



Comprehensive Annual Financial Report

City of Sierra Madre, California

For the Fiscal Year Ended

June 30, 2016

Comprehensive Annual Financial Report

City of Sierra Madre, California

For the Fiscal Year Ended June 30, 2016



Prepared By the Administrative Services Department

Marcie Medina, Finance Director

City of Sierra Madre
232 West Sierra Madre Boulevard
Sierra Madre, CA 91024

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January 31, 2017

Honorable Mayor and City Council of the
City of Sierra Madre
Sierra Madre, California

To the Honorable Mayor, Members of the City Council and Citizens of the City of Sierra Madre:

It is our pleasure to present the City of Sierra Madre's Comprehensive Annual Financial Report (CAFR) for the fiscal year ending June 30, 2016. This report has been prepared in accordance with Generally Accepted Accounting Principles (GAAP) as set forth in the pronouncements of the Governmental Accounting Standards Board (GASB). GASB has the primary responsibility for determining accounting and financial reporting standards for state and local government entities.

This Financial Report is organized into three sections:

1. Introductory Section – The introductory section, includes the table of contents, letter of transmittal, a list of the City's elected officials and City administrative personnel and an organization chart.
2. Financial Section – The financial section includes the independent auditor's opinion, management's discussion and analysis (MD&A), the basic financial statements, notes to the basic financial statements, and required supplemental information.
3. Statistical Section – The statistical section provides schedules designed to reflect financial trends, revenue capacity, debt capacity, demographic and economic information.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with generally accepted accounting principles (GAAP). As the cost of internal controls should not exceed anticipated benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Sierra Madre's financial statements have been audited by *Rogers, Anderson, Malody & Scott, LLP*, Certified Public Accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Sierra Madre for the fiscal year ended June 30, 2016, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Sierra

Madre's financial statements for the fiscal year ended June 30, 2016, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report. GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Sierra Madre's MD&A can be found immediately following the report of the independent auditors.

While traditionally addressed to the governing body of the City, this report is also intended to provide relevant financial information to the citizens of the City of Sierra Madre, City staff, creditors, investors and other concerned readers. We encourage all readers to contact the Finance Department with any questions or comments concerning this report.

City Profile

The City of Sierra Madre is located in Southern California and is part of the San Gabriel Valley within Los Angeles County. More specifically, Sierra Madre is located 12 miles northeast of the City of Los Angeles nestled against the foothills with Pasadena to the West and Arcadia to the South and East. The City was incorporated in 1907, under the laws of the State of California. Sierra Madre operates under all the rights and privileges applicable to a general law city under a Council-Manager form of Government.

Under the council-manager form of government, the five-member elected at-large governing body, the City Council, is responsible for establishing policy, passing local ordinances, voting appropriations, and developing an overall vision for the City of Sierra Madre. Under such a government, the Mayor performs primarily ceremonial duties and is the presiding officer of the City Council. Selection of the Mayor and Mayor Pro-Tem is done annually in April through a Council nomination and vote.

The City Council then appoints a City Manager to oversee the daily operations of the government and implement the policies established by the governing body. The City Manager serves the governing body, often with an employment agreement or contract that specifies his or her duties and responsibilities.

The City of Sierra Madre is a full-service city with approximately 61 full time employees consisting of nine departments, including a full Police Department and a hybrid paid-volunteer Fire Department. Volunteers are an integral part the City organization and community service clubs.

The City has a population of approximately 11,000 residents. The City has roughly 4,400 parcels and provides water and/or sewer utility services to about 3,800 customers.

The Sierra Madre Financing Authority was established in 1972. The purpose of the Authority is to act as a vehicle for various financing activities of the City and the Successor Agency. The bylaws of the Authority establish the City Council as the governing body. This entity is blended into the City's combined financial statements.

Economic Condition and Outlook

The City is a full service municipality operating with a \$23 million budget that funds 61 full-time employees assigned to nine operating departments and includes its own water and sewer utilities. The City's primary goal is to provide services to its residents and businesses. As in all service industries, personnel expense is the primary business cost. For more than a decade the City of Sierra Madre had maintained expenditures under the available resources, but this has not always been easy. Like most governments since the recent recession, Sierra Madre has received relatively flat revenues despite increases in insurance, pension, and other cost drivers. In order to provide a balanced budget, the City expenditures have had to be re-benchmarked lower each budget year to remain aligned

with incoming revenues. In addition to the impacts of the five year recession, in FY 2011-2012, the State dissolved redevelopment and the General Fund was faced with absorbing most of these costs.

The City faced yet another challenge in FY 2015-2016. The Utility User Tax (UUT) rate decreased by 2% on July 1, 2015 due to the 2008 UUT sunset clause. The 2008 initiative called for a reduction of the UUT rate from 10% to 8% on July 1, 2015 and another reduction from 8% to 6% on July 1, 2016. The UUT is the City's second largest General Fund revenue source. (Property Taxes are the largest General Fund revenue source.). In April 2016, the voters approved a new UUT measure to increase the UUT back to 10% effective July 1, 2016 without a sunset clause. This increase provides for ongoing services but does not provide additional revenues for the increasing costs of operations.

Over the years, various cost reductions were achieved by staff reorganizations, staff reductions, and service level reductions. In FY 2015-2016, the City continued cost reductions but also focused on increasing or maintaining its revenues. The City conducted various community outreach meetings seeking input from the community regarding the projected deficit resulting from the reduction of the UUT from 10% to 8%. It was evident from the input received that the community did not want to experience further service level reductions. Based on community input, the Council provided policy direction to continue with the service levels provided in FY 2014-2015, even though that meant that the FY 2015-2016 General Fund budget would be "unbalanced".

Over the last decade, the Los Angeles and California housing economy experienced the 2004 housing boom and the 2008 housing market crash. During the economic downturn, unlike most of Los Angeles County, Sierra Madre's housing market, while not experiencing great gains did not have negative growth. The City experienced a net taxable increase in value of 6.3% for the 2016-17 tax roll, which is slightly more than the countywide 5.6% increase.

The median sale price of a single family home in Sierra Madre for 2016 was \$903,000. This represents a \$99,500 (12.4%) increase in median sale price from 2015. Los Angeles County (as a whole) has a median sale price of \$517,000, a \$32,000 (6.6%) increase from last year. Consumer Price Indexes (CPI) for the last year has increased by 2.619%; higher than the two (2) percent of Proposition 13. Therefore, it is likely that Los Angeles Assessor's office will be applying a countywide adjustment of (2) percent to next year's tax rolls.

Major Accomplishments for the Year:

- Planted the Drought Resistant Landscaping for the Civic Center in partnership with the Sierra Madre Garden Club, FormLA, Sierra Madre Community Foundation, and Sierra Madre Girl Scout Troop 2991 with no General Fund dollars thanks to grants and community contributions.
- Implemented an extensive community outreach program in light of the sunset of the UUT.
- Launched a new City website.
- Conducted community outreach sessions related to conservation and water.
- Implemented a new phone system.
- Completed the Information Technology Audit and Master Plan.
- Adopted implementation plan for the General Plan.
- Adopted a Citizen approved UUT ordinance.
- Completed the new update of the Senior Master Plan.
- Completed the Hart Park House Storage Room Project.
- Completed the Sierra Madre Aquatic Center pool re-plaster.
- Entered into a lease agreement with the YMCA for the Community Recreation Center to expand services to the community.
- Agreed upon a two-year Memorandum of Understanding with the Sierra Madre Police Association.
- Implemented a new industry-standard online recruitment and applicant tracking tool.
- Created and presented informational water-wise landscaping programs for the public.
- Launched updated Integrated Library System.
- Upgraded our current 911 phone system by installing software and hardware to our existing system (at no cost to the city).
- The Computer Aided Dispatch (CAD) and Law Enforcement Records Management System (RMS) was upgraded. This upgrade was partially funded through a grant obtained from the state.

- The City of Sierra Madre formed a committee to act as an advisory panel for all aspect of Public Safety within the community. The committee currently has five members on the board, one council liaison and one staff member on committee.
- Initiated water conservation programs, including monitoring and enforcement of City-adopted statewide regulations.
- Completed municipal pool re-plaster.
- Completed Senior Center storage room addition.
- Replaced Idle Hour and Skyland Drive water mains.
- Purchased water system leak detection equipment.
- Completed final Corrosion Control Plan.
- Reduced water consumption a total of over 30% across all City-owned water accounts.
- Administered community-wide water conservation programs resulting in conservation of 20% over FYE 2013.
- Obtained Watermaster and State regulatory approvals to utilize imported water for groundwater recharge; eliminated direct use of imported water.

Relevant Financial Policies

On June 28, 2016, the City Council adopted the Budget, which includes a comprehensive set of financial policies and procedures. It is established that the budget should be adopted on an annual basis prior to the beginning of the budget cycle. The budgets are adopted on a basis that does not materially differ from Generally Accepted Accounting Principles (GAAP).

In addition, the financial policies set the General Fund operating reserve at 50% of operating revenues.

Independent Audit

The City requires an annual audit by independent certified public accountants. The accounting firm of *Rogers, Anderson, Malody & Scott, LLP*, Certified Public Accountants, conducted this year’s audit. The auditor’s report on the basic financial statements, which include the government-wide and fund financial statements, is located in the financial section of this report.

Acknowledgements

The preparation and publication of this report is made possible through the dedication of the entire Finance Department staff and the many departments that assist in its preparation. This report would also not have been possible without the City Council’s leadership in conducting the financial operations and corresponding financial disclosures of the City in an open, public and transparent manner.

Respectfully submitted,

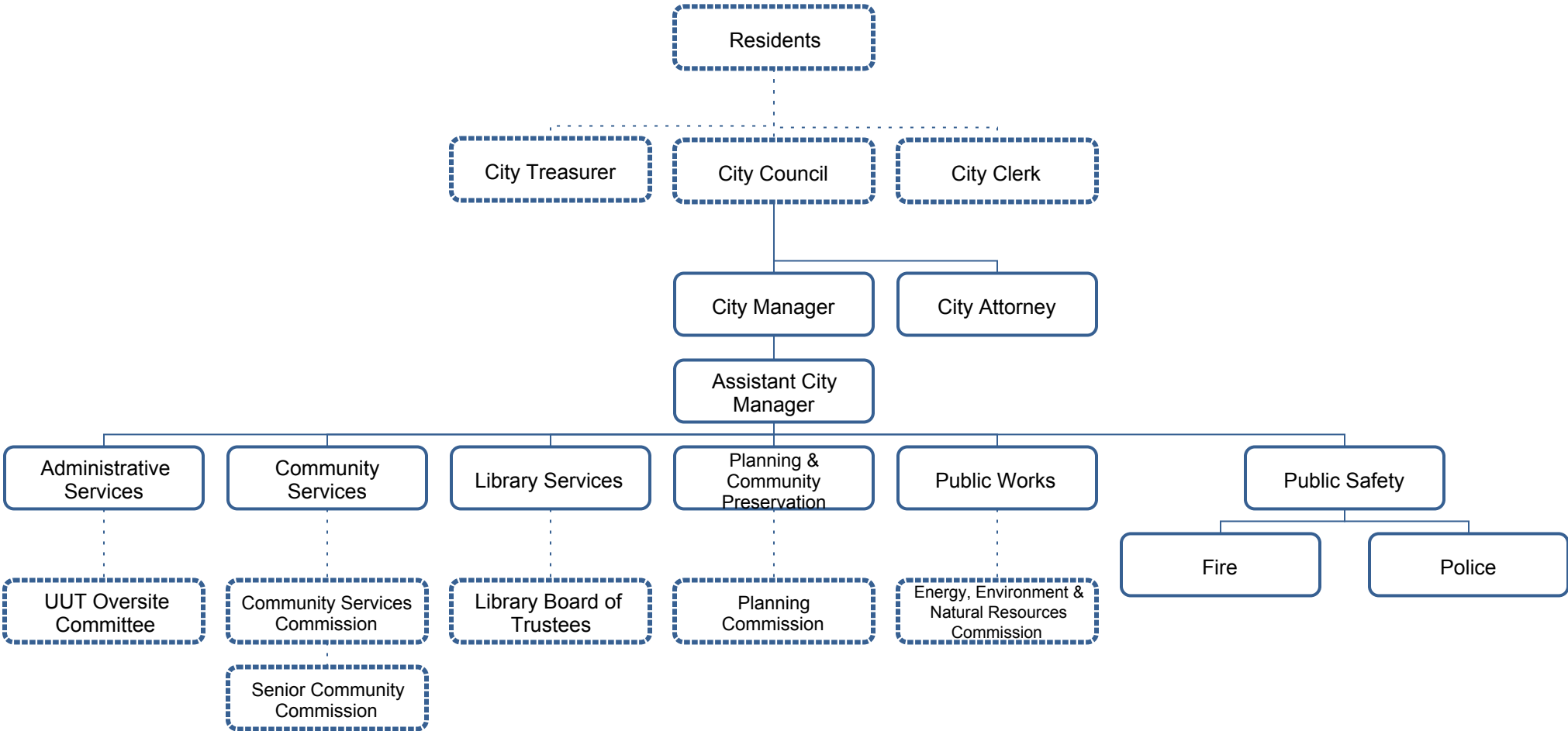


Elaine Aguilar
City Manager



Marcie Medina
Finance Director

City of Sierra Madre Organizational Chart

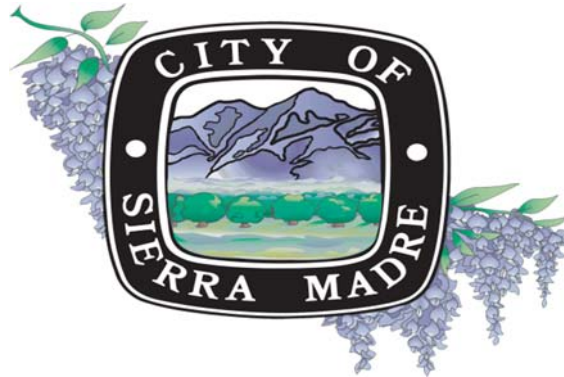


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City of Sierra Madre, California

Village of the Foothills

Comprehensive Annual Financial Report



For the Year Ending June 30, 2016

Sierra Madre, California

City Council and Elected Officials

Gene Goss
Rachelle Arizmendi
John Capoccia
Denise Delmar
John Harabedian

Melinda Carrillo
Michael Amerio

Mayor
Mayor Pro Tempore
Council Member
Council Member
Council Member

City Clerk
City Treasurer

Executive Management

Elaine Aguilar
Vacant
Terri Highsmith
Marcie Medina
Vincent Gonzalez
Steve Heydorff
Ryan Baker
Joe Ortiz
Chris Cimino

Interim City Manager
Assistant City Manager
City Attorney
Finance Director
Planning and Community Preservation Director
Fire Chief
Director of Library & Community Services
Acting Police Chief
Acting Public Works Director

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ROGERS, ANDERSON, MALODY & SCOTT, LLP
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To the Honorable Mayor and Members of City Council
City of Sierra Madre, California

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Sierra Madre, California (the City), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

PARTNERS

Brenda L. Odle, CPA, MST
Terry P. Shea, CPA
Kirk A. Franks, CPA
Scott W. Manno, CPA, CGMA
Leena Shanbhag, CPA, MST, CGMA
Bradferd A. Welebir, CPA, MBA, CGMA
Jay H. Zercher, CPA (Partner Emeritus)
Phillip H. Waller, CPA (Partner Emeritus)

MANAGERS / STAFF

Jenny Liu, CPA, MST
Seong-Hyea Lee, CPA, MBA
Charles De Simoni, CPA
Nathan Statham, CPA, MBA
Gardenya Duran, CPA
Brianna Schultz, CPA
Lisa Dongxue Guo, CPA, MSA

MEMBERS

American Institute of
Certified Public Accountants

*PCPS The AICPA Alliance
for CPA Firms*

*Governmental Audit
Quality Center*

California Society of
Certified Public Accountants

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Sierra Madre, California, as of June 30, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Sierra Madre, California's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, nonmajor fund budgetary comparison schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 31, 2017, on our consideration of the City of Sierra Madre, California'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 City of Sierra Madre, California's internal control over financial reporting and compliance.

Rogers, Anderson, Malody & Scott, LLP

San Bernardino, California
January 31, 2017

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City of Sierra Madre, California

Village of the Foothills



Management's Discussion and Analysis For the Year Ending June 30, 2016

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CITY OF SIERRA MADRE
Management's Discussion and Analysis
For the year ended June 30, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Sierra Madre ("City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2016. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i-iv of this report.

FINANCIAL HIGHLIGHTS

- The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at June 30, 2016 by \$208,142,913 (net position). Of this amount, \$198,152,649 is net investment in capital assets, \$6,944,447 is restricted for various programs and \$3,045,817 represents unrestricted net position.
- The City's governmental activities net position increased \$176,057 for fiscal year ended June 30, 2016 or 0 percent. Net position of the business-type activities decreased by \$245,306, or 0 percent.
- During the year, the City's General Fund balance decreased by \$796,193, or 10.7 percent, and total governmental funds balance increased \$343,538, or 2.9 percent.
- In the City's proprietary funds: The Water Fund net position decreased by \$98,715 due to a prior period adjustment, reducing net position by \$279,078, and current change in net position an increase of \$180,363 or 1.2 percent; the Sewer Fund decreased \$331,112 or 7.6 percent. Non-Major Enterprise Funds decreased \$94,557; and total Internal Service Funds decreased \$179,812,823 due to a reclassification of capital assets of \$180,211,497 and a current increase in net position of \$398,674. Additional information on prior period and reclassification adjustments can be found in the notes to the basic financial statements.

OVERVIEW OF FINANCIAL STATEMENTS

The discussion and analysis provided here are intended to serve as an introduction to the City of Sierra Madre's basic financial statements. The City's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to the basic financial statements. This report also includes supplementary information intended to furnish additional detail to support 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 of Sierra Madre's finances, in a manner similar to the private sector business. These statements are designed to provide information about the activities of the City as a whole and present a longer-term view of the City's finances. The statements are prepared using the accrual basis of accounting which considers money available when earned and considers money spent when a liability is incurred. As such, this basis of accounting focuses on measuring economic resources that are available to the City regardless of the timing of the availability of those resources. The accrual basis of accounting is similar to that used by most private sector companies.

CITY OF SIERRA MADRE
Management's Discussion and Analysis
For the year ended June 30, 2016

Accordingly, all of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Additionally, these statements reflect the capitalization and depreciation of infrastructure and other capital assets (e.g., buildings, vehicles, and equipment, etc.) as well as the recognition of various long-term liabilities (e.g., bonds payable, accrued employee benefits, claims and judgments payable, etc.).

The statement of net position presents information on all the City of Sierra Madre's assets, liabilities and deferred inflows/outflows of resources. The difference between assets plus deferred outflows of resources, and liabilities and deferred inflows of resources is reported as net position. This statement includes changes in "capitalized and depreciated" capital assets. 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 City of Sierra Madre'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 for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements distinguish functions of the City that are principally supported by taxes, and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety (police and fire protection), public works, development services, and culture and recreation (community and library services). The City's business-type activities include the Municipal Utility operations, and other self-supporting activities.

The government-wide financial statements include the City and its component units. As stated in Note 1.a. of the notes to the financial statements, the inclusion of an organization within the scope of the reporting entity of the City of Sierra Madre, as either blended or separately shown, is based on the provisions of GASB Statement No. 14 *the Financial Reporting Entity*.

The *government-wide* financial statements can be found on pages 17 through 19 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements provide detailed information about the most significant funds and other funds – not the City as a whole. Some funds are required by state law and by bond covenants. In addition, in order to meet legal responsibilities for using certain taxes, grants, and other resources, prudent fiscal management requires the establishment of other funds to help control and manage money. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

By contrast to the government-wide financial statements, the governmental fund financial statements, a part of the Fund Financial Statements, use the modified accrual basis of accounting which considers money available when it is collectible within the current period or soon enough thereafter (60 days after the end of the current fiscal period) to pay liabilities of the current period. Expenses are recorded when a liability is incurred. Debt service, claims and judgments, and accrued employee leave benefits are not recorded as liabilities, they are expensed at the time a payment is due. Note 1 of the notes to the Financial Statements more fully describes each basis of accounting.

Governmental funds: Most of the City's basic services are reported in governmental funds, which focus on

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how money flows in and out of those funds and the balances left at year-end that are available for spending. The governmental fund financial statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The differences between the results in the governmental fund financial statements and those in the government-wide financial statements are explained in a reconciliation following each governmental fund financial statement.

The City maintains 43 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund and the Development Fees Fund, of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements in the Supplementary Information.

The City adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided to demonstrate compliance with this budget. This comparison can be found on page 75 of this report.

Although legally separate, component units function for all practical purposes as departments of the City and, therefore, have been blended as part of the primary government.

Proprietary funds: When the City charges customers' fees to cover the cost of the services it provides, these services are generally reported in proprietary funds. The City maintains two different types of proprietary funds: enterprise funds and internal service funds. In the fund financial statements section, proprietary funds provide similar information to that contained in the business-type activities in the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found on pages 24 through 26 of this report.

"Enterprise" refers to the fund type while "business-type" refers to the activity type. The City uses enterprise funds to account for its Water Utility and Sewer Utility, both of which are major funds; and various smaller self-supporting community operations, which are shown in aggregate titled Non-Major Enterprise Funds. Enterprise funds are used to report the same functions presented as Business-Type activities in the government-wide financial statements.

Internal Service funds by contrast are an accounting mechanism used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for Vehicle/Equipment Replacement and Maintenance, Facilities Maintenance, City Administration, and Information Technology (IT), Personnel/Risk Management, and General Plan/Housing Update. All internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements.

Internal Service funds are presented as proprietary funds because both enterprise and internal service funds follow the accrual basis of accounting. However, because these services predominantly involve governmental rather than business-type activities, this fund type has been included within Governmental Activities in the government-wide financial statements.

Fiduciary funds: The City is the trustee, or fiduciary, for certain funds held as a conduit or clearinghouse, established to account for assets (usually cash) received for and paid to other funds, individuals, or

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organizations. The assets thus received are usually held very briefly. The City has Agency Funds to account for the payment of various employee benefits and deductions including, but not limited to, health and dental insurance premiums, federal and state withholding taxes and various other items that are withheld from regular compensation. The City has a Private Purpose Trust Fund for recording the financial activities of the Successor Agency as it relates to the dissolution of the Community Redevelopment Agency.

The City's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position found on pages 27 through 28. These activities are excluded from the City's other financial statements since the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Notes to the Financial Statements

The notes provide additional information that is essential to obtain a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 29 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 information and compliance; Schedule of the City's Proportionate Share of the Plan's Net Pension Liability and Related Ratios; Schedule of Plan Contributions; and OPEB Schedule of Funding Progress. Required supplementary information can be found on pages xx through xx of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds, enterprise funds, internal service funds, and fiduciary funds are presented immediately following the required supplementary information captioned supplementary schedules. Combining and individual fund statements and schedules can be found on pages xx through xxx of this report.

THE CITY AS A WHOLE

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 private-sector business.

The Statement of Net Position and the Statement of Activities

As noted earlier, the Statement of Net Position and the Statement of Activities report information about the City as a whole and about its activities. These statements include all assets, liabilities and deferred outflows/inflows of resources of the City using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies.

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These two statements report the City's net position and changes in them. Net position is the difference between assets, liabilities and deferred outflows/inflows of resources, which is one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. Other factors to consider are changes in the City's property tax base and the condition of the City's infrastructure, such as City wells and reservoirs construction/replacements, street maintenance/repairs, and building maintenance/ improvements.

In the Statement of Net Position and the Statement of Activities, City activities are separated as follows:

Governmental activities – The majority of the City's basic services are reported in this category, including Administrative Services, Police, Fire, Public Works, Planning and Development Services, Parks and Recreation, and the Library. Revenues such as property taxes, sales taxes, utility user taxes, franchise fees, and other state and federal funds finance these activities.

Business-type activities – The City charges a fee to customers to cover the services it provides within this category. The City's Water system, Sewer system and Community operations are reported in this category.

Government-wide Financial Analysis

Our analysis focuses on the City's net position (Table 1) and the changes in net position (Table 2) as a result of the City's activities. Comparative total data for the prior year has been presented. An analysis of the significant increases/decreases from the prior year is provided before each table.

Net Position: Net Position, the difference between a government's assets plus deferred outflows of resources and liabilities and deferred inflows of resources, may serve over time as one potential useful indicator of a government's financial position (Table 1). Net Position includes the City's capital assets, cash balances, amounts receivable from other entities, and other similar resources offset by payments due to vendors, interest payable, long-term debt, and other similar obligations. By far the largest portion of the City's net position (95%) reflects its investment in capital assets (e.g. land, buildings, utility plant, machinery, equipment, and infrastructure), net of any related outstanding debt, used to acquire those assets. The City uses these assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. In the case of the City, total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$208,142,913 at the close of the most recent fiscal year as compared to the net position of \$208,212,162 (as restated) in fiscal year 2014-15.

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TABLE 1
NET POSITION AT YEAR-END
(In Thousands)

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2015	2016	2015	2016	2015	2016
<u>Assets:</u>						
Current and Other Assets	\$ 16,418	\$ 17,395	\$ 5,671	\$ 5,395	\$ 22,089	\$ 22,790
Non-Current Assets	2,042	1,887	-	-	2,042	1,887
Capital Assets	182,322	181,704	26,355	25,900	208,677	207,604
TOTAL ASSETS	200,782	200,986	32,026	31,295	232,808	232,281
<u>Deferred Outflows of Resources:</u>	1,018	921	152	245	1,170	1,166
<u>Liabilities:</u>						
Current and Other Liabilities	1,522	2,143	1,746	1,804	3,268	3,947
Non-Current Liabilities	9,692	9,866	10,335	10,291	20,027	20,157
TOTAL LIABILITIES	11,214	12,009	12,081	12,095	23,295	24,104
<u>Deferred Inflows of Resources:</u>	1,907	1,043	285	157	2,192	1,200
<u>Net Position:</u>						
Net investment in capital assets	181,862	181,328	16,669	16,825	198,531	198,153
Restricted	6,052	5,795	1,149	1,149	7,201	6,944
Unrestricted	765	1,732	1,994	1,314	2,759	3,046
TOTAL NET POSITION	\$ 188,679	\$ 188,855	\$ 19,812	\$ 19,288	\$ 208,491	\$ 208,143

Statement of Activities and Changes in Net Position: Program expenses by function, general revenues by major source, excess and/or deficiency of revenues over expenses before contributions to fund principal, special, and extraordinary items, changes in and total net position are presented in the Statement of Activities (Table 2). Total revenues decreased by approximately \$79 thousand, or .4 percent; and total expenses increased by \$57 thousand, or .3 percent.

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TABLE 2
 CHANGES IN NET POSITION
 (In Thousands)

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2015	2016	2015	2016	2015	2016
Revenues:						
Program Revenues:						
Charges for Services	\$ 2,374	\$ 2,351	\$ 5,498	\$ 5,606	\$ 7,872	\$ 7,957
Operating Grants and Contributions	1,072	1,022	-	-	1,072	1,022
Capital Grants and Contributions	-	-	243	46	243	46
General Revenues:						
Taxes	8,435	8,487	-	-	8,435	8,487
Investment Income	12	38	6	11	18	49
Other Sources	-	-	-	-	-	-
TOTAL REVENUES	11,893	11,898	5,747	5,663	17,640	17,561
Expenses:						
General Government	1,581	1,792	-	-	1,581	1,792
Public Safety	5,501	5,755	-	-	5,501	5,755
Public Works	2,256	1,402	-	-	2,256	1,402
Development	1,089	1,412	-	-	1,089	1,412
Culture and Recreation	1,326	1,280	-	-	1,326	1,280
Interest Expense	21	17	-	-	21	17
Water	-	-	4,627	4,388	4,627	4,388
Sewer	-	-	939	1,172	939	1,172
Recreation Services	-	-	114	260	114	260
Strike Team	-	-	101	108	101	108
Filming	-	-	18	44	18	44
TOTAL EXPENSES	11,774	11,658	5,799	5,972	17,573	17,630
Excess (deficiency) in net position before transfers and extraordinary item	119	240	(52)	(309)	67	(69)
Transfers	(54)	(64)	54	64	-	-
Increase (decrease) in net position	65	176	2	(245)	67	(69)
Net position, beginning of year, as restated	188,614	188,679	19,810	19,533	208,424	208,212
Net position, end of year	<u>\$188,679</u>	<u>\$188,855</u>	<u>\$19,812</u>	<u>\$19,288</u>	<u>\$208,491</u>	<u>\$208,143</u>

CITY OF SIERRA MADRE
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Governmental Activities: The following (Table 3) presents the cost of each of the City's largest programs – general government, public safety, public works, community development, culture and recreation, and interest on long-term debt – as well as, each program's net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions.

TABLE 3
NET COST OF GOVERNMENTAL ACTIVITIES
(In Thousands)
As of June 30, 2016

	Total Cost of Services	Total Program Revenues	Net Cost of Services
General Government	\$ 1,792	\$ 674	\$ (1,118)
Public Safety	5,755	843	(4,912)
Public Works	1,402	880	(522)
Development	1,412	559	(853)
Culture and Recreation	1,280	417	(863)
Interest Expense	17	-	(17)
	<u>\$ 11,658</u>	<u>\$ 3,373</u>	<u>\$ (8,285)</u>

THE CITY'S FUNDS

Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. The following financial analysis is performed only for the governmental (Table 4) and proprietary funds (Table 5). The fiduciary funds are excluded from this analysis as they do not represent resources available to the City.

TABLE 4
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
(In Thousands)

	REVENUES		EXPENDITURES		TRANSFERS & EXTRAORDINARY GAINS/(LOSSES)		TOTAL CHANGE IN FUND BALANCE	
	2015	2016	2015	2016	2015	2016	2015	2016
General Fund	\$ 9,216	\$ 9,441	\$ 7,488	\$ 8,072	\$ (720)	\$ (2,166)	\$ 1,008	\$ (797)
Development Fees	-	508	-	1,302	-	795	-	1
Other Governmental Funds	2,672	1,937	3,512	2,131	672	1,333	(168)	1,139
TOTAL	<u>\$11,888</u>	<u>\$11,886</u>	<u>\$11,000</u>	<u>\$11,505</u>	<u>\$ (48)</u>	<u>\$ (38)</u>	<u>\$ 840</u>	<u>\$ 343</u>

Governmental Funds: Based upon the audited Statement of Revenues, Expenditures and Changes in Fund Balance, the total fund balance of the City's General Fund decreased by approximately \$800 thousand in FY 2015-2016. General Fund revenues increased by approximately \$224,000, or 2.4 percent; expenditures increased by approximately \$584,000, or 7.8 percent; and net transfers out increased by approximately \$1,445,000, which was mainly due to transfers to a new Capital Projects Fund. Other governmental funds increased total fund balance by about \$1,140,000 in FY 2015-2016.

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At June 30, 2016, the fund balance for the General Fund was \$6,658,475; however the City Council has assigned certain amounts adjusting the unassigned fund balance to \$1,938,003.

TABLE 4-a

FUND BALANCES FOR GENERAL FUND

General Fund Reserves for the Year Ending June 30, 2015	\$	7,454,668
Total Revenue		9,440,944
Total Expenditures		8,071,584
Net Budgeted Transfers, In/(Out)		<u>(2,165,553)</u>
General Fund Reserves for the Year Ending June 30, 2016	\$	<u>6,658,475</u>
<i>Assigned Reserves</i>		
50% of operating revenues for cashflows - reserve policy	\$	4,720,472
<i>Unassigned Reserves</i>		1,938,003

The unassigned General Fund reserves were accumulated over time. The total unassigned General Fund reserves decreased mainly as a result of a fluctuation of expenditures that do not occur on an annual basis, such as election expenses and funding of OPEB. The unassigned General fund reserves are the result of:

- Fluctuations in assigned reserves (50% of annual operating revenues per the City's fund balance policy);
- Council authorized changes in committed reserves (setting aside funds for designated purposes); and
- Year End operating surpluses/deficits.

the financials.

Business-Type Funds: As shown in the Statement of Revenues, Expenses, and Changes in Net Position, the Enterprise Funds had a total change in net position decrease of \$245,306 or 1.3 percent for the current year. The Water fund had an increase in net position of \$180,363, or 1.2 percent; and the Sewer Fund had a decrease in net position of \$331,112, or 7.6 percent. At the close of FY 2015-2016, the total net change in net position of the City's Internal Service Funds was an increase of \$398,674. The increase was mainly due to decreases in internal services expenditures.

TABLE 5

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
(In Thousands)

	REVENUES		EXPENSES		CONTRIBUTIONS & TRANSFERS		TOTAL CHANGE IN NET POSITION	
	2015	2016	2015	2016	2015	2016	2015	2016
Water	\$ 4,621	\$ 4,553	\$ 4,613	\$ 4,389	\$ 14	\$ 16	\$ 22	\$ 180
Sewer	808	841	954	1,172	-	-	(146)	(331)
Other Enterprise Funds	318	269	233	411	40	48	125	(94)
TOTAL	<u>\$5,747</u>	<u>\$5,663</u>	<u>\$5,800</u>	<u>\$5,972</u>	<u>\$ 54</u>	<u>\$ 64</u>	<u>\$ 1</u>	<u>\$ (245)</u>
Governmental Activities-								
Internal Service Funds	\$ 4,325	\$ 4,425	\$ 5,396	\$ 4,000	\$ (6)	\$ (26)	\$(1,077)	\$ 399

CITY OF SIERRA MADRE
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Capital Assets and Debt Administration

Capital Assets

The City of Sierra Madre investment in capital assets for its governmental and business-type activities as of June 30, 2016, amounts to \$207,603,213 (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery, equipment, vehicles, park facilities, roads, highways, bridges, sewer lines, and the water distribution system.

TABLE 6
 CAPITAL ASSETS (net of depreciation)
 (In Thousands)

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2015	2016	2015	2016	2015	2016
Land	\$ 162,276	\$ 162,276	\$ 1,483	\$ 1,483	\$ 163,759	\$ 163,759
Trees	1,206	1,206	-	-	1,206	1,206
Structures and improvements	5,650	5,910	254	238	5,904	6,148
Machinery and equipment	1,524	1,550	362	290	1,886	1,840
Infrastructure	11,666	10,762	24,255	23,888	35,921	34,650
TOTAL	<u>\$ 182,322</u>	<u>\$ 181,704</u>	<u>\$ 26,354</u>	<u>\$ 25,899</u>	<u>\$ 208,676</u>	<u>\$ 207,603</u>

Major capital asset events during the fiscal year included the following:

- Fleet vehicle replacements of \$218,775 which included a new ambulance.
- Water pipelines replacement projects at a cost of \$339,451.
- IT equipment purchases of \$128,347 which included a new phone system and broadcast equipment.

Additional information on the City of Sierra Madre's capital assets can be found in Note 5 on pages 45 through 46 of this report.

Debt Administration

At the end of FY 2015-2016, the City had total long-term debt outstanding of \$8,165,000 (of which \$450,000 is due in FY 2016-2017) for the Water Revenue Bonds. In addition, the Water Fund has an interest free loan from the San Gabriel Valley Municipal Water District, with an outstanding balance of \$728,438 (of which \$145,688 is due in FY 2016-2017) at June 30, 2016.

In 2010, the City entered into a 10-year Master Lease with the Municipal Finance Corporation. The Citywide debt as of June 30, 2016 was \$557,126 (of which \$129,973 is due in FY 2016-2017). Additional information on the City's long-term debt can be found in Note 6 of the Financial Statements (pages 47 through 51).

Economic Condition and Budget Outlook

The City is a full service municipality operating with a \$23 million budget that funds 61 full-time employees assigned to nine operating departments and includes its own water and sewer utilities. For more than a decade the City of Sierra Madre had maintained expenditures under the available resources, but this has not always been easy. Like most governments since the recent recession, Sierra Madre has received relatively flat revenues despite increases in insurance, pension, and other cost drivers. In order to provide a balanced budget, the City expenditures have had to be re-benchmarked lower each budget year to remain aligned with incoming revenues. In addition to the impacts of the five year recession, in FY 2011-2012, the State dissolved redevelopment and the General Fund was faced with absorbing most of these costs. In FY 2015-2016, the City faced another challenge. The City's Utility User's Tax rate decreased by 2% to 8% effective July 1, 2015 due to

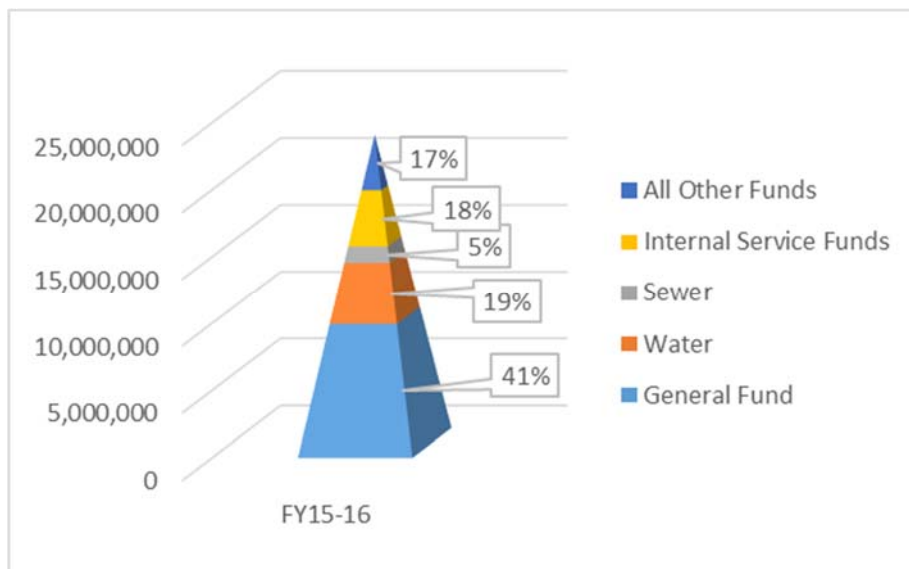
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a sunset clause in the 2008 UUT measure. The UUT is the City's second largest General Fund revenue source. A new UUT measure was approved on April 2016 which increase the UUT rate back to 10% with no sunset clause effective July 1, 2016.

Over the years cost reductions were achieved by conducting staff reorganization, staff reductions, and service level reductions. This resulted in delay in projects and services, and reduction of programs. In FY 2015-2016, the City continued cost reductions, but also focused on increase and maintenance of its revenues. The City conducted various community outreach meetings seeking input from the community in balancing the budget.

General Fund

The City's largest fund is the General fund and its revenues are approximately \$9 million. It provides the resources necessary to sustain the day-to-day activities and services to the community. All nine departments receive support from the General Fund, either directly or indirectly in the form of subsidies (recorded as Transfers Out in the financials) or cost allocation (overhead). The General Fund supports more than half of the City's total personnel costs and supports 41% of the City's operations (see chart below).



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The City of Sierra Madre, with a population of approximately 11,000, is primarily a residential community. Its small size and quiet neighborhoods provide a small town atmosphere the residents are proud to maintain. This, however, does not lend itself to a commercial base; thus, the City receives its significant support from property tax and utility user tax (UUT). At fiscal year ending June 30, 2004, Property Tax and VLF/Property Tax backfill constituted over 58% of the City's General Fund resources, UUT was 17%, Franchise Fees were 6%, and all other revenues combined were 19%. Today that same ratio has changed to reflect: 53% Property Tax and VLF/Property Tax Backfill; 25% Utility User Tax and 21% other sources which includes Franchise fee, Sales Tax, and Business Licenses.

Over the last decade, the Los Angeles and California housing economy experienced the 2004 housing boom and the 2008 housing market crash. During the economic downturn, unlike most of Los Angeles County, Sierra Madre's housing market, while not experiencing great gains did not have negative growth. In fiscal year ending June 30, 2016, the City property tax revenue was \$5,480,523. This amount includes, property tax in-lieu of VLF and the former redevelopment agency residual taxes. The increase of \$397,710 over FY 2014-2015 was due to increase in property values as well as an increase of the former Redevelopment residual taxes.

The median sale price of a single family home in Sierra Madre for 2016 was \$903,000. This represents a \$99,500 (12.4%) increase in median sale price from 2015. Los Angeles County (as a whole) has a median sale price of \$517,000, a \$32,000 (6.6%) increase from last year. Consumer Price Indexes (CPI) for the last year has increased by 2.619%; higher than the two (2) percent of Proposition 13. Therefore, it is likely that Los Angeles Assessor's office will be applying a countywide adjustment of less than 2 percent to next year's tax rolls.

Since 2008, the voter increase in the Utility User Tax (UUT) has resulted in making this funding source an important resource to meet the City's needs. The increased UUT revenues were linked to increases in public safety services, the Paramedic Program and public safety salaries, through a 2008 voter advisory measure. As a result, the UUT has provided the necessary funding to allow for salary increases to the Police Association and to continue to deliver Paramedic Services to the community.

Water Fund

The City Water fund utility is the City's second largest fund. As a proprietary fund, the fund must collect fees for the services (water) that it provides and should be self-funding. In other words, the water fund must perform as if it were a separate business that should stand alone from the other city funds.

The City Water fund increased its rates during FY 2013-2014. Prior to 2010, the City last raised its rates in 2003 when it issued new bonds. The rate increases for 2006, 2007, 2008, and 2009 - were not implemented because of changes in State laws. As a result, by 2010, the rates assumed to fund operational, capital and debt were more than 20% below anticipated revenues (between 2006 and 2009 – costs continued to increase while revenues remained flat).

In FY 2013-2014, the City initiated a new rate study and a Proposition 218 process to increase the rates. The new rates have been in effect since March 2014. The rate study estimates that the fund balance would be trending upward. However, the rate study did not take into account the additional water conservation due to the drought and City and State mandated water conservation, and the full cost of purchased water. Another factor in the fund balance not increasing as estimated was the cost of maintenance and improvements.

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In FY 2016-2017, the City Water Fund will be initiating a new rate study in order to take into account the various factors mentioned above and provide a new rate that will provide for the funding necessary for the operation.

Sewer Fund

The City Sewer fund utility is the City's third largest fund. As a proprietary fund, the fund must collect fees for the services (sewer discharge) that it provides and should be self-funding. Similar to the Water fund, following the rate increase in 2003, the Sewer fund was unable to implement rate increase because of changes to State law. In 2008, the City considered a rate proposal for the Sewer fund, but instead focused on rate increases in the Water Fund because there was greater fiscal need there. Because the Sewer Fund was unable to meet its operational, capital and debt needs, in FY 2013-2014, the City initiated a new rate study and a Proposition 218 process to increase the rates. The new rates have been in effect since March 2014.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City of Sierra Madre's finances and to show the City's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department at the City of Sierra Madre, 232 West Sierra Madre Boulevard, Sierra Madre, California, 91024.

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City of Sierra Madre, California

Village of the Foothills



Basic Financial Statements For the Year Ending June 30, 2016

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CITY OF SIERRA MADRE

Statement of Net Position

June 30, 2016

	Primary Government		Total
	Governmental Activities	Business-type Activities	
Assets:			
Current assets:			
Cash and investments	\$ 16,809,153	\$ 3,509,002	\$ 20,318,155
Restricted cash and investments with fiscal agents	-	1,149,456	1,149,456
Receivables:			
Accounts	198,680	437,598	636,278
Taxes	304,633	-	304,633
Interest	23,243	-	23,243
Due from other governments	11,992	-	11,992
Prepays	47,750	299,183	346,933
Total current assets	17,395,451	5,395,239	22,790,690
Noncurrent assets:			
Net other post-employment benefits (OPEB) asset			
	386,552	-	386,552
Land held for resale	1,500,000	-	1,500,000
Capital assets:			
Non-depreciable assets	163,482,159	1,483,250	164,965,409
Depreciable assets-net	18,221,793	24,416,011	42,637,804
Total noncurrent assets	183,590,504	25,899,261	209,489,765
Total assets	200,985,955	31,294,500	232,280,455
Deferred Outflows of Resources:			
Pension related	921,480	245,196	1,166,676
Liabilities:			
Current liabilities:			
Accounts payable	980,172	1,001,719	1,981,891
Accrued payroll and related liabilities	123,946	20,141	144,087
Interest payable	5,800	69,274	75,074
Deposits and retentions	289,072	49,426	338,498
Claims payable - current	544,328	-	544,328
Compensated absences - current	111,471	25,275	136,746
Capital lease payable - current	87,668	42,305	129,973
Loan payable - current	-	145,688	145,688
Bonds payable - current	-	450,000	450,000
Total current liabilities	2,142,457	1,803,828	3,946,285
Noncurrent liabilities:			
Claims payable	741,380	-	741,380
Compensated absences	445,886	101,099	546,985
Net Pension Liability	8,391,038	1,752,892	10,143,930
Capital lease payable	288,117	139,036	427,153
Loan payable	-	582,750	582,750
Bonds payable	-	7,715,000	7,715,000
Total noncurrent liabilities	9,866,421	10,290,777	20,157,198
Total liabilities	12,008,878	12,094,605	24,103,483
Deferred Inflows of Resources:			
Pension related	1,043,402	157,333	1,200,735
Net Position:			
Net investment in capital assets	181,328,167	16,824,482	198,152,649
Restricted	5,794,991	1,149,456	6,944,447
Unrestricted	1,731,997	1,313,820	3,045,817
Total net position	\$ 188,855,155	\$ 19,287,758	\$ 208,142,913

See accompanying notes to basic financial statements.

CITY OF SIERRA MADRE

Statement of Activities

For the year ended June 30, 2016

Functions/programs	Expenses	Program Revenues			Total
		Charges for services	Operating grants and contributions	Capital grants and contributions	
Primary government:					
Governmental activities:					
General government	\$ 1,791,927	\$ 673,910	\$ -	\$ -	\$ 673,910
Public safety	5,754,806	578,960	264,187	-	843,147
Public works	1,401,974	322,415	557,844	-	880,259
Development services	1,412,537	559,250	-	-	559,250
Culture and recreation	1,280,228	216,343	200,249	-	416,592
Interest on long-term debt	17,322	-	-	-	-
Total governmental activities	11,658,794	2,350,878	1,022,280	-	3,373,158
Business-type activities:					
Water	4,388,290	4,498,726	-	46,234	4,544,960
Sewer	1,172,547	838,566	-	-	838,566
Recreation services	259,594	130,131	-	-	130,131
Special services	108,211	71,695	-	-	71,695
Film services	43,620	66,894	-	-	66,894
Total business-type activities	5,972,262	5,606,012	-	46,234	5,652,246
Total primary government	\$ 17,631,056	\$ 7,956,890	\$ 1,022,280	\$ 46,234	\$ 9,025,404

General revenues:

Taxes:

Property taxes

Sales taxes

Utility user taxes

Other taxes

Investment earnings

Transfers

Total general revenues and transfers

Change in net position

Net position, beginning of year, as restated

Net position, end of year

See accompanying notes to basic financial statements.

Net (expense) revenue and changes in net position		
Governmental Activities	Business-type Activities	Total
\$ (1,118,017)	\$ -	\$ (1,118,017)
(4,911,659)	-	(4,911,659)
(521,715)	-	(521,715)
(853,287)	-	(853,287)
(863,636)	-	(863,636)
(17,322)	-	(17,322)
<u>(8,285,636)</u>	<u>-</u>	<u>(8,285,636)</u>
-	156,670	156,670
-	(333,981)	(333,981)
-	(129,463)	(129,463)
-	(36,516)	(36,516)
-	23,274	23,274
<u>-</u>	<u>(320,016)</u>	<u>(320,016)</u>
<u>(8,285,636)</u>	<u>(320,016)</u>	<u>(8,605,652)</u>
5,677,308	-	5,677,308
341,052	-	341,052
2,104,697	-	2,104,697
364,020	-	364,020
38,125	11,201	49,326
(63,509)	63,509	-
<u>8,461,693</u>	<u>74,710</u>	<u>8,536,403</u>
176,057	(245,306)	(69,249)
<u>188,679,098</u>	<u>19,533,064</u>	<u>208,212,162</u>
<u>\$ 188,855,155</u>	<u>\$ 19,287,758</u>	<u>\$ 208,142,913</u>

CITY OF SIERRA MADRE

Balance Sheet

Governmental Funds

June 30, 2016

	General Fund	Development Fees	Non-Major Governmental Funds	Total Governmental Funds
Assets:				
Cash and investments	\$ 6,680,510	\$ 294,051	\$ 4,458,157	\$ 11,432,718
Receivables:				
Accounts	137,943	-	31,107	169,050
Taxes	275,578	-	29,055	304,633
Interest	23,243	-	-	23,243
Due from other agencies	-	-	11,992	11,992
Due from other funds	228,953	-	-	228,953
Prepaid	-	-	-	-
Land held for resale	-	-	1,500,000	1,500,000
Total assets	\$ 7,346,227	\$ 294,051	\$ 6,030,311	\$ 13,670,589
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 561,245	\$ 95,095	\$ 76,680	\$ 733,020
Accrued payroll and related liabilities	81,086	7,937	14,516	103,539
Due to other funds	-	-	228,953	228,953
Deposits and retentions	45,421	190,371	53,280	289,072
Total liabilities	687,752	293,403	373,429	1,354,584
Fund balances:				
Nonspendable	-	-	-	-
Restricted	-	648	4,405,793	4,406,441
Committed	-	-	1,457,095	1,457,095
Assigned	4,720,472	-	-	4,720,472
Unassigned	1,938,003	-	(206,006)	1,731,997
Total fund balances	6,658,475	648	5,656,882	12,316,005
Total liabilities and fund balances	\$ 7,346,227	\$ 294,051	\$ 6,030,311	\$ 13,670,589

See accompanying notes to basic financial statements.

CITY OF SIERRA MADRE
Reconciliation of the Governmental Funds Balance Sheet
Fund Balances to the Government-Wide Statement of Activities
June 30, 2016

Total fund balances - total governmental funds \$ 12,316,005

Amounts reported for governmental activities in the Statement of Net Position were different because:

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

Capital assets, net of depreciation 180,655,313

Long-term assets that are not available for current use. Amounts are not reported in the governmental funds:

Net other post-employment benefits (OPEB) asset 386,552

Accrued interest payable of the current portion of interest due on long-term debt has not been reported in governmental funds.

(5,026)

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term are reported in the Statement of Net Position:

Capital lease payable (325,625)

Compensated absences (434,248)

Net Pension Liability and pension related deferred outflows and inflows of resources (7,791,448)

Internal service funds are used by management to charge the costs of certain activities, such as facilities management, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.

4,053,632

Net position of governmental activities \$ 188,855,155

See accompanying notes to basic financial statements.

CITY OF SIERRA MADRE

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

For the year ended June 30, 2016

	General Fund	Development Fees	Non-Major Governmental Funds	Total Governmental Funds
Revenues:				
Property taxes	\$ 5,480,523	\$ -	\$ 196,785	\$ 5,677,308
Other taxes	2,809,769	-	-	2,809,769
Charges for services	328,155	159,073	394,249	881,477
Intergovernmental	3,687	-	1,018,593	1,022,280
Licenses and permits	398,631	348,080	90,946	837,657
Fines and forfeitures	190,999	-	-	190,999
Investment income	15,229	648	9,849	25,726
Miscellaneous	213,951	-	226,794	440,745
Total revenues	<u>9,440,944</u>	<u>507,801</u>	<u>1,937,216</u>	<u>11,885,961</u>
Expenditures:				
Current:				
General government	1,970,283	-	-	1,970,283
Public safety	4,732,921	-	992,365	5,725,286
Public works	492,903	-	511,423	1,004,326
Development	-	1,302,374	182,998	1,485,372
Culture and recreation	875,477	-	353,010	1,228,487
Debt Service:				
Principal	-	-	72,604	72,604
Interest	-	-	18,442	18,442
Total expenditures	<u>8,071,584</u>	<u>1,302,374</u>	<u>2,130,842</u>	<u>11,504,800</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,369,360</u>	<u>(794,573)</u>	<u>(193,626)</u>	<u>381,161</u>
Other financing sources (uses):				
Transfers in	110,434	795,221	1,443,143	2,348,798
Transfers out	(2,275,987)	-	(110,434)	(2,386,421)
Total other financing sources (uses)	<u>(2,165,553)</u>	<u>795,221</u>	<u>1,332,709</u>	<u>(37,623)</u>
Net change in fund balances	<u>(796,193)</u>	<u>648</u>	<u>1,139,083</u>	<u>343,538</u>
Fund balances, beginning of year, as restated	<u>7,454,668</u>	<u>-</u>	<u>4,517,799</u>	<u>11,972,467</u>
Fund balances, end of year	<u>\$ 6,658,475</u>	<u>\$ 648</u>	<u>\$ 5,656,882</u>	<u>\$ 12,316,005</u>

See accompanying notes to basic financial statements.

CITY OF SIERRA MADRE

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government-Wide Statement of Activities For the year ended June 30, 2016

Net change in fund balances - total governmental funds \$ 343,538

Amounts reported for governmental activities in the Statement of Activities and Changes in Net Position were different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities and Changes in Net Position, the costs of those assets meeting the City's capitalization policy are allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period:

Depreciation expense	(1,265,447)
Capital outlay	14,882

The issuance of long-term debt provides current financial resources to governmental funds while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities and Changes in Net Position. These differences are as follows:

Principal payments	72,604
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Revenues in the Statement of Activities and Changes in Net Position that do not provide current financial resources are not reported as revenues in the funds.

-

Internal service funds are used by management to charge the costs of self-insurance and capital replacements to individual funds. The net revenue of internal service funds is reported with governmental activities.

398,674

Some expenses reported on the Statement of Activities and Changes in Net Position do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:

Net change in accrued interest	1,120
Net change in compensated absences	38,904
Net change in OPEB	27,708
Net change in pension liability	42,408

Change in net position of governmental activities \$ (325,609)

CITY OF SIERRA MADRE
Statement of Net Position
Proprietary Funds
June 30, 2016

	Business-type Activities				
	Enterprise Funds				
	Water	Sewer	Non-Major Enterprise Funds	Total Enterprise Funds	Governmental Activities Internal Service Funds
Assets:					
Current assets:					
Cash and investments	\$ 1,940,216	\$ 1,276,480	\$ 292,306	\$ 3,509,002	\$ 5,376,435
Restricted cash and investments with fiscal agents	1,149,456	-	-	1,149,456	-
Accounts receivable	342,368	95,230	-	437,598	29,630
Prepays	297,074	-	2,109	299,183	47,750
Total current assets	<u>3,729,114</u>	<u>1,371,710</u>	<u>294,415</u>	<u>5,395,239</u>	<u>5,453,815</u>
Noncurrent assets:					
Capital assets:					
Non-depreciable assets	1,483,250	-	-	1,483,250	-
Depreciable assets-net	20,817,063	3,598,948	-	24,416,011	1,048,639
Total noncurrent assets	<u>22,300,313</u>	<u>3,598,948</u>	<u>-</u>	<u>25,899,261</u>	<u>1,048,639</u>
Total assets	<u>26,029,427</u>	<u>4,970,658</u>	<u>294,415</u>	<u>31,294,500</u>	<u>6,502,454</u>
Deferred Outflows of Resources:					
Pension related	<u>147,118</u>	<u>98,078</u>	<u>-</u>	<u>245,196</u>	<u>106,251</u>
Liabilities:					
Current liabilities:					
Accounts payable	983,452	8,663	9,604	1,001,719	247,152
Accrued payroll and related liabilities	10,310	7,936	1,895	20,141	20,407
Interest payable	66,475	2,799	-	69,274	774
Deposits and retentions	28,891	10,118	10,417	49,426	-
Claims payable - current	-	-	-	-	544,328
Compensated absences - current	15,347	9,337	591	25,275	24,621
Capital lease payable - current	-	42,305	-	42,305	11,702
Loan payable - current	145,688	-	-	145,688	-
Bonds payable - current	450,000	-	-	450,000	-
Total current liabilities	<u>1,700,163</u>	<u>81,158</u>	<u>22,507</u>	<u>1,803,828</u>	<u>848,984</u>
Noncurrent liabilities:					
Claims payable	-	-	-	-	741,380
Compensated absences	61,386	37,347	2,366	101,099	98,488
Net Pension Liability	1,051,735	701,157	-	1,752,892	759,586
Capital lease payable	-	139,036	-	139,036	38,458
Loan payable	582,750	-	-	582,750	-
Bonds payable	7,715,000	-	-	7,715,000	-
Total noncurrent liabilities	<u>9,410,871</u>	<u>877,540</u>	<u>2,366</u>	<u>10,290,777</u>	<u>1,637,912</u>
Total liabilities	<u>11,111,034</u>	<u>958,698</u>	<u>24,873</u>	<u>12,094,605</u>	<u>2,486,896</u>
Deferred Inflows of Resources:					
Pension related	<u>94,400</u>	<u>62,933</u>	<u>-</u>	<u>157,333</u>	<u>68,177</u>
Net Position:					
Net investment in capital assets	13,406,875	3,417,607	-	16,824,482	998,479
Restricted for debt service	1,149,456	-	-	1,149,456	-
Unrestricted	414,780	629,498	269,542	1,313,820	3,055,153
Total net position	<u>\$ 14,971,111</u>	<u>\$ 4,047,105</u>	<u>\$ 269,542</u>	<u>\$ 19,287,758</u>	<u>\$ 4,053,632</u>

See accompanying notes to basic financial statements.

CITY OF SIERRA MADRE
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the year ended June 30, 2016

	Business-type Activities				Governmental Activities Internal Service Funds
	Enterprise Funds				
	Water	Sewer	Non-Major Enterprise Funds	Total Enterprise Funds	
Operating revenues:					
Charges for services	\$ 4,498,726	\$ 837,264	\$ 242,624	\$ 5,578,614	\$ 4,389,011
Licenses and permits	-	1,302	26,096	27,398	23,500
Miscellaneous	-	-	-	-	-
Total operating revenues	<u>4,498,726</u>	<u>838,566</u>	<u>268,720</u>	<u>5,606,012</u>	<u>4,412,511</u>
Operating expenses:					
Personnel services	924,572	679,641	160,779	1,764,992	1,201,190
Contractual services	218,861	28,247	186,685	433,793	557,785
Materials and supplies	736,120	7,617	5,495	749,232	325,865
Utilities	391,301	-	36,762	428,063	378,789
Maintenance and operation	77,258	-	21,704	98,962	41,137
Administrative Charges	992,423	240,846	-	1,233,269	1,284,560
Depreciation	603,971	206,551	-	810,522	206,397
Total operating expenses	<u>3,944,506</u>	<u>1,162,902</u>	<u>411,425</u>	<u>5,518,833</u>	<u>3,995,723</u>
Operating income (loss)	554,220	(324,336)	(142,705)	87,179	416,788
Nonoperating revenues (expenses):					
Grant	46,234	-	-	46,234	-
Investment Income	7,673	2,869	659	11,201	12,399
Loss on disposal of property	(26,712)	-	-	(26,712)	(1,965)
Interest expense	(417,072)	(9,645)	-	(426,717)	(2,662)
Total nonoperating revenues (expenses)	<u>(389,877)</u>	<u>(6,776)</u>	<u>659</u>	<u>(395,994)</u>	<u>7,772</u>
Income (loss) before transfers	164,343	(331,112)	(142,046)	(308,815)	424,560
Transfers:					
Transfers in	16,020	-	47,489	63,509	-
Transfers out	-	-	-	-	(25,886)
Total transfers	<u>16,020</u>	<u>-</u>	<u>47,489</u>	<u>63,509</u>	<u>(25,886)</u>
Change in net position	180,363	(331,112)	(94,557)	(245,306)	398,674
Net position, beginning of year, as restated	<u>14,790,748</u>	<u>4,378,217</u>	<u>364,099</u>	<u>19,533,064</u>	<u>3,654,958</u>
Net position, end of year	<u>\$ 14,971,111</u>	<u>\$ 4,047,105</u>	<u>\$ 269,542</u>	<u>\$ 19,287,758</u>	<u>\$ 4,053,632</u>

See accompanying notes to basic financial statements.

CITY OF SIERRA MADRE
Statement of Cash Flows
Proprietary Funds
For the year ended June 30, 2016

	Business-type Activities				Governmental Activities Internal Service Funds
	Enterprise Funds				
	Water	Sewer	Non-Major Enterprise Funds	Total Enterprise Funds	
Cash flows from operating activities:					
Receipts from customers and users	\$ 4,425,114	\$ 825,223	\$ 268,720	\$ 5,519,057	\$ -
Receipts from interfund services provided	-	-	-	-	4,386,553
Payments to suppliers	(2,343,783)	(268,437)	(248,333)	(2,860,553)	(2,441,370)
Payments to employees	(749,095)	(528,626)	(163,552)	(1,441,273)	(1,322,338)
Net cash provided (used) by operating activities	<u>1,332,236</u>	<u>28,160</u>	<u>(143,165)</u>	<u>1,217,231</u>	<u>622,845</u>
Cash flows from non-capital financing activities:					
Transfers from other funds	16,020	-	47,489	63,509	-
Transfers to other funds	-	-	-	-	(25,886)
Net cash provided (used) by non-capital financing activities	<u>16,020</u>	<u>-</u>	<u>47,489</u>	<u>63,509</u>	<u>(25,886)</u>
Cash flows from capital and related financing activities:					
Grant revenue	46,234	-	-	46,234	-
Acquisition and construction of capital assets	(382,044)	-	-	(382,044)	(349,086)
Principal paid	(570,688)	(40,434)	-	(611,122)	(11,184)
Interest paid	(420,717)	(10,275)	-	(430,992)	(2,835)
Net cash provided (used) by capital and related financing activities	<u>(1,327,215)</u>	<u>(50,709)</u>	<u>-</u>	<u>(1,377,924)</u>	<u>(363,105)</u>
Cash flows from investing activities:					
Investment income	7,673	2,869	659	11,201	12,398
Net cash provided (used) by investing activities	<u>7,673</u>	<u>2,869</u>	<u>659</u>	<u>11,201</u>	<u>12,398</u>
Net increase (decrease) in cash and cash equivalents	28,714	(19,680)	(95,017)	(85,983)	246,252
Cash and investments:					
Beginning of year	3,060,958	1,296,160	387,323	4,744,441	5,130,183
End of year	<u>\$ 3,089,672</u>	<u>\$ 1,276,480</u>	<u>\$ 292,306</u>	<u>\$ 4,658,458</u>	<u>\$ 5,376,435</u>
Cash and investments, end of year include:					
Cash and investments	\$ 1,940,216	\$ 1,276,480	\$ 292,306	\$ 3,509,002	\$ 5,376,435
Restricted cash and investments with fiscal agents	1,149,456	-	-	1,149,456	-
Total	<u>\$ 3,089,672</u>	<u>\$ 1,276,480</u>	<u>\$ 292,306</u>	<u>\$ 4,658,458</u>	<u>\$ 5,376,435</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:					
Operating income (loss)	\$ 554,220	\$ (324,336)	\$ (142,705)	\$ 87,179	\$ 416,788
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	603,971	206,551	-	810,522	206,397
Actuarial pension expense (Income)	241,391	194,411	-	435,802	(149,283)
Pension contributions subsequent to measurement date	(45,847)	(30,564)	-	(76,411)	(33,111)
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	(73,612)	(13,343)	-	(86,955)	(25,958)
(Increase) decrease in prepaid expenses	-	-	(2,109)	(2,109)	(35,413)
Increase (decrease) in accounts payable	66,371	8,273	422	75,066	182,179
Increase (decrease) in accrued liabilities	(31,702)	(18,339)	(3,129)	(53,170)	(46,446)
Increase (decrease) in deposits payable	5,809	-	4,000	9,809	107,857
Increase (decrease) in compensated absences	11,635	5,507	356	17,498	(165)
Total adjustments	<u>778,016</u>	<u>352,496</u>	<u>(460)</u>	<u>1,130,052</u>	<u>206,057</u>
Net cash provided (used) by operating activities	<u>\$ 1,332,236</u>	<u>\$ 28,160</u>	<u>\$ (143,165)</u>	<u>\$ 1,217,231</u>	<u>\$ 622,845</u>

See accompanying notes to basic financial statements.

CITY OF SIERRA MADRE
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2016

	Private-purpose Trust Fund
	Redevelopment Obligation Retirement Fund
Assets:	
Cash and investments	\$ 485,507
Restricted cash and investments with fiscal agents	401,575
Total assets	<u>887,082</u>
Liabilities:	
Accounts payable	-
Accrued payroll and related liabilities	397
Interest payable	10,417
Compensated absences - current	1,127
Compensated absences - noncurrent	5,636
Bonds payable - current	330,000
Bonds payable - noncurrent	1,085,000
Total liabilities	<u>1,432,577</u>
Net Position (Deficit):	
Unrestricted	(545,495)
Total net position (deficit)	<u>\$ (545,495)</u>

See accompanying notes to basic financial statements.

CITY OF SIERRA MADRE
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the year ended June 30, 2016

	Private-purpose Trust Fund
	Redevelopment Obligation Retirement Fund
Additions:	
Property taxes	\$ 528,157
Investment income	1,100
Total additions	<u>529,257</u>
Deductions:	
General and administration	104,227
Interest expense	74,704
Total deductions	<u>178,931</u>
Change in net position	350,326
Net position (deficit), beginning of year	<u>(894,694)</u>
Net position (deficit), ending of year	<u>\$ (544,368)</u>

See accompanying notes to basic financial statements.

City of Sierra Madre, California

Village of the Foothills



Notes to Basic Financial Statements For the Year Ending June 30, 2016

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CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of Sierra Madre, California (City) have been prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America 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 more significant of the City's accounting policies are described below.

A. Financial Reporting Entity

The City was incorporated on February 2, 1907, under the general laws of the State of California. The City operates under a Council-Manager form of government and provides the following services: police protection, fire suppression and prevention, emergency medical response, recreation programs, senior services, local transportation, planning and permit processing, water utility, public library, streets, parks, sewer and storm drain utility, and general government and administrative services.

As required by GAAP, these basic financial statements present the City (the primary government) and its component unit for which the City is considered to be financially accountable. The component unit discussed below is included in the City's reporting entity because of the significance of its operational or financial relationship with the City. The entity is legally separate; however, the City of Sierra Madre elected officials have a continuing oversight responsibility over the Authority.

An organization is fiscally dependent on the primary government if it is unable to adopt its budget, levy taxes or set rates or charges, or issue bonded debt without approval by the primary government. In a blended presentation, a component unit's balances and transactions are reported in a manner similar to the balances and transactions of the City. Component units are presented on a blended basis when the component unit's governing body is substantially the same as the City's or the component unit provides services almost entirely to the City.

Blended Component Units

The Sierra Madre Public Financing Authority (Authority):

The Authority is a joint powers authority organized pursuant to Government Code Section 6500 of the State of California. The Authority exists pursuant to a Joint Exercise of Powers Agreement dated November 1972, between the City and the Agency. Its purpose is facilitating the issuance of debt instruments, loans, and other financing to the City or Agency for the construction of public improvements. It has no separate existence and has acted as a conduit between the issuer (the Agency and/or the City) and the underwriters. It was established as a vehicle to reduce local borrowing costs and promote greater use of existing and new financial instruments and mechanisms. City Council members, in concurrent sessions, serve as the governing board of the Authority. Financial activity of the Authority has been blended into the City's CAFR into various governmental and business-type activities and funds of the City as applicable.

Separate financial statements are not prepared for the Sierra Madre Public Financing Authority.

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

A. Financial Reporting Entity, (continued)

Organizations Other Than Component Units

Other governmental agencies, such as the County of Los Angeles, the Pasadena Unified School District, etc., provide services within the City. However, each of these agencies is governed by an independently elected governing board. Accordingly, their financial information is not included within the scope of this financial report, because the City Council does not have a continuing oversight responsibility over them, nor are their financial operations closely related thereto.

B. Basis of Accounting and Measurement Focus

The basic financial statements of the City are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to basic financial statements

Financial reporting is based upon all Governmental Accounting Standards Board pronouncements.

Government-Wide Financial Statements

The City's government-wide financial statements include a Statement of Net Position and a Statement of Activities and Changes in Net Position. These statements present summaries of governmental and business-type activities for the City accompanied by a total column. Fiduciary activities of the City are not included in these statements.

These basic 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. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Certain indirect costs are included in the program expenses reported for specific functions.

Certain types of transactions are reported as program revenues for the City in three categories: (1) charges for services, (2) operating grants and contributions and (3) capital grants and contributions. Program revenues are netted with program expenses in the Statement of Activities to present the net cost of each program.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regard to interfund activities. All internal balances in the Statement of Net Position have been eliminated except those representing internal balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column.

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Basis of Accounting and Measurement Focus, (continued)

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. The City has presented all major funds that met the applicable criteria.

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 net current assets. 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. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period, generally 60 days after year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Property taxes, sales taxes, franchise taxes, and other taxes associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to measurable and available only when cash is received by the government.

The reconciliations of the Fund Financial Statements to the Government-Wide Financial Statements are provided to explain the differences created by the integrated approach of GASB Statement No. 34.

The City reports the following major governmental funds:

General Fund – Accounts for all financial resources of the general government except those required to be accounted for in another fund.

Development Fees Fund – Accounts for the Development Revenues and Expenditures.

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Basis of Accounting and Measurement Focus, (continued)

Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses, and Changes in Net Position, and a Statement of Cash Flows for the major proprietary funds and the non-major funds aggregated. City maintains two proprietary fund types: enterprise funds and internal service funds. Enterprise funds are used to account for services provided to businesses and individuals within the community. Internal service funds account for services provided by one City department to other departments.

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 when they are earned; expenses are recognized when they are incurred. Unbilled service receivables are recorded as accounts receivable and as revenue when earned.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

The City reports the following major enterprise funds:

Water Fund – Accounts for the operations of the City's water utility operations.

Sewer and Storm Drain Fund – Accounts for the operations of the City's sewer system and storm drain operations.

Additionally, the City also reports *Internal Service Funds*. These funds account for the administrative services, insurance coverage and facilities, fleet and electronic equipment maintenance services, all which are provided to other departments on a cost-reimbursement basis. A separate column representing internal service funds is also presented in these statements. However, internal service balances and activities have been combined with the governmental activities in the government-wide financial statements.

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

B. Basis of Accounting and Measurement Focus, (continued)

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Net Position and a Statement of Changes in Net Position. The City maintains two fiduciary fund types: a private-purpose trust fund and agency funds. Fiduciary fund types are accounted for according to the nature of the fund. The private-purpose trust fund uses the “*economic resources*” measurement focus and the accrual basis of accounting. It is used to report trust arrangements under which principal and income benefit individuals, private organizations, and other governments. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Agency funds do not have a measurement focus.

C. Cash, Cash Equivalents and Investments

The City pools its available cash for investment purposes. The City has defined cash and cash equivalents to include cash on hand, demand deposits, cash with fiscal agent, as well as short-term investments with original maturity of three months or less from the date of acquisition. Cash and cash equivalents are combined with investments and displayed as cash and investments. Additionally, each fund’s equity in the City’s investment pool is treated as a cash equivalent, because the funds can deposit or effectively withdraw cash at any time without prior notice or penalty.

In accordance with GASB Statement Number 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotation are readily available or exceed cost. However, if the liquidity needs of the City were to require that investments be sold at a loss subsequent to year-end, the decline in value would be recorded as a loss at year-end.

The City participates in an investment pool managed by the State of California titled Local Agency Investment Fund (LAIF), which has invested a portion of the pool funds in Structured Notes and Asset-Backed Securities. LAIF’s investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-Backed Securities are subject to market risk as to change in interest rates.

In accordance with GASB Statement No. 40, Deposit and Investment Disclosures (an amendment of GASB No. 3), certain disclosure requirements, if applicable, are provided for deposit and investment risk in the following areas:

- Inherent Rate Risk
- Credit Risk
- Overall
- Custodial Credit Risk
- Concentration of Credit Risk
- Foreign Currency Risk

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

D. Land Held for Resale

Land Held for Resale in the Capital Projects Fund is an inventory of land owned by the City's Housing Fund for low-moderate housing needs, which will be sold or leased to developers. The land is recorded at the lower of acquisition cost or market. Fund balances are reserved in amounts equal to the carrying value of land held for resale, because such assets are not available to finance the City's current operations.

E. Prepaid Expenses

Certain payments to vendors such as insurance premiums, prepaid rents, and deposits for real property acquisitions reflect costs applicable to future periods and are recorded as prepaid and other assets in both government-wide and fund financial statements. These costs will be recognized in the period when services are received or when the City receives title to the real property.

F. Property Taxes

Property tax in California is levied in accordance with Article 13B of the State Constitution at one percent of county-wide assessed valuations. This one percent is allocated pursuant to State law to the appropriate units of local government. Property tax revenue is recognized in the fiscal year for which taxes have been levied provided that the revenues collected in the current period or will be collected within 60 days thereafter.

The following dates relate to property tax levies and collections:

Lien Date	January 1
Levy Date	July 1
Due Dates	November 1 and February 1
Delinquent Dates	December 10 and April 10

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

G. Capital Assets

Capital assets are valued at historical cost or estimated historical cost if actual historical cost was not available. The City's capitalization policy is \$5,000 and above for fixed assets; \$10,000 and above for building improvements; \$20,000 and above for buildings; and \$50,000 and above for infrastructure assets. Capital assets are depreciated on a straight-line basis over their estimated useful lives as follows:

Roadways Pavement AC	25 years
Street Appurtenances Bridges	40 years
Park Structures	25 years
Wastewater Manholes	60 years
Pipelines	60 years
Spreading Basins	50 years
Pump Stations	60 years
Meters	30 years
Pipelines	50 years
Pressure Reducing Stations	40 years
Fire Hydrants	50 years
Wells	50 years
Reservoirs	75 years
General Fixed Assets Buildings	50 years
Vehicles & Equipment	10 years

H. Claims Payable

The City records a liability to reflect an estimate of ultimate uninsured losses for both general liability claims (including property damage claims) and workers' compensation claims.

I. Compensated Absences

All vested vacation and compensatory leave time is recognized as an expense and as a liability in the proprietary type funds at the time the liability vests. Governmental fund types recognize the vested vacation and compensatory time as expenditure in the current year to the extent that it is paid during the year. Accrued vacation and compensatory time relating to governmental funds is only included as a liability in the statement of net position as those amounts are payable from future resources and within the respective balance sheets for amounts relating to proprietary fund types. For governmental funds, compensated absences are primarily liquidated by the City's General Fund.

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

J. Net Position and Fund Balances

Government-Wide Financial Statements – In the government-wide financial statements, net position are classified in the following categories:

Net Investment in Capital Assets - This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvements.

Restricted Net Position - This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments.

Unrestricted Net Position - This amount is all net position that do not meet the definition of “net investment in capital assets” or “restricted net position.”

When both restricted and unrestricted net position is available to meet an expense, the City's policy is to apply restricted net position first.

Fund Financial Statements – In March 2009, GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The Statement is designed to improve financial reporting by establishing fund balance classifications that are easier to understand and apply. GASB 54 became effective in the fiscal year ending June 30, 2011, and requires the City to report the governmental fund balances in the following categories:

Nonspendable - reflects amounts that are not in a spendable form, examples of which include inventory, prepaid items, and other items legally or contractually required to remain intact, such as the principal of a permanent endowment.

Restricted - includes amounts that can be spent only for the specific purposes stipulated by external resource providers or through enabling legislation.

Committed - includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority (City Council by either resolution or ordinance). Committed fund balance may be redirected by the City to other purposes, as long as, the original constraints are removed or modified in the same manner in which they were imposed, that is, by the same formal action of the highest level of decision-making authority.

Assigned - comprises amounts intended to be used by the government for specific purposes. Assignments may be established either by the City Council or by a designee of the City (the City Council has delegated this authority to the City Manager), and are subject to neither the restricted nor committed levels of constraints.

Unassigned - is the residual classification for the general fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose.

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

J. Net Position and Fund Balances, (continued)

When expenditures are incurred for purposes for which restricted, committed, assigned, or unassigned fund balances are available, the City's policy is to apply restricted fund balance first, committed second, then assigned fund balance, and finally unassigned fund balance.

When an expense is incurred for the purposes for which both restricted and unrestricted net position are available, the City's policy is to first apply restricted net position and then unrestricted.

K. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Actual results could differ from those estimates.

L. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expenses) until then. The City currently has pension related deferred outflows of resources.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City currently has pension related deferred inflows of resources.

M. Implementation of New Pronouncements

The following GASB Statements were implemented in the current financial statements:

GASB Statement No. 72, *Fair Value Measurement and Application*. This Statement will enhance comparability of financial statements among governments by requiring measurement of certain assets and liabilities at fair value using consistent and more detailed definition of fair value and accepted valuation techniques. Application of this Statement was effective for the City's fiscal year ended June 30, 2016.

GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. This Statement will improve the usefulness of financial statement information for making decisions and assessing accountability and enhance the comparability of financial statement information among governments by providing for financial reporting guidance with less variation.

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)

M. Implementation of New Pronouncements, (continued)

GASB Statement No. 82, *Pension Issues an Amendment of GASB Statements No. 67, No. 68, and No. 73*, is effective for periods beginning after June 15, 2016. The statement provided clarification of issues presented in previous statements. The City adopted the pronouncement during the year.

N. Pensions

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

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report the following timeframes are used.

Valuation Date (VD)	June 30, 2014
Measurement Date (MD)	June 30, 2015
Measurement Period (MP)	July 1, 2014 to June 30, 2015

2. CASH AND INVESTMENTS

Cash and investments as of June 30, 2016 are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and investments	\$ 20,318,155
Cash and investments with fiscal agent -restricted	1,149,456
Statement of Fiduciary Assets and Liabilities:	
Cash and investments	485,507
Cash and investments with fiscal agent -restricted	<u>401,575</u>
Total cash and investments	<u>\$ 22,354,693</u>

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

2. CASH AND INVESTMENTS, (continued)

Cash and investments as of June 30, 2016 consist of the following:

Petty cash	\$ 2,012
Deposits with financial institutions	1,440,228
Investments	<u>20,912,453</u>
 Total cash and investments	 <u>\$ 22,354,693</u>

Investments Authorized by the California Government Code and the City's Investment Policy

The City's investment policy only authorizes investment in the local government investment pool administered by the State of California (LAIF). The City's investment policy does not contain any specific provisions intended to limit the City's exposure to interest rate risk, credit risk, and concentration of credit risk.

The table below identifies the investment types that are authorized for the City by the California Government Code and the City's investment policy. The table also identifies certain provisions of the California Government Code (or the City's investment policy, if more restrictive) that address interest rate risk and concentration of credit risk. This table does not address investments of debt proceeds held by the fiscal agent that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City's investment policy.

Investment Types Authorized by State Law	Authorized by Investment Policy	Maximum Maturity*	Maximum Percentage of Portfolio*	Maximum Investment in One Issuer*
Local Agency Bonds	No	5 years	None	None
US Treasury Obligations	Yes	5 years	None	None
US Agency Securities	Yes	5 years	None	None
Bankers' Acceptances	No	180 days	40%	30%
Commercial Paper	No	270 days	25%	10%
Negotiable Certificates of Deposit	Yes	5 years	30%	None
Repurchase Agreements	No	1 year	None	None
Reverse Repurchase Agreements	No	92 days	20% of base value	None
Medium-Term Notes	No	5 years	30%	None
Money Market Mutual Funds	Yes	N/A	20%	10%
Mortgage Pass-Through Securities	No	5 years	20%	None
Bank/Time Deposits	Yes	360 days	None	None
County Pooled Investment Funds	Yes	N/A	None	\$ 5,000,000
Local Agency Investment Funds (LAIF)	Yes	N/A	None	\$ 50,000,000
JPA Pools (other investment pools)	No	N/A	None	None
Passbook Accounts	Yes	N/A	None	None

*Based on state law requirements or investment policy requirements, whichever is more restrictive.

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

2. CASH AND INVESTMENTS, (continued)

Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City currently does not have any investments subject to the fair value hierarchy.

Investments Authorized by Debt Agreements

Investments of debt proceeds held by bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy. The table below identifies the investment types that are authorized for investments held by the bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
US Treasury Obligations	None	None	None
US Agency Securities	None	None	None
Money Market Funds	None	None	None
Certificates of Deposit	None	None	None
Interest-bearing Deposit Accounts	None	None	None
Investment Agreements	None	None	None
Commercial Paper	None	None	None
Municipal Bonds or Notes	None	None	None
State Bonds or Notes	None	None	None
Bankers' Acceptances	1 year	None	None
Repurchase Agreements	30 days	None	None

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates which will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing, or coming close to maturity evenly over time, as necessary to provide cash flow and liquidity needed for operations.

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

2. CASH AND INVESTMENTS, (continued)

Interest Rate Risk, (continued)

Information about the sensitivity of the fair values of the City's investments (including investments held by fiscal agent) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investment by maturity:

Investment Type	Total	Investment Maturities (in months)		
		12 or less	13 -24	25 - 60
State investment pool	\$ 19,361,422	\$ 19,361,422	\$ -	\$ -
Held by fiscal agent:				
Federated treasury obligations	<u>1,551,031</u>	<u>1,551,031</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 20,912,453</u>	<u>\$ 20,912,453</u>	<u>\$ -</u>	<u>\$ -</u>

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the City's investment policy or debt agreements, and the actual rating as of year end for each investment type.

Investment Type	Total	Minimum Legal Rating	Ratings as of Year End	
			AAA	Not Rated
State investment pool	\$ 19,361,422	N/A	\$ -	\$ 19,361,422
Held by fiscal agent:				
Federated treasury obligations	<u>1,551,031</u>	N/A	<u>1,551,031</u>	<u>-</u>
Total	<u>\$ 20,912,453</u>		<u>\$ 1,551,031</u>	<u>\$ 19,361,422</u>

Concentration of Credit

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. As of June 30, 2016, there were no investments in any one issuer (other than US Treasury securities and external investment pools) that represents 5% or more of total City investments.

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

2. CASH AND INVESTMENTS, (continued)

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. As of June 30, 2016, none of the City's deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts.

Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

3. INTERFUND BALANCES AND TRANSFERS

A. Due To/Due From

At June 30, 2016, the City had the following short-term interfund receivables and payables:

<u>Receivable</u>	<u>Payable</u>	<u>Amount</u>
General Fund	Non-Major Governmental Funds	<u>\$ 228,953</u>

The interfund amounts are for short-term loans to cover temporary cash deficits.

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

3. INTERFUND BALANCES AND TRANSFERS, (continued)

B. Transfers

At June 30, 2016, the City had the following transfers:

<u>Transfers out</u>	<u>Transfers in</u>		
General Fund	Non-Major Governmental Funds	\$	1,417,257
	Development Fees Fund		795,221
	Non-Major Enterprise Funds		47,489
	Water Fund		<u>16,020</u>
			<u>2,275,987</u> (A)
Non-Major Governmental Funds	General Fund		<u>110,434</u>
Internal Service Fund	Non-Major Governmental Funds		<u>25,886</u>
	Total	\$	<u><u>2,412,307</u></u>

(A) Transfers of unrestricted revenues collected in the General Fund to finance various programs accounted for in other accounts in accordance with budgetary authorization.

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

4. FUND DEFICITS AND EXPENDITURES IN EXCESS OF APPROPRIATIONS

A. Fund Deficits

The following funds reported deficits in fund balance/net position at June 30, 2016:

	<u>Deficit Balances</u>
Non-Major Governmental Funds:	
Open Space	\$ 206,006
Non-Major Enterprise Funds:	
Recreation Classes	660
Internal Service Funds:	
Personnel and Risk Management	105,351

The deficits in the funds are due to expenditures being incurred before the revenue has been received.

B. Excess of Expenditures over Appropriations

The following funds reported expenditures in excess of appropriations:

	<u>Appropriations</u>	<u>Expenditures</u>	<u>Variance</u>
Governmental Funds:			
Development Fees	\$ 1,232,600	\$ 1,302,374	\$ (69,774)
Central Business District	11,800	16,977	(5,177)
Fane/Winwood Lane Assessment District	-	604	(604)
Lighting District #1	1,900	5,172	(3,272)
Public Safety Augmentation Fund	-	15,366	(15,366)
Fire Department Donations	-	12,550	(12,550)
Gas Tax	222,900	240,804	(17,904)
	<u>Appropriations</u>	<u>Expenditures</u>	<u>Variance</u>
Non-Major Governmental Funds:			
LSTA Teen Docent Grant	\$ -	\$ 1,272	\$ (1,272)
Parking Maintenance District	23,712	26,168	(2,456)
Santa Anita/Arno Assessment	-	2,060	(2,060)
Sewer Assessment District	814	816	(2)
Development Fees	982,273	1,083,318	(101,045)
Development Fees Art in Public Places	-	4,000	(4,000)
Police Department Donations	2,093	7,517	(5,424)
Fire Department Donations	6,000	10,041	(4,041)
SM Community Foundation	-	1,416	(1,416)

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

5. CAPITAL ASSETS

A. Governmental Activities

A summary of changes in the governmental activities capital assets at June 30, 2016 is as follows:

	Beginning Balance	Adjustments	Increases	Decreases	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 162,275,945	\$ -	\$ -	\$ -	\$ 162,275,945
Trees	1,206,214	-	-	-	\$ 1,206,214
<hr/>					
Total capital assets, not being depreciated	163,482,159	-	-	-	163,482,159
<hr/>					
Capital assets, being depreciated:					
Structures and improvements	11,967,940	(1)	-	-	11,967,939
Machinery and equipment	3,312,399	-	362,004	-	3,674,403
Infrastructure	22,623,646	2	-	-	22,623,648
<hr/>					
Total capital assets, being depreciated	37,903,985	1	362,004	-	38,265,990
<hr/>					
Less accumulated depreciation					
Structures and Improvements	(6,317,489)	508,784	(249,063)	-	(6,057,768)
Machinery and Equipment	(1,788,500)	(14,110)	(321,671)	-	(2,124,281)
Infrastructure	(10,958,045)	(4,956)	(899,147)	-	(11,862,148)
<hr/>					
Total Accumulated Depreciation	(19,064,034)	489,718	(1,469,881)	-	(20,044,197)
<hr/>					
Total capital assets being depreciated, net	18,839,951	489,719	(1,107,877)	-	18,221,793
<hr/>					
Governmental activities, capital assets, net	\$ 182,322,110	\$ 489,719	\$ (1,107,877)	\$ -	\$ 181,703,952

Depreciation expense was charged to functions/programs of the City's governmental activities as follows:

Governmental activities:	
General government	\$ 97,537
Public safety	218,841
Public works	977,723
Culture and recreation	175,780
Total	<u>\$ 1,469,881</u>

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

5. CAPITAL ASSETS, (continued)

B. Business-type Activities

A summary of changes in the business-type activities capital assets at June 30, 2016 is as follows:

	Beginning Balance		Additions	Deletions	Ending Balance
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 1,483,250	\$ -	\$ -	\$ -	\$ 1,483,250
Construction in progress	-	-	-	-	-
Total capital assets, not being depreciated	1,483,250	-	-	-	1,483,250
Capital assets, being depreciated:					
Structures and improvements	821,290	-	-	-	821,290
Machinery and equipment	1,164,156	-	42,602	-	1,206,758
Infrastructure	42,409,001	-	339,451	(86,167)	42,662,285
Total capital assets, being depreciated	44,394,447	-	382,053	(86,167)	44,690,333
Less accumulated depreciation					
Structures and improvements	(566,691)	1	(17,021)	-	(583,711)
Machinery and equipment	(802,478)	(43,661)	(70,700)	-	(916,839)
Infrastructure	(18,154,077)	43,651	(722,801)	59,455	(18,773,772)
Total Accumulated Depreciation	(19,523,246)	(9)	(810,522)	59,455	(20,274,322)
Total capital assets being depreciated, net	24,871,201	(9)	(428,469)	(26,712)	24,416,011
Business-type activities, capital assets, net	\$ 26,354,451	\$ (9)	\$ (428,469)	\$ (26,712)	\$ 25,899,261

Depreciation expense was charged to functions/programs of the City's business-type activities as follows:

Business-type activities:	
Sewer	\$ 206,551
Water	603,971
Total	\$ 810,522

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

6. LONG-TERM DEBT

A. Governmental Activities

A summary of changes in the governmental activities long-term liabilities at June 30, 2016 is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due within one year	Due more than one year
Governmental activities:						
Capital Lease	\$ 459,574	\$ -	\$ (83,789)	\$ 375,785	\$ 87,668	\$ 288,117
Claims Payable	1,177,851	107,857		1,285,708	544,328	741,380
Compensated Absences	606,413	327,055	(376,111)	557,357	111,471	445,886
Net Pension Liability	7,848,631	702,403	-	8,551,034	-	8,551,034
Total governmental activities	<u>\$ 10,092,469</u>	<u>\$ 1,137,315</u>	<u>\$ (459,900)</u>	<u>\$10,769,884</u>	<u>\$ 743,467</u>	<u>\$ 10,026,417</u>

Capital Lease

In January 2010, the City entered into a capital lease agreement to fund certain current and future major equipment purchases in the general and fleet funds. The outstanding balance of the capital lease payable was \$375,785 at June 30, 2016.

The calculation of the present value of the future lease payments are as follows:

Amount of future lease payments for the year ending June 30,	Governmental Activities
2017	\$ 105,067
2018	105,067
2019	105,066
2020	105,066
Subtotal	420,266
Less: amount representing interest	(44,481)
Present value of future lease payments	<u>\$ 375,785</u>

Accumulated depreciation on assets purchased through lease agreements are as follows:

Assets:	
Machinery and equipment	\$ 856,714
Less: accumulated depreciation	(440,290)
Total	<u>\$ 416,424</u>

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

6. LONG-TERM DEBT, (continued)

B. Business-type Activities

A summary of changes in the Business-type Activities long-term liabilities at June 30, 2016 is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due within one year	Due more than one year
Business-type activities:						
Water Revenue Refunding Bonds, Series 1998A	\$ 1,840,000	\$ -	\$ (425,000)	\$ 1,415,000	\$ 450,000	\$ 965,000
Water Revenue Parity Bonds, Series 2003	6,750,000	-	-	6,750,000	-	6,750,000
Loan Payable to SGVMWD	874,126	-	(145,688)	728,438	145,688	582,750
Capital Lease	221,775	-	(40,434)	181,341	42,305	139,036
Compensated Absences	108,876	85,957	(68,459)	126,374	25,275	101,099
Net Pension Liability	1,172,785	580,107	-	1,752,892	-	1,752,892
Total business-type activities	<u>\$ 10,967,562</u>	<u>\$ 666,064</u>	<u>\$ (679,581)</u>	<u>\$10,954,045</u>	<u>\$ 663,268</u>	<u>\$10,290,777</u>

Sierra Madre Water Revenue Refunding Bonds, Series 1998A-Original issue \$6,740,000

In May 1998, the City entered into an installment agreement with a component unit of the City, the Sierra Madre Financing Authority, to issue bonds totaling \$6,740,000. The purpose of the Water Revenue Refunding Bonds was to assist the City in prepayment of its City Loan Agreement, dated November 1, 1988, by and between the City and the Authority. These bonds mature annually through November 1, 2018 in amounts ranging from \$200,000 to \$495,000 as of November 1, 1999. The interest on the bonds is payable semi-annually on each May 1 and November 1, as of November 1, 1998. The interest rates of the bonds range from 3.65% to 5.00%. The bonds are secured by and payable solely from revenues of the City's Water Enterprise Fund. The outstanding balance of the Water Revenue Refunding Bonds, Series 1998A was \$1,415,000 at June 30, 2016.

Annual debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Totals
2017	\$ 450,000	\$ 59,500	\$ 509,500
2018	470,000	36,500	506,500
2019	495,000	12,375	507,375
	<u>\$ 1,415,000</u>	<u>\$ 108,375</u>	<u>\$ 1,523,375</u>

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

6. LONG-TERM DEBT, (continued)

B. Business-type Activities, (continued)

Sierra Madre Water Revenue Parity Bonds, Series 2003 -Original issue \$6,750,000

In August 2003, the City entered into an installment agreement with a component unit of the City, the Sierra Madre Financing Authority, to issue bonds totaling \$6,750,000. The purpose of the Water Revenue Refunding Bonds was to finance certain improvements to the water production, treatment and distribution system of the City. These bonds mature annually through November 1, 2018 in amounts ranging from \$310,000 to \$625,000. The interest on the bonds is payable semi-annually on each May 1 and November 1, as of November 1, 2003. The interest rates of the bonds range from 5.14% to 5.25%. The bonds are secured by and payable solely from revenues of the City's Water Enterprise Fund. The bonds are subject to special mandatory redemption, mandatory sinking fund redemption and redemption from optional prepayment of installment payments prior to maturity. The outstanding balance of the Water Revenue Parity Bonds, Series 2003 was \$6,750,000 at June 30, 2016.

Annual debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Totals
2017	\$ -	\$ 339,345	\$ 339,345
2018	-	339,345	339,345
2019	-	339,345	339,345
2020	310,000	331,595	641,595
2021	325,000	315,720	640,720
2022-2026	1,895,000	1,310,850	3,205,850
2027-2031	2,435,000	771,680	3,206,680
2032-2034	1,785,000	138,663	1,923,663
	<u>\$ 6,750,000</u>	<u>\$ 3,886,543</u>	<u>\$ 10,636,543</u>

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

6. LONG-TERM DEBT, (continued)

B. Business-type Activities, (continued)

Loan Payable to San Gabriel Valley Municipal Water District: \$1,456,875

The City has identified equipment needed to help assure a reliable water supply, by replacing its Mira Monte Reservoir and Booster Station ("Reservoir Project"). Therefore, the City entered into a loan agreement with the San Gabriel Valley Municipal Water District to fund a portion of the reservoir cost in the amount of \$1,456,875. Proceeds of the loan were disbursed to the City during the duration of the Reservoir Project on a reimbursement basis. Payments are due in annual installments of \$145,688 for ten years. Notice of Completion was March 15, 2009 and was approved by City Council on April 28, 2009. The SGVMWD has extended the first payment terms until July 1, 2012. The outstanding balance of the loan payable to San Gabriel Valley Municipal Water District was \$728,438 at June 30, 2016.

Annual debt service requirements on this loan are as follows:

Year Ending June 30,	Principal	Interest	Totals
2017	\$ 145,688	\$ -	\$ 145,688
2018	145,688	-	145,688
2019	145,688	-	145,688
2020	145,687	-	145,687
2021	145,687	-	145,687
	<u>\$ 728,438</u>	<u>\$ -</u>	<u>\$ 728,438</u>

Capital Lease

In January 2010, the City entered into a capital lease agreement to fund certain current and future major equipment purchases in the sewer fund. The balance of the capital lease payable was \$181,341 at June 30, 2016.

The calculation of the present value of the future lease payments are as follows:

Amount of future lease payments for the year ending June 30,	Business-type Activities
2017	\$ 50,701
2018	50,701
2019	50,702
2020	50,702
Subtotal	<u>202,806</u>
Less: amount representing interest	<u>(21,465)</u>
Present value of future lease payments	<u>\$ 181,341</u>

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

6. LONG-TERM DEBT, (continued)

B. Business-type Activities, (continued)

Accumulated depreciation on assets purchased through lease agreements are as follows:

Assets:	
Machinery and equipment	\$ 401,418
Less: accumulated depreciation	<u>(198,479)</u>
Total	<u><u>\$ 202,939</u></u>

7. NET POSITION AND FUND BALANCES

A. Fund Balance Classifications

As the result of GASB 54 adoption, the City had set aside the following funds:

	General Fund	Development Fees Fund	Non-Major Governmental Funds
Nonspendable	\$ -	\$ -	\$ -
Restricted for:			
Land held for resale	-	-	1,500,000
Public Works	-	-	741,728
Community Development	-	648	1,408,324
Public Safety	-	-	79,153
Community Services	-	-	178,994
Street Projects	-	-	488,079
Debt Service	-	-	9,515
Committed to:			
Capital Projects	-	-	859,448
Emergency Management & Response	-	-	100,153
Community Services	-	-	58,815
Tree Maintenance	-	-	48,967
Donor Restrictions	-	-	389,712
Assigned to:			
Fund Balance Policy for Cash Flows	4,720,472	-	-
Subsequent year's budget appropriation	-	-	-
Unassigned	<u>1,938,003</u>	-	<u>(206,006)</u>
Total fund balance	<u><u>\$ 6,658,475</u></u>	<u><u>\$ 648</u></u>	<u><u>\$ 5,656,882</u></u>

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

7. NET POSITION AND FUND BALANCES, (continued)

B. Reclassification of Capital Assets and Prior Period Adjustment

Fund Financial Statements

The fund balance for the Facilities Internal Service Fund was restated to reclassify capital assets that have been accounted in the internal service fund but should have been accounted for as general governmental assets. The adjustment to the internal service fund has no impact on the government-wide statements.

The fund balance for the Water Fund has been restated to adjust the beginning accounts receivable to actual.

	<u>Water</u>	<u>Sewer and Storm Drain</u>	<u>Governmental Activities Internal Service Funds</u>
<i>Proprietary Funds:</i>			
Net Position, beginning of year	\$ 15,069,776	\$ 4,378,217	\$ 183,866,455
Prior period adjustment	(279,028)	-	
Reclassification		-	(180,211,497)
Net position, beginning of year, as restated	<u>\$ 14,790,748</u>	<u>\$ 4,378,217</u>	<u>\$ 3,654,958</u>

As a result of the reclassification and prior period adjustment, the effect on beginning net position is as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Net position, beginning of year	\$ 188,679,098	\$ 19,812,092	\$ 208,491,190
Prior period adjustment	-	(279,028)	(279,028)
Reclassification	-	-	-
Net position, beginning of year, as restated	<u>\$ 188,679,098</u>	<u>\$ 19,533,064</u>	<u>\$ 208,212,162</u>

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

8. SELF-INSURANCE JOINT POWERS AUTHORITY

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

The City of Sierra Madre is a member of the California Joint Powers Insurance Authority (Authority). The Authority is composed of 116 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

B. Self-Insurance Programs of the Authority

Each member pays an annual contribution at the beginning of the coverage period. A retrospective adjustment is then conducted annually thereafter, for coverage years 2012-13 and prior. Retrospective adjustments are scheduled to continue indefinitely on coverage years 2012-13 and prior, until all claims incurred during those coverage years are closed, on a pool-wide basis. This subsequent cost re-allocation among members, based on actual claim. After the close of the coverage period, outstanding claims are valued. A retrospective deposit computation is then conducted annually thereafter until all claims incurred during the coverage period are closed on a pool-wide basis. This subsequent cost re-allocation among members based on actual claim development, can result in adjustments of either funds or additional deposits required. Coverage years 2013-14 and forward are not subject to routine annual retrospective adjustment.

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

Liability

In the liability program claims are pooled separately between police and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$30,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$30,000 to \$750,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$750,000 to \$50 million, are distributed based on the outcome of cost allocation within the first and second loss layers.

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

8. SELF-INSURANCE JOINT POWERS AUTHORITY, (continued)

B. Self-Insurance Programs of the Authority, (continued)

Liability, (continued)

For 2015-16 the Authority pooled retention is \$2 million per occurrence, with reinsurance to \$20 million, and excess insurance to \$50 million. The Authority's reinsurance contracts are subject to the following additional pooled restrictions: (a) \$2.5 million annual aggregate deductible in the \$3 million x/s \$2 million layer, and (b) \$3 million annual aggregate deductible in the \$5 million x/s \$10 million layer. There is a third annual aggregate deductible in the amount of \$2.5 million in the \$5 million x/s \$5 million layer, however it is fully covered under a separate policy and therefore not retained by the Authority.

The overall coverage limit for each member including all layers of coverage is \$50 million per occurrence. Costs of covered claims for subsidence losses have a sub-limit of \$30 million per occurrence.

Workers' Compensation

In the workers' compensation program claims are pooled separately between public safety (police and fire) and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$50,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$50,000 to \$100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$100,000 to statutory limits are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2015-16 the Authority's pooled retention is \$2 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law.

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

C. Purchased Insurance

Pollution Legal Liability Insurance

The City of Sierra Madre participates in the pollution legal liability insurance program which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City of Sierra Madre. Coverage is on a claims-made basis. There is a \$50,000 deductible. The Authority has a limit of \$50 million for the 3-year period from July 1, 2014 through July 1, 2017. Each member of the Authority has a \$10 million sub-limit during the 3-year term of the policy.

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

8. SELF-INSURANCE JOINT POWERS AUTHORITY, (continued)

C. Purchased Insurance, (continued)

Property Insurance

The City of Sierra Madre participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. City of Sierra Madre property is currently insured according to a schedule of covered property submitted by the City of Sierra Madre to the Authority. City of Sierra Madre property currently has all-risk property insurance protection in the amount of \$65,405,148. There is a \$5,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$1,000 deductible. Premiums for the coverage are paid annually and are not subject to retrospective adjustments.

Earthquake and Flood Insurance

The City of Sierra Madre purchases earthquake and flood insurance on a portion of its property. The earthquake insurance is part of the property protection insurance program of the Authority. City fo Sierra Madre property currently has earthquake protection in the amount of \$34,771,788. There is a deductible of 5% per unit of value with a minimum deductible of \$100,000. Premiums for the coverage are paid annually and are not subject to retrospective adjustments.

Crime Insurance

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

Special Event Tenant User Liability Insurance

The City of Sierra Madre further protects against liability damages by requiring tenant users of certain property to purchase low-cost tenant user liability insurance for certain activities on agency property. The insurance premium is paid by the tenant user and is paid to the City of Sierra Madre according to a schedule. The City of Sierra Madre then pays for the insurance. The insurance is arranged by the Authority.

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

D. Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2015-16.

8. SELF-INSURANCE JOINT POWERS AUTHORITY, (continued)

E. Claims Liability

Retrospective deposits and refunds are cost allocation adjustments to prior coverage periods. Some claims take many years to resolve and over time their estimated value changes. The retrospective adjustments are calculated annually and take into consideration all the changes in claim values that occurred during the most recent year.

As of June 30, 2016, the City has a retrospective deposit balance for the Liability Program of \$712,585 and \$28,795 for the Workers' Compensation Program. The retrospective deposit payables are reported as claims payable on the Statement of Net Position. The current claims liability for both programs of \$544,328 is reported as claims payable current liabilities on the Statement of Net Position.

9. DEFERRED COMPENSATION PLAN

The City has made available to its employees a deferred compensation plan (Plan). The Plan permits employees to defer a portion of their salary until future years. All amounts of compensation deferred under the Plan, all property and rights purchased with those amounts, and all income attributable to those amounts are held in such trust accounts for the exclusive benefit of the employee participants and their beneficiaries. The accumulated assets of the Plan are not required to be reported in the accompanying financial statements.

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

10. DEFINED BENEFIT PENSION PLAN

A. General Information About the Pension Plans

Plan Descriptions

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS.) The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other.) Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The City of Sierra Madre sponsors five rate plans (two miscellaneous and three safety). Benefit provisions under the Plan are established by State statute and Local Government resolution. CalPERS issues publicly available reports that include a full description of the pension plan 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 5 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 Plan operates under the provisions of the California Public Employees' Retirement Law (PERL), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the regulations, procedures and policies adopted by the CalPERS Board of Administration. The Plan's authority to establish and amend the benefit terms are set by the PERL and PEPRA, and may be amended by the California state legislature and in some cases require approval by the CalPERS Board.

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

10. DEFINED BENEFIT PENSION PLAN, (continued)

A. General Information About the Pension Plans, (continued)

The Plans' provisions and benefits in effect at June 30, 2016 are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date	2.5 % @ 55	2% @ 62
Benefit formula	5 years service	5 years service
Benefit vesting schedule	monthly for life	monthly for life
Benefit payments	50 - 55	52 - 67
Retirement age	2.0% to 2.5%	1.0% to 2.5%
Monthly benefits, as a % of eligible compensation	8%	7%
Required employee contribution rates	10.612%	10.612%
Required employer contribution rates		

	Safety	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date	3% @ 55	2.7% @ 57
Benefit formula	5 years service	5 years service
Benefit vesting schedule	monthly for life	monthly for life
Benefit payments	50-55	50 - 57
Retirement age	2.4% to 3%	2.0% to 2.7%
Monthly benefits, as a % of eligible compensation	9%	12.250%
Required employee contribution rates	18.191%	11.923%
Required employer contribution rates		

Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. For public agency cost-sharing plans covered by either the Miscellaneous or Safety risk pools, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and 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. Employer Contributions to the Plan for the fiscal year ended June 30, 2016 were \$520,338. The actual employer payments of \$1,004,211 made to CalPERS by the City of Sierra Madre during the measurement period ended June 30, 2015 differed from the City of Sierra Madre's proportionate share of the employer's contributions of \$1,068,903 by \$64,692, which is being amortized over the expected average remaining service lifetime in the Public Agency Cost-Sharing Multiple Employer Plan.

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

10. DEFINED BENEFIT PENSION PLAN, (continued)

B. Net Pension Liability

The City of Sierra Madre’s net pension liability for the (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, 2015, using an annual actuarial valuation as of June 30, 2014 rolled forward to June 30, 2015 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is as follows.

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

	<u>Miscellaneous</u>	<u>Safety</u>
Valuation Date	June 30, 2014	June 30, 2014
Measurement Date	June 30, 2015	June 30, 2015
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Asset Valuation Method	Market Value of Assets	Market Value of Assets
Actuarial Assumptions:		
Discount Rate	7.65% For Measurement date June 30, 2014, 7.50%	7.65% For Measurement date June 30, 2014, 7.50%
Inflation	2.75%	2.75%
Salary Increases (1)	Varies by entry age and service	Varies by entry age and service
Investment Rate of Return (2)	7.65% For Measurement date June 30, 2014, 7.50%	7.65% For Measurement date June 30, 2014, 7.50%
Mortality Rate Table (3)	Derived using CALPERS' membership data for all Funds	
Post Retirement Benefit Increase	Contract COLA up to 2.75% until purchasing power protection allowance floor on purchasing power applies, 2.75% thereafter	

(1) Annual increases vary by category, entry age, and duration of service

(2) Net of pension plan investment and administrative expenses; includes inflation

(3) The mortality table used was developed based on CalPERS’ specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 experience study report.

All other actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the period from 1997 to 2011, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS’ website under Forms and Publications.

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

10. DEFINED BENEFIT PENSION PLAN, (continued)

B. Net Pension Liability, (continued)

Change of Assumptions

GASB 68, paragraph 68 states that the long long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50 percent used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65 percent used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

Discount Rate

The discount rate used to measure the total pension liability for measurement date June 30, 2015 was 7.65 percent. The discount rate used to measure the total pension liability in the previous year was 7.50 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing of the plan, the test revealed the assets would not run out. Therefore, the current 7.65 percent discount rate is appropriate and the use of the municipal bond rate calculation is not deemed necessary. The long-term expected discount rate of 7.65 percent is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

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

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

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

10. DEFINED BENEFIT PENSION PLAN, (continued)

B. Net Pension Liability, (continued)

Discount Rate, (continued)

The following table reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. The target allocation shown was adopted by the CalPERS Board effective on July 1, 2014.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 ¹	Real Return Years 11+ ²
Global Equity	51.0%	5.25%	5.71%
Global Fixed Incom	19.0%	0.99%	2.43%
Inflation Sensitive	6.0%	0.45%	3.36%
Private Equity	10.0%	6.83%	6.95%
Real Estate	10.0%	4.50%	5.13%
Infrastructure and Forestland	2.0%	4.50%	5.09%
Liquidity	2.0%	(0.55%)	(1.05%)
Total	100%		

¹ An expected inflation of 2.5% used for this period

² An expected inflation of 3.0% used for this period

Pension Plan Fiduciary Net Position

Information about the pension plans' assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position are presented in CalPERS' audited financial statements, which are publicly available reports that can be obtained at CalPERS' website, at www.calpers.ca.gov. The plans' fiduciary net position and additions to/deductions from the plans' fiduciary net position have been determined on the same basis used by the pension plan, which is the economic resources measurement focus and the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. Investments are reported at fair value.

The plan fiduciary net position disclosed in the GASB 68 accounting valuation report may differ from the plan assets reported in the funding actuarial valuation report due to several reasons. First, for the accounting valuations, CalPERS must keep items such as deficiency reserves, fiduciary self-insurance and Other Post-Employment Benefits (OPEB) expense included as assets. These amounts are excluded for rate setting purposes in the funding actuarial valuation. In addition, differences may result from early Comprehensive Annual Financial Report closing and final reconciled reserves.

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

10. DEFINED BENEFIT PENSION PLAN, (continued)

C. Proportionate Share of Net Pension Liability

The following table shows the Plans' proportionate share of the net pension liability over the measurement period.

Miscellaneous

	Increase (Decrease)		
	Plan Total	Plan Fiduciary	Plan Net Pension
	Pension Liability	Net Position	Liability
	(a)	(b)	(c) = (a) - (b)
Balance at: 6/30/2014 (MD)	\$ 22,295,775	\$ 17,655,460	\$ 4,640,315
Balance at: 6/30/2015 (MD)	\$ 22,798,839	\$ 16,955,867	\$ 5,842,972
Net Changes during 2014-15	\$ 503,064	\$ (699,593)	\$ 1,202,657

Safety

	Increase (Decrease)		
	Plan Total	Plan Fiduciary	Plan Net Pension
	Pension Liability	Net Position	Liability
	(a)	(b)	(c) = (a) - (b)
Balance at: 6/30/2014 (MD)	\$ 18,521,988	\$ 14,140,886	\$ 4,381,102
Balance at: 6/30/2015 (MD)	\$ 18,479,662	\$ 14,178,704	\$ 4,300,958
Net Changes during 2014-15	\$ (42,326)	\$ 37,818	\$ (80,144)

Valuation Date (VD), Measurement Date (MD).

The City of Sierra Madre's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2015, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2014 rolled forward to June 30, 2015 using standard update procedures. The City of Sierra Madre's proportion of the net pension liability was determined by CalPERS using the output from the Actuarial Valuation System and the fiduciary net position, as provided in the CalPERS Public Agency Cost-Sharing Allocation Methodology Report, which is a publicly available report that can be obtained at CalPERS' website under Forms and Publications, at www.calpers.ca.gov. The City of Sierra Madre's proportionate share of the net pension liability for each Plan as of June 30, 2014 and 2015 was as follows:

	Miscellaneous	Safety
Proportionate Share - June 30, 2014	0.18775%	0.11680%
Proportionate Share - June 30, 2015	0.21298%	0.10438%
Change - Increase (Decrease)	0.02523%	(0.01242%)

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

10. DEFINED BENEFIT PENSION PLAN, (continued)

C. Proportionate Share of Net Pension Liability, (continued)

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

The following presents the City of Sierra Madre's proportionate share of the net pension liability for each Plan as of the measurement date, calculated using the discount rate of 7.65 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.65 percent) or 1 percentage-point higher (8.65 percent) than the current rate:

Miscellaneous Plan's Net Pension Liability	\$ 8,947,870	\$ 5,842,972	\$ 3,279,518
Safety Plan's Net Pension Liability	\$ 6,834,708	\$ 4,300,958	\$ 2,223,329

Subsequent Events

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

Recognition of Gains and Losses

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.

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

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

The expected average remaining service lifetime (EARSL) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired) in the Public Agency Cost-Sharing Multiple-Employer Plan (PERF C).

The EARSL for the Plan for the 2014-15 measurement period is 3.8 years, which was obtained by dividing the total service years of 467,023 (the sum of remaining service lifetimes of the active employees) by 122,410 (the total number of participants: active, inactive, and retired). Note that inactive employees and retirees have remaining service lifetimes equal to 0. Also note that total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

10. DEFINED BENEFIT PENSION PLAN, (continued)

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

Miscellaneous Plan

As of the start of the measurement period (July 1, 2014), the net pension liability for the plan was \$4,640,315. For the measurement period ending June 30, 2015 (the measurement date), the City of Sierra Madre incurred a pension expense of \$455,446 for the Plan.

Safety Plan

As of the start of the measurement period (July 1, 2014), the net pension liability for the plan was \$4,381,102. For the measurement period ending June 30, 2015 (the measurement date), the City of Sierra Madre incurred a pension expense of \$199,475 for the Plan.

As of June 30, 2016, the City of Sierra Madre has deferred outflows and deferred inflows of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between Expected and Actual Experience	\$ 31,224	\$ (68,017)
Changes of Assumptions	-	(608,246)
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	(306,640)
Change in Employer's Proportion	531,395	(136,894)
Differences in Actual vs Projected Contributions	83,719	(80,938)
Pension Contributions Subsequent to Measurement Date	520,338	-
Total	\$ 1,166,676	\$ (1,200,735)

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

10. DEFINED BENEFIT PENSION PLAN, (continued)

D. Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions, (continued)

These amounts above are net of outflows and inflows recognized in the 2014-15 measurement period expense. The \$520,338 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 year ended June 30, 2017. Amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

Measurement Period Ended June 30:	Deferred Outflows/(Inflows) of Resources
2016	\$ (291,151)
2017	(297,137)
2018	(299,537)
2019	333,428
2020	-
Remaining	-

E. Payable to the Pension Plan

At June 30, 2016, the City of Sierra Madre reported a payable of \$13,517 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2016.

11. DEFINED CONTRIBUTION PENSION PLAN

The City provides pension benefits for all of its part-time employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The plan is administered as part of the Accumulation Program for Part-time and Limited-service Employees (The APPLE Plan) all part-time employees are eligible to participate from the date of employment. Federal legislation requires contributions of at least 7.5% to a retirement plan; the employee pays the entire 7.5% of the contribution. The contributions for each employee (and interest earned by the accounts) are fully vested immediately. The 457(b) pension plan for part-time employees was implemented in response to the Omnibus Reconciliation Act of 1990 (OBRA 90) that required all part-time employees working for governmental agencies to include these employees in Social Security (Old Age Security and Disability Insurance - OASDI) or a qualified alternative to Social Security covered under section IRC 3121.

For the year ended June 30, 2016, the City's payroll covered by the plan was \$741,299. The employees contributed 100% of the contributions.

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

12. COMMITMENTS AND CONTINGENCIES

A. Grant Audits

The City participates in Federal and State grant programs. No cost disallowance is expected, as a result of these audits; however, these programs are subject to further examination by the grantors. Expenditures, if any, which may be disallowed by the granting agencies, cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

B. Litigation

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 beyond that already accrued in the basic financial statements. Additionally, City management believes that sufficient resources are available to the City to cover any potential losses, should an unfavorable outcome arise.

C. Compliance with Laws and Regulations

The City has complied with the California State Controller's requirements by filing its audited financial statements in a timely manner. Management is working to prepare and file the audited financial statements to fulfill such regulatory requirements.

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

13. OTHER POST EMPLOYMENT EMPLOYEE BENEFITS

Plan Description

The City administers a single-employer defined benefit plan which provides medical benefits to eligible retirees and their spouses. Medical coverage is currently provided through CalPERS as permitted under the Public Employees' Medical and Hospital Care Act (PEMHCA). This coverage requires the employee to satisfy the requirements for retirement under CalPERS. CalPERS retirement requires attainment of age 50 with 5 years of State or public City service or approved disability retirement.

Benefits provided: The City has participated in the CalPERS medical program since 1995 for all employees other than Police Officer's Association (POA) employees, and since 1999 for POA employees. As such, the City is obligated to contribute toward the cost of retiree medical coverage for the retiree's and spouse's lifetime so long as they remain eligible for and covered by this medical program. The City provides additional benefits based on employee agreements beyond those required under PEMHCA. The following is a summary of these benefits:

- All employees who retire from the City (including disability retirement) and continue coverage in the CalPERS medical program are eligible for the benefit provided in the PEMHCA resolutions.
- Those resolutions provide for the City to contribute toward retiree premiums by multiplying together the following three items:
 - 5% times
 - The number of prior years the City has been contracted with PEMHCA times
 - The contribution the employer makes towards active employee health benefits

The (direct) contribution provided by the City on behalf of active employees is \$125 per month for 2016.

- \$131.25 for CEA (and other non-POA) retirees, calculated as 5% times 21 (years in CalPERS medical) times \$125.
- \$106.25 for the POA retirees, calculated as 5% times 17 years times \$125.

As noted, this amount will increase until the contributions for retirees are equal to that for active employees.

In addition to the benefits described above, the City also provides the following monthly subsidy toward retiree (single coverage) medical premiums until the retiree reaches age 65.

- For CEA (and other non-POA) employees hired before October 15th 1995 and POA employees hired on or before December 22, 2011 who meet the requirements for CalPERS retirement (including industrial disability retirement), 5% times the number of years worked for the City times the lesser of the actual premium and the lowest cost HMO premium in the Los Angeles area region.
- For CEA (and other non-POA) employees hired on or after October 15th, 1995 and POA employees hired after December 22, 2011 who retire (including disability retirement) at age 60 or older with at least 30 years of service with the City, 100% of the actual premium or the lowest cost HMO premium in the LA area region, whichever is less.

The lowest cost HMO plan premium in the LA area region was \$466.11 per month in 2016.

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

13. OTHER POST EMPLOYMENT EMPLOYEE BENEFITS, (continued)

Funding Policy

The contribution requirements of plan members and the City are established and may be amended by the City Council. The City voluntarily prefunds its annual contribution requirement (i.e. to set aside funds in advance of when medical premiums become due). Amounts that are prefunded are deposited into a prefunding account with CalPERS' California Employer's Retiree Benefit Trust Program ("CERBT"), the prefunding plan under Government Code Section 22940 for prefunding health care coverage for annuitants. CERBT is a trust fund that is intended to perform an essential governmental function within the "meaning of Section 115 of the Internal Revenue Code as an agent multiple-employer plan as defined in Governmental Accounting Standards Board (GASB) Statement No. 43 consisting of an aggregation of single-employer plans with pooled administrative and investment functions. Assets held in this trust are considered to be assets held in a fiduciary capacity on behalf of City employees and these assets accordingly have been excluded from the City's reported assets. The City's plan does not publish an annual report, but the CalPERS CERBT publishes GASB 43 compliant Financial Statements, Notes, and Required Supplementary Information which may be obtained from its executive office at 400 "Q" Street, Sacramento, California 95811.

Annual OPEB Cost and Net OPEB Obligation

The City's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation (asset) for these benefits:

Annual required contribution	\$ 52,469
Interest on net OPEB obligation	(26,913)
Adjustment to annual required contribution	<u>102,350</u>
Annual OPEB cost (expense)	127,906
Contributions made :	
Payments on behalf of retirees	(55,614)
Contribution to OPEB Trust	<u>(100,000)</u>
Decrease in OPEB obligation (asset)	(27,708)
Net OPEB obligation (asset), beginning of year	<u>(358,844)</u>
Net OPEB obligation (asset), end of year	<u><u>\$ (386,552)</u></u>

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

13. OTHER POST EMPLOYMENT EMPLOYEE BENEFITS, (continued)

Annual OPEB Cost and Net OPEB Obligation, (continued)

The City's annual OPEB cost, percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation (asset) for 2016 and the preceding three years were as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Annual Contribution</u>	<u>% of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation/(Asset)</u>
6/30/2013	\$ 194,820	\$ 280,242	\$ 1	\$ (296,796)
6/30/2014	216,235	342,019	158.2%	(422,580)
6/30/2015	120,073	56,337	46.9%	(358,844)
6/30/2016	127,906	155,614	121.7%	(386,552)

Funded Status and Funding Progress

As of July 1, 2015, the most recent actuarial date, the funded status of the plan was as follows:

Actuarial accrued liability (AAL)	\$ 1,777,953
Actuarial value of plan assets	<u>1,363,276</u>
Unfunded actuarial accrued liability (UAAL)	<u>\$ 414,677</u>
Funded ratio (actuarial value of plan assets / AAL)	76.7%
Covered payroll (active plan members)	\$ 3,980,400
UAAL as a percentage of covered payroll	10.4%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for the benefits.

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

13. OTHER POST EMPLOYMENT EMPLOYEE BENEFITS, (continued)

Actuarial Methods and Assumptions

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

The ARC for the plan for the current fiscal year ended June 30, 2016, was determined as part of the July 1, 2013 actuarial valuation. The actuarial cost method used for determining the benefit obligations is the Entry Age Normal Cost, Level Percent of Pay Method. The actuarial assumptions included 1) a 7.5% investment rate of return, which is the assumed rate of the expected long-term investment returns on plan assets calculated based on the funded level of the plan at the valuation date, 2) an annual healthcare cost trend rate of 10% initially, reduced by decrements of 0.5% per year to an ultimate rate of 4.5% in the tenth year and 3) a 3.25% annual increase in salaries. The actuarial value of assets is set equal to the reported market value of assets. The UAAL is being amortized as a level percentage of payroll over a closed 10-year period, commencing with the fiscal year ending June 30, 2010. The remaining amortization period at June 30, 2016 is 4 years.

14. SUCCESSOR AGENCY

Successor Agency Long-Term Debt

The debt of the Successor Agency as of June 30, 2016 is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due within one year	Due more than one year
Successor agency:						
Refunding Bond						
Series 1998A	\$ 1,730,000	\$ -	\$ (315,000)	\$ 1,415,000	\$ 330,000	\$ 1,085,000
Compensated Absences	5,386	4,014	(3,764)	5,636	1,127	4,509
Total successor agency	<u>\$ 1,735,386</u>	<u>\$ 4,014</u>	<u>\$ (318,764)</u>	<u>\$ 1,420,636</u>	<u>\$ 331,127</u>	<u>\$ 1,089,509</u>

Sierra Madre Tax Increment Revenue Refunding Bonds, Series 1998A - Original Issue \$5,175,000

In May 1998, the Sierra Madre Financing Authority issued the Tax Increment Revenue Refunding Bonds, Series 1998A on behalf of the Sierra Madre Community Redevelopment Agency in prepayment of its Agency Loan Agreement dated November 1, 1988, by and between the Agency and the Authority. These bonds mature annually through November 1, 2019 in the amounts ranging from \$155,000 to \$380,000 as of November 1, 1998. The interest on the bonds is payable semi-annually on May 1 and November 1, as of November 1, 1999.

CITY OF SIERRA MADRE
Notes to Basic Financial Statements
For the year ended June 30, 2016

14. SUCCESSOR AGENCY, (continued)

Successor Agency Long-Term Debt, (continued)

Sierra Madre Tax Increment Revenue Refunding Bonds, Series 1998A - Original Issue \$5,175,000, (continued)

The bonds are special obligations of the Authority secured by and payable solely as of the tax rate of the Tax Increment Revenue Refunding Bonds, Series 1998A ranging from 3.8% to 5.0%. The bonds are subject to mandatory sinking redemption and redemption from optional loan prepayments prior to maturity. The outstanding balance of the Tax Increment Revenue Refunding Bonds, Series 1998A was \$1,415,000 at June 30, 2016.

Annual debt service requirements on these bonds are as follows:

Year Ending June 30,	Principal	Interest	Totals
2017	\$ 330,000	\$ 62,500	\$ 392,500
2018	345,000	45,625	390,625
2019	360,000	28,000	388,000
2020	380,000	9,500	389,500
	<u>\$ 1,415,000</u>	<u>\$ 145,625</u>	<u>\$ 1,560,625</u>

15. SUBSEQUENT EVENT

On December 21, 2016, the California Public Employees' Retirement System (CalPERS) Board of Administration voted to lower the CalPERS discount rate from 7.5 percent to 7.0 percent over the next three years. The discount rate will be changed as follows:

Fiscal year 2017-2018	7.375%
Fiscal year 2018-2019	7.25%
Fiscal year 2019-2020	7.00%

Lowering the discount rate, also known as the assumed rate of return, means employers that contract with CalPERS to administer their pension plans will see increases in their normal costs and unfunded actuarial liabilities.

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City of Sierra Madre, California

Village of the Foothills



Required Supplementary Information For the Year Ending June 30, 2016

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CITY OF SIERRA MADRE
Required Supplementary Information
For the year ended June 30, 2016

1. DEFINED BENEFIT PENSION PLAN – PUBLIC EMPLOYEE RETIREMENT SYSTEMS (PERS)

RSI for Cost-Sharing Plan

Schedule of the Employer's Proportionate Share of the Plan's Net Pension Liability and Related Ratios as of the Measurement Date

Measurement Date	<u>6/30/2014</u>	<u>6/30/2015</u>
Employer's Proportion of the Collective Net Pension Liability ¹	0.30455%	0.31736%
Employer's Proportionate Share of the Collective Net Pension Liability	\$ 9,021,417	\$ 10,143,930
Employer's Covered-Employee Payroll ²	\$ 4,410,217	\$ 3,957,204
Employer's Proportionate Share of the Collective Net Pension Liability as a Percentage of the Employer's Covered-Employee Payroll	204.56%	256.34%
Pension Plan's Fiduciary Net Position as a Percentage of the Total Pension Liability	79.82%	78.40%

¹ Proportion of the collective net pension liability represents the plan's proportion of PERF C, which includes both the Miscellaneous and Safety Risk Pools excluding

² Covered Payroll is defined as the payroll on which contributions to a pension plan are based, in accordance with GASB 82.

* Fiscal year 2014-15 was the first year of implementation, therefore, only two years are presented.

CITY OF SIERRA MADRE
Required Supplementary Information
For the year ended June 30, 2016

**1. DEFINED BENEFIT PENSION PLAN – PUBLIC EMPLOYEE RETIREMENT SYSTEMS (PERS),
(continued)**

Schedule of Plan Contributions

Fiscal Year	<u>2014-2015</u>	<u>2015-2016</u>
Contractually Determined Contributions	\$ 1,004,211	\$ 520,338
Contributions in Relation to the Contractually Determined Contribution	<u>(1,004,211)</u>	<u>(520,338)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>
 Employer's Covered-Employee Payroll ¹	 \$ 3,957,204	 \$ 4,187,067
 Contributions as a Percentage of Covered Payroll	 25.38%	 12.43%

¹ Covered Payroll is defined as the payroll on which contributions to a pension plan are based, in accordance with GASB 82.

Notes to Schedule:

Change in Benefit Terms: None

Change in Assumptions: The discount rate was changed from 7.5 percent (net of administrative expense) to 7.65 percent to correct for an adjustment to exclude

* Fiscal year 2014-15 was the first year of implementation, therefore, only two years are presented.

2. OTHER POST EMPLOYMENT BENEFITS

SCHEDULE OF FUNDING PROGRESS FOR THE CITY'S PLAN
(Most recent information available)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
7/1/2011	\$ 361,594	\$ 1,162,355	\$ 800,761	31.1%	\$ 3,879,418	20.6%
7/1/2013	896,496	1,181,306	284,810	75.9%	3,688,531	7.7%
7/1/2015	1,363,276	1,777,953	414,677	76.7%	3,980,400	10.4%

CITY OF SIERRA MADRE
Required Supplementary Information
For the year ended June 30, 2016

3. BUDGETS AND BUDGETARY ACCOUNTING

The City adopts an annual budget prepared on the modified accrual basis of accounting for governmental funds. The City Manager or a designee is authorized to transfer budgeted amounts between the accounts of any department. Revisions that alter the total appropriations of any department or fund may be approved by the City Council. Prior year appropriations lapse unless they are approved for carryover into the following fiscal year.

CITY OF SIERRA MADRE
Budgetary Comparison Schedule
General Fund
For the year ending June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Property taxes	\$ 5,424,430	\$ 5,379,800	\$ 5,480,523	\$ 100,723
Other taxes	2,670,886	2,748,000	2,809,769	61,769
Charges for services	173,669	171,100	328,155	157,055
Intergovernmental	4,912	4,300	3,687	(613)
Licenses and permits	404,212	374,600	398,631	24,031
Fines and forfeitures	233,600	176,900	190,999	14,099
Investment income	10,000	1,000	15,229	14,229
Miscellaneous	11,045	209,300	213,951	4,651
Total revenues	<u>8,932,754</u>	<u>9,065,000</u>	<u>9,440,944</u>	<u>375,944</u>
Expenditures:				
Current:				
General government:				
Administrative Services	1,542,546	1,590,600	1,589,911	689
Elected and Appointed	386,710	327,800	380,372	(52,572)
Total general government	<u>1,929,256</u>	<u>1,918,400</u>	<u>1,970,283</u>	<u>(51,883)</u>
Public safety:				
Police	3,887,798	3,930,900	3,696,734	234,166
Fire	1,048,767	1,046,282	1,036,187	10,095
Total public safety	<u>4,936,565</u>	<u>4,977,182</u>	<u>4,732,921</u>	<u>244,261</u>
Public works	520,420	553,500	492,903	60,597
Culture and recreation:				
Community Services	142,343	155,200	137,298	17,902
Library Services	757,632	782,600	738,179	44,421
Total culture and recreation	<u>899,975</u>	<u>937,800</u>	<u>875,477</u>	<u>62,323</u>
Total expenditures	<u>8,286,216</u>	<u>8,386,882</u>	<u>8,071,584</u>	<u>315,298</u>
Excess (deficiency) of revenues over (under) expenditures	<u>646,538</u>	<u>678,118</u>	<u>1,369,360</u>	<u>691,242</u>
Other financing sources (uses):				
Transfers in	100,000	100,000	110,434	10,434
Transfers out	(1,276,065)	(2,278,011)	(2,275,987)	2,024
Total other financing sources (uses)	<u>(1,176,065)</u>	<u>(2,178,011)</u>	<u>(2,165,553)</u>	<u>12,458</u>
Net change to fund balance	(529,527)	(1,499,893)	(796,193)	703,700
Fund balance, beginning of year	<u>7,454,668</u>	<u>7,454,668</u>	<u>7,454,668</u>	<u>-</u>
Fund balance, end of year	<u>\$ 6,925,141</u>	<u>\$ 5,954,775</u>	<u>\$ 6,658,475</u>	<u>\$ 703,700</u>

City of Sierra Madre, California

Village of the Foothills



Supplementary Information For the Year Ending June 30, 2016

CITY OF SIERRA MADRE
Combining Balance Sheet
Non-Major Governmental Funds by Fund Type
June 30, 2016

	Special Revenue Funds	Capital Projects Funds	Citywide Debt Service Fund	Total Non-Major Governmental Funds
Assets:				
Cash and investments	\$ 3,586,688	\$ 861,954	\$ 9,515	\$ 4,458,157
Receivables:				
Accounts	31,107	-	-	31,107
Taxes	29,055	-	-	29,055
Due from other agencies	11,992	-	-	11,992
Land held for resale	-	1,500,000	-	1,500,000
Total assets	\$ 3,658,842	\$ 2,361,954	\$ 9,515	\$ 6,030,311
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 76,680	\$ -	\$ -	\$ 76,680
Accrued payroll and related liabilities	14,516	-	-	14,516
Due to other funds	228,953	-	-	228,953
Deposits and retentions	50,780	2,500	-	53,280
Total liabilities	370,929	2,500	-	373,429
Fund balances:				
Restricted	2,896,272	1,500,006	9,515	4,405,793
Committed	597,647	859,448	-	1,457,095
Assigned	-	-	-	-
Unassigned	(206,006)	-	-	(206,006)
Total fund balances	3,287,913	2,359,454	9,515	5,656,882
Total liabilities and fund balances	\$ 3,658,842	\$ 2,361,954	\$ 9,515	\$ 6,030,311

CITY OF SIERRA MADRE

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Non-Major Governmental Funds by Fund Type

For the year ended June 30, 2016

	Special Revenue Funds	Capital Projects Funds	Citywide Debt Service Fund	Total Non-Major Governmental Funds
Revenues:				
Property taxes	\$ 196,785	\$ -	\$ -	\$ 196,785
Charges for services	300,477	-	93,772	394,249
Intergovernmental	1,018,593	-	-	1,018,593
Licenses and permits	90,946	-	-	90,946
Investment income	7,877	1,951	21	9,849
Miscellaneous	226,794	-	-	226,794
Total revenues	<u>1,841,472</u>	<u>1,951</u>	<u>93,793</u>	<u>1,937,216</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	992,365	-	-	992,365
Public works	511,423	-	-	511,423
Development	-	182,998	-	182,998
Culture and recreation	353,010	-	-	353,010
Debt Service:				
Principal	-	-	72,604	72,604
Interest	-	-	18,442	18,442
Total expenditures	<u>1,856,798</u>	<u>182,998</u>	<u>91,046</u>	<u>2,130,842</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(15,326)</u>	<u>(181,047)</u>	<u>2,747</u>	<u>(193,626)</u>
Other financing sources (uses):				
Transfers in	585,643	857,500	-	1,443,143
Transfers out	(110,434)	-	-	(110,434)
Total other financing sources (uses)	<u>475,209</u>	<u>857,500</u>	<u>-</u>	<u>1,332,709</u>
Net change to fund balances	459,883	676,453	2,747	1,139,083
Fund balances, beginning of year, as restated	<u>2,828,030</u>	<u>1,683,001</u>	<u>6,768</u>	<u>4,517,799</u>
Fund balances, end of year	<u>\$ 3,287,913</u>	<u>\$ 2,359,454</u>	<u>\$ 9,515</u>	<u>\$ 5,656,882</u>

CITY OF SIERRA MADRE
Combining Balance Sheet
Non-Major Special Revenue Funds
June 30, 2016

	<u>Grant Funds</u>	<u>Assessment Funds</u>	<u>Other Special Revenue Funds</u>	<u>Total Special Revenue Funds</u>
Assets:				
Cash and investments	\$ 100,153	\$ 605,208	\$ 2,881,327	\$ 3,586,688
Receivables:				
Accounts	-	-	31,107	31,107
Taxes	-	6,982	22,073	29,055
Due from other agencies	11,992	-	-	11,992
Total assets	<u><u>\$ 112,145</u></u>	<u><u>\$ 612,190</u></u>	<u><u>\$ 2,934,507</u></u>	<u><u>\$ 3,658,842</u></u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ 11,634	\$ 65,046	\$ 76,680
Accrued payroll and related liabilities	-	-	14,516	14,516
Due to other funds	11,992	-	216,961	228,953
Deposits and retentions	-	-	50,780	50,780
Total liabilities	<u><u>11,992</u></u>	<u><u>11,634</u></u>	<u><u>347,303</u></u>	<u><u>370,929</u></u>
Fund balances:				
Restricted	-	600,556	2,295,716	2,896,272
Committed	100,153	-	497,494	597,647
Unassigned	-	-	(206,006)	(206,006)
Total fund balances	<u><u>100,153</u></u>	<u><u>600,556</u></u>	<u><u>2,587,204</u></u>	<u><u>3,287,913</u></u>
Total liabilities and fund balances	<u><u>\$ 112,145</u></u>	<u><u>\$ 612,190</u></u>	<u><u>\$ 2,934,507</u></u>	<u><u>\$ 3,658,842</u></u>

CITY OF SIERRA MADRE

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Non-Major Special Revenue Funds

For the year ended June 30, 2016

	<u>Grant Funds</u>	<u>Assessment Funds</u>	<u>Other Special Revenue Funds</u>	<u>Total Special Revenue Funds</u>
Revenues:				
Property taxes	\$ -	\$ 196,785	\$ -	\$ 196,785
Charges for services	-	-	300,477	300,477
Intergovernmental	-	-	1,018,593	1,018,593
Licenses and permits	-	-	90,946	90,946
Investment income	-	1,350	6,527	7,877
Miscellaneous	-	-	226,794	226,794
Total revenues	<u>-</u>	<u>198,135</u>	<u>1,643,337</u>	<u>1,841,472</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	992,365	992,365
Public works	-	82,519	428,904	511,423
Development	-	-	-	-
Culture and recreation	-	-	353,010	353,010
Total expenditures	<u>-</u>	<u>82,519</u>	<u>1,774,279</u>	<u>1,856,798</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>115,616</u>	<u>(130,942)</u>	<u>(15,326)</u>
Other financing sources (uses):				
Transfers in	-	27,751	557,892	585,643
Transfers out	<u>-</u>	<u>-</u>	<u>(110,434)</u>	<u>(110,434)</u>
Total other financing sources (uses)	<u>-</u>	<u>27,751</u>	<u>447,458</u>	<u>475,209</u>
Net change to fund balances	-	143,367	316,516	459,883
Fund balances, beginning of year, as restated	<u>100,153</u>	<u>457,189</u>	<u>2,270,688</u>	<u>2,828,030</u>
Fund balances, end of year	<u>\$ 100,153</u>	<u>\$ 600,556</u>	<u>\$ 2,587,204</u>	<u>\$ 3,287,913</u>

CITY OF SIERRA MADRE
Combining Balance Sheet
Non-Major Special Revenue Funds-Grants
June 30, 2016

	FMAG-Santa Anita Fire	LA County Tree Mitigation Grant	Total Special Revenue-Grant Funds
	<u> </u>	<u> </u>	<u> </u>
Assets:			
Cash and investments	\$ 100,153	\$ -	\$ 100,153
Due from other agencies	-	11,992	11,992
Total assets	<u>\$ 100,153</u>	<u>\$ 11,992</u>	<u>\$ 112,145</u>
Liabilities and Fund Balances:			
Liabilities:			
Due to other funds	-	11,992	11,992
Total liabilities	<u>-</u>	<u>11,992</u>	<u>11,992</u>
Fund balances:			
Committed	<u>100,153</u>	<u>-</u>	<u>100,153</u>
Total fund balances	<u>100,153</u>	<u>-</u>	<u>100,153</u>
Total liabilities and fund balances	<u>\$ 100,153</u>	<u>\$ 11,992</u>	<u>\$ 112,145</u>

CITY OF SIERRA MADRE

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Non-Major Special Revenue Funds-Grants

For the year ended June 30, 2016

	FMAG-Santa Anita Fire	LA County Tree Mitigation Grant	Total Special Revenue-Grant Funds
Revenues:			
Intergovernmental	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:			
Current:			
Culture and recreation	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):			
Transfers in	-	-	-
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change to fund balances	-	-	-
Fund balances, beginning of year	<u>100,153</u>	<u>-</u>	<u>100,153</u>
Fund balances, end of year	<u>\$ 100,153</u>	<u>\$ -</u>	<u>\$ 100,153</u>

CITY OF SIERRA MADRE

Combining Balance Sheet

Non-Major Special Revenue Funds-Assessments

June 30, 2016

	Bonita Sewer Assessment District	Central Business Assessment District	Fane/Winwood Assessment District	Lighting District #1
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Assets:				
Cash and investments	\$ 10,272	\$ 9,578	\$ 12,320	\$ 169,509
Taxes receivable	646	305	-	54
Total assets	<u>\$ 10,918</u>	<u>\$ 9,883</u>	<u>\$ 12,320</u>	<u>\$ 169,563</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ 9,883	\$ -	\$ 136
Total liabilities	<u>-</u>	<u>9,883</u>	<u>-</u>	<u>136</u>
Fund balances:				
Restricted	<u>10,918</u>	<u>-</u>	<u>12,320</u>	<u>169,427</u>
Total fund balances	<u>10,918</u>	<u>-</u>	<u>12,320</u>	<u>169,427</u>
Total liabilities and fund balances	<u>\$ 10,918</u>	<u>\$ 9,883</u>	<u>\$ 12,320</u>	<u>\$ 169,563</u>

Lighting District Zone A	Lighting District Zone B	Parking Maintenance District	Santa Anita/Arno Maintenance District	Sewer Assessment District	Sierra Madre CFD	Total Special Revenue- Assessment Funds
\$ 158,034	\$ 182,933	\$ 191	\$ -	\$ 35,140	\$ 27,231	\$ 605,208
4,819	960	196	-	-	2	6,982
<u>\$ 162,853</u>	<u>\$ 183,893</u>	<u>\$ 387</u>	<u>\$ -</u>	<u>\$ 35,140</u>	<u>\$ 27,233</u>	<u>\$ 612,190</u>
\$ 235	\$ 993	\$ 387	\$ -	\$ -	\$ -	\$ 11,634
<u>235</u>	<u>993</u>	<u>387</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,634</u>
162,618	182,900	-	-	35,140	27,233	600,556
<u>162,618</u>	<u>182,900</u>	<u>-</u>	<u>-</u>	<u>35,140</u>	<u>27,233</u>	<u>600,556</u>
<u>\$ 162,853</u>	<u>\$ 183,893</u>	<u>\$ 387</u>	<u>\$ -</u>	<u>\$ 35,140</u>	<u>\$ 27,233</u>	<u>\$ 612,190</u>

CITY OF SIERRA MADRE

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Non-Major Special Revenue Funds-Assessments

For the year ended June 30, 2016

	Bonita Sewer Assessment District	Central Business Assessment District	Fane/Winwood Assessment District	Lighting District #1
Revenues:				
Property taxes	\$ 10,290	\$ 5,219	\$ -	\$ 45,090
Investment income	23	-	28	384
Total revenues	<u>10,313</u>	<u>5,219</u>	<u>28</u>	<u>45,474</u>
Expenditures:				
Current:				
Public works	<u>10,636</u>	<u>16,977</u>	<u>604</u>	<u>5,172</u>
Total expenditures	<u>10,636</u>	<u>16,977</u>	<u>604</u>	<u>5,172</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(323)</u>	<u>(11,758)</u>	<u>(576)</u>	<u>40,302</u>
Other financing sources (uses):				
Transfers in	-	11,758	-	-
Total other financing sources (uses)	<u>-</u>	<u>11,758</u>	<u>-</u>	<u>-</u>
Net change to fund balances	(323)	-	(576)	40,302
Fund balances, beginning of year	<u>11,241</u>	<u>-</u>	<u>12,896</u>	<u>129,125</u>
Fund balances, end of year	<u>\$ 10,918</u>	<u>\$ -</u>	<u>\$ 12,320</u>	<u>\$ 169,427</u>

Lighting District Zone A	Lighting District Zone B	Parking Maintenance District	Santa Anita/Arno Maintenance District	Sewer Assessment District	Sierra Madre CFD	Total Special Revenue- Assessment Funds
\$ 48,112	\$ 65,391	\$ 8,802	\$ -	\$ 7,037	\$ 6,844	\$ 196,785
358	415	-	-	79	63	1,350
<u>48,470</u>	<u>65,806</u>	<u>8,802</u>	<u>-</u>	<u>7,116</u>	<u>6,907</u>	<u>198,135</u>
4,057	19,438	22,930	1,865	840	-	82,519
<u>4,057</u>	<u>19,438</u>	<u>22,930</u>	<u>1,865</u>	<u>840</u>	<u>-</u>	<u>82,519</u>
<u>44,413</u>	<u>46,368</u>	<u>(14,128)</u>	<u>(1,865)</u>	<u>6,276</u>	<u>6,907</u>	<u>115,616</u>
-	-	14,128	1,865	-	-	27,751
-	-	<u>14,128</u>	<u>1,865</u>	-	-	<u>27,751</u>
44,413	46,368	-	-	6,276	6,907	143,367
118,205	136,532	-	-	28,864	20,326	457,189
<u>\$ 162,618</u>	<u>\$ 182,900</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,140</u>	<u>\$ 27,233</u>	<u>\$ 600,556</u>

CITY OF SIERRA MADRE
Combining Balance Sheet
Non-Major Special Revenue Funds-Other
June 30, 2016

	Development Impact Fees	Development Fees Art in Public Places	DUI Enforcement	Narcotics Enforcement
Assets:				
Cash and investments	\$ 1,401,178	\$ 57,920	\$ 7,032	\$ 449
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Total assets	\$ 1,401,178	\$ 57,920	\$ 7,032	\$ 449
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued payroll and related liabilities	-	-	-	-
Due to other funds	-	-	-	-
Deposits and retentions	50,780	-	-	-
Total liabilities	50,780	-	-	-
Fund balances:				
Restricted	1,350,398	57,920	7,032	449
Committed	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	1,350,398	57,920	7,032	449
Total liabilities and fund balances	\$ 1,401,178	\$ 57,920	\$ 7,032	\$ 449

<u>Police Department Donations</u>	<u>Public Safety Augmentation Fund</u>	<u>State COPS Grant</u>	<u>Emergency Medical Services</u>	<u>Fire Department Donations</u>	<u>Community Arts Commission</u>
\$ 8,170	\$ -	\$ 55,239	\$ 25,989	\$ 21,866	\$ 6,173
-	-	-	-	-	-
-	22,073	-	-	-	-
<u>\$ 8,170</u>	<u>\$ 22,073</u>	<u>\$ 55,239</u>	<u>\$ 25,989</u>	<u>\$ 21,866</u>	<u>\$ 6,173</u>
\$ -	\$ 465	\$ -	\$ 13,792	\$ -	\$ -
-	-	327	12,166	-	-
-	4,848	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>5,313</u>	<u>327</u>	<u>25,958</u>	<u>-</u>	<u>-</u>
-	16,760	54,912	-	-	-
8,170	-	-	31	21,866	6,173
-	-	-	-	-	-
<u>8,170</u>	<u>16,760</u>	<u>54,912</u>	<u>31</u>	<u>21,866</u>	<u>6,173</u>
<u>\$ 8,170</u>	<u>\$ 22,073</u>	<u>\$ 55,239</u>	<u>\$ 25,989</u>	<u>\$ 21,866</u>	<u>\$ 6,173</u>

(continued)

CITY OF SIERRA MADRE

Combining Balance Sheet

Non-Major Special Revenue Funds-Other, Continued

June 30, 2016

	Dog Park	Recreation Department Donations	Local Transportation Prop A	Open Space
Assets:				
Cash and investments	\$ 9,049	\$ 45,192	\$ 203,437	\$ -
Receivables:				
Accounts	-	-	-	-
Taxes	-	-	-	-
Total assets	\$ 9,049	\$ 45,192	\$ 203,437	\$ -
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 24,288	\$ -
Accrued payroll and related liabilities	-	-	155	-
Due to other funds	-	-	-	206,006
Deposits and retentions	-	-	-	-
Total liabilities	-	-	24,443	206,006
Fund balances:				
Restricted	-	-	178,994	-
Committed	9,049	45,192	-	-
Unassigned	-	-	-	(206,006)
Total fund balances	9,049	45,192	178,994	(206,006)
Total liabilities and fund balances	\$ 9,049	\$ 45,192	\$ 203,437	\$ -

Senior Center	SM Community Foundation	YAC-Youth Activity Center	Local Transit Prop C	CA Beverage Container Grant	Clean Air Fund (AQMD)
\$ 137,107	\$ 28,479	\$ 58,815	\$ 218,331	\$ 33,041	\$ 104,322
-	-	-	-	-	3,809
-	-	-	-	-	-
<u>\$ 137,107</u>	<u>\$ 28,479</u>	<u>\$ 58,815</u>	<u>\$ 218,331</u>	<u>\$ 33,041</u>	<u>\$ 108,131</u>
\$ 1,458	\$ 4,934	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,458</u>	<u>4,934</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	218,331	33,041	108,131
135,649	23,545	58,815	-	-	-
-	-	-	-	-	-
<u>135,649</u>	<u>23,545</u>	<u>58,815</u>	<u>218,331</u>	<u>33,041</u>	<u>108,131</u>
<u>\$ 137,107</u>	<u>\$ 28,479</u>	<u>\$ 58,815</u>	<u>\$ 218,331</u>	<u>\$ 33,041</u>	<u>\$ 108,131</u>

(continued)

CITY OF SIERRA MADRE

Combining Balance Sheet

Non-Major Special Revenue Funds-Other, Continued

June 30, 2016

	Environmental Fund	Gas Tax Fund	Measure R	Library Gift and Memorial
Assets:				
Cash and investments	\$ 35,840	\$ 16,779	\$ 265,941	\$ 140,807
Receivables:				
Accounts	20,621	-	-	-
Taxes	-	-	-	-
Total assets	\$ 56,461	\$ 16,779	\$ 265,941	\$ 140,807
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 6,840	\$ 11,758	\$ -	\$ 941
Accrued payroll and related liabilities	654	243	971	-
Due to other funds	-	-	-	-
Deposits and retentions	-	-	-	-
Total liabilities	7,494	12,001	971	941
Fund balances:				
Restricted	-	4,778	264,970	-
Committed	48,967	-	-	139,866
Unassigned	-	-	-	-
Total fund balances	48,967	4,778	264,970	139,866
Total liabilities and fund balances	\$ 56,461	\$ 16,779	\$ 265,941	\$ 140,807

Friends of the Library	Local Historical Society	Total Other Special Revenue Funds
\$ -	\$ 171	\$ 2,881,327
6,677	-	31,107
-	-	22,073
<u>\$ 6,677</u>	<u>\$ 171</u>	<u>\$ 2,934,507</u>
\$ 570	\$ -	\$ 65,046
-	-	14,516
6,107	-	216,961
-	-	50,780
<u>6,677</u>	<u>-</u>	<u>347,303</u>
-	-	2,295,716
-	171	497,494
-	-	(206,006)
<u>-</u>	<u>171</u>	<u>2,587,204</u>
<u>\$ 6,677</u>	<u>\$ 171</u>	<u>\$ 2,934,507</u>

(concluded)

CITY OF SIERRA MADRE

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Non-Major Special Revenue Funds-Other

For the year ended June 30, 2016

	Development Impact Fees	Development Fees Art in Public Places	DUI Enforcement	Narcotics Enforcement
Revenues:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and permits	-	-	-	-
Investment income	3,177	131	17	-
Miscellaneous	-	-	-	-
Total revenues	<u>3,177</u>	<u>131</u>	<u>17</u>	<u>-</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Development	-	-	-	-
Culture and recreation	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,177</u>	<u>131</u>	<u>17</u>	<u>-</u>
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change to fund balances	3,177	131	17	-
Fund balances, beginning of year, as restated	<u>1,347,221</u>	<u>57,789</u>	<u>7,015</u>	<u>449</u>
Fund balances, end of year	<u>\$ 1,350,398</u>	<u>\$ 57,920</u>	<u>\$ 7,032</u>	<u>\$ 449</u>

Police Department Donations	Public Safety Augmentation Fund	State COPS Grant	Emergency Medical Services	Fire Department Donations	Community Arts Commission
\$ -	\$ -	\$ -	\$ 296,023	\$ -	\$ -
-	142,560	113,511	7,694	-	-
-	-	-	-	-	-
18	-	124	31	50	14
1,000	-	-	-	9,930	-
<u>1,018</u>	<u>142,560</u>	<u>113,635</u>	<u>303,748</u>	<u>9,980</u>	<u>14</u>
-	-	-	-	-	-
7,265	15,366	95,575	861,609	12,550	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>7,265</u>	<u>15,366</u>	<u>95,575</u>	<u>861,609</u>	<u>12,550</u>	<u>-</u>
<u>(6,247)</u>	<u>127,194</u>	<u>18,060</u>	<u>(557,861)</u>	<u>(2,570)</u>	<u>14</u>
-	-	-	557,892	-	-
-	(110,434)	-	-	-	-
-	(110,434)	-	557,892	-	-
(6,247)	16,760	18,060	31	(2,570)	14
14,417	-	36,852	-	24,436	6,159
<u>\$ 8,170</u>	<u>\$ 16,760</u>	<u>\$ 54,912</u>	<u>\$ 31</u>	<u>\$ 21,866</u>	<u>\$ 6,173</u>

(continued)

CITY OF SIERRA MADRE

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Non-Major Special Revenue Funds-Other, Continued

For the year ended June 30, 2016

	Dog Park	Recreation Department Donations	Local Transportation Prop A	Open Space
Revenues:				
Charges for services	\$ -	\$ -	\$ 4,454	\$ -
Intergovernmental	-	-	200,249	-
Licenses and permits	-	-	-	-
Investment income	20	102	442	113
Miscellaneous	-	-	-	49,578
Total revenues	<u>20</u>	<u>102</u>	<u>205,145</u>	<u>49,691</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Development	-	-	-	-
Culture and recreation	-	-	156,850	-
Total expenditures	<u>-</u>	<u>-</u>	<u>156,850</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>20</u>	<u>102</u>	<u>48,295</u>	<u>49,691</u>
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change to fund balances	20	102	48,295	49,691
Fund balances, beginning of year, as restated	<u>9,029</u>	<u>45,090</u>	<u>130,699</u>	<u>(255,697)</u>
Fund balances, end of year	<u>\$ 9,049</u>	<u>\$ 45,192</u>	<u>\$ 178,994</u>	<u>\$ (206,006)</u>

Senior Center	SM Community Foundation	YAC-Youth Activity Center	Local Transit Prop C	CA Beverage Container Grant	Clean Air Fund (AQMD)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	165,969	5,000	13,414
-	-	-	-	-	-
311	65	134	481	75	236
28,972	27,655	-	-	-	-
<u>29,283</u>	<u>27,720</u>	<u>134</u>	<u>166,450</u>	<u>5,075</u>	<u>13,650</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	492	1,240
-	-	-	-	-	-
90,659	46,863	-	-	-	-
<u>90,659</u>	<u>46,863</u>	<u>-</u>	<u>-</u>	<u>492</u>	<u>1,240</u>
<u>(61,376)</u>	<u>(19,143)</u>	<u>134</u>	<u>166,450</u>	<u>4,583</u>	<u>12,410</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(61,376)</u>	<u>(19,143)</u>	<u>134</u>	<u>166,450</u>	<u>4,583</u>	<u>12,410</u>
<u>197,025</u>	<u>42,688</u>	<u>58,681</u>	<u>51,881</u>	<u>28,458</u>	<u>95,721</u>
<u>\$ 135,649</u>	<u>\$ 23,545</u>	<u>\$ 58,815</u>	<u>\$ 218,331</u>	<u>\$ 33,041</u>	<u>\$ 108,131</u>

(continued)

CITY OF SIERRA MADRE

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Non-Major Special Revenue Funds-Other, Continued

For the year ended June 30, 2016

	Environmental Fund	Gas Tax Fund	Measure R	Library Gift and Memorial
Revenues:				
Charges for services	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	245,544	124,652	-
Licenses and permits	90,946	-	-	-
Investment income	79	-	588	319
Miscellaneous	1,919	38	-	80,229
Total revenues	<u>92,944</u>	<u>245,582</u>	<u>125,240</u>	<u>80,548</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	115,702	240,804	70,666	-
Development	-	-	-	-
Culture and recreation	-	-	-	32,144
Total expenditures	<u>115,702</u>	<u>240,804</u>	<u>70,666</u>	<u>32,144</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(22,758)</u>	<u>4,778</u>	<u>54,574</u>	<u>48,404</u>
Other financing sources (uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change to fund balances	(22,758)	4,778	54,574	48,404
Fund balances, beginning of year, as restated	<u>71,725</u>	<u>-</u>	<u>210,396</u>	<u>91,462</u>
Fund balances, end of year	<u>\$ 48,967</u>	<u>\$ 4,778</u>	<u>\$ 264,970</u>	<u>\$ 139,866</u>

Friends of the Library	Library Historical Society	Total Other Special Revenue Funds
\$ -	\$ -	\$ 300,477
-	-	1,018,593
-	-	90,946
-	-	6,527
<u>27,473</u>	-	<u>226,794</u>
<u>27,473</u>	-	<u>1,643,337</u>
-	-	-
-	-	992,365
-	-	428,904
-	-	-
<u>26,494</u>	-	<u>353,010</u>
<u>26,494</u>	-	<u>1,774,279</u>
<u>979</u>	-	<u>(130,942)</u>
-	-	557,892
<u>-</u>	<u>-</u>	<u>(110,434)</u>
<u>-</u>	<u>-</u>	<u>447,458</u>
979	-	316,516
<u>(979)</u>	<u>171</u>	<u>2,270,688</u>
<u>\$ -</u>	<u>\$ 171</u>	<u>\$ 2,587,204</u>
		(concluded)

CITY OF SIERRA MADRE
Combining Balance Sheet
Non-Major Capital Project Funds
June 30, 2016

	Low & Moderate Income Housing Asset Fund	Capital Projects Fund	Total Capital Project Funds
	<u> </u>	<u> </u>	<u> </u>
Assets:			
Cash and investments	\$ 2,506	\$ 859,448	\$ 861,954
Land held for resale	1,500,000	-	1,500,000
Total assets	<u>\$ 1,502,506</u>	<u>\$ 859,448</u>	<u>\$ 2,361,954</u>
Liabilities and Fund Balances:			
Liabilities:			
Deposits and retentions	\$ 2,500	\$ -	\$ 2,500
Total liabilities	<u>2,500</u>	<u>-</u>	<u>2,500</u>
Fund balances:			
Non-spendable	-	-	-
Restricted	1,500,006	-	1,500,006
Committed	<u>-</u>	<u>859,448</u>	<u>859,448</u>
Total fund balances	<u>1,500,006</u>	<u>859,448</u>	<u>2,359,454</u>
Total liabilities and fund balances	<u>\$ 1,502,506</u>	<u>\$ 859,448</u>	<u>\$ 2,361,954</u>

CITY OF SIERRA MADRE**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances****Non-Major Capital Project Funds****For the year ended June 30, 2016**

	Low & Moderate Income Housing Asset Fund	Capital Projects Fund	Total Capital Project Funds
Revenues:			
Investment income	\$ 3	\$ 1,948	\$ 1,951
Total revenues	<u>3</u>	<u>1,948</u>	<u>1,951</u>
Expenditures:			
Current:			
Development	<u>182,998</u>	<u>-</u>	<u>182,998</u>
Total expenditures	<u>182,998</u>	<u>-</u>	<u>182,998</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(182,995)</u>	<u>1,948</u>	<u>(181,047)</u>
Other financing sources (uses):			
Transfers in	-	857,500	857,500
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>857,500</u>	<u>857,500</u>
Net change to fund balance	(182,995)	859,448	676,453
Fund balances, beginning of year	<u>1,683,001</u>	<u>-</u>	<u>1,683,001</u>
Fund Balances, end of year	<u>\$ 1,500,006</u>	<u>\$ 859,448</u>	<u>\$ 2,359,454</u>

CITY OF SIERRA MADRE**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****Bonita Sewer Assessment District Special Revenue Fund****For the year ending June 30, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Property taxes	\$ 10,637	\$ 10,300	\$ 10,290	\$ (10)
Investment income	-	-	23	23
Total revenues	<u>10,637</u>	<u>10,300</u>	<u>10,313</u>	<u>13</u>
Expenditures:				
Current:				
Public works	<u>10,634</u>	<u>10,700</u>	<u>10,636</u>	<u>64</u>
Total expenditures	<u>10,634</u>	<u>10,700</u>	<u>10,636</u>	<u>64</u>
Net change to fund balance	3	(400)	(323)	77
Fund balance, beginning of year	<u>11,241</u>	<u>11,241</u>	<u>11,241</u>	-
Fund balance, end of year	<u>\$ 11,244</u>	<u>\$ 10,841</u>	<u>\$ 10,918</u>	<u>\$ 77</u>

CITY OF SIERRA MADRE

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Central Business Assessment District Special Revenue Fund

For the year ending June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Property taxes	\$ 5,151	\$ 5,300	\$ 5,219	\$ (81)
Total revenues	<u>5,151</u>	<u>5,300</u>	<u>5,219</u>	<u>(81)</u>
Expenditures:				
Current:				
Public works	11,820	11,800	16,977	(5,177)
Total expenditures	<u>11,820</u>	<u>11,800</u>	<u>16,977</u>	<u>(5,177)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,669)</u>	<u>(6,500)</u>	<u>(11,758)</u>	<u>(5,258)</u>
Other financing sources (uses):				
Transfers in	670	-	11,758	11,758
Total other financing sources (uses)	<u>670</u>	<u>-</u>	<u>11,758</u>	<u>11,758</u>
Net change to fund balance	(5,999)	(6,500)	-	6,500
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ (5,999)</u>	<u>\$ (6,500)</u>	<u>\$ -</u>	<u>\$ 6,500</u>

CITY OF SIERRA MADRE

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Fane/Winwood Lane Assessment District Special Revenue Fund

For the year ending June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Property taxes	\$ -	\$ -	\$ -	\$ -
Investment income	-	-	28	28
Total revenues	<u>-</u>	<u>-</u>	<u>28</u>	<u>28</u>
Expenditures:				
Current:				
Public works	40	-	604	(604)
Total expenditures	<u>40</u>	<u>-</u>	<u>604</u>	<u>(604)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(40)</u>	<u>-</u>	<u>(576)</u>	<u>(576)</u>
Other financing sources (uses):				
Transfers in	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change to fund balance	(40)	-	(576)	(576)
Fund balance, beginning of year	<u>12,896</u>	<u>12,896</u>	<u>12,896</u>	<u>-</u>
Fund balance, end of year	<u>\$ 12,856</u>	<u>\$ 12,896</u>	<u>\$ 12,320</u>	<u>\$ (576)</u>

CITY OF SIERRA MADRE**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****Lighting District #1 Special Revenue Fund****For the year ending June 30, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Property taxes	\$ 18,750	\$ 38,000	\$ 45,090	\$ 7,090
Investment income	-	-	384	384
Total revenues	<u>18,750</u>	<u>38,000</u>	<u>45,474</u>	<u>7,474</u>
Expenditures:				
Current:				
Public works	10,804	1,900	5,172	(3,272)
Total expenditures	<u>10,804</u>	<u>1,900</u>	<u>5,172</u>	<u>(3,272)</u>
Net change to fund balance	7,946	36,100	40,302	4,202
Fund balance, beginning of year	<u>129,125</u>	<u>129,125</u>	<u>129,125</u>	-
Fund balance, end of year	<u>\$ 137,071</u>	<u>\$ 165,225</u>	<u>\$ 169,427</u>	<u>\$ 4,202</u>

CITY OF SIERRA MADRE

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Lighting District Zone A Special Revenue Fund

For the year ending June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Property taxes	\$ 25,000	\$ 45,000	\$ 48,112	\$ 3,112
Investment income	-	-	358	358
Total revenues	<u>25,000</u>	<u>45,000</u>	<u>48,470</u>	<u>3,470</u>
Expenditures:				
Current:				
Public works	6,082	6,100	4,057	2,043
Total expenditures	<u>6,082</u>	<u>6,100</u>	<u>4,057</u>	<u>2,043</u>
Excess (deficiency) of revenues over (under) expenditures	<u>18,918</u>	<u>38,900</u>	<u>44,413</u>	<u>5,513</u>
Other financing sources (uses):				
Transfers in	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change to fund balance	18,918	38,900	44,413	5,513
Fund balance, beginning of year	<u>118,205</u>	<u>118,205</u>	<u>118,205</u>	-
Fund balance, end of year	<u>\$ 137,123</u>	<u>\$ 157,105</u>	<u>\$ 162,618</u>	<u>\$ 5,513</u>

CITY OF SIERRA MADRE**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****Lighting District Zone B Special Revenue Fund****For the year ending June 30, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Property taxes	\$ 27,301	\$ 61,000	\$ 65,391	\$ 4,391
Investment income	-	-	415	415
Total revenues	<u>27,301</u>	<u>61,000</u>	<u>65,806</u>	<u>4,806</u>
Expenditures:				
Current:				
Public works	26,010	26,100	19,438	6,662
Total expenditures	<u>26,010</u>	<u>26,100</u>	<u>19,438</u>	<u>6,662</u>
Net change to fund balance	1,291	34,900	46,368	11,468
Fund balance, beginning of year	<u>136,532</u>	<u>136,532</u>	<u>136,532</u>	-
Fund balance, end of year	<u>\$ 137,823</u>	<u>\$ 171,432</u>	<u>\$ 182,900</u>	<u>\$ 11,468</u>

CITY OF SIERRA MADRE

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Parking Maintenance District Special Revenue Fund

For the year ending June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Property taxes	\$ 8,462	\$ 8,900	\$ 8,802	\$ (98)
Total revenues	<u>8,462</u>	<u>8,900</u>	<u>8,802</u>	<u>(98)</u>
Expenditures:				
Current:				
Public works	36,860	23,600	22,930	670
Total expenditures	<u>36,860</u>	<u>23,600</u>	<u>22,930</u>	<u>670</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(28,398)</u>	<u>(14,700)</u>	<u>(14,128)</u>	<u>572</u>
Other financing sources (uses):				
Transfers in	24,559	14,700	14,128	(572)
Total other financing sources (uses)	<u>24,559</u>	<u>14,700</u>	<u>14,128</u>	<u>(572)</u>
Net change to fund balance	(3,839)	-	-	-
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ (3,839)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF SIERRA MADRE

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Santa Anita/Arno Maintenance District Special Revenue Fund

For the year ending June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Total revenues	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Current:				
Public works	-	2,100	1,865	235
Total expenditures	-	2,100	1,865	235
Excess (deficiency) of revenues over (under) expenditures	-	(2,100)	(1,865)	235
Other financing sources (uses):				
Transfers in	-	-	1,865	1,865
Total other financing sources (uses)	-	-	1,865	1,865
Net change to fund balance	-	(2,100)	-	2,100
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	\$ -	\$ (2,100)	\$ -	\$ 2,100

CITY OF SIERRA MADRE

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Sewer Assessment District Special Revenue Fund

For the year ending June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Property taxes	\$ 8,727	\$ 7,100	\$ 7,037	\$ (63)
Investment income	-	-	79	79
Total revenues	<u>8,727</u>	<u>7,100</u>	<u>7,116</u>	<u>16</u>
Expenditures:				
Current:				
Public works	838	900	840	60
Total expenditures	<u>838</u>	<u>900</u>	<u>840</u>	<u>60</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,889</u>	<u>6,200</u>	<u>6,276</u>	<u>76</u>
Other financing sources (uses):				
Transfers out	(7,336)	(7,336)	-	7,336
Total other financing sources (uses)	<u>(7,336)</u>	<u>(7,336)</u>	<u>-</u>	<u>7,336</u>
Net change to fund balance	553	(1,136)	6,276	7,412
Fund balance, beginning of year	<u>28,864</u>	<u>28,864</u>	<u>28,864</u>	<u>-</u>
Fund balance, end of year	<u>\$ 29,417</u>	<u>\$ 27,728</u>	<u>\$ 35,140</u>	<u>\$ 7,412</u>

CITY OF SIERRA MADRE**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****Sierra Madre CFD Special Revenue Fund****For the year ending June 30, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Property taxes	\$ 3,631	\$ 6,500	\$ 6,844	\$ 344
Investment income	-	-	63	63
Total revenues	<u>3,631</u>	<u>6,500</u>	<u>6,907</u>	<u>407</u>
Expenditures:				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change to fund balance	3,631	6,500	6,907	407
Fund balance, beginning of year	<u>20,326</u>	<u>20,326</u>	<u>20,326</u>	<u>-</u>
Fund balance, end of year	<u>\$ 23,957</u>	<u>\$ 26,826</u>	<u>\$ 27,233</u>	<u>\$ 407</u>

CITY OF SIERRA MADRE**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****Development Fees Special Revenue Fund****For the year ending June 30, 2016**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Charges for services	\$ 197,164	\$ 180,500	\$ 159,073	\$ (21,427)
Licenses and permits	328,000	345,100	348,080	2,980
Investment income	-	-	648	648
Total revenues	<u>525,164</u>	<u>525,600</u>	<u>507,801</u>	<u>(17,799)</u>
Expenditures:				
Current:				
Development	<u>1,067,441</u>	<u>1,232,600</u>	<u>1,302,374</u>	<u>(69,774)</u>
Total expenditures	<u>1,067,441</u>	<u>1,232,600</u>	<u>1,302,374</u>	<u>(69,774)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(542,277)</u>	<u>(707,000)</u>	<u>(794,573)</u>	<u>(87,573)</u>
Other financing sources (uses):				
Transfers in	<u>542,277</u>	<u>707,000</u>	<u>795,221</u>	<u>88,221</u>
Total other financing sources (uses)	<u>542,277</u>	<u>707,000</u>	<u>795,221</u>	<u>88,221</u>
Net change to fund balance	-	-	648	648
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 648</u>	<u>\$ 648</u>

CITY OF SIERRA MADRE**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****Development Fees Art in Public Places Special Revenue Fund****For the year ending June 30, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Licenses and permits	\$ 10,000	\$ -	\$ -	\$ -
Investment income	-	-	131	131
Total revenues	<u>10,000</u>	<u>-</u>	<u>131</u>	<u>131</u>
Expenditures:				
Current:				
Development	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change to fund balance	10,000	-	131	131
Fund balance, beginning of year	<u>57,789</u>	<u>57,789</u>	<u>57,789</u>	-
Fund balance, end of year	<u>\$ 67,789</u>	<u>\$ 57,789</u>	<u>\$ 57,920</u>	<u>\$ 131</u>

CITY OF SIERRA MADRE**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****DUI Enforcement Special Revenue Fund****For the year ending June 30, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 3,144	\$ -	\$ -	\$ -
Investment income	6	-	17	17
Total revenues	<u>3,150</u>	<u>-</u>	<u>17</u>	<u>17</u>
Expenditures:				
Current:				
Public safety	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change to fund balance	3,150	-	17	17
Fund balance, beginning of year	<u>7,015</u>	<u>7,015</u>	<u>7,015</u>	-
Fund balance, end of year	<u>\$ 10,165</u>	<u>\$ 7,015</u>	<u>\$ 7,032</u>	<u>\$ 17</u>

CITY OF SIERRA MADRE**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****Police Department Donations Special Revenue Fund****For the year ending June 30, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Investment income	\$ 19	\$ -	\$ 18	\$ 18
Miscellaneous	3,542	3,500	1,000	(2,500)
Total revenues	<u>3,561</u>	<u>3,500</u>	<u>1,018</u>	<u>(2,482)</u>
Expenditures:				
Current:				
Public safety	-	7,300	7,265	35
Total expenditures	<u>-</u>	<u>7,300</u>	<u>7,265</u>	<u>35</u>
Net change to fund balance	3,561	(3,800)	(6,247)	(2,447)
Fund balance, beginning of year	<u>14,417</u>	<u>14,417</u>	<u>14,417</u>	<u>-</u>
Fund balance, end of year	<u>\$ 17,978</u>	<u>\$ 10,617</u>	<u>\$ 8,170</u>	<u>\$ (2,447)</u>

CITY OF SIERRA MADRE**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****Public Safety Augmentation Special Revenue Fund****For the year ending June 30, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 101,909	\$ 142,400	\$ 142,560	\$ 160
Investment income	-	-	-	-
Total revenues	<u>101,909</u>	<u>142,400</u>	<u>142,560</u>	<u>160</u>
Expenditures:				
Current:				
Public safety	-	-	15,366	(15,366)
Total expenditures	<u>-</u>	<u>-</u>	<u>15,366</u>	<u>(15,366)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>101,909</u>	<u>142,400</u>	<u>127,194</u>	<u>(15,206)</u>
Other financing sources (uses):				
Transfers out	<u>(100,000)</u>	<u>(142,400)</u>	<u>(110,434)</u>	<u>31,966</u>
Total other financing sources (uses)	<u>(100,000)</u>	<u>(142,400)</u>	<u>(110,434)</u>	<u>31,966</u>
Net change to fund balance	1,909	-	16,760	16,760
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,909</u>	<u>\$ -</u>	<u>\$ 16,760</u>	<u>\$ 16,760</u>

CITY OF SIERRA MADRE**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****State COPS Grant Special Revenue Fund****For the year ending June 30, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ -	\$ 100,000	\$ 113,511	\$ 13,511
Investment income	-	-	124	124
Total revenues	<u>-</u>	<u>100,000</u>	<u>113,635</u>	<u>13,635</u>
Expenditures:				
Current:				
Public safety	67,623	146,700	95,575	51,125
Total expenditures	<u>67,623</u>	<u>146,700</u>	<u>95,575</u>	<u>51,125</u>
Net change to fund balance	(67,623)	(46,700)	18,060	64,760
Fund balance, beginning of year	<u>36,852</u>	<u>36,852</u>	<u>36,852</u>	<u>-</u>
Fund balance, end of year	<u>\$ (30,771)</u>	<u>\$ (9,848)</u>	<u>\$ 54,912</u>	<u>\$ 64,760</u>

CITY OF SIERRA MADRE

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Emergency Medical Services Special Revenue Fund

For the year ending June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Charges for services	\$ 187,000	\$ 264,000	\$ 296,023	\$ 32,023
Intergovernmental	-	-	7,694	7,694
Investment income	-	-	31	31
Total revenues	<u>187,000</u>	<u>264,000</u>	<u>303,748</u>	<u>39,748</u>
Expenditures:				
Current:				
Public safety	891,953	866,700	861,609	5,091
Total expenditures	<u>891,953</u>	<u>866,700</u>	<u>861,609</u>	<u>5,091</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(704,953)</u>	<u>(602,700)</u>	<u>(557,861)</u>	<u>44,839</u>
Other financing sources (uses):				
Transfers in	704,953	602,700	557,892	(44,808)
Total other financing sources (uses)	<u>704,953</u>	<u>602,700</u>	<u>557,892</u>	<u>(44,808)</u>
Net change to fund balance	-	-	31	31
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31</u>	<u>\$ 31</u>

CITY OF SIERRA MADRE**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****Fire Department Donations Special Revenue Fund****For the year ending June 30, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Investment income	\$ -	\$ -	\$ 50	\$ 50
Miscellaneous	6,090	2,900	9,930	7,030
Total revenues	<u>6,090</u>	<u>2,900</u>	<u>9,980</u>	<u>7,080</u>
Expenditures:				
Current:				
Public safety	-	-	12,550	(12,550)
Total expenditures	<u>-</u>	<u>-</u>	<u>12,550</u>	<u>(12,550)</u>
Net change to fund balance	6,090	2,900	(2,570)	(5,470)
Fund balance, beginning of year	<u>24,436</u>	<u>24,436</u>	<u>24,436</u>	-
Fund balance, end of year	<u>\$ 30,526</u>	<u>\$ 27,336</u>	<u>\$ 21,866</u>	<u>\$ (5,470)</u>

CITY OF SIERRA MADRE

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Community Arts Commission Special Revenue Fund

For the year ending June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Investment income	\$ -	\$ -	\$ 14	\$ 14
Total revenues	<u>-</u>	<u>-</u>	<u>14</u>	<u>14</u>
Expenditures:				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change to fund balance	-	-	14	14
Fund balance, beginning of year	<u>6,159</u>	<u>6,159</u>	<u>6,159</u>	<u>-</u>
Fund balance, end of year	<u>\$ 6,159</u>	<u>\$ 6,159</u>	<u>\$ 6,173</u>	<u>\$ 14</u>

CITY OF SIERRA MADRE

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Dog Park Fund

For the year ending June 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment income	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20</u>	<u>\$ 20</u>
Total revenues	<u>-</u>	<u>-</u>	<u>20</u>	<u>20</u>
Expenditures:				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change to fund balance	<u>-</u>	<u>-</u>	<u>20</u>	<u>20</u>
Fund balance, beginning of year	<u>9,029</u>	<u>9,029</u>	<u>9,029</u>	<u>-</u>
Fund balance, end of year	<u>\$ 9,029</u>	<u>\$ 9,029</u>	<u>\$ 9,049</u>	<u>\$ 20</u>

CITY OF SIERRA MADRE

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Recreation Department Donations

For the year ending June 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Investment income	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 102</u>	<u>\$ 102</u>
Total revenues	<u>-</u>	<u>-</u>	<u>102</u>	<u>102</u>
Expenditures:				
Total expenditures	<u>15,000</u>	<u>15,000</u>	<u>-</u>	<u>15,000</u>
Net change to fund balance	<u>(15,000)</u>	<u>(15,000)</u>	<u>102</u>	<u>15,102</u>
Fund balance, beginning of year	<u>45,090</u>	<u>45,090</u>	<u>45,090</u>	<u>-</u>
Fund balance, end of year	<u>\$ 30,090</u>	<u>\$ 30,090</u>	<u>\$ 45,192</u>	<u>\$ 15,102</u>

CITY OF SIERRA MADRE**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****Local Transportation Prop A Special Revenue Fund****For the year ending June 30, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Charges for services	\$ 12,180	\$ 5,000	\$ 4,454	\$ (546)
Intergovernmental	200,300	200,300	200,249	(51)
Investment income	-	-	442	442
Total revenues	<u>212,480</u>	<u>205,300</u>	<u>205,145</u>	<u>(155)</u>
Expenditures:				
Current:				
Culture and recreation	<u>172,812</u>	<u>157,300</u>	<u>156,850</u>	<u>450</u>
Total expenditures	<u>172,812</u>	<u>157,300</u>	<u>156,850</u>	<u>450</u>
Net change to fund balance	39,668	48,000	48,295	295
Fund balance, beginning of year	<u>130,699</u>	<u>130,699</u>	<u>130,699</u>	-
Fund balance, end of year	<u>\$ 170,367</u>	<u>\$ 178,699</u>	<u>\$ 178,994</u>	<u>\$ 295</u>

CITY OF SIERRA MADRE**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****Open Space Special Revenue Fund****For the year ending June 30, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Investment income	\$ -	\$ -	\$ 113	\$ 113
Miscellaneous	50,000	49,600	49,578	(22)
Total revenues	<u>50,000</u>	<u>49,600</u>	<u>49,691</u>	<u>91</u>
Expenditures:				
Current:				
Culture and recreation	4,893	4,900	-	4,900
Total expenditures	<u>4,893</u>	<u>4,900</u>	<u>-</u>	<u>4,900</u>
Net change to fund balance	45,107	44,700	49,691	4,991
Fund balance, beginning of year	<u>(255,697)</u>	<u>(255,697)</u>	<u>(255,697)</u>	<u>-</u>
Fund balance, end of year	<u>\$ (210,590)</u>	<u>\$ (210,997)</u>	<u>\$ (206,006)</u>	<u>\$ 4,991</u>

CITY OF SIERRA MADRE**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****Senior Center Special Revenue Fund****For the year ending June 30, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Investment income	\$ -	\$ -	\$ 311	\$ 311
Miscellaneous	20,300	30,600	28,972	(1,628)
Total revenues	<u>20,300</u>	<u>30,600</u>	<u>29,283</u>	<u>(1,317)</u>
Expenditures:				
Current:				
Culture and recreation	74,380	97,000	90,659	6,341
Total expenditures	<u>74,380</u>	<u>97,000</u>	<u>90,659</u>	<u>6,341</u>
Net change to fund balance	(54,080)	(66,400)	(61,376)	5,024
Fund balance, beginning of year	<u>197,025</u>	<u>197,025</u>	<u>197,025</u>	-
Fund balance, end of year	<u>\$ 142,945</u>	<u>\$ 130,625</u>	<u>\$ 135,649</u>	<u>\$ 5,024</u>

CITY OF SIERRA MADRE**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****SM Community Foundation Special Revenue Fund****For the year ending June 30, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Investment income	\$ -	\$ -	\$ 65	\$ 65
Miscellaneous	-	27,000	27,655	655
Total revenues	-	27,000	27,720	720
Expenditures:				
Current:				
Culture and recreation	30,000	65,000	46,863	18,137
Total expenditures	30,000	65,000	46,863	18,137
Net change to fund balance	(30,000)	(38,000)	(19,143)	18,857
Fund balance, beginning of year	42,688	42,688	42,688	-
Fund balance, end of year	\$ 12,688	\$ 4,688	\$ 23,545	\$ 18,857

CITY OF SIERRA MADRE**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****YAC-Youth Activity Center Special Revenue Fund****For the year ending June 30, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Investment income	\$ -	\$ -	\$ 134	\$ 134
Miscellaneous	7,359	-	-	-
Total revenues	<u>7,359</u>	<u>-</u>	<u>134</u>	<u>134</u>
Expenditures:				
Current:				
Culture and recreation	3,750	-	-	-
Total expenditures	<u>3,750</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change to fund balance	3,609	-	134	134
Fund balance, beginning of year	<u>58,681</u>	<u>58,681</u>	<u>58,681</u>	-
Fund balance, end of year	<u>\$ 62,290</u>	<u>\$ 58,681</u>	<u>\$ 58,815</u>	<u>\$ 134</u>

CITY OF SIERRA MADRE**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****Local Transit Prop C Special Revenue Fund****For the year ending June 30, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 166,170	\$ 166,200	\$ 165,969	\$ (231)
Investment income	-	-	481	481
Total revenues	<u>166,170</u>	<u>166,200</u>	<u>166,450</u>	<u>250</u>
Expenditures:				
Current:				
Public works	114,899	114,900	-	114,900
Total expenditures	<u>114,899</u>	<u>114,900</u>	<u>-</u>	<u>114,900</u>
Excess (deficiency) of revenues over (under) expenditures	<u>51,271</u>	<u>51,300</u>	<u>166,450</u>	<u>115,150</u>
Net change to fund balance	51,271	51,300	166,450	115,150
Fund balance, beginning of year	<u>51,881</u>	<u>51,881</u>	<u>51,881</u>	<u>-</u>
Fund balance, end of year	<u>\$ 103,152</u>	<u>\$ 103,181</u>	<u>\$ 218,331</u>	<u>\$ 115,150</u>

CITY OF SIERRA MADRE**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****CA Beverage Container Grant Special Revenue Fund****For the year ending June 30, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 5,000	\$ 5,000	\$ 5,000	\$ -
Investment income	-	-	75	75
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>5,075</u>	<u>75</u>
Expenditures:				
Current:				
Public works	4,990	5,000	492	4,508
Total expenditures	<u>4,990</u>	<u>5,000</u>	<u>492</u>	<u>4,508</u>
Net change to fund balance	10	-	4,583	4,583
Fund balance, beginning of year	<u>28,458</u>	<u>28,458</u>	<u>28,458</u>	<u>-</u>
Fund balance, end of year	<u>\$ 28,468</u>	<u>\$ 28,458</u>	<u>\$ 33,041</u>	<u>\$ 4,583</u>

CITY OF SIERRA MADRE**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****Clear Air (AQMD) Special Revenue Fund****For the year ending June 30, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 11,200	\$ 11,200	\$ 13,414	\$ 2,214
Investment income	-	-	236	236
Total revenues	<u>11,200</u>	<u>11,200</u>	<u>13,650</u>	<u>2,450</u>
Expenditures:				
Current:				
Public works	71,140	96,900	1,240	95,660
Total expenditures	<u>71,140</u>	<u>96,900</u>	<u>1,240</u>	<u>95,660</u>
Net change to fund balance	(59,940)	(85,700)	12,410	98,110
Fund balance, beginning of year	<u>95,721</u>	<u>95,721</u>	<u>95,721</u>	-
Fund balance, end of year	<u>\$ 35,781</u>	<u>\$ 10,021</u>	<u>\$ 108,131</u>	<u>\$ 98,110</u>

CITY OF SIERRA MADRE**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****Environmental Special Revenue Fund****For the year ending June 30, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Licenses and permits	\$ 90,189	\$ 88,000	\$ 90,946	\$ 2,946
Investment income	-	-	79	79
Miscellaneous	-	-	1,919	1,919
Total revenues	<u>90,189</u>	<u>88,000</u>	<u>92,944</u>	<u>4,944</u>
Expenditures:				
Current:				
Public works	<u>118,004</u>	<u>117,600</u>	<u>115,702</u>	<u>1,898</u>
Total expenditures	<u>118,004</u>	<u>117,600</u>	<u>115,702</u>	<u>1,898</u>
Net change to fund balance	(27,815)	(29,600)	(22,758)	6,842
Fund balance, beginning of year	<u>71,725</u>	<u>71,725</u>	<u>71,725</u>	-
Fund balance, end of year	<u>\$ 43,910</u>	<u>\$ 42,125</u>	<u>\$ 48,967</u>	<u>\$ 6,842</u>

CITY OF SIERRA MADRE**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****Gas Tax Special Revenue Fund****For the year ending June 30, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 241,859	\$ 241,900	\$ 245,544	\$ 3,644
Investment income	-	-	38	38
Total revenues	<u>241,859</u>	<u>241,900</u>	<u>245,582</u>	<u>3,682</u>
Expenditures:				
Current:				
Public works	231,599	222,900	240,804	(17,904)
Total expenditures	<u>231,599</u>	<u>222,900</u>	<u>240,804</u>	<u>(17,904)</u>
Net change to fund balance	10,260	19,000	4,778	(14,222)
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ 10,260</u>	<u>\$ 19,000</u>	<u>\$ 4,778</u>	<u>\$ (14,222)</u>

CITY OF SIERRA MADRE**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****Measure R Special Revenue Fund****For the year ending June 30, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 124,629	\$ 124,600	\$ 124,652	\$ 52
Investment income	-	-	588	588
Total revenues	<u>124,629</u>	<u>124,600</u>	<u>125,240</u>	<u>640</u>
Expenditures:				
Current:				
Public works	95,002	373,400	70,666	302,734
Total expenditures	<u>95,002</u>	<u>373,400</u>	<u>70,666</u>	<u>302,734</u>
Net change to fund balance	29,627	(248,800)	54,574	303,374
Fund balance, beginning of year	<u>210,396</u>	<u>210,396</u>	<u>210,396</u>	-
Fund balance, end of year	<u>\$ 240,023</u>	<u>\$ (38,404)</u>	<u>\$ 264,970</u>	<u>\$ 303,374</u>

CITY OF SIERRA MADRE**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****Library Gift and Memorial Special Revenue Fund****For the year ending June 30, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Investment income	\$ -	\$ -	\$ 319	\$ 319
Miscellaneous	65,100	56,000	80,229	24,229
Total revenues	<u>65,100</u>	<u>56,000</u>	<u>80,548</u>	<u>24,548</u>
Expenditures:				
Current:				
Culture and recreation	34,100	33,600	32,144	1,456
Total expenditures	<u>34,100</u>	<u>33,600</u>	<u>32,144</u>	<u>1,456</u>
Net change to fund balance	31,000	22,400	48,404	26,004
Fund balance, beginning of year	<u>91,462</u>	<u>91,462</u>	<u>91,462</u>	-
Fund balance, end of year	<u>\$ 122,462</u>	<u>\$ 113,862</u>	<u>\$ 139,866</u>	<u>\$ 26,004</u>

CITY OF SIERRA MADRE**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****Friends of the Library Special Revenue Fund****For the year ending June 30, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Miscellaneous	\$ 155,000	\$ 20,000	\$ 27,473	\$ 7,473
Total revenues	<u>155,000</u>	<u>20,000</u>	<u>27,473</u>	<u>7,473</u>
Expenditures:				
Current:				
Culture and recreation	55,000	41,400	26,494	14,906
Total expenditures	<u>55,000</u>	<u>41,400</u>	<u>26,494</u>	<u>14,906</u>
Net change to fund balance	100,000	(21,400)	979	22,379
Fund balance, beginning of year	<u>(979)</u>	<u>(979)</u>	<u>(979)</u>	<u>-</u>
Fund balance, end of year	<u>\$ 99,021</u>	<u>\$ (22,379)</u>	<u>\$ -</u>	<u>\$ 22,379</u>

CITY OF SIERRA MADRE

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

Library Historical Society Special Revenue Fund

For the year ending June 30, 2016

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Revenues:				
Total revenues	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures:				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change to fund balance	-	-	-	-
Fund balance, beginning of year	<u>171</u>	<u>171</u>	<u>171</u>	<u>-</u>
Fund balance, end of year	<u>\$ 171</u>	<u>\$ 171</u>	<u>\$ 171</u>	<u>\$ -</u>

CITY OF SIERRA MADRE**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual****Low and Moderate Income Housing Asset Capital Projects Fund****For the year ending June 30, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Investment income	\$ -	\$ -	\$ 3	\$ 3
Total revenues	<u>-</u>	<u>-</u>	<u>3</u>	<u>3</u>
Expenditures:				
Current:				
Development	-	18,300	182,998	(164,698)
Total expenditures	<u>-</u>	<u>18,300</u>	<u>182,998</u>	<u>(164,698)</u>
Net change to fund balance	-	(18,300)	(182,995)	(164,695)
Fund balance, beginning of year	<u>1,683,001</u>	<u>1,683,001</u>	<u>1,683,001</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,683,001</u>	<u>\$ 1,664,701</u>	<u>\$ 1,500,006</u>	<u>\$ (164,695)</u>

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CITY OF SIERRA MADRE**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Major Fund****Development Impact Fees Special Revenue Fund****For the year ending June 30, 2016**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Licenses and permits	\$ 20,000	\$ -	\$ -	\$ -
Investment income	127	-	3,177	3,177
Total revenues	<u>20,127</u>	<u>-</u>	<u>3,177</u>	<u>3,177</u>
Expenditures:				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change to fund balance	20,127	-	3,177	3,177
Fund balance, beginning of year	<u>1,347,221</u>	<u>1,347,221</u>	<u>1,347,221</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,367,348</u>	<u>\$ 1,347,221</u>	<u>\$ 1,350,398</u>	<u>\$ 3,177</u>

CITY OF SIERRA MADRE
Combining Statement of Net Position
Non-Major Enterprise Funds
June 30, 2016

	Special Strike Team Services	Aquatics	Recreation Classes
Assets:			
Current assets:			
Cash and investments	\$ 81,467	\$ 76,019	\$ 2,103
Prepays	-	-	-
Total current assets	<u>81,467</u>	<u>76,019</u>	<u>2,103</u>
Total assets	<u>81,467</u>	<u>76,019</u>	<u>2,103</u>
Liabilities:			
Current liabilities:			
Accounts payable	-	1,407	1,286
Accrued payroll and related liabilities	-	-	210
Deposits and retentions	-	-	-
Compensated absences - current	-	-	253
Total current liabilities	<u>-</u>	<u>1,407</u>	<u>1,749</u>
Noncurrent liabilities:			
Compensated absences	-	-	1,014
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>1,014</u>
Total liabilities	<u>-</u>	<u>1,407</u>	<u>2,763</u>
Net Position:			
Unrestricted	81,467	74,612	(660)
Total net position	<u>\$ 81,467</u>	<u>\$ 74,612</u>	<u>\$ (660)</u>

<u>Special Events</u>	<u>Filming</u>	<u>Total Non-Major Enterprise Funds</u>
\$ 7,255	\$ 125,462	\$ 292,306
2,109	-	2,109
<u>9,364</u>	<u>125,462</u>	<u>294,415</u>
<u>9,364</u>	<u>125,462</u>	<u>294,415</u>
6,911	-	9,604
748	937	1,895
-	10,417	10,417
338	-	591
<u>7,997</u>	<u>11,354</u>	<u>22,507</u>
1,352	-	2,366
<u>1,352</u>	<u>-</u>	<u>2,366</u>
<u>9,349</u>	<u>11,354</u>	<u>24,873</u>
15	114,108	269,542
<u>\$ 15</u>	<u>\$ 114,108</u>	<u>\$ 269,542</u>

CITY OF SIERRA MADRE
Combining Statement of Revenues, Expenses, and Changes in Net Position
Non-Major Enterprise Funds
For the year ended June 30, 2016

	Special Strike Team Services	Aquatics	Recreation Classes
Operating revenues:			
Charges for services	\$ -	\$ 102,951	\$ 27,180
Licenses and permits	-	-	-
Total operating revenues	<u>-</u>	<u>102,951</u>	<u>27,180</u>
Operating expenses:			
Personnel services	45,201	-	20,158
Contractual services	-	138,813	17,128
Materials and supplies	-	-	-
Utilities	-	36,762	-
Maintenance and operation	-	-	1,532
Total operating expenses	<u>45,201</u>	<u>175,575</u>	<u>38,818</u>
Operating income (losses)	(45,201)	(72,624)	(11,638)
Nonoperating revenues (expenses):			
Investment Income	185	173	5
Total nonoperating revenues (expenses)	<u>185</u>	<u>173</u>	<u>5</u>
Income (loss) before transfers	<u>(45,016)</u>	<u>(72,451)</u>	<u>(11,633)</u>
Transfers:			
Transfers in	-	-	10,973
Total transfers	<u>-</u>	<u>-</u>	<u>10,973</u>
Change in net position	(45,016)	(72,451)	(660)
Net position, beginning of year	<u>126,483</u>	<u>147,063</u>	<u>-</u>
Net position, end of year	<u>\$ 81,467</u>	<u>\$ 74,612</u>	<u>\$ (660)</u>

<u>Special Events</u>	<u>Filming</u>	<u>Total Non-Major Enterprise Funds</u>
\$ 71,695	\$ 40,798	\$ 242,624
-	26,096	26,096
<u>71,695</u>	<u>66,894</u>	<u>268,720</u>
51,800	43,620	160,779
30,744	-	186,685
5,495	-	5,495
-	-	36,762
<u>20,172</u>	<u>-</u>	<u>21,704</u>
<u>108,211</u>	<u>43,620</u>	<u>411,425</u>
(36,516)	23,274	(142,705)
<u>15</u>	<u>281</u>	<u>659</u>
<u>15</u>	<u>281</u>	<u>659</u>
<u>(36,501)</u>	<u>23,555</u>	<u>(142,046)</u>
<u>36,516</u>	<u>-</u>	<u>47,489</u>
<u>36,516</u>	<u>-</u>	<u>47,489</u>
15	23,555	(94,557)
<u>-</u>	<u>90,553</u>	<u>364,099</u>
<u>\$ 15</u>	<u>\$ 114,108</u>	<u>\$ 269,542</u>

CITY OF SIERRA MADRE
Combining Statement of Cash Flows
Non-Major Enterprise Funds
For the year ended June 30, 2016

	Special Strike Team Services	Aquatics	Recreation Classes
Cash flows from operating activities:			
Receipts from customers and users	\$ -	\$ 102,951	\$ 27,180
Payments to suppliers	-	(176,226)	(21,301)
Payments to employees	(45,201)	-	(21,085)
Net cash provided (used) by operating activities	(45,201)	(73,275)	(15,206)
Cash flows from non-capital financing activities:			
Transfers from other funds	-	-	10,973
Net cash provided (used) by non-capital financing activities	-	-	10,973
Cash flows from investing activities:			
Investment income	185	173	5
Net cash provided (used) by investing activities	185	173	5
Net increase (decrease) in cash and cash equivalents	(45,016)	(73,102)	(4,228)
Cash and investments:			
Beginning of year	126,483	149,121	6,331
End of year	\$ 81,467	\$ 76,019	\$ 2,103
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (45,201)	\$ (72,624)	\$ (11,638)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Changes in assets and liabilities:			
(Increase) decrease in prepaid expenses	-	-	-
Increase (decrease) in accounts payable	-	(651)	(2,641)
Increase (decrease) in accrued liabilities	-	-	(1,079)
Increase (decrease) in deposits payable	-	-	-
Increase (decrease) in compensated absences	-	-	152
Total adjustments	-	(651)	(3,568)
Net cash provided (used) by operating activities	\$ (45,201)	\$ (73,275)	\$ (15,206)

Special Events	Filming	Total Non-Major Enterprise Funds
\$ 71,695	\$ 66,894	\$ 268,720
(52,806)	2,000	(248,333)
(54,274)	(42,992)	(163,552)
(35,385)	25,902	(143,165)
36,516	-	47,489
36,516	-	47,489
15	281	659
15	281	659
1,146	26,183	(95,017)
6,109	99,279	387,323
\$ 7,255	\$ 125,462	\$ 292,306
\$ (36,516)	\$ 23,274	\$ (142,705)
(2,109)	-	(2,109)
5,714	(2,000)	422
(2,678)	628	(3,129)
-	4,000	4,000
204	-	356
1,131	2,628	(460)
\$ (35,385)	\$ 25,902	\$ (143,165)

CITY OF SIERRA MADRE
Combining Statement of Net Position
Internal Service Funds
June 30, 2016

	Fleet	Facilities Management	Administration
Assets:			
Current assets:			
Cash and investments	\$ 860,379	\$ 1,726,828	\$ 699,531
Accounts Receivable	-	-	-
Prepays	-	-	-
Total current assets	<u>860,379</u>	<u>1,726,828</u>	<u>699,531</u>
Noncurrent assets:			
Capital assets:			
Non-depreciable assets	-	-	-
Depreciable-net	654,076	-	266,216
Total noncurrent assets	<u>654,076</u>	<u>-</u>	<u>266,216</u>
Total assets	<u>1,514,455</u>	<u>1,726,828</u>	<u>965,747</u>
Deferred Outflows of Resources:			
Pension related	-	-	106,251
Liabilities:			
Current liabilities:			
Accounts payable	4,432	35,142	16,989
Accrued payroll and related liabilities	1,403	2,606	7,058
Interest payable	774	-	-
Claims payable - current	-	-	-
Compensated absences - current	3,933	4,805	8,928
Capital lease payable - current	11,702	-	-
Total current liabilities	<u>22,244</u>	<u>42,553</u>	<u>32,975</u>
Noncurrent liabilities:			
Claims payable	-	-	-
Compensated absences	15,733	19,222	35,714
Net Pension Liability	-	-	759,586
Capital lease payable	38,458	-	-
Total noncurrent liabilities	<u>54,191</u>	<u>19,222</u>	<u>795,300</u>
Total liabilities	<u>76,435</u>	<u>61,775</u>	<u>828,275</u>
Deferred Inflows of Resources:			
Pension related	-	-	68,177
Net Position:			
Net investment in capital assets	603,916	-	266,216
Unrestricted	834,104	1,665,053	(90,670)
Total net position	<u>\$ 1,438,020</u>	<u>\$ 1,665,053</u>	<u>\$ 175,546</u>

Technology	Personnel and Risk Management	General Plan and Housing Update	Total Internal Service Funds
\$ 828,215	\$ 1,165,524	\$ 95,958	\$ 5,376,435
5,978	23,652	-	29,630
-	47,750	-	47,750
<u>834,193</u>	<u>1,236,926</u>	<u>95,958</u>	<u>5,453,815</u>
-	-	-	-
128,347	-	-	1,048,639
128,347	-	-	1,048,639
<u>962,540</u>	<u>1,236,926</u>	<u>95,958</u>	<u>6,502,454</u>
-	-	-	106,251
176,997	13,592	-	247,152
1,137	8,203	-	20,407
-	-	-	774
-	544,328	-	544,328
-	6,955	-	24,621
-	-	-	11,702
<u>178,134</u>	<u>573,078</u>	<u>-</u>	<u>848,984</u>
-	741,380	-	741,380
-	27,819	-	98,488
-	-	-	759,586
-	-	-	38,458
-	769,199	-	1,637,912
<u>178,134</u>	<u>1,342,277</u>	<u>-</u>	<u>2,486,896</u>
-	-	-	68,177
128,347	-	-	998,479
656,059	(105,351)	95,958	3,055,153
<u>\$ 784,406</u>	<u>\$ (105,351)</u>	<u>\$ 95,958</u>	<u>\$ 4,053,632</u>

CITY OF SIERRA MADRE**Combining Statement of Revenues, Expenses, and Changes in Net Position****Internal Service Funds****For the year ended June 30, 2016**

	Fleet	Facilities Management	Administration
Operating revenues:			
Charges for services	\$ 549,360	\$ 919,993	\$ 716,172
Licenses and permits	-	-	-
Miscellaneous	-	-	-
Total operating revenues	<u>549,360</u>	<u>919,993</u>	<u>716,172</u>
Operating expenses:			
Personnel services	107,030	203,918	357,254
Contractual services	14,126	93,785	92,124
Materials and supplies	89,148	63,702	52,330
Insurance, claims and charges	-	-	-
Utilities	90,182	288,607	-
Maintenance and operation	-	5,968	35,169
Depreciation	157,994	-	48,403
Total operating expenses	<u>458,480</u>	<u>655,980</u>	<u>585,280</u>
Operating income (loss)	90,880	264,013	130,892
Nonoperating revenues (expenses):			
Investment income	2,173	4,424	931
Loss on disposal of property	(1,965)	-	-
Interest expense	(2,662)	-	-
Total nonoperating revenues (expenses)	<u>(2,454)</u>	<u>4,424</u>	<u>931</u>
Income (loss) before transfers and capital contributions	88,426	268,437	131,823
Transfers:			
Transfers in	-	-	-
Transfer out	-	(25,886)	-
Total transfers	<u>-</u>	<u>(25,886)</u>	<u>-</u>
Change in net position	88,426	242,551	131,823
Net position, beginning of year, as restated	<u>1,349,594</u>	<u>1,422,502</u>	<u>43,723</u>
Net position, end of year	<u>\$ 1,438,020</u>	<u>\$ 1,665,053</u>	<u>\$ 175,546</u>

<u>Technology</u>	<u>Personnel and Risk Management</u>	<u>General Plan and Housing Update</u>	<u>Total Internal Service Funds</u>
\$ 558,691	\$ 1,644,795	\$ -	\$ 4,389,011
23,500	-	-	23,500
-	-	-	-
<u>582,191</u>	<u>1,644,795</u>	<u>-</u>	<u>4,412,511</u>
67,405	465,583	-	1,201,190
262,886	85,975	8,889	557,785
98,175	19,365	3,145	325,865
-	1,284,560	-	1,284,560
-	-	-	378,789
-	-	-	41,137
-	-	-	206,397
<u>428,466</u>	<u>1,855,483</u>	<u>12,034</u>	<u>3,995,723</u>
153,725	(210,688)	(12,034)	416,788
1,874	2,779	218	12,399
-	-	-	(1,965)
-	-	-	(2,662)
<u>1,874</u>	<u>2,779</u>	<u>218</u>	<u>7,772</u>
155,599	(207,909)	(11,816)	424,560
-	-	-	-
-	-	-	(25,886)
-	-	-	(25,886)
155,599	(207,909)	(11,816)	398,674
628,807	102,558	107,774	3,654,958
<u>\$ 784,406</u>	<u>\$ (105,351)</u>	<u>\$ 95,958</u>	<u>\$ 4,053,632</u>

CITY OF SIERRA MADRE
Combining Statement of Cash Flows
Internal Service Funds
For the year ended June 30, 2016

	Fleet	Facilities Management	Administration
Cash flows from operating activities:			
Receipts from interfund services provided	\$ 549,360	\$ 919,993	\$ 716,172
Payments to suppliers	(194,837)	(444,699)	(168,892)
Payments to employees	(212,122)	(412,607)	(254,072)
Net cash provided (used) by operating activities	<u>142,401</u>	<u>62,687</u>	<u>293,208</u>
Cash flows from non-capital financing activities:			
Transfers from other funds	-	-	-
Transfers to other funds	-	(25,886)	-
Net cash provided (used) by non-capital financing activities	<u>-</u>	<u>(25,886)</u>	<u>-</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(220,739)	-	-
Principal paid	(11,184)	-	-
Interest paid	(2,835)	-	-
Net cash provided (used) by capital and related financing activities	<u>(234,758)</u>	<u>-</u>	<u>-</u>
Cash flows from investing activities:			
Investment income	2,173	4,423	931
Net cash provided (used) by investing activities	<u>2,173</u>	<u>4,423</u>	<u>931</u>
Net increase (decrease) in cash and cash equivalents	(90,184)	41,224	294,139
Cash and investments:			
Beginning of year	<u>950,563</u>	<u>1,685,604</u>	<u>405,392</u>
End of year	<u>\$ 860,379</u>	<u>\$ 1,726,828</u>	<u>\$ 699,531</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 90,880	\$ 264,013	\$ 130,892
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	157,994	-	48,403
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	-	-	-
(Increase) decrease in prepaid expenses	-	-	963
Increase (decrease) in accounts payable	(1,381)	7,363	9,768
Increase (decrease) in accrued liabilities	(2,880)	(6,774)	(19,447)
Increase (decrease) in claims payable	-	-	-
Increase (decrease) in compensated absences	(1,779)	(1,047)	3,722
Increase (decrease) in net pension liability	(100,433)	(200,868)	118,907
Total adjustments	<u>51,521</u>	<u>(201,326)</u>	<u>162,316</u>
Net cash provided (used) by operating activities	<u>\$ 142,401</u>	<u>\$ 62,687</u>	<u>\$ 293,208</u>

<u>Technology</u>	<u>Personnel and Risk Management</u>	<u>General Plan and Housing Update</u>	<u>Total Internal Service Funds</u>
\$ 579,885	\$ 1,621,143	\$ -	\$ 4,386,553
(193,431)	(1,427,477)	(12,034)	(2,441,370)
<u>(73,793)</u>	<u>(369,744)</u>	<u>-</u>	<u>(1,322,338)</u>
<u>312,661</u>	<u>(176,078)</u>	<u>(12,034)</u>	<u>622,845</u>
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>(25,886)</u>
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>(25,886)</u>
(128,347)	-	-	(349,086)
-	-	-	(11,184)
<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,835)</u>
(128,347)	-	-	(363,105)
1,874	2,779	218	12,398
<u>1,874</u>	<u>2,779</u>	<u>218</u>	<u>12,398</u>
186,188	(173,299)	(11,816)	246,252
<u>642,027</u>	<u>1,338,823</u>	<u>107,774</u>	<u>5,130,183</u>
<u>\$ 828,215</u>	<u>\$ 1,165,524</u>	<u>\$ 95,958</u>	<u>\$ 5,376,435</u>
<u>\$ 153,725</u>	<u>\$ (210,688)</u>	<u>\$ (12,034)</u>	<u>\$ 416,788</u>
-	-	-	206,397
(2,306)	(23,652)	-	(25,958)
8,661	(45,037)	-	(35,413)
158,969	7,460	-	182,179
(4,129)	(13,216)	-	(46,446)
-	107,857	-	107,857
(2,259)	1,198	-	(165)
<u>-</u>	<u>-</u>	<u>-</u>	<u>(182,394)</u>
<u>158,936</u>	<u>34,610</u>	<u>-</u>	<u>206,057</u>
<u>\$ 312,661</u>	<u>\$ (176,078)</u>	<u>\$ (12,034)</u>	<u>\$ 622,845</u>

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City of Sierra Madre, California

Village of the Foothills



**Statistical Section
For the Year Ending
June 30, 2016**

CITY OF SIERRA MADRE
Net Position by Component
(accrual basis of accounting)

	Fiscal Year Ended June 30,			
	2007	2008	2009	2010
Governmental activities:				
Net investment in capital assets	\$ 189,766,201	\$ 188,972,208	\$ 187,749,494	\$ 187,804,691
Restricted	5,134,708	4,861,347	4,473,882	4,681,595
Unrestricted	2,189,681	3,873,992	5,880,289	5,876,098
Total governmental activities net position	\$ 197,090,590	\$ 197,707,547	\$ 198,103,665	\$ 198,362,384
Business-Type activities:				
Net investment in capital assets	\$ 14,818,105	\$ 15,133,429	\$ 16,526,965	\$ 15,741,252
Restricted	-	-	-	-
Unrestricted	8,030,762	6,734,062	6,338,095	6,822,253
Total business-type activities net position	\$ 22,848,867	\$ 21,867,491	\$ 22,865,060	\$ 22,563,505
Primary government:				
Net investment in capital assets	\$ 204,584,306	\$ 204,105,637	\$ 204,276,459	\$ 203,545,943
Restricted	5,134,708	4,861,347	4,473,882	4,681,595
Unrestricted	10,220,443	10,608,054	12,218,384	12,698,351
Total primary government net position	\$ 219,939,457	\$ 219,575,038	\$ 220,968,725	\$ 220,925,889

Data source: City of Sierra Madre Finance Department

Fiscal Year Ended June 30,

2011	2012	2013	2014	2015	2016
\$ 186,635,375	\$ 185,544,420	\$ 184,344,066	\$ 183,026,172	\$ 181,862,536	\$ 181,328,167
8,648,585	10,779,254	10,341,052	13,952,436	6,051,883	5,794,991
1,634,124	870,761	555,794	204,442	764,679	1,731,997
<u>\$ 196,918,084</u>	<u>\$ 197,194,435</u>	<u>\$ 195,240,912</u>	<u>\$ 197,183,050</u>	<u>\$ 188,679,098</u>	<u>\$ 188,855,155</u>
\$ 15,842,534	\$ 15,665,079	\$ 15,804,079	\$ 15,963,941	\$ 16,668,550	\$ 16,824,482
-	1,145,841	1,149,456	1,149,456	1,149,456	1,149,456
6,324,287	4,437,196	3,894,603	4,053,155	1,994,086	1,313,820
<u>\$ 22,166,821</u>	<u>\$ 21,248,116</u>	<u>\$ 20,848,138</u>	<u>\$ 21,166,552</u>	<u>\$ 19,812,092</u>	<u>\$ 19,287,758</u>
\$ 202,477,909	\$ 201,209,499	\$ 200,148,145	\$ 198,990,113	\$ 198,531,086	\$ 198,152,649
8,648,585	11,925,095	11,490,508	15,101,892	7,201,339	6,944,447
7,958,411	5,307,957	4,450,397	4,257,597	2,758,765	3,045,817
<u>\$ 219,084,905</u>	<u>\$ 218,442,551</u>	<u>\$ 216,089,050</u>	<u>\$ 218,349,602</u>	<u>\$ 208,491,190</u>	<u>\$ 208,142,913</u>

CITY OF SIERRA MADRE

Changes in Net Position

(accrual basis of accounting)

	Fiscal Year Ended June 30,			
	2007	2008	2009	2010
Expenses:				
Governmental activities:				
General government	\$ 6,618,475	\$ 6,611,903	\$ 7,851,142	\$ 7,779,996
Public safety	3,838,128	3,938,272	6,698,070	4,380,352
Public works	833,215	917,320	805,897	884,015
Development	-	-	431,174	375,842
Culture and recreation	1,776,581	2,006,435	1,231,928	1,444,584
Interest on long-term debt	251,635	178,109	167,567	156,125
Total governmental activities expenses	<u>13,318,034</u>	<u>13,652,039</u>	<u>17,185,778</u>	<u>15,020,914</u>
Business-type activities:				
Water	3,309,580	9,519,066	3,137,904	3,399,076
Sewer	767,100	627,238	651,945	856,702
Recreation services	391,107	414,058	445,244	493,509
Special services	52,954	136,705	195,286	89,909
Film services	61,481	65,954	26,561	47,529
Total business-type activities expenses	<u>4,582,222</u>	<u>10,763,021</u>	<u>4,456,940</u>	<u>4,886,725</u>
Total primary government expenses	<u>\$ 17,900,256</u>	<u>\$ 24,415,060</u>	<u>\$ 21,642,718</u>	<u>\$ 19,907,639</u>
Program revenues:				
Governmental activities:				
Charges for services	\$ 4,240,302	\$ 5,486,438	\$ 5,521,416	\$ 5,065,422
Operating grants and contributions	624,932	1,444,440	2,920,814	757,868
Capital grants and contributions	-	428,708	121,739	48,228
Total governmental activities program revenues	<u>4,865,234</u>	<u>7,359,586</u>	<u>8,563,969</u>	<u>5,871,518</u>
Business-type activities:				
Charges for services	5,952,735	6,322,222	4,412,306	4,173,073
Capital grants and contributions	-	-	1,043,645	248,500
Total business-type activities program revenues	<u>5,952,735</u>	<u>6,322,222</u>	<u>5,455,951</u>	<u>4,421,573</u>
Total primary government program revenues	<u>\$ 10,817,969</u>	<u>\$ 13,681,808</u>	<u>\$ 14,019,920</u>	<u>\$ 10,293,091</u>
Net revenue/(expense):				
Governmental activities	\$ (8,452,800)	\$ (6,292,453)	\$ (8,621,809)	\$ (9,149,396)
Business-type activities	<u>1,370,513</u>	<u>(4,440,799)</u>	<u>999,011</u>	<u>(465,152)</u>
Total primary government net revenue/(expense)	<u>\$ (7,082,287)</u>	<u>\$ (10,733,252)</u>	<u>\$ (7,622,798)</u>	<u>\$ (9,614,548)</u>

Data source: City of Sierra Madre Finance Department

Fiscal Year Ended June 30,

2011	2012	2013	2014	2015	2016
\$ 3,495,144	\$ 1,756,491	\$ 2,350,968	\$ 742,540	\$ 1,581,532	\$ 1,791,927
5,504,146	5,243,664	5,240,506	5,525,072	5,500,997	5,754,806
1,756,538	2,669,022	1,311,100	1,499,333	2,255,560	1,401,974
1,738,918	998,147	874,469	993,035	1,089,493	1,412,537
1,392,657	1,695,105	1,449,653	1,407,243	1,325,706	1,280,228
181,711	95,211	8,241	23,697	20,580	17,322
<u>14,069,114</u>	<u>12,457,640</u>	<u>11,234,937</u>	<u>10,190,920</u>	<u>11,773,868</u>	<u>11,658,794</u>
3,442,699	3,806,990	3,980,084	3,542,092	4,626,949	4,388,290
951,566	927,102	1,022,868	844,486	939,202	1,172,547
503,796	306,613	115,980	131,897	113,608	259,594
37,462	168,546	112,482	92,752	101,219	108,211
46,681	70,275	58,589	54,817	18,035	43,620
<u>4,982,204</u>	<u>5,279,526</u>	<u>5,290,003</u>	<u>4,666,044</u>	<u>5,799,013</u>	<u>5,972,262</u>
<u>\$ 19,051,318</u>	<u>\$ 17,737,166</u>	<u>\$ 16,524,940</u>	<u>\$ 14,856,964</u>	<u>\$ 17,572,881</u>	<u>\$ 17,631,056</u>
\$ 2,390,204	\$ 2,013,245	\$ 2,512,450	\$ 3,525,563	\$ 2,374,090	\$ 2,350,878
957,136	1,331,720	992,239	1,237,489	1,071,981	1,022,280
1,008,836	51,342	-	-	-	-
<u>4,356,176</u>	<u>3,396,307</u>	<u>3,504,689</u>	<u>4,763,052</u>	<u>3,446,071</u>	<u>3,373,158</u>
4,379,502	4,090,554	4,525,723	4,978,343	5,497,755	5,606,012
29,619	-	316,930	258,882	242,500	46,234
<u>4,409,121</u>	<u>4,090,554</u>	<u>4,842,653</u>	<u>5,237,225</u>	<u>5,740,255</u>	<u>5,652,246</u>
<u>\$ 8,765,297</u>	<u>\$ 7,486,861</u>	<u>\$ 8,347,342</u>	<u>\$ 10,000,277</u>	<u>\$ 9,186,326</u>	<u>\$ 9,025,404</u>
\$ (9,712,938)	\$ (9,061,333)	\$ (7,730,248)	\$ (5,427,868)	\$ (8,327,797)	\$ (8,285,636)
(573,083)	(1,188,972)	(447,350)	571,181	(58,758)	(320,016)
<u>\$ (10,286,021)</u>	<u>\$ (10,250,305)</u>	<u>\$ (8,177,598)</u>	<u>\$ (4,856,687)</u>	<u>\$ (8,386,555)</u>	<u>\$ (8,605,652)</u>

CITY OF SIERRA MADRE

Changes in Net Position, (continued)

(accrual basis of accounting)

	Fiscal Year Ended June 30,			
	2007	2008	2009	2010
General revenues and other changes in net position:				
Governmental activities:				
Taxes	\$ 6,944,803	\$ 6,493,372	\$ 8,198,847	\$ 8,905,659
Investment income	1,118,952	521,398	334,793	231,953
Grants and contributions, not restricted	1,185,396	-	-	-
Capital contributions	568,579	-	168,991	369,848
Extraordinary gain/(loss)	-	-	-	-
Loss on disposal of property	-	-	-	-
Transfers	176,108	(96,533)	94,135	(114,988)
Total governmental activities	<u>9,993,838</u>	<u>6,918,237</u>	<u>8,796,766</u>	<u>9,392,472</u>
Business-type activities:				
Investment income	194,901	222,005	210,854	38,667
Capital contributions	-	3,140,885	-	-
Loss on disposal of property	-	-	-	-
Transfers	(176,108)	96,533	(94,135)	114,988
Total business-type activities	<u>18,793</u>	<u>3,459,423</u>	<u>116,719</u>	<u>153,655</u>
Total primary government	<u>\$ 10,012,631</u>	<u>\$ 10,377,660</u>	<u>\$ 8,913,485</u>	<u>\$ 9,546,127</u>
Change in net position:				
Governmental activities	\$ 1,541,038	\$ 625,784	\$ 174,957	\$ 243,076
Business-type activities	<u>1,389,306</u>	<u>(981,376)</u>	<u>1,115,730</u>	<u>(311,497)</u>
Total primary government	<u>\$ 2,930,344</u>	<u>\$ (355,592)</u>	<u>\$ 1,290,687</u>	<u>\$ (68,421)</u>

Data source: City of Sierra Madre Finance Department

Fiscal Year Ended June 30,

2011	2012	2013	2014	2015	2016
\$ 8,437,401	\$ 7,774,266	\$ 7,739,306	\$ 8,217,065	\$ 8,435,031	\$ 8,487,077
54,370	16,405	21,761	11,671	11,875	38,125
-	-	-	-	-	-
65,294	-	15,209	-	-	-
-	1,499,139	-	-	-	-
-	-	-	(854,341)	-	-
<u>(167,071)</u>	<u>(164,500)</u>	<u>(47,372)</u>	<u>(4,389)</u>	<u>(54,018)</u>	<u>(63,509)</u>
<u>8,389,994</u>	<u>9,125,310</u>	<u>7,728,904</u>	<u>7,370,006</u>	<u>8,392,888</u>	<u>8,461,693</u>
11,044	2,827	-	6,826	6,425	11,201
-	-	-	-	-	-
-	-	-	-	-	-
<u>167,071</u>	<u>164,500</u>	<u>47,372</u>	<u>4,389</u>	<u>54,018</u>	<u>63,509</u>
<u>178,115</u>	<u>167,327</u>	<u>47,372</u>	<u>11,215</u>	<u>60,443</u>	<u>74,710</u>
<u>\$ 8,568,109</u>	<u>\$ 9,292,637</u>	<u>\$ 7,776,276</u>	<u>\$ 7,381,221</u>	<u>\$ 8,453,331</u>	<u>\$ 8,536,403</u>
\$ (1,322,944)	\$ 63,977	\$ (1,344)	\$ 1,942,138	\$ 65,091	\$ 176,057
<u>(394,968)</u>	<u>(1,021,645)</u>	<u>(399,978)</u>	<u>582,396</u>	<u>1,685</u>	<u>(245,306)</u>
<u>\$ (1,717,912)</u>	<u>\$ (957,668)</u>	<u>\$ (401,322)</u>	<u>\$ 2,524,534</u>	<u>\$ 66,776</u>	<u>\$ (69,249)</u>

CITY OF SIERRA MADRE

**Fund Balances of Governmental Funds
(modified accrual basis of accounting)**

	Fiscal Year Ended June 30,			
	2007	2008	2009	2010
General fund:				
Unreserved ⁽¹⁾	\$ 3,408,285	\$ 3,841,994	\$ 3,454,249	\$ 4,246,065
Reserved ⁽¹⁾	-	300,000	490,000	890,000
Nonspendable	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total General Fund	<u>\$ 3,408,285</u>	<u>\$ 4,141,994</u>	<u>\$ 3,944,249</u>	<u>\$ 5,136,065</u>
All other governmental funds:				
Reserved: ⁽¹⁾				
Debt service funds	\$ 3,451,710	\$ 3,178,349	\$ 2,445,701	\$ 2,528,671
Land held for resale	1,682,998	1,682,998	1,682,998	1,682,998
Capital projects funds	(494,512)	112,656	407,967	469,927
Unreserved, reported in: ⁽¹⁾				
Special revenue funds	871,674	568,536	1,580,312	2,040,378
Non-spendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total all other governmental funds	<u>\$ 5,511,870</u>	<u>\$ 5,542,539</u>	<u>\$ 6,116,978</u>	<u>\$ 6,721,974</u>
Total all governmental funds	<u>\$ 8,920,155</u>	<u>\$ 9,684,533</u>	<u>\$ 10,061,227</u>	<u>\$ 11,858,039</u>

⁽¹⁾ In FY 2010-2011, the City of Sierra Madre adopted GASB 54, Fund Balances. The City follows the designations of Non-spendable, Restricted, Committed, Assigned and Unassigned for Government Funds.

Data source: City of Sierra Madre Finance Department

Fiscal Year Ended June 30,

2011	2012	2013	2014	2015	2016
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	2,547	19,535	-
800,000	250,000	635,000	1,255,290	1,280,500	-
-	3,989,683	4,400,416	4,635,021	5,133,278	4,720,472
<u>4,721,717</u>	<u>870,761</u>	<u>900,121</u>	<u>553,476</u>	<u>1,021,355</u>	<u>1,938,003</u>
<u>\$ 5,521,717</u>	<u>\$ 5,110,444</u>	<u>\$ 5,935,537</u>	<u>\$ 6,446,334</u>	<u>\$ 7,454,668</u>	<u>\$ 6,658,475</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
401,575	-	-	-	-	-
1,682,998	1,682,998	1,682,998	1,682,998	4,113,442	4,406,441
5,863,012	888,909	1,658,115	2,199,679	661,036	1,457,095
854,020	1,453,098	981,304	1,237,371	-	-
<u>(2,902,573)</u>	<u>(395,035)</u>	<u>(344,327)</u>	<u>(348,734)</u>	<u>(256,676)</u>	<u>(206,006)</u>
<u>\$ 5,899,032</u>	<u>\$ 3,629,970</u>	<u>\$ 3,978,090</u>	<u>\$ 4,771,314</u>	<u>\$ 4,517,802</u>	<u>\$ 5,657,530</u>
<u>\$ 11,420,749</u>	<u>\$ 8,740,414</u>	<u>\$ 9,913,627</u>	<u>\$ 11,217,648</u>	<u>\$ 11,972,470</u>	<u>\$ 12,316,005</u>

CITY OF SIERRA MADRE

**Changes in Fund Balances of Governmental Funds
(modified accrual basis of accounting)**

	Fiscal Year Ended June 30,			
	2007	2008	2009	2010
Revenues:				
Taxes	\$ 6,944,803	\$ 6,493,372	\$ 8,198,847	\$ 8,905,659
Property Taxes	-	-	-	-
Other Taxes	-	-	-	-
Charges for services	624,678	578,794	545,968	658,809
Intergovernmental	1,810,328	1,873,146	3,042,552	757,869
Licenses and permits	558,884	987,713	847,977	854,492
Fines and forfeitures	127,206	179,912	189,677	189,899
Investment Income	700,133	521,398	278,739	170,391
Miscellaneous	412,979	224,668	188,538	153,766
Total revenues	<u>11,179,011</u>	<u>10,859,003</u>	<u>13,292,298</u>	<u>11,690,885</u>
Expenditures:				
Current:				
General government	2,742,176	2,407,126	2,664,527	3,091,208
Public safety	3,838,128	3,938,272	6,698,070	4,380,352
Public works	833,215	917,320	805,897	884,016
Development	-	-	431,174	375,842
Culture and recreation	1,776,581	2,006,435	1,231,928	1,444,583
Debt service:				
Principal	205,000	215,000	225,000	235,000
Interest	191,129	181,520	171,288	160,125
Capital outlay	619,475	421,953	615,364	574,064
Total expenditures	<u>10,205,704</u>	<u>10,087,626</u>	<u>12,843,248</u>	<u>11,145,190</u>
Excess (deficiency) of revenues over (under) expenditures	<u>973,307</u>	<u>771,377</u>	<u>449,050</u>	<u>545,695</u>
Other financing sources (uses):				
Sale of City property	400,000	-	-	-
Equipment Financing	-	-	-	725,402
Transfers in	1,394,269	2,767,157	3,869,613	1,950,479
Transfers out	(1,200,272)	(2,765,329)	(3,789,486)	(1,403,676)
Total other financing sources (uses)	<u>593,997</u>	<u>1,828</u>	<u>80,127</u>	<u>1,272,205</u>
Extraordinary gain (loss)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	1,567,304	773,205	529,177	1,817,900
Fund balances, beginning of year, as restated	<u>7,352,851</u>	<u>8,911,328</u>	<u>9,532,050</u>	<u>10,040,139</u>
Fund balances, end of year	<u>\$ 8,920,155</u>	<u>\$ 9,684,533</u>	<u>\$ 10,061,227</u>	<u>\$ 11,858,039</u>

*Note: Prior to FY 2012-2013 taxes were not segregated to subcategories, such as property taxes and other taxes.

**Note: Prior to FY 2012-2013 Property Tax in-lieu of VLF was reported as intergovernmental revenues. In FY 2012-2013 and FY 2013-2014 it was reported as Other Taxes.

***Note: In FY 2014-2015 Property Tax in-lieu of VLF is reported as part of Property Taxes.

Data source: City of Sierra Madre Finance Department

Fiscal Year Ended June 30,

2011	2012	2013	2014	2015	2016
\$ 8,437,444	\$ 6,758,148	\$ -	\$ -	\$ -	\$ -
-	-	3,902,682	4,391,262	5,264,471	5,677,308
-	-	3,724,541	3,707,633	3,170,560	2,809,769
616,947	595,203	897,281	820,236	871,237	881,477
1,965,972	2,249,029	1,065,088	1,248,338	1,073,897	1,022,280
1,221,741	1,160,456	1,131,957	2,431,117	1,018,971	837,657
235,260	223,902	328,707	240,188	223,072	190,999
49,439	10,571	-	6,636	5,397	25,726
316,214	184,835	163,313	169,853	260,810	440,745
<u>12,843,017</u>	<u>11,182,144</u>	<u>11,213,569</u>	<u>13,015,263</u>	<u>11,888,415</u>	<u>11,885,961</u>
1,444,497	2,107,607	1,921,278	1,871,441	1,672,935	1,970,283
5,504,146	5,081,731	5,074,457	5,382,934	5,382,396	5,725,286
1,756,537	2,210,897	794,165	1,844,412	1,670,830	1,004,326
1,132,604	1,259,802	842,273	940,335	1,019,712	1,485,372
1,392,657	1,540,117	1,284,435	1,244,718	1,162,983	1,228,487
302,998	315,581	63,385	66,321	69,391	72,604
181,711	101,461	27,656	24,721	21,651	18,442
1,553,968	95,735	31,790	14,833	-	-
<u>13,269,118</u>	<u>12,712,931</u>	<u>10,039,439</u>	<u>11,389,715</u>	<u>10,999,898</u>	<u>11,504,800</u>
<u>(426,101)</u>	<u>(1,530,787)</u>	<u>1,174,130</u>	<u>1,625,548</u>	<u>888,517</u>	<u>381,161</u>
65,294	-	-	-	-	-
-	-	-	-	-	-
3,590,490	2,845,339	1,376,732	881,171	941,521	2,348,798
<u>(3,579,472)</u>	<u>(3,017,170)</u>	<u>(1,377,649)</u>	<u>(1,288,508)</u>	<u>(989,406)</u>	<u>(2,386,421)</u>
<u>76,312</u>	<u>(171,831)</u>	<u>(917)</u>	<u>(407,337)</u>	<u>(47,885)</u>	<u>(37,623)</u>
-	(1,085,861)	-	-	-	-
(349,789)	(2,788,479)	1,173,213	1,218,211	840,632	343,538
<u>11,770,538</u>	<u>11,528,893</u>	<u>8,740,414</u>	<u>9,913,627</u>	<u>11,131,838</u>	<u>11,972,467</u>
<u>\$ 11,420,749</u>	<u>\$ 8,740,414</u>	<u>\$ 9,913,627</u>	<u>\$ 11,131,838</u>	<u>\$ 11,972,470</u>	<u>\$ 12,316,005</u>

CITY OF SIERRA MADRE
Assessed Value of Taxable Property
Last Ten Fiscal Years

Category	2007	2008	2009	2010
Residential	\$ 1,295,572,193	\$ 1,391,361,479	\$ 1,469,859,412	\$ 1,469,610,878
Commercial	34,892,478	38,120,509	44,106,361	47,818,195
Industrial	5,663,629	5,776,878	7,240,625	7,385,414
Govt. Owned	498,870	508,845	519,020	156,306
Institutional	2,296,184	2,342,105	2,388,942	2,436,717
Irrigated	-	-	-	-
Recreational	579,793	591,386	603,211	615,272
Vacant	33,464,760	43,044,306	39,531,555	47,752,008
SBE Nonunitary	-	-	-	-
Cross Reference	5,062,095	1,918,774	1,977,310	1,538,550
Unsecured	7,311,177	6,993,385	7,021,368	6,881,054
Total assessed value	\$ 1,385,341,179	\$ 1,490,657,667	\$ 1,573,247,804	\$ 1,584,194,394
Tax-Exempt Property	(4,268,753)	(4,224,002)	(3,601,786)	(3,605,034)
Total taxable assessed value	\$ 1,381,072,426	\$ 1,486,433,665	\$ 1,569,646,018	\$ 1,580,589,360
Total direct rate	0.28118	0.28220	0.28474	0.28501

2011	2012	2013	2014	2015	2016
\$ 1,482,410,204	\$ 1,522,225,014	\$ 1,569,368,492	\$ 1,657,387,265	\$ 1,750,546,835	\$ 1,849,086,339
47,606,368	47,274,344	50,519,744	52,244,923	53,659,841	57,179,257
7,447,664	7,503,723	7,653,776	7,806,831	7,842,250	11,350,279
155,935	157,109	542,759	163,456	164,198	167,478
2,430,940	6,669,589	3,943,818	4,105,294	6,618,344	6,423,627
-	-	-	-	-	-
613,810	618,428	1,647,693	1,680,645	1,688,272	1,722,001
41,417,109	44,660,373	44,480,022	44,785,823	46,880,985	44,273,558
-	-	-	-	-	-
1,530,912	1,542,439	1,573,286	1,604,751	1,792,372	1,968,133
6,823,278	6,990,234	6,711,328	6,183,887	6,657,788	7,011,648
<u>\$ 1,590,436,220</u>	<u>\$ 1,637,641,253</u>	<u>\$ 1,686,440,918</u>	<u>\$ 1,775,962,875</u>	<u>\$ 1,875,850,885</u>	<u>\$ 1,979,182,320</u>
(3,605,034)	(3,605,034)	(3,605,034)	(3,605,138)	(3,605,138)	(3,605,138)
<u>\$ 1,586,831,186</u>	<u>\$ 1,634,036,219</u>	<u>\$ 1,682,835,884</u>	<u>\$ 1,772,357,737</u>	<u>\$ 1,872,245,747</u>	<u>\$ 1,975,577,182</u>
0.28519	0.28433	0.28214	0.22284	0.22310	0.22338

CITY OF SIERRA MADRE

Property Tax Rates

Direct and Overlapping Governments

(Rate per \$100 of Taxable Value)

Last Ten Fiscal Years

Agency	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Basic Levy	1.00000	1.00000	1.00000	1.00000
Arcadia Unified	0.02831	0.08086	0.07911	0.07561
County Detention Facilities 1987 Debt	0.00066	0.00000	0.00000	0.00000
La County Flood Control	0.00005	0.00000	0.00000	0.00000
Metropolitan Water District	0.02000	0.02000	0.01800	0.01800
Pasadena Community College Dist	0.02080	0.01972	0.01742	0.02300
Pasadena Unified School Dist	0.11717	0.05491	0.06375	0.10836
Sierra Madre Lighting	0.30902	0.30902	0.30902	0.30902
Total Direct & Overlapping ² Tax Rates	<u>1.49601</u>	<u>1.48451</u>	<u>1.48730</u>	<u>1.53399</u>
City's Share of 1% Levy Per Prop 13 ³	0.21911	0.21911	0.21911	0.21911
Voter Approved City Debt Rate	-	-	-	-
Redevelopment Rate ⁴	1.02072	1.02000	1.01800	1.01800
Total Direct Rate ⁵	0.28118	0.28220	0.28474	0.28501

Data Source: HDL Coren & Cone, L.A. County Assessor combined 2014/15 Lien Data Tax Rolls

2011	2012	2013	2014	2015	2016
1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
0.07456	0.07691	0.07670	0.07550	0.07653	0.07507
0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
0.01800	0.01800	0.01800	0.01800	0.01800	0.01800
0.01986	0.01956	0.02056	0.01899	0.01032	0.00872
0.10195	0.11120	0.11403	0.10351	0.10601	0.11168
0.30902	0.30902	0.30902	0.30902	0.30902	0.30902
1.52339	1.53469	1.53831	1.52502	1.51988	1.52249
0.21911	0.21911	0.21911	0.21911	0.21911	0.21911
-	-	-	-	-	-
1.01800	1.01800	-	-	-	-
0.28519	0.28433	0.28214	0.22284	0.22310	0.22338

CITY OF SIERRA MADRE
Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	2007			2016		
	Taxable Assessed Value	% of Net Assessed Value	Rank	Taxable Assessed Value	% of Net Assessed Value	Rank
One Carter LLC	\$20,500,000	1.48%	1	\$11,464,933	0.58%	2
Ginkgo Stonehouse II LLC	\$16,500,000	1.19%	1	\$8,897,527	0.45%	3
Barbera Family LP	\$4,516,693	0.33%	2	\$5,134,204	0.26%	5
Montecito Dev Group LLC	\$3,672,000	0.27%	2	\$4,175,296	0.21%	6
Maranatha High School	\$3,180,942	0.23%	4			
Century-Tci California LP	\$3,154,497	0.23%	3			
Zhang Hongmei	\$2,754,000	0.20%	5			
Jeffrey M. And Kimberly Stokes	\$2,575,500	0.19%	6			
Renaissance Plaza LLC	\$2,551,321	0.18%	7			
Patrick And Margaret Blackwell	\$2,450,000	0.18%	8			
Cett Madre Limited				\$12,379,152	0.63%	1
William L Sullivan Family Trust				\$3,797,586	0.19%	8
Jason And Heather Young				\$3,850,423	0.19%	7
Kensington SM GP LLC				\$3,791,054	0.19%	9
MB Equity LLC				\$6,172,051	0.31%	4
William And A Kefalas Trust				\$3,699,881	0.19%	10
Top Ten Total	<u>\$61,854,953</u>	<u>4.46%</u>		<u>\$63,362,107</u>	<u>3.20%</u>	
City Total	<u>\$1,385,341,179</u>			<u>\$1,979,182,320</u>		

Data Source: HDL Coren & Cone, L.A. County Assessor combined 2015/16 Lien Data Tax Rolls

CITY OF SIERRA MADRE

Total Direct and Overlapping Debt

As of June 30,2016

		Gross Bonded Debt Balance	Percent Applicable to City	Net Bonded Debt
				\$
Total Direct Debt				-
Overlapping Debt				
812.51	PASADENA CCD DS 2006 SERIES	1,740,000	2.640	\$ 45,936
812.53	PASADENA CCD DS 2002, 2006	6,870,000	2.640	181,367
812.54	PASADENA CCD 2002, 2009	25,295,000	2.640	667,784
812.55	PASADENA CCD DS 2014 REF	50,725,000	2.640	1,339,132
817.51	ARCADIA UNIFIED DS 1993	2,338,594	0.337	7,885
817.53	ARCADIA UNIFIED DS 1993	704,291	0.337	2,375
817.54	ARCADIA UNIFIED DS REF.	2,050,000	0.337	6,912
817.55	ARCADIA UNIFIED DS 2006	155,630,423	0.337	524,706
817.57	ARCADIA UNIFIED DS 2006	27,000,000	0.337	91,030
909.56	PASADENA USD DS 2008 SERIES	9,565,000	5.466	522,820
909.57	PASADENA USD DS 2008 SERIES	189,495,000	5.466	10,357,745
909.58	PASADENA USD DS 2008 SERIES	110,205,000	5.466	6,023,775
909.59	PASADENA USD DS 2014 REF	5,870,000	5.466	320,853
909.60	PASADENA USD DS 2014 REF	90,025,000	5.466	4,920,742
Total Overlapping Debt				25,013,062
Total Direct and Overlapping Debt				\$ 25,013,062

2015/16 Assessed Valuation: \$1,810,716,079 After Deducting \$168,466,241 Incremental Value.

Debt To Assessed Valuation Ratios:

Direct Debt	0.00%
Overlapping Debt	1.38%
Total Debt	1.38%

Data Source: HDL Coren & Cone, L.A. County Assessor combined 2015/16 Lien Data Tax Rolls

CITY OF SIERRA MADRE
Ratios of Outstanding Debt by Type

Fiscal Year Ended June 30,	Governmental Activities				Total
	Master Lease Equipment Financing	General Obligation Bonds	Tax Increment Bonds ⁽¹⁾		
2007	\$ 103,685	\$ -	\$ 3,965,000	\$ 4,068,685	
2008	69,123	-	3,760,000	3,829,123	
2009	34,562	-	3,545,000	3,579,562	
2010	1,224,674	-	3,320,000	4,544,674	
2011	759,254	-	2,840,000	3,599,254	
2012	689,341	-	-	689,341	
2013	616,191	-	-	616,191	
2014	539,654	-	-	539,654	
2015	459,574	-	-	459,574	
2016	375,785	-	-	375,785	

⁽¹⁾ Due to the dissolution of the Community Redevelopment Agency, the Tax Allocation Bonds were transferred to the Successor Agency in 2012.

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

Data source: City of Sierra Madre Finance Department

Business-type Activities

Master Lease Equipment Financing	Revenue Parity Bonds	Loans	Total	Total Primary Government
\$ -	\$ 11,630,000	\$ 1,456,875	\$ 13,086,875	\$ 17,155,560
-	11,350,000	1,456,875	12,806,875	16,635,998
-	11,060,000	1,456,875	12,516,875	16,096,437
433,040	10,760,000	1,456,875	12,649,915	17,194,589
366,391	10,105,000	1,456,875	11,928,266	15,527,520
332,653	9,755,000	1,311,188	11,398,841	12,088,182
297,353	9,385,000	1,165,500	10,847,853	11,464,044
260,419	8,995,000	1,019,812	10,275,231	10,814,885
221,775	8,590,000	874,126	9,685,901	10,145,475
181,341	8,165,000	728,440	9,074,781	9,450,566

CITY OF SIERRA MADRE
Pledged Revenue Coverage

Fiscal Year Ended June 30,	Governmental Activities			
	Tax Increment ⁽¹⁾	Debt Service		Coverage
		Principal	Interest	
2007	\$ 945,446	\$ 205,000	\$ 191,129	2.39
2008	1,109,761	215,000	181,520	2.80
2009 ⁽²⁾	1,128,402	225,000	171,288	2.85
2010 ⁽³⁾	697,666	235,000	160,125	1.77
2011 ⁽⁴⁾	1,174,727	245,000	148,125	2.99
2012 ⁽⁵⁾	1,249,669	255,000	156,042	3.04
2013 ⁽⁶⁾	555,072	270,000	120,187	1.42
2014 ⁽⁶⁾	505,387	300,000	106,188	1.24
2015 ⁽⁶⁾	738,195	300,000	94,000	1.87
2016 ⁽⁶⁾	528,157	315,000	78,625	1.34

- ⁽¹⁾ Tax increment figures are net of related pass-through payments.
- ⁽²⁾ Tax increment figures are net of related pass-through payments, beginning in 2008-2009, the City began paying AB1389 pass through payments.
- ⁽³⁾ Tax increment figures are net of related pass-through payments, including AB1389 and State SERAF of \$542,513.
- ⁽⁴⁾ Tax increment figures are net of related pass-through payments, including AB1389 and State SERAF of \$161,861.
- ⁽⁵⁾ Due to the dissolution of the Community Redevelopment Agency, the Tax Allocation Bonds were transferred to the Successor Agency. This funding represents both the Private Purpose Trust Fund and former Special Revenue Fund.
- ⁽⁶⁾ Due to the dissolution of the Community Redevelopment Agency, the Tax Allocation Bonds were transferred to the Successor Agency. This funding represents the Private Purpose Trust Fund.

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

Data source: City of Sierra Madre Finance Department

CITY OF SIERRA MADRE
Pledged Revenue Coverage

Business-type Activities - Water Fund

Fiscal Year Ended June 30,	Operating Revenues	Operation and Maintenance Costs	Net Revenues	Debt Service		Coverage
				Principal	Interest	
2007	4,727,750	2,508,870	2,218,880	280,000	693,759	2.28
2008	5,031,771	5,828,036	(796,265)	290,000	556,042	(0.94)
2009	3,037,500	2,596,025	441,475	300,000	541,878	0.52
2010	* 2,920,048	1,564,470	1,355,578	320,000	531,845	1.59
2011	* 3,155,645	1,523,156	1,632,489	335,000	515,470	1.92
2012	* 3,038,056	1,907,143	1,130,913	350,000	498,345	1.33
2013	* 3,558,161	2,084,614	1,473,547	370,000	480,345	1.73
2014	* 3,834,017	1,606,098	2,227,919	390,000	461,345	2.62
2015	4,373,849	2,574,322	1,799,527	405,000	441,470	2.13
2016	4,498,726	2,348,076	2,150,650	425,000	420,720	2.54

* The City has recalculated coverage based on rate covenant definitions per official statements for FY 2010-2014.

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

CITY OF SIERRA MADRE
Demographic and Economic Statistics

Calendar Year	Population	Personal Income (In Thousands)	Per Capita Personal Income	Unemployment Rate	Median Age	% of Pop 25+ with High School Degree	% of Pop 25+ with Bachelor's Degree
2006	10,969	\$550,606	\$50,197	1.4%			
2007	10,934	\$571,401	\$52,259	1.5%			
2008	11,034	\$581,887	\$52,736	2.2%			
2009	11,042	\$565,812	\$51,242	3.5%	45.7	96.0%	54.0%
2010	11,099	\$580,056	\$52,262	3.9%	45.7	97.5%	58.4%
2011	10,963	\$558,203	\$50,917	3.8%	46.4	96.6%	57.5%
2012	11,023	\$568,214	\$51,548	2.8%	48.2	96.5%	57.4%
2013	11,094	\$531,369	\$47,897	2.3%	48	96.4%	57.1%
2014	11,098	\$545,034	\$49,111	5.5%	47.3	96.8%	59.1%
2015	11,013	\$541,092	\$49,132	4.5%	45.8	97.5%	61.5%

Data Source: HDL Coren & Cone, California State Department of Finance, California EDD, US Census

CITY OF SIERRA MADRE
Top 25 Sales Tax Producers
For Fiscal Year Ended June 30, 2016

Business Name	Business Category
Ad Security	Specialty Stores
Arnolds Frontier Hardware	Hardware Stores
Bean Town	Quick-Service Restaurants
Bottle Shop	Liquor Stores
Buccaneer Lounge	Casual Dining
Casa Del Rey	Casual Dining
Cellairis Santa Anita LLC	Transportation/Rentals
Corfu Restaurant	Casual Dining
Happys Liquor	Liquor Stores
Ixora Floral Studio	Florist Shops
Leonora Moss	Florist Shops
Lingo Industrial Electronics	Heavy Industrial
Lucky Baldwins Delirium Cafe	Casual Dining
Moes Automotive Service Center	Auto Repair Shops
Monsieur Crepe	Quick-Service Restaurants
Only Place in Town	Casual Dining
Sierra Briganti	Casual Dining
Sierra Madre Pizza Co	Quick-Service Restaurants
Sierra Madre Service Station	Service Stations
Sierra Madre Valero	Service Stations
Starbucks	Quick-Service Restaurants
Taco Fiesta	Quick-Service Restaurants
Talianko Design Group LLC	Specialty Stores
Village Pizzeria	Fast-Casual Restaurants
Wistaria Restaurant & Bar	Casual Dining

Data Source: HDL Coren & Cone, L.A. County Assessor combined 2015/16 Lien Data Tax Rolls

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CITY OF SIERRA MADRE
Full-Time Equivalent City Government Employees by Function

	Employees as of June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Government	8	8	8	8	8	8	9	9	9	9
Public Safety										
Police										
Officers	17	17	17	18	18	18	16	17	16	13
Civilians	5	5	5	5	5	5	4	4	4	5
Fire										
Full-Time	3	3	3	3	3	3	4	4	4	4
Public Works	20	21	21	20	20	20	19	17.5	18	18
Development	4	4	4	4	4	4	3	3.5	4	5
Library and Recreation	10	10	10	10	10	10	9	8	6	6
Total	67	68	68	68	68	68	64	63	61	60

Data source: City of Sierra Madre Finance Department

CITY OF SIERRA MADRE
Operating Indicators by Function

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Police										
Number of:										
Physical Arrests	580	417	370	467	129	328	399	345	327	214
Parking Violations	2,931	3,283	3,516	2,812	2,495	2,031	3,266	2,976	2,764	1,797
Traffic Violations	1,039	1,339	1,574	1,740	1,989	1,798	1,435	1,967	571	727
Fire										
Number of:										
Calls Answered	816	851	818	885	940	967	947	863	970	1,036
Inspections	1,662	53	2,040	1,964	1,970	2,002	1,943	2,000	1,739	1,678
Public Works										
Number of:										
Water Mains Repaired	20	18	18	25	24	45	30	25	58	550
Water service leaks repaired	19	15	25	28	13	19	19	8	7	19
Street resurfacing/repair (SF)	0	0	0	331,235	0	0	0	69,000	284,790	-
Sidewalk Repairs (SF)	1,250	1,625	1,050	1,950	4,755	3,207	12,000	4,096	4,605	3,000
Trees planted	0	47	6	34	28	14	8	63	-	-
Trees pruned	274	470	444	171	24	20	537	514	37	24
Trees removed	23	12	18	18	37	50	20	30	62	75
Sewer cleaned/inspected (LF)	90,000	186,055	186,055	186,055	155,761	151,659	102,720	143,711	167,168	186,176
Sewer Manhole inspected (each)	n/a	n/a	n/a	n/a	n/a	346	171	104	676	620
Sewer lines inspected (LF)	n/a	n/a	n/a	n/a	n/a	500	200	330	1,064	1,000
Meters replaced	105	111	463	624	479	398	138	129	168	-
Valves exercised	137	350	234	257	829	583	299	406	284	267
Pot holes repaired	78	66	106	106	87	14	100	188	380	575
Water Mains Replaced (LF)	n/a	n/a	n/a	n/a	150	4,165	n/a	n/a	2,870	1,750
Recreation and Community Services										
Number of participants:										
Recreation classes	1,476	1,518	1,419	1,008	1,658	1,382	2,510	1,730	731	371
Aquatic ⁽¹⁾	2,348	3,665	3,398	3,720	3,584	3,146	n/a	n/a	n/a	n/a
Summer pool memberships	13	7	22	22	10	16	n/a	n/a	n/a	n/a
Annual Events ⁽²⁾	729	671	738	708	758	789				
Movie Series	n/a	n/a	n/a	n/a	n/a	n/a	1,100	1,050	1,400	1,500
Concert Series	n/a	n/a	n/a	n/a	n/a	n/a	3,600	4,550	4,835	4,400
Summer Fun in the Park	n/a	n/a	n/a	n/a	n/a	n/a	274	320	293	305
Huck Finn (campsites)	34	34	28	37	41	43	40	60	63	63
Mt. Wilson Trail Race	355	335	335	328	319	323	328	350	325	346
Window Painting	74	72	130	119	163	163	89	n/a	n/a	n/a
Halloween Happenings	154	131	133	149	153	153	112	n/a	150	157
Excursions	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	511

⁽¹⁾ Aquatics contracted out beginning FY 2012-2013

⁽²⁾ Annual events divided into new categories beginning FY 2012-2013

Data source: City of Sierra Madre Finance Department

CITY OF SIERRA MADRE

Operating Indicators by Function, (continued)

	Fiscal Year Ended June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Library										
Number of:										
Registered borrowers	13,968	10,942	10,970	11,162	11,292	11,994	13,044	11,366	10,530	10,530
Circulation	81,879	90,985	101,513	107,535	111,384	105,121	86,829	79,673	85,779	85,779
Reference	7,208	5,823	5,707	6,682	7,781	6,705	5,663	5,795	6,548	6,548
Book volumes held	61,515	59,037	59,540	58,956	56,415	55,845	51,681	54,663	56,891	56,891
User's of E-Resources	15,226	14,104	12,762	14,288	13,962	13,312	13,844	14,173	14,798	14,798
Media	4,688	4,982	4,940	5,381	5,301	5,323	5,512	5,993	6,307	6,307
Periodicals	115	115	108	119	115	115	109	95	98	98
Municipal Utilities										
Number of:										
Number of Customers										
Commercial	105	106	110	111	110	111	112	70	n/a	n/a *
Multi-Unit	353	353	351	356	354	356	353	212	n/a	n/a *
City	75	75	75	75	75	75	63	40	n/a	n/a *
Residential	3,136	3,184	3,198	3,312	3,284	3,255	3,280	3,424	3,550	3,489
Non-Residential	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	204	195 *
Water Consumption in Units (000's)	1,051	1,146	956	1,010	1,086	1,212	1,232	1325	821	667
Administrative Services										
Number of:										
Number of Customers										
Online Bill Pay (average)	n/a	n/a	n/a	n/a	n/a	155	131	156	211	246
Business Licenses Issued	1,180	1,200	1,266	1,275	1,288	1,232	1,360	2,358	1,374	1,276
Development Services										
Number of:										
Conditional Use Permit	18	5	2	7	5	13	5	5	37	37
Minor Conditional Use Permit	6	8	5	5	3	2	5	10	7	7
Variance	4	7	4	4	2	4	1	-	1	1
Minor Variance	8	3	5	5	-	-	3	1	1	1
Municipal Code Text Amendment	5	4	1	1	3	2	3	1	6	6
Building Permit	302	242	245	125	242	304	278	249	231	231
Electrical Permit	187	123	132	86	57	81	165	208	159	159
Mechanical Permit	111	188	75	22	36	38	110	130	129	129
Plumbing Permit	184	133	104	45	49	59	161	166	215	215
Sewer	18	8	9	2	6	13	25	26	3	3

* Account Class categories changed as of March 2014 in line with the Water Rate Study.

CITY OF SIERRA MADRE
Capital Assets -Book Value

		Fiscal Year Ended June 30,		
		2007	2008	2009
Roadways	Pavement AC (Governmental Funds)	\$ 22,116,904	\$ 17,056,270	\$ 16,209,394
Street Appurtenances	Bridges (Governmental Funds)	276,685	86,464	79,547
Parks	Park Structures (Governmental Funds)	534,527	184,980	183,792
	Trees (Governmental Funds)	1,070,400	1,206,214	1,206,214
Wastewater	Manholes (Sewer)	1,649,811	893,647	866,151
	Sewer Pipelines (Sewer)	5,848,948	3,168,180	3,070,698
Water Network	Spreading Basins (Water)	1,959,726	1,356,188	1,257,907
	Pump Stations (Water)	1,308,070	1,756,896	1,702,838
	Meters (Water)	857,703	71,475	42,885
	Pipelines (Water)	9,127,009	4,107,154	3,924,614
	Pressure Reducing Stations (Water)	649,490	381,575	365,338
	Fire Hydrants (Water)	500,453	225,204	215,195
	Wells (Water)	2,010,791	904,856	864,640
	Reservoirs (Water)	7,032,861	12,824,440	14,539,434
Buildings	All			
	Buildings (Water Fund)	410,645	201,216	176,577
	Buildings (Sewer Fund)	410,645	201,216	176,577
	Buildings (Governmental Funds)	11,782,716	7,822,061	7,273,863
Land	All			
	Land (Water Fund)	1,483,250	1,483,250	1,483,250
	Land (Governmental Funds)	162,275,945	162,275,945	162,275,945
General Equipment	All			
	Vehicle & Equipment (Water Fund)	418,332	55,804	39,215
	Vehicle & Equipment (Sewer Fund)	237,656	19,203	18,522
	Vehicle & Equipment (Governmental Funds)			
	Vehicle & Equipment (Government-ISF Fleet)	1,926,882	340,274	520,740
	Accounting Software (Governmental-ISF Administration)			
Total		\$ 233,889,449	\$ 216,622,513	\$ 216,493,335

Data source: City of Sierra Madre Finance Department

Fiscal Year Ended June 30,						
2010	2011	2012	2013	2014	2015	2016
\$ 15,364,491	\$ 14,523,998	\$ 13,686,599	\$ 12,858,351	\$ 12,041,539	\$ 11,331,409	\$ 10,731,909
72,630	65,713	58,796	51,878	44,961	38,044	29,591
172,614	164,767	156,919	149,072	141,224	133,376	267,258
	73,317	167,586	162,738	155,976	155,976	-
1,206,214	1,206,214	1,206,214	1,206,214	1,206,214	1,206,214	1,206,214
838,654	811,157	783,660	756,163	728,666	701,169	672,551
2,973,215	2,875,733	2,778,250	2,680,768	2,583,285	2,993,188	2,576,706
1,225,146	1,192,386	1,159,626	1,126,865	1,094,105	1,061,345	1,025,528
1,648,780	1,594,721	1,540,663	1,486,605	1,432,546	1,378,488	1,322,223
14,295	-	-	-	-	-	-
3,742,074	3,559,533	3,376,993	3,511,413	3,587,725	3,731,255	4,141,639
349,101	332,864	316,626	300,389	284,152	267,915	250,630
205,186	195,177	185,168	175,159	165,149	155,140	144,440
824,424	784,209	743,993	703,777	663,561	623,345	580,356
14,399,392	14,195,770	13,992,147	13,788,524	13,584,901	13,381,279	13,174,440
168,365	160,152	151,939	143,726	135,513	127,300	118,766
168,365	160,152	151,939	143,726	135,513	127,300	118,813
7,050,994	6,825,034	6,599,074	6,373,114	6,147,154	5,733,392	5,642,913
1,483,250	1,483,250	1,483,250	1,483,250	1,483,250	1,483,250	1,483,250
162,275,945	162,275,945	162,275,946	162,275,946	162,275,946	162,275,946	162,275,946
27,081	20,780	14,820	10,360	24,555	30,890	59,040
3,841	404,918	404,918	341,205	336,248	292,587	230,880
270,108	794,752	740,834	686,766	641,723	541,302	501,492
1,021,846	980,860	881,965	784,751	704,962	591,833	654,076
369,848	484,029	459,827	411,425	363,022	314,619	394,552
\$ 215,875,857	\$ 215,165,429	\$ 213,317,751	\$ 211,612,185	\$ 209,961,890	\$ 208,676,562	\$ 207,603,213

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