prudence and by transferring any excess General Funds at the end of each fiscal year. The goal is for the General Fund to transfer at least the 10-year average expenditure from each account. This proactive approach to funding is crucial in preventing failure of the City's infrastructure system and ensuring staff have the necessary resources to carry out their essential duties. The FY 2025-26 Budget will transfer \$4.8 million from the General Fund, with \$2.9 million allocated to the Capital Improvement Fund and \$1.9 million to the Equipment Replacement Fund. Collectively, this is the 10-year average spend from these accounts. A larger transfer amount is being recommended for the Capital Improvement Fund due to its substantially lower fund balance at this time.

The FY 2025-26 Capital Improvement Plan entails 32 projects, with a total expenditure of \$24.1 million. Of this amount, \$4.7 million will be funded from the Capital Improvement Fund. The Capital Improvement Fund primarily supports crucial maintenance initiatives such as pavement rehabilitation, building repairs, and parks maintenance. The following table provides a summary of some major proposed projects scheduled for the year.

**FY 2025-26 MAJOR CAPITAL IMPROVEMENT PROJECTS**

<b>Project Description</b>	<b>Project Budget</b>	<b>Funding Source</b>
<b>Orange Grove Well Treatment</b>	\$6,000,000	Water Fund/ Dow Settlement Fund
<b>Colorado Complete Streets</b>	\$4,500,000	SGVCOG/Federal Grants
<b>Pavement Rehabilitation Program</b>	\$2,500,000	Capital Improvement \$1.0M & RMRA (SB1) - \$1.5M
<b>Sewer Capacity Upgrade</b>	\$1,350,000	Sewer Fund
<b>Annual Slurry Seal Program</b>	\$1,350,000	Capital Improvement Fund
<b>SCADA System Replacement</b>	\$1,000,000	Water Fund/ Sewer Fund

The Equipment Replacement Fund plays a critical role in funding essential equipment such as computers, vehicles, and major office equipment. The budgeted annual transfer of \$1.9 million properly funds current spending levels and allows the City to replace equipment before it becomes obsolete.

In the proposed budget, there are several vehicle replacements planned – specifically, heavy-duty vehicles used by the Public Works Services, Fire, and Police Departments.

The Equipment Replacement Fund encompasses a comprehensive list of 32 equipment purchases, totaling \$3.2 million. Sixty-three percent (63%) of the \$3.2 million (or \$2.0 million) will be funded by the Equipment Replacement Fund. The table below summarizes some significant equipment purchases for the upcoming period.

**FY 2025-26 MAJOR EQUIPMENT REPLACEMENT PURCHASES**

Equipment Replacement Description	Replacement Budget	Funding Source
<b>Water Vehicle Replacements:</b>		
<ul style="list-style-type: none"> <li>• New Loader</li> <li>• Compact Pickup Truck</li> <li>• ¾ Ton Pickup Truck</li> <li>• Installation of Equipment and Accessories</li> </ul>	\$636,900	Water Fund
<b>Fire Department:</b>		
<ul style="list-style-type: none"> <li>• ½ Ton Pickup Trucks</li> <li>• Communications Equipment</li> <li>• Installation of Equipment and Accessories</li> </ul>	\$305,000	Equipment Replacement
<b>Police Department:</b>		
<ul style="list-style-type: none"> <li>• 3 New Patrol Vehicles</li> <li>• 1 New HD Pickup</li> <li>• Surveillance Trailers</li> <li>• Radio Replacement</li> <li>• Installation of Equipment and Accessories</li> </ul>	\$817,900	Equipment Replacement
<b>Streets Vehicle Replacements:</b>		
<ul style="list-style-type: none"> <li>• ¾ Ton Pickup</li> <li>• ½ Ton Pickup</li> <li>• ½ Ton 4x4 Pickup</li> <li>• Installation of Equipment and Accessories</li> </ul>	\$273,700	Equipment Replacement

Looking ahead, since the City has made significant investments in capital projects and equipment replacements recently, the Capital Improvement and Equipment Replacement Funds will decrease to a concerning level in a few years, unless additional transfers are made. It would be prudent for the City to transfer some of the excess balance in the General Fund Operating Budget to the Capital Improvement and Equipment Replacement Funds, restoring those balances to ensure those funds remain at sustainable levels.

## **ECONOMIC OUTLOOK**

The General Fund FY 2025-26 Operating Budget was developed based on an economic landscape of moderate growth, evolving inflation dynamics, and heightened policy uncertainties. The U.S. economy is projected to experience a slowdown in Gross Domestic Product output, attributable to moderated consumer spending and business investments. While inflationary pressures coming out of the pandemic appear to have subsided, recent trade policies may inject additional pricing pressures into the economy, especially an international travel-based economy, such as that in Arcadia. These macro events will have an impact on economic activity and the revenue picture for the City into the next Fiscal Year.

Despite a regional softening of the housing market due to high interest rates, Arcadia's housing market remains resilient. Even with a decline in total sales volume, prices remain strong in the City. As home values remain stable, this will help with the City's property tax revenue, facilitating moderate growth.

Economic ambiguity will impact consumer confidence and spending, with consumers prioritizing necessary expenditures over discretionary spending. This trend will have an impact on Arcadia's sales tax activity and should contribute to a minor contraction in receipts at the Shops at Santa Anita, local restaurants, and other retailers.

Despite the softening of certain revenue streams, the City has managed its finances responsibly and will be able to maintain the high level of service the community expects. These prudent financial practices will enable the City to have a balanced budget for FY 2025-26, despite a moderate slowdown that could impact revenues.

Although current economic conditions make long-term trends difficult to predict, and the impact of existing policies uncertain, Arcadia is able to adapt to changing circumstances thanks to its strong financial position. The City employs conservative budget estimates and staff is able to quickly respond to any changes in outlook or projections. By being vigilant and flexible, the City will be able to address challenges and continue to deliver a high level of service to the community.

## **DEBT ADMINISTRATION**

As of June 30, 2025, the City has an outstanding balance of \$2,755,000 for the Series 2021 General Obligation Bonds (Police Station) and \$3,489,000 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 Obligations Bonds to fund contributions towards the City's Unfunded Actuarial Liability (UAL) balance with the California Public Employees Retirement System (CalPERS). A total of \$89.5 million was contributed to ensure the stability and health of the City's retirement funds. These bonds were rated "AAA" by Standards and Poor rating agency. The outstanding balances on these bonds were \$75,545,000 on June 30, 2025.

## **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 1<sup>st</sup> 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 expenditure cannot legally exceed the appropriated amount) is established at the department level. At the fiscal year-end, all unencumbered operating budget appropriations lapse except for 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 a long-term IT strategic plan
- Expanded backup storage capabilities and network reliability throughout the City and ensure there are proper backups in place
- Implemented MDM software to be able to manage all city mobile devices remotely
- Completed all audit and financial reports with no major findings or disallowed costs

### Human Resources

- Continued to increase the City's presence within the community and beyond for recruitment purposes, including attending more job fairs, expanding our social media posts, and continuing to enhance recruitment flyers.
- Provided mandatory and compliant training within established timeframes.
- Enhanced the City's Wellness Program to promote workplace wellness and help employees adopt healthy behaviors, including our Wellness Newsletter, incentives, and challenges to encourage engagement in wellness-related activities.
- Continued to engage good-faith interactive processes with employees and applicants.
- Continued to identify and implement areas for improved efficiency in support of all City departments.
- In FY 2024-2025, finalized implementation of remaining successor Memoranda of Understanding for employee associations: two remaining contracts were approved in September 2024, and a Benefits Resolution was approved in October 2024.
- Implemented legal changes by the applicable operative dates specified in any new pieces of legislation.

### Police Services

- Actively participated in the Los Angeles Interagency Metropolitan Police Apprehension Crime Task Force (L.A. IMPACT), a multi-jurisdictional taskforce, to increase proficiency in investigating major crimes related to drug trafficking, gang enforcement, property crimes, and covert operation information development amongst others.
- Maintained participation in the West San Gabriel Valley Mental Evaluation Team (WSGMET), the San Gabriel Valley Council of Government's Care Team 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 the community.
- Provided homelessness outreach efforts through the activities of the police department'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 goal of finding an alternative to life on the streets.
- Expanded the Automated License Plate Readers (ALPRs) program via a strategic build-out plan to combat criminal activity, enhance productivity, and improve officer safety.
- Expanded the Department's use of technology and tools such as the GPS Tracking Device Program to reduce and combat criminal activities in the City.
- Establish participation in the Taskforce for Regional Auto theft Prevention (TRAP) Program and dedicate police resources to help deter crime in the City, specifically, Auto Theft.

- Utilize and expand the social media team to increase interactions and timely sharing of information via various social media platforms with members of the community.
- Leased three mobile surveillance trailers from LiveView Technologies to enhance security in targeted locations, offering real-time audio and video footage of potential criminal activities, problem areas and large events within the City. This real-time monitoring system leverages technology as a force multiplier, enhancing public safety and optimizing operations. By integrating this advanced tool, officers can respond more efficiently to incidents and allocate resources where they are needed most.
- Implemented the data integration software Peregrine, which consolidates information from various sources, including Computer Aided Dispatch (CAD), Records Management Systems (RMS), digital evidence software, mobile surveillance trailer data, and GPS tracking systems. This integration provides all personnel with a single, actionable portal to access multiple databases, facilitating real-time analysis of relevant data and enhancing the efficient utilization of police resources.
- Utilized Officer Wellness and Mental Health grant funds to purchase the Sharp Performance mobile app, which focuses on law enforcement personnel wellness and preventative care. The program was expanded to include spouses of Department personnel recognizing the vital role families play in the well-being of law enforcement members. This initiative provides spouses access to stress management tools, wellness tracking, and personalized recommendations, enhancing support for Department personnel. The goal is to improve the mental health and resilience of the entire family unit, fostering a healthier home environment and a more effective workplace.
- Acquired digital evidence management software (Evidence.com) and storage (Axon Capture) to serve as the designated evidence storage database for City-issued cell phones. The integration with Evidence.com and Axon Capture ensures that all gathered data is securely stored and easily accessible for investigative and legal purposes. Additionally, this software is the preferred method for sharing files with the Los Angeles County District Attorney's Office and other law enforcement agencies. This initiative underscores the Department's commitment to leveraging technology to enhance public safety and streamline law enforcement processes.

### Fire Services

- Continued to develop a Wellness Program for the Department members to maintain a high level of job performance.
- Implemented a Special Weapons and Tactics (SWAT) Paramedics Program to ensure that emergency medical support is provided by the Arcadia Fire Department's SWAT Paramedics to the Arcadia Police Department during SWAT training and incident deployments.
- Expanded the BLS Ambulance Operators Program by adding weekend transport (12-hour shifts) to triage its EMS response while adding cost recovery for needed emergency services.
- Hired a new Management Analyst to provide journey-level administrative and programmatic support for the Department.
- Purchased a new Pierce aerial ladder truck, a critical apparatus to the Fire Department's fire suppression operations to provide firefighters with a safe and stable platform in accessing high-rise buildings and other tall structures. Due to post-pandemic supply-chain shortages and a backlog of demand for this type of apparatus, its design, build, and delivery timeline is expected to be approximately 3 years.
- Purchased a new ½-ton pick-up truck to replace the existing vehicle that has met the Citywide Vehicle Replacement criteria. This vehicle supports the Fire Department's ongoing fire and emergency operations response.
- Initiated the first phase of a two-year project under the Emergency Vehicle Traffic Signal Preemption System Program, which offers vehicle traffic prioritization for emergency service vehicles within the City of Arcadia, and can therefore improve response times and delivery of emergency services.
- Remodeled and reconfigured Fire Station 105's Administration's side men's bathroom to create more room and maximize its functionality as Fire personnel have grown through the Department's Ambulance Operators (AOs) Program.
- Reaching its five-year life expectancy, replaced the rescue rope equipment as part of the Department's Fire Suppression Equipment Replacement Program.
- Purchased four (4) powered gurneys and loading systems to replace the existing regular manual gurneys. These new gurneys are more efficient and could provide more support to EMS personnel when lifting and transporting much heavier patients.

- Purchased low-pressure fire hose and nozzles to replace the existing 25-year equipment and this type of apparatus also promotes personnel safety as lowering nozzle pressures decreases the risk of injury and physical demand.
- Purchased the Self-contained Breathing Apparatus (SCBA) with a Mine Safety Appliance (MSA) Accountability system feature to improve firefighter safety as it will enable the tracking of firefighters as they operate in immediately dangerous to life and health (IDLH) atmospheres.
- Prepared for the adoption of the 2025 California Fire Code.
- Adopted the new local Fire Hazard Severity Zones (FHSZ) maps with designated Moderate, High or Very High fire zone designations.
- Developed a succession plan for the Fire Prevention Bureau.
- Outlined the development of a Community Emergency Response Team (CERT) Program including Mandarin language translation.
- Outreached to approximately 11,000 property owners via Utility Billing mailers to expand the City's Paramedic Membership Program's (PMP) promotional efforts to the community.
- With hundreds of departmentally mandated policies and expanding, secured the use of a policy implementation, management, and maintenance tool through Lexipol's online learning and policy management system.
- Developed a comprehensive Fire Department's 2024 Annual Report highlighting its mission, key objectives, accomplishments, and community outreach and services.

### Public Works Services

- Completed the Fiscal Year 2024-25 Annual Slurry Seal Project that addressed approximately 20.9 miles of residential and arterial streets.
- Inspected and Rehabilitated Orange Grove Well 2A.
- Constructed new bleachers and shade canopies at Hugo Reid Park and Bonita Park.
- Designed and Constructed the Newcastle Park Improvement Project.
- Continued replanting trees within the City Right of Way utilizing funding from Los Angeles County Flood Control District (LACFCD).
- Removed and replaced the existing 6-inch cast iron water main along Camino Real Avenue between Tenth Avenue and Loganrita Avenue.
- Excavated in the street and right-of-way at the intersection at the intersection of Santa Anita Terrace and Santa Anita Avenue, Camino Real Avenue and Santa Anita Avenue, and Third Avenue and Rodell Place, to remove and replace two 12-inch gate valves and four 8-inch gate valves.
- Installed new netting at the Arcadia Par 3 driving range.
- Repaired localized potholes and failed pavement, replaced broken curb and gutter, and installed new ADA-compliant curb ramps at Camino Real Ave from 10th Ave to east City limits, Santa Maria Rd. from Colorado Blvd, to n end of cul-de-sac, Woodruff Ave. from Santa Anita Ave to First Avenue, La Porte Street, from Santa Anita Ave to First Ave and La Porte Street, from First Ave and Second Ave

### Development Services

- Achieve certification of the City's Housing Element through the State of California.
- Completed numerous traffic signal upgrades throughout the City, as well as repaving projects and striping efforts to improve traffic flow throughout the City.
- Complete Broadband Master Plan effort.
- Complete entitlements on the Derby Redevelopment projects, which include over 200 residential units, including affordable units.
- Collaborate with the Santa Anita Racetrack on special events to help bring energy to the Track.
- Code Enforcement of important quality of life issues such as unoccupied homes, short term rentals, boarding houses, and other unpermitted uses for residential properties continue to be an important accomplishment in the City.
- Manage construction on new 314-unit mixed-use development in Downtown Arcadia.

### Recreation and Community Services

- New Recreation Supervisor Position supervising Homeless & Health Seminars/Fair
- Painted of pickleball lines at Tierra Verde Park
- Ribbon Cutting of Pickleball Courts at Tierra Verde Park
- Updated 2024 Five Year Homeless Plan
- Updated of the 2024 Homeless Census
- Establishment of the Health Commission
- Inaugural City-Wide Health Fair
- Keynote Speaker for Health Fair was The Surgeon General Lieutenant General Izaguirre
- Received Land & Water Conservation Fund Grant for Newcastle Park Renovation
- New Summer Youth Basketball League
- Completed Shade Structures at Bonita Park and Hugo Reid Park

### Library and Museum Services Development Services

- Replaced 10 public computers and monitors that were more than seven years old from Windows 10 to Windows 11. Maintain the facilities, grounds, furnishings, and security: Cleaned and re-fireproofed the Auditorium stage drapes; updated and replaced signage in Children's Services; Upgraded the Auditorium to have Bluetooth capacity; Implemented MessageBee to better provided text and email services to the public and limit the number of bounce back emails.
- Public Works installed a new 110-ton water chiller.
- Library visitors to the library increased 7% to 364,026. New titles added to the collection for the public increased by 3%. Digital items borrowed increased by 31%; Items borrowed overall increased by 11% (520,030). Public Wi-Fi usage increased to 65,652 usages.
- Provide a robust and diverse collection of books and resources that meet the needs of Arcadia residents as well as a variety of programs and services that attract hard-to-reach populations as well as inspiring life-long learning for all ages. Updated collections, specifically career, test preparation, and legal collections. eBooks and eAudiobooks outpaced budget by mid-year.
- Hosted a Going Green event in partnership with Repair Cafe and Sustainable Arcadia; participated in the One Book, One County initiative; Debuted Adventure Backpacks, funded by the CA State Library.
- Continue to develop, train, and retain an innovative, talented, nimble, and diverse workforce. More than 85% of staff are new in the past three years with retirement driving these changes. Emphasized staff training and safety with SkillsCamp Professionalism in the Workplace; CANRA training; Safety training in the workplace; Fire Extinguisher training; Earthquake Drill safety.
- 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. The English Conversation Class was started up in Sept. 2023, providing a free class to the community and continued in 2024. The Library participated in the citywide Halloween Hauntings, Chinese New Year, Moon Festival, Patriotic Festival and citywide concerts at City Hall. The Library served as a voter center in November 2024, encouraging civic engagement.
- Participated in the Citywide IT Strategic Plan. A switch to upgrade the Library to 10Gb is included. A weekly volunteer continues to assist with the Memory Lab, helping patrons digitize their private collections.
- Continued to provide strong informational, technological, community, and reading literacy programs to continue to help our community be active lifelong learners. (Sustainable Living, Summer Reading, as well as weekly and monthly programs for all ages)
- Museum accomplishments included the completion of the Peacock Fountain project; a new Veterans Military Banner program; and restoration of various plaques around the city. Museum applied for and received two interns from the Getty Internship grant program. Permanent exhibits were translated into Mandarin and Spanish.

### **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 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.
- 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.
- 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.
- Provide recommendations and guidance on the City's IT-related projects.

## Human Resources

- The Human Resources Department is developing a long-range plan, including analysis, engagement, and ultimately implementing a strategic partner model with each City Department to engage in proactive human resources and risk management functions.
- Continue to ensure compliance with Assembly Bill 2561 regarding annual reporting on vacancies, recruitment, and retention efforts.
- Continue to enhance employee Wellness and Engagement, including looking for grant opportunities that may become available for employee wellness.
- Update and begin discussions regarding Personnel Rules and Regulations.
- Finalize a self-directed FLSA Audit.
- Continue to collaborate with all City Departments on strategic outreach measures that recruit and retain a diverse and well-qualified workforce.

## Police Services

- Recruit and train all sworn and non-sworn staff within the confines of the FY 2025-26 Budget.
- Review, revise, and utilize the Department's Career Development Program to develop highly trained, highly educated men and women throughout the organization.
- Invest in technology to identify trends, patterns, and public safety-related activities to employ data-driven strategies to effectively allocate resources where it is needed most. Implement new objectives in the Operations Division to increase efficiency and provide better service for the community.
- Enhance, and/or establish the Department's policies, procedures, and operational strategies to respond to emergencies and monitor recommended steps from local, state, and federal agencies for implementation with the goal of preserving the safety and well-being of the City, staff, and residents.
- Actively participate in the Los Angeles Interagency Metropolitan Police Apprehension Crime Task Force (L.A. IMPACT), a multi-jurisdictional taskforce, to increase proficiency in investigating major crimes related

to drug trafficking, gang enforcement, property crimes, and covert operation information development amongst others.

- Grow the Explorer Post Program to provide the young members of our community an opportunity to develop their interest in a career in law enforcement and to prepare them to join the Police Cadet Program.
- Build the Police Cadet Program to full capacity, providing for a greater number of potential police officers for the future, and allowing for diversified learning opportunities within the department.
- Explore the potential for collaborative, regionalized police services for the future.
- Maintain participation in the West San Gabriel Valley Mental Evaluation Team (WSGMET), the San Gabriel Valley Council of Government's Care Team 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 the community.
- Provide homelessness outreach efforts through the activities of the police department'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 goal of finding an alternative to life on the streets.
- Grow and develop traffic safety education, engineering, and enforcement efforts. Continue to enhance D.U.I. enforcement through grant funding for checkpoints and special operations.
- Administer the City's False Alarm Reduction Program.
- Strengthening the capabilities of the Crime Analysis Unit to provide data, statistics, crime trends, criminal intelligence, and research support to the Department.
- Continuing the growth of the Neighborhood and Business Watch Programs managed by the Community Affairs Office to help increase safety awareness and enlist the active participation of business owners, in cooperation with law enforcement, to reduce crime in the community.
- Expand the Automated License Plate Readers (ALPRs) program via a strategic build-out plan to combat criminal activity, enhance investigations, and improve officer safety.
- Expand the Department's use of technology and tools such as the GPS Tracking Devices and mobile surveillance cameras to reduce and combat criminal activities in the City.
- With the continued support of the Arcadia Police Foundation, use the K-9 Program to support daily law enforcement operations and enhance the effectiveness of patrol duties such as handler protection, searching techniques, human tracking, and narcotics detection; ultimately increasing officer safety, apprehension of suspects, location of missing persons, and safety for the community.
- 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 the police department and the public, mobilize community support, and enhance community understanding of law enforcement initiatives.
- Utilize and expand the capabilities of the social media team to increase interactions and timely sharing of information via various social media platforms with members of the community.

### Fire Services

- As a multi-year project, continue to update the Fire Department's station alerting system to industry standards.
- Continue to develop a Wellness Program for the Department and evaluate the possibility of expanding its benefits and its educational component to help maintain a high level of job performance.
- Continue to 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.
- Purchase a new government I.D. maker for all Fire personnel to replace the existing 15-year equipment that has reached its maximum useful lifespan.
- Purchase new oxygen bottles used by the Department's EMS responders for patients requiring cardiopulmonary resuscitation (CPR) procedure or have difficulty breathing. This will eliminate the Department's need to continually pay for their existing rental fees.
- In collaboration with the Public Works Services Department, install a new garage door at Fire Station 106 that allows Fire vehicles to access the station, as the existing one has been in constant disrepair.
- Harness the use of goats and sheep for efficient and eco-friendly brush clearance solution in Wilderness Park.

- Amend and adopt the 2025 California Fire Code.
- Implement the Community Emergency Response Team (CERT) Program.
- Conduct a feasibility study for a Joint Training Center for the Arcadia and United States Forest Service to fill a critical regional need for an inter-agency emergency response training in the area and a dedicated training space for Arcadia firefighters.
- Educate and implement the newly adopted local Fire Hazard Severity Zones (FHSZ) maps.
- Re-design the Department's website.
- Replace the Arson vehicle as it meets the City's Vehicle Replacement Program.
- Conduct a Standards of Cover (SOC) assessment to provide an in-depth analysis of the Fire Department's operations, which can include assessment of community risks, evaluation of response performance, and identification of potential delivery system improvements.

### Public Works Services

- Rehabilitate Peck Well
- 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.
- Continue replanting 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.
- Replace the aged Baldwin Booster Pump D and Motor Control Center.
- Construct a PFAS treatment system at Peck Well
- Remove and replace 24-inch valve at Santa Anita Plant and 16-inch valve at Peck Well
- Replace existing 8-inch sewer pipe with 10-inch sewer pipe along Fifth Avenue between Huntington Drive and Duarte Road and replace the existing 10-inch sewer pipe with 12-inch sewer pipe along Santa Anita Avenue between Christina Street and Camino Real Avenue.
- Replace existing 8-inch and 10-inch sewer pipe with a 12" Sewer main on Santa Anita between El Dorado Street and Christina Street.
- Inspect and Rehabilitate Orange Grove Well 6
- Rehabilitate section of pavement on Altura Rd, Campesina Rd, Don Pablo, Oakwood Dr., and White Oak Dr.
- Complete the Fiscal Year 2025-26 Annual Slurry Seal Project and address approximately 15.9 miles of residential and arterial streets.
- Resurface the Basketball Court at Eisenhower Park.
- Complete Orange Grove Well Treatment - Design and Construction
- Remove and Replace damaged 18" storm drainpipe on Fall Leaf Rd. with new 18" reinforced concrete pipe.
- Prepare design and geological plans for the removal of debris at Wilderness Park.
- Replace damaged debris barrier of the Wilderness Park Access Rd.

### Development Services

- Complete major improvement project for South Baldwin Avenue.
- Entitle a new hotel project, a major assisted living project, and several large mixed-use projects throughout the City.
- Complete new economic development marketing and branding efforts, district identify improvements, etc.
- Assist USC Arcadia Hospital AND the Arcadia Unified School District with major master planning efforts
- Upgrade permit tracking and issuance software to provide superior quality of service, including new E-review software and a new Business License module.
- Draft new inclusionary housing ordinance and multiple re-zonings to facilitate affordable housing.
- Review municipal transit services to determine if modifications or upgrades are needed.

### Recreation and Community Services

- Complete the Newcastle Park renovation project utilizing funds from the Land and Water Conservation Fund grant
- Work on procuring grants from the San Gabriel Valley Council of Government's Grant for Homelessness.
- Replace carpet in the Ballroom
- Diabetic Retinopathy Screening

### Library and Museum Services Development Services

#### Library:

- Maintain safe, welcoming, and friendly spaces and provide an engaging mix of services, collections, and programs. Emphasis on staff training on safety, technology, and current and future trends of public libraries. Implementation of a new citywide security system.
- Look for partnerships and continue to develop a strong volunteer and intern program to assist with collections, programs, services, and technology. Provide two or more AI workshops for the public for Adults and middle school students. Implement a new Student Success Card (Hero Card) for all public school students TK-3rd grade in Arcadia. (part of a State of CA Library mandate SB 321 and 1329.
- Continue to work on a strong marketing, publicity, and social media presence, updating policies and procedures as needed with the City. Work with City to implement a new citywide website presence.
- Continue Passport Services as an ongoing, separate, cost-recovery service for the community.
- Maintain and refresh the facility, grounds, and furnishings to ensure an attractive, safe, and inviting environment for people visiting the Library. Replace the new water chiller heat exchanger. Potentially replace some of the plumbing pipes in the basement that are original from 1961.
- Provide a robust and diverse collection of books and other resources that meet the needs of Arcadia residents as well as a variety of programs and services that attract hard-to-reach populations as well as inspiring life-long learning for all ages. Explore expanding the Memory Lab offerings; video gaming collections/programs; driver simulation module, crafting programs for a more robust Hands-On Learning space. (Maker Space). Take advantage of Tech Center for trainings for staff and other City departments.
- Work with the Friends of the Library to provide a sustainable and containable space for donations within the confines of the Friends designated areas in the basement. Continue to work on safety, ensuring all volunteers are live scanned and ensuring safety for both staff and volunteers. Encourage modernization in functions.
- Replace three laptop computers for public programming; replace 8 year old basic computer to support public printing station software; Replace print/scan release station for public scanning/printing/fax that is becoming obsolete.
- Look for grant opportunities to maximize study room space and craft equipment. Update Collection Development policy so in alignment with CA State Library so grants can be acquired.
- 

#### Museum

- Provide hands-on experience and opportunities to emerging museum professionals with internships.
- Continue to develop a strong intern and volunteer program to assist with collections, programs, services, and advocacy. Consider partnering with East Los Angeles Community College for four unpaid internships.
- Continue to provide strong educational programs for all ages that develop a lifelong love of learning about local history and to Continue to bring in repeat and new visitors alike throughout the year. Continue to provide the “why” and “so what” of local history and how it fits in with history nationally and internationally.
- Continue to ethically accession, deaccession, and maintain proper documentation, indexing, storage, and care for the artifact collections following museum management best standards and practices.
- Continue to look for ways to store and share collections in the most compact and accessible configurations to maximize the limited space available.

- Systematically refresh permanent and temporary exhibit spaces and take advantage of technology to offer new interactive and hands-on experiences for the public.
- Continue to bring in repeat and new visitors throughout the year.
- Continue to collaborate with community groups, schools, and individuals to develop temporary exhibits that meet the current interests of the community.
- Continue to develop a strong collaboration with the Friends of the Museum.

## **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, 2024. 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.

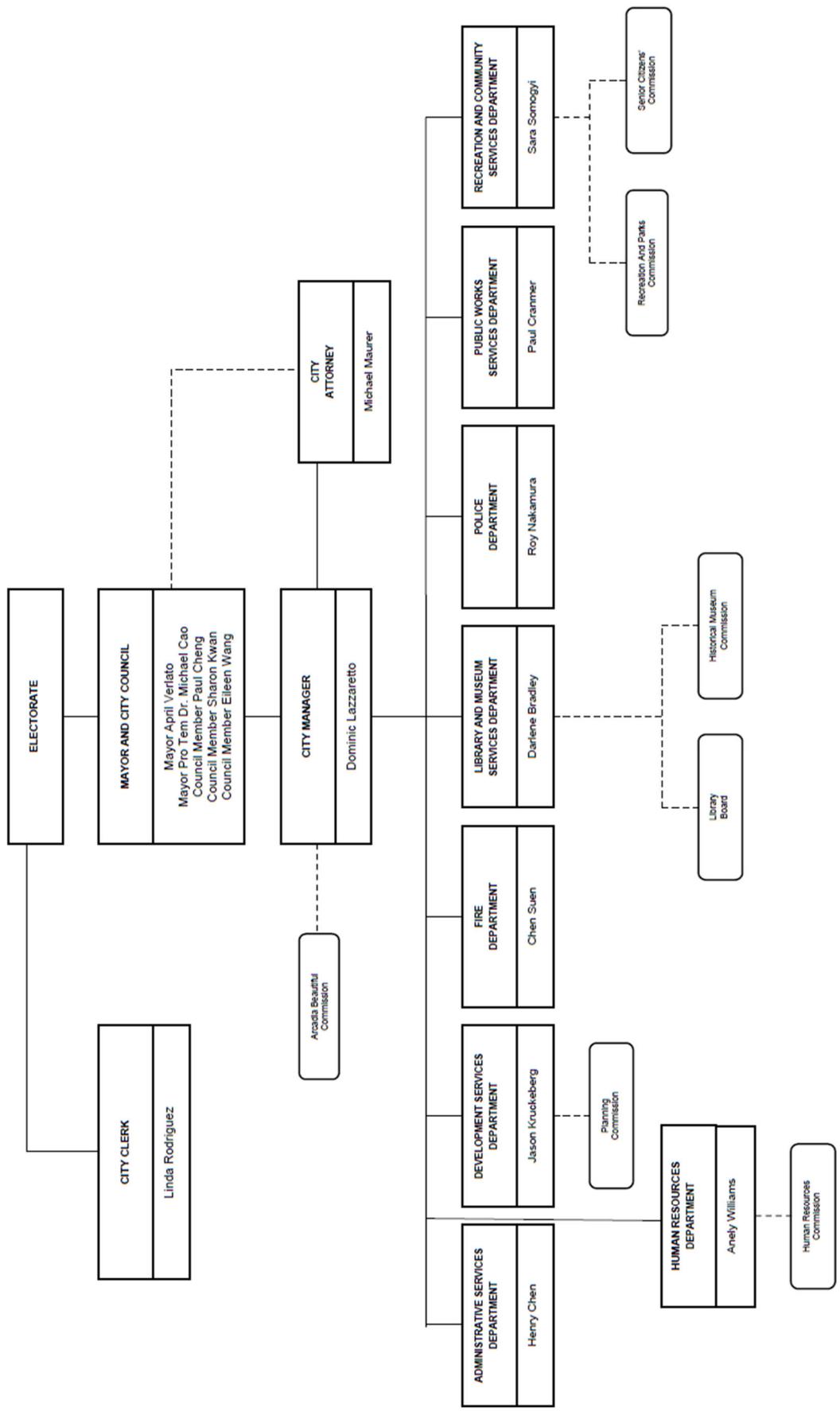
Respectfully submitted,

A handwritten signature in black ink, appearing to read 'H. Chen', written in a cursive style.

Henry Chen  
Administrative Services Director

# City of Arcadia

## Organization Chart





*CITY OF ARCADIA*

*Elected Positions and Administration Personnel*

*June 30, 2025*

CITY COUNCIL MEMBERS

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		<u>Term Expires</u>
Sharon Kwan	Mayor	2026
Eileen Wang	Mayor Pro-Tempore	2026
Dr. Michael Cao	Council Member	2026
Paul P Cheng	Council Member	2028
David Fu	Council Member	2028

ADMINISTRATIVE PERSONNEL CITY OFFICIALS

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Dominic Lazzaretto	City Manager
Michael Maurer	City Attorney
Linda Rodriguez	City Clerk
Jason Kruckeberg	Assistant City Manager/Development Services Director
Darlene Bradley	Library and Museum Services Director
Henry Chen	Administrative Services Director
Paul Cranmer	Public Works Services Director
Roy Nakamura	Police Chief
Sara Somogyi	Recreation and Community Services Director
Chen Suen	Fire Chief
Anely Williams	Human Resources Director



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, 2024

*Christopher P. Morill*

Executive Director/CEO



**PARTNERS**

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

**COMMERCIAL ACCOUNTING & TAX SERVICES**

8383 WILSHIRE BLVD. SUITE 800  
BEVERLY HILLS, CA 90211  
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, 2025, 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, 2025, 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 described in Note 1 to the financial statements, the City implemented the provisions of GASB Statement No. 101, Compensated Absences for the fiscal year ended June 30, 2025. The implementation of these standards required the City to revise the accounting and reporting of compensated absences and related note disclosures. 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 4 through 26 and 100 through 114 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 and Major Debt Service Funds' Budgetary Schedules, Combining and Individual Nonmajor Governmental and Enterprise Fund Financial Statements, and Nonmajor Governmental Funds' 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 and Major Debt Service Funds' Budgetary Schedules, Combining and Individual Nonmajor Governmental and Enterprise Fund Financial Statements, and Nonmajor Governmental Funds' 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 30, 2026, 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 30, 2026

**City of Arcadia**  
**Management's Discussion and Analysis**  
**June 30, 2025**

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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, 2025. 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, 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 states 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, 2025**

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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 except for budgets except for the IRS Task Force Special Revenue Fund, Santa Anita Grade Separation Special Revenue Fund, Library State Grant Special Revenue Fund, CA OES HSGP Special Revenue, and Emergency Response Special Revenue Fund. 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 *proprietary funds*, 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 private purpose trust funds to account for the successor agency created on February 1, 2012, to account for the transferred assets and liabilities from the former Arcadia Redevelopment Agency, and a trust fund to fund future other post-employment benefits.

**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 \_\_ 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 post-employment benefits to its employees. The required supplementary information can be found starting on page \_\_ of this report. 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 \_\_ of this report.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

### **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 was \$56.1 million for the fiscal year ending June 30, 2025, an improvement of \$12.7 million from last year. The increase in the Net Position was primarily due to a significant increase in tax revenues, favorable investment returns, delaying a contribution to the pension trust fund, and less capital expenditures than expected. There was also a prior period adjustment recorded to account for the pension stabilization fund, which also increased the fund balance by \$2.3 million.

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 \$67.6 million. The restricted net position of \$37.4 million represents resources that are subject to external restrictions on how they may be used. The unrestricted net position shows a negative (\$48.9) 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, 2025**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)**

**Governmental Activities (Continued)**

More information on the pension and post-employment benefits liability is available in Notes 9 and 10 of Notes to the Basic Financial Statements.

The following analysis of the Government-Wide financial statements includes a comparison between current and prior fiscal years' year-end balances and operations.

**City of Arcadia Statement of Net Position**  
**Governmental Activities**

Governmental Activities	June 30, 2025	June 30, 2024	\$ Change	% Change
Current and other assets	\$ 151,042,176	\$ 144,521,410	\$ 6,520,766	4.51%
Noncurrent assets	583,206	607,798	(24,592)	-4.05%
Capital assets (net of accumulated depreciation)	74,687,463	64,876,675	9,810,788	15.12%
Total assets	226,312,845	210,005,883	16,306,962	7.77%
Deferred outflows of resources	31,927,644	41,545,235	(9,617,591)	-23.15%
Current liabilities	25,564,480	24,266,311	1,298,169	5.35%
Noncurrent liabilities	172,858,543	178,449,349	(5,590,806)	-3.13%
Total liabilities	198,423,023	202,715,660	(4,292,637)	-2.12%
Deferred inflows of resources	3,736,969	5,403,714	(1,666,745)	-30.84%
Net investment in capital assets	67,644,008	57,289,440	10,354,568	18.07%
Restricted	37,407,433	38,192,837	(785,404)	-2.06%
Unrestricted	(48,970,744)	(52,050,533)	3,079,789	-5.92%
Total net position	\$ 56,080,697	\$ 43,431,744	\$ 12,648,953	29.12%

**City of Arcadia**  
**Management's Discussion and Analysis**  
**June 30, 2025**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)**

**Governmental Activities (Continued)**

**City of Arcadia Statement of Activities**  
**Governmental Activities**

Governmental Activities	June 30, 2025	June 30, 2024	\$ Change	% Change
Program revenues:				
Charges for services	\$ 12,730,035	\$ 14,729,177	\$(1,999,142)	-13.57%
Operating contributions and grants	10,266,948	10,892,315	(625,367)	-5.74%
Capital contributions and grants	864,220	1,673,010	(808,790)	-48.34%
General revenues:				
Sales taxes	24,522,313	24,767,977	(245,664)	-0.99%
Property taxes	22,810,894	22,391,870	419,024	1.87%
Franchise fees	1,174,273	1,302,471	(128,198)	-9.84%
Utilities user taxes	10,037,223	9,291,301	745,922	8.03%
Transient occupancy taxes	6,298,731	5,428,101	870,630	16.04%
Motor vehicle license taxes	9,479,265	9,051,732	427,533	4.72%
Non-regulatory business license taxes	1,415,867	1,345,023	70,844	5.27%
Other taxes	2,120,583	2,131,760	(11,177)	-0.52%
Investment earnings	8,338,332	6,773,771	1,564,561	23.10%
Miscellaneous	6,143,900	4,758,064	1,385,836	29.13%
Total revenues	116,202,584	114,536,572	1,666,012	1.45%
Expenses:				
General government	14,199,438	16,459,095	(2,259,657)	-13.73%
Public safety	56,915,826	50,174,731	6,741,095	13.44%
Public works services	11,307,235	8,141,398	3,165,837	38.89%
Community development	10,000,754	9,018,973	981,781	10.89%
Library	4,974,669	4,587,794	386,875	8.43%
Recreation and community services	5,039,094	4,373,488	665,606	15.22%
Interest on long-term debt	1,951,820	1,992,248	(40,428)	-2.03%
Total expenses	104,388,836	94,747,727	9,641,109	10.18%
Increase (Decrease) in Net Position before Transfers	11,813,748	19,788,845	(7,975,097)	
Transfers	(1,458,998)	(208,592)	(1,250,406)	599.45%
Increase (Decrease) in net position	10,354,750	19,580,253	(9,225,503)	
Net position – Beginning of fiscal year	43,431,744	23,851,491		
Prior period adjustment *	2,294,203	-		
Net position – End of fiscal year	\$ 56,080,697	\$ 43,431,744		

\* Prior period adjustment is due to the inclusion of the assets in the City's pension stabilization fund in the financial statements

**City of Arcadia**  
**Management's Discussion and Analysis**  
**June 30, 2025**

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**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)**

**Governmental Activities (Continued)**

Revenue of Governmental Activities was \$116.2 million for the fiscal year ended June 30, 2025, an increase of \$1.7 million in comparison to the prior fiscal year. Further analysis of each revenue category is as follows:

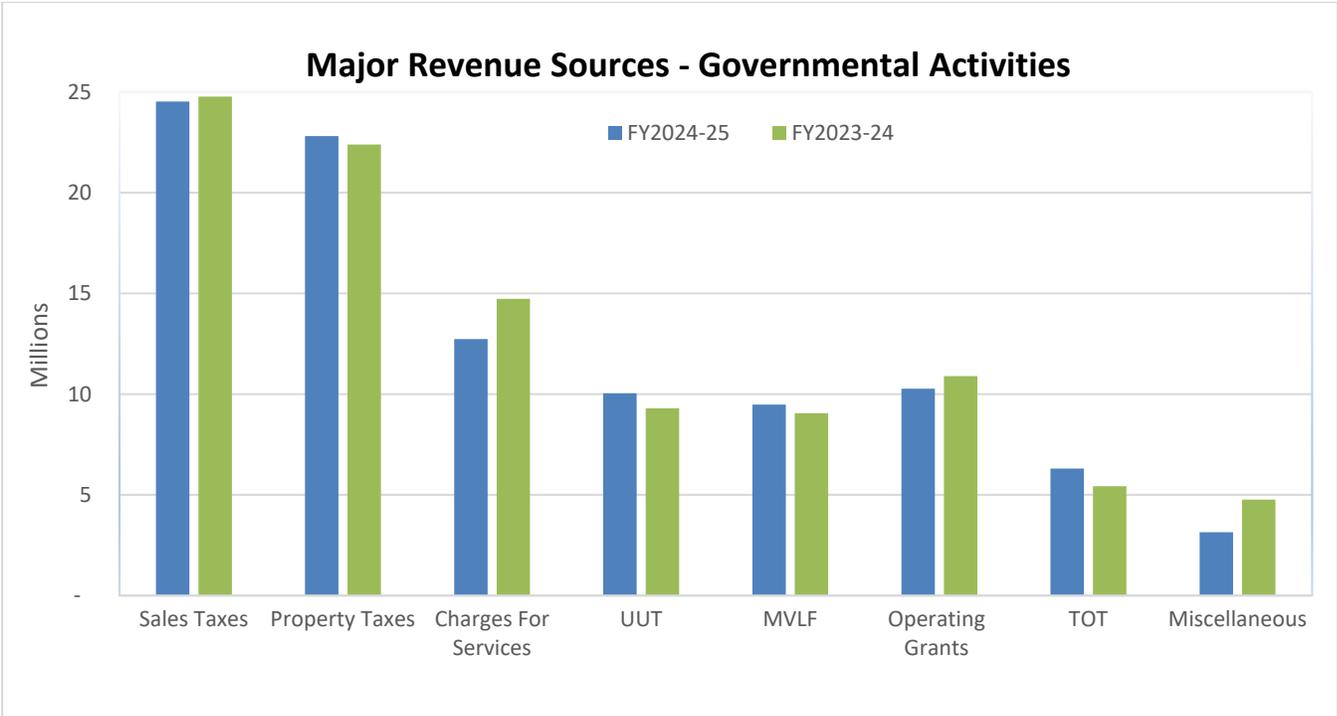
- Charges for Services decreased by \$2.0 million or 13.6%, compared to the prior fiscal year. The increase is primarily due to decrease in building permits (\$800k), fire impact fees (\$250K) and transportation impact fees (\$850K).
- Operating Contributions and Grants decreased by \$0.6 million or 5.7%, primarily due to the decrease in recognition of America Rescue Plan (ARPA) funds (\$1.0 million) that were spent in the fiscal year as compared to the prior fiscal year. That amount was offset by \$0.4 million in grant revenues from the County.
- Capital Contribution and Grants decreased by \$0.8 million or 48.3%, primarily due to less work being completed for projects funded by Los Angeles County Metropolitan Transportation Authority (MTA) for transit and pedestrian mobility enhancement. The decrease was offset by grants received for park improvements and sidewalk projects of \$0.6 million.
- Sales Tax decreased by \$0.2 million, or 1.0%, as compared to last fiscal year. The sales tax receipts from all sectors show minor weaknesses, with the only area of increase from the County Pool.
- Property Tax revenue increased by \$0.4 million or 1.9%. This increase was in line with the assessed valuation increase for the City for FY24-25 projected by the County Assessor. The general obligation bond assessment was lower, which contributed to a small decrease in the amount of property tax collected.
- Franchise fees decreased by \$0.1 million or 9.8%, which was primarily due to decrease in collections for cable and gas services. The amount from the Gas Company was lower due to the comparison with a onetime payment that they made in the prior fiscal year.
- Utility Users Tax (UUT) increased by \$0.7 million or 8.0%, compared to the prior fiscal year. The increases in UUT related to higher electricity and water rates. The UUT for electricity increased by about \$0.5 million and about \$0.2 million for water.
- Transient Occupancy Tax (TOT) increased by \$0.9 million or 16%. The travel industry remained strong as demand for travel and leisure showed little signs of decreasing. Many of the City's hotels reported strong growth in their TOT collections. We anticipate that growth will slow in the next fiscal year but there will be the new Hilton hotel that is scheduled to open next fiscal year.

**City of Arcadia**  
**Management’s Discussion and Analysis**  
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**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)**

**Governmental Activities (Continued)**

- Motor Vehicle License Fees (MVLFF) increased by \$0.4 million or 4.7%. MVLFF increase was attributable to legislation passed in fiscal year 2004-05, which tied its growth to the City’s annual property tax valuation. The City continues to reap the benefits of this change as the annual growth in property values continues to increase at a healthy annual rate.
- Business License Tax was essentially flat as compared to last fiscal year. There were several new businesses that opened during the fiscal year, but the inflationary environment has also been tough on some of our existing businesses.
- Other Taxes category was essentially flat as well last fiscal year. There was a small drop in the handle due to the at the track and the annual waste assessment was flat as well.
- Investment Earnings increased by \$1.5 million, due to the Federal Reserve maintaining higher interest rate for a longer period of time. The City’s portfolio benefits from this increase in rates by earning a much higher interest income as compared to the prior fiscal year. A portion of the increase is attributable to the marking of our investments to market value at the end of the fiscal year.
- Miscellaneous Revenue increased by \$1.4 million due to the City receiving some one-time settlement monies from water quality related lawsuits during the prior fiscal year.



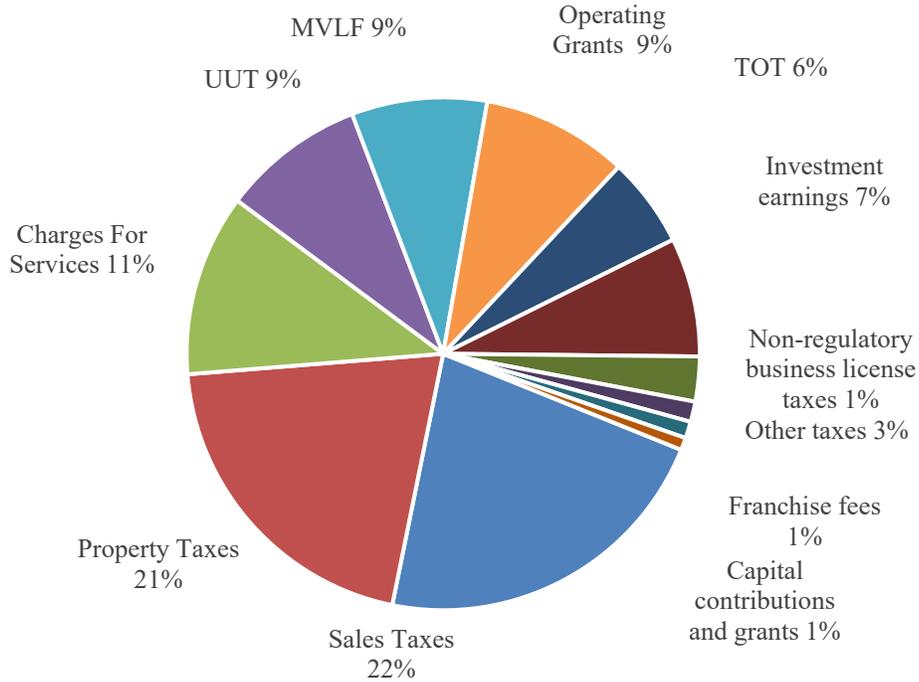
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**June 30, 2025**

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**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)**

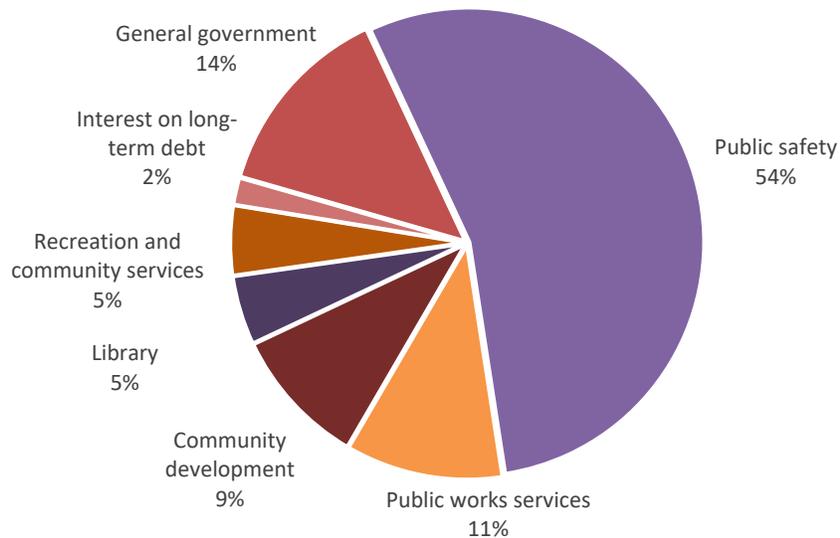
**Governmental Activities (Continued)**

**Major Revenue Sources - Governmental Activities**



Expenses for the fiscal year totaled \$104.4 million, a \$9.7 million or 10.2% increase from the prior fiscal year. Detail analysis of the increase by department is as follows:

**Expenditures by Department - Governmental Activities**



**City of Arcadia**  
**Management's Discussion and Analysis**  
**June 30, 2025**

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**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)**

**Governmental Activities (Continued)**

- General Government costs decreased by \$2.3 million or 13.7% compared to the prior fiscal year. The expenditure decrease included \$2.0 million for reduced contributions to OPEB and PERS trust plans. These contributions will be made in the next fiscal year. Claims expenditures were higher (\$0.4 million) than the prior fiscal year due to higher activities. Other areas of decrease included retiree medical costs (\$0.2 million), contract services (\$0.2 million) and vacation pay-offs (0.2 million).
- The cost for Public Safety increased by \$6.7 million, or 13.4%, primarily as the result of the increased personnel costs due to COLA adjustments and increased staffing levels. Salary costs increased by about \$2.6 million and PERS increased by \$1.4 million. The City also increased investment in equipment for public safety, including a new fire ladder truck (\$2.0 million).
- Public Works Services costs increased by about \$3.2 million, or 38.9% as compared to the prior fiscal year driven primarily by increases in capital expenditure. Public works services spent \$1.4 million more on street rehabilitation projects this fiscal year. Vehicle purchases increased by \$0.6 million and building improvements were \$0.2 million higher. Personnel costs increased by \$0.7 million compared to the prior year.
- Community Development Services saw an increase of \$1.0 million, or 10.9% in expenses. The increase was primarily due to personnel costs (\$0.7 million) and increased capital projects. Increases in capital projects were related primarily to street rehab and traffic signal improvements which was about \$0.3 million.
- The Library expenses increased by \$0.4 million, or 8.4% in comparison to the prior fiscal year, primarily due to personnel costs.
- Recreation and Community Services expenditure increased by \$0.7 million, or 15.2%. The overall increase is primarily attributed to continued construction at Newcastle Park and baseball bleachers. Newcastle park is expected to be completed in the fall of 2025.
- Long-term Debt Service was unchanged during the fiscal year as compared to the prior year.

**Business-Type Activities**

Business-Type Activities have a total net position of \$58.8 million, of which \$41.0 million or 70.0% 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 \$17.8 million, representing 30.0% of total net position.

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**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)**

**Business-Type Activities (Continued)**

**City of Arcadia Statement of Net Position**  
**Business-type Activities**

Business-Type Activities	June 30, 2025	June 30, 2024	\$ Change	% Change
Current and other assets	\$ 27,783,429	\$ 24,732,915	\$ 3,050,514	12.33%
Capital assets (net of accumulated depreciation)	41,024,767	42,296,565	(1,271,798)	-3.01%
Total assets	68,808,196	67,029,480	1,778,716	2.65%
Deferred outflows of resources	1,431,709	2,312,200	(880,491)	-38.08%
Current liabilities	4,593,480	3,210,737	1,382,743	43.07%
Noncurrent liabilities	6,824,473	7,454,515	(630,042)	-8.45%
Total liabilities	11,417,953	10,665,252	752,701	7.06%
Deferred inflows of resources	46,594	132,871	(86,277)	-64.93%
Net investment in capital assets	41,016,626	42,285,478	(1,268,852)	-3.00%
Unrestricted	17,758,732	16,258,079	1,500,653	9.23%
Total net position	\$ 58,775,358	\$ 58,543,557	\$ 231,801	0.40%

The net position increased by \$0.2 million, comprising of \$1.4 million of loss from the Water operation, \$1.2 million of operating surplus for Sewer, and \$0.4 million of operating income from non-major enterprise funds. Water sales increased due to increased rates. The last two winters have been relatively wet for the State so the demand has stayed consistent. The City conducted a cost study to determine the appropriate rates for the next 5 years and this is the fourth year of the rate structure. The City is due to adopt new rates next fiscal year and is in the process of doing a rate study. The new rate will help ensure that the City can continue to invest in water infrastructure while maintaining current service levels. Operating results for the Water fund decreased to a loss of \$1.4 million primarily due to increased reserves on water receivables. The City has not been doing shut offs and as a result, non-payment of water receivables has increased significantly. The level of collections requires that a reserve be established for a portion of the receivables which might not be collected. The City anticipates starting shut offs in early 2026, which should reduce the amount of outstanding water receivables. For the Sewer fund, positive operating results of \$1.3 million due to higher interest income and decreases in operating expenses. The Transit Fund results were aided by additional operating grant revenues and the Golf Par 3 Fund had another successful year as people continued to enjoy outdoor activities such as golf coming out of the pandemic.

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**GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)**

**Business-Type Activities (Continued)**

**City of Arcadia Statement of Activities**  
**Business-type Activities**

Business-Type Activities	June 30, 2025	June 30, 2024	\$ Change	% Change
Program revenues:				
Charges for services				
Water	\$ 18,730,938	\$ 15,879,156	2,851,782	17.96%
Sewer	2,778,141	2,692,101	86,040	3.20%
Transit	8,354	8,456	(102)	-1.21%
Golf	1,879,171	2,051,402	(172,231)	-8.40%
Operating contributions and grants				
Water		(547)	547	-100.00%
Transit	1,337,446	2,460,918	(1,123,472)	-45.65%
Capital contributions and grants				
Water	-	412,692	(412,692)	0.00%
General revenues:				
Gain on disposal of assets	5,603	9,180	(3,577)	-38.97%
Investment earnings	1,061,252	845,962	215,290	25.45%
Miscellaneous	43,515	39,256	4,259	10.85%
Total revenues	25,844,420	24,398,576	1,445,844	5.93%
Expenses:				
Water	20,765,421	17,636,469	3,128,952	17.74%
Sewer	1,992,178	1,601,101	391,077	24.43%
Transit	2,822,346	3,035,972	(213,626)	-7.04%
Golf	1,491,672	1,437,893	53,779	3.74%
Total expenses	27,071,617	23,711,435	3,360,182	14.17%
Increase (Decrease) in Net Position before Transfers	(1,227,197)	687,141	(1,914,338)	
Transfers	1,458,998	208,592	1,250,406	599.45%
Increase (Decrease) in net position	231,801	895,733	(663,932)	
Net position – Beginning of fiscal year	58,543,557	57,647,824		
Net position – End of fiscal year	\$ 58,775,358	\$ 58,543,557		

**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**  
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**FINANCIAL ANALYSIS OF INDIVIDUAL FUNDS**

**Governmental Funds**

Analyses into the fluctuations of Governmental Funds are as follows:

- The City's governmental funds reported combined ending fund balances of \$135.1 million vs. \$128.7 million from the prior fiscal year, an increase of \$4.1 million. There was a prior period adjustment of \$2.3 million, which was made to bring onto the fund financial statements assets related to the City's pension stabilization fund. Approximately \$29.8 million, or 22%, 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 \$37.5 million are funds restricted for special purposes or reserves for the debt services payments of City's Pension and General Obligation Bonds. The Committed Fund Balance of \$2.5 million is funds committed by Council for Emergency Responses. The Assigned Fund Balance of \$63.7 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 \$1.6 million represents prepaid items and inventory.
- The General Fund's net fund balance increased by \$9.9 million to \$84.6 million. A portion of the increase was attributable to a prior period adjustment to include the assets (\$2.3 million) of the City's pension stabilization fund. The fiscal year ending revenue was \$98.1 million and expenditure was \$88.3 million. The operating surplus, when combined with transfers, contributed a positive increase in the fund balance of \$7.6 million. Transfers Out consisted of a \$3.4 million transfer to Capital Outlay to replenish and maintain a positive fund balance for future projects. In addition, \$0.8 million was transferred to the Lighting District Assessment Fund as the City's share of street lighting expenses. The Transfers In include funds from the Gas Tax Fund, Solid Waste Fund, and Traffic Safety Funds for related and qualifying expenses.
- The largest increases on the revenue side for the General Fund were property, transient occupancy, and utility users' taxes. Property taxes increased 3.7% from the prior year. The City is fortunate that our assessed valuation grows steadily from year to year. The County Assessor's office increased the City's property valuation by 4.5% for FY24-25. Transient occupancy taxes increased by 16% based on higher occupancy and average room rates. The utility users' taxes increased 11.6% when compared to the prior year. The main cause of these increases is the utility rates that the residents pay. Electricity and gas rates increased roughly 12% from 2024 to 2025.
- The largest increases on the expenditure side for the General fund were personnel costs. The City's existing labor agreements with the employees provided 6% salary increase this fiscal year along with enhanced medical and other benefits. The City has provided strong salary increases in the past couple of years, which have also reduced the vacancies. Both factors played a role in increased personnel costs of the General Fund. Other contributors to the increase in expenditure were additional capital and equipment investments. The City continued to replace needed public safety and public works vehicles. Further analysis of its revenue and expenditure is available in the section of General Fund Financial and Budgetary Highlights.
- The Parks and Recreation Fund had a net fund balance of \$5.8 million, a decrease of \$3.9 million from last fiscal year. The decrease was entirely attributable to expenditures related to the renovation of Newcastle Park. Park Development fees are collected on new residential development projects, and those fees are restricted for the use of eligible park projects.

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**FINANCIAL ANALYSIS OF INDIVIDUAL FUNDS (Continued)**

**Governmental Funds (Continued)**

- Measure W Fund had a net fund balance of \$3.3 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 money 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 of \$8.7 million during fiscal years 2020-21 and 2021-22. 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. The City recognized \$1.6 million in the current fiscal year on projects such as water meter and water main replacement.
- At the end of the fiscal year, the Capital Outlay Fund had a fund balance of \$14.4 million, an increase of \$0.7 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 \$3.4 million to help replenish this fund.
- The General Obligation Bond Fund had a net fund balance of \$1.0 million, a decrease 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 and the annual debt service requirements.
- The Pension Obligation Fund was created to track the issuance and proceeds from the City's 2020 Pension Obligation Bonds. The fund collects contributions from the various funds and departments of the City to fund the annual debt service requirements of the bonds.
- The Non-major Governmental Fund group had an aggregated fund balance of \$26.1 million, a decrease of \$1 million. Operations in the Solid Waste, AQMD, CDBG, Prop A, Transportation Impact, IRS Taskforce, PEG, RMRA, County Homeless, and Fire Facilities funds have all resulted in a surplus. All other funds with decreased fund balances were due to higher spending than the current fiscal year's allocations.

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**FINANCIAL ANALYSIS OF INDIVIDUAL FUNDS (Continued)**

**Governmental Funds (Continued)**

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

Governmental Funds	June 30, 2025	June 30, 2024	\$ Change	% Change
Revenues:				
Taxes	\$ 66,999,282	\$ 65,379,435	\$ 1,619,847	2.48%
Licenses and permits	6,230,113	7,860,782	(1,630,669)	-20.74%
Fines and forfeitures	797,808	780,821	16,987	2.18%
Use of money and property	8,338,333	7,055,382	1,282,951	18.18%
Intergovernmental	21,623,800	21,458,528	165,272	0.77%
Charges for services	7,548,866	8,422,352	(873,486)	-10.37%
Other revenues	11,324,835	9,622,820	1,702,015	17.69%
Total revenues	122,863,037	120,580,120	2,282,917	1.89%
Expenditures:				
General government	13,810,919	15,848,234	(2,037,315)	-12.86%
Public safety	56,127,706	47,102,486	9,025,220	19.16%
Public works services	11,348,659	8,266,448	3,082,211	37.29%
Community development	13,628,702	11,196,505	2,432,197	21.72%
Library	4,916,600	4,551,129	365,471	8.03%
Recreation and community services	10,651,846	5,174,366	5,477,480	105.86%
Debt service	6,805,251	6,792,744	12,507	0.18%
Total expenses	117,289,683	98,931,912	18,357,771	18.56%
Excess (deficiency) of revenues over expenditures	5,573,354	21,648,208	16,074,854	
Other Financing Sources (uses)	(1,458,998)	(208,592)	1,250,406	-599.45%
Net change in fund balance	4,114,356	21,439,616	17,325,260	
Fund balance – Beginning of fiscal year	128,741,345	107,301,729		
Fund balance – Restatement (Note 14)	2,294,203	-		
Fund balance – End of fiscal year	\$ 135,149,904	\$ 128,741,345		

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

**Governmental Funds (Continued)**

Revenues of the total Governmental Funds were \$122.9 million, an increase of \$2.3 million, or 1.9%, from the prior fiscal year. Analysis of Governmental Funds are as follows:

- Taxes increased by \$1.6 million, or 2.5%. 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 decreased by \$0.2 million, or 1%. The receipts for most sales tax categories were lower, reflected in decreased consumer spending across all industries. Property Tax is now the City's second largest tax revenue with an increase of \$0.7 million or 3.7%. The assessed value of the property value in the City increased by 4.5%, which was greater than the revenue increase. The higher interest rate environment reduced sales transactions, limiting the City from realizing additional growth from reassessments at market value versus being under Prop 13 assessment. Transient Occupancy Tax increased by \$0.6 million or 14.4% in comparison to the previous fiscal year. Travel continues to show strong demand, and our local hotels were able to capture the bulk of that demand. Franchise fees increased by 8.4% primarily due to increases from Southern California Edison. Utility User Tax increased by \$0.8 million due to strong increases in the price of natural gas and electricity.
- Licenses and Permits decreased by \$1.6 million, or 20.7% primarily due to development impact fees and building permits. Impact fees decreased by \$1.0 million due to a lack of projects moving through the pipeline this fiscal year. Building permits were similarly impacted, decreasing by \$0.8 million. The decrease in impact fees and permits was offset by minor increases in business license revenues.
- Fines and Forfeitures were flat during the year as the city did not write significantly more citations.
- Use of Money and Property increased by \$1.3 million, or 18.2% mainly due to the continued higher than expected interest rate environment. The market value adjustment of our investments held at the end of the fiscal year also contributed to the growth in use of money and property.
- Intergovernmental Revenue was essentially flat. There were decreases due to lower recognition of ARPA revenues (\$0.9 million), which were offset by increases in MVL (\$0.3 million) and grant revenues (\$0.4 million) from the park bleacher project.
- Charges for Services decreased by \$0.9 million, or 10.4%. The decrease was primarily due to dwelling unit fees (\$1.3 million), which were offset by increases in Strike Team reimbursements (\$0.4 million).
- Other Revenues increased by \$1.7 million, or 17.7% due to the receipt of one-time insurance reimbursement (\$1.2 million) and increased reimbursement for medical and worker's compensation claims.

The Governmental Funds reported \$117.3 million in expenditure, an increase of \$18.4 million, or 18.6%, from the prior fiscal year. Further analysis of the variance is as follows:

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**FINANCIAL ANALYSIS OF INDIVIDUAL FUNDS (Continued)**

**Governmental Funds (Continued)**

- Personnel costs increased by \$10.2 million, mainly attributable to increased salaries and staffing levels as the City was able to fill more vacancies than we were able to do in prior fiscal years. Salaries costs were higher by \$4.7 million, pension costs increased by \$2.0 million and overtime costs increased by \$1.6 million.
- Operating costs decreased by decreased by \$0.2 million in comparison to the prior fiscal year. The decrease was mostly due to lower contribution to our pension stabilization fund (\$2.0 million). The areas of increase were liability claims and administration (\$0.7 million), contract services (\$0.8 million), worker’s compensation (\$0.2 million).
- Capital expenditure increased by \$9.4 million in comparison to the prior fiscal year. The main increases in capital projects were construction at Newcastle Park (\$4.9 million) and the Baldwin Streetscape Project (\$2.4 million). The City also increased purchases of vehicles by \$2.4 million, including \$2.1 million for a new ladder truck for the Fire Department.

**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 \$58.8 million and it comprises of \$42.0 million of fund balance in Water Utility Fund, \$14.3 million of fund surplus in Sewer Maintenance Fund, (\$0.5) million of fund balance for the Transit System Fund and \$3.0 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**

The General Fund is the primary operating fund of the City. The fund balance reported an increase of \$9.9 million to \$84.6 million at the fiscal year ending June 30, 2025. A portion of the increase is due to positive operating results of \$7.6 million. The remaining difference is attributable to a prior period adjustment made to include the balance (\$2.3 million) of the City’s pension stabilization fund in the fund balance of the General Fund. 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 expenditure: unassigned fund balance represents 31.3% of total General Fund expenditures, while total fund balance represents 95.8% of that same amount. The City has implemented an emergency reserve policy to maintain its operating fund balance at 20% of the General Fund expenditure, and it is more than fully funded.

Revenues of the General Fund totaled \$98.1 million for the fiscal year ending June 30, 2025, which is \$5.3 million, or 5.7%, more than the prior fiscal year’s revenue total. Key elements of this increase are as follows:

Tax revenue had an increase of \$1.8 million that greatly exceeded our budgetary expectations. What drove the growth was mainly due to the increase of property tax, utility users’ tax, and transient occupancy tax. Property Tax is now the 2<sup>nd</sup> largest tax revenue with an increase of \$0.7 million or 3.7%. The property tax growth is credited to continuing rise of property values and homes sales that are reassessed at market versus being under Prop 13 assessment. Sales Tax has a decrease of \$0.3 million or 1%. All retail sectors showed weakness, with the only increase coming through the County pool. Transient Occupancy Tax increased by \$0.6 million or 14.4% in comparison to the previous fiscal year. The travel and leisure industry continued to show resiliency and great strength in this fiscal year. The utility users’ tax decreased by \$0.8 million or 8.1%. The increase can be attributed to the higher natural gas and electricity rates paid by residents.

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**GENERAL FUND FINANCIAL AND BUDGETARY HIGHLIGHTS (Continued)**

- Licenses and permits came in at \$0.5 million lower than last year. The lack of significant projects contributed to the decrease, primarily in building permits revenue.
- Fines and Forfeitures were flat when compared to the prior year, the City did not issue significantly more citations.
- Use of Money and Property increased by \$0.9 million, or 17.9%, mainly due to the increase in interest income and adjustments to the fair market value of the City’s investment portfolio. The Federal Reserve maintained rates higher for longer than expected, which contributed to increased interest income from the City’s investment holdings.
- Intergovernmental revenues increased due to Motor vehicle license fees (MVLFF) and increased grant revenues. MVLFF is tied to the City’s property value and benefited from the strong real estate market during the fiscal year. MVLFF increased by \$0.4 million, or 2.7% for Fiscal Year 2024-25. The City also received \$0.4 million in reimbursement for a park bleacher project in the fiscal year.
- Charges for services had an increase of \$0.4 million or 6.4% primarily due to increased strike team reimbursement received during the year.
- Other Revenues increased by \$1.8 million, or 54.6% due to the receipt of one-time insurance reimbursement (\$1.2 million) and increased reimbursement for medical and worker’s compensation claims.

General Fund Revenues	June 30, 2025	June 30, 2024	\$ Change	% Change
Revenues:				
Taxes	\$ 63,434,725	\$ 61,544,702	\$ 1,890,023	3.07%
Licenses and permits	6,042,175	6,576,067	(533,892)	-8.12%
Fines and forfeitures	605,763	554,838	50,925	9.18%
Use of money and property	5,695,842	4,831,354	864,488	17.89%
Intergovernmental	10,138,981	9,401,461	737,520	7.84%
Charges for services	6,872,395	6,430,929	441,466	6.86%
Other revenues	5,349,611	3,460,981	1,888,630	54.57%
Total revenues	\$ 98,139,492	\$ 92,800,332	\$ 5,339,160	5.75%

General Fund expenditure increased by \$11.1 million, or 14.2%, to \$88.3 million. The increases were due to an increase in personnel costs (\$9.4 million), capital purchases (\$2.3 million) offset by a decrease in discretionary contributions to OPEB and PERS (\$2.0 million). The increase in personnel costs can be mainly attributed to the salary increases (\$4.3 million), overtime costs (\$1.6 million), and increased pension contributions (\$1.8 million)

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**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
<b>REVENUES:</b>				
Taxes	\$ 61,589,100	\$ 63,434,725	\$ 1,845,625	3.00%
Licenses and permits	5,969,900	6,042,175	72,275	1.21%
Fines and forfeitures	500,900	605,763	104,863	20.93%
Use of money and property	3,258,400	5,695,842	2,437,442	74.80%
Intergovernmental	9,437,800	10,138,981	701,181	7.43%
Charges for services	6,153,900	6,872,395	718,495	11.68%
Other revenues	3,647,100	5,349,611	1,702,511	46.68%
<b>Total revenues</b>	<b>90,557,100</b>	<b>98,139,492</b>	<b>7,582,392</b>	<b>8.37%</b>
<b>EXPENDITURES:</b>				
Current:				
General government:				
City council	399,900	340,592	59,308	14.83%
City manager	978,600	1,093,924	(115,324)	-11.78%
City clerk	385,700	405,431	(19,731)	-5.12%
City attorney	721,800	565,009	156,791	21.72%
General city	5,340,100	3,125,859	2,214,241	41.46%
Administrative services	4,545,750	5,633,512	(1,087,762)	-23.93%
Public safety:				
Police	30,995,914	28,774,887	2,221,027	7.17%
Fire	28,754,654	26,734,179	2,020,475	7.03%
Public works services	14,346,344	6,337,274	8,009,070	55.83%
Community development	6,400,900	6,065,973	334,927	5.23%
Library	5,237,440	4,870,053	367,387	7.01%
Recreation and community services	4,189,300	4,217,280	(27,980)	-0.67%
Debt service:				
Principal retirement	-	121,082	(121,082)	0.00%
Interest and fiscal charges	-	3,887	(3,887)	0.00%
<b>Total expenditures</b>	<b>102,296,402</b>	<b>88,288,942</b>	<b>14,007,460</b>	<b>13.69%</b>
<b>EXCESS (DEFICIENCY) OF REVENUES</b>				
<b>OVER (UNDER) EXPENDITURES</b>	<b>\$ (11,739,302)</b>	<b>\$ 9,850,550</b>	<b>\$ 21,589,852</b>	

The adopted General Fund budget projected revenues of \$90.6 million for the fiscal year ending June 30, 2025. The actual total General Fund revenues were \$98.1 million, a difference of \$7.5 million over budget. Key elements of the budget variances are as follows:

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**GENERAL FUND FINANCIAL AND BUDGETARY HIGHLIGHTS (Continued)**

- Tax collection in total exceeded budget by \$1.8 million or 3.0%. The property tax collection was \$0.3 million higher than expected. Sales Tax collection exceeded expectations by \$0.3 million due to higher-than-expected economic activity and inflationary effects on prices. TOT collected was \$0.2 million over expectation from the strong travel and leisure activities. Utility Users tax revenues were \$0.8 million above expectations, due to increased utility prices.
- Licenses and Permits revenue collections were close to budgeted figures. No major variances were noted.
- Fines and Forfeitures exceeded budget amount by 20.9% due to higher-than-expected code enforcement activities.
- Use of Money and Property was over budget by \$2.4 million or 74.8%. Investment earnings were helped by the Federal Reserve's decision to maintain a higher interest rate environment than expected. The higher market value of our investment holdings at the end of the fiscal year also helped to exceed our projections.
- Intergovernmental revenues came in \$0.7 million above budget. The growth of Motor Vehicle License Fees (MVLFF) is tied to the property values, and the continued growth of property valuations has resulted in a positive variance (\$0.3 million) for this category, along with increased grant revenues (\$0.4 million).
- Charges for Services had a positive variance of \$0.7 million or 11.7% primarily due to increased strike team reimbursements (\$0.4 million) and engineering charges (\$0.2 million) when compared to our expectations.
- Other Revenues exceeded budgeted figures by \$1.7 million, or 46.7% due to the receipt of one-time insurance reimbursement (\$1.2 million) and increased reimbursement (\$1.5 million) for medical and worker's compensation claims.

The City's General Fund expenditure was \$14.0 million, or 13.7%, less than the final adopted budget. Key elements of the budget variance are as follows:

- Personnel costs had savings of \$0.7 million including salaries benefits, and overtime. Salaries and benefits were \$1.1 million lower when compared to the budget due to higher-than-expected vacancies primarily in public safety positions. The personnel savings were offset by \$0.4 million in overtime costs.
- Contract services had savings of \$1.7 million compared to the budget due to lower contract services (\$0.8 million), legal (\$0.4 million) services and engineering review (\$0.2 million) costs.
- The remaining favorable variance of \$11 million in the operating expense was mainly attributable to delayed contributions to the pension trust fund and lower-than-expected capital outlays. Expenditure was lower than expected (\$11.0 million) due to well improvement (\$5.5 million) and in purchasing vehicles (\$4.5 million).
- Administrative Services and the City Manager and City Clerk were the only City departments to end the fiscal year with a negative budget variance. The City Manager and City Clerk offices were over budget due to the allocation of certain positions. The overall City Manager department was under budget, but the individual department under the City Manager had a negative budget variance. This administrative Services was over budget due to higher-than-expected claims and insurance costs.

**City of Arcadia**  
**Management’s Discussion and Analysis**  
**June 30, 2025**

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets.** The City’s investment in capital assets as of June 30, 2025, amounted to \$115.7 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, park improvements, roadways, sewers, storm drains, vehicles, computer equipment, furniture, other equipment, and construction in progress.

Among the purchases made this fiscal year, the City purchased two fire vehicles and upgraded to electronic gurneys for our ambulances. We purchased eight police vehicles and numerous 8 heavy duty trucks for public works. The City completed the Baldwin Avenue Streetscape Improvement project and a signal improvement project Santa Anita.

**City of Arcadia**  
**Capital Assets**

	Governmental Activities		Business – Type Activities		Total	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
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	14,537,002	4,840,781	2,361,030	2,296,616	16,898,032	7,137,397
Total non-depreciable assets	18,872,771	9,176,550	8,155,466	8,091,052	27,028,237	17,267,602
Depreciable assets:						
Buildings and improvements	60,563,944	60,563,944	-	-	60,563,944	60,563,944
Water treatment system	-	-	73,784,413	73,784,413	73,784,413	73,784,413
Sewer system	-	-	13,816,649	13,816,649	13,816,649	13,816,649
Automotive equipment	15,725,508	15,062,539	5,716,686	5,202,675	21,442,194	20,265,214
Furniture and equipment	14,183,723	13,785,681	1,204,042	982,536	15,387,765	14,768,217
Infrastructure	102,860,937	99,461,521	-	-	102,860,937	99,461,521
Subscription-based information technology arrangements	363,363	363,363	-	-	363,363	363,363
Total depreciable assets	193,697,475	189,237,048	94,521,790	93,786,273	288,219,265	283,023,321
Less accumulated depreciation:	(137,882,783)	(133,536,923)	(61,652,489)	(59,580,760)	(199,535,272)	(193,117,683)
Total depreciable assets, net	55,814,692	55,700,125	32,869,301	34,205,513	88,683,993	89,905,638
Total capital assets, net	\$ 74,687,463	\$ 64,876,675	\$ 41,024,767	\$ 42,296,565	\$ 115,712,230	\$ 107,173,240

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 \_\_ of this report.

**Long-term debt.** At the end of the current fiscal year, City of Arcadia had a total outstanding debt of \$189.7 million, a decrease of \$5.2 million from the prior fiscal year. The decrease is primarily due to regular annual debt service payments the City makes on its long-term liabilities and the annual actuarial valuation adjustment that CalPERS performs annually. The annual valuation estimates the City’s pension liability, considering actuarial changes, investments performance, and contributions to the City’s plan with CalPERS.

**City of Arcadia  
Management’s Discussion and Analysis  
June 30, 2025**

**CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)**

**City of Arcadia  
Long-Term Liabilities**

Citywide	June 30, 2025	June 30, 2024	\$ Change
Claims and judgements payable	\$ 9,448,565	\$ 8,582,865	\$ 865,700
Compensated absences	4,028,040	3,206,897	821,143
OPEB liability	10,229,789	10,830,431	(600,642)
Net pension liability	84,247,689	85,775,842	(1,528,153)
2020 Pension Obligation Bonds	75,545,000	79,485,000	(3,940,000)
2021 General Obligation Bonds	3,489,000	3,962,000	(473,000)
2021 General Obligation Bonds	2,755,000	3,126,000	(371,000)
Total	\$ 189,743,083	\$ 194,969,035	(5,225,952)

In addition to pension, GASB Statement No. 75 requires 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 \_\_ 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) to develop recommendations to address the City’s rising pension costs and unfunded accrued liabilities. After conducting numerous meetings 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 accrued liabilities. On November 12, 2020, the City issued \$90 million in Pension Obligation Bonds (POB). This prepayment is expected to save the City significant future interest costs related to their unfunded accrual liabilities.

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

**ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS**

The Fiscal Year 2025-26 Operating Budget considers the rapid shifts in economic policy, ongoing trade tensions, and financial market volatility have contributed to high levels of uncertainty in both global and local economies, underscoring the need for budgetary precautions in the upcoming fiscal year. Due to Arcadia’s longstanding practice of fiscal restraint and prudent budgeting, the City’s financial position is strong and will provide a buffer against potential economic instability. Despite a healthy fiscal position, Arcadia will continue with its practices of fiscal restraint and employ a cautious approach to the FY 2025–26 Budget. Through this approach, the City is charting a responsible path forward that allows for the continuation of high-quality services while preparing for less favorable economic outcomes.

Accordingly, a cautious strategy is being employed in the FY 2025–26 Budget, with built-in flexibility to undertake rapid adjustments, should economic conditions arise. The City is charting a responsible path forward, continuing its commitment to delivering high-quality services, while preparing for a variety of economic scenarios. While the proposed budget anticipates some economic struggles, no programs, events, or positions have been reduced or eliminated to achieve a balanced budget. Rather, City staff have curtailed new spending and found more efficient ways to deliver services. In addition, major pension reforms and cost cutting measures initiated in previous years are assisting the current budget outlook.

**City of Arcadia**  
**Management’s Discussion and Analysis**  
**June 30, 2025**

**ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS (CONTINUED)**

**City of Arcadia**  
**3-Year General Fund Operating Outlook**

	FY23-24 Estimated	FY24-25 Adopted	FY25-26 Projected
Beginning Fund Balance	\$ 27,041,000	\$ 27,075,000	\$27,163,400
Revenues and Sources	89,708,100	92,490,400	97,833,000
Expenditures and Uses	(91,211,500)	(90,366,800)	(90,509,900)
Net Operating Income	(1,503,400)	2,123,600	7,323,100
Transfer to Equipment Replacement	(3,400,000)	(3,400,000)	(3,400,000)
Transfer to Capital Equipment	(3,400,000)	(3,400,000)	(3,400,000)
Other Transfers	8,337,400	4,764,800	(3,506,500)
Subtotal Operating Balance	34,000	88,400	(2,983,400)
Ending Fund Balance	\$ 27,075,000	\$ 27,163,400	24,180,000

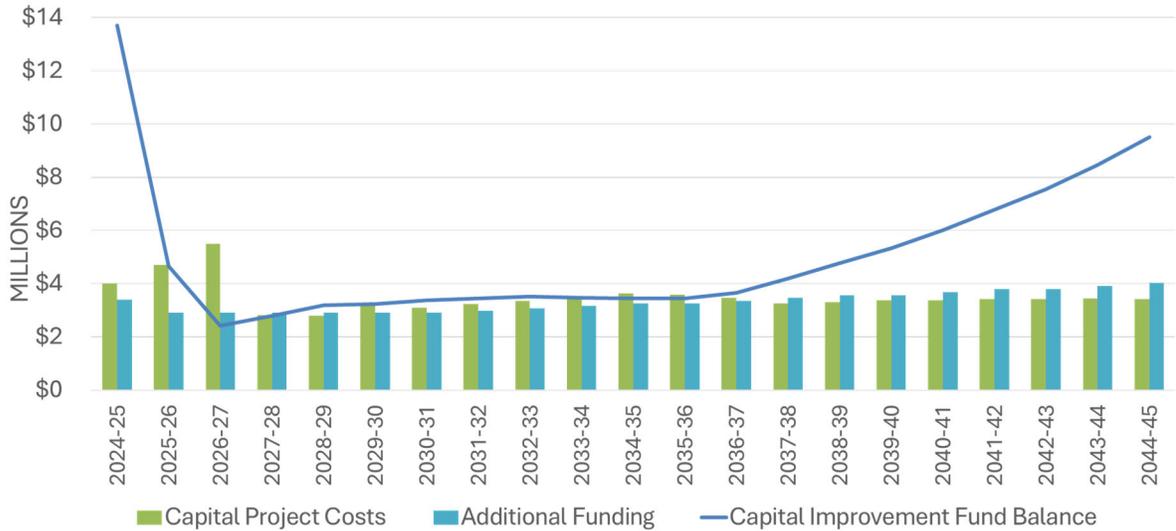
The City continues to face long-term financial challenges:

- 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 cost increases. In Fiscal Year 2024-25, CalPERS’ investments return was 11.6%. This was a positive return that exceeded their long-term expected return of 6.8%. However, it will take several years to consistent outperformance to make a meaningful impact on the City’s UAL. Keep in mind that the new labor agreements approved by the Council for FY24-25 through FY26-27, which include generous raises for employees, will cause the City’s UAL to increase significantly in the future. CalPERS takes a long-range view of returns and that year-to-year, the investment results will fluctuate. Going forward, a minimum 6.8% return will continue to be a challenge as any result less than expected will have a significant impact on the future financial health of all the cities. Any less than expected return performance would translate to escalating pension costs, adding an 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 on our ability to provide the high level of service that the residents have come to expect. Accordingly, the City has implemented a Section 115 trust and has budgeted annual transfers to help mitigate some of the expected future increases in PERS rates. As of June 30, 2025, this trust fund has a balance of \$3.6 million.
- Capital Outlay and Equipment Replacement Funds:** The adopted budget reflects transfers of \$2.9 million to the Capital Outlay and \$1.9 million to the Equipment Replacement Funds. The fact the City can make investments in our future by making 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** by 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 on surpluses generated from the General Fund budget.

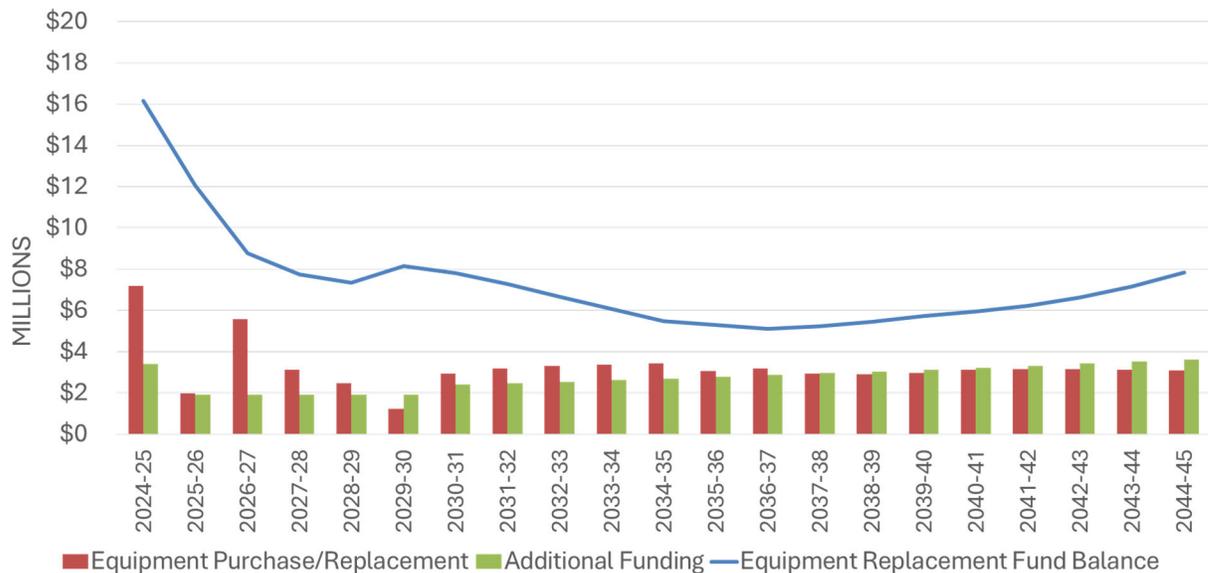
**City of Arcadia  
Management's Discussion and Analysis  
June 30, 2025**

**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 an 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, 2025**

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**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS (CONTINUED)**

- Post-employment Benefits (OPEB): City's actuarial accrued liability (AAL) was estimated to be \$8.8 million based on the most recent valuation report dated June 30, 2024, which reflects a decrease of \$2.1 million as compared to the valuation prepared last fiscal year. The decrease is primarily due to increased contribution to the OPEB trust fund and favorable investment returns. The Accrued Actuarial Liability for the City's OPEB liability is expected to grow. It is essential for the City to continue to fund the trust established exclusively for this benefit. The City Council has appropriated an additional \$0.5 million contribution to the trust fund in the upcoming fiscal year.

**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.

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# **BASIC FINANCIAL STATEMENTS**

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# **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

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**City of Arcadia**  
**Statement of Net Position**  
**June 30, 2025**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
Current assets:			
Cash and investments	\$ 133,859,611	\$ 23,715,495	\$ 157,575,106
Restricted investments - Section 115 pension trust	3,571,808	-	3,571,808
Accounts receivable	506,792	3,796,029	4,302,821
Interest receivable	895,894	144,712	1,040,606
Due from other governments	10,162,362	65,579	10,227,941
Prepaid items	107,697	198,320	306,017
Internal balances	173,863	(173,863)	-
Inventories	1,441,866	37,157	1,479,023
Lease receivable	322,283	-	322,283
<b>Total current assets</b>	<b>151,042,176</b>	<b>27,783,429</b>	<b>178,825,605</b>
Noncurrent assets:			
Lease receivable, non-current	583,206	-	583,206
Capital assets:			
Nondepreciable	18,872,771	8,155,466	27,028,237
Depreciable, net	55,814,692	32,869,301	88,683,993
<b>Total capital assets</b>	<b>74,687,463</b>	<b>41,024,767</b>	<b>115,712,230</b>
<b>Total noncurrent assets</b>	<b>75,270,669</b>	<b>41,024,767</b>	<b>116,295,436</b>
<b>Total assets</b>	<b>226,312,845</b>	<b>68,808,196</b>	<b>295,121,041</b>
Deferred outflows of resources:			
Deferred outflows related to net pension liability	24,942,436	1,351,397	26,293,833
Deferred outflows related to OPEB	6,985,208	80,312	7,065,520
<b>Total deferred outflows of resources</b>	<b>31,927,644</b>	<b>1,431,709</b>	<b>33,359,353</b>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>			
Current liabilities:			
Accounts payable	5,035,488	4,245,583	9,281,071
Accrued salaries payable	450,544	19,099	469,643
Interest payable	189,036	3,471	192,507
Unearned revenue	4,345,628	-	4,345,628
Deposits	5,040,032	119,017	5,159,049
Retentions payable	641,654	8,141	649,795
Long-term debt - due within one year	9,862,098	198,169	10,060,267
<b>Total current liabilities</b>	<b>25,564,480</b>	<b>4,593,480</b>	<b>30,157,960</b>
Noncurrent liabilities:			
Long-term debt - due in more than one year	83,574,559	1,630,779	85,205,338
Net pension liability	79,238,131	5,009,558	84,247,689
Net OPEB liability	10,045,653	184,136	10,229,789
<b>Total noncurrent liabilities</b>	<b>172,858,343</b>	<b>6,824,473</b>	<b>179,682,816</b>
<b>Total liabilities</b>	<b>198,422,823</b>	<b>11,417,953</b>	<b>209,840,776</b>
Deferred inflows of resources:			
Deferred gain on bond refunding	157,801	-	157,801
Deferred inflows related to net pension liability	198,226	-	198,226
Deferred inflows related to OPEB	2,542,002	46,594	2,588,596
Leases	838,940	-	838,940
<b>Total deferred inflows of resources</b>	<b>3,736,969</b>	<b>46,594</b>	<b>3,783,563</b>
<b>NET POSITION</b>			
Net investment in capital assets	67,644,008	41,016,626	108,660,634
Restricted for:			
Capital projects	3,303,238	-	3,303,238
Debt service	821,994	-	821,994
Community purposes	10,456,195	-	10,456,195
Pension	3,571,808	-	3,571,808
Public safety	1,378,877	-	1,378,877
Transportation /streets	17,875,321	-	17,875,321
<b>Total restricted</b>	<b>37,407,433</b>	<b>-</b>	<b>37,407,433</b>
Unrestricted	(48,970,744)	17,758,732	(31,212,012)
<b>Total net position</b>	<b>\$ 56,080,697</b>	<b>\$ 58,775,358</b>	<b>\$ 114,856,055</b>

See Accompanying Notes to the Basic Financial Statements.

**City of Arcadia**  
**Statement of Activities**  
**For the Fiscal Year Ended June 30, 2025**

<b>Functions/Programs</b>	Expenses	Program Revenues			Totals
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Primary Government:</b>					
<b>Governmental activities:</b>					
General government	\$ 14,199,438	\$ 1,077	\$ 35,266	\$ -	\$ 36,343
Public safety	56,915,826	6,040,389	2,222,712	611,532	8,874,633
Public works services	11,307,235	30,919	3,126,716	-	3,157,635
Community development	10,000,754	4,081,991	4,764,219	252,688	9,098,898
Library	4,974,669	111,362	-	-	111,362
Recreation and community services	5,039,094	2,464,297	118,035	-	2,582,332
Interest on long-term debt	1,951,820	-	-	-	-
Total governmental activities	104,388,836	12,730,035	10,266,948	864,220	23,861,203
<b>Business-type activities:</b>					
Water	20,765,421	18,730,938	-	-	18,730,938
Sewer	1,992,178	2,778,141	-	-	2,778,141
Transit	2,822,346	8,354	1,337,446	-	1,345,800
Arcadia PAR 3 Golf Course	1,491,672	1,879,171	-	-	1,879,171
Total business-type activities	27,071,617	23,396,604	1,337,446	-	24,734,050
<b>Total primary government</b>	<b>\$ 131,460,453</b>	<b>\$ 36,126,639</b>	<b>\$ 11,604,394</b>	<b>\$ 864,220</b>	<b>\$ 48,595,253</b>

(Continued)

**City of Arcadia**  
**Statement of Activities (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

<b>Functions/Programs</b>	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
<b>Primary Government:</b>			
<b>Governmental activities:</b>			
General government	\$ (14,163,095)	\$ -	\$ (14,163,095)
Public safety	(48,041,193)	-	(48,041,193)
Public works services	(8,149,600)	-	(8,149,600)
Community development	(901,856)	-	(901,856)
Library	(4,863,307)	-	(4,863,307)
Recreation and community services	(2,456,762)	-	(2,456,762)
Interest on long-term debt	(1,951,820)	-	(1,951,820)
Total governmental activities	(80,527,633)	-	(80,527,633)
<b>Business-type activities:</b>			
Water	-	(2,034,483)	(2,034,483)
Sewer	-	785,963	785,963
Transit	-	(1,476,546)	(1,476,546)
Arcadia PAR 3 Golf Course	-	387,499	387,499
Total business-type activities	-	(2,337,567)	(2,337,567)
<b>Total primary government</b>	(80,527,633)	(2,337,567)	(82,865,200)
<b>General Revenues:</b>			
Taxes and fees:			
Property taxes	22,810,894	-	22,810,894
Sales taxes	24,522,313	-	24,522,313
Franchise fees	1,174,273	-	1,174,273
Utilities user taxes	10,037,223	-	10,037,223
Transient occupancy taxes	6,298,731	-	6,298,731
Non-regulatory business license taxes	1,415,867	-	1,415,867
Other taxes	2,120,583	-	2,120,583
Total taxes and fees	68,379,884	-	68,379,884
Motor vehicle license taxes	9,479,265	-	9,479,265
Investment earnings	8,338,332	1,061,252	9,399,584
Miscellaneous	6,143,900	49,118	6,193,018
<b>Transfers</b>	(1,458,998)	1,458,998	-
<b>Total general revenues and transfers</b>	90,882,383	2,569,368	93,451,751
<b>Change in net position</b>	10,354,750	231,801	10,586,551
<b>Net position - beginning of fiscal year</b>	43,431,744	58,543,557	101,975,301
<b>Restatement</b>	2,294,203	-	2,294,203
<b>Net position - beginning of fiscal year, as restated</b>	45,725,947	58,543,557	104,269,504
<b>Net position - end of fiscal year</b>	\$ 56,080,697	\$ 58,775,358	\$ 114,856,055

See Accompanying Notes to the Basic Financial Statements.

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# FUND FINANCIAL STATEMENTS

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*Governmental Funds Financial Statements*

*Proprietary Funds Financial Statements*

*Fiduciary Funds Financial Statements*

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# GOVERNMENTAL FUNDS FINANCIAL STATEMENTS

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**General Fund** - established to account for resources traditionally associated with governments 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 the 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, 2025**

	Major Funds				
	General	Parks and Recreation	Measure W Safe, Clean Water Program	American Rescue Plan Act	Capital Outlay
<b>ASSETS</b>					
Cash and investments	\$ 77,276,929	\$ 6,142,132	\$ 3,502,414	\$ 4,110,157	\$ 14,564,649
Restricted investments - Section 115 pension trust	3,571,808				
Accounts receivable	496,733	-	-	-	-
Interest receivable	562,747	41,466	23,663	-	98,384
Due from other funds	691,679	-	-	-	-
Due from other governments	8,847,145	464,883	-	-	21,216
Prepaid items and deposits	105,201	-	-	2,496	-
Inventories	1,441,866	-	-	-	-
Lease receivable	905,489	-	-	-	-
<b>Total assets</b>	<b>\$ 93,899,597</b>	<b>\$ 6,648,481</b>	<b>\$ 3,526,077</b>	<b>\$ 4,112,653</b>	<b>\$ 14,684,249</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 2,419,576	\$ 541,012	\$ 220,829	\$ 391,685	\$ 263,802
Accrued salaries payable	446,199	-	-	-	-
Due to other funds	-	-	-	-	-
Unearned revenue	624,660	-	-	3,720,968	-
Deposits	4,998,814	-	2,010	-	-
Retentions payable	-	297,186	-	-	60,123
<b>Total liabilities</b>	<b>8,489,249</b>	<b>838,198</b>	<b>222,839</b>	<b>4,112,653</b>	<b>323,925</b>
<b>Deferred Inflows of Resources:</b>					
Unavailable revenue	-	-	-	-	-
Leases	838,940	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>838,940</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>					
Nonspendable	1,613,616	-	-	-	-
Restricted	3,572,747	5,810,283	3,303,238	-	-
Committed	-	-	-	-	-
Assigned	51,781,889	-	-	-	14,360,324
Unassigned	27,603,156	-	-	-	-
<b>Total fund balances (deficits)</b>	<b>84,571,408</b>	<b>5,810,283</b>	<b>3,303,238</b>	<b>-</b>	<b>14,360,324</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 93,899,597</b>	<b>\$ 6,648,481</b>	<b>\$ 3,526,077</b>	<b>\$ 4,112,653</b>	<b>\$ 14,684,249</b>

See Accompanying Notes to the Basic Financial Statements.

General Obligation Bonds	Pension Obligation Bonds	Nonmajor Governmental Funds	Total Governmental Funds
\$ 982,761	\$ -	\$ 27,280,569	\$ 133,859,611
-	-	10,059	3,571,808
6,635	-	162,999	506,792
-	-	-	895,894
23,847	-	805,271	691,679
-	-	-	10,162,362
-	-	-	107,697
-	-	-	1,441,866
-	-	-	905,489
<u>\$ 1,013,243</u>	<u>\$ -</u>	<u>\$ 28,258,898</u>	<u>\$ 152,143,198</u>

\$ 2,213	\$ -	\$ 1,196,371	\$ 5,035,488
-	-	4,345	450,544
-	3,190	514,626	517,816
-	-	-	4,345,628
-	-	39,208	5,040,032
-	-	284,345	641,654
<u>2,213</u>	<u>3,190</u>	<u>2,038,895</u>	<u>16,031,162</u>

-	-	123,192	123,192
-	-	-	838,940
-	-	123,192	962,132

-	-	-	1,613,616
1,011,030	-	23,812,109	37,509,407
-	-	2,455,446	2,455,446
-	-	-	66,142,213
-	(3,190)	(170,744)	27,429,222
<u>1,011,030</u>	<u>(3,190)</u>	<u>26,096,811</u>	<u>135,149,904</u>
<u>\$ 1,013,243</u>	<u>\$ -</u>	<u>\$ 28,258,898</u>	<u>\$ 152,143,198</u>

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**City of Arcadia**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Government-Wide Statement of Net Position**  
**June 30, 2025**

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**Total Fund Balances - Total Governmental Funds** \$ 135,149,904

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. 74,687,463

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. (189,036)

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	(9,862,098)
Long-term liabilities - due in more than one year	(83,574,559)
Net pension liability	(79,238,131)
Net OPEB liability	(10,045,653)
	<u>(182,720,441)</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 bond refundings	(157,801)
Deferred outflows related to net pension liability	24,942,436
Deferred inflows related to net pension liability	(198,226)
Deferred outflows related to OPEB	6,985,208
Deferred inflows related to OPEB	(2,542,002)
	<u>29,029,615</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: 123,192

**Net Position of Governmental Activities** \$ 56,080,697

**City of Arcadia**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Fiscal Year Ended June 30, 2025**

	Major Funds				
	General	Parks and Recreation	Measure W Safe, Clean Water Program	American Rescue Plan Act	Capital Outlay
<b>REVENUES:</b>					
Taxes	\$ 63,434,725	\$ -	\$ 1,020,379	\$ -	\$ 339,117
Licenses and permits	6,042,175	-	-	-	-
Fines and forfeitures	605,763	-	-	-	-
Use of money and property	5,695,842	419,927	161,168	-	741,493
Intergovernmental	10,138,981	635,680	-	1,615,963	-
Charges for services	6,872,395	488,968	-	-	-
Other revenues	5,349,611	-	-	-	-
<b>Total revenues</b>	<b>98,139,492</b>	<b>1,544,575</b>	<b>1,181,547</b>	<b>1,615,963</b>	<b>1,080,610</b>
<b>EXPENDITURES:</b>					
Current:					
General government:					
City council	340,592	-	-	-	-
City manager	1,093,924	-	-	-	-
City clerk	405,431	-	-	-	-
City attorney	565,009	-	-	-	-
General city	3,125,859	-	-	1,524,161	624,709
Administrative services	5,633,512	-	-	-	-
Public safety:					
Police	28,774,887	-	-	-	223,838
Fire	26,734,179	-	-	3,328	22,812
Public works services	6,337,274	-	514,827	-	2,389,582
Community development	6,065,973	-	-	71,945	31,951
Library	4,870,053	-	-	-	46,547
Recreation and community services	4,217,280	5,474,573	-	16,529	486,458
Debt service:					
Principal retirement	121,082	-	-	-	-
Interest and fiscal charges	3,887	-	-	-	-
<b>Total expenditures</b>	<b>88,288,942</b>	<b>5,474,573</b>	<b>514,827</b>	<b>1,615,963</b>	<b>3,825,897</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>9,850,550</b>	<b>(3,929,998)</b>	<b>666,720</b>	<b>-</b>	<b>(2,745,287)</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	2,072,313	-	-	-	3,400,000
Transfers out	(4,296,169)	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(2,223,856)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,400,000</b>
<b>Net changes in fund balances</b>	<b>7,626,694</b>	<b>(3,929,998)</b>	<b>666,720</b>	<b>-</b>	<b>654,713</b>
<b>FUND BALANCES (DEFICITS):</b>					
Beginning of fiscal year	74,650,511	9,740,281	2,636,518	-	13,705,611
Restatement	2,294,203	-	-	-	-
Beginning of fiscal year, restated	76,944,714	9,740,281	2,636,518	-	13,705,611
End of fiscal year	<b>\$ 84,571,408</b>	<b>\$ 5,810,283</b>	<b>\$ 3,303,238</b>	<b>\$ -</b>	<b>\$ 14,360,324</b>

See Accompanying Notes to the Basic Financial Statements.

General Obligation Bonds	Pension Obligation Bonds	Nonmajor Governmental Funds	Total Governmental Funds
\$ 825,864	\$ -	\$ 1,379,197	\$ 66,999,282
-	-	187,938	6,230,113
-	-	192,045	797,808
62,220	-	1,257,683	8,338,333
-	-	9,233,176	21,623,800
-	-	187,503	7,548,866
-	5,746,894	228,330	11,324,835
<u>888,084</u>	<u>5,746,894</u>	<u>12,665,872</u>	<u>122,863,037</u>
-	-	-	340,592
-	-	-	1,093,924
-	-	-	405,431
-	-	-	565,009
2,500	1,500	493,722	5,772,451
-	-	-	5,633,512
-	-	328,922	29,327,647
-	-	39,740	26,800,059
-	-	2,106,976	11,348,659
-	-	7,458,833	13,628,702
-	-	-	4,916,600
-	-	457,006	10,651,846
844,000	3,854,300	-	4,819,382
89,388	1,892,594	-	1,985,869
<u>935,888</u>	<u>5,748,394</u>	<u>10,885,199</u>	<u>117,289,683</u>
<u>(47,804)</u>	<u>(1,500)</u>	<u>1,780,673</u>	<u>5,573,354</u>
-	-	896,169	6,368,482
-	-	(3,531,311)	(7,827,480)
-	-	(2,635,142)	(1,458,998)
<u>(47,804)</u>	<u>(1,500)</u>	<u>(854,469)</u>	<u>4,114,356</u>
1,058,834	(1,690)	26,951,280	128,741,345
-	-	-	2,294,203
<u>1,058,834</u>	<u>(1,690)</u>	<u>26,951,280</u>	<u>131,035,548</u>
<u>\$ 1,011,030</u>	<u>\$ (3,190)</u>	<u>\$ 26,096,811</u>	<u>\$ 135,149,904</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, 2025**

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**Net Change in Fund Balances - Total Governmental Funds** \$ 4,114,356

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	613,694
Public safety	3,516,613
Public works services	806,423
Community development	3,487,408
Recreation and community services	5,858,973
<b>Total</b>	<u>14,283,111</u>

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. (4,472,323)

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: (760,782)

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: (865,700)

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: 2,133,872

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.

Repayment of long-term debt	4,819,382
Amortization of deferred gain on bond refunding	25,990
<b>Total</b>	<u>4,845,372</u>

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

Accrued interest change for the current period	8,059
<b>Total</b>	<u>8,059</u>

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: (8,536,937)

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. (394,278)

**Change in Net Position of Governmental Activities** \$ 10,354,750

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# PROPRIETARY FUNDS FINANCIAL STATEMENTS

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

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

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**City of Arcadia**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2025**

	Enterprise Funds			
	Water Utility	Sewer Maintenance	Nonmajor Enterprise Funds	Total
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>				
Current assets:				
Cash and investments	\$ 11,958,246	\$ 8,674,012	\$ 3,083,237	\$ 23,715,495
Accounts receivable	3,307,336	487,754	939	3,796,029
Interest receivable	86,294	58,418	-	144,712
Prepaid items	196,470	-	1,850	198,320
Due from other governments	47,843	188	17,548	65,579
Inventories	-	-	37,157	37,157
Total current assets	<u>15,596,189</u>	<u>9,220,372</u>	<u>3,140,731</u>	<u>27,957,292</u>
Capital assets:				
Nondepreciable	8,155,466	-	-	8,155,466
Depreciable, net	26,607,947	5,970,237	291,117	32,869,301
Total capital assets	<u>34,763,413</u>	<u>5,970,237</u>	<u>291,117</u>	<u>41,024,767</u>
<b>Total assets</b>	<u>50,359,602</u>	<u>15,190,609</u>	<u>3,431,848</u>	<u>68,982,059</u>
Deferred outflows of resources:				
Deferred outflows related to net pension liability	1,077,236	208,802	65,359	1,351,397
Deferred outflows related to OPEB	80,312	-	-	80,312
<b>Total deferred outflows of resources</b>	<u>1,157,548</u>	<u>208,802</u>	<u>65,359</u>	<u>1,431,709</u>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>				
Current liabilities:				
Accounts payable	3,740,606	7,272	497,705	4,245,583
Retentions payable	8,141	-	-	8,141
Accrued salaries payable	15,070	3,117	912	19,099
Interest payable	2,566	731	174	3,471
Due to other funds	-	-	173,863	173,863
Compensated absences payable - due within one year	111,569	-	-	111,569
Pension obligation bonds payable - due within one year	64,000	18,200	4,400	86,600
Deposits	119,017	-	-	119,017
Total current liabilities	<u>4,060,969</u>	<u>29,320</u>	<u>677,054</u>	<u>4,767,343</u>
Noncurrent liabilities:				
Net pension liabilities	3,993,259	774,017	242,282	5,009,558
Net OPEB liabilities	184,136	-	-	184,136
Compensated absences payable - due in more than one year	74,379	-	-	74,379
Pension obligation bonds payable - due in more than one year	1,150,500	327,600	78,300	1,556,400
Total noncurrent liabilities	<u>5,402,274</u>	<u>1,101,617</u>	<u>320,582</u>	<u>6,824,473</u>
<b>Total liabilities</b>	<u>9,463,243</u>	<u>1,130,937</u>	<u>997,636</u>	<u>11,591,816</u>
Deferred inflows of resources:				
Deferred inflows related to net pension liability	-	-	-	-
Deferred inflows related to OPEB	46,594	-	-	46,594
<b>Total deferred inflows of resources</b>	<u>46,594</u>	<u>-</u>	<u>-</u>	<u>46,594</u>
<b>NET POSITION</b>				
Net investment in capital assets	34,755,272	5,970,237	291,117	41,016,626
Unrestricted	7,252,041	8,298,237	2,208,454	17,758,732
<b>Total net position</b>	<u>\$ 42,007,313</u>	<u>\$ 14,268,474</u>	<u>\$ 2,499,571</u>	<u>\$ 58,775,358</u>

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, 2025**

	Enterprise Funds			Total
	Water Utility	Sewer Maintenance	Nonmajor Enterprise Funds	
<b>OPERATING REVENUES:</b>				
Charges for services	\$ 18,730,938	\$ 2,778,141	\$ 1,887,525	\$ 23,396,604
Other	31,570	-	17,548	49,118
<b>Total operating revenues</b>	<b>18,762,508</b>	<b>2,778,141</b>	<b>1,905,073</b>	<b>23,445,722</b>
<b>OPERATING EXPENSES:</b>				
Administration and general	5,064,420	1,437,585	721,061	7,223,066
Power, supplies, and pumping	13,849,307	30,248	-	13,879,555
Merchandise and food	-	-	72,086	72,086
Supplies and maintenance	-	-	329,370	329,370
Contract costs	196,784	163,741	3,093,281	3,453,806
Depreciation	1,623,855	351,765	96,109	2,071,729
<b>Total operating expenses</b>	<b>20,734,366</b>	<b>1,983,339</b>	<b>4,311,907</b>	<b>27,029,612</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(1,971,858)</b>	<b>794,802</b>	<b>(2,406,834)</b>	<b>(3,583,890)</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>				
Investment income	639,396	421,856	-	1,061,252
Federal and state grants	-	-	1,337,446	1,337,446
Interest expense and fiscal charges	(31,055)	(8,839)	(2,111)	(42,005)
<b>Total nonoperating revenues (expenses)</b>	<b>608,341</b>	<b>413,017</b>	<b>1,335,335</b>	<b>2,356,693</b>
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	<b>(1,363,517)</b>	<b>1,207,819</b>	<b>(1,071,499)</b>	<b>(1,227,197)</b>
<b>TRANSFERS:</b>				
Transfers in	-	-	1,458,998	1,458,998
<b>Total transfers</b>	<b>-</b>	<b>-</b>	<b>1,458,998</b>	<b>1,458,998</b>
<b>Changes in net position</b>	<b>(1,363,517)</b>	<b>1,207,819</b>	<b>387,499</b>	<b>231,801</b>
<b>NET POSITION:</b>				
Beginning of fiscal year	43,370,830	13,060,655	2,112,072	58,543,557
End of fiscal year	<u>\$ 42,007,313</u>	<u>\$ 14,268,474</u>	<u>\$ 2,499,571</u>	<u>\$ 58,775,358</u>

**City of Arcadia**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2025**

	Enterprise Funds			Total
	Water Utility	Sewer Maintenance	Nonmajor Enterprise Funds	
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Cash received from customers	\$ 19,252,832	\$ 2,927,656	\$ 1,902,275	\$ 24,082,763
Cash payments to suppliers for goods and services	(14,076,034)	(889,904)	(3,143,731)	(18,109,669)
Cash payments to employees for services	(3,588,342)	(736,661)	(891,420)	(5,216,423)
Cash received for other operating activities	31,570	-	17,548	49,118
<b>Net cash provided by (used in) operating activities</b>	<b>1,620,026</b>	<b>1,301,091</b>	<b>(2,115,328)</b>	<b>805,789</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Cash received from (paid) to other governments	(46,344)	(27)	1,386,891	1,340,520
Payments for pension obligation bonds	(63,400)	(18,000)	(4,300)	(85,700)
Payments of interest on pension obligation bonds	(31,107)	(8,854)	(2,115)	(42,076)
Transfers in	-	-	1,458,998	1,458,998
<b>Net cash provided (used) by noncapital financing activities</b>	<b>(140,851)</b>	<b>(26,881)</b>	<b>2,839,474</b>	<b>2,671,742</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Acquisition of capital assets	(611,621)	(6,998)	(181,312)	(799,931)
<b>Net cash provided by (used in) capital and related financing activities</b>	<b>(611,621)</b>	<b>(6,998)</b>	<b>(181,312)</b>	<b>(799,931)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest received	641,118	421,656	-	1,062,774
<b>Net cash provided by investing activities</b>	<b>641,118</b>	<b>421,656</b>	<b>-</b>	<b>1,062,774</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>1,508,672</b>	<b>1,688,868</b>	<b>542,834</b>	<b>3,740,374</b>
<b>CASH AND CASH EQUIVALENTS - Beginning of fiscal year</b>	<b>10,449,574</b>	<b>6,985,144</b>	<b>2,540,403</b>	<b>19,975,121</b>
<b>CASH AND CASH EQUIVALENTS - End of fiscal year</b>	<b>\$ 11,958,246</b>	<b>\$ 8,674,012</b>	<b>\$ 3,083,237</b>	<b>\$ 23,715,495</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>				
Operating income (loss)	\$ (1,971,858)	\$ 794,802	\$ (2,406,834)	\$ (3,583,890)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	1,623,855	351,765	96,109	2,071,729
Changes in assets, deferred outflows, liabilities, and deferred inflows:				
Accounts receivable	508,530	149,515	14,750	672,795
Prepaid items	(1)	-	(1,542)	(1,543)
Inventories	-	-	14,012	14,012
Accounts payable	1,238,664	(23,601)	151,352	1,366,415
Retention payable	(2,946)	-	-	(2,946)
Accrued salaries payable	15,070	3,117	912	19,099
Deposits	13,364	-	-	13,364
Net pension liabilities	(420,275)	(110,880)	(21,702)	(552,857)
Deferred outflow of resources - pension	694,821	146,488	40,633	881,942
Deferred inflow of resources - pension	(50,451)	(10,115)	(3,018)	(63,584)
Net OPEB liability	(64,964)	-	-	(64,964)
Deferred outflow of resources - OPEB	(1,451)	-	-	(1,451)
Deferred inflow of resources - OPEB	(22,693)	-	-	(22,693)
Compensated absences	60,361	-	-	60,361
<b>Total adjustments</b>	<b>3,591,884</b>	<b>506,289</b>	<b>291,506</b>	<b>4,389,679</b>
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 1,620,026</b>	<b>\$ 1,301,091</b>	<b>\$ (2,115,328)</b>	<b>\$ 805,789</b>

See Accompanying Notes to the Basic Financial Statements.

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# FIDUCIARY FUND

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*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.

*Other Post Employment Benefits Fund* - This private-purpose trust fund was established to account for assets held by the City as trustee for the employees participating in the City's post-employment benefits fund for healthcare.

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**City of Arcadia**  
**Statement of Net Position**  
**Fiduciary Funds**  
**June 30, 2025**

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	Private-Purpose Trust Funds	
	Other Post Employment Benefits Fund	Successor Agency to the Arcadia Redevelopment Agency
<b>ASSETS</b>		
Current assets:		
Cash and investments	\$ -	\$ 5,642,786
Restricted cash and investments held with OPEB Trust	17,656,661	-
Interest receivable	-	82,907
Total current assets	17,656,661	5,725,693
<b>Total assets</b>	17,656,661	5,725,693
<b>LIABILITIES</b>		
Current liabilities:		
Interest payable	-	31,894
Bonds payable - due within one year	-	2,585,000
Total current liabilities	-	2,616,894
Noncurrent liabilities:		
Bonds payable - due in more than one year	-	2,635,000
Total noncurrent liabilities	-	2,635,000
<b>Total liabilities</b>	-	5,251,894
<b>NET POSITION</b>		
Restricted	17,656,661	473,799
<b>Total net position</b>	\$ 17,656,661	\$ 473,799

**City of Arcadia**  
**Statement of Changes in Net Position**  
**Fiduciary Funds**  
**For the Fiscal Year Ended June 30, 2025**

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	Private-Purpose Trust Funds	
	Other Post Employment Benefits Fund	Successor Agency to the Arcadia Redevelopment Agency
<b>ADDITIONS:</b>		
Redevelopment Property Tax Trust Fund	\$ -	\$ 2,697,882
Transfer in from previous trust fund	13,679,863	-
Employer contributions	2,072,000	-
Net investment income	1,930,187	373,967
<b>Total additions</b>	17,682,050	3,071,849
<b>DEDUCTIONS:</b>		
Enforceable obligations	-	103,441
Administration	25,389	10,150
<b>Total deductions</b>	25,389	113,591
<b>Change in net position</b>	17,656,661	2,958,258
<b>NET POSITION (DEFICIT):</b>		
Beginning of fiscal year	-	(2,484,459)
End of fiscal year	\$ 17,656,661	\$ 473,799

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# **NOTES TO THE BASIC FINANCIAL STATEMENTS**

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**City of Arcadia**  
**Notes to the Basic Financial Statements**  
**June 30, 2025**

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**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 balance, 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, 2025**

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**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, 2025**

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**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 account for revenues received from a voter-approved special parcel tax administered by the Los Angeles County Flood Control District pursuant to Measure W. Revenues are used to fund eligible stormwater capture, water quality improvement, and water conservation projects in accordance with the Measure W Ordinance and program guidelines..
- American Rescue Plan Fund – This fund was established to account for federal assistance received from the Coronavirus State and Local Fiscal Recovery Funds (CSLFRF) program authorized under the American Rescue Plan Act of 2021. Revenues consist primarily of federal grant revenues.
- 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, 2025**

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**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*

Fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting.

The City reports the following fiduciary funds:

- 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.
- Other Post Employment Benefits Fund – This private-purpose trust fund was established to account for assets held by the City as trustee for the employees participating in the City's post-employment benefits fund for healthcare.

**City of Arcadia**  
**Notes to the Basic Financial Statements (Continued)**  
**June 30, 2025**

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

***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).

***D. Cash and Investments with Fiscal Agent***

Cash and investments with fiscal agents 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 “internal 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.

**City of Arcadia**  
**Notes to the Basic Financial Statements (Continued)**  
**June 30, 2025**

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

**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.

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 and fiduciary fund types recognize the interest payable when the liability is incurred.

**City of Arcadia**  
**Notes to the Basic Financial Statements (Continued)**  
**June 30, 2025**

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

**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.

**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.

Under GASB statement no. 101, only the portion of sick leave benefits that is expected to be paid or settled (rather than converted to service credit or forfeited) is included in the compensated absences liability. The City evaluates payout patterns and termination/retirement eligibility to determine the probability of payment.

In fiscal year 2025, the City implemented GASB Statement No. 101, Compensated Absences. Due to the unavailability of historical information necessary to reasonably estimate accumulated sick leave balances under the new standard, the City applied GASB 101 prospectively beginning July 1, 2024. Accordingly, no restatement of beginning net position was recorded.

**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”).

**City of Arcadia**  
**Notes to the Basic Financial Statements (Continued)**  
**June 30, 2025**

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

***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 (60) 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

***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.

**City of Arcadia**  
**Notes to the Basic Financial Statements (Continued)**  
**June 30, 2025**

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

**P. Fund Balances (Continued)**

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

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

**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. Future Accounting Pronouncements**

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

Statement No. 103	"Financial Reporting Model Improvements"	The provisions of this statement are effective for fiscal years beginning after June 15, 2025.
Statement No. 104	"Disclosure of Certain Capital Assets"	The provisions of this statement are effective for fiscal years beginning after June 15, 2025.
Statement No. 105	"Subsequent Events"	The provisions of this statement are effective for fiscal years beginning after June 15, 2026.

**City of Arcadia**  
**Notes to the Basic Financial Statements (Continued)**  
**June 30, 2025**

**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 investments, including assets held in a Section 115 Pension Stabilization Trust, are reported in the General Fund but are legally restricted for pension obligations. Both Section 115 Pension Stabilization Trust and assets held in fiduciary trust accounts for other postemployment benefits (OPEB) are held by an independent custodian and are not pooled with the City’s cash and investments.

The City had the following cash and investments at June 30, 2025:

	Government-Wide Statement of Net Position			Fiduciary Fund Statement of Net Position	
	Governmental Activities	Business-Type Activities	Total	Net Position	Total
Cash and investments	\$ 133,859,611	\$ 23,715,495	\$ 157,575,106	\$ 5,642,786	\$ 163,217,892
Restricted cash and investments held with trust	3,571,808	-	3,571,808	17,656,661	21,228,469
<b>Total cash and investments</b>	<b>\$ 137,431,419</b>	<b>\$ 23,715,495</b>	<b>\$ 161,146,914</b>	<b>\$ 23,299,447</b>	<b>\$ 184,446,361</b>

The City’s cash and investments at June 30, 2025 consists of the following:

Cash and cash equivalents:	
Petty cash	\$ 20,056
Demand deposits	8,154,836
Total cash and cash equivalents	<u>8,174,892</u>
Investments:	
Local Agency Investment Fund	7,875,049
California Asset Management Program	38,173,419
Certificates of Deposits	3,542,969
Money Market Fund	17,972
U.S. Treasury Notes	30,221,910
U.S. Government Sponsored Enterprise Securities	35,169,567
Municipal bonds	5,721,511
Asset Backed Securities/CMO	12,985,586
Corporate Bonds	21,335,017
Total investments	<u>155,043,000</u>
Restricted cash and investment held with trust	
Cash	115,437
Mutual Funds	2,093,392
Unit Investment Trusts	17,763,574
Alternative Fixed Income	1,256,066
Total restricted cash and investment held with trust	<u>21,228,469</u>
Total cash and investments	<u>\$ 184,446,361</u>

**City of Arcadia**  
**Notes to the Basic Financial Statements (Continued)**  
**June 30, 2025**

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

**A. Deposits**

The carrying amounts of the City’s demand deposits were \$8,154,836 at June 30, 2025. Bank balances at that date were \$12,540,364, 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.

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 or trust agreement. 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 and trust accounts 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%

\* 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, 2025**

**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, 2025, 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, 2025, the City had \$7,875,049 invested in LAIF, which had invested 3.81% 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, 2025, the City had \$38,173,419 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, 2025, 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)	\$ 7,875,049	\$ 7,875,049	\$ -	\$ -	\$ -	\$ -
California Asset Management Program (CAMP)	38,173,419	38,173,419	-	-	-	-
Certificates of Deposits	3,542,969	240,013	2,340,206	483,121	241,967	237,662
Money Market Funds	17,972	17,972	-	-	-	-
U.S. Treasury Notes	30,221,910	-	13,324,238	15,883,182	-	1,014,490
Federal Farm Credit Bank	7,007,600	2,000,330	-	2,984,850	2,022,420	-
Federal Home Loan Bank	8,541,345	990,920	1,008,560	5,035,000	504,985	1,001,880
Federal Home Loan Mortgage Corporation	6,323,559	3,999,960	-	-	999,540	1,324,059
Federal Agricultural Mortgage Corp.	2,001,660	-	-	-	-	2,001,660
Federal National Mortgage Association	5,099,230	-	-	-	1,088,930	4,010,300
Federal CMO	6,196,173	1,304,591	2,803,723	1,919,772	168,087	-
Municipal Bonds	5,721,511	395,000	2,604,341	2,294,218	427,952	-
Asset Backed Securities/CMO	12,985,586	-	526,822	1,957,033	4,368,811	6,132,920
Corporate Bonds	21,335,017	382,809	8,731,209	6,559,514	5,661,485	-
<b>Total</b>	<b>\$ 155,043,000</b>	<b>\$ 55,380,063</b>	<b>\$ 31,339,099</b>	<b>\$ 37,116,690</b>	<b>\$ 15,484,177</b>	<b>\$ 15,722,971</b>

The Pension Stabilization Trust and OPEB trust investments are primarily held in exchange-traded funds, which do not have stated maturities; accordingly, the City does not present an interest rate risk maturity analysis for these investments.

**City of Arcadia**  
**Notes to the Basic Financial Statements (Continued)**  
**June 30, 2025**

**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, 2025, the City’s credit risks, expressed on a percentage basis, were as follows:

Credit Quality Distribution for Securities  
with Credit Exposure as a Percentage of Total Investments

Investment Type	Moody's Credit Rating	S&P's Credit Rating	% of Investments with Interest Rate Risk
Local Agency Investment Fund	Not Rated	Not Rated	5.08%
California Asset Management Program	Not Rated	Not Rated	24.61%
Certificates of Deposit	Not Rated	Not Rated	2.29%
Money Market Funds	Not Rated	Not Rated	0.01%
United States Treasury Notes	Aa1	AA+	19.49%
Federal Farm Credit Bank	Aa1	AA+	4.52%
Federal Home Loan Bank	Aa1	AA+	5.51%
Federal Home Loan Mortgage Corp.	Aa1	AA+	4.08%
Federal Agricultural Mortgage Corp.	Not rated	Not rated	1.29%
Federal National Mortgage Association	Aa1	AA+	3.29%
Federal CMO	Aa1	AA+	4.00%
Municipal Bonds - Napa Valley Unified School District	Aa3	Not rated	1.28%
Municipal Bonds - San Bernardino Unified School District	Not rated	AA	0.49%
Municipal Bonds - San Jose Redevelopment Agency Successor Agency	Not rated	AA	1.27%
Municipal Bonds - Florida State Board of Administration	Aa3	AA	0.47%
Municipal Bonds - Los Angeles Unified School District	Aa2	Not rated	0.18%
Asset Backed Securities-BMW Vehicle Owner Trust 2022-A	Aaa	AAA	0.01%
Asset Backed Securities-Kubota Credit Owner Trust 2022-1	Aaa	Not Rated	0.04%
Asset Backed Securities-Ally Auto Receivables Trust 2022-1	Aaa	AAA	0.02%
Asset Backed Securities-GM Financial Consumer Auto Receivables Trust 2022-1	Not Rated	AAA	0.00%
Asset Backed Securities-Harley-Davidson Motorcycle Trust 2022-A	Aaa	AAA	0.01%
Asset Backed Securities-Carmax Auto Owner Trust 2022-2	Aaa	AAA	0.02%
Asset Backed Securities-Carmax Auto Owner Trust 2022-3	Not Rated	AAA	0.06%
Asset Backed Securities-Ally Auto Receivables Trust 2022-2	Aaa	AAA	0.09%
Asset Backed Securities-Hyundai Auto Receivables Trust 2022-C	Not Rated	AAA	0.09%
Asset Backed Securities-Carmax Auto Owner Trust 2022-4	Not Rated	AAA	0.09%
Asset Backed Securities-Mercedes-Benz Auto Receivables Trust 2022-1	Aaa	AAA	0.10%
Asset Backed Securities-Toyota Auto Receivables 2023-A	Not Rated	AAA	0.06%
Asset Backed Securities-Toyota Auto Receivables 2022-D	Aaa	Not Rated	0.04%
Asset Backed Securities-Honda Auto Receivables 2023-2 Owner Trust	Aaa	AAA	0.09%
Asset Backed Securities-Nissan Auto Receivables Trust 2023-A	Aaa	Not Rated	0.11%
Asset Backed Securities-Harley-Davidson Motorcycle Trust 2023-A	Aaa	Not Rated	0.06%
Asset Backed Securities-Ford Credit Auto Owner Trust 2023-A	Not Rated	AAA	0.06%
Asset Backed Securities-Toyota Auto Receivables 2023-B	Aaa	Not Rated	0.10%
Asset Backed Securities-BMW Vehicle Owner Trust 2023-A	Not Rated	AAA	0.04%
Asset Backed Securities-Discover Card Execution Note Trust 2023-A1	Aaa	Not Rated	0.19%
Asset Backed Securities-Hyundai Auto Receivables Trust 2023-B	Not Rated	AAA	0.04%
Asset Backed Securities-Ford Credit Auto Owner Trust 2023-B	Not Rated	AAA	0.08%
Asset Backed Securities-GM Financial Consumer Auto Receivables Trust 2023-3	Aaa	AAA	0.04%

**City of Arcadia**  
**Notes to the Basic Financial Statements (Continued)**  
**June 30, 2025**

**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-Honda Auto Receivables 2023-4 Owner Trust	Aaa	Not Rated	0.06%
Asset Backed Securities-BMW Vehicle Owner Trust 2025-1	Not Rated	AAA	0.08%
Asset Backed Securities-Fifth Third Auto Trust 2023-1	Aaa	AAA	0.16%
Asset Backed Securities-Honda Auto Receivables 2024-1 Owner Trust	Aaa	AAA	0.22%
Asset Backed Securities-Chase Issuance Trust 2023-A1	Not Rated	AAA	0.26%
Asset Backed Securities-Ally Auto Receivables Trust 2022-2	Not Rated	AAA	0.13%
Asset Backed Securities-Ford Credit Auto Owner Trust 2024-A	Aaa	Not Rated	0.13%
Asset Backed Securities-Nissan Auto Receivables Trust 2024-A	Aaa	Not Rated	0.24%
Asset Backed Securities-GM Financial Consumer Auto Receivables Trust 2024-1	Aaa	Not Rated	0.03%
Asset Backed Securities-Chase Issuance Trust 2024-A1	Not Rated	AAA	0.24%
Asset Backed Securities-Hyundai Auto Receivables Trust 2024-A	Not Rated	AAA	0.08%
Asset Backed Securities-WF Card Issuance Trust 2024-A1	Aaa	AAA	0.28%
Asset Backed Securities-BMW Vehicle Owner Trust 2024-A	Aaa	AAA	0.17%
Asset Backed Securities-Hyundai Auto Receivables Trust 2024-B	Not Rated	AAA	0.14%
Asset Backed Securities-Nissan Auto Receivables Trust 2024-B	Aaa	Not Rated	0.08%
Asset Backed Securities-Toyota Auto Receivables Trust 2024-C	Not Rated	AAA	0.12%
Asset Backed Securities-Ford Credit Auto Owner Trust 2024-B	Aaa	AAA	0.22%
Asset Backed Securities-Honda Auto Receivables Trust 2024-4	Aaa	AAA	0.10%
Asset Backed Securities-Hyundai Auto Receivables Trust 2024-C	Not Rated	AAA	0.13%
Asset Backed Securities-Toyota Auto Receivables Trust 2024-D	Aaa	AAA	0.08%
Asset Backed Securities-Ally Auto Receivables Trust 2024-2	Not Rated	AAA	0.12%
Asset Backed Securities-Volkswagon Auto Loan Trust 2024-1	Aaa	AAA	0.11%
Asset Backed Securities-GM Financial Consumer Auto Receivables Trust 2024-4	Aaa	AAA	0.11%
Asset Backed Securities-Volkswagon Auto Loan Trust 2025-1	Aaa	Not Rated	0.27%
Asset Backed Securities-Capital One Multi-Asset Execution Trust 2024-A1	Not Rated	AAA	0.36%
Asset Backed Securities-BMW Vehicle Owner Trust 2025-A	Aaa	AAA	0.20%
Asset Backed Securities-Ford Credit Auto Owner Trust 2025-A	Aaa	AAA	0.33%
Asset Backed Securities-Hyundai Auto Receivables Trust 2025-A	Not Rated	AAA	0.25%
Asset Backed Securities-WF Card Issuance Trust 2024-A2	Aaa	AAA	0.15%
Asset Backed Securities-Toyota Auto Receivables Trust 2025-B	Not Rated	AAA	0.16%
Asset Backed Securities-GM Financial Consumer Auto Receivables Trust 2025-1	Aaa	Not Rated	0.12%
Asset Backed Securities-Mercedes-Benz Auto Receivables Trust 2025-1	Aaa	Not Rated	0.18%
Asset Backed Securities-Nissan Auto Receivables Trust 2025-A	Aaa	Not Rated	0.23%
Asset Backed Securities-Verizon Master Trust 2025-3	Aaa	Not Rated	0.24%
Asset Backed Securities-American Express Credit Account Master Trust 2025-2	Not Rated	AAA	0.30%
Asset Backed Securities-GM Financial Consumer Auto Receivables Trust 2025-2	Aaa	AAA	0.07%
Asset Backed Securities-BA Credit Card Trust 2025-A1	Not Rated	AAA	0.19%
Asset Backed Securities-WF Card Issuance Trust 2025-A1	Not Rated	AAA	0.27%
Asset Backed Securities-Citibank Credit Card Issuance Trust 2025-A1	Aaa	AAA	0.33%
Corporate Bonds - Accenture Capital	Aa3	AA-	0.14%
Corporate Bonds - Adobe	A1	A+	0.28%
Corporate Bonds - Advanced Micro Devices	A2	A	0.14%
Corporate Bonds - American Express	A2	A-	0.24%
Corporate Bonds - American Honda	A3	A-	0.29%
Corporate Bonds - Analog Devices Inc	A2	A-	0.24%
Corporate Bonds - Astrazeneca	A1	A+	0.14%

**City of Arcadia**  
**Notes to the Basic Financial Statements (Continued)**  
**June 30, 2025**

**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 - Australia & New Zealand Banking Group	Aa2	AA-	0.16%
Corporate Bonds - Bank of America	A1	A-	0.47%
Corporate Bonds - Blackrock	Aa3	AA-	0.18%
Corporate Bonds - BP PLC	A2	A	0.20%
Corporate Bonds - BNY Mellon	Aa3	A	0.16%
Corporate Bonds - Bristol-Myers Squibb	A2	A	0.05%
Corporate Bonds - Caterpillar	A2	A	0.23%
Corporate Bonds - Charles Schwab	A2	A-	0.17%
Corporate Bonds - Chevron	Aa2	AA-	0.32%
Corporate Bonds - Cintas Corp	A3	A-	0.17%
Corporate Bonds - Cisco Systems	A1	AA-	0.34%
Corporate Bonds - Citigroup	A3	A+	0.58%
Corporate Bonds - Comcast Corp	A3	A-	0.13%
Corporate Bonds - Commonwealth Bank of Australia	Aa2	AA-	0.16%
Corporate Bonds - Cummins	A2	A	0.15%
Corporate Bonds - Eli Lilly	Aa3	A+	0.32%
Corporate Bonds - Goldman Sachs	A1	A+	0.27%
Corporate Bonds - Home Depot	A2	A	0.15%
Corporate Bonds - Hormel Foods	A1	A-	0.08%
Corporate Bonds - HSBC USA	A2	A-	0.15%
Corporate Bonds - John Deere	A1	A	0.28%
Corporate Bonds - Johnson & Johnson	Aaa	AAA	0.08%
Corporate Bonds - JPMorgan Chase	A1	A	0.27%
Corporate Bonds - Mass Mutual	Aa3	AA+	1.31%
Corporate Bonds - Morgan Stanley	A1	A-	0.44%
Corporate Bonds - National Australia Bank LTD/New York	Aa2	AA-	0.17%
Corporate Bonds - National Rural Utilities Cooperative	A2	A-	0.31%
Corporate Bonds - New York Life	Aa1	AA+	1.31%
Corporate Bonds - Paccar Financial Corp	A1	A+	0.30%
Corporate Bonds - Pepsico Inc	A1	A+	0.28%
Corporate Bonds - PNC Financial Services Group	A3	A-	0.15%
Corporate Bonds - State Street Corp	Aa3	A	0.44%
Corporate Bonds - Target Corp	A2	A	0.06%
Corporate Bonds - The Hershey Co	A1	A	0.15%
Corporate Bonds - Toyota Motor	A1	A+	1.51%
Corporate Bonds - Truist Financial Corp	BAA1	A-	0.08%
Corporate Bonds - UBS Group	Aa2	A+	0.18%
Corporate Bonds - Unilever	A1	A+	0.15%
Corporate Bonds - Wells Fargo	A1	BBB+	0.38%
			100.00%

The Pension Stabilization Trust and OPEB trust investments are primarily held in exchange-traded funds. Accordingly, credit risk disclosure requirements applicable to individual debt securities are not presented, as such information relates to the underlying securities held by the funds rather than the funds themselves.

**City of Arcadia**  
**Notes to the Basic Financial Statements (Continued)**  
**June 30, 2025**

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

**C. Risk Disclosures (Continued)**

*Custodial Credit Risk* - For deposits, custodial credit risk is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Of the City’s investments, No securities are held by the investment’s counterparty, the trustee for the general obligation and tax allocation bonds, as of June 30, 2025.

**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, 2025:

Investment by Fair Value Level	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Input (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Debt securities</b>				
Certificates of Deposits	\$ 3,542,969	\$ -	\$ 3,542,969	\$ -
Money Market Funds	17,972	17,972	-	-
U.S. Treasury Notes	30,221,910	30,221,910	-	-
Federal Farm Credit Bank	7,007,600	-	7,007,600	-
Federal Home Loan Bank	8,541,345	-	8,541,345	-
Federal Home Loan Mortgage Corporation	6,323,559	-	6,323,559	-
Federal Agricultural Mortgage Corp.	2,001,660	-	2,001,660	-
Federal National Mortgage Association	5,099,230	-	5,099,230	-
Federal CMO	6,196,173	-	6,196,173	-
Municipal Bonds	5,721,511	-	5,721,511	-
Asset Backed Securities	12,985,586	-	12,985,586	-
Corporate Bonds	21,335,017	-	21,335,017	-
<b>Total Investments Measured at Fair Value</b>	<b>108,994,532</b>	<b>\$ 30,239,882</b>	<b>\$ 78,754,650</b>	<b>\$ -</b>
<b>Investments Measured at Amortized Cost</b>				
LAIF	7,875,049			
CAMP	38,173,419			
<b>Total Pooled Investments</b>	<b>\$ 155,043,000</b>			

Investments of the Pension Stabilization Trust and the OPEB trust are measured at fair value using quoted prices in active markets for identical assets and are classified as Level 1 within the fair value hierarchy except alternative fixed income is classified as Level 3.

**City of Arcadia**  
**Notes to the Basic Financial Statements (Continued)**  
**June 30, 2025**

**Note 3 – Interfund Transactions**

*Fund Financial Statements*

**Due From/To Other Funds** - At June 30, 2025, the City had the following due from/to other funds:

<b>Due to Other Funds</b>	<b>Due from Other Funds</b>	
	General Fund	
Pension Obligation Bonds Fund	\$	3,190
Nonmajor Governmental Funds		514,626
Nonmajor Enterprise Fund		173,863
<b>Total</b>	<b>\$</b>	<b>691,679</b>

The above interfund balances resulted from temporary reclassifications made at June 30, 2025 to cover cash shortfalls.

**Transfers In/Out** - At June 30, 2025, the City had the following transfers in/out which arise in the normal course of operations:

<b>Transfers Out</b>	<b>Transfers In</b>				Total
	General Fund	Capital Outlay Capital Projects Fund	Nonmajor Governmental Funds	Nonmajor Enterprise Fund	
General Fund	\$ -	\$ 3,400,000	\$ 896,169	\$ -	\$ 4,296,169
Nonmajor Governmental Funds	2,072,313	-	-	1,458,998	3,531,311
<b>Total</b>	<b>\$ 2,072,313</b>	<b>\$ 3,400,000</b>	<b>\$ 896,169</b>	<b>\$ 1,458,998</b>	<b>\$ 7,827,480</b>

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, and 2) to fund future capital projects.

**Note 4 – Lease Receivable**

The City entered into various land and building leases with cellphone operators and the 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	7/1/24-8/1/28	198,089
Cellphone Operator	Land	7/1/24-12/1/28	204,325
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, 2025**

**Note 4 – Lease Receivable (Continued)**

The lease receivable of \$905,489 at June 30, 2025 is measured as the present value of the future minimum rent payments expected to be received during the lease term at a discount rate of 3% which is the US Treasury bill rate at the time of implementation of GASB No. 87.

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, 2025, the balance was \$838,940.

In fiscal year 2025, the City recognized \$314,367 in lease revenue and \$31,243 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, 2025, is as follows:

	Governmental Activities				Balance June 30, 2025
	Balance July 1, 2024	Additions	Deletions	Transfers	
<b>Nondepreciable assets:</b>					
Land	\$ 4,335,769	\$ -	\$ -	\$ -	\$ 4,335,769
Construction in progress	4,840,781	13,095,637	-	(3,399,416)	14,537,002
Total nondepreciable assets	9,176,550	13,095,637	-	(3,399,416)	18,872,771
<b>Depreciable assets:</b>					
Buildings and improvements	60,563,944	-	-	-	60,563,944
Automotive equipment	15,062,539	683,440	(20,471)	-	15,725,508
Furniture and equipment	13,785,681	504,034	(105,992)	-	14,183,723
Infrastructure	99,461,521	-	-	3,399,416	102,860,937
Subscription-based information technology arrangements	363,363	-	-	-	363,363
Total capital assets, being depreciated/amortized	189,237,048	1,187,474	(126,463)	3,399,416	193,697,475
<b>Less accumulated depreciation/amortization:</b>					
Buildings and improvements	(37,939,250)	(2,012,179)	-	-	(39,951,429)
Automobile equipment	(11,238,177)	(716,361)	20,471	-	(11,934,067)
Furniture and equipment	(3,756,663)	(603,926)	105,992	-	(4,254,597)
Infrastructure	(80,360,591)	(1,018,736)	-	-	(81,379,327)
Subscription-based information technology arrangements	(242,242)	(121,121)	-	-	(363,363)
Total accumulated depreciation/amortization	(133,536,923)	(4,472,323)	126,463	-	(137,882,783)
Total depreciable assets, net	55,700,125	(3,284,849)	-	3,399,416	55,814,692
<b>Governmental activities capital assets, net</b>	<b>\$ 64,876,675</b>	<b>\$ 9,810,788</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 74,687,463</b>

**City of Arcadia**  
**Notes to the Basic Financial Statements (Continued)**  
**June 30, 2025**

**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, 2025, as follows:

General government	\$ 374,986
Public safety	1,893,834
Public works services	1,356,813
Community development	206,969
Library	264,463
Recreation and community services	375,258
<b>Total depreciation/amortization expense</b>	<b>\$ 4,472,323</b>

A summary of changes in the capital assets for the business-type activities for the fiscal year ended June 30, 2025, is as follows:

	Business-Type Activities				Balance June 30, 2025
	Balance July 1, 2024	Additions	Deletions	Transfers	
<b>Nondepreciable assets:</b>					
Land	\$ 192,436	\$ -	\$ -	\$ -	\$ 192,436
Water rights	5,602,000	-	-	-	5,602,000
Construction in progress	2,296,616	64,414	-	-	2,361,030
Total nondepreciable assets	8,091,052	64,414	-	-	8,155,466
<b>Depreciable assets:</b>					
Water treatment plant and systems	73,784,413	-	-	-	73,784,413
Sewer pipes	13,816,649	-	-	-	13,816,649
Automotive equipment	5,202,675	514,011	-	-	5,716,686
Furniture and equipment	982,536	221,506	-	-	1,204,042
Total capital assets, being depreciated	93,786,273	735,517	-	-	94,521,790
<b>Less accumulated depreciation:</b>					
Water treatment plant and systems	(47,327,181)	(1,467,932)	-	-	(48,795,113)
Sewer pipes	(8,171,338)	(233,615)	-	-	(8,404,953)
Automobile equipment	(3,563,043)	(289,285)	-	-	(3,852,328)
Furniture and equipment	(519,198)	(80,897)	-	-	(600,095)
Total accumulated depreciation	(59,580,760)	(2,071,729)	-	-	(61,652,489)
Total depreciable assets, net	34,205,513	(1,336,212)	-	-	32,869,301
<b>Business-type activities capital assets, net</b>	<b>\$ 42,296,565</b>	<b>\$ (1,271,798)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 41,024,767</b>

**City of Arcadia**  
**Notes to the Basic Financial Statements (Continued)**  
**June 30, 2025**

**Note 5 – Capital Assets (Continued)**

**A. Government-Wide Financial Statements (Continued)**

Depreciation expense for business-type activities for the fiscal year ended June 30, 2025, was charged as follows:

Water Utility	\$ 1,623,855
Sewer Maintenance	351,765
Transit System	53,659
Arcadia PAR 3 Golf Course	42,450
<b>Total depreciation expense</b>	<b><u>\$ 2,071,729</u></b>

**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, 2025 is as follows:

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025	Due within One Year	Due in more than One Year
2021 General Obligation Refunding Bonds (Measure A)	\$ 3,962,000	\$ -	\$ (473,000)	\$ 3,489,000	\$ 479,000	\$ 3,010,000
2021 General Obligation Refunding Bonds (Police Station)	3,126,000	-	(371,000)	2,755,000	373,000	2,382,000
2020 Pension Obligation Bonds	77,756,300	-	(3,854,300)	73,902,000	3,893,400	70,008,600
Total bonds payable	84,844,300	-	(4,698,300)	80,146,000	4,745,400	75,400,600
Subscription liabilities	121,082	-	(121,082)	-	-	-
Claims and judgments payable	8,582,865	1,799,389	(933,689)	9,448,565	2,811,443	6,637,122
Compensated absences	3,081,310	760,782	-	3,842,092	2,305,255	1,536,837
<b>Total</b>	<b><u>\$ 96,629,557</u></b>	<b><u>\$ 2,560,171</u></b>	<b><u>\$ (5,753,071)</u></b>	<b><u>\$ 93,436,657</u></b>	<b><u>\$ 9,862,098</u></b>	<b><u>\$ 83,574,559</u></b>

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

**City of Arcadia**  
**Notes to the Basic Financial Statements (Continued)**  
**June 30, 2025**

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**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. As of June 30, 2025, the bonds were fully redeemed.

**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. As of June 30, 2025, the bonds were fully redeemed.

**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, 2025**

**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 bonds are general obligation of the City, payable solely from *ad valorem* property taxes levied on behalf of the City and collected by the Los Angeles County.

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, 2025, the principal balance outstanding was \$3,489,000 and \$2,755,000.

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
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	491,000	29,139	520,139	388,000	23,129	411,129
2029	498,000	22,809	520,809	394,000	18,125	412,125
2030	504,000	16,396	520,396	400,000	13,044	413,044
2031 - 2032	1,029,000	13,189	1,042,189	819,000	10,502	829,502
<b>TOTAL</b>	<b>\$ 3,489,000</b>	<b>\$ 158,532</b>	<b>\$ 3,647,532</b>	<b>\$ 2,755,000</b>	<b>\$ 125,728</b>	<b>\$ 2,880,728</b>

**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, 2025**

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**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, 2025 for the governmental activities was \$73,902,000 and the business-type activities was \$1,643,000 and totaled \$75,545,000.

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

Fiscal Year Ending June 30,	Governmental Activities		Business-type Activities		Total
	Principal	Interest	Principal	Interest	
2026	\$ 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	4,010,800	1,734,468	89,200	38,561	5,873,029
2029	4,084,200	1,660,023	90,800	36,906	5,871,929
2030	4,172,200	1,575,238	92,800	35,021	5,875,259
2031-2035	22,392,200	6,336,712	497,800	140,881	29,367,593
2036-2040	25,747,700	2,979,621	572,300	66,244	29,365,865
2041	5,654,300	89,705	125,700	1,995	5,871,700
<b>TOTAL</b>	<b>\$ 73,902,000</b>	<b>\$ 18,024,511</b>	<b>\$ 1,643,000</b>	<b>\$ 400,729</b>	<b>\$ 93,970,240</b>

**City of Arcadia**  
**Notes to the Basic Financial Statements (Continued)**  
**June 30, 2025**

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**Note 6 – Long-Term Liabilities (Continued)**

**A. Governmental Activities (Continued)**

**Subscription Liabilities**

The City entered into subscription-based information technology arrangements (SBITAs) during fiscal year 2023. All such software subscription arrangements expired as of June 30, 2025.

**Claims and Judgments Payable**

The amount of claims and judgments payable at June 30, 2025 was \$9,448,565. 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 \$3,842,092.

**B. Business-Type Activities**

A summary of changes in long-term liabilities for business-type activities for the fiscal year ended June 30, 2025, is as follows:

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025	Due within One Year	Due in more than One Year
2020 Pension Obligation Bonds	\$ 1,728,700	\$ -	\$ (85,700)	\$ 1,643,000	\$ 86,600	\$ 1,556,400
Compensated absences	125,587	60,361	-	185,948	111,569	74,379
<b>Total long-term debt</b>	<b>\$ 1,854,287</b>	<b>\$ 60,361</b>	<b>\$ (85,700)</b>	<b>\$ 1,828,948</b>	<b>\$ 198,169</b>	<b>\$ 1,630,779</b>

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

The pension obligation bonds at June 30, 2025 in the proprietary funds amounted to \$1,643,000. 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 \$185,948 at June 30, 2025.

**City of Arcadia**  
**Notes to the Basic Financial Statements (Continued)**  
**June 30, 2025**

**Note 6 – Long-Term Liabilities (Continued)**

**C. Fiduciary Activities**

A summary of changes in long-term debt for the private-purpose trust fund for the fiscal year ended June 30, 2025, is as follows:

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025	Due within One Year	Due in more than One Year
2020 Tax Allocation Refunding Bonds	\$ 7,760,000	\$ -	\$ (2,540,000)	\$ 5,220,000	\$ 2,585,000	\$ 2,635,000
<b>Total bonds payable</b>	<b>\$ 7,760,000</b>	<b>\$ -</b>	<b>\$ (2,540,000)</b>	<b>\$ 5,220,000</b>	<b>\$ 2,585,000</b>	<b>\$ 2,635,000</b>

**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, 2025 totaled \$5,220,000 in the Successor Agency to the Arcadia Redevelopment Agency Private-Purpose Trust Fund.

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

Fiscal Year Ending June 30,	Principal	Interest	Total
2026	\$ 2,585,000	\$ 71,991	\$ 2,656,991
2027	2,635,000	24,150	2,659,150
<b>TOTAL</b>	<b>\$ 5,220,000</b>	<b>\$ 96,141</b>	<b>\$ 5,316,141</b>

**City of Arcadia**  
**Notes to the Basic Financial Statements (Continued)**  
**June 30, 2025**

**Note 7 – Expenditures in Excess of Appropriations**

The following funds had expenditures in excess of budget:

Fund	Appropriations	Expenditures	Excess Expenditures over Appropriations
<b>Major Governmental Fund</b>			
<b>General Fund:</b>			
General government:			
City manager	\$ 978,600	\$ 1,093,924	\$ 115,324
City clerk	385,700	405,431	19,731
Administrative services	4,545,750	5,633,512	1,087,762
Recreation and community services	4,189,300	4,217,280	27,980
Debt service:			
Principal retirement	-	121,082	121,082
Interest and fiscal charges	-	3,887	3,887
<b>American Rescue Plan Act Fund:</b>			
Public safety:			
Fire	-	3,328	3,328
Community development	-	71,945	71,945
<b>General Obligation Bonds Debt Service Fund</b>			
Debt service:			
Interest and fiscal charges	87,400	89,388	1,988
<b>Pension Obligation Bonds Fund:</b>			
General city	-	1,500	1,500
<b>Nonmajor Governmental Funds:</b>			
<b>Special Revenue Funds:</b>			
Lighting Maintenance:			
Public works services	1,457,500	1,493,806	36,306
CA OES HSGP			
Public safety:	46,000	52,870	6,870

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

**Note 8 – Risk Management**

**A. Coverage**

At June 30, 2025, 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 \$40,000,000 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).

**City of Arcadia**  
**Notes to the Basic Financial Statements (Continued)**  
**June 30, 2025**

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**Note 8 – Risk Management (Continued)**

**A. Coverage (Continued)**

CIPA is a consortium of 14 cities in Southern California, established to pool resources, share risks, purchase excess insurance and to share costs for professional risk management and claims administration. The premium for each agency is actuarially based on exposure, loss experience, and member agency’s selected self-insurance retention. 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, 2025. 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, 2025, the amount of these liabilities was \$9,448,565 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 and Estimated during the Fiscal Year	Claims Payments	Fiscal Year Ended June 30
2023	\$ 7,959,696	\$ 2,917,618	\$ (1,377,487)	\$ 9,499,827
2024	9,499,827	562,216	(1,479,178)	8,582,865
2025	8,582,865	1,799,389	(933,689)	9,448,565

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 fiscal 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, 2025**

**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, 2025, are summarized as follows:

	City Miscellaneous Plan			
	Classic	Tier I	Tier II	Tier III
		Hired between July 1, 2011 - October 8, 2011	On or after October 9, 2011	On or after January 1, 2013
Hire date	Prior to July 1, 2011			
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%	7.50%
Required employer contribution rates	Total 10.330%. Employee pays 8% of employer cost through cost-sharing	11.410%	11.410%	11.410%
Required employer payment of unfunded liability	\$ 1,782,780	\$ 1,782,780	\$ 1,782,780	\$ 1,782,780

**City of Arcadia**  
**Notes to the Basic Financial Statements (Continued)**  
**June 30, 2025**

**Note 9 – Pension Plan (Continued)**

**A. General Information about the Pension Plan (Continued)**

The Plans' provisions and benefits in effect at June 30, 2025, 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%	13.25%
Required employer contribution rates	Total 23.350%. Employee pays 9% of employer cost through cost-sharing	23.560%	23.560%	23.560%
Required employer payment of unfunded liability	\$ 3,283,479	\$ 3,283,479	\$ 3,283,479	\$ 3,283,479

**Employees Covered** – At June 30, 2025, the following employees were covered by the benefit terms for each Plan:

	Miscellaneous	Safety
Inactive employees or beneficiaries currently receiving benefits	434	269
Inactive employees entitled to but not yet receiving benefits	382	120
Active employees	180	111
Total	996	500

**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, 2025**

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**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, 2024, using an annual actuarial valuation as of June 30, 2023 rolled forward to June 30, 2024 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, 2024 (measurement date), actuarial valuations were determined using the following actuarial assumptions:

	<u>Miscellaneous</u>	<u>Safety</u>
Valuation Date	June 30, 2023	June 30, 2023
Measurement Date	June 30, 2024	June 30, 2024
Actuarial Cost Method	Entry age actuarial cost method	
Actuarial Assumptions:		
Discount Rate	6.90%	6.90%
Inflation	2.30%	2.30%
Salary Increases	Varies by entry age and service	
Mortality Rate Table <sup>1</sup>	Derived using CalPERS' membership data for all funds	
Post Retirement Benefit Increase	The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% thereafter	

(1) The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS' Experience Study and Review of Actuarial Assumptions. Mortality rates incorporate full generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the 2021 experience study report from November 2021 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. Using historical returns of all of the funds’ asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points.

**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. Using historical returns of all of the funds’ asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points.

**City of Arcadia**  
**Notes to the Basic Financial Statements (Continued)**  
**June 30, 2025**

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**Note 9 – Pension Plan (Continued)**

***B. Net Pension Liability (Continued)***

The expected real rates of return by asset class are as followed:

Asset Class <sup>1</sup>	Assumed Asset Allocation	Real Return <sup>1,2</sup>
Global Equity - Cap-weighted	30.00%	4.54%
Global Equity - Non-Cap-weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	-5.00%	-0.59%
Total	<u>100.00%</u>	

(1) An expected inflation of 2.30% used for this period.

(2) Figures are based on the 2021 Asset Liability Management study.

***Discount Rate*** - The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

**City of Arcadia**  
**Notes to the Basic Financial Statements (Continued)**  
**June 30, 2025**

**Note 9 – Pension Plan (Continued)**

**B. Net Pension Liability (Continued)**

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

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.

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

All other amounts Straight-line amortization over the expected average remaining service lifetime (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)
<b>Balance at June 30, 2023 (Measurement Date)</b>	\$ 186,490,167	\$ 155,822,991	\$ 30,667,176
<b>Changes during the fiscal year:</b>			
Service Cost	2,686,685	-	2,686,685
Interest on the Total Pension Liability	12,725,283	-	12,725,283
Change of Benefit Terms	-	-	-
Change of Assumptions	-	-	-
Differences between Expected and Actual Experience	1,597,106	-	1,597,106
Contributions - Employer	-	3,181,267	(3,181,267)
Contributions - Employees	-	1,243,912	(1,243,912)
Net Investment Income	-	14,662,412	(14,662,412)
Benefit Payments, including Refunds of Employee Contributions	(10,012,457)	(10,012,457)	-
Administrative Expense	-	(126,794)	126,794
<b>Net Changes</b>	<b>6,996,617</b>	<b>8,948,340</b>	<b>(1,951,723)</b>
<b>Balance at June 30, 2024 (Measurement Date)</b>	<b>\$ 193,486,784</b>	<b>\$ 164,771,331</b>	<b>\$ 28,715,453</b>

**City of Arcadia**  
**Notes to the Basic Financial Statements (Continued)**  
**June 30, 2025**

**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)
<b>Balance at June 30, 2023 (Measurement Date)</b>	\$ 318,659,703	\$ 263,551,037	\$ 55,108,666
<b>Changes during the fiscal year:</b>			
Service Cost	4,958,709	-	4,958,709
Interest on the Total Pension Liability	22,020,188	-	22,020,188
Change of Benefit Terms	-	-	-
Change of Assumptions	-	-	-
Differences between Expected and Actual Experience	6,310,929	-	6,310,929
Contributions - Employer	-	6,304,988	(6,304,988)
Contributions - Employees	-	1,966,276	(1,966,276)
Net Investment Income	-	24,809,444	(24,809,444)
Benefit Payments, including Refunds of Employee Contributions	(16,633,662)	(16,633,662)	-
Administrative Expense	-	(214,452)	214,452
<b>Net Changes</b>	<b>16,656,164</b>	<b>16,232,594</b>	<b>423,570</b>
<b>Balance at June 30, 2024 (Measurement Date)</b>	<b>\$ 335,315,867</b>	<b>\$ 279,783,631</b>	<b>\$ 55,532,236</b>

**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	5.90%	5.90%
Net Pension Liability	\$ 54,704,457	\$ 102,066,778
Current Discount Rate	6.90%	6.90%
Net Pension Liability	\$ 28,715,453	\$ 55,532,236
1% Increase	7.90%	7.90%
Net Pension Liability	\$ 7,432,507	\$ 17,601,781

**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, 2025**

**Note 9 – Pension Plan (Continued)**

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

For the fiscal year ended June 30, 2025, the City recognized pension expense of \$6,130,623 and \$14,169,327 for Miscellaneous and Safety plan respectively. At June 30, 2025, 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	\$ 3,866,260	\$ -	\$ 7,631,252	\$ -
Changes of Assumptions	-	-	691,532	-
Differences between Expected and Actual Experiences	1,056,841	-	5,264,144	(198,226)
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	2,823,281	-	4,960,523	-
<b>Total</b>	<b>\$ 7,746,382</b>	<b>\$ -</b>	<b>\$ 18,547,451</b>	<b>\$ (198,226)</b>

\$11,497,512 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, 2026. 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
2025	\$ 967,441	\$ 4,070,047
2026	4,351,718	9,059,686
2027	(616,795)	(1,027,585)
2028	(822,242)	(1,384,175)

***E. Payable to the Pension Plan***

At June 30, 2025, no pension contribution is outstanding to the pension plan or the fiscal year ended June 30, 2025.

**City of Arcadia**  
**Notes to the Basic Financial Statements (Continued)**  
**June 30, 2025**

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

At June 30, 2025, 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:			
Contributions subsequent to measurement date	\$ 3,425,500	\$ 15,063	\$ 3,440,563
Changes of assumptions	1,436,191	26,325	1,462,516
Differences between Expected and Actual Experiences	2,123,517	38,924	2,162,441
Total deferred outflows of resources	<u>\$ 6,985,208</u>	<u>\$ 80,312</u>	<u>\$ 7,065,520</u>
Net OPEB liabilities:	<u>\$ 10,045,653</u>	<u>\$ 184,136</u>	<u>\$ 10,229,789</u>
Deferred inflows of resources:			
Net differences between Projected and Actual			
Earnings on Investments	\$ 284,257	\$ 5,210	\$ 289,467
Differences between Expected and Actual Experiences	2,257,745	41,384	2,299,129
Total deferred inflows of resources	<u>\$ 2,542,002</u>	<u>\$ 46,594</u>	<u>\$ 2,588,596</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, 2023, the date of the latest actuarial valuation:

Active plan members	288
Inactive employees or beneficiaries currently receiving benefit payments	148
Inactive employees entitled to but not yet receiving benefit payments	155
Total	<u>591</u>

**City of Arcadia**  
**Notes to the Basic Financial Statements (Continued)**  
**June 30, 2025**

**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, 2025, the City made contributions based on an actuarially determined rate and additional prefund contribution in an amount of \$3,440,563.

Net OPEB Liability

The City's net OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2023.

Actuarial assumptions

The total OPEB liability in the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Actuarial Cost Method	Entry Age Normal Level % of Pay
Asset Valuation Method	Fair Value
Inflation	2.50%
Healthcare Cost Trend Rates	Actual in 2025; 6.0% in 2026 decreasing to 3.9% by 2075
Salary Increase	3.00%
Investment Rate of Return	6.00%
Retirement Age	From 50 to 75
Mortality	2021 CalPERS' Experience Study
Mortality Improvement	MW Scale 2022

Expected Long-Term Return

During the fiscal year ended June 30, 2024, the City transferred the assets of its OPEB trust from the California Employers' Retiree Benefit Trust (CERBT) to a separately managed trust account. The expected long-term return on trust assets was derived from information provided by the Shuster Advisory Group. Total return expectations are summarized in the chart below.

Asset Class	Weighting	Expected Returns of Current Allocation			
		5 Year Expectation	10 Year Expectation	20 Year Expectation	30 Year Expectation
Global ex-U.S. Large Cap Equities	21.00%	1.90%	1.80%	1.70%	1.70%
U.S. Large Cap Equities	44.00%	1.70%	2.10%	2.70%	3.00%
Emerging Large Cap Equities	6.50%	0.50%	0.50%	0.60%	0.60%
U.S. Small Cap Equities	0.50%	0.00%	0.00%	0.00%	0.00%
U.S. Cash	1.00%	0.00%	0.00%	0.00%	0.00%
U.S. Aggregate Bonds	26.00%	1.00%	1.00%	1.00%	1.00%
U.S. Inflation-linked Gov. Bonds	1.00%	0.00%	0.00%	0.00%	0.00%
Expected Returns		5.30%	5.60%	6.10%	6.40%

**City of Arcadia**  
**Notes to the Basic Financial Statements (Continued)**  
**June 30, 2025**

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

Expected Long-Term Return (Continued)

To determine the expected long-term rate of return for the OPEB trust, the actuary applied the projected benefit payments, as determined by the June 30, 2023 actuarial valuation, to the long-term return assumptions shown above. Based on this analysis, the actuary determined a single equivalent long-term rate of return of 6.0 percent, net of investment and trust-related expenses.

Discount Rate

The discount rate used to measure the total OPEB liability was 6.00 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.

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, 2023 (Measurement Date)	\$ 21,019,922	\$ 10,189,491	\$ 10,830,431
Changes Recognized for the Measurement Period:			
Service Cost	677,921	-	677,921
Interest on the total OPEB liability	1,257,092	-	1,257,092
Investment experience	-	973,080	(973,080)
Changes of assumptions	-	-	-
Contributions from the employer	-	3,357,631	(3,357,631)
Plan experience	2,447,348	-	2,447,348
Net investment income	-	666,882	(666,882)
Administrative expenses	-	(14,590)	14,590
Benefit payments	(1,492,631)	(1,492,631)	-
Net Changes during the period	2,889,730	3,490,372	(600,642)
Balance at June 30, 2024 (Measurement Date)	\$ 23,909,652	\$ 13,679,863	\$ 10,229,789

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 (5.00 percent) or 1-percentage-point higher (7.00 percent) than the current discount rate:

Plan's Net OPEB Liability (Asset)		
Current Discount Rate - 1% (5.00%)	Current Discount Rate (6.00%)	Current Discount Rate + 1% (7.00%)
\$ 12,826,478	\$ 10,229,789	\$ 8,020,334

**City of Arcadia**  
**Notes to the Basic Financial Statements (Continued)**  
**June 30, 2025**

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

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

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

Plan's Net OPEB Liability (Asset)		
Current Trend Rate -1%	Healthcare Cost Current Trend Rate*	Current Trend Rate + 1%
\$ 7,711,755	\$ 10,229,789	\$ 13,273,518

\* Healthcare cost trend rate was assumed to start at 6.0% (increase effective January 1, 2026) and grade down to 3.9% for years 2075 and later.

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

For the fiscal year ended June 30, 2025, the City recognized OPEB expense of \$1,217,584. At June 30, 2025, 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	\$ 3,440,563	\$ -
Changes of assumptions	1,462,516	-
Differences between expected and actual experience	2,162,441	2,299,129
Total	\$ 7,065,520	\$ 2,588,596

Liability changes due to plan experience which differs from what was assumed in the prior measurement period and/or from assumption changes during the period are recognized over the plan's Expected Average Remaining Life ("EARSL"). The EARSL of 8.59 years is the period used to recognize such change in the OPEB liability arising during the current measurement period.

When applicable, changes in the fiduciary net position due to investment performance different from assumed earnings rate are always recognized over 5 years.

Liability changes attributable to benefit changes occurring during the period, if any, are recognized immediately.

**City of Arcadia**  
**Notes to the Basic Financial Statements (Continued)**  
**June 30, 2025**

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

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

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
2025	\$ (99,138)
2026	74,476
2027	(130)
2028	99,773
2029	279,242
Thereafter	682,138
Total	<u>\$ 1,036,361</u>

**Note 11 – Deficit Fund Balances/Net Position**

As of June 30, 2025, 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:

Major Fund:	
Pension Obligation Bonds	\$ 3,190
Nonmajor Special Revenue Funds:	
CDBG	\$ 4
Homeland Security Fund	\$ 85,757
County Homelessness Grant	\$ 42,518
CA OES HSGP	\$ 42,465

**City of Arcadia**  
**Notes to the Basic Financial Statements (Continued)**  
**June 30, 2025**

**Note 12 – Classification of Fund Balances**

At June 30, 2025, 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
<b>Nonspendable:</b>								
Prepaid items and deposits	\$ 105,201	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 105,201
Inventories	1,441,866	-	-	-	-	-	-	1,441,866
Lease receivable	66,549	-	-	-	-	-	-	66,549
<b>Total nonspendable</b>	<b>1,613,616</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,613,616</b>
<b>Restricted:</b>								
Debt service	-	-	-	-	1,011,030	-	-	1,011,030
Law enforcement	939	-	-	-	-	-	1,027,979	1,028,918
Transportation / streets	-	-	-	-	-	-	17,788,259	17,788,259
Parks and recreation	-	5,810,283	-	-	-	-	-	5,810,283
Solid waste	-	-	-	-	-	-	2,682,811	2,682,811
Clean air	-	-	-	-	-	-	256,221	256,221
Clean water	-	-	3,303,238	-	-	-	-	3,303,238
Street lighting	-	-	-	-	-	-	301,849	301,849
Library	-	-	-	-	-	-	624	624
Cable access	-	-	-	-	-	-	1,308,925	1,308,925
Recycling	-	-	-	-	-	-	95,482	95,482
Fire protection	-	-	-	-	-	-	349,959	349,959
Pension stabilization	3,571,808	-	-	-	-	-	-	3,571,808
<b>Total restricted</b>	<b>3,572,747</b>	<b>5,810,283</b>	<b>3,303,238</b>	<b>-</b>	<b>1,011,030</b>	<b>-</b>	<b>23,812,109</b>	<b>37,509,407</b>
<b>Committed:</b>								
Parks and recreation	-	-	-	-	-	-	2,455,446	2,455,446
<b>Total committed</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,455,446</b>	<b>2,455,446</b>
<b>Assigned:</b>								
Capital improvements	7,536,329	-	-	14,360,324	-	-	-	21,896,653
Equipment replacement	18,972,920	-	-	-	-	-	-	18,972,920
Self-insurance	6,078,236	-	-	-	-	-	-	6,078,236
Emergency reserves	18,737,849	-	-	-	-	-	-	18,737,849
Medical/dental fund	456,555	-	-	-	-	-	-	456,555
<b>Total assigned</b>	<b>51,781,889</b>	<b>-</b>	<b>-</b>	<b>14,360,324</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>66,142,213</b>
<b>Unassigned</b>	<b>27,603,156</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,190)</b>	<b>(170,744)</b>	<b>27,429,222</b>
<b>Total</b>	<b>\$ 84,571,408</b>	<b>\$ 5,810,283</b>	<b>\$ 3,303,238</b>	<b>\$ 14,360,324</b>	<b>\$ 1,011,030</b>	<b>\$ (3,190)</b>	<b>\$ 26,096,811</b>	<b>\$ 135,149,904</b>

At June 30, 2025, outstanding encumbrances/commitments are as follows:

<u>Funds</u>	<u>Amount</u>
General Fund	\$ 3,320,227
Parks and Recreation Special Revenue Fund	917,867
American Rescue Plan Act Special Revenue Fund	56,444
Capital Outlay Capital Projects Fund	1,456,538
Water Utility Fund	622,081
Sewer Maintenance Fund	70,000
Nonmajor Governmental Funds	3,410,577
<b>Total</b>	<b>\$ 9,853,734</b>

**City of Arcadia**  
**Notes to the Basic Financial Statements (Continued)**  
**June 30, 2025**

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**Note 13 - 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).

**B. Federal and State Grant Programs**

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

**Note 14 - Restatements**

During the fiscal year ended June 30, 2025, the City identified that certain investments held in a Section 115 pension trust were not appropriately classified in prior years. These investments meet the definition of restricted assets and should be reported as restricted investments in both the governmental activities and the General Fund.

Accordingly, the City restated its beginning net position and fund balance as of July 1, 2024, to reflect the proper classification of the Section 115 pension trust investments. This restatement had no effect on the City’s previously reported change in net position, fund balance, or cash flows, but resulted in an increase to restricted investments and a corresponding increase to total net position and fund balance.

The effect of the restatement is summarized as follows:

	<b>Governmental Activities</b>	<b>General Fund</b>
Net Position/Fund Balance at July 1, 2024	\$ 43,431,744	\$ 74,650,511
Restricted investments - Section 115 pension trust	2,294,203	2,294,203
Net Position/Fund Balance at July 1, 2024, as Restated	\$ 45,725,947	\$ 76,944,714

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**REQUIRED SUPPLEMENTARY  
INFORMATION (Unaudited)**

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**City of Arcadia**  
**Required Supplementary Information (Unaudited)**  
**For the Fiscal Year Ended June 30, 2025**

*Budgetary Comparison Schedule, General Fund*

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 61,589,100	\$ 61,589,100	\$ 63,434,725	\$ 1,845,625
Licenses and permits	5,969,900	5,969,900	6,042,175	72,275
Fines and forfeitures	500,900	500,900	605,763	104,863
Use of money and property	3,258,400	3,258,400	5,695,842	2,437,442
Intergovernmental	9,437,800	9,437,800	10,138,981	701,181
Charges for services	6,153,900	6,153,900	6,872,395	718,495
Other revenues	3,541,300	3,647,100	5,349,611	1,702,511
<b>Total revenues</b>	<b>90,451,300</b>	<b>90,557,100</b>	<b>98,139,492</b>	<b>7,582,392</b>
<b>EXPENDITURES:</b>				
Current:				
General government:				
City council	376,700	399,900	340,592	59,308
City manager	862,800	978,600	1,093,924	(115,324)
City clerk	372,300	385,700	405,431	(19,731)
City attorney	708,400	721,800	565,009	156,791
General city	5,340,100	5,340,100	3,125,859	2,214,241
Administrative services	4,609,300	4,545,750	5,633,512	(1,087,762)
Public safety:				
Police	27,780,300	30,995,914	28,774,887	2,221,027
Fire	25,620,500	28,754,654	26,734,179	2,020,475
Public works services	12,668,200	14,346,344	6,337,274	8,009,070
Community development	5,890,000	6,400,900	6,065,973	334,927
Library	4,892,500	5,237,440	4,870,053	367,387
Recreation and community services	3,902,800	4,189,300	4,217,280	(27,980)
Debt service:				
Principal retirement	-	-	121,082	(121,082)
Interest and fiscal charges	-	-	3,887	(3,887)
<b>Total expenditures</b>	<b>93,023,900</b>	<b>102,296,402</b>	<b>88,288,942</b>	<b>14,007,460</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(2,572,600)</b>	<b>(11,739,302)</b>	<b>9,850,550</b>	<b>21,589,852</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	2,170,000	2,170,000	2,072,313	(97,687)
Transfers out	(4,259,200)	(4,259,200)	(4,296,169)	(36,969)
<b>Total other financing sources (uses)</b>	<b>(2,089,200)</b>	<b>(2,089,200)</b>	<b>(2,223,856)</b>	<b>(134,656)</b>
<b>Net changes in fund balance</b>	<b>\$ (4,661,800)</b>	<b>\$ (13,828,502)</b>	<b>7,626,694</b>	<b>\$ 21,455,196</b>
<b>FUND BALANCE:</b>				
Beginning of fiscal year			74,650,511	
Prior period adjustments			2,294,203	
Beginning of fiscal year, restated			76,944,714	
End of fiscal year			<u>\$ 84,571,408</u>	

See Accompanying Notes to the Required Supplementary Information.

**City of Arcadia**  
**Required Supplementary Information (Unaudited)**  
**For the Fiscal Year Ended June 30, 2025**

*Budgetary Comparison Schedule, Parks and Recreation Special Revenue Fund*

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 85,700	\$ 85,700	\$ 419,927	\$ 334,227
Intergovernmental	-	-	635,680	635,680
Charges for services	875,000	875,000	488,968	(386,032)
<b>Total revenues</b>	<u>960,700</u>	<u>960,700</u>	<u>1,544,575</u>	<u>583,875</u>
<b>EXPENDITURES:</b>				
Current:				
Recreation and community services	-	8,174,794	5,474,573	2,700,221
<b>Total expenditures</b>	<u>-</u>	<u>8,174,794</u>	<u>5,474,573</u>	<u>2,700,221</u>
<b>Net change in fund balance</b>	<u>\$ 960,700</u>	<u>\$ (7,214,094)</u>	(3,929,998)	<u>\$ 3,284,096</u>
<b>FUND BALANCE:</b>				
Beginning of fiscal year			<u>9,740,281</u>	
End of fiscal year			<u>\$ 5,810,283</u>	

See Accompanying Notes to the Required Supplementary Information.

**City of Arcadia**  
**Required Supplementary Information (Unaudited)**  
**For the Fiscal Year Ended June 30, 2025**

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

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 1,015,000	\$ 1,015,000	\$ 1,020,379	\$ 5,379
Use of money and property	80,100	80,100	161,168	81,068
<b>Total revenues</b>	1,095,100	1,095,100	1,181,547	86,447
<b>EXPENDITURES:</b>				
Current:				
Public works services	498,000	648,000	514,827	133,173
<b>Total expenditures</b>	498,000	648,000	514,827	133,173
<b>Net change in fund balance</b>	\$ 597,100	\$ 447,100	666,720	\$ 219,620
<b>FUND BALANCE:</b>				
Beginning of fiscal year			2,636,518	
End of fiscal year			\$ 3,303,238	

**City of Arcadia**  
**Required Supplementary Information (Unaudited)**  
**For the Fiscal Year Ended June 30, 2025**

*Budgetary Comparison Schedule, American Rescue Plan Act Special Revenue Fund*

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	\$ 1,615,963	\$ 1,615,963
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>1,615,963</b>	<b>1,615,963</b>
<b>EXPENDITURES:</b>				
Current:				
General government:				
General city	1,450,000	2,917,086	1,524,161	1,392,925
Public safety:				
Fire	-	-	3,328	(3,328)
Community development	-	-	71,945	(71,945)
Recreation and community services	203,600	203,600	16,529	187,071
<b>Total expenditures</b>	<b>1,653,600</b>	<b>3,120,686</b>	<b>1,615,963</b>	<b>1,504,723</b>
<b>Net change in fund balance</b>	<b>\$ (1,653,600)</b>	<b>\$ (3,120,686)</b>	<b>-</b>	<b>\$ 3,120,686</b>
<b>FUND BALANCE:</b>				
Beginning of fiscal year			-	
End of fiscal year			\$ -	

See Accompanying Notes to the Required Supplementary Information.

**City of Arcadia**  
**Notes to the Required Supplementary Information (Unaudited) (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

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***A. General Budget Policies***

All governmental funds have legally adopted budgets except for the Emergency Response 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, 2025**

**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
	2025	2025	2024	2024	2023	2023
Measurement Period	2023-24 <sup>1</sup>	2023-24 <sup>1</sup>	2022-23 <sup>1</sup>	2022-23 <sup>1</sup>	2021-22 <sup>1</sup>	2021-22 <sup>1</sup>
<b>Total Pension Liability</b>						
Service Cost	2,686,685	\$ 4,958,709	2,701,722	\$ 4,944,387	2,820,078	\$ 4,934,594
Interest on the Total Pension Liability	12,725,283	22,020,188	12,254,693	20,922,057	11,776,596	20,002,704
Changes of Benefit Terms	-	-	277,769	141,801	-	-
Changes of Assumptions	-	-	-	-	5,218,291	11,064,491
Difference between Expected and Actual Experience	1,597,106	6,310,929	1,423,636	3,639,167	(2,103,355)	(3,171,607)
Benefit Payments, including Refunds of Employee Contributions	(10,012,457)	(16,633,662)	(9,439,260)	(15,905,528)	(9,180,659)	(14,892,882)
<b>Net Change in Total Pension Liability</b>	6,996,617	16,656,164	7,218,560	13,741,884	8,530,951	17,937,300
<b>Total Pension Liability - Beginning</b>	186,490,167	318,659,703	179,271,607	304,917,819	170,740,656	286,980,519
<b>Total Pension Liability - Ending (a)</b>	\$ 193,486,784	\$ 335,315,867	\$ 186,490,167	\$ 318,659,703	\$ 179,271,607	\$ 304,917,819
<b>Plan Fiduciary Net Position</b>						
Contributions - Employer	\$ 3,181,267	\$ 6,304,988	\$ 3,309,734	\$ 7,254,760	\$ 3,130,875	\$ 6,470,822
Contributions - Employees	1,243,912	1,966,276	1,146,044	1,523,380	1,111,468	1,435,187
Net Investment Income	14,662,412	24,809,444	9,258,724	15,578,607	(12,610,469)	(21,312,652)
Benefit Payments, including Refunds of Employee Contributions	(10,012,457)	(16,633,662)	(9,439,260)	(15,905,528)	(9,180,659)	(14,892,882)
Net Plan to Plan Resource Movement	-	-	-	-	-	-
Administrative Expense	(126,794)	(214,452)	(111,523)	(187,726)	(105,472)	(176,768)
Other Miscellaneous Income/(Expense)	-	-	-	-	-	-
<b>Net Change in Plan Fiduciary Net Position</b>	8,948,340	16,232,594	4,163,719	8,263,493	(17,654,257)	(28,476,293)
<b>Plan Fiduciary Net Position - Beginning</b>	155,822,991	263,551,037	151,659,272	255,287,544	169,313,529	283,763,837
<b>Plan Fiduciary Net Position - Ending (b)</b>	\$ 164,771,331	\$ 279,783,631	\$ 155,822,991	\$ 263,551,037	\$ 151,659,272	\$ 255,287,544
Net Pension Liability - Ending (a)-(b)	\$ 28,715,453	\$ 55,532,236	\$ 30,667,176	\$ 55,108,666	\$ 27,612,335	\$ 49,630,275
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	85.16%	83.44%	83.56%	82.71%	84.60%	83.72%
Covered Payroll	\$ 14,713,501	\$ 15,409,288	\$ 14,470,928	\$ 15,037,672	\$ 14,936,854	\$ 15,141,436
Net Pension Liability as Percentage of Covered Payroll	195.16%	360.38%	211.92%	366.47%	184.86%	327.78%

<sup>1</sup> Historical information is required only for measurement periods for which GASB Statement No. 68 is applicable.

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

Change in Benefits Terms: 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 of Assumptions: There were no assumption changes in 2023 or 2024. Effective with the June 30, 2021, valuation date (June 30, 2022, measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. In addition, demographic assumptions and the price inflation assumption were changed in accordance with the 2021 CalPERS' Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates June 30, 2017, through June 30, 2021, and 7.65% for measurement dates June 30, 2015, through June 30, 2016.

**City of Arcadia**  
**Required Supplementary Information (Unaudited) (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

**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
	2022	2022	2021	2021	2020	2020
Measurement Period	2020-21 <sup>1</sup>	2020-21 <sup>1</sup>	2019-20 <sup>1</sup>	2019-20 <sup>1</sup>	2018-19 <sup>1</sup>	2018-19 <sup>1</sup>
<b>Total Pension Liability</b>						
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 Benefit Terms	-	-	-	-	-	-
Changes of Assumptions	-	-	-	-	-	-
Difference between Expected and Actual Experience Benefit Payments, including Refunds of Employee Contributions	(198,638)	(388,137)	261,219	(1,449,797)	1,256,812	93,353
	<u>(8,515,738)</u>	<u>(14,334,859)</u>	<u>(8,245,720)</u>	<u>(13,287,809)</u>	<u>(7,856,734)</u>	<u>(12,355,271)</u>
<b>Net Change in Total Pension Liability</b>	5,396,282	9,199,488	5,753,100	8,894,349	6,700,680	10,491,447
<b>Total Pension Liability - Beginning</b>	165,344,374	277,781,031	159,591,274	268,886,682	152,890,594	258,395,235
<b>Total Pension Liability - Ending (a)</b>	<u>\$ 170,740,656</u>	<u>\$ 286,980,519</u>	<u>\$ 165,344,374</u>	<u>\$ 277,781,031</u>	<u>\$ 159,591,274</u>	<u>\$ 268,886,682</u>
<b>Plan Fiduciary Net Position</b>						
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
<b>Net Change in Plan Fiduciary Net Position</b>	55,306,814	110,416,740	3,111,962	5,831,614	4,462,026	7,885,482
<b>Plan Fiduciary Net Position - Beginning</b>	114,006,715	173,347,097	110,894,753	167,515,483	106,432,727	159,630,001
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u>\$ 169,313,529</u>	<u>\$ 283,763,837</u>	<u>\$ 114,006,715</u>	<u>\$ 173,347,097</u>	<u>\$ 110,894,753</u>	<u>\$ 167,515,483</u>
Net Pension Liability - Ending (a)-(b)	<u>\$ 1,427,127</u>	<u>\$ 3,216,682</u>	<u>\$ 51,337,659</u>	<u>\$ 104,433,934</u>	<u>\$ 48,696,521</u>	<u>\$ 101,371,199</u>
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%

**City of Arcadia**  
**Required Supplementary Information (Unaudited) (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

**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	2019	2018	2018	2017	2017
Measurement Period	2017-18 <sup>1</sup>	2017-18 <sup>1</sup>	2016-17 <sup>1</sup>	2016-17 <sup>1</sup>	2015-16 <sup>1</sup>	2015-16 <sup>1</sup>
<b>Total Pension Liability</b>						
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 Benefit Terms	-	-	-	-	-	-
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)
<b>Net Change in Total Pension Liability</b>	3,591,383	7,745,713	12,208,564	21,886,356	5,556,084	10,370,438
<b>Total Pension Liability - Beginning</b>	149,299,211	250,649,522	137,090,647	228,763,166	131,534,563	\$ 218,392,728
<b>Total Pension Liability - Ending (a)</b>	\$ 152,890,594	\$ 258,395,235	\$ 149,299,211	\$ 250,649,522	\$ 137,090,647	\$ 228,763,166
<b>Plan Fiduciary Net Position</b>						
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)
Net 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)	-	-	-	-
<b>Net Change in Plan Fiduciary Net Position</b>	5,089,175	8,899,169	8,018,248	11,858,361	(1,762,743)	(3,402,312)
<b>Plan Fiduciary Net Position - Beginning</b>	101,343,552	150,730,832	93,325,304	138,872,471	95,088,047	142,274,783
<b>Plan Fiduciary Net Position - Ending (b)</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, 2025**

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

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

<b>Employer Fiscal Year</b>	<b>Miscellaneous Plan</b>	<b>Public Safety</b>
	<u>2016</u>	<u>2016</u>
Measurement Period	2014-15 <sup>1</sup>	2014-15 <sup>1</sup>
<b>Total Pension Liability</b>		
Service Cost	\$ 2,219,359	\$ 3,763,633
Interest on the Total Pension Liability	9,503,789	15,776,405
Changes of Benefit Terms	-	-
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)
<b>Net Change in Total Pension Liability</b>	<u>1,669,695</u>	<u>6,060,678</u>
<b>Total Pension Liability - Beginning</b>	<u>129,864,868</u>	<u>212,332,050</u>
<b>Total Pension Liability - Ending (a)</b>	<u>\$ 131,534,563</u>	<u>\$ 218,392,728</u>
<b>Plan Fiduciary Net Position</b>		
Contributions - Employer	\$ 3,005,140	\$ 5,537,175
Contributions - Employees	1,041,598	1,299,531
Net Investment Income	2,193,768	3,239,139
Benefit Payments, including Refunds of Employee Contributions	(6,622,897)	(10,986,006)
Net Plan to Plan Resource Movement	(420)	(23,206)
Administrative Expense	(107,014)	(160,137)
Other Miscellaneous Income/(Expense)	-	-
<b>Net Change in Plan Fiduciary Net Position</b>	<u>(489,825)</u>	<u>(1,093,504)</u>
<b>Plan Fiduciary Net Position - Beginning</b>	<u>95,577,872</u>	<u>143,368,287</u>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u>\$ 95,088,047</u>	<u>\$ 142,274,783</u>
Net Pension Liability - Ending (a)-(b)	<u>\$ 36,446,516</u>	<u>\$ 76,117,945</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.29%	65.15%
Covered Payroll	\$ 13,353,541	\$ 14,161,240
Net Pension Liability as Percentage of Covered Payroll	272.94%	537.51%

**City of Arcadia**  
**Required Supplementary Information (Unaudited) (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

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

**Schedule of Contributions<sup>1</sup>**

Employer Fiscal Year End	Miscellaneous Plan				
	2025	2024	2023	2022	2021
Actuarially Determined Contribution	\$ 3,866,260	\$ 3,181,267	\$ 3,309,734	\$ 3,130,875	\$ 5,366,181
Contributions in Relation to the Actuarially Determined Contribution	(3,866,260)	(3,181,267)	(3,309,734)	(3,130,875)	(33,024,710)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ (27,658,529)
Covered Payroll	\$ 16,642,130	\$ 14,713,501	\$ 14,470,928	\$ 14,936,854	\$ 14,626,303
Contributions as a Percentage of Covered Payroll	23.23%	21.62%	22.87%	20.96%	225.79%

Employer Fiscal Year End	Miscellaneous Plan				
	2020	2019	2018	2017	2016
Actuarially Determined Contribution	\$ 4,951,643	\$ 4,372,487	\$ 3,857,676	\$ 3,547,604	\$ 3,252,745
Contributions in Relation to the Actuarially Determined Contribution	(4,951,643)	(4,372,487)	(3,857,676)	(3,547,604)	(3,252,745)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 14,526,524	\$ 14,123,323	\$ 13,505,676	\$ 13,759,226	\$ 13,185,552
Contributions as a Percentage of Covered Payroll	34.09%	30.96%	28.56%	25.78%	24.67%

<sup>1</sup> 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 2024-25 were from the June 30, 2022 public agency valuations.

Actuarial Cost Method	Entry-Age Normal Cost Method
Amortization Method/Period	Level Percent of Pay
Asset Valuation Method	Fair Value of Assets
Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	2.80%
Investment Rate of Return	6.80% Net of Pension Plan Investment and Administrative Expenses; includes Inflation.
Retirement Age	The probabilities of Retirement are based on the 2021 CalPERS' Experience Study and Review of Actuarial Assumptions.
Mortality	The probabilities of mortality are based on the 2021 CalPERS' experience study and review of actuarial assumptions. Mortality rates incorporate full generational mortality improvement using 80 percent of Scale MP 2020 published by the Society of Actuaries.

**City of Arcadia**  
**Required Supplementary Information (Unaudited) (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

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

**Schedule of Contributions<sup>1</sup> (Continued)**

	<b>Public Safety Plan</b>				
Employer Fiscal Year End	2025	2024	2023	2022	2021
Actuarially Determined Contribution	\$ 7,631,252	\$ 6,304,988	\$ 6,254,760	\$ 5,970,822	\$ 10,100,516
Contributions in Relation to the Actuarially Determined Contribution	(7,631,252)	(6,304,988)	(7,254,760)	(6,470,822)	(74,743,487)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ (1,000,000)	\$ (500,000)	\$ (64,642,971)
Covered Payroll	\$ 19,832,540	\$ 15,409,288	\$ 15,037,672	\$ 15,141,436	\$ 15,039,071
Contributions as a Percentage of Covered Payroll	38.48%	40.92%	48.24%	42.74%	497.00%
	<b>Public Safety Plan</b>				
Employer Fiscal Year End	2020	2019	2018	2017	2016
Actuarially Determined Contribution	\$ 9,417,055	\$ 8,413,611	\$ 7,393,585	\$ 6,660,024	\$ 6,049,364
Contributions in Relation to the Actuarially Determined Contribution	(9,417,055)	(8,413,611)	(7,393,585)	(6,660,024)	(6,049,364)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 16,244,295	\$ 15,237,762	\$ 15,247,111	\$ 14,774,086	\$ 14,384,057
Contributions as a Percentage of Covered Payroll	57.97%	55.22%	48.49%	45.08%	42.06%

<sup>1</sup> Historical information is required only for measurement periods for which GASB Statement No. 68 is applicable.

**Notes to Schedule of Plan Contributions:**

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2024-25 were from the June 30, 2022 public agency valuations.

Actuarial Cost Method	Entry-Age Normal Cost Method
Amortization Method/Period	Level Percent of Pay
Asset Valuation Method	Fair Value of Assets
Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	2.80%
Investment Rate of Return	6.80% Net of Pension Plan Investment and Administrative Expenses; includes Inflation.
Retirement Age	The probabilities of Retirement are based on the 2021 CalPERS' Experience Study and Review of Actuarial Assumptions.
Mortality	The probabilities of mortality are based on the 2021 CalPERS' experience study and review of actuarial assumptions. Mortality rates incorporate full generational mortality improvement using 80 percent of Scale MP 2020 published by the Society of Actuaries.

**City of Arcadia**  
**Required Supplementary Information (Unaudited) (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

**Schedule of Changes in Net OPEB Liability and Related Ratios\***

Employer Fiscal Year End Measurement Period	2024-25 2023-24 <sup>1</sup>	2023-24 2022-23 <sup>1</sup>	2022-23 2021-22 <sup>1</sup>	2021-22 2020-21 <sup>1</sup>	2020-21 2019-20 <sup>1</sup>	2019-20 2018-19 <sup>1</sup>
<b>Total OPEB Liability</b>						
Service Cost	\$ 677,921	\$ 649,890	\$ 630,962	\$ 555,773	\$ 539,587	\$ 624,092
Interest on the Total OPEB Liability	1,257,092	1,264,340	1,232,324	1,315,564	1,277,195	1,473,509
Changes of Benefit Terms	-	-	-	-	-	-
Difference between Expected and Actual Experience	2,447,348	(715,622)	-	(1,159,229)	-	(4,103,434)
Changes of Assumptions	-	414,343	-	1,545,077	-	926,042
Benefit Payments	(1,492,631)	(1,340,051)	(1,374,685)	(1,296,606)	(1,249,082)	(1,232,218)
<b>Net Change in Total OPEB Liability</b>	<b>2,889,730</b>	<b>272,900</b>	<b>488,601</b>	<b>960,579</b>	<b>567,700</b>	<b>(2,312,009)</b>
Total OPEB Liability - Beginning	21,019,922	20,747,022	20,258,421	19,297,842	18,730,142	21,042,151
<b>Total OPEB Liability - Ending</b>	<b>\$ 23,909,652</b>	<b>\$ 21,019,922</b>	<b>\$ 20,747,022</b>	<b>\$ 20,258,421</b>	<b>\$ 19,297,842</b>	<b>\$ 18,730,142</b>
<b>OPEB Fiduciary Net Position</b>						
Contributions from the Employer	\$ 3,357,631	\$ 3,050,051	\$ 2,574,685	\$ 2,446,606	\$ 2,191,682	\$ 2,143,818
Plan experience	-	(19,169)	-	402,509	(137,211)	-
Net Investment Income	1,639,962	537,848	(1,249,898)	1,163,298	318,573	229,602
Administrative Expenses	(14,590)	(2,732)	(2,302)	(2,199)	(2,462)	(826)
Other expenses	-	-	-	-	-	-
Benefit Payments	(1,492,631)	(1,340,051)	(1,374,685)	(1,296,606)	(1,249,082)	(1,232,218)
<b>Net Change in Plan Fiduciary Net Position</b>	<b>3,490,372</b>	<b>2,225,947</b>	<b>(52,200)</b>	<b>2,713,608</b>	<b>1,121,500</b>	<b>1,140,376</b>
Plan Fiduciary Net Position - Beginning	10,189,491	7,963,544	8,015,744	5,302,136	4,180,636	3,040,260
<b>Plan Fiduciary Net Position - Ending</b>	<b>\$ 13,679,863</b>	<b>\$ 10,189,491</b>	<b>\$ 7,963,544</b>	<b>\$ 8,015,744</b>	<b>\$ 5,302,136</b>	<b>\$ 4,180,636</b>
<b>Plan Net OPEB Liability - Ending</b>	<b>\$ 10,229,789</b>	<b>\$ 10,830,431</b>	<b>\$ 12,783,478</b>	<b>\$ 12,242,677</b>	<b>\$ 13,995,706</b>	<b>\$ 14,549,506</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability</b>	<b>57.21%</b>	<b>48.48%</b>	<b>38.38%</b>	<b>39.57%</b>	<b>27.48%</b>	<b>22.32%</b>
Covered-Employee Payroll	\$ 38,777,578	\$ 37,040,755	\$ 36,964,789	\$ 33,974,008	\$ 34,745,161	\$ 34,884,018
Net OPEB Liability as a Percentage of Covered-Employee Payroll	26.38%	29.24%	34.58%	36.04%	40.28%	41.71%

<sup>1</sup> Historical information is required only for measurement periods for which GASB Statement No. 75 is applicable.

\* Fiscal year 2018 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, 2025**

**Schedule of Changes in Net OPEB Liability and Related Ratios\* (Continued)**

Employer Fiscal Year End	2018-19	2017-18
Measurement Period	<u>2017-18<sup>1</sup></u>	<u>2016-17<sup>1</sup></u>
<b>Total OPEB Liability</b>		
Service Cost	\$ 571,905	\$ 553,903
Interest on the Total OPEB Liability	1,433,073	1,373,468
Changes of Benefit Terms	-	-
Difference between Expected and Actual Experience	-	-
Changes of Assumptions	518,256	-
Benefit Payments	<u>(1,188,482)</u>	<u>(1,064,775)</u>
Net Change in Total OPEB Liability	1,334,752	862,596
Total OPEB Liability - Beginning	<u>19,707,399</u>	<u>18,844,803</u>
Total OPEB Liability - Ending	<u><u>\$ 21,042,151</u></u>	<u><u>\$ 19,707,399</u></u>
<b>OPEB Fiduciary Net Position</b>		
Contributions from the Employer	\$ 1,839,281	\$ 1,715,575
Plan experience	19,701	-
Net Investment Income	183,040	180,573
Administrative Expenses	(1,425)	(875)
Other expenses	(2,901)	-
Benefit Payments	<u>(1,188,482)</u>	<u>(1,064,775)</u>
Net Change in Plan Fiduciary Net Position	849,214	830,498
Plan Fiduciary Net Position - Beginning	<u>2,191,046</u>	<u>1,360,548</u>
Plan Fiduciary Net Position - Ending	<u><u>\$ 3,040,260</u></u>	<u><u>\$ 2,191,046</u></u>
Plan Net OPEB Liability - Ending	<u><u>\$ 18,001,891</u></u>	<u><u>\$ 17,516,353</u></u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	<u>14.45%</u>	<u>11.12%</u>
Covered-Employee Payroll	\$ 33,785,974	\$ 33,578,926
Net OPEB Liability as a Percentage of Covered-Employee Payroll	53.28%	52.16%

**City of Arcadia**  
**Required Supplementary Information (Unaudited) (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

**Schedule of Contributions – OPEB**

Last Ten Fiscal Years<sup>1</sup>

	2024-2025	2023-2024	2022-2023	2021-2022	2020-2021	2019-2020
Actuarially Determine Contribution	\$ 1,460,293	\$ 1,559,923	\$ 1,468,662	\$ 1,618,693	\$ 1,636,344	\$ 1,634,135
Contributions in Relation to the Actuarially Determined Contribution	3,440,563	3,357,630	3,050,051	2,574,685	2,446,606	2,191,682
Contribution Deficiency (Excess)	<u>\$ (1,980,270)</u>	<u>\$ (1,797,707)</u>	<u>\$ (1,581,389)</u>	<u>\$ (955,992)</u>	<u>\$ (810,262)</u>	<u>\$ (557,547)</u>
Cover Employee Payroll During Fiscal Year	\$ 45,225,144	\$ 38,777,578	\$ 37,040,755	\$ 36,964,789	\$ 33,974,008	\$ 34,745,161
Contributions as a Percentage of Covered Employee Payroll	7.61%	8.66%	8.23%	6.97%	7.20%	6.31%

<sup>1</sup> GASB Statement No. 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 eight fiscal years are shown.

Notes to Schedule:

Valuation Date	June 30, 2024	June 30, 2023	June 30, 2021	June 30, 2021	June 30, 2019	June 30, 2019
Actuarial Cost Method	Entry Age Normal Level % of Pay	Entry Age Normal Level % of Pay	Entry Age Normal Level % of Pay			
Amortization Method	Level % of Payroll Closed 30 Years	Level % of Payroll Closed 30 Years	Level % of Payroll Closed 30 Years			
Amortization Period	16 Years Remain	17 Years Remain	18 Years Remain	19 Years Remain	20 Years Remain	21 Years Remain
Asset Valuation Method	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Inflation	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Healthcare Cost Trend Rates	6.5% in 2025, grading down to 3.9% by 2075	6.5% in 2025, grading down to 3.9% by 2075	5.8% in 2023, grading down to 3.9% by 2076	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
Salary Increase	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Investment Rate of Return	6.00%	6.00%	6.10%	6.10%	6.85%	6.85%
Retirement Age	From 50 to 75	From 50 to 75	From 50 to 75			
Mortality	2021 CalPERS' Experience Study	2021 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 2022	MW Scale 2022	MW Scale 2022	MW Scale 2020	MW Scale 2020

**City of Arcadia**  
**Required Supplementary Information (Unaudited) (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

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**Schedule of Contributions – OPEB (Continued)**

	<u>2018-2019</u>	<u>2017-2018</u>
Actuarially Determine Contribution	\$ 1,891,281	\$ 1,828,930
Contributions in Relation to the Actuarially Determined Contribution	2,143,818	1,839,281
Contribution Deficiency (Excess)	<u>\$ (252,537)</u>	<u>\$ (10,351)</u>
Cover Employee Payroll During Fiscal Year	\$ 34,884,018	\$ 33,785,974
Contributions as a Percentage of Covered Employee Payroll	6.15%	5.44%

Notes to Schedule:		
Valuation Date	June 30, 2017	June 30, 2017
Actuarial Cost Method	Entry Age Normal Level % of Pay	Entry Age Normal Level % of Pay
Amortization Method	Level % of Payroll Closed 30 Years	Level % of Payroll Closed 30 Years
Amortization Period	22 Years Remain	23 Years Remain
Asset Valuation Method	Fair Value	Fair Value
Inflation	2.75%	2.75%
Healthcare Cost Trend Rates	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	3.25%	3.25%
Investment Rate of Return	7.28%	7.28%
Retirement Age	From 50 to 75	From 50 to 75
Mortality	2017 CalPERS' Experience Study	2017 CalPERS' Experience Study
Mortality Improvement	MW Scale 2017	MW Scale 2017

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# **SUPPLEMENTARY INFORMATION**

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## MAJOR GOVERNMENTAL FUNDS

### 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.

*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.

## 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 reimbursement of 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.

***Fire Facilities Fund*** - established to account for the City's fire facilities impact fee. This fee is collected from developers to maintain the City's existing level of fire service and facilities as the City grows.

## 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.

**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, 2025**

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 290,000	\$ 290,000	\$ 339,117	\$ 49,117
Use of money and property	416,600	416,600	741,493	324,893
Intergovernmental	3,119,000	3,119,000	-	(3,119,000)
<b>Total revenues</b>	<b>3,825,600</b>	<b>3,825,600</b>	<b>1,080,610</b>	<b>(2,744,990)</b>
<b>EXPENDITURES</b>				
Current:				
General government:				
General City	3,316,400	3,957,129	624,709	3,332,420
Public safety:				
Police	120,000	1,063,176	223,838	839,338
Fire	600,000	790,503	22,812	767,691
Public works services	3,260,000	6,738,211	2,389,582	4,348,629
Community development	3,000,000	3,109,345	31,951	3,077,394
Library	520,000	786,453	46,547	739,906
Recreation and community services	120,000	1,172,957	486,458	686,499
<b>Total expenditures</b>	<b>10,936,400</b>	<b>17,617,774</b>	<b>3,825,897</b>	<b>13,791,877</b>
<b>EXCESS (DEFICIENCY) OF</b>				
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(7,110,800)</b>	<b>(13,792,174)</b>	<b>(2,745,287)</b>	<b>11,046,887</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	3,400,000	3,400,000	3,400,000	-
<b>Total other financing sources (uses)</b>	<b>3,400,000</b>	<b>3,400,000</b>	<b>3,400,000</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>\$ (3,710,800)</b>	<b>\$ (10,392,174)</b>	<b>654,713</b>	<b>\$ 11,046,887</b>
<b>FUND BALANCE:</b>				
Beginning of fiscal year			13,705,611	
End of fiscal year			<u>\$ 14,360,324</u>	

**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, 2025**

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 930,700	\$ 930,700	\$ 825,864	\$ (104,836)
Use of money and property	14,100	14,100	62,220	48,120
<b>Total revenues</b>	<b>944,800</b>	<b>944,800</b>	<b>888,084</b>	<b>(56,716)</b>
<b>EXPENDITURES:</b>				
Current:				
General government:				
General city	2,500	2,500	2,500	-
Debt service:				
Principal retirement	852,000	852,000	844,000	8,000
Interest and fiscal charges	87,400	87,400	89,388	(1,988)
<b>Total expenditures</b>	<b>941,900</b>	<b>941,900</b>	<b>935,888</b>	<b>6,012</b>
<b>Net change in fund balance</b>	<b>\$ 2,900</b>	<b>\$ 2,900</b>	<b>(47,804)</b>	<b>\$ (50,704)</b>
<b>FUND BALANCE:</b>				
Beginning of fiscal year			1,058,834	
End of fiscal year			\$ 1,011,030	

**City of Arcadia**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Pension Obligation Bonds**  
**For the Fiscal Year Ended June 30, 2025**

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Other revenues	\$ 5,874,700	\$ 5,874,700	\$ 5,746,894	\$ (127,806)
<b>Total revenues</b>	<u>5,874,700</u>	<u>5,874,700</u>	<u>5,746,894</u>	<u>(127,806)</u>
<b>EXPENDITURES:</b>				
Current:				
General city	-	-	1,500	(1,500)
Debt service:				
Principal retirement	3,940,000	3,940,000	3,854,300	85,700
Interest and fiscal charges	1,934,700	1,934,700	1,892,594	42,106
<b>Total expenditures</b>	<u>5,874,700</u>	<u>5,874,700</u>	<u>5,748,394</u>	<u>126,306</u>
<b>Net change in fund balance</b>	<u>\$ -</u>	<u>\$ -</u>	(1,500)	<u>\$ (1,500)</u>
<b>FUND BALANCE (DEFICITS):</b>				
Beginning of fiscal year			<u>(1,690)</u>	
End of fiscal year			<u>\$ (3,190)</u>	

**City of Arcadia**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2025**

	Special Revenue				
	Narcotics Seizure	COPS SLESF	OTS Grant	Traffic Safety	Solid Waste
<b>ASSETS</b>					
Cash and investments	\$ 200,785	\$ 316,218	\$ 3,329	\$ 75	\$ 2,533,577
Accounts receivable	-	-	-	-	10,059
Interest receivable	-	2,136	-	-	17,115
Due from other governments	4,191	-	-	3,523	142,987
<b>Total assets</b>	<b>\$ 204,976</b>	<b>\$ 318,354</b>	<b>\$ 3,329</b>	<b>\$ 3,598</b>	<b>\$ 2,703,738</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$ -	\$ 25	\$ 253	\$ 1,917	\$ 19,795
Accrued salaries payable	-	671	-	-	1,132
Due to other funds	-	-	-	1,606	-
Deposits	-	-	-	-	-
Retentions payable	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>696</b>	<b>253</b>	<b>3,523</b>	<b>20,927</b>
<b>Deferred Inflows of Resources:</b>					
Unavailable revenue	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>					
Restricted	204,976	317,658	3,076	75	2,682,811
Committed	-	-	-	-	-
Unassigned	-	-	-	-	-
<b>Total fund balances (deficits)</b>	<b>204,976</b>	<b>317,658</b>	<b>3,076</b>	<b>75</b>	<b>2,682,811</b>
<b>Total liabilities and deferred inflows of resources and fund balances</b>	<b>\$ 204,976</b>	<b>\$ 318,354</b>	<b>\$ 3,329</b>	<b>\$ 3,598</b>	<b>\$ 2,703,738</b>

(Continued)

**City of Arcadia**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds (Continued)**  
**June 30, 2025**

	Special Revenue				
	AQMD	CDBG	Prop A Transit	Transportation Impact	State and County Gas Tax
<b>ASSETS</b>					
Cash and investments	\$ 254,609	\$ -	\$ 5,528,612	\$ 895,087	\$ -
Accounts receivable	-	-	-	-	-
Interest receivable	1,720	-	37,902	6,046	-
Due from other governments	-	174,477	-	-	134,396
<b>Total assets</b>	<b>\$ 256,329</b>	<b>\$ 174,477</b>	<b>\$ 5,566,514</b>	<b>\$ 901,133</b>	<b>\$ 134,396</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 108	\$ 5,923	\$ 9,514	\$ 834	\$ -
Accrued salaries payable	-	-	786	-	-
Due to other funds	-	168,558	-	-	134,396
Deposits	-	-	-	-	-
Retentions payable	-	-	-	-	-
<b>Total liabilities</b>	<b>108</b>	<b>174,481</b>	<b>10,300</b>	<b>834</b>	<b>134,396</b>
<b>Deferred Inflows of Resources:</b>					
Unavailable revenue	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>					
Restricted	256,221	-	5,556,214	900,299	-
Committed	-	-	-	-	-
Unassigned	-	(4)	-	-	-
<b>Total fund balances (deficits)</b>	<b>256,221</b>	<b>(4)</b>	<b>5,556,214</b>	<b>900,299</b>	<b>-</b>
<b>Total liabilities and deferred inflows of resources and fund balances</b>	<b>\$ 256,329</b>	<b>\$ 174,477</b>	<b>\$ 5,566,514</b>	<b>\$ 901,133</b>	<b>\$ 134,396</b>

(Continued)

**City of Arcadia**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds (Continued)**  
**June 30, 2025**

	Special Revenue				
	Measure R	Lighting Maintenance	Prop C	IRS Task Force	TDA Article 3 Bikeway
<b>ASSETS</b>					
Cash and investments	\$ 1,963,221	\$ 409,066	\$ 4,320,397	\$ 502,194	\$ -
Accounts receivable	-	-	-	-	-
Interest receivable	14,374	1,879	29,184	-	-
Due from other governments	-	9,543	-	-	-
<b>Total assets</b>	<b>\$ 1,977,595</b>	<b>\$ 420,488</b>	<b>\$ 4,349,581</b>	<b>\$ 502,194</b>	<b>\$ -</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$ -	\$ 117,546	\$ 95,447	\$ -	\$ -
Accrued salaries payable	278	1,093	385	-	-
Due to other funds	-	-	-	-	-
Deposits	-	-	-	-	-
Retentions payable	98,954	-	86,649	-	-
<b>Total liabilities</b>	<b>99,232</b>	<b>118,639</b>	<b>182,481</b>	<b>-</b>	<b>-</b>
<b>Deferred Inflows of Resources:</b>					
Unavailable revenue	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>					
Restricted	1,878,363	301,849	4,167,100	502,194	-
Committed	-	-	-	-	-
Unassigned	-	-	-	-	-
<b>Total fund balances (deficits)</b>	<b>1,878,363</b>	<b>301,849</b>	<b>4,167,100</b>	<b>502,194</b>	<b>-</b>
<b>Total liabilities and deferred inflows of resources and fund balances</b>	<b>\$ 1,977,595</b>	<b>\$ 420,488</b>	<b>\$ 4,349,581</b>	<b>\$ 502,194</b>	<b>\$ -</b>

(Continued)

**City of Arcadia**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds (Continued)**  
**June 30, 2025**

	Special Revenue				
	Santa Anita	Homeland Security	Library	PEG	Used Oil Grant
	Grade Separation		State Grant	Access Television	
<b>ASSETS</b>					
Cash and investments	\$ 795,192	\$ -	\$ 624	\$ 1,287,436	\$ 17,603
Accounts receivable	-	-	-	-	-
Interest receivable	5,371	-	-	8,697	119
Due from other governments	-	36,130	-	12,792	-
<b>Total assets</b>	<b>\$ 800,563</b>	<b>\$ 36,130</b>	<b>\$ 624</b>	<b>\$ 1,308,925</b>	<b>\$ 17,722</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$ -	\$ 640	\$ -	\$ -	\$ -
Accrued salaries payable	-	-	-	-	-
Due to other funds	-	85,117	-	-	-
Deposits	-	-	-	-	-
Retentions payable	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>85,757</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Deferred Inflows of Resources:</b>					
Unavailable revenue	-	36,130	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>36,130</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>					
Restricted	800,563	-	624	1,308,925	17,722
Committed	-	-	-	-	-
Unassigned	-	(85,757)	-	-	-
<b>Total fund balances (deficits)</b>	<b>800,563</b>	<b>(85,757)</b>	<b>624</b>	<b>1,308,925</b>	<b>17,722</b>
<b>Total liabilities and deferred inflows of resources and fund balances</b>	<b>\$ 800,563</b>	<b>\$ 36,130</b>	<b>\$ 624</b>	<b>\$ 1,308,925</b>	<b>\$ 17,722</b>

(Continued)

**City of Arcadia**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds (Continued)**  
**June 30, 2025**

	Special Revenue				
	DOC Beverage	Road Maintenance	Measure M	County	
	Grant	and Rehabilitation Act		Homelessness Grant	CA OES HSGP
<b>ASSETS</b>					
Cash and investments	\$ 77,599	\$ 2,308,965	\$ 2,933,792	\$ -	\$ -
Accounts receivable	-	-	-	-	-
Interest receivable	524	15,595	19,814	-	-
Due from other governments	-	130,085	87,062	59,653	10,432
<b>Total assets</b>	<b>\$ 78,123</b>	<b>\$ 2,454,645</b>	<b>\$ 3,040,668</b>	<b>\$ 59,653</b>	<b>\$ 10,432</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 363	\$ -	\$ 823,789	\$ 30,119	\$ -
Accrued salaries payable	-	-	-	-	-
Due to other funds	-	-	-	72,052	52,897
Deposits	-	-	-	-	-
Retentions payable	-	60,000	38,742	-	-
<b>Total liabilities</b>	<b>363</b>	<b>60,000</b>	<b>862,531</b>	<b>102,171</b>	<b>52,897</b>
<b>Deferred Inflows of Resources:</b>					
Unavailable revenue	-	-	87,062	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>87,062</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>					
Restricted	77,760	2,394,645	2,091,075	-	-
Committed	-	-	-	-	-
Unassigned	-	-	-	(42,518)	(42,465)
<b>Total fund balances (deficits)</b>	<b>77,760</b>	<b>2,394,645</b>	<b>2,091,075</b>	<b>(42,518)</b>	<b>(42,465)</b>
<b>Total liabilities and deferred inflows of resources and fund balances</b>	<b>\$ 78,123</b>	<b>\$ 2,454,645</b>	<b>\$ 3,040,668</b>	<b>\$ 59,653</b>	<b>\$ 10,432</b>

**City of Arcadia**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds (Continued)**  
**June 30, 2025**

	Special Revenue		Total Nonmajor Governmental Funds
	Emergency Response	Fire Facilities	
<b>ASSETS</b>			
Cash and investments	\$ 2,558,752	\$ 373,436	\$ 27,280,569
Accounts receivable	-	-	10,059
Interest receivable	-	2,523	162,999
Due from other governments	-	-	805,271
<b>Total assets</b>	<b>\$ 2,558,752</b>	<b>\$ 375,959</b>	<b>\$ 28,258,898</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 64,098	\$ 26,000	\$ 1,196,371
Accrued salaries payable	-	-	4,345
Due to other funds	-	-	514,626
Deposits	39,208	-	39,208
Retentions payable	-	-	284,345
<b>Total liabilities</b>	<b>103,306</b>	<b>26,000</b>	<b>2,038,895</b>
<b>Deferred Inflows of Resources:</b>			
Unavailable revenue	-	-	123,192
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>123,192</b>
<b>Fund Balances:</b>			
Restricted	-	349,959	23,812,109
Committed	2,455,446	-	2,455,446
Unassigned	-	-	(170,744)
<b>Total fund balances (deficits)</b>	<b>2,455,446</b>	<b>349,959</b>	<b>26,096,811</b>
<b>Total liabilities and deferred inflows of resources and fund balances</b>	<b>\$ 2,558,752</b>	<b>\$ 375,959</b>	<b>\$ 28,258,898</b>

(Concluded)

**City of Arcadia**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Fiscal Year Ended June 30, 2025**

	Special Revenue				
	Narcotics Seizure	COPS SLESF	OTS Grant	Traffic Safety	Solid Waste
<b>REVENUES:</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 761,088
Licenses and permits	-	-	-	-	-
Fines and forfeitures	-	-	-	192,045	-
Use of money and property	594	17,637	-	-	127,512
Intergovernmental	-	-	30,235	-	-
Charges for services	7,204	-	-	-	151,944
Other revenues	23,838	194,663	-	-	1,734
<b>Total revenues</b>	<b>31,636</b>	<b>212,300</b>	<b>30,235</b>	<b>192,045</b>	<b>1,042,278</b>
<b>EXPENDITURES:</b>					
Current:					
General government:					
General city	-	-	-	-	-
Public safety:					
Police	74,569	184,327	17,156	-	-
Fire	-	-	-	-	-
Public works services	-	-	-	-	448,249
Community development	-	-	-	-	-
Recreation and community services	-	-	-	-	-
<b>Total expenditures</b>	<b>74,569</b>	<b>184,327</b>	<b>17,156</b>	<b>-</b>	<b>448,249</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(42,933)</b>	<b>27,973</b>	<b>13,079</b>	<b>192,045</b>	<b>594,029</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	(191,970)	(300,000)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(191,970)</b>	<b>(300,000)</b>
<b>Net changes in fund balances</b>	<b>(42,933)</b>	<b>27,973</b>	<b>13,079</b>	<b>75</b>	<b>294,029</b>
<b>FUND BALANCES (DEFICITS):</b>					
Beginning of fiscal year	247,909	289,685	(10,003)	-	2,388,782
End of fiscal year	<u>\$ 204,976</u>	<u>\$ 317,658</u>	<u>\$ 3,076</u>	<u>\$ 75</u>	<u>\$ 2,682,811</u>

(Continued)

**City of Arcadia**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

	Special Revenue				
	AQMD	CDBG	Prop A Transit	Transportation Impact	State and County Gas Tax
<b>REVENUES:</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	126,771	-
Fines and forfeitures	-	-	-	-	-
Use of money and property	11,996	-	274,777	44,795	4,938
Intergovernmental	73,611	255,014	1,456,327	-	1,579,200
Charges for services	-	28,355	-	-	-
Other revenues	-	-	-	-	-
<b>Total revenues</b>	<b>85,607</b>	<b>283,369</b>	<b>1,731,104</b>	<b>171,566</b>	<b>1,584,138</b>
<b>EXPENDITURES:</b>					
Current:					
General government:					
General city	36,000	-	-	-	-
Public safety:					
Police	-	-	-	-	-
Fire	-	-	-	-	-
Public works services	-	-	152,127	-	3,795
Community development	17,691	212,142	235,828	60,373	-
Recreation and community services	-	71,911	24,133	-	-
<b>Total expenditures</b>	<b>53,691</b>	<b>284,053</b>	<b>412,088</b>	<b>60,373</b>	<b>3,795</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>31,916</b>	<b>(684)</b>	<b>1,319,016</b>	<b>111,193</b>	<b>1,580,343</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	(875,379)	-	(1,580,343)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>(875,379)</b>	<b>-</b>	<b>(1,580,343)</b>
<b>Net changes in fund balances</b>	<b>31,916</b>	<b>(684)</b>	<b>443,637</b>	<b>111,193</b>	<b>-</b>
<b>FUND BALANCES (DEFICITS):</b>					
Beginning of fiscal year	224,305	680	5,112,577	789,106	-
End of fiscal year	<u>\$ 256,221</u>	<u>\$ (4)</u>	<u>\$ 5,556,214</u>	<u>\$ 900,299</u>	<u>\$ -</u>

(Continued)

**City of Arcadia**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

	Special Revenue				
	Measure R	Lighting Maintenance	Prop C	IRS Task Force	TDA Article 3 Bikeway
	<b>REVENUES:</b>				
Taxes	\$ -	\$ 582,843	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Use of money and property	119,531	13,819	222,530	3,802	-
Intergovernmental	905,822	-	1,207,987	-	92,688
Charges for services	-	-	-	-	-
Other revenues	-	-	-	8,095	-
<b>Total revenues</b>	<b>1,025,353</b>	<b>596,662</b>	<b>1,430,517</b>	<b>11,897</b>	<b>92,688</b>
<b>EXPENDITURES:</b>					
Current:					
General government:					
General city	-	-	-	-	-
Public safety:					
Police	-	-	-	-	-
Fire	-	-	-	-	-
Public works services	-	1,493,806	-	-	-
Community development	1,534,392	-	1,900,284	-	93,036
Recreation and community services	-	-	-	-	-
<b>Total expenditures</b>	<b>1,534,392</b>	<b>1,493,806</b>	<b>1,900,284</b>	<b>-</b>	<b>93,036</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(509,039)</b>	<b>(897,144)</b>	<b>(469,767)</b>	<b>11,897</b>	<b>(348)</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	-	896,169	-	-	-
Transfers out	(583,619)	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(583,619)</b>	<b>896,169</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net changes in fund balances</b>	<b>(1,092,658)</b>	<b>(975)</b>	<b>(469,767)</b>	<b>11,897</b>	<b>(348)</b>
<b>FUND BALANCES (DEFICITS):</b>					
Beginning of fiscal year	2,971,021	302,824	4,636,867	490,297	348
End of fiscal year	<u>\$ 1,878,363</u>	<u>\$ 301,849</u>	<u>\$ 4,167,100</u>	<u>\$ 502,194</u>	<u>\$ -</u>

(Continued)

**City of Arcadia**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

	Special Revenue				
	Santa Anita		Library	PEG	
	Grade Separation	Homeland Security	State Grant	Access Television	Used Oil Grant
<b>REVENUES:</b>					
Taxes	\$ -	\$ -	\$ -	\$ 35,266	\$ -
Licenses and permits	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Use of money and property	40,743	-	-	65,334	713
Intergovernmental	-	15,074	-	-	8,167
Charges for services	-	-	-	-	-
Other revenues	-	-	-	-	-
<b>Total revenues</b>	<b>40,743</b>	<b>15,074</b>	<b>-</b>	<b>100,600</b>	<b>8,880</b>
<b>EXPENDITURES:</b>					
Current:					
General government:					
General city	-	-	-	7,413	-
Public safety:					
Police	-	-	-	-	-
Fire	-	-	-	-	-
Public works services	-	-	-	-	160
Community development	-	-	-	-	-
Recreation and community services	-	-	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,413</b>	<b>160</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>40,743</b>	<b>15,074</b>	<b>-</b>	<b>93,187</b>	<b>8,720</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net changes in fund balances</b>	<b>40,743</b>	<b>15,074</b>	<b>-</b>	<b>93,187</b>	<b>8,720</b>
<b>FUND BALANCES (DEFICITS):</b>					
Beginning of fiscal year	759,820	(100,831)	624	1,215,738	9,002
End of fiscal year	<u>\$ 800,563</u>	<u>\$ (85,757)</u>	<u>\$ 624</u>	<u>\$ 1,308,925</u>	<u>\$ 17,722</u>

(Continued)

**City of Arcadia**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

	Special Revenue				
	DOC Beverage Grant	Road Maintenance and Rehabilitation		County Homelessness	
		Act	Measure M	Grant	CA OES HSGP
<b>REVENUES:</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Use of money and property	4,160	125,648	161,109	-	-
Intergovernmental	-	1,546,137	1,069,013	807,681	71,394
Charges for services	-	-	-	-	-
Other revenues	-	-	-	-	-
<b>Total revenues</b>	<b>4,160</b>	<b>1,671,785</b>	<b>1,230,122</b>	<b>807,681</b>	<b>71,394</b>
<b>EXPENDITURES:</b>					
Current:					
General government:					
General city	-	-	-	-	-
Public safety:					
Police	-	-	-	-	52,870
Fire	-	-	-	-	-
Public works services	8,839	-	-	-	-
Community development	-	1,200,000	2,205,087	-	-
Recreation and community services	-	-	-	360,962	-
<b>Total expenditures</b>	<b>8,839</b>	<b>1,200,000</b>	<b>2,205,087</b>	<b>360,962</b>	<b>52,870</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(4,679)</b>	<b>471,785</b>	<b>(974,965)</b>	<b>446,719</b>	<b>18,524</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net changes in fund balances</b>	<b>(4,679)</b>	<b>471,785</b>	<b>(974,965)</b>	<b>446,719</b>	<b>18,524</b>
<b>FUND BALANCES (DEFICITS):</b>					
Beginning of fiscal year	82,439	1,922,860	3,066,040	(489,237)	(60,989)
End of fiscal year	<u>\$ 77,760</u>	<u>\$ 2,394,645</u>	<u>\$ 2,091,075</u>	<u>\$ (42,518)</u>	<u>\$ (42,465)</u>

(Continued)

**City of Arcadia**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds (Continued)**  
**For the Fiscal Year Ended June 30, 2025**

	Special Revenue		Total Nonmajor Governmental Funds
	Emergency Response	Fire Facilities	
<b>REVENUES:</b>			
Taxes	\$ -	\$ -	\$ 1,379,197
Licenses and permits	-	61,167	187,938
Fines and forfeitures	-	-	192,045
Use of money and property	-	18,045	1,257,683
Intergovernmental	114,826	-	9,233,176
Charges for services	-	-	187,503
Other revenues	-	-	228,330
<b>Total revenues</b>	<b>114,826</b>	<b>79,212</b>	<b>12,665,872</b>
<b>EXPENDITURES:</b>			
Current:			
General government:			
General city	450,309	-	493,722
Public safety:			
Police	-	-	328,922
Fire	-	39,740	39,740
Public works services	-	-	2,106,976
Community development	-	-	7,458,833
Recreation and community services	-	-	457,006
<b>Total expenditures</b>	<b>450,309</b>	<b>39,740</b>	<b>10,885,199</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(335,483)</b>	<b>39,472</b>	<b>1,780,673</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers in	-	-	896,169
Transfers out	-	-	(3,531,311)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>(2,635,142)</b>
<b>Net changes in fund balances</b>	<b>(335,483)</b>	<b>39,472</b>	<b>(854,469)</b>
<b>FUND BALANCES (DEFICITS):</b>			
Beginning of fiscal year	2,790,929	310,487	26,951,280
End of fiscal year	<u>\$ 2,455,446</u>	<u>\$ 349,959</u>	<u>\$ 26,096,811</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, 2025**

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 7,400	\$ 7,400	\$ 594	\$ (6,806)
Charges for services	35,000	35,000	7,204	(27,796)
Other revenues	4,000	4,000	23,838	19,838
<b>Total revenues</b>	<u>46,400</u>	<u>46,400</u>	<u>31,636</u>	<u>(14,764)</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety:				
Police	-	74,570	74,569	1
<b>Total expenditures</b>	<u>-</u>	<u>74,570</u>	<u>74,569</u>	<u>1</u>
<b>Net change in fund balance</b>	<u>\$ 46,400</u>	<u>\$ (28,170)</u>	(42,933)	<u>\$ (14,763)</u>
<b>FUND BALANCE:</b>				
Beginning of fiscal year			<u>247,909</u>	
End of fiscal year			<u>\$ 204,976</u>	

**City of Arcadia**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**COPS SLESF Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2025**

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 2,800	\$ 2,800	\$ 17,637	\$ 14,837
Other revenues	170,000	170,000	194,663	24,663
<b>Total revenues</b>	<u>172,800</u>	<u>172,800</u>	<u>212,300</u>	<u>39,500</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety:				
Police	189,500	207,200	184,327	22,873
<b>Total expenditures</b>	<u>189,500</u>	<u>207,200</u>	<u>184,327</u>	<u>22,873</u>
<b>Net change in fund balance</b>	<u>\$ (16,700)</u>	<u>\$ (34,400)</u>	27,973	<u>\$ 62,373</u>
<b>FUND BALANCE:</b>				
Beginning of fiscal year			<u>289,685</u>	
End of fiscal year			<u>\$ 317,658</u>	

**City of Arcadia**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**OTS Grant Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2025**

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	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 99,300	\$ 99,300	\$ 30,235	\$ (69,065)
<b>Total revenues</b>	<u>99,300</u>	<u>99,300</u>	<u>30,235</u>	<u>(69,065)</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety:				
Police	99,300	99,300	17,156	82,144
<b>Total expenditures</b>	<u>99,300</u>	<u>99,300</u>	<u>17,156</u>	<u>82,144</u>
<b>Net change in fund balance</b>	<u>\$ -</u>	<u>\$ -</u>	13,079	<u>\$ 13,079</u>
<b>FUND BALANCE (DEFICITS):</b>				
Beginning of fiscal year			<u>(10,003)</u>	
End of fiscal year			<u>\$ 3,076</u>	

**City of Arcadia**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Traffic Safety Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2025**

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	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Fines and forfeitures	\$ 143,000	\$ 143,000	\$ 192,045	\$ 49,045
<b>Total revenues</b>	<u>143,000</u>	<u>143,000</u>	<u>192,045</u>	<u>49,045</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	-	-	(191,970)	(191,970)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>(191,970)</u>	<u>(191,970)</u>
<b>Net change in fund balance</b>	<u>\$ 143,000</u>	<u>\$ 143,000</u>	75	<u>\$ (142,925)</u>
<b>FUND BALANCE:</b>				
Beginning of fiscal year			-	
End of fiscal year			<u>\$ 75</u>	

**City of Arcadia**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Solid Waste Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2025**

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 585,000	\$ 585,000	\$ 761,088	\$ 176,088
Use of money and property	63,600	63,600	127,512	63,912
Intergovernmental	50,000	50,000	-	(50,000)
Charges for services	130,000	130,000	151,944	21,944
Other revenues	500	500	1,734	1,234
<b>Total revenues</b>	<u>829,100</u>	<u>829,100</u>	<u>1,042,278</u>	<u>213,178</u>
<b>EXPENDITURES:</b>				
Current:				
Public works services	525,700	562,800	448,249	114,551
<b>Total expenditures</b>	<u>525,700</u>	<u>562,800</u>	<u>448,249</u>	<u>114,551</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>				
	<u>303,400</u>	<u>266,300</u>	<u>594,029</u>	<u>327,729</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(300,000)	(300,000)	(300,000)	-
<b>Total other financing sources (uses)</b>	<u>(300,000)</u>	<u>(300,000)</u>	<u>(300,000)</u>	<u>-</u>
<b>Net change in fund balance</b>	<u>\$ 3,400</u>	<u>\$ (33,700)</u>	294,029	<u>\$ 327,729</u>
<b>FUND BALANCE:</b>				
Beginning of fiscal year			<u>2,388,782</u>	
End of fiscal year			<u>\$ 2,682,811</u>	

**City of Arcadia**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**AQMD Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2025**

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 5,600	\$ 5,600	\$ 11,996	\$ 6,396
Intergovernmental	73,800	73,800	73,611	(189)
<b>Total revenues</b>	<b>79,400</b>	<b>79,400</b>	<b>85,607</b>	<b>6,207</b>
<b>EXPENDITURES:</b>				
Current:				
General government:				
General city	-	36,000	36,000	-
Community development	22,600	22,600	17,691	4,909
<b>Total expenditures</b>	<b>22,600</b>	<b>58,600</b>	<b>53,691</b>	<b>4,909</b>
<b>Net change in fund balance</b>	<b>\$ 56,800</b>	<b>\$ 20,800</b>	<b>31,916</b>	<b>\$ 11,116</b>
<b>FUND BALANCE:</b>				
Beginning of fiscal year			224,305	
End of fiscal year			<u>\$ 256,221</u>	

**City of Arcadia**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**CDBG Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2025**

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	\$ 255,014	\$ 255,014
Charges for services	28,800	28,800	28,355	(445)
<b>Total revenues</b>	<u>28,800</u>	<u>28,800</u>	<u>283,369</u>	<u>254,569</u>
<b>EXPENDITURES:</b>				
Current:				
Community development	292,700	294,300	212,142	82,158
Recreation and community services	77,400	77,400	71,911	5,489
<b>Total expenditures</b>	<u>370,100</u>	<u>371,700</u>	<u>284,053</u>	<u>87,647</u>
<b>Net change in fund balance</b>	<u>\$ (341,300)</u>	<u>\$ (342,900)</u>	(684)	<u>\$ 342,216</u>
<b>FUND BALANCE (DEFICITS):</b>				
Beginning of fiscal year			<u>680</u>	
End of fiscal year			<u>\$ (4)</u>	

**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, 2025**

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 116,400	\$ 116,400	\$ 274,777	\$ 158,377
Intergovernmental	1,561,100	1,561,100	1,456,327	(104,773)
<b>Total revenues</b>	<u>1,677,500</u>	<u>1,677,500</u>	<u>1,731,104</u>	<u>53,604</u>
<b>EXPENDITURES:</b>				
Current:				
Public works services	153,500	162,100	152,127	9,973
Community development	135,000	366,200	235,828	130,372
Recreation and community services	31,600	31,600	24,133	7,467
<b>Total expenditures</b>	<u>320,100</u>	<u>559,900</u>	<u>412,088</u>	<u>147,812</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>1,357,400</u>	<u>1,117,600</u>	<u>1,319,016</u>	<u>201,416</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(1,141,300)	(1,141,300)	(875,379)	265,921
<b>Total other financing sources (uses)</b>	<u>(1,141,300)</u>	<u>(1,141,300)</u>	<u>(875,379)</u>	<u>265,921</u>
<b>Net change in fund balance</b>	<u>\$ 216,100</u>	<u>\$ (23,700)</u>	443,637	<u>\$ 467,337</u>
<b>FUND BALANCE:</b>				
Beginning of fiscal year			<u>5,112,577</u>	
End of fiscal year			<u>\$ 5,556,214</u>	

**City of Arcadia**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Transportation Impact Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2025**

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	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Licenses and permits	\$ 300,000	\$ 300,000	\$ 126,771	\$ (173,229)
Use of money and property	12,800	12,800	44,795	31,995
<b>Total revenues</b>	<u>312,800</u>	<u>312,800</u>	<u>171,566</u>	<u>(141,234)</u>
<b>EXPENDITURES:</b>				
Current:				
Community development	550,000	863,491	60,373	803,118
<b>Total expenditures</b>	<u>550,000</u>	<u>863,491</u>	<u>60,373</u>	<u>803,118</u>
<b>Net change in fund balance</b>	<u>\$ (237,200)</u>	<u>\$ (550,691)</u>	111,193	<u>\$ 661,884</u>
<b>FUND BALANCE:</b>				
Beginning of fiscal year			<u>789,106</u>	
End of fiscal year			<u>\$ 900,299</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, 2025**

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ -	\$ -	\$ 4,938	\$ 4,938
Intergovernmental	1,552,200	1,552,200	1,579,200	27,000
<b>Total revenues</b>	<u>1,552,200</u>	<u>1,552,200</u>	<u>1,584,138</u>	<u>31,938</u>
<b>EXPENDITURES:</b>				
Current:				
Public works services	4,200	4,200	3,795	405
<b>Total expenditures</b>	<u>4,200</u>	<u>4,200</u>	<u>3,795</u>	<u>405</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>1,548,000</u>	<u>1,548,000</u>	<u>1,580,343</u>	<u>32,343</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(1,400,000)	(1,400,000)	(1,580,343)	(180,343)
<b>Total other financing sources (uses)</b>	<u>(1,400,000)</u>	<u>(1,400,000)</u>	<u>(1,580,343)</u>	<u>(180,343)</u>
<b>Net change in fund balance</b>	<u>\$ 148,000</u>	<u>\$ 148,000</u>	-	<u>\$ (148,000)</u>
<b>FUND BALANCE:</b>				
Beginning of fiscal year			-	
End of fiscal year			<u>\$ -</u>	

**City of Arcadia**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Measure R Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2025**

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 65,000	\$ 65,000	\$ 119,531	\$ 54,531
Intergovernmental	971,200	971,200	905,822	(65,378)
<b>Total revenues</b>	<u>1,036,200</u>	<u>1,036,200</u>	<u>1,025,353</u>	<u>(10,847)</u>
<b>EXPENDITURES:</b>				
Current:				
Community development	928,400	2,734,398	1,534,392	1,200,006
<b>Total expenditures</b>	<u>928,400</u>	<u>2,734,398</u>	<u>1,534,392</u>	<u>1,200,006</u>
<b>EXCESS (DEFICIENCY) OF</b>				
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>107,800</u>	<u>(1,698,198)</u>	<u>(509,039)</u>	<u>1,189,159</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(760,900)	(760,900)	(583,619)	177,281
<b>Total other financing sources (uses)</b>	<u>(760,900)</u>	<u>(760,900)</u>	<u>(583,619)</u>	<u>177,281</u>
<b>Net change in fund balance</b>	<u>\$ (653,100)</u>	<u>\$ (2,459,098)</u>	<u>(1,092,658)</u>	<u>\$ 1,366,440</u>
<b>FUND BALANCE:</b>				
Beginning of fiscal year			<u>2,971,021</u>	
End of fiscal year			<u>\$ 1,878,363</u>	

**City of Arcadia**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Lighting Maintenance Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2025**

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 580,000	\$ 580,000	\$ 582,843	\$ 2,843
Use of money and property	9,500	9,500	13,819	4,319
<b>Total revenues</b>	<b>589,500</b>	<b>589,500</b>	<b>596,662</b>	<b>7,162</b>
<b>EXPENDITURES:</b>				
Current:				
Public works services	1,432,000	1,457,500	1,493,806	(36,306)
<b>Total expenditures</b>	<b>1,432,000</b>	<b>1,457,500</b>	<b>1,493,806</b>	<b>(36,306)</b>
<b>EXCESS (DEFICIENCY) OF</b>				
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(842,500)</b>	<b>(868,000)</b>	<b>(897,144)</b>	<b>(29,144)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	765,000	765,000	896,169	131,169
<b>Total other financing sources (uses)</b>	<b>765,000</b>	<b>765,000</b>	<b>896,169</b>	<b>131,169</b>
<b>Net change in fund balance</b>	<b>\$ (77,500)</b>	<b>\$ (103,000)</b>	<b>(975)</b>	<b>\$ 102,025</b>
<b>FUND BALANCE:</b>				
Beginning of fiscal year			302,824	
End of fiscal year			<u>\$ 301,849</u>	

**City of Arcadia**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Prop C Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2025**

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	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 126,200	\$ 126,200	\$ 222,530	\$ 96,330
Intergovernmental	1,294,900	1,294,900	1,207,987	(86,913)
<b>Total revenues</b>	<u>1,421,100</u>	<u>1,421,100</u>	<u>1,430,517</u>	<u>9,417</u>
<b>EXPENDITURES:</b>				
Current:				
Community development	312,300	4,980,933	1,900,284	3,080,649
<b>Total expenditures</b>	<u>312,300</u>	<u>4,980,933</u>	<u>1,900,284</u>	<u>3,080,649</u>
<b>Net change in fund balance</b>	<u>\$ 1,108,800</u>	<u>\$ (3,559,833)</u>	(469,767)	<u>\$ 3,090,066</u>
<b>FUND BALANCE:</b>				
Beginning of fiscal year			<u>4,636,867</u>	
End of fiscal year			<u>\$ 4,167,100</u>	

**City of Arcadia**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**IRS Task Force Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2025**

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	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 14,400	\$ 14,400	\$ 3,802	\$ (10,598)
Other revenue	-	-	8,095	8,095
<b>Total revenues</b>	14,400	14,400	11,897	(2,503)
<b>Net change in fund balance</b>	\$ 14,400	\$ 14,400	11,897	\$ (2,503)
<b>FUND BALANCE:</b>				
Beginning of fiscal year			490,297	
End of fiscal year			\$ 502,194	

**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, 2025**

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	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 2,000	\$ 2,000	\$ -	\$ (2,000)
Intergovernmental	57,000	57,000	92,688	35,688
<b>Total revenues</b>	<b>59,000</b>	<b>59,000</b>	<b>92,688</b>	<b>33,688</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	50,000	99,880	93,036	6,844
<b>Total expenditures</b>	<b>50,000</b>	<b>99,880</b>	<b>93,036</b>	<b>6,844</b>
<b>Net change in fund balance</b>	<b>\$ 9,000</b>	<b>\$ (40,880)</b>	<b>(348)</b>	<b>\$ 40,532</b>
<b>FUND BALANCE:</b>				
Beginning of fiscal year			348	
End of fiscal year			\$ -	

**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, 2025**

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 22,400	\$ 22,400	\$ 40,743	\$ 18,343
<b>Total revenues</b>	<u>22,400</u>	<u>22,400</u>	<u>40,743</u>	<u>18,343</u>
<b>EXPENDITURES:</b>				
Current:				
Community development	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balance</b>	<u>\$ 22,400</u>	<u>\$ 22,400</u>	40,743	<u>\$ 18,343</u>
<b>FUND BALANCE:</b>				
Beginning of fiscal year			<u>759,820</u>	
End of fiscal year			<u>\$ 800,563</u>	

**City of Arcadia**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Homeland Security Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2025**

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	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
<b>REVENUES:</b>				
Intergovernmental	\$ 80,000	\$ 80,000	\$ 15,074	\$ (64,926)
<b>Total revenues</b>	80,000	80,000	15,074	(64,926)
<b>EXPENDITURES:</b>				
Current:				
Public safety:				
Fire	100,000	143,870	-	143,870
<b>Total expenditures</b>	100,000	143,870	-	143,870
<b>Net change in fund balance</b>	\$ (20,000)	\$ (63,870)	15,074	\$ 78,944
<b>FUND BALANCE (DEFICITS):</b>				
Beginning of fiscal year			(100,831)	
End of fiscal year			\$ (85,757)	

**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, 2025**

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	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 70,000	\$ 70,000	\$ 35,266	\$ (34,734)
Use of money and property	35,900	35,900	65,334	29,434
<b>Total revenues</b>	105,900	105,900	100,600	(5,300)
<b>EXPENDITURES:</b>				
Current:				
General city	-	140,000	7,413	132,587
<b>Total expenditures</b>	-	140,000	7,413	132,587
<b>Net change in fund balance</b>	\$ 105,900	\$ (34,100)	93,187	\$ 127,287
<b>FUND BALANCE:</b>				
Beginning of fiscal year			1,215,738	
End of fiscal year			\$ 1,308,925	

**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, 2025**

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	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ -	\$ -	\$ 713	\$ 713
Intergovernmental	8,000	8,000	8,167	167
<b>Total revenues</b>	<b>8,000</b>	<b>8,000</b>	<b>8,880</b>	<b>880</b>
<b>EXPENDITURES:</b>				
Current:				
Public works services	16,000	16,000	160	15,840
<b>Total expenditures</b>	<b>16,000</b>	<b>16,000</b>	<b>160</b>	<b>15,840</b>
<b>Net change in fund balance</b>	<b>\$ (8,000)</b>	<b>\$ (8,000)</b>	<b>8,720</b>	<b>\$ 16,720</b>
<b>FUND BALANCE:</b>				
Beginning of fiscal year			9,002	
End of fiscal year			<u>\$ 17,722</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, 2025**

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	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 2,200	\$ 2,200	\$ 4,160	\$ 1,960
Intergovernmental	14,200	14,200	-	(14,200)
<b>Total revenues</b>	<b>16,400</b>	<b>16,400</b>	<b>4,160</b>	<b>(12,240)</b>
<b>EXPENDITURES:</b>				
Current:				
Public works services	14,500	14,500	8,839	5,661
<b>Total expenditures</b>	<b>14,500</b>	<b>14,500</b>	<b>8,839</b>	<b>5,661</b>
<b>Net change in fund balance</b>	<b>\$ 1,900</b>	<b>\$ 1,900</b>	<b>(4,679)</b>	<b>\$ (6,579)</b>
<b>FUND BALANCE:</b>				
Beginning of fiscal year			82,439	
End of fiscal year			<u>\$ 77,760</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, 2025**

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	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 54,300	\$ 54,300	\$ 125,648	\$ 71,348
Intergovernmental	1,456,100	1,456,100	1,546,137	90,037
<b>Total revenues</b>	<b>1,510,400</b>	<b>1,510,400</b>	<b>1,671,785</b>	<b>161,385</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	1,200,000	2,400,000	1,200,000	1,200,000
<b>Total expenditures</b>	<b>1,200,000</b>	<b>2,400,000</b>	<b>1,200,000</b>	<b>1,200,000</b>
<b>Net change in fund balance</b>	<b>\$ 310,400</b>	<b>\$ (889,600)</b>	<b>471,785</b>	<b>\$ 1,361,385</b>
<b>FUND BALANCE:</b>				
Beginning of fiscal year			1,922,860	
End of fiscal year			<u>\$ 2,394,645</u>	

**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, 2025**

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 41,600	\$ 41,600	\$ 161,109	\$ 119,509
Intergovernmental	1,100,700	1,100,700	1,069,013	(31,687)
<b>Total revenues</b>	<b>1,142,300</b>	<b>1,142,300</b>	<b>1,230,122</b>	<b>87,822</b>
<b>EXPENDITURES:</b>				
Current:				
Community development	1,227,000	4,509,390	2,205,087	2,304,303
<b>Total expenditures</b>	<b>1,227,000</b>	<b>4,509,390</b>	<b>2,205,087</b>	<b>2,304,303</b>
<b>Net change in fund balance</b>	<b>\$ (84,700)</b>	<b>\$ (3,367,090)</b>	<b>(974,965)</b>	<b>\$ 2,392,125</b>
<b>FUND BALANCE:</b>				
Beginning of fiscal year			3,066,040	
End of fiscal year			<u>\$ 2,091,075</u>	

**City of Arcadia**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**County Homelessness Grant Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2025**

	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 18,000	\$ 18,000	\$ 807,681	\$ 789,681
<b>Total revenues</b>	<b>18,000</b>	<b>18,000</b>	<b>807,681</b>	<b>789,681</b>
<b>EXPENDITURES:</b>				
Current:				
Recreation and community services	373,500	373,500	360,962	12,538
<b>Total expenditures</b>	<b>373,500</b>	<b>373,500</b>	<b>360,962</b>	<b>12,538</b>
<b>Net change in fund balance</b>	<b>\$ (355,500)</b>	<b>\$ (355,500)</b>	<b>446,719</b>	<b>\$ 802,219</b>
<b>FUND BALANCE (DEFICITS):</b>				
Beginning of fiscal year			(489,237)	
End of fiscal year			<u>\$ (42,518)</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, 2025**

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	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	\$ 71,394	\$ 71,394
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>71,394</b>	<b>71,394</b>
<b>EXPENDITURES:</b>				
Current:				
Public safety:				
Police	46,000	46,000	52,870	(6,870)
<b>Total expenditures</b>	<b>46,000</b>	<b>46,000</b>	<b>52,870</b>	<b>(6,870)</b>
<b>Net change in fund balance</b>	<b>\$ (46,000)</b>	<b>\$ (46,000)</b>	<b>18,524</b>	<b>\$ 64,524</b>
<b>FUND BALANCE (DEFICITS):</b>				
Beginning of fiscal year			(60,989)	
End of fiscal year			<u>\$ (42,465)</u>	

**City of Arcadia**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Fire Facilities Special Revenue Fund**  
**For the Fiscal Year Ended June 30, 2025**

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	Budget Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES:</b>				
Licenses and permits	\$ 175,000	\$ 175,000	\$ 61,167	\$ (113,833)
Use of money and property	5,500	5,500	18,045	12,545
<b>Total revenues</b>	<b>180,500</b>	<b>180,500</b>	<b>79,212</b>	<b>(101,288)</b>
<b>EXPENDITURES:</b>				
Current:				
Public safety:				
Fire	61,000	61,000	39,740	21,260
<b>Total expenditures</b>	<b>61,000</b>	<b>61,000</b>	<b>39,740</b>	<b>21,260</b>
<b>Net change in fund balance</b>	<b>\$ 119,500</b>	<b>\$ 119,500</b>	<b>39,472</b>	<b>\$ (80,028)</b>
<b>FUND BALANCE:</b>				
Beginning of fiscal year			310,487	
End of fiscal year			<u>\$ 349,959</u>	

**City of Arcadia**  
**Statement of Net Position**  
**Nonmajor Enterprise Funds**  
**June 30, 2025**

	Transit System	Arcadia PAR 3 Golf Course	Total Nonmajor Enterprise Funds
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
Current assets:			
Cash and investments	\$ 319,970	\$ 2,763,267	\$ 3,083,237
Accounts receivable	-	939	939
Prepaid items	-	1,850	1,850
Due from other governments	17,548	-	17,548
Inventories	-	37,157	37,157
Total current assets	<u>337,518</u>	<u>2,803,213</u>	<u>3,140,731</u>
Capital assets:			
Depreciable, net	-	291,117	291,117
Total capital assets	<u>-</u>	<u>291,117</u>	<u>291,117</u>
<b>Total assets</b>	<u>337,518</u>	<u>3,094,330</u>	<u>3,431,848</u>
Deferred outflows of resources:			
Deferred outflows related to net pension liability	65,359	-	65,359
<b>Total deferred outflows of resources</b>	<u>65,359</u>	<u>-</u>	<u>65,359</u>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>			
Current liabilities:			
Accounts payable	386,449	111,256	497,705
Accrued salaries payable	912	-	912
Interest payable	174	-	174
Due to other funds	173,863	-	173,863
Pension obligation bonds payable - due within one year	4,400	-	4,400
Total current liabilities	<u>565,798</u>	<u>111,256</u>	<u>677,054</u>
Noncurrent liabilities:			
Net pension liabilities	242,282	-	242,282
Pension obligation bonds payable - due in more than one year	78,300	-	78,300
Total noncurrent liabilities	<u>320,582</u>	<u>-</u>	<u>320,582</u>
<b>Total liabilities</b>	<u>886,380</u>	<u>111,256</u>	<u>997,636</u>
Deferred inflows of resources:			
Deferred inflows related to net pension liability	-	-	-
<b>Total deferred inflows of resources</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET POSITION</b>			
Net investment in capital assets	-	291,117	291,117
Unrestricted	(483,503)	2,691,957	2,208,454
<b>Total net position</b>	<u>\$ (483,503)</u>	<u>\$ 2,983,074</u>	<u>\$ 2,499,571</u>

**City of Arcadia**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Nonmajor Enterprise Funds**  
**For the Fiscal Year Ended June 30, 2025**

	Transit System	Arcadia PAR 3 Golf Course	Total Nonmajor Enterprise Funds
<b>OPERATING REVENUES:</b>			
Charges for services	\$ 8,354	\$ 1,879,171	\$ 1,887,525
Other	17,548	-	17,548
<b>Total operating revenues</b>	<u>25,902</u>	<u>1,879,171</u>	<u>1,905,073</u>
<b>OPERATING EXPENSES:</b>			
Administration and general	462,287	258,774	721,061
Merchandise and food	-	72,086	72,086
Supplies and maintenance	-	329,370	329,370
Contract costs	2,304,289	788,992	3,093,281
Depreciation	53,659	42,450	96,109
<b>Total operating expenses</b>	<u>2,820,235</u>	<u>1,491,672</u>	<u>4,311,907</u>
<b>OPERATING INCOME (LOSS)</b>	<u>(2,794,333)</u>	<u>387,499</u>	<u>(2,406,834)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>			
Federal and state grants	1,337,446	-	1,337,446
Interest and fiscal charges	(2,111)	-	(2,111)
<b>Total nonoperating revenues (expenses)</b>	<u>1,335,335</u>	<u>-</u>	<u>1,335,335</u>
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	<u>(1,458,998)</u>	<u>387,499</u>	<u>(1,071,499)</u>
<b>TRANSFERS:</b>			
Transfers in	1,458,998	-	1,458,998
<b>Total transfers</b>	<u>1,458,998</u>	<u>-</u>	<u>1,458,998</u>
<b>Changes in net position</b>	<u>-</u>	<u>387,499</u>	<u>387,499</u>
<b>NET POSITION:</b>			
Beginning of fiscal year	<u>(483,503)</u>	<u>2,595,575</u>	<u>2,112,072</u>
End of fiscal year	<u>\$ (483,503)</u>	<u>\$ 2,983,074</u>	<u>\$ 2,499,571</u>

**City of Arcadia**  
**Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**For the Fiscal Year Ended June 30, 2025**

	Transit System	Arcadia PAR 3 Golf Course	Total Nonmajor Enterprise Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers	\$ 8,354	\$ 1,893,921	\$ 1,902,275
Cash payments to suppliers for goods and services	(2,330,918)	(812,813)	(3,143,731)
Cash payments to employees for services	(218,009)	(673,411)	(891,420)
Cash received for other operating activities	17,548	-	17,548
<b>Net cash provided by (used in) operating activities</b>	<b>(2,523,025)</b>	<b>407,697</b>	<b>(2,115,328)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Cash received from other governments	1,386,891	-	1,386,891
Payments for pension obligation bonds	(4,300)	-	(4,300)
Payments of interest on pension obligation bonds	(2,115)	-	(2,115)
Transfers in	1,458,998	-	1,458,998
<b>Net cash provided by noncapital financing activities</b>	<b>2,839,474</b>	<b>-</b>	<b>2,839,474</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Acquisition of capital assets	-	(181,312)	(181,312)
<b>Net cash provided by (used in) capital and related financing activities</b>	<b>-</b>	<b>(181,312)</b>	<b>(181,312)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>316,449</b>	<b>226,385</b>	<b>542,834</b>
<b>CASH AND CASH EQUIVALENTS - Beginning of fiscal year</b>	<b>3,521</b>	<b>2,536,882</b>	<b>2,540,403</b>
<b>CASH AND CASH EQUIVALENTS - End of fiscal year</b>	<b>\$ 319,970</b>	<b>\$ 2,763,267</b>	<b>\$ 3,083,237</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>			
Operating income (loss)	\$ (2,794,333)	\$ 387,499	\$ (2,406,834)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	53,659	42,450	96,109
Changes in assets, deferred outflows, liabilities, and deferred inflows:			
Accounts receivable	-	14,750	14,750
Prepaid items	-	(1,542)	(1,542)
Inventories	-	14,012	14,012
Accounts payable	200,824	(49,472)	151,352
Accrued salaries payable	912	-	912
Net pension liabilities	(21,702)	-	(21,702)
Deferred outflows of resources - pension	40,633	-	40,633
Deferred inflows of resources - pension	(3,018)	-	(3,018)
<b>Total adjustments</b>	<b>271,308</b>	<b>20,198</b>	<b>291,506</b>
<b>Net cash provided by (used in) operating activities</b>	<b>\$ (2,523,025)</b>	<b>\$ 407,697</b>	<b>\$ (2,115,328)</b>

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# STATISTICAL SECTION

## (Unaudited)

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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.

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### Page

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

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

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**City of Arcadia**  
**Net Position by Component**  
**Last Ten Fiscal Years**

	Fiscal Year				
	2016	2017	2018	2019	2020
<b>Governmental Activities:</b>					
Net investment in capital assets	\$ 51,124,268	\$ 50,448,943	\$ 47,725,910	\$ 48,831,491	\$ 55,858,893
Restricted for:					
Capital Projects	-	-	-	-	-
Debt Service	664,992	706,723	698,863	690,343	714,457
Pension	-	-	-	-	-
Community Purposes	10,578,749	12,424,349	13,472,245	14,939,901	9,542,104
Public Safety	1,253,412	1,058,486	925,971	820,309	837,230
Transportation/Streets	9,165,526	9,440,319	9,943,521	8,635,526	10,458,741
Total Restricted	<u>21,662,679</u>	<u>23,629,877</u>	<u>25,040,600</u>	<u>25,086,079</u>	<u>21,552,532</u>
Unrestricted	<u>(71,558,258)</u>	<u>(72,803,923)</u>	<u>(95,840,709)</u>	<u>(102,593,443)</u>	<u>(111,643,096)</u>
Total governmental activities net position	<u>\$ 1,228,689</u>	<u>\$ 1,274,897</u>	<u>\$ (23,074,199)</u>	<u>\$ (28,675,873)</u>	<u>\$ (34,231,671)</u>
<b>Business-type Activities:</b>					
Net investment in capital assets	\$ 46,957,250	\$ 46,000,669	\$ 44,405,319	\$ 44,379,157	\$ 44,852,614
Unrestricted	<u>22,536,965</u>	<u>20,182,581</u>	<u>18,243,338</u>	<u>16,885,183</u>	<u>13,728,271</u>
Total business-type activities net position	<u>\$ 69,494,215</u>	<u>\$ 66,183,250</u>	<u>\$ 62,648,657</u>	<u>\$ 61,264,340</u>	<u>\$ 58,580,885</u>
<b>Primary Government:</b>					
Net investment in capital assets	\$ 98,081,518	\$ 96,449,612	\$ 92,131,229	\$ 93,210,648	\$ 100,711,507
Restricted	21,662,679	23,629,877	25,040,600	25,086,079	21,552,532
Unrestricted	<u>(49,021,293)</u>	<u>(52,621,342)</u>	<u>(77,597,371)</u>	<u>(85,708,260)</u>	<u>(97,914,825)</u>
Total Primary Government net position	<u>\$ 70,722,904</u>	<u>\$ 67,458,147</u>	<u>\$ 39,574,458</u>	<u>\$ 32,588,467</u>	<u>\$ 24,349,214</u>

Source: City of Arcadia Financial Reports

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

	Fiscal Year				
	2021	2022	2023	2024	2025
<b>Governmental Activities:</b>					
Net investment in capital assets	\$ 55,972,945	\$ 54,984,585	\$ 55,695,486	\$ 57,289,440	\$ 67,644,008
Restricted for:					
Capital Projects	268,319	987,574	1,871,212	2,636,518	3,303,238
Debt Service	-	1,292,719	698,160	861,739	821,994
Pension	-	-	-	-	3,571,808
Community Purposes	10,819,094	11,353,303	12,325,825	13,964,675	10,456,195
Public Safety	833,442	870,860	931,362	1,341,457	1,378,877
Transportation/Streets	10,234,986	10,974,665	15,714,303	19,388,448	17,875,321
Total Restricted	<u>22,155,841</u>	<u>25,479,121</u>	<u>31,540,862</u>	<u>38,192,837</u>	<u>37,407,433</u>
Unrestricted	<u>(107,043,660)</u>	<u>(83,376,599)</u>	<u>(63,384,857)</u>	<u>(52,050,533)</u>	<u>(48,970,744)</u>
Total governmental activities net position	<u>\$ (28,914,874)</u>	<u>\$ (2,912,893)</u>	<u>\$ 23,851,491</u>	<u>\$ 43,431,744</u>	<u>\$ 56,080,697</u>
<b>Business-type Activities:</b>					
Net investment in capital assets	\$ 45,296,900	\$ 44,444,938	\$ 43,223,078	\$ 42,285,478	\$ 41,016,626
Unrestricted	<u>11,236,425</u>	<u>16,011,111</u>	<u>14,424,746</u>	<u>16,258,079</u>	<u>17,758,732</u>
Total business-type activities net position	<u>\$ 56,533,325</u>	<u>\$ 60,456,049</u>	<u>\$ 57,647,824</u>	<u>\$ 58,543,557</u>	<u>\$ 58,775,358</u>
<b>Primary Government:</b>					
Net investment in capital assets	\$ 101,269,845	\$ 99,429,523	\$ 98,918,564	\$ 99,574,918	\$ 108,660,634
Restricted	22,155,841	25,479,121	31,540,862	38,192,837	37,407,433
Unrestricted	<u>(95,807,235)</u>	<u>(67,365,488)</u>	<u>(48,960,111)</u>	<u>(35,792,454)</u>	<u>(31,212,012)</u>
Total Primary Government net position	<u>\$ 27,618,451</u>	<u>\$ 57,543,156</u>	<u>\$ 81,499,315</u>	<u>\$ 101,975,301</u>	<u>\$ 114,856,055</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				
	2016	2017	2018	2019	2020
<b>Expenses</b>					
Governmental activities:					
General government	\$ 6,890,053	\$ 9,515,214	\$ 17,454,570	\$ 13,584,059	\$ 10,103,949
Public safety	34,089,922	36,377,345	37,298,318	40,360,568	47,203,348
Public works services	8,525,715	7,829,369	9,224,613	7,519,824	7,663,032
Community development	6,316,456	6,542,784	7,527,613	7,790,989	6,790,407
Library	3,858,956	4,000,700	3,982,384	4,168,410	5,016,702
Recreation and community services	3,455,024	3,593,171	3,600,354	3,691,627	3,414,698
Interest on long-term debt	417,780	398,133	373,622	343,846	314,741
Total governmental activities expenses	<u>\$ 63,553,906</u>	<u>\$ 68,256,716</u>	<u>\$ 79,461,474</u>	<u>\$ 77,459,323</u>	<u>\$ 80,506,877</u>
Business-type activities:					
Water	\$ 12,563,018	\$ 14,942,992	\$ 17,005,371	\$ 16,853,369	\$ 17,758,315
Sewer	1,360,509	1,440,677	1,779,385	1,819,847	1,872,674
Transit	1,818,171	1,935,418	1,823,710	2,020,690	2,244,345
Arcadia Par 3 Golf Course **	-	-	-	515,560	867,314
Total business-type activities expenses	<u>15,741,698</u>	<u>18,319,087</u>	<u>20,608,466</u>	<u>21,209,466</u>	<u>22,742,648</u>
Total primary government expenses	<u>\$ 79,295,604</u>	<u>\$ 86,575,803</u>	<u>\$ 100,069,940</u>	<u>\$ 98,668,789</u>	<u>\$ 103,249,525</u>
<b>Program Revenues</b>					
Governmental activities:					
Charges for services:					
General government	\$ 33,223	\$ 596	\$ 7,184	\$ 16,899	\$ 10,329
Public safety	3,972,018	3,896,797	4,335,707	3,952,519	4,166,144
Public works services	434,681	363,274	491,341	28,385	29,516
Community development	4,577,662	5,406,275	2,712,354	3,313,734	2,707,638
Library	72,242	71,393	96,038	162,421	107,810
Recreation and community services	3,237,272	2,804,010	2,112,552	1,940,232	1,843,145
Operating Grants and Contributions	4,876,997	4,523,948	5,542,417	6,441,413	7,447,444
Capital Grants and Contributions	927,837	254,204	45,850	526,077	741,641
Total governmental activities program revenues	<u>18,131,932</u>	<u>17,320,497</u>	<u>15,343,443</u>	<u>16,381,680</u>	<u>17,053,667</u>
Business-type activities:					
Charges for services:					
Water	9,122,745	10,990,520	13,223,624	12,806,780	14,284,391
Sewer	1,664,249	2,046,705	2,347,364	2,408,365	2,493,274
Transit	63,520	12,408	13,246	12,613	9,311
Arcadia Par 3 Golf Course **	-	-	-	511,860	887,942
Operating Grants and Contributions	768,229	696,053	772,915	1,509,498	1,055,193
Capital Grants and Contributions	-	-	-	-	-
Total business-type activities program revenues	<u>11,618,743</u>	<u>13,745,686</u>	<u>16,357,149</u>	<u>17,249,116</u>	<u>18,730,111</u>
Total primary government program revenues	<u>\$ 29,750,675</u>	<u>\$ 31,066,183</u>	<u>\$ 31,700,592</u>	<u>\$ 33,630,796</u>	<u>\$ 35,783,778</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				
	2021	2022	2023	2024	2025
<b>Expenses</b>					
<b>Governmental activities:</b>					
General government	\$ 10,813,414	\$ 10,803,452	\$ 12,004,055	\$ 16,459,095	\$ 14,199,438
Public safety	43,574,155	29,066,389	41,795,701	50,174,731	56,915,826
Public works services	8,673,614	8,647,033	8,844,599	8,141,398	11,307,235
Community development	8,551,090	7,777,990	7,505,977	9,018,973	10,000,754
Library	4,050,091	4,277,054	4,423,335	4,587,794	4,974,669
Recreation and community services	3,243,583	4,305,064	3,991,588	4,373,488	5,039,094
Interest on long-term debt	1,533,534	2,097,318	1,994,126	1,992,248	1,951,820
Total governmental activities expenses	<u>\$ 80,439,481</u>	<u>\$ 66,974,300</u>	<u>\$ 80,559,381</u>	<u>\$ 94,747,727</u>	<u>\$ 104,388,836</u>
<b>Business-type activities:</b>					
Water	\$ 18,372,053	\$ 14,539,080	\$ 19,978,775	\$ 17,636,469	\$ 20,765,421
Sewer	2,038,907	523,704	1,821,291	1,601,101	1,992,178
Transit	2,512,915	2,364,783	2,872,170	3,035,972	2,822,346
Arcadia Par 3 Golf Course **	1,259,153	1,280,311	1,214,285	1,437,893	1,491,672
Total business-type activities expenses	<u>24,183,028</u>	<u>18,707,878</u>	<u>25,886,521</u>	<u>23,711,435</u>	<u>27,071,617</u>
Total primary government expenses	<u>\$ 104,622,509</u>	<u>\$ 85,682,178</u>	<u>\$ 106,445,902</u>	<u>\$ 118,459,162</u>	<u>\$ 131,460,453</u>
<b>Program Revenues</b>					
<b>Governmental activities:</b>					
<b>Charges for services:</b>					
General government	\$ 13,960	\$ 1,303,166	\$ 5,421	\$ 1,044	\$ 1,077
Public safety	3,488,709	5,154,191	5,459,010	5,587,791	6,040,389
Public works services	25,152	16,022	4,683	21,724	30,919
Community development	2,865,163	4,017,212	3,800,881	5,767,748	4,081,991
Library	59,372	101,332	106,988	105,612	111,362
Recreation and community services	1,139,152	1,261,332	1,858,007	3,245,258	2,464,297
Operating Grants and Contributions	12,299,250	8,147,751	9,298,444	10,892,315	10,266,948
Capital Grants and Contributions	1,342,260	1,430,019	2,214,893	1,673,010	864,220
Total governmental activities program revenues	<u>21,233,018</u>	<u>21,431,025</u>	<u>22,748,327</u>	<u>27,294,502</u>	<u>23,861,203</u>
<b>Business-type activities:</b>					
<b>Charges for services:</b>					
Water	16,048,632	16,469,592	14,411,322	15,879,156	18,730,938
Sewer	2,552,327	2,606,646	2,658,717	2,692,101	2,778,141
Transit	3,773	6,954	6,895	8,456	8,354
Arcadia Par 3 Golf Course **	1,855,856	1,912,574	1,953,192	2,051,402	1,879,171
Operating Grants and Contributions	2,449,548	694,038	1,814,251	2,460,371	1,337,446
Capital Grants and Contributions	-	-	-	412,692	-
Total business-type activities program revenues	<u>22,910,136</u>	<u>21,689,804</u>	<u>20,844,377</u>	<u>23,504,178</u>	<u>24,734,050</u>
Total primary government program revenues	<u>\$ 44,143,154</u>	<u>\$ 43,120,829</u>	<u>\$ 43,592,704</u>	<u>\$ 50,798,680</u>	<u>\$ 48,595,253</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				
	2016	2017	2018	2019	2020
<b>Net (Expense)/Revenue</b>					
Governmental activities	\$ (45,421,974)	\$ (50,936,219)	\$ (64,118,031)	\$ (61,077,643)	\$ (63,453,210)
Business-type activities	<u>(4,122,955)</u>	<u>(4,573,401)</u>	<u>(4,251,317)</u>	<u>(3,960,350)</u>	<u>(4,012,537)</u>
Total primary government net expense	<u>\$ (49,544,929)</u>	<u>\$ (55,509,620)</u>	<u>\$ (68,369,348)</u>	<u>\$ (65,037,993)</u>	<u>\$ (67,465,747)</u>
<b>General Revenues and Other Changes in Net Position</b>					
Governmental activities:					
Taxes					
Property taxes	\$ 15,149,171	\$ 16,150,617	\$ 16,965,156	\$ 18,301,135	\$ 19,070,668
Sales taxes	11,441,622	10,766,558	11,115,292	11,399,632	12,154,052
Franchise fees	1,100,952	1,000,308	982,756	931,750	954,878
Utilities user taxes	6,816,464	6,773,169	6,856,067	6,591,834	6,779,875
Transient occupancy taxes	3,531,944	3,543,908	3,320,953	3,447,186	2,748,642
Motor vehicle license taxes	6,136,906	6,461,508	6,906,050	7,309,525	7,773,429
Non-regulatory business license taxes	1,293,357	1,270,876	1,248,106	1,227,480	1,211,783
Other Taxes	<u>1,538,467</u>	<u>1,647,136</u>	<u>1,621,716</u>	<u>1,057,546</u>	<u>912,537</u>
Total Taxes and fees	47,008,883	47,614,080	49,016,096	50,266,088	51,605,864
Investment earnings	1,856,318	1,458,553	1,529,734	3,432,169	3,270,868
Miscellaneous	3,482,819	3,007,213	3,486,199	3,447,105	3,391,726
Gain/loss on disposal of capital assets	-	13,587	49,243	-	-
Transfers	(871,261)	(1,111,006)	(1,006,826)	(1,669,393)	(1,055,363)
Restatement	<u>-</u>	<u>-</u>	<u>(13,305,511)</u>	<u>-</u>	<u>-</u>
Total Governmental activities	<u>51,476,759</u>	<u>50,982,427</u>	<u>39,768,935</u>	<u>55,475,969</u>	<u>57,213,095</u>
Business-type activities:					
Investment earnings	380,861	138,679	150,511	896,111	860,880
Miscellaneous	11,835	12,751	13,976	10,529	97,156
Transfers	871,261	1,111,006	1,006,826	1,669,393	1,055,363
Restatement	<u>-</u>	<u>-</u>	<u>(454,589)</u>	<u>-</u>	<u>-</u>
Total business-type activities	<u>1,263,957</u>	<u>1,262,436</u>	<u>716,724</u>	<u>2,576,033</u>	<u>2,013,399</u>
Total primary government	<u>\$ 52,740,716</u>	<u>\$ 52,244,863</u>	<u>\$ 40,485,659</u>	<u>\$ 58,052,002</u>	<u>\$ 59,226,494</u>
<b>Change in Net Position</b>					
Governmental activities	\$ 6,054,785	\$ 46,208	\$ (24,349,096)	\$ (5,601,674)	\$ (6,240,115)
Business-type activities	<u>(2,858,998)</u>	<u>(3,310,965)</u>	<u>(3,534,593)</u>	<u>(1,384,317)</u>	<u>(1,999,138)</u>
Total primary government	<u>\$ 3,195,787</u>	<u>\$ (3,264,757)</u>	<u>\$ (27,883,689)</u>	<u>\$ (6,985,991)</u>	<u>\$ (8,239,253)</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				
	2021	2022	2023	2024	2025
<b>Net (Expense)/Revenue</b>					
Governmental activities	\$ (59,206,463)	\$ (45,543,275)	\$ (57,811,054)	\$ (67,453,225)	\$ (80,527,633)
Business-type activities	(1,272,892)	2,981,926	(5,042,144)	(207,257)	(2,337,567)
Total primary government net expense	<u>\$ (60,479,355)</u>	<u>\$ (42,561,349)</u>	<u>\$ (62,853,198)</u>	<u>\$ (67,660,482)</u>	<u>\$ (82,865,200)</u>
<b>General Revenues and Other Changes in Net Position</b>					
Governmental activities:					
Taxes					
Property taxes	\$ 20,513,025	\$ 21,365,282	\$ 21,641,066	\$ 22,391,870	\$ 22,810,894
Sales taxes	17,197,203	23,378,015	25,217,042	24,767,977	24,522,313
Franchise fees	1,037,322	1,049,291	1,227,708	1,302,471	1,174,273
Utilities user taxes	7,193,797	8,429,763	9,637,119	9,291,301	10,037,223
Transient occupancy taxes	1,923,352	4,128,326	4,891,525	5,428,101	6,298,731
Motor vehicle license taxes	8,105,664	8,823,621	8,640,006	9,051,732	9,479,265
Non-regulatory business license taxes	1,181,862	1,195,992	1,312,779	1,345,023	1,415,867
Other Taxes	1,678,449	1,953,404	2,037,907	2,131,760	2,120,583
Total Taxes and fees	58,830,674	70,323,694	74,605,152	75,710,235	77,859,149
Investment earnings	1,436,597	(1,441,136)	3,192,593	6,773,771	8,338,332
Miscellaneous	3,143,829	8,316,576	7,373,004	4,758,064	6,143,900
Gain/loss on disposal of capital assets	46,870	-	-	-	-
Transfers	1,065,290	(1,221,450)	(595,311)	(208,592)	(1,458,998)
Restatement	-	-	-	-	-
Total Governmental activities	<u>64,523,260</u>	<u>75,977,684</u>	<u>84,575,438</u>	<u>87,033,478</u>	<u>90,882,383</u>
Business-type activities:					
Investment earnings	154,622	(289,306)	466,084	845,962	1,061,252
Miscellaneous	136,000	8,654	1,172,524	48,436	49,118
Transfers	(1,065,290)	1,221,450	595,311	208,592	1,458,998
Restatement	-	-	-	-	-
Total business-type activities	<u>(774,668)</u>	<u>940,798</u>	<u>2,233,919</u>	<u>1,102,990</u>	<u>2,569,368</u>
Total primary government	<u>\$ 63,748,592</u>	<u>\$ 76,918,482</u>	<u>\$ 86,809,357</u>	<u>\$ 88,136,468</u>	<u>\$ 93,451,751</u>
<b>Change in Net Position</b>					
Governmental activities	\$ 5,316,797	\$ 30,434,409	\$ 26,764,384	\$ 19,580,253	\$ 10,354,750
Business-type activities	(2,047,560)	3,922,724	(2,808,225)	895,733	231,801
Total primary government	<u>\$ 3,269,237</u>	<u>\$ 34,357,133</u>	<u>\$ 23,956,159</u>	<u>\$ 20,475,986</u>	<u>\$ 10,586,551</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				
	2016	2017	2018	2019	2020
<b>General Fund</b>					
Nonspendable	\$ 797,305	\$ 845,513	\$ 1,068,976	\$ 1,112,837	\$ 996,006
Restricted	-	-	-	-	-
Assigned	24,756,336	23,015,454	22,829,444	23,295,469	22,394,350
Unassigned	6,399,003	7,323,121	7,225,918	5,101,129	6,202,314
Total General Fund	<u>\$ 31,952,644</u>	<u>\$ 31,184,088</u>	<u>\$ 31,124,338</u>	<u>\$ 29,509,435</u>	<u>\$ 29,592,670</u>
<b>All Other Governmental Funds</b>					
Nonspendable	\$ -	\$ 11,540	\$ 3,000	\$ 8,640	\$ 1,517
Restricted	21,851,364	23,810,229	25,207,910	25,227,986	20,886,106
Committed	-	-	-	-	-
Assigned	11,203,221	12,921,656	11,404,087	11,976,987	11,332,519
Unassigned	-	(7,818)	(3,627)	(8,691)	(363,283)
Total all other Governmental Funds	<u>\$ 33,054,585</u>	<u>\$ 36,735,607</u>	<u>\$ 36,611,370</u>	<u>\$ 37,204,922</u>	<u>\$ 31,856,859</u>
Total Governmental Funds	<u>\$ 65,007,229</u>	<u>\$ 67,919,695</u>	<u>\$ 67,735,708</u>	<u>\$ 66,714,357</u>	<u>\$ 61,449,529</u>

Source: City of Arcadia Financial Reports

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

	Fiscal Year				
	2021	2022	2023	2024	2025
<b>General Fund</b>					
Nondisposable	\$ 715,474	\$ 963,051	\$ 1,359,550	\$ 1,197,144	\$ 1,613,616
Restricted	-	-	-	-	3,572,747
Assigned	22,738,731	33,627,562	33,627,562	47,614,735	51,781,889
Unassigned	7,726,513	13,838,387	26,689,088	25,838,632	27,603,156
Total General Fund	<u>\$ 31,180,718</u>	<u>\$ 48,429,000</u>	<u>\$ 61,676,200</u>	<u>\$ 74,650,511</u>	<u>\$ 84,571,408</u>
<b>All Other Governmental Funds</b>					
Nondisposable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	27,325,258	25,216,076	31,734,739	38,257,044	33,936,660
Committed	-	-	2,787,804	2,790,929	2,455,446
Assigned	9,867,419	10,275,554	11,964,594	13,705,611	14,360,324
Unassigned	(1,014,560)	170,319	(861,608)	(662,750)	(173,934)
Total all other Governmental Funds	<u>\$ 36,178,117</u>	<u>\$ 35,661,949</u>	<u>\$ 45,625,529</u>	<u>\$ 54,090,834</u>	<u>\$ 50,578,496</u>
Total Governmental Funds	<u>\$ 67,358,835</u>	<u>\$ 84,090,949</u>	<u>\$ 107,301,729</u>	<u>\$ 128,741,345</u>	<u>\$ 135,149,904</u>

Source: City of Arcadia Financial Reports

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

	Fiscal Year				
	2016	2017	2018	2019	2020
<b>REVENUES:</b>					
Taxes	\$ 39,504,488	\$ 40,258,016	\$ 40,506,071	\$ 42,050,021	\$ 42,898,353
Licenses, fees and permits	6,723,286	7,583,907	4,833,508	5,165,340	4,666,441
Fines and penalties	801,161	634,261	690,703	643,858	611,714
Use of money of property	1,856,318	1,458,553	1,529,733	3,432,169	3,270,862
Intergovernmental revenues	11,653,593	10,782,388	12,530,015	14,289,330	15,346,681
Charges for services	6,777,300	6,140,231	6,088,728	5,591,091	5,482,124
Other revenues	3,419,455	3,062,448	3,525,714	3,052,228	3,054,712
<b>Total revenues</b>	<b>70,735,601</b>	<b>69,919,804</b>	<b>69,704,472</b>	<b>74,224,037</b>	<b>75,330,887</b>
<b>EXPENDITURES:</b>					
Current:					
General government	8,920,807	8,338,619	8,134,490	7,971,659	8,399,145
Public safety	33,772,958	35,497,246	36,941,437	39,912,792	40,487,037
Public works services	7,827,183	7,199,751	8,024,811	7,491,991	7,295,018
Community development	8,003,227	6,673,998	7,599,862	9,992,826	8,257,180
Library	3,612,759	3,830,240	3,826,333	3,917,195	4,750,047
Recreation and community services	3,209,492	3,343,402	3,339,426	3,509,543	9,969,738
Debt service:					
Interest	555,000	448,076	590,000	673,028	698,028
Principal	466,474	565,000	425,274	397,101	368,476
<b>Total expenditures</b>	<b>66,367,900</b>	<b>65,896,332</b>	<b>68,881,633</b>	<b>73,866,135</b>	<b>80,224,669</b>
<b>Less: acquisition of capital assets</b>	<b>(4,180,176)</b>	<b>(2,978,796)</b>	<b>(2,357,155)</b>	<b>(5,187,456)</b>	<b>(10,712,049)</b>
<b>Total expenditures excluding capital assets</b>	<b>62,187,724</b>	<b>62,917,536</b>	<b>66,524,478</b>	<b>68,678,679</b>	<b>69,512,620</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>4,367,701</b>	<b>4,023,472</b>	<b>822,839</b>	<b>357,902</b>	<b>(4,893,782)</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	10,330,462	5,259,012	3,617,262	4,843,303	3,127,518
Transfers out	(11,201,723)	(6,370,018)	(4,624,088)	(6,512,696)	(4,182,881)
Proceeds from lease obligations	-	-	-	290,140	-
Proceeds of bond issuance	-	-	-	-	-
Payment on refunded bonds	-	-	-	-	-
SBITA proceeds	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(871,261)</b>	<b>(1,111,006)</b>	<b>(1,006,826)</b>	<b>(1,379,253)</b>	<b>(1,055,363)</b>
<b>Net change in fund balances</b>	<b>\$ 3,496,440</b>	<b>\$ 2,912,466</b>	<b>\$ (183,987)</b>	<b>\$ (1,021,351)</b>	<b>\$ (5,949,145)</b>
Debt service as a percentage of non-capital expenditures	1.64%	1.61%	1.53%	1.56%	1.53%

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				
	2021	2022	2023	2024	2025
<b>REVENUES:</b>					
Taxes	\$ 48,224,288	\$ 61,828,424	\$ 64,717,374	\$ 65,379,435	\$ 66,999,282
Licenses, fees and permits	4,354,199	5,255,958	5,835,661	7,860,782	6,230,113
Fines and penalties	282,423	584,429	770,905	780,821	797,808
Use of money of property	1,435,273	(158,833)	3,535,430	7,055,382	8,338,333
Intergovernmental revenues	22,428,521	17,914,946	19,912,519	21,458,528	21,623,800
Charges for services	4,543,281	6,630,726	6,866,661	8,422,352	7,548,866
Other revenues	3,192,048	8,526,178	12,215,260	9,622,820	11,324,835
<b>Total revenues</b>	<b>84,460,033</b>	<b>100,581,828</b>	<b>113,853,810</b>	<b>120,580,120</b>	<b>122,863,037</b>
<b>EXPENDITURES:</b>					
Current:					
General government	100,789,367	8,778,651	11,827,814	15,848,234	13,810,919
Public safety	39,679,150	38,778,735	45,553,648	47,102,486	56,127,706
Public works services	7,586,823	7,464,330	8,295,328	8,266,448	11,348,659
Community development	11,646,128	8,510,135	9,441,977	11,196,505	13,628,702
Library	3,788,724	4,065,186	4,537,253	4,551,129	4,916,600
Recreation and community services	3,096,724	3,970,106	3,821,446	5,174,366	10,651,846
Debt service:					
Interest	733,028	3,438,528	4,907,683	4,767,426	4,819,382
Principal	338,673	3,302,461	2,025,933	2,025,318	1,985,869
<b>Total expenditures</b>	<b>167,658,617</b>	<b>78,308,132</b>	<b>90,411,082</b>	<b>98,931,912</b>	<b>117,289,683</b>
<b>Less: acquisition of capital assets</b>	<b>(3,612,270)</b>	<b>(2,456,858)</b>	<b>(4,317,143)</b>	<b>(5,126,267)</b>	<b>(14,283,111)</b>
<b>Total expenditures excluding capital assets</b>	<b>164,046,347</b>	<b>75,851,274</b>	<b>86,093,939</b>	<b>93,805,645</b>	<b>103,006,572</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(83,198,584)</b>	<b>22,273,696</b>	<b>23,442,728</b>	<b>21,648,208</b>	<b>5,573,354</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	4,744,623	10,698,039	5,310,030	5,812,266	6,368,482
Transfers out	(3,679,333)	(11,919,489)	(5,905,341)	(6,020,858)	(7,827,480)
Proceeds from lease obligations	-	-	-	-	-
Proceeds of bond issuance	88,042,600	8,852,000	-	-	-
Payment on refunded bonds	-	(8,739,704)	-	-	-
SBITA proceeds	-	-	363,363	-	-
<b>Total other financing sources (uses)</b>	<b>89,107,890</b>	<b>(1,109,154)</b>	<b>(231,948)</b>	<b>(208,592)</b>	<b>(1,458,998)</b>
<b>Net change in fund balances</b>	<b>\$ 5,909,306</b>	<b>\$ 21,164,542</b>	<b>\$ 23,210,780</b>	<b>\$ 21,439,616</b>	<b>\$ 4,114,356</b>
Debt service as a percentage of non-capital expenditures	0.65%	8.89%	8.05%	7.24%	6.61%

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
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
2023	21,641,066	25,217,042	1,227,708	9,637,119	4,891,525	8,640,006	1,312,779	2,037,907	74,605,152
2024	22,391,870	24,767,977	1,302,471	9,291,301	5,428,101	9,051,732	1,345,023	2,131,760	75,710,235
2025	22,810,894	24,522,313	1,174,273	10,037,223	6,298,731	9,479,265	1,415,867	2,120,583	77,859,149

**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
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
2023	22,011,588	20,089,916	1,220,035	9,716,663	3,876,044	2,036,429	58,950,675
2024	22,391,870	24,767,977	1,302,471	9,291,301	5,428,101	2,131,760	65,313,480
2025	22,810,894	24,522,313	1,174,273	10,037,223	6,298,731	2,120,583	66,964,017

**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
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%
2023	16,351,394,961	1,948,881,358	228,273,456	415,963,247	1,031,584,441	19,976,097,463	6.2%	0.09930%
2024	17,125,399,118	2,017,572,790	232,609,914	434,435,474	667,107,010	20,477,124,306	2.5%	0.10016%
2025	17,803,921,396	2,163,009,532	237,238,048	459,448,064	744,018,673	21,407,635,713	4.5%	0.09888%

**Note:** Exempt values are not included in total

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

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

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<u>Year</u>	<u>City's Share of 1% Levy Per Prop 13</u>	<u>Redevelopment Rate</u>	<u>Total Direct Rate *</u>
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
2023	0.09602	N/A	0.09930
2024	0.09602	N/A	0.10016
2025	0.09602	N/A	0.09888

**Source:** HDL Coren & Cone and Los Angeles County Assessor

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

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

City Direct and Overlapping Rates %							
Year	Basic Levy	General Obligation Debt Service	Lighting District	School Districts	Community College	Water Districts	Tax Rate %
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
2023	1.0000	0.004290	0.00000	0.42733	0.06919	0.03000	1.53081
2024	1.0000	0.005060	0.00000	0.48074	0.09092	0.03000	1.60672
2025	1.0000	0.00375	0.00000	0.46395	0.50018	0.03000	1.99788

**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**

2024/25				
Taxpayer	Assessed Value	Est. Total * Tax Revenue	Rank	Percentage of Total City Property Tax Revenue
Riderwood USA Inc	\$ 566,932,048	\$ 560,582	1	2.65%
Santa Anita Land Holdings LLC	238,638,684	235,966	2	1.11%
SAICP Hotel LLC	128,052,122	126,618	3	0.60%
Scannell Properties 255 LLC LSEE	109,643,704	108,416	4	0.51%
Baldwin Arcadia Center LP	92,068,800	91,038	5	0.43%
PI Properties No 42 LLC	89,928,693	88,921	6	0.42%
Adrienne Sirott Trust, Stanley A Sirott Trust	72,076,593	71,269	7	0.34%
JLJ Properties Arcadia LLC	70,625,034	69,834	8	0.33%
Huntington Village LLC	64,709,273	63,985	9	0.30%
VG Property Investments LLC	41,225,445	40,764	10	0.19%
<b>Total</b>	<b>\$ 1,473,900,396</b>	<b>\$ 1,457,393</b>		<b>6.88%</b>

2015/16				
Taxpayer	Assessed Value	Est. Total * Tax Revenue	Rank	Percentage of Total City Property Tax Revenue
Santa Anita Borrower LLC	\$ 374,899,867	\$ 379,024	1	2.69%
Santa Anita Land Holdings LLC	291,923,819	295,135	2	2.09%
Methodist Hospital of So CA	109,340,267	110,543	3	0.78%
Baldwin Arcadia Center LP	78,138,114	78,998	4	0.56%
Bre Select Hotels Properties LLC	36,506,871	36,908	5	0.26%
LA Turf Club Inc	34,808,961	35,192	6	0.25%
Bre Newton Hotels Property Owner LLC	33,303,100	33,669	7	0.24%
Vons Companies Inc	32,424,196	32,781	8	0.23%
Arcadia Hotel Venture LP	24,882,310	25,156	9	0.18%
Huntington Landmark LLC	24,484,520	24,754	10	0.18%
<b>Total</b>	<b>\$ 1,040,712,025</b>	<b>\$ 1,052,160</b>		<b>7.46%</b>

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 *
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%
2023	840,000	844,925	100.59%	17,010	861,935	102.61%
2024	1,035,800	1,057,810	102.12%	17,018	1,074,828	103.77%
2025	803,400	825,864	102.80%	23,316	849,180	105.70%

**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									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Apparel Stores	\$ 140,715	\$ 151,076	\$ 148,029	\$ 149,951	\$ 135,507	\$ 55,993	\$ 131,352	\$ 130,570	\$ 133,040	\$ 133,605
General Merchandise	157,053	154,455	152,525	151,481	142,457	71,663	116,939	131,152	132,002	127,423
Food Stores	31,966	31,641	28,002	31,848	30,055	35,219	39,049	42,643	42,663	41,993
Eating and Drinking Places	178,138	189,305	208,192	211,436	219,587	121,886	188,588	232,590	245,995	250,119
Building Materials	8,295	8,641	7,694	8,542	7,941	8,874	7,961	9,226	8,671	10,313
Auto Dealers and Supplies	101,018	114,630	118,929	108,964	106,147	97,658	133,746	156,463	126,354	N/A
Service Stations	75,902	62,544	64,789	71,949	72,008	50,533	79,739	116,325	102,502	92,226
Other Retail Stores	146,024	144,184	149,597	146,909	140,177	83,153	123,255	141,562	143,845	257,145
All Other Outlets	222,588	243,803	251,065	255,278	294,858	258,356	326,105	368,622	380,957	396,219
<b>Total</b>	<b>\$ 1,061,699</b>	<b>\$ 1,100,279</b>	<b>\$ 1,128,822</b>	<b>\$ 1,136,358</b>	<b>\$ 1,148,737</b>	<b>\$ 783,335</b>	<b>\$ 1,146,734</b>	<b>\$ 1,329,153</b>	<b>\$ 1,316,029</b>	<b>\$ 1,309,043</b>

**Note:** 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 Calendar Year & Nine Years Prior**

2024

<u>Business Name</u>	<u>Business Category</u>
Allstar Fire Equipment	Light Industrial/Printers
Arco AM PM	Service Stations
Arco AM PM	Service Stations
BJ's Restaurant & Brewhouse	Casual Dining
Cheesecake Factory	Casual Dining
CVS Pharmacy	Drug Stores
Din Tai Fung	Casual Dining
Foot Locker	Shoe Stores
In N Out Burger	Quick-Service Restaurants
JC Penney	Department Stores
Macy's	Department Stores
Mercedes Benz of Arcadia	New Motor Vehicle Dealers
Mercedes Benz Vehicle Trust	Auto Lease
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
Union 76 Auto Care Center	Service Stations
Uniqlo	Family Apparel
USC Arcadia Hospital	Medical/Biotech
Vons	Grocery Stores
Zara	Women's Apparel
Percent of Fiscal Year Total Paid By Top 25 Accounts	<u>46.37%</u>

Period: January 2024 Thru December 2024

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 Calendar Year & Nine Years Prior**

2015

<u>Business Name</u>	<u>Business Category</u>
Abercrombie & Fitch	Family Apparel
Allstar Fire Equipment	Light Industrial/Printers
Arcadia Mobil	Service Stations
Arco AM PM	Service Stations
Arco AM PM	Service Stations
Burlington	Family Apparel
Cheesecake Factory	Casual Dining
Chevron	Service Stations
CVS Pharmacy	Drug Stores
Daimler Trust	Auto Lease
Din Tai Fung Restaurant	Casual Dining
Foot Locker	Shoe Store
Forever 21	Women's Apparel
H&M	Family Apparel
JC Penney	Department Stores
Macys	Department Stores
Mercedes Benz Of Arcadia	New Motor Vehicle Dealers
Michael Kors	Family Apparel
Nordstrom	Department Stores
Ralphs	Grocery Stores
REI	Sporting Goods/Bike Stores
Santa Anita Park	Leisure/Entertainment
Sephora	Specialty Stores
Victoria's Secret	Women's Apparel
Vons	Grocery Stores
Percent of Fiscal Year Total Paid By Top 25 Accounts	<u>49.90%</u>

Period: January 2015 Thru December 2015

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						Business-Type Activities		Percentage of Personal Income	Per Capita
	General Obligation Bonds			Pension Obligation Bonds	Subscription Liabilities	Leases	Pension Obligation Bonds	Total Primary Government		
	2011	2012	2021							
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	1,957,400	99,828,655	3.908%	1,731
2022	-	-	8,852,000	85,367,100	-	58,028	1,897,900	96,175,028	3.679%	1,719
2023	-	-	7,918,000	81,576,400	238,408	-	1,813,600	91,546,408	3.093%	1,669
2024	-	-	7,088,000	77,756,300	121,082	-	1,728,700	86,694,082	2.860%	1,554
2025	-	-	6,244,000	75,545,000	121,082	-	1,643,000	83,553,082	2.595%	1,489

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

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Governmental Activities			
Year	General Obligation Bonds	Percentage of Personal Income	Per Capita
2016	12,151,972	0.550%	213
2017	11,511,964	0.516%	201
2018	10,898,256	0.472%	189
2019	10,493,923	0.430%	178
2020	9,642,296	0.397%	169
2021	8,808,646	0.345%	153
2022	7,559,281	0.289%	135
2023	7,057,895	0.238%	129
2024	6,066,969	0.200%	109
2025	6,244,000	0.194%	111

**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 2025**

Assessed Taxable Value	\$ 21,407,635,713
Debt Limit (15% of assessed value)	3,211,145,357
Debt Applicable to limit:	
Total Bonds Payable	83,553,082
Legal Debt Margin	\$ 3,127,592,275
Percent of Charter Debt Limit	2.60%

	2016	2017	2018	2019	2020
Debt Limit	\$ 2,090,788,840	\$ 2,201,029,447	\$ 2,351,470,734	\$ 2,490,311,353	\$ 2,642,494,809
Total net debt applicable to limit	13,005,649	12,399,039	11,767,429	11,342,931	10,603,293
<b>Legal debt margin</b>	2,077,783,191	2,188,630,408	2,339,703,305	2,478,968,422	2,631,891,516
Total debt applicable to the limit	0.62%	0.56%	0.50%	0.46%	0.40%

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

**Notes:** Under State Finance Law, the City's outstanding general obligation debt shall not exceed 15 percent of total assessed property value. The general obligation debt subject to the limitation may be offset by amounts set aside for repaying

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

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	2021	2022	2023	2024	2025
Debt Limit	\$ 2,723,534,040	\$ 2,752,603,600	\$ 2,898,543,364	\$ 2,984,874,564	\$ 3,127,592,275
Total net debt applicable to limit	99,828,655	96,175,028	91,546,408	86,694,082	83,553,082
<b>Legal debt margin</b>	2,623,705,385	2,656,428,572	2,806,996,956	2,898,180,482	3,044,039,193
Total debt applicable to the limit	3.67%	3.49%	3.16%	2.90%	2.67%

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

**Notes:** Under State Finance Law, the City's outstanding general obligation debt shall not exceed 15 percent of total assessed property value. The general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation debt.

**City of Arcadia  
Direct and Overlapping Debt  
Last Fiscal Year & Nine Years Prior**

2024/25

	Gross Bonded Debt Balance	% Applicable	Net Bonded Debt
<u>Direct Debt</u>			
Arcadia General Obligation Bond 2011	\$ 3,489,000	100.000%	\$ 3,489,000
Arcadia General Obligation Bond 2012	2,755,000	100.000%	2,755,000
Subscription Liabilities	121,082	100.000%	121,082
Pension Obligation Bond 2020	75,545,000	100.000%	75,545,000
Total Direct Debit	81,910,082		\$ 81,910,082
<u>Overlapping Debt</u>			
Metropolitan Water District Area Upper San Gabriel Valley Area *	17,155,000	0.52600%	\$ 90,235
El Monte City School District	120,540,546	4.95100%	\$ 5,967,962
El Monte Union High School District	253,148,778	2.63300%	\$ 6,665,407
Citrus Community College District	201,035,302	0.18400%	\$ 369,905
Pasadena Area Community College District	149,370,000	17.61700%	\$ 26,314,513
Rio Hondo Community College District	356,554,080	0.80400%	\$ 2,866,695
Arcadia Unified School District	316,175,000	96.57600%	\$ 305,349,168
Monrovia Unified School District	53,617,556	0.82100%	\$ 440,200
Pasadena Unified School District	330,830,000	0.01400%	\$ 46,316
Temple City Unified School District	86,670,584	7.95700%	\$ 6,896,378
Total Overlapping Debt			\$ 355,006,780
<b>TOTAL Direct and Overlapping Debt</b>			<b>\$ 436,916,862</b>
2024/25 Assessed Valuation : \$21,407,635,713			
Debt to Assessed Valuation Ratios:			
	Direct Debt	0.030%	
	Overlapping Debt	1.690%	
	Combined Direct Debt	0.380%	
	Total Debt	2.230%	

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 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**

2014/15

Direct Debt	Gross Bonded Debt Balance	% Applicable	Net Bonded Debt
Arcadia General Obligation Bond 2011	\$ 7,579,767	100.000%	\$ 7,579,767
Arcadia General Obligation Bond 2012	\$ 6,022,492	100.000%	\$ 6,022,492
Total Direct Debit	13,602,259		13,602,259
<b>Overlapping Debt</b>			
Metropolitan Water District Area Upper San Gabriel Valley Area *	53,296,395	1.265%	674,004
El Monte City School District 2005 Refunding	13,490,846	3.826%	516,130
El Monte City School District 2004 Series B	8,095,000	3.826%	309,697
El Monte City School District 2004 Series D	9,113,484	3.826%	348,662
El Monte City School District 2008 Series A	16,480,000	3.826%	630,488
El Monte City School District 2008 Series A-1	18,540,000	3.826%	709,299
El Monte City School District 2008 Series B	16,430,000	3.826%	628,575
El Monte City School District 2012 Refunding	5,998,159	3.826%	229,476
El Monte Union High School District 2002 Series A	1,105,000	1.998%	22,079
El Monte Union High School District 2006 Refunding	32,182,565	1.998%	643,037
El Monte Union High School District 2002 Series C	26,815,000	1.998%	535,788
El Monte Union High School District 2008 Series A	51,810,339	1.998%	1,035,218
El Monte Union High School District 2008 Series B	30,278,694	1.998%	604,996
Citrus CCD 2004 Series 2007B	2,750,000	0.190%	5,218
Citrus CCD 2004 Series 2009C	7,105,302	0.190% #	13,481
Citrus CCD Refunding Bond Series 2013	12,320,000	0.190%	23,374
Citrus CCD Series 2004 2014D	77,687,251	0.190%	147,394
Pasadena Community College 2006 Series B	25,385,000	17.930%	4,551,635
Pasadena Community College 2002, 2006 Series D	24,160,000	17.930%	4,331,988
Pasadena Community College 2002, 2009 Series E (BABS)	25,295,000	17.930%	4,535,498
Pasadena Community College 2014 Refunding Series A	16,780,000	17.930%	3,008,723
Rio Hondo Community College District Refunding 2005	40,012,336	0.490%	195,862
Rio Hondo Community College District 2004 Series 2008	120,977,824	0.490%	592,192
Arcadia Unified School District 1993 Series A	3,107,113	96.465%	2,997,272
Arcadia Unified School District 1993 Series C	856,360	96.465%	826,086
Arcadia Unified School District Series 2005A Refunding Bonds	2,400,000	96.465%	2,315,156
Arcadia Unified School District 2006 Series A	157,065,423	96.465%	151,512,919
Arcadia Unified School District 2006 Series B	27,000,000	96.465%	26,045,509
Monrovia Unified School District 1997 Series A	2,121,802	0.854%	18,123
Monrovia Unified School District 2005 Refunding Bonds	9,999,602	0.854%	85,408
Monrovia Unified School District 2006 Series A	13,380,000	0.854%	114,281
Monrovia Unified School District 2006 Series B	16,932,915	0.854%	144,627
Monrovia Unified School District 2006 Series C-1 BABS	24,530,000	0.854%	209,515
Pasadena Unified School District 2004 Refunding Bonds	14,005,000	0.016%	2,253
Pasadena Unified School District 2005 Refunding Bonds	4,585,000	0.016%	738
Pasadena Unified School District 2008 Series 2009	21,890,000	0.016%	3,521
Pasadena Unified School District 2008 Series 2009A-2 BABS	84,680,000	0.016%	13,622
Pasadena Unified School District 2008 Series 2012	112,770,000	0.016%	18,141
Pasadena Unified School District 2014 Refunding Bonds Series A	5,875,000	0.016%	945
Pasadena Unified School District 2014 Refunding Bonds Series B	92,750,000	0.016%	14,920
Temple City Unified School District 1998 Series A	2,129,100	8.489%	180,733
Temple City Unified School District 1998 Series B	4,666,501	8.489%	396,125
Temple City Unified School District 2005 Refunding Bonds	9,190,000	8.489%	780,112
Temple City Unified School District 2012 Series A	39,503,164	8.489%	3,353,306
Total Overlapping Debt			213,326,126
<b>TOTAL Direct and Overlapping Debt</b>			<b>\$ 226,928,385</b>

2014/15 Assessed Valuation : \$12,298,291,218 after deducting \$510,386,729 of Increment Value.

Debt to Assessed Valuation Ratios:

Direct Debt	0.110%
Overlapping Debt	1.730%
Total Debt	1.840%

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 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**

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Year	Population	Personal Income (in Thousands)	Per Capita Personal Income	Unemployment Rate
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%
2022	54,857	2,960,029	53,959	4.10%
2023	55,783	3,031,498	54,344	3.90%
2024	56,116	3,219,177	57,366	5.10%

**Source:** US Bureau of Census, Employment Development Department

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

2025			
Employer	Employees	Rank	Percentage of Total City Employment
Atlas Assembly, Inc.	805	1	4.97%
Fedex Ground Package System, Inc.	455	2	2.81%
Arcadia Care Center	408	3	2.52%
Macy's	285	4	1.76%
Din Tai Fung	250	5	1.54%
Glenair, Inc	226	6	1.39%
Nordstrom	184	7	1.13%
The Cheesecake Factory Restaurants, Inc	182	8	1.12%
Mercedes-Benz of Arcadia	134	9	0.83%
Vons	123	10	0.76%
Total	3052		18.82%

2016			
Employer	Employees	Rank	Percentage of Total City Employment
Macy's West	342	1	2.30%
Nordstrom Inc	330	2	2.22%
Worley Parsons Group, Inc	285	3	1.92%
J C Penney Corp, Inc # 1417-5	236	4	1.59%
Dave & Buster's	180	5	1.21%
The Cheesecake Factory Restaurants, Inc	175	6	1.18%
J T Posey	162	7	1.09%
99 Ranch Market 7	159	8	1.07%
Roze Room Hospice of SGV	145	9	0.98%
Danco Metal Surfacing	132	10	0.89%
Total	2146		14.46%

**Source:** Business License Division, City of Arcadia

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

<b>Function/Program</b>	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>General Government:</b>										
City Manager	5	5	5	4	4	4	4	4	4	4
City Clerk	4	3	3	3	3	3	3	3	3	2
City Attorney	1	0	0	0	0	0	0	0	0	0
Administrative Services	16	16	16	17	17	18	17	17	17	18
Police	95	98	98	98	98	97	96	97	97	97
Fire	58	58	58	58	58	58	58	58	58	60
<b>Public Works:</b>										
Streets	25	27	27	25	25	25	25	25	25	25
Water & Sewer	34	34	34	34	34	34	34	35	36	37
Garage	4	4	4	5	5	5	5	5	5	5
<b>Development:</b>										
Community Development	25	23	23	23	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	10	11	12	12	12	12	12	12	13	14
Library	19	19	19	19	19	19	23	24	24	24
<b>Total</b>	<b>301</b>	<b>303</b>	<b>304</b>	<b>303</b>	<b>303</b>	<b>303</b>	<b>305</b>	<b>308</b>	<b>310</b>	<b>314</b>

**Source:** Administrative Services Department, City of Arcadia

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

Function/Program	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Police:</b>										
Physical Arrests	2,098	1,828	1,704	1,904	1,131	765	897	896	1,077	1,096
Parking Violations	11,805	11,449	10,395	9,636	9,869	5,210	13,432	12,882	11,334	9,796
Moving & Non-Moving Violations	6,122	4,726	2,865	3,273	1,668	174	276	383	566	620
<b>Fire:</b>										
Emergency Responses	5,560	5,614	5,688	5,734	5,301	5,167	6,007	6,179	6,055	6,194
Fires Extinguished	123	114	147	130	129	169	174	140	177	166
Inspections	3,798	4,187	3,921	3,863	3,821	3,246	3,451	3,132	4,177	3,810
<b>Public Works:</b>										
Street Slurry Resurfacing (SF)	3,441,499	3,581,577	2,856,213	2,529,210	2,314,640	3,201,889	2,370,668	3,527,825	4,050,403	4,462,615
Sidewalk Repaired (SF)	28,475	7,491	750	12,486	5,960	1,210	917	2,205	1,000	10,638
Curb & Gutter Repaired (LF)	15,815	3,595	4,771	16,881	7,267	3,065	5,887	3,476	6,125	5,951
Street Lights Repaired	340	83	213	175	235	176	170	483	200	180
Street AC Resurfacing (SF)	347,550	328,716	344,640	432,614	369,429	275,595	306,008	229,532	249,480	222,815
PCC Driveway Approaches (SF)		856	1,043	6,111	4,157	2,466	5,468	4,352	5,966	6,776
PCC Cross Gutter/Spandrel		4,259	9,308	3,317	14,498	2,185	7,960	6,220	4,085	4,209
PCC ADA Ramps		31	16	24	12	5	8	12	4	3
<b>Economic Development:</b>										
Street Resurfacing (SF)	335,500	157,200	292,100	515,900	453,600	461,200	1,014,500	229,532	223,035	170,572
Building Permits	1,724	1,551	1,433	1,889	1,742	1,758	1,955	2,206	2,139	2,210
Planning Cases Submitted and Processed	538	474	515	584	557	610	647	836	678	740
<b>Parks and Community Services:</b>										
(Number of Participation)										
Youth Programs	58,463	69,796	77,470	114,557	53,959	20,284	35,322	38,929	57,700	66,814
Swim Program	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Senior Citizen Programs	79,371	77,523	88,581	111,540	75,428	7,966	41,202	73,486	90,649	80,448
Contract Classes/Adult Programs	97,475	89,601	44,337	48,095	36,303	7,269	33,300	35,194	28,803	34,294
Community Center Rental Usages	10,561	10,038	12,250	21,414	8,872	-	1,580	9,303	12,920	18,109
Special Events	14,563	16,476	20,847	14,954	10,531	-	10,019	14,321	19,770	20,068
Dana Gym	13,295	28,869	31,959	27,476	19,726	-	18,206	18,416	18,041	25,308
Wilderness Park Classes & Rentals	5,488	5,011	12,936	9,123	7,403	1,593	4,010	869	266	-
<b>Library:</b>										
Books and other items total	200,980	259,000	208,109	203,859	186,694	186,837	173,246	176,904	178,134	178,672
Total Circulation	719,432	695,250	869,472	975,318	705,831	227,718	592,548	471,385	469,297	533,112
<b>Water:</b>										
Number of Water Accounts	13,659	14,114	13,688	14,146	13,554	14,160	14,354	14,408	15,605	14,391
Total Water Served to Direct Customer (AF)	11,089	11,801	14,416	13,574	13,935	15,010	14,279	11,621	11,868	13,374
<b>Sewer:</b>										
Sewer Cleaning (Miles)	224	168	150	150	194	178	195	193	189	112
<b>Transit Services/Dial-A-Ride:</b>										
Total Route Miles (round-trip)	243,873	295,991	280,941	280,616	282,326	250,290	266,370	256,587	292,592	293,403
Passengers	108,005	67,228	79,624	79,809	54,159	17,853	40,118	39,121	49,400	50,198

**Source:** Various City Departments

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

<b>Function/Program</b>	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
<b>Police:</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	23	23	23	23	23	23	23	18	20	26
Fire Stations	3	3	3	3	3	3	3	3	3	3
<b>Streets:</b>										
Streets (miles)	148	148	148	148	148	148	148	148	148	148
Streetlights	1,642	1,642	1,642	1,642	1,642	1,642	1,642	1,642	1,642	1,642
Traffic Signals	69	69	69	73	75	76	76	76	76	76
<b>Parks and Community Services:</b>										
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/Pickleball Courts	19	19	19	19	19	19	19	19	19	23
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
<b>Water:</b>										
Water Main (miles)	169	169	169	169	169	169	169	169	169	169
Fire Hydrants	1,539	1,542	1,542	1,542	1,542	1,543	1,543	1,527	1,527	1,527
Storage Capacity (millions of gallons)	45	45	45	45	45	45	45	45	45	45
<b>Wastewater:</b>										
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	1	1	1
Museum Education Center (Museum/Community Center joint use)					1	1	1	1	1	1
<b>Transit Services/Dial-A-Ride:</b>										
Transit Buses	18	18	18	18	18	18	18	18	18	17

Note: Include only properties owned by the City

Source: Various City Departments





CITY OF  
**ARCADIA**

[ArcadiaCA.gov](http://ArcadiaCA.gov)