

# **Comprehensive Annual Financial Report City of Sierra Madre, California**

*Village of the Foothills*

## **For the Year Ending June 30, 2020**



Prepared by the Finance Department Staff

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

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December 23, 2020

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, 2020. 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, 2020, 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, 2020, 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 86 full time equivalent employees consisting of nine departments, including full-service Police and Fire Departments. Part-Time employees and volunteers add service and value as integral parts the City organization and community service clubs.

The City has a population of approximately 11,000 residents. The City has approximately 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***

Sierra Madre is a full-service municipality operating with a \$22 million budget. It funds 78 full-time employees assigned to nine operating departments which include general government activity, police and fire services, and water and sewer utilities. The City's primary goal is to provide high-quality, cost-effective services to its residents and businesses. As in all service industries, personnel expense is the primary business cost. During the budget preparation for FY2017-18, Zero-based budget techniques were inaugurated to more efficiently manage financial resources; the technique is effective and has become a permanent part of the annual budget planning process.

The net position of the Water Fund increased by \$3.4 million or 18.4 percent. This is due to the City reducing expenses, decreasing allocations to internal service funds, and the effects of year-end entries for pension and OPEB. The Water fund received a grant to cover some of the AMI project costs. The Sewer Fund increased \$669 thousand, or 17.0



percent. For the Sewer Fund, the City reduced expenses and completed an audit of sewer accounts that resulted in 395 additional customers.

***The Coronavirus Pandemic: COVID-19***

On March 17, 2020, the Sierra Madre City Council passed a resolution declaring a local state of emergency regarding COVID-19, and authorizing the City to request disaster recovery assistance from the State of California and the Federal Emergency Management Agency (FEMA). The City is tracking these expenditures for potential FEMA reimbursement. The City has also created a Small Business Grant program funded through Los Angeles County Urban County Community Development Block Grant (CDBG) Program.

The Introductory Message in the Fiscal Year 2020-2021 Budget included the following statement: “Based on discussions with the City’s property tax consultant, the impact on property taxes for FY20-21 is expected to be minimal. However, with the continuing COVID-19 pandemic, the City anticipates revenue reduction to be \$500,000 in the new fiscal year.” The City plans on seeking reimbursement from state (CAL OES) and federal sources (FEMA) for relevant COVID-19 eligible costs.

***Major Accomplishments for the Year:***

- The continuation of the long-term project to replace the City’s water main infrastructure; Capital Investment in FY 19-20 was \$1.9M and \$1.8M for FY 18/19.
- The installation of the Advanced Metering Infrastructure (AMI) Project was completed for the City’s 3,800 water meters. The Wi-Fi-based meters collect customer’s water usage data instantaneously, allow billing to occur on a monthly basis effective July 1, 2020.
- The City Council approved a proposal to fund a \$3 million prepayment to CalPERS beyond the annual required contribution budgeted to occur during FY 19-20 to reduce Unfunded Accrued Liability (UAL). In addition, the prepayment will also reduce funding in future requirements as determined by CalPERS.
- In October 2019, the final payment was made to the L.A. County Auditor-Controller based on the “Last and Final” Recognized Obligation Payment (ROPS) Schedule. This was in connection with the City of Sierra Madre Redevelopment Successor Agency. The City will pursue final dissolution of the Agency during FY 20-21.
- The City executed a sales agreement with TowerPoint, LLC for the sale of lease interests in wireless communication sites on City property for \$1.2 million.
- On January 1, 2020, the Sierra Madre Fire Department entered in to a six-month Unified Response trail period with Area C, dispatched by Verdugo Fire Communications Center. This trial period provided opportunity for the Sierra Madre Fire Department to display interoperable capabilities with neighboring agencies. The trail period was successful, and on July 1, 2020, the Sierra Madre Fire Department was recognized as a Unified Response participating member within Area C. The inclusion into Unified Response expands the amount and availability of personnel and equipment that Sierra Madre Fire Department has available daily for help, and without delay, increasing the safety of the City’s residents and businesses.
- This Fiscal Year 2019-2020 Comprehensive Annual Financial Report (CAFR) was issued with an unmodified opinion.

***Long-Term Financial Planning***

The FY 19-20 Adopted Budget was developed based on the policies and vision of the City Council. In order to implement the vision of the City Council, staff completed a balanced zero-based budget for the 2019-20 Fiscal Year. This budgeting method requires every expenditure in all funds to be reviewed line-by-line and justified. This process reduced expenditures and allowed the General Fund Budget to be adopted without the use of reserve funding which was required in previous years.

### *FY 19-20 Budget*

The FY 19-20 Adopted Revenue budget is \$26.3 million in total. Budgeted revenue for the City's three primary funds are \$12.0 million for the General Fund, \$6.3 million for the Water Fund, and \$1.1 million for the Sewer Fund. Budgeted Expenses were budgeted at \$23.2 million.

### *Results for FY 19-20*

Based on the audited Statement of Revenues, Expenditures and Changes in Fund Balance, the total fund balance of the City's General Fund increased by approximately \$640 thousand to \$7.6 million for FY 19 20.

The Water fund net position increase by \$3.36M after making a \$1.9M investment in capital. The Sewer Fund also had an increase in net position (\$669K) in FY 19-20.

The City amended the General Fund Balance Policy during FY 19-20. Fund balance reserve requirements were formerly based on 25% of revenues; this was changed to 25% of expenses, since expenses are more predictable than revenues.

### ***Relevant Financial Policies***

On June 11, 2019, 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).

### ***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.

### ***Awards and Acknowledgements***

*The Government Finance Officers Association (GFOA) awarded a certificate of Achievement for Excellence in Financial Reporting to the City of Sierra Madre for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2019.*

In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

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

Respectfully submitted,



Hillary Guirola-Leon  
Finance Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Sierra Madre  
California**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

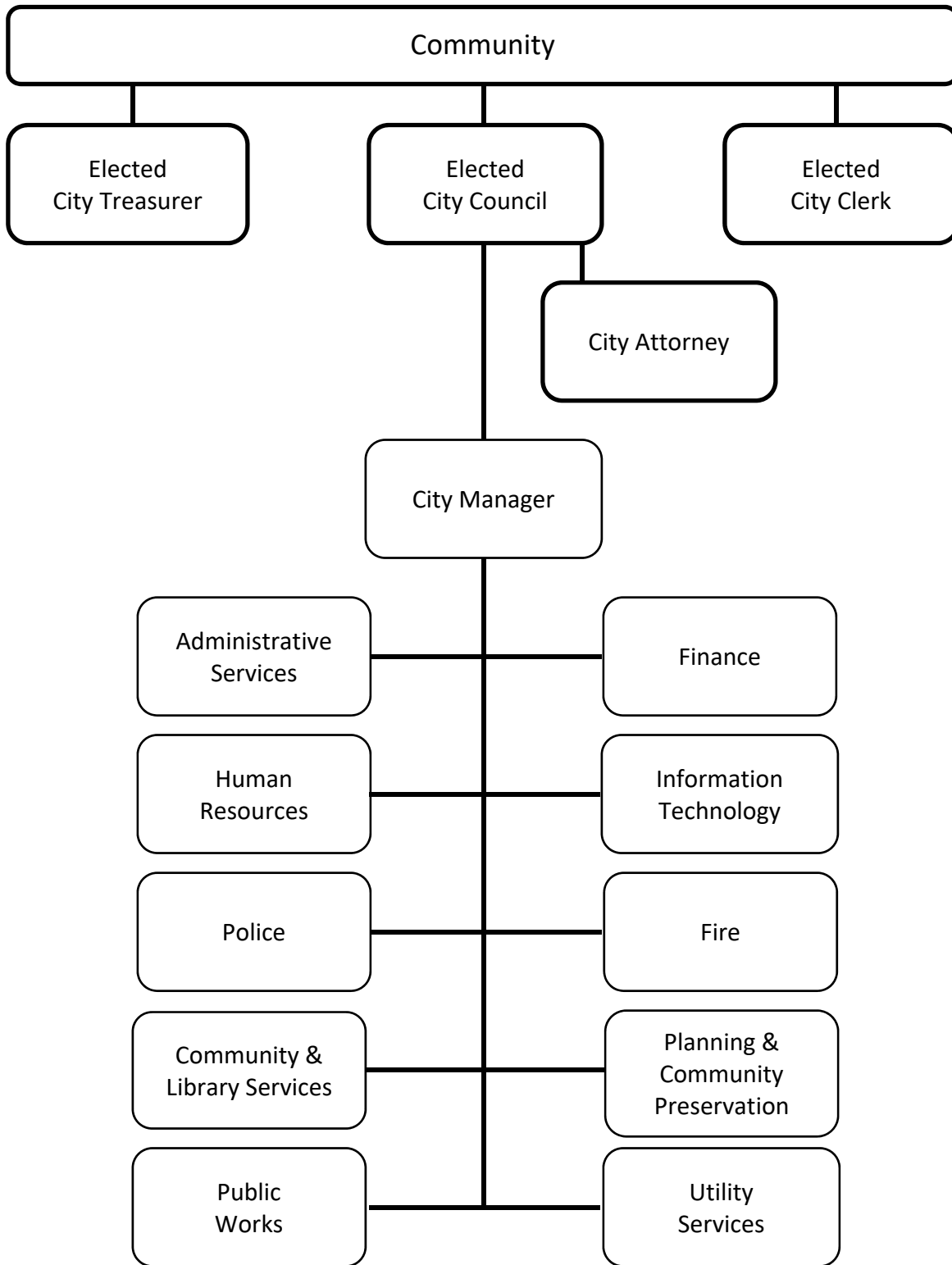
June 30, 2019

*Christopher P. Morill*

Executive Director/CEO



**CITY OF SIERRA MADRE  
ORGANIZATIONAL CHART  
As of June 30, 2020**



# City of Sierra Madre, California

*Village of the Foothills*

## Comprehensive Annual Financial Report



For the Year Ending June 30, 2020

Sierra Madre, California

### **City Council and Elected Officials**

As of June 30, 2020

John Capoccia  
Rachelle Arizmendi  
Gene Goss  
Denise Delmar  
John Harabedian

Sue Spears  
Michael Amerio

Mayor  
Mayor Pro Tempore  
Council Member  
Council Member  
Council Member

City Clerk  
City Treasurer

### **Executive Management**

Gabriel L. Engeland  
Aleks Giragosian  
Hillary Guirola - Leon  
Vincent Gonzalez  
Brent Bartlett  
Rebecca Silva-Barron  
Christine Smart  
Rodrick Armalin  
Jose Reynoso  
Chris Cimino

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

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ROGERS, ANDERSON, MALODY & SCOTT, LLP  
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

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ramscca.net

## *Independent Auditor's Report*

### **PARTNERS**

Brenda L. Odle, CPA, MST  
Terry P. Shea, CPA  
Scott W. Manno, CPA, CGMA  
Leena Shanbhag, CPA, MST, CGMA  
Bradferd A. Welebir, CPA, MBA, CGMA  
Jenny W. Liu, CPA, MST

### **MANAGERS / STAFF**

Charles De Simoni, CPA  
Gardenya Duran, CPA  
Brianna Schultz, CPA  
Jingjie Wu, CPA  
Evelyn Morentin-Barcena, CPA  
Veronica Hernandez, CPA  
Tara R. Thorp, CPA, MSA  
Laura Arvizu, CPA  
Louis Fernandez, CPA  
Abigail Hernandez Conde, CPA, MSA  
Zoe Xinlu Zhang, CPA, MSA

### **MEMBERS**

American Institute of  
Certified Public Accountants

*PCPS The AICPA Alliance  
for CPA Firms*

*Governmental Audit  
Quality Center*

*Employee Benefit Plan  
Audit Quality Center*

California Society of  
Certified Public Accountants



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

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Sierra Madre, California (the City), as of and for the year ended June 30, 2020, 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.

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, 2020, 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'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 December 23, 2020, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

*Rogers, Anderson, Malody & Scott, LLP.*

San Bernardino, California  
December 23, 2020

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# **City of Sierra Madre, California**

*Village of the Foothills*



## **Management's Discussion and Analysis For the Year Ending June 30, 2020**

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**CITY OF SIERRA MADRE**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2020**

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**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, 2020. 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, 2020 by \$222,477,560 (net position). Of this amount, \$201,830,560 is net investment in capital assets, \$5,887,957 is restricted for various programs, and \$14,759,043 represents unrestricted net position.
- From current operations, the City's governmental activities net position increased \$2,313,002 for fiscal year ended June 30, 2020 or 1.19 percent. Net position of the business-type activities increased by \$4,025,852 or 18.12 percent from current operations.
- During the year, the City's General Fund balance increased by \$640,024, or 9.21 percent, and total governmental funds balance increased \$1,760,882 or 13.9 percent.
- In the City's proprietary funds: The Water Fund net position increased by \$3,357,023 or 18.4 percent. This is mainly due to the City reducing expenses, decreasing allocations to internal service funds, and pension and OPEB year-end entries. The Water fund also received a grant to cover some AMI project costs. The Sewer Fund increased \$668,829 or 17.0 percent. In the Sewer Fund, the City reduced expenses and completed an audit of sewer accounts. The result of the audit was an additional 395 added as customers of the Sewer Fund. Non-Major Enterprise Funds remained unchanged, and total Internal Service Funds increased by \$1,320,168 or 24.4 percent which is due to the pension expense of in administration fund and reversal of claims liability in personnel and Risk management fund.

**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.

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.).

**CITY OF SIERRA MADRE**  
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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 1A 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 15 through 17 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. The basic fund financial statements can be found on pages 18 through 27 of this report.

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, except for expenditure driven grants) 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 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.

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The City maintains 42 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 which is considered to be a major fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds are 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 66 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 22 through 25 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 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 26 through 27. 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.

**CITY OF SIERRA MADRE**  
**Management's Discussion and Analysis**  
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**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 28 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 Schedule of Changes in the Net OPEB Liability and Related Ratios, and the Schedule of OPEB Contributions. Required supplementary information can be found on pages 65 through 70 of this report.

The combining statements referred to earlier in connection with non-major 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 71 through 136 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.

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 have been presented. An analysis of the significant increases/decreases from the prior year is provided before each table.



**CITY OF SIERRA MADRE**  
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**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 (91%) 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 \$222,477,560 at the close of the most recent fiscal year as compared to the net position of \$216,138,706 in fiscal year 2018-19.

Table 1  
**Condensed Statement of Net Position**  
**June 30, 2019 and 2020**  
(in thousands)

	Governmental activities		Business-type activities		Total	
	2019	2020	2019	2020	2019	2020
<b>Assets</b>						
Current and other assets	\$ 18,925	\$ 20,182	\$ 4,816	\$ 5,763	\$ 23,741	\$ 25,945
Noncurrent assets	1,500	1,503	-	-	1,500	1,503
Capital assets, net	181,034	180,630	26,002	27,102	207,036	207,732
Total assets	201,459	202,315	30,818	32,865	232,277	235,180
Deferred outflows of resources	7,590	8,253	1,133	601	8,723	8,854
<b>Liabilities</b>						
Current and other liabilities	1,890	1,377	1,370	851	3,260	2,228
Noncurrent liabilities	11,912	9,293	8,238	6,147	20,150	15,440
Total liabilities	13,802	10,670	9,608	6,998	23,410	17,668
Deferred inflows of resources	1,328	3,666	123	222	1,451	3,888
<b>Net position:</b>						
Net investment in capital assets	180,934	180,630	19,581	21,201	200,515	201,831
Restricted	4,862	5,888	-	-	4,862	5,888
Unrestricted	8,123	9,714	2,639	5,045	10,762	14,759
Total net position	\$ 193,919	\$ 196,232	\$ 22,220	\$ 26,246	\$ 216,139	\$ 222,478

**CITY OF SIERRA MADRE**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2020**

**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 increased by approximately \$3.9 million, or 18.2 percent; and total expenses increased by \$903 thousand, or 4.9 percent.

Table 2  
**Condensed Statement of Activities**  
**For the years ended June 30, 2019 and 2020**  
(in thousands)

	Governmental activities		Business-type activities		Total	
	2019	2020	2019	2020	2019	2020
<b>Revenues:</b>						
Program revenues						
Charges for services	\$ 2,602	\$ 2,407	\$ 6,676	\$ 8,161	\$ 9,278	\$ 10,568
Operating grants and contributions	1,705	2,534	-	-	1,705	2,534
General revenues						
Taxes	9,982	10,635	-	-	9,982	10,635
Investment income	373	394	90	108	463	502
Miscellaneous	148	1,258	-	-	148	1,258
Total revenues	<u>14,810</u>	<u>17,228</u>	<u>6,766</u>	<u>8,269</u>	<u>21,576</u>	<u>25,497</u>
<b>Expenses:</b>						
General government	3,417	5,112	-	-	3,417	5,112
Public safety	5,688	5,473	-	-	5,688	5,473
Public works	1,883	2,260	-	-	1,883	2,260
Development services	1,089	990	-	-	1,089	990
Culture and recreation	1,458	1,066	-	-	1,458	1,066
Interest	7	3	-	-	7	3
Water	-	-	4,083	3,671	4,083	3,671
Sewer	-	-	630	583	630	583
Total expenses	<u>13,542</u>	<u>14,904</u>	<u>4,713</u>	<u>4,254</u>	<u>18,255</u>	<u>19,158</u>
Change in net position before transfers	1,268	2,324	2,053	4,015	3,321	6,339
Transfers	394	(11)	(394)	11	-	-
Change in net position	1,662	2,313	1,659	4,026	3,321	6,339
Net position, beginning of year	<u>192,257</u>	<u>193,919</u>	<u>20,561</u>	<u>22,220</u>	<u>212,818</u>	<u>216,139</u>
Net position, end of year	<u>\$ 193,919</u>	<u>\$ 196,232</u>	<u>\$ 22,220</u>	<u>\$ 26,246</u>	<u>\$ 216,139</u>	<u>\$ 222,478</u>

**CITY OF SIERRA MADRE**  
**Management’s Discussion and Analysis**  
**For the year ended June 30, 2020**

**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 and culture and recreation, – and in addition, 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 (excludes interest expense):

Table 3  
**Net Cost of Governmental Activities**  
**For the year ended June 30, 2020**  
(in thousands)

	Total cost of services	Total program revenues	Net cost of services
General government	\$ 5,112	\$ 812	\$ (4,300)
Public safety	5,473	830	(4,643)
Public works	2,260	2,480	220
Development services	990	87	(903)
Culture and recreation	1,066	731	(335)
Totals	<u>\$ 14,901</u>	<u>\$ 4,940</u>	<u>\$ (9,961)</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  
**Condensed Statement of Revenues, Expenditures and Changes in Fund Balance**  
**For the years ended June 30, 2019 and 2020**  
(in thousands)

	Revenues		Expenditures		Transfers		Net change in fund balance	
	2019	2020	2019	2020	2019	2020	2019	2020
General Fund	\$ 12,311	\$ 13,996	\$ 14,502	\$ 13,189	\$ 389	\$ (167)	\$ (1,802)	\$ 640
Other governmental funds	2,338	3,069	2,360	2,118	18	170	(4)	1,121
Totals	<u>\$ 14,649</u>	<u>\$ 17,065</u>	<u>\$ 16,862</u>	<u>\$ 15,307</u>	<u>\$ 407</u>	<u>\$ 3</u>	<u>\$ (1,806)</u>	<u>\$ 1,761</u>

**CITY OF SIERRA MADRE**  
**Management’s Discussion and Analysis**  
**For the year ended June 30, 2020**

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**Governmental Funds:** Based on the audited Statement of Revenues, Expenditures and Changes in Fund Balance, the total fund balance of the City’s General Fund increased by approximately \$640 thousand in FY 2019-20. General Fund revenues increased by approximately \$1.7 million, or 13.7 percent; expenditures decreased by approximately \$1.3 million, or 9.1 percent; and net transfers in decreased by approximately \$405 thousand. Other non-major governmental funds total fund balance remained unchanged in FY 2019-20.

At June 30, 2020, the fund balance for the General Fund was \$7,590,329 which was an increase of approximately \$640 thousand. The City adopted an operating reserve as follows:

Table 4-a  
**Fund balances for General Fund**

	<u>Amount</u>
General Fund - fund balance for the year ending June 30, 2019	\$ 6,950,305
Total revenues	13,996,105
Total expenditures	(13,188,993)
Transfers	<u>(167,088)</u>
General Fund - fund balance for the year ending June 30, 2020	<u>\$ 7,590,329</u>
 <i>Unassigned reserves</i>	
25% of operating expenditures - cash flow reserve policy	\$ 3,297,248
<i>Unassigned (less nonspendable and restricted amounts)</i>	4,257,989

The unassigned General Fund reserves were accumulated over time. The total unassigned General Fund reserves increased slightly. The unassigned General Fund reserves are the result of:

- Fluctuations in assigned reserves (25% of annual operating expenditures per the City’s fund balance policy); and
- Year-end operating surpluses/deficits.

**CITY OF SIERRA MADRE**  
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**Enterprise Funds:** As shown in the Statement of Revenues, Expenses, and Changes in Net Position, the Enterprise Funds had an increase in net position of \$4,025,852 or 18.1 percent for the current year. The Water fund had an increase in net position of \$3,357,023, or 18.4 percent; and the Sewer Fund had an increase in net position of \$669 thousand, or 17.0 percent. At the close of FY 2019-20, the total net change in net position of the City's Internal Service Funds was an increase of \$1,320,168.

Table 5  
**Statement of Revenues, Expenses and Changes in Net Position**  
**For the years ended June 30, 2019 and 2020**  
(in thousands)

	Revenues		Expenses		Contributions and transfers		Net change in fund balance	
	2019	2020	2019	2020	2019	2020	2019	2020
Water	\$5,668	\$7,017	\$4,083	\$3,671	\$ 10	\$ 11	\$1,595	\$3,357
Sewer	1,086	1,252	630	583	17	-	473	669
Other Enterprise funds	12	-	-	-	(421)	-	(409)	-
Totals	<u>\$6,766</u>	<u>\$8,269</u>	<u>\$4,713</u>	<u>\$4,254</u>	<u>\$ (394)</u>	<u>\$ 11</u>	<u>\$1,659</u>	<u>\$4,026</u>
Governmental Activities -								
Internal Service Funds	<u>\$4,071</u>	<u>\$3,624</u>	<u>\$4,931</u>	<u>\$2,290</u>	<u>\$ (13)</u>	<u>\$ (13)</u>	<u>\$ (873)</u>	<u>\$1,321</u>

**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, 2020, amounts to \$207,731,428 (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)**  
**June 30, 2019 and 2020**  
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2019	2020	2019	2020	2019	2020
Land	\$ 162,276	\$ 162,276	\$ 1,483	\$ 1,483	\$ 163,759	\$ 163,759
Trees	1,206	1,206	-	-	1,206	1,206
Construction in progress	227	85	382	63	609	148
Structures and improvements	5,538	5,423	187	170	5,725	5,593
Machinery and equipment	1,300	1,201	100	59	1,400	1,260
Infrastructure	10,487	10,439	23,849	25,327	34,336	35,766
Total	<u>\$ 181,034</u>	<u>\$ 180,630</u>	<u>\$ 26,001</u>	<u>\$ 27,102</u>	<u>\$ 207,035</u>	<u>\$ 207,732</u>

**CITY OF SIERRA MADRE**  
**Management's Discussion and Analysis**  
**For the year ended June 30, 2020**

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Additional information on the City of Sierra Madre's capital assets can be found in Note 5 on pages 41 through 42 of this report.

**Debt Administration**

At the end of FY 2019-20, the City had long-term debt outstanding of \$5,755,180 (of which \$337,888 is due in FY 2020-21) for the 2017 Installment Agreement. In addition, the Water Fund has an interest free loan from the San Gabriel Valley Municipal Water District, with an outstanding balance of \$145,688 (of which \$145,688 is due in FY 2020-21) at June 30, 2020.

In 2010, the City entered into a 10-year Master Lease with the Municipal Finance Corporation. The Citywide lease payable as of June 30, 2020 was \$0 (The final payment of the lease was made during the current fiscal year). Additional information on the City's long-term debt can be found in Note 6 of the Financial Statements (pages 43 through 46).

**Economic Condition and Budget Outlook**

The City is a full-service municipality operating with a \$22 million budget that funds 78 full-time employees assigned to nine operating departments and includes police and fire services as well as its own water and sewer utilities. In order to provide a balanced budget, the City implemented Zero-Based Budgeting for the 2017-18 Fiscal Year. The City's General Fund was balanced by budgeting for the use of reserve funds, carryover funds, and other one-time budget proceeds which cannot be replicated, in the 2015-16, 2016-17, 2018-19 and 2019-20 budget years. The continuation of Zero-Based Budgeting continues to be an effective method used by the City to manage its budget and expenses.

Citizens of Sierra Madre approved a permanent extension of the Utility Users Tax (UUT) at 10% (the City's second largest revenue source), and property taxes in Sierra Madre continued to increase similar to the property value increases in Los Angeles County as a whole. Moving forward, challenges to the budget will include mandatory programs from the County and State and increases in pension obligations through CalPERS and the unfunded accrued liability (UAL). The City has made two prepayments to CalPERS UAL in 2018 and 2019 which has reduced our annual contributions going forward.

**General Fund**

The City's largest fund is the General Fund and its revenues are approximately \$14.0 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 financial statements) or cost allocations (overhead).

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 village-like atmosphere the residents are proud to maintain. Sierra Madre has a small, bustling downtown, centered around the iconic Kersting Court. The commercial activity is proportional to the small population of the City, meaning Sierra Madre receives its most significant support from property tax and utility user tax (UUT), and only a minimal amount from sales tax and other commercial activities.

At fiscal year ending June 30, 2020, General Fund revenues were 49% Property Tax and VLF/Property Tax Backfill; 20% Utility User Tax and 31% other sources which includes Franchise fee, Sales Tax, and Business Licenses.

**CITY OF SIERRA MADRE**  
**Management's Discussion and Analysis**  
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**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.

In FY 2018-2019 the City adopted the comprehensive water and wastewater cost of service and a Proposition 218 process to increase the rates. An infrastructure charge was implemented to raise funding to match the annual need of main replacements and improvements. In FY 18-19 the water fund invested \$1.8M in capital and \$1.9M in FY 19-20. The water fund will continue to invest in capital to make improvements needed.

**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, in FY 18-19, the Sewer fund had a new rate study implemented and a Proposition 218 process to increase the rates.

**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, 2020**

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**CITY OF SIERRA MADRE**  
**Statement of Net Position**  
**June 30, 2020**

	Governmental Activities	Business-type Activities	Total
<b>Assets:</b>			
Current assets:			
Cash and investments	\$ 18,925,009	\$ 3,967,555	\$ 22,892,564
Receivables, net:			
Accounts	653,099	1,498,535	2,151,634
Taxes	559,944	-	559,944
Interest	44,194	-	44,194
Prepays	-	297,074	297,074
Total current assets	<u>20,182,246</u>	<u>5,763,164</u>	<u>25,945,410</u>
Noncurrent assets:			
Land held for resale	1,500,000	-	1,500,000
Capital assets:			
Non-depreciable assets	163,567,490	1,545,999	165,113,489
Depreciable assets-net	17,062,045	25,555,894	42,617,939
Net OPEB asset	3,215	318	3,533
Total noncurrent assets	<u>182,132,750</u>	<u>27,102,211</u>	<u>209,234,961</u>
Total assets	<u>202,314,996</u>	<u>32,865,375</u>	<u>235,180,371</u>
<b>Deferred Outflows of Resources:</b>			
OPEB related	183,757	18,174	201,931
Pension related	8,068,829	582,960	8,651,789
Total deferred outflows of resources	<u>8,252,586</u>	<u>601,134</u>	<u>8,853,720</u>
<b>Liabilities:</b>			
Current liabilities:			
Accounts payable	541,513	172,060	713,573
Accrued payroll and related liabilities	205,259	42,272	247,531
Interest payable	-	39,327	39,327
Deposits and retentions	458,529	73,205	531,734
Due within one year	171,746	524,209	695,955
Total current liabilities	<u>1,377,047</u>	<u>851,073</u>	<u>2,228,120</u>
Noncurrent liabilities:			
Due in more than one year	686,984	5,579,827	6,266,811
Net pension liability	8,606,317	567,364	9,173,681
Total noncurrent liabilities	<u>9,293,301</u>	<u>6,147,191</u>	<u>15,440,492</u>
Total liabilities	<u>10,670,348</u>	<u>6,998,264</u>	<u>17,668,612</u>
<b>Deferred Inflows of Resources:</b>			
OPEB related	404,416	39,998	444,414
Pension related	3,261,118	182,387	3,443,505
Total deferred inflows of resources	<u>3,665,534</u>	<u>222,385</u>	<u>3,887,919</u>
<b>Net Position:</b>			
Net investment in capital assets	180,629,535	21,201,025	201,830,560
Restricted for:			
Culture and recreation	943,486	-	943,486
Development services	2,883,634	-	2,883,634
Public safety	466,941	-	466,941
Public works	1,593,896	-	1,593,896
Unrestricted	9,714,208	5,044,835	14,759,043
Total net position	<u>\$ 196,231,700</u>	<u>\$ 26,245,860</u>	<u>\$ 222,477,560</u>

See accompanying notes to the basic financial statements.

**CITY OF SIERRA MADRE**  
**Statement of Activities**  
**For the year ended June 30, 2020**

Functions/programs	Expenses	Program Revenues			Total
		Charges for services	Operating grants and contributions	Capital grants and contributions	
<b>Primary government:</b>					
Governmental activities:					
General government	\$ 5,111,964	\$ 623,897	\$ 188,409	\$ -	\$ 812,306
Public safety	5,473,096	524,725	305,119	-	829,844
Public works	2,260,036	1,122,059	1,358,233	-	2,480,292
Development services	990,443	87,169	-	-	87,169
Culture and recreation	1,065,948	49,015	682,284	-	731,299
Interest on long-term debt	3,097	-	-	-	-
Total governmental activities	<u>14,904,584</u>	<u>2,406,865</u>	<u>2,534,045</u>	<u>-</u>	<u>4,940,910</u>
Business-type activities:					
Water	3,670,810	6,954,132	-	-	6,954,132
Sewer	582,658	1,206,445	-	-	1,206,445
Total business-type activities	<u>4,253,468</u>	<u>8,160,577</u>	<u>-</u>	<u>-</u>	<u>8,160,577</u>
Total primary government	<u>\$ 19,158,052</u>	<u>\$ 10,567,442</u>	<u>\$ 2,534,045</u>	<u>\$ -</u>	<u>\$ 13,101,487</u>

General revenues:

Taxes:

Property taxes

Utility user taxes

Other taxes

Unrestricted sales taxes - shared state revenue

Investment earnings

Miscellaneous

Transfers

Total general revenues and transfers

Change in net position

Net position, beginning of year

Net position, end of year

See accompanying notes to the basic financial statements.

Net (expense) revenue and changes in net position		
Governmental Activities	Business-type Activities	Total
\$ (4,299,658)	\$ -	\$ (4,299,658)
(4,643,252)	-	(4,643,252)
220,256	-	220,256
(903,274)	-	(903,274)
(334,649)	-	(334,649)
(3,097)	-	(3,097)
(9,963,674)	-	(9,963,674)
-	3,283,322	3,283,322
-	623,787	623,787
-	3,907,109	3,907,109
(9,963,674)	3,907,109	(6,056,565)
6,899,387	-	6,899,387
2,735,621	-	2,735,621
532,407	-	532,407
467,993	-	467,993
393,927	108,046	501,973
1,258,038	-	1,258,038
(10,697)	10,697	-
12,276,676	118,743	12,395,419
2,313,002	4,025,852	6,338,854
193,918,698	22,220,008	216,138,706
<u>\$ 196,231,700</u>	<u>\$ 26,245,860</u>	<u>\$ 222,477,560</u>

**CITY OF SIERRA MADRE**  
**Balance Sheet**  
**Governmental funds**  
**June 30, 2020**

	<u>General Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Assets:</b>			
Cash and investments	\$ 7,251,264	\$ 5,299,953	\$ 12,551,217
Restricted cash and investments with fiscal agents			
Receivables:			
Accounts	283,958	361,531	645,489
Taxes	448,955	110,989	559,944
Interest	44,194	-	44,194
Due from other funds	267,333	-	267,333
Land held for resale	-	1,500,000	1,500,000
Total assets	<u>\$ 8,295,704</u>	<u>\$ 7,272,473</u>	<u>\$ 15,568,177</u>
<b>Liabilities and Fund Balances:</b>			
Liabilities:			
Accounts payable	\$ 240,266	\$ 180,261	\$ 420,527
Accrued payroll and related liabilities	64,876	7,369	72,245
Due to other funds	-	267,333	267,333
Deposits and retentions	400,233	58,296	458,529
Total liabilities	<u>705,375</u>	<u>513,259</u>	<u>1,218,634</u>
Fund balances:			
Restricted	32,639	5,855,318	5,887,957
Committed	-	936,179	936,179
Unassigned	7,557,690	(32,283)	7,525,407
Total fund balances	<u>7,590,329</u>	<u>6,759,214</u>	<u>14,349,543</u>
Total liabilities and fund balances	<u>\$ 8,295,704</u>	<u>\$ 7,272,473</u>	<u>\$ 15,568,177</u>

See accompanying notes to the basic financial statements.

**CITY OF SIERRA MADRE**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Government-wide Statement of Net Position**  
**June 30, 2020**

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**Total fund balances - total governmental funds** \$ 14,349,543

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 179,710,572

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:

Net pension liability (8,606,317)

Net OPEB liability/asset 3,215

Compensated absences (703,459)

Deferred outflows and inflows of resources related to pension and OPEB are not reported in the governmental funds:

Pension and OPEB related deferred outflows of resources 8,252,586

Pension and OPEB related deferred inflows of resources (3,665,534)

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. Balance excludes internal service fund activity included above.

6,891,094

**Net position of governmental activities** \$ 196,231,700

*See accompanying notes to the basic financial statements.*

**CITY OF SIERRA MADRE**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the year ended June 30, 2020**

	<u>General Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>			
Property taxes	\$ 6,899,387	\$ 262,124	\$ 7,161,511
Other taxes	3,644,793	-	3,644,793
Charges for services	730,314	94,577	824,891
Intergovernmental	19,001	1,726,391	1,745,392
Licenses and permits	1,138,068	107,196	1,245,264
Fines and forfeitures	82,903	-	82,903
Investment income	185,583	134,877	320,460
Miscellaneous	<u>1,296,056</u>	<u>744,068</u>	<u>2,040,124</u>
Total revenues	<u>13,996,105</u>	<u>3,069,233</u>	<u>17,065,338</u>
<b>Expenditures:</b>			
Current:			
General government	5,556,189	4,937	5,561,126
Public safety	5,375,309	342,631	5,717,940
Public works	439,586	1,563,424	2,003,010
Development	962,732	21,266	983,998
Culture and recreation	855,177	94,933	950,110
Debt Service:			
Principal	-	87,016	87,016
Interest	-	<u>4,026</u>	<u>4,026</u>
Total expenditures	<u>13,188,993</u>	<u>2,118,233</u>	<u>15,307,226</u>
Excess (deficiency) of revenues over (under) expenditures	<u>807,112</u>	<u>951,000</u>	<u>1,758,112</u>
<b>Other financing sources (uses):</b>			
Transfers in	-	169,858	169,858
Transfers out	<u>(167,088)</u>	-	<u>(167,088)</u>
Total other financing sources (uses)	<u>(167,088)</u>	<u>169,858</u>	<u>2,770</u>
Net change in fund balances	640,024	1,120,858	1,760,882
Fund balances, beginning of year	<u>6,950,305</u>	<u>5,638,356</u>	<u>12,588,661</u>
Fund balances, end of year	<u>\$ 7,590,329</u>	<u>\$ 6,759,214</u>	<u>\$ 14,349,543</u>

See accompanying notes to the 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, 2020**

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Net change in fund balances - total governmental funds \$ 1,760,882

Amounts reported for governmental activities in the Statement of Activities 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	(1,311,372)
Capital outlay, net of disposals	852,776

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	87,016
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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.

	1,320,168
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Some expenses reported on the Statement of Activities 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	1,343
Net change in compensated absences	27,243
Net OPEB liability and related deferred outflows and inflows of resources	20,361
Net pension liability and related deferred outflows and inflows of resources	<u>(445,415)</u>

**Change in net position of governmental activities** \$ 2,313,002

*See accompanying notes to the basic financial statements.*

**CITY OF SIERRA MADRE**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2020**

	Business-type Activities				Governmental Activities Internal Service Funds
	Enterprise Funds			Total Enterprise Funds	
	Water	Sewer	Non-Major Enterprise Funds		
<b>Assets:</b>					
Current assets:					
Cash and investments	\$ 2,151,978	\$ 1,733,703	\$ 81,874	\$ 3,967,555	\$ 6,373,792
Accounts receivable	1,274,926	223,609	-	1,498,535	7,610
Prepays	297,074	-	-	297,074	-
Total current assets	<u>3,723,978</u>	<u>1,957,312</u>	<u>81,874</u>	<u>5,763,164</u>	<u>6,381,402</u>
Noncurrent assets:					
Capital assets:					
Non-depreciable assets	1,545,999	-	-	1,545,999	-
Depreciable assets-net	22,752,662	2,803,232	-	25,555,894	918,963
Net OPEB asset	177	141	-	318	141
Total noncurrent assets	<u>24,298,838</u>	<u>2,803,373</u>	<u>-</u>	<u>27,102,211</u>	<u>919,104</u>
Total assets	<u>28,022,816</u>	<u>4,760,685</u>	<u>81,874</u>	<u>32,865,375</u>	<u>7,300,506</u>
<b>Deferred Outflows of Resources:</b>					
OPEB related	10,096	8,078	-	18,174	8,077
Pension related	337,653	245,307	-	582,960	340,890
Total deferred outflows of resources	<u>347,749</u>	<u>253,385</u>	<u>-</u>	<u>601,134</u>	<u>348,967</u>
<b>Liabilities:</b>					
Current liabilities:					
Accounts payable	169,803	2,257	-	172,060	120,986
Accrued payroll and related liabilities	28,900	13,372	-	42,272	133,014
Interest payable	39,327	-	-	39,327	-
Deposits and retentions	62,035	11,170	-	73,205	-
Compensated absences - current	28,465	12,168	-	40,633	31,053
Loan payable - current	145,688	-	-	145,688	-
Installment agreement payable - current	337,888	-	-	337,888	-
Total current liabilities	<u>812,106</u>	<u>38,967</u>	<u>-</u>	<u>851,073</u>	<u>285,053</u>
Noncurrent liabilities:					
Compensated absences	113,861	48,674	-	162,535	124,218
Net pension Liability	336,331	231,033	-	567,364	359,008
Installment agreement/loan payable	5,417,292	-	-	5,417,292	-
Total noncurrent liabilities	<u>5,867,484</u>	<u>279,707</u>	<u>-</u>	<u>6,147,191</u>	<u>483,226</u>
Total liabilities	<u>6,679,590</u>	<u>318,674</u>	<u>-</u>	<u>6,998,264</u>	<u>768,279</u>
<b>Deferred Inflows of Resources:</b>					
OPEB related	22,221	17,777	-	39,998	17,777
Pension related	101,326	81,061	-	182,387	137,740
Total deferred inflows of resources	<u>123,547</u>	<u>98,838</u>	<u>-</u>	<u>222,385</u>	<u>155,517</u>
<b>Net Position:</b>					
Net investment in capital assets	18,397,793	2,803,232	-	21,201,025	918,963
Unrestricted	3,169,635	1,793,326	81,874	5,044,835	5,806,714
Total net position	<u>\$ 21,567,428</u>	<u>\$ 4,596,558</u>	<u>\$ 81,874</u>	<u>\$ 26,245,860</u>	<u>\$ 6,725,677</u>

See accompanying notes to the basic financial statements.

**CITY OF SIERRA MADRE**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Proprietary Funds**  
**For the year ended June 30, 2020**

	Business-type Activities				Governmental Activities Internal Service Funds
	Enterprise Funds				
	Water	Sewer	Non-Major Enterprise Funds	Total Enterprise Funds	
<b>Operating revenues:</b>					
Charges for services	\$ 6,820,102	\$ 1,206,073	\$ -	\$ 8,026,175	\$ 3,420,995
Licenses and permits	-	372	-	372	32,036
Miscellaneous	134,030	-	-	134,030	7,987
Total operating revenues	<u>6,954,132</u>	<u>1,206,445</u>	<u>-</u>	<u>8,160,577</u>	<u>3,461,018</u>
<b>Operating expenses:</b>					
Personnel services	360,939	229,033	-	589,972	549,119
Contractual services	176,684	12,321	-	189,005	605,313
Materials and supplies	747,836	4,765	-	752,601	339,770
Utilities	610,094	14,100	-	624,194	435,712
Maintenance and operation	9,640	131,771	-	141,411	236,822
Administrative Charges	869,580	11,986	-	881,566	(51,896)
Depreciation	652,337	177,186	-	829,523	175,074
Total operating expenses	<u>3,427,110</u>	<u>581,162</u>	<u>-</u>	<u>4,008,272</u>	<u>2,289,914</u>
Operating income	<u>3,527,022</u>	<u>625,283</u>	<u>-</u>	<u>4,152,305</u>	<u>1,171,104</u>
<b>Nonoperating revenues (expenses):</b>					
Investment income	63,004	45,042	-	108,046	162,945
Interest expense	(243,700)	(1,496)	-	(245,196)	(414)
Total nonoperating revenues (expenses)	<u>(180,696)</u>	<u>43,546</u>	<u>-</u>	<u>(137,150)</u>	<u>162,531</u>
Income before transfers	<u>3,346,326</u>	<u>668,829</u>	<u>-</u>	<u>4,015,155</u>	<u>1,333,635</u>
<b>Transfers:</b>					
Transfers in	10,697	-	-	10,697	-
Transfers out	-	-	-	-	(13,467)
Total transfers	<u>10,697</u>	<u>-</u>	<u>-</u>	<u>10,697</u>	<u>(13,467)</u>
Change in net position	<u>3,357,023</u>	<u>668,829</u>	<u>-</u>	<u>4,025,852</u>	<u>1,320,168</u>
Net position, beginning of year	<u>18,210,405</u>	<u>3,927,729</u>	<u>81,874</u>	<u>22,220,008</u>	<u>5,405,509</u>
Net position, end of year	<u>\$ 21,567,428</u>	<u>\$ 4,596,558</u>	<u>\$ 81,874</u>	<u>\$ 26,245,860</u>	<u>\$ 6,725,677</u>

See accompanying notes to the basic financial statements.

**CITY OF SIERRA MADRE**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the year ended June 30, 2020**

	Business-type Activities				Governmental Activities Internal Service Funds
	Enterprise Funds				
	Water	Sewer	Non-Major Enterprise Funds	Total Enterprise Funds	
<b>Cash flows from operating activities:</b>					
Receipts from customers and users	\$ 6,514,130	\$ 1,146,079	\$ -	\$ 7,660,209	\$ -
Receipts from interfund services provided	-	-	-	-	3,461,165
Payments to suppliers	(2,918,493)	(174,689)	-	(3,093,182)	(1,629,263)
Payments to employees	(979,956)	(561,174)	-	(1,541,130)	(2,174,821)
Net cash provided (used) by operating activities	<u>2,615,681</u>	<u>410,216</u>	<u>-</u>	<u>3,025,897</u>	<u>(342,919)</u>
<b>Cash flows from non-capital financing activities:</b>					
Transfers from other funds	10,697	-	-	10,697	-
Transfers to other funds	-	-	-	-	(13,467)
Net cash provided (used) by non-capital financing activities	<u>10,697</u>	<u>-</u>	<u>-</u>	<u>10,697</u>	<u>(13,467)</u>
<b>Cash flows from capital and related financing activities:</b>					
Acquisition and construction of capital assets	(1,929,723)	-	-	(1,929,723)	(228,711)
Principal paid	(471,733)	(48,457)	-	(520,190)	(13,404)
Interest paid	(245,928)	(2,244)	-	(248,172)	(621)
Net cash provided (used) by capital and related financing activities	<u>(2,647,384)</u>	<u>(50,701)</u>	<u>-</u>	<u>(2,698,085)</u>	<u>(242,736)</u>
<b>Cash flows from investing activities:</b>					
Investment income	63,004	45,042	-	108,046	162,945
Net cash provided by investing activities	<u>63,004</u>	<u>45,042</u>	<u>-</u>	<u>108,046</u>	<u>162,945</u>
Net increase (decrease) in cash and cash equivalents	41,998	404,557	-	446,555	(436,177)
<b>Cash and investments:</b>					
Beginning of year	<u>2,109,980</u>	<u>1,329,146</u>	<u>81,874</u>	<u>3,521,000</u>	<u>6,809,969</u>
End of year	<u>\$ 2,151,978</u>	<u>\$ 1,733,703</u>	<u>\$ 81,874</u>	<u>\$ 3,967,555</u>	<u>\$ 6,373,792</u>

See accompanying notes to the basic financial statements.

**CITY OF SIERRA MADRE**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the year ended June 30, 2020**

	Business-type Activities				Governmental Activities Internal Service Funds
	Enterprise Funds				
	Water	Sewer	Non-Major Enterprise Funds	Total Enterprise Funds	
<b>Reconciliation of operating income to net cash provided (used) by operating activities:</b>					
Operating income	<u>\$ 3,527,022</u>	<u>\$ 625,283</u>	<u>\$ -</u>	<u>\$ 4,152,305</u>	<u>\$ 1,171,104</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	652,337	177,186	-	829,523	175,074
Changes in assets, liabilities and deferred amounts::					
(Increase) decrease in accounts receivable	(440,002)	(60,366)	-	(500,368)	147
(Increase) decrease in net OPEB asset	(177)	(141)	-	(318)	(141)
(Increase) decrease in deferred outflows	389,694	142,044	-	531,738	753,251
Increase (decrease) in accounts payable	(513,961)	254	-	(513,707)	(63,542)
Increase (decrease) in accrued liabilities	11,734	6,440	-	18,174	97,358
Increase (decrease) in deposits payable	9,302	-	-	9,302	(893,451)
Increase (decrease) in deferred inflows	44,574	54,924	-	99,498	41,086
Increase (decrease) in compensated absences	25,676	7,382	-	33,058	15,171
Increase (decrease) in net OPEB liability	(33,052)	(26,442)	-	(59,494)	(23,136)
Increase (decrease) in net pension liability	<u>(1,057,466)</u>	<u>(516,348)</u>	<u>-</u>	<u>(1,573,814)</u>	<u>(1,615,840)</u>
Total adjustments	<u>(911,341)</u>	<u>(215,067)</u>	<u>-</u>	<u>(1,126,408)</u>	<u>(1,514,023)</u>
Net cash provided (used) by operating activities	<u>\$ 2,615,681</u>	<u>\$ 410,216</u>	<u>\$ -</u>	<u>\$ 3,025,897</u>	<u>\$ (342,919)</u>

Noncash non-capital financing activities, capital and related financing activities and investing activities:

**None**

*See accompanying notes to the basic financial statements.*

**CITY OF SIERRA MADRE**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2020**

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	Private-Purpose Trust Fund
	Redevelopment Obligation Retirement Fund
<b>Assets:</b>	
Cash and investments	\$ 215,315
Total assets	<u>215,315</u>
<b>Liabilities:</b>	
Total liabilities	<u>-</u>
<b>Net Position:</b>	
Unrestricted	215,315
Total net position	<u>\$ 215,315</u>

*See accompanying notes to the basic financial statements.*

**CITY OF SIERRA MADRE**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the year ended June 30, 2020**

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	Private-Purpose Trust Fund Redevelopment Obligation Retirement Fund
<b>Additions:</b>	
Investment income	\$ 8,764
Total additions	<u>8,764</u>
<b>Deductions:</b>	
General and administration	3,919
Interest expense	<u>7,917</u>
Total deductions	<u>11,836</u>
Change in net position	(3,072)
Net position, beginning of year	<u>218,387</u>
Net position, ending of year	<u>\$ 215,315</u>

*See accompanying notes to the basic financial statements.*

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# **City of Sierra Madre, California**

*Village of the Foothills*



## **Notes to Basic Financial Statements For the Year Ending June 30, 2020**

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**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2020**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements of the City of Sierra Madre, California (the 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, 2020**

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**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 generally accepted accounting principles 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, 2020**

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**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 180 days of year-end). All other revenue items are considered 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.

*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. The 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.

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2020**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

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

*Proprietary Fund Financial Statements, (continued)*

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 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.

*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 one fiduciary fund type: a private-purpose trust fund. 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.

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2020**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**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 generally accepted accounting principles, 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 generally accepted accounting principles, 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

**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.

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2020**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**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

**G. Capital Assets**

Capital assets are valued at historical cost or estimated historical cost if actual historical cost was not available. Donated assets are valued at acquisition value on the date of acquisition. The City's capitalization policy is \$5,000 and above for various capital assets and \$25,000 for improvements and infrastructure. 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 buildings	50 years
Vehicles and 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 liquated by the City's General Fund.



**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2020**

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**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** – Generally accepted accounting principles require 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 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.

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. Further, when components of unrestricted fund balance can be used for the same purpose, committed fund balance is used first, followed by assigned fund balance and lastly unassigned fund balance.

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2020**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**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. Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis. 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.

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, 2018
Measurement Date (MD)	June 30, 2019
Measurement Period (MP)	July 1, 2018 to June 30, 2019

**N. Other Postemployment Benefits (OPEB)**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are reported at fair value.

Generally accepted accounting principles require 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, 2019
Measurement Date (MD)	June 30, 2019
Measurement Period (MP)	July 1, 2018 to June 30, 2019

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2020**

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**2. CASH AND INVESTMENTS**

Cash and investments as of June 30, 2020 are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and investments	\$ 22,892,564
Statement of Fiduciary Net Position:	
Cash and investments	215,315
Total cash and investments	<u>\$ 23,107,879</u>

Cash and investments as of June 30, 2020 consist of the following:

Petty cash	\$ 2,000
Deposits with financial institutions	1,746,957
Investments	21,358,922
Total cash and investments	<u>\$ 23,107,879</u>

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

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	Yes	5 years	None	None
US Treasury Obligations	Yes	5 years	None	None
US Agency Securities	Yes	5 years	None	None
Bankers' acceptances	Yes	180 days	40%	None
Commercial paper	Yes	270 days	25%	10%
Negotiable certificates of deposit	Yes	5 years	30%	None
Repurchase agreements	Yes	1 year	None	None
Reverse repurchase agreements	No	92 days	20%	None
Medium-term notes	No	5 years	30%	None
Money market mutual funds	No	N/A	20%	10%
Mortgage pass-through securities	No	5 years	20%	None
County pooled investment funds	No	N/A	None	None
Local Agency Investment Funds (LAIF)	Yes	N/A	None	\$ 75 m
JPA Pools (other investment pools)	No	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, 2020**

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**2. CASH AND INVESTMENTS, (continued)**

*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 secured by collateral	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

*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, 2020, 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.

*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, 2020**

**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	\$ 13,155,293	\$ 13,155,293	\$ -	\$ -
US Treasury Notes	8,203,629	3,763,014	2,156,476	2,284,139
<b>Total</b>	<b>\$ 21,358,922</b>	<b>\$ 16,918,307</b>	<b>\$ 2,156,476</b>	<b>\$ 2,284,139</b>

*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	\$ 13,155,293	N/A	\$ -	\$ 13,155,293
US Treasury Notes	8,203,629	N/A	8,203,629	-
<b>Total</b>	<b>\$ 21,358,922</b>		<b>\$ 8,203,629</b>	<b>\$ 13,155,293</b>

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2020**

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**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, 2020, 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.

*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.

Investment type	Total	Fair value measurement		
		Level 1	Level 2	Level 3
US Treasury Notes	\$ 8,203,629	\$ -	\$ 8,203,629	\$ -
Sub-total	8,203,629	\$ -	\$ 8,203,629	\$ -
Investments not subject to fair value hierarchy:				
State investment pool	13,155,293			
Total	\$ 21,358,922			

Level 2 investments are valued using a *Continuous Fixed Income Evaluated Pricing* service.

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2020**

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**3. INTERFUND BALANCES AND TRANSFERS**

**A. Due To/Due From**

At June 30, 2020, the City had the following short-term interfund receivables and payables:

Receivable	Payable	Amount
General Fund	Non-major Governmental Funds	\$ <u>267,333</u>

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

**B. Transfers**

At June 30, 2020, the City had the following transfers:

Transfers out	Transfers in	Amount
General Fund	Non-major Governmental Funds	\$ 156,391
	Water Fund	10,697
Internal Service Funds	Non-major Governmental Funds	<u>13,467</u>
	Total	<u>\$ 180,555</u>

- a. \$10,697 transfer from General Fund to Water Fund to subsidize low income discount.
- b. \$156,391 transfer from General fund to Capital projects fund to fund street capital expenditures.
- c. \$13,467 transfer from Internal service funds to Non major governmental funds to cover expenditures

**4. FUND DEFICITS**

**A. Fund Deficits**

The following funds reported deficits in fund balance/net position at June 30, 2020:

Description	Deficit balance
Non-major Governmental Funds:	
SB2 Grant	\$ 21,266
Open Space	11,017

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

The City did not adopt budgets for the following funds: Local History Grant, SB2 Grant, YAC-Youth Activity Center, and Local historical Society.

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2020**

**5. CAPITAL ASSETS**

**A. Governmental Activities**

A summary of changes in the governmental activities capital assets at June 30, 2020 is as follows:

<b>Governmental activities:</b>	Beginning balance	Additions	Deletions	Ending balance
Capital assets, not being depreciated:				
Land	\$ 162,275,945	\$ -	\$ -	\$ 162,275,945
Trees	1,206,214	-	-	1,206,214
Construction in progress	226,762	71,569	(213,000)	85,331
Total capital assets, not being depreciated	163,708,921	71,569	(213,000)	163,567,490
Capital assets, being depreciated:				
Structures and improvements	12,355,563	83,550	-	12,439,113
Machinery and equipment	4,349,036	219,814	-	4,568,850
Infrastructure	25,024,247	919,554	-	25,943,801
Total capital assets, being depreciated	41,728,846	1,222,918	-	42,951,764
Less accumulated depreciation				
Structures and improvements	(6,817,420)	(199,125)	-	(7,016,545)
Machinery and equipment	(3,048,681)	(319,497)	-	(3,368,178)
Infrastructure	(14,537,172)	(967,824)	-	(15,504,996)
Total accumulated depreciation	(24,403,273)	(1,486,446)	-	(25,889,719)
Total capital assets being depreciated	17,325,573	(263,528)	-	17,062,045
Governmental activities, capital assets, net	\$ 181,034,494	\$ (191,959)	\$ (213,000)	\$ 180,629,535

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

<b>Governmental activities:</b>	
General government	\$ 88,996
Public safety	181,845
Public works	1,051,942
Culture and recreation	163,663
Total	\$ 1,486,446



**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2020**

**5. CAPITAL ASSETS, (continued)**

**B. Business-type Activities**

A summary of changes in the business-type activities capital assets at June 30, 2020 is as follows:

<b>Business-type activities:</b>	Beginning balance	Additions	Deletions	Ending balance
Capital assets, not being depreciated:				
Land	\$ 1,483,250	\$ -	\$ -	\$ 1,483,250
Construction in progress	<u>382,401</u>	<u>62,749</u>	<u>(382,401)</u>	<u>62,749</u>
Total capital assets, not being depreciated	<u>1,865,651</u>	<u>62,749</u>	<u>(382,401)</u>	<u>1,545,999</u>
Capital assets, being depreciated:				
Structures and improvements	821,290	-	-	821,290
Machinery and equipment	1,068,940	-	-	1,068,940
Infrastructure	<u>44,796,653</u>	<u>2,249,375</u>	<u>-</u>	<u>47,046,028</u>
Total capital assets, being depreciated	<u>46,686,883</u>	<u>2,249,375</u>	<u>-</u>	<u>48,936,258</u>
Structures and improvements	(634,620)	(16,970)	-	(651,590)
Machinery and equipment	(969,026)	(41,197)	-	(1,010,223)
Infrastructure	<u>(20,947,195)</u>	<u>(771,356)</u>	<u>-</u>	<u>(21,718,551)</u>
Total accumulated depreciation	<u>(22,550,841)</u>	<u>(829,523)</u>	<u>-</u>	<u>(23,380,364)</u>
Total capital assets being depreciated	<u>24,136,042</u>	<u>1,419,852</u>	<u>-</u>	<u>25,555,894</u>
Business-type activities, capital assets, net	<u>\$ 26,001,693</u>	<u>\$ 1,482,601</u>	<u>\$ (382,401)</u>	<u>\$ 27,101,893</u>

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

<b>Business-type activities:</b>	
Water	\$ 652,337
Sewer	<u>177,186</u>
Total	<u>\$ 829,523</u>

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
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**6. LONG-TERM LIABILITIES**

**A. Governmental Activities**

A summary of changes in the governmental activities long-term liabilities at June 30, 2020 is as follows:

<b>Governmental activities:</b>	<u>Beginning balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending balance</u>	<u>Due within one year</u>	<u>Due more than one year</u>
Capital lease	\$ 100,420	\$ -	\$ (100,420)	\$ -	\$ -	\$ -
Claims payable	893,451	-	(893,451)	-	-	-
Compensated absences	870,802	442,846	(454,918)	858,730	171,746	686,984
Net OPEB liability/(asset)	271,025	-	(271,025)	-	-	-
Net pension liability	<u>10,426,843</u>	<u>-</u>	<u>(1,820,526)</u>	<u>8,606,317</u>	<u>-</u>	<u>8,606,317</u>
Total	<u>\$ 12,562,541</u>	<u>\$ 442,846</u>	<u>\$ (3,540,340)</u>	<u>\$ 9,465,047</u>	<u>\$ 171,746</u>	<u>\$ 9,293,301</u>

The net pension liability and the net OPEB liability associated with the governmental activities are primarily liquidated by the General Fund. The net OPEB liability changed to a net OPEB asset during the year.

*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. During the fiscal year, the lease was fully paid off.

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**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2020**

**6. LONG-TERM LIABILITIES, (continued)**

**B. Business-type Activities, (continued)**

A summary of changes in the Business-type Activities long-term liabilities at June 30, 2020 is as follows:

<b>Business-type activities:</b>	Beginning balance	Additions	Deletions	Ending balance	Due within one year	Due more than one year
<b>Long-term debt</b>						
<i>Direct borrowings:</i>						
2017 Installment agreement	\$ 6,081,226	\$ -	\$ (326,046)	\$ 5,755,180	\$ 337,888	\$ 5,417,292
Loan payable to SGVMWD	291,375	-	(145,687)	145,688	145,688	-
Subtotal long-term debt	<u>6,372,601</u>	<u>-</u>	<u>(471,733)</u>	<u>5,900,868</u>	<u>483,576</u>	<u>5,417,292</u>
<b>Other long-term liabilities</b>						
Capital lease	48,457	-	(48,457)	-	-	-
Compensated absences	170,110	107,642	(74,584)	203,168	40,633	162,535
Net OPEB liability (asset)	59,494	-	(59,494)	-	-	-
Net pension liability	<u>2,141,178</u>	<u>-</u>	<u>(1,573,814)</u>	<u>567,364</u>	<u>-</u>	<u>567,364</u>
Subtotal other long-term liabilities	<u>2,419,239</u>	<u>107,642</u>	<u>(1,756,349)</u>	<u>770,532</u>	<u>40,633</u>	<u>729,899</u>
Total long-term liabilities	<u>\$ 8,791,840</u>	<u>\$ 107,642</u>	<u>\$ (2,228,082)</u>	<u>\$ 6,671,400</u>	<u>\$ 524,209</u>	<u>\$ 6,147,191</u>

The net OPEB liability changed to a net OPEB asset during the year.

*2017 Installment Agreement \$6,761,977 – direct borrowing*

In October 2017, the City entered into an installment agreement to issue debt totaling \$6,761,977. The purpose of the issuance was to pay off the outstanding principal of the 1998 A Series and 2003 Series bonds. The interest and principal is due semi-annually with payments due on April 30 and October 31 each year. Principal payments will be made through October 31, 2033 in amounts ranging from \$158,711 to \$266,253. Principal and interest payments range from \$272,078 to \$405,215. The interest rate of the debt is currently 4.10%.

The City has pledged all of the net water revenues (as described in the agreement) to the payment of the debt until paid in full. The current year debt service was \$572,063 and the net revenues were \$4,769,330.

In the event of default, the lender, at its option upon notice to the City, declare the entire principal amount of the unpaid 2017 Installment Agreement and any accrued interest thereon to be accelerated and immediately due and payable, whereupon the same shall immediately become due and payable.

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2020**

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**6. LONG-TERM LIABILITIES, (continued)**

**B. Business-type Activities (continued)**

The outstanding balance is \$5,755,180 at June 30, 2020.

Annual debt service requirements on this debt are as follows:

Year ending June 30,	Principal	Interest	Total
2021	\$ 337,888	\$ 232,530	\$ 570,418
2022	350,161	218,552	568,713
2023	362,881	204,066	566,947
2024	376,062	189,054	565,116
2025	389,722	173,497	563,219
2026-2030	2,171,522	613,611	2,785,133
2031-2034	<u>1,766,944</u>	<u>147,424</u>	<u>1,914,368</u>
Totals	<u>\$ 5,755,180</u>	<u>\$ 1,778,734</u>	<u>\$ 7,533,914</u>

*Loan Payable to San Gabriel Valley Municipal Water District \$1,456,875 – direct borrowing*

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 outstanding balance of the loan payable is \$145,688 at June 30, 2020.

Annual debt service requirements on this loan are as follows:

Year ending June 30,	Principal	Interest	Total
2021	<u>\$ 145,688</u>	<u>\$ -</u>	<u>\$ 145,688</u>
Totals	<u>\$ 145,688</u>	<u>\$ -</u>	<u>\$ 145,688</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. During the fiscal year, the lease was fully paid off.

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2020**

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**7. NET POSITION AND FUND BALANCES**

**A. Fund Balance Classification**

In accordance with generally accepted accounting principles, the City's fund balances are as follows:

	General Fund	Non-Major Governmental Funds	Total
Restricted for:			
Public works	\$ -	\$ 1,286,004	\$ 1,286,004
Public safety	32,639	434,302	466,941
Community services/development	-	2,883,634	2,883,634
Streets projects	-	307,892	307,892
Culture and recreation	-	943,486	943,486
Committed to:			
Debt service	-	13,338	13,338
Community services/development	-	513,960	513,960
Culture and recreation	-	397,370	397,370
Public safety	-	11,511	11,511
Unassigned	7,557,690	(32,283)	7,525,407
Total fund balance	<u>\$ 7,590,329</u>	<u>\$ 6,759,214</u>	<u>\$ 14,349,543</u>

The City Council has adopted a minimum fund balance policy for the General Fund. The intent of the policy is to maintain a minimum unassigned fund balance. The policy requires 25% of General Fund expenditures be set aside. As of June 30, 2020, the amount set aside was \$3,297,248 and is reported as unassigned fund balance.

**B. Net Position Classification**

In accordance with generally accepted accounting principles, the City's net position of governmental activities are as follows:

Description	Amount
Restricted:	
Public safety	\$ 466,941
Public works	1,593,896
Development services	2,883,634
Culture and recreation	943,486
Total restricted net position	<u>\$ 5,887,957</u>

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2020**

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**8. RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. Below is the detail of how the City addresses these risks.

*California Joint Powers Insurance 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 118 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. Primary 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. Coverage years 2013-14 and forward are not subject to routine annual retrospective adjustment. The total funding requirement for primary self-insurance programs is based on an actuarial analysis. Costs are allocated to individual agencies based on payroll and claims history, relative to other members of the risk-sharing pool.

*Primary 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.

The overall coverage limit for each member, including all layers of coverage, is \$50 million per occurrence. Subsidence losses have a sub-limit of \$40 million per occurrence. The coverage structure includes retained risk that is pooled among members, reinsurance, and excess insurance. More detailed information about the various layers of coverage is available on the following website: <https://cjpia.org/coverage/risk-sharing-pools/>.

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2020**

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**8. RISK MANAGEMENT, (continued)**

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

*Primary 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 2019-20 the Authority's pooled retention is \$1 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to \$1 million. Coverage from \$1 million to \$5 million is purchased through reinsurance policies, 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 an aggregate limit of \$50 million for the 3-year period from July 1, 2017 through July 1, 2020. Each member of the Authority has a \$10 million sub-limit during the 3-year policy term.

*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 \$82,980,525. There is a \$10,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$2,500 deductible.

*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 of Sierra Madre property currently has earthquake protection in the amount of \$37,904,033. There is a deductible of 5% per unit of value with a minimum deductible of \$100,000.

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2020**

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**8. RISK MANAGEMENT, (continued)**

**C. Purchased Insurance, (continued)**

*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.

*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 facilitated by the Authority.

**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 2019-20.

**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.

**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.

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**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2020**

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**10. DEFINED BENEFIT PENSION PLAN**

**A. General Information about the Pension Plan**

*Plan Description*

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 sponsors five rate plans (two miscellaneous and three safety). Benefit provisions under the Plan are established by State statute and City 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, at [www.calpers.ca.gov](http://www.calpers.ca.gov).

*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.

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**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2020**

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**10. DEFINED BENEFIT PENSION PLAN, (continued)**

**A. General Information About the Pension Plan, (continued)**

The Plans' provisions and benefits in effect at June 30, 2020 are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2.5% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 55	52 - 67
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	1.0% to 2.5%
Required employer contribution rates for FY2020	12.142% + \$635,237	7.072% + \$3,046

	Safety	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	3% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50	50 - 57
Monthly benefits, as a % of eligible compensation	3.0%	2.0% to 2.7%
Required employer contribution rates for FY2020	21.748% + \$529,895	13.786% + \$2,146

*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. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions. Employer Contributions to the Plan for the fiscal year ended June 30, 2020 were \$4,107,313. The actual employer payments of \$6,585,121 made to CalPERS by the City during the measurement period ended June 30, 2019 differed from the City's proportionate share of the employer's contributions of \$1,893,035 by \$4,692,086, 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, 2020**

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**10. DEFINED BENEFIT PENSION PLAN, (continued)**

**B. Net Pension Liability**

The City’s net pension liability for the Plan is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2019, using an annual actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019 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*

Valuation date	June 30, 2018
Measurement date	June 30, 2019
Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value of Assets
Actuarial assumptions:	
Discount rate	7.15%
Inflation	2.50%
Salary increases	Varies by Entry Age and Service
Mortality rate table (1)	Derived using CALPERS' membership data for all Funds
Post retirement benefit increase	The lesser of contract COLA or 2.50% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.5% thereafter.

(1) The mortality table used was developed based on CalPERS’ specific data. The table (1) The mortality table used was developed based on CalPERS’ specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.

All other actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period from 1997 to 2015, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS’ website, at [www.calpers.ca.gov](http://www.calpers.ca.gov).

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
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**10. DEFINED BENEFIT PENSION PLAN, (continued)**

**B. Net Pension Liability, (continued)**

*Long-term Expected Rate of Return*

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

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

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

Asset class <sup>1</sup>	Current target allocation	Real return years 1 - 10 <sup>2</sup>	Real return years 11+ <sup>3</sup>
Global equity	50.0%	4.80%	5.98%
Fixed income	28.0%	1.00%	2.62%
Inflation assets	0.0%	0.77%	1.81%
Private equity	8.0%	6.30%	7.23%
Real assets	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	(0.92%)
Total	<u>100%</u>		

<sup>1</sup> In the System's CAFR, fixed income is included in global debt securities; liquidity is include in short-term investments; inflation assets are included in both global equity securities and global debt securities.

<sup>2</sup> An expected inflation of 2.0% used for this period

<sup>3</sup> An expected inflation of 2.92% used for this period

*Change of Assumptions*

There were no changes in assumptions.

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2020**

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**10. DEFINED BENEFIT PENSION PLAN, (continued)**

**B. Net Pension Liability, (continued)**

*Discount Rate*

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

*Pension Plan Fiduciary Net Position*

Information about the pension plan's 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](http://www.calpers.ca.gov). The plan's fiduciary net position and additions to/deductions from the plan's 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 the 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.

**C. Proportionate Share of Net Pension Liability**

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

	Increase (decrease)		
	Plan Total Pension Liability	Plan Fiduciary Net Position	Plan Net Pension Liability
	(a)	(b)	(c) = (a) - (b)
Balance at: 6/30/2018 (VD*)	\$ 49,966,301	\$ 37,398,280	\$ 12,568,021
Balance at: 6/30/2019 (MD*)	53,669,673	44,495,992	9,173,681
Net Changes during 2018-19	3,703,372	7,097,712	(3,394,340)

\* Valuation Date (VD), Measurement Date (MD)

The City's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2019, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019 using standard update procedures. The City'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, at [www.calpers.ca.gov](http://www.calpers.ca.gov).

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2020**

**10. DEFINED BENEFIT PENSION PLAN, (continued)**

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

The City's proportionate share of the net pension liability for the Plan as of the June 30, 2018 and 2019 measurement dates was as follows:

	<u>Misc.</u>	<u>Safety</u>	<u>Total</u>
Proportion - June 30, 2019	0.20507%	0.08248%	0.13042%
Proportion - June 30, 2020	<u>0.13969%</u>	<u>0.05734%</u>	<u>0.08953%</u>
Change - increase/(decrease)	<u>-0.06538%</u>	<u>-0.02514%</u>	<u>-0.04089%</u>

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

The following presents the City's proportionate share of the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 7.15 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 (6.15 percent) or 1 percentage-point higher (8.15 percent) than the current rate:

	Discount rate -1%	Current discount rate	Discount rate +1%
	<u>6.15%</u>	<u>7.15%</u>	<u>8.15%</u>
Employer's Net Pension Liability - Misc.	\$ 9,590,232	\$ 5,593,922	\$ 2,295,248
Employer's Net Pension Liability - Safety	<u>6,863,044</u>	<u>3,579,759</u>	<u>887,980</u>
Employer's Net Pension Liability - Total	<u>\$ 16,453,276</u>	<u>\$ 9,173,681</u>	<u>\$ 3,183,228</u>

*Subsequent Events*

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

*Amortization of Deferred Outflows and Deferred Inflows of Resources*

Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

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

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

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

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2020**

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**10. DEFINED BENEFIT PENSION PLAN, (continued)**

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

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 PERF C for the measurement period ending June 30, 2019 is 3.8 years, which was obtained by dividing the total service years of 530,470 (the sum of remaining service lifetimes of the active employees) by 140,593 (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.

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

As of the start of the measurement period (July 1, 2018), the City's net pension liability was \$12,568,021. For the measurement period ending June 30, 2019 (the measurement date), the City incurred a pension expense of \$2,750,571.

As of June 30, 2020, the City has deferred outflows and deferred inflows of resources related to pensions as follows:

	Deferred outflows of resources	Deferred inflows of resources
Changes of assumptions	\$ 413,472	\$ 123,192
Differences between expected and actual experience	622,248	30,103
Differences between projected and actual investment earnings	-	147,045
Differences between employer's contributions and proportionate share of contributions	3,488,564	52,942
Change in employer's proportion	20,192	3,090,223
Pension contributions made subsequent to measurement date	4,107,313	-
Totals	<u>\$ 8,651,789</u>	<u>\$ 3,443,505</u>

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2020**

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**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 2018-19 measurement period expense. Contributions subsequent to the measurement date of \$4,107,313 reported with deferred outflows of resources will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

Fiscal year ending June 30:	Misc.	Safety	Total
2021	\$ 343,351	\$ 371,624	\$ 714,975
2022	(96,684)	112,064	15,380
2023	70,830	270,442	341,272
2024	19,762	9,582	29,344
2025	-	-	-
Thereafter	-	-	-

**E. Payable to the Pension Plan**

At June 30, 2020, the City reported a payable of \$-0- for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2020.

**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, 2020, the City's payroll covered by the plan was \$289,783. The employees contributed 100% of the contributions.

**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.



**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2020**

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**12. COMMITMENTS AND CONTINGENCIES, (continued)**

**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.

**13. OTHER POST EMPLOYMENT EMPLOYEE BENEFITS**

*Plan Description*

The City administers an agent-multiple 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: either (a) attainment of age 50 (age 52, if new to PERS on or after January 1, 2013) with 5 years of State or public City service or (b) approved disability retirement. The Plan does not issue separate financial statements.

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 items:
  - 5% times
  - The number of prior years the City has been contracted with PEMHCA times
  - The monthly contracted PEMCHA contribution the employer makes towards active employee health benefits, which was \$136 per month in 2019 and increased to \$139 per month in 2020.

The City's monthly PEMCHA contribution toward health plan benefits for retirees as of the June 30, 2019 measurement date is \$139 for all retirees, since all employee groups have been contracted with CalPERS for over 20 years.

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2020**

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**13. OTHER POST EMPLOYMENT EMPLOYEE BENEFITS, (continued)**

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 15, 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 (up to a maximum of 100%) times the lowest premium in Region 3.
- For CEA (and other non-POA) employees hired on or after October 15, 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 in Region 3.

The lowest cost HMO plan premium in the Region 3 available to retirees in 2020 is the Health Net Salud y Mas plan with a monthly premium of \$392.31

*Employee covered*

As of the June 30, 2019 valuation, the following current and former employees are covered by the benefit terms under the plan:

Active employees	81
Inactive employees or beneficiaries currently receiving benefits	<u>19</u>
Total	<u><u>100</u></u>

52 employees are currently enrolled with 29 waiving coverage.

*Contributions*

The contribution requirements of plan members and the City are established and may be amended by the City Council. The City makes contributions to eligible retirees for their medical plan premiums when the retiree enrolls in a City sponsored health plan. The current monthly amount paid by the City varies depending on the retiree’s bargaining unit at retirement. These amounts do not increase in future years to account for inflation. The City provided amounts are detailed in the Summary of Principal Plan Provisions. For the fiscal year ended June 30, 2020, the City’s cash contributions were \$93,689 in payments for premiums. The City voluntarily prefunds its annual contribution requirement (i.e. to set aside funds in advance of when medical premiums become due).

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2020**

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**13. OTHER POST EMPLOYMENT EMPLOYEE BENEFITS, (continued)**

*Net OPEB liability/(Asset)*

The City's net OPEB liability/(asset) was measured as of June 30, 2019 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2019, based on the following actuarial methods and assumptions:

Discount rate	6.35%
Inflation	2.50%
Salary increases	3.00%
Mortality rate	MacLeod Watts Scale 2018 applied generationally
Healthcare trend	6.50% to 4.90% for 2020 and beyond

*Change of Assumptions*

Trust rate of return	(a) <i>for accounting purposes</i> : Decreased from 6.73% to 6.35%, reflecting updated projections of long term trust returns. (b) <i>for plan funding purposes</i> : Changed to reflect the expected returns described above, reduced by 10 basis points for annual trust administrative fees, resulting in a (net) rate of 6.25%.
Demographic Assumptions	Assumed mortality, termination, and retirement rates were updated from those provided in the 2014 experience study report to those provided in the 2017 experience study report of CalPERS.
Mortality Improvement	Updated from MacLeod Watts Scale 2017 to MacLeod Watts Scale 2018.
General Inflation Rate	Decreased from 2.75% to 2.50%.
Salary Increase	Decreased from 3.25% to 3.00% per year.
Spouse Coverage	For those employees expected to receive a benefit in addition to the PEMHCA MEC in retirement, increased the percentage of retirees assumed to cover a spouse in retirement from 35% to 70%, based on a review of recent retiree elections. The assumption for spouse coverage for all other future retirees remained at 35%.
Medical Trend	Updated to use the Getzen healthcare trend model sponsored by the Society of Actuaries.
PEMHCA MEC Increases	Decreased the assumed trend on the PEMHCA minimum benefit from 4.50% to 4.00% per year based on recent historical and expected future increases in CPI-medical.
Excise tax on High-cost Coverage	Excluded the excise tax from the results given the December 2019 repeal of this provision of the Affordable Care Act.

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2020**

**13. OTHER POST EMPLOYMENT EMPLOYEE BENEFITS, (continued)**

*Discount rate*

The discount rate used to measure the total OPEB liability/(asset) was 6.35% percent. The discount rate is the expected long-term return on trust assets. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates.

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.

Asset class	Current target allocation	Expected long-term rate of return
Global equity	40.0%	4.80%
Fixed income	43.0%	1.10%
REIT's	8.0%	0.25%
Treasury inflation protection	5.0%	3.20%
Commodities	4.0%	1.50%
Total	100%	

*Changes in the net OPEB liability/(asset)*

The changes in the net OPEB liability for the plan are as follows:

	Total OPEB liability (a)	Plan fiduciary net position (b)	Net OPEB liability/(asset) (a)-(b)=(c)
<b>Balance at June 30, 2019</b> (Valuation date June 30, 2018)	\$ 2,017,229	\$ 1,686,710	\$ 330,519
<b>Changes recognized for the measurement period:</b>			
Service cost	113,216	-	113,216
Interest cost	139,838	-	139,838
Investment experience	(352,670)	-	(352,670)
Changes of assumptions	47,406	-	47,406
Employer contributions	-	163,349	(163,349)
Net investment income	-	118,856	(118,856)
Administrative expenses	-	(363)	363
Benefit payments	(105,241)	(105,241)	-
<b>Net changes</b>	(157,451)	176,601	(334,052)
<b>Balance at June 30, 2020</b> (Measurement date June 30, 2019)	\$ 1,859,778	\$ 1,863,311	\$ (3,533)

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2020**

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**13. OTHER POST EMPLOYMENT EMPLOYEE BENEFITS, (continued)**

*Sensitivity of the Net OPEB Liability/(Asset) to Changes in the Discount Rate*

The following presents the net OPEB liability of the City if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2019:

	Discount rate		
	1% decrease	Current rate	1% increase
Net OPEB liability/(asset)	\$ 200,759	\$ (3,533)	\$ (176,593)

*Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates*

The following presents the net OPEB liability of the City if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2019:

	Medical cost inflation		
	1% decrease	Current rate	1% increase
Net OPEB liability/(asset)	\$ (207,344)	\$ (3,533)	\$ 244,249

*Recognition of Deferred Outflows and Deferred Inflows of Resources*

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time.

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

The recognition 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 recognition over the expected average remaining service lifetime (EARSL) (9.61 years at June 30, 2019)

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2020**

**13. OTHER POST EMPLOYMENT EMPLOYEE BENEFITS, (continued)**

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

For the fiscal year ended June 30, 2020, the City recognized OPEB expense of \$85,163. As of fiscal year ended June 30, 2020, the City reported deferred outflows of resources related to OPEB from the following sources:

	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>
Changes in assumptions	\$ 51,403	\$ -
Differences between expected and actual experience	-	440,817
Net difference between projected and actual earnings on investments	-	3,597
Contributions subsequent to the measurement date	<u>150,528</u>	<u>-</u>
Totals	<u>\$ 201,931</u>	<u>\$ 444,414</u>

The \$150,528 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2020 measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ending June 30, 2021. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follows:

<u>For the fiscal year ending June 30,</u>	<u>Recognized net deferred outflows (inflows) of resources</u>
2021	\$ (52,795)
2022	(52,793)
2023	(49,723)
2024	(51,480)
2025	(50,799)
Thereafter	(135,421)

**14. SUCCESSOR AGENCY**

**Successor Agency Long-Term Debt**

The debt of the Successor Agency as of June 30, 2020 is as follows:

<u>Successor Agency</u>	<u>Beginning balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending balance</u>	<u>Due within one year</u>	<u>Due more than one year</u>
<b><i>Long-term debt</i></b>						
Refunding Bond, Series 1998A	\$ 380,000	\$ -	\$ (380,000)	\$ -	\$ -	\$ -
<b><i>Other long-term liabilities</i></b>						
Compensated absences	<u>485</u>		<u>(485)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 380,485</u>	<u>\$ -</u>	<u>\$ (380,485)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF SIERRA MADRE**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2020**

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**14. SUCCESSOR AGENCY, (continued)**

*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. The Agency originally pledged tax increment revenues for repayment, but now pledges Redevelopment Property Tax Trust Fund revenues.

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 Tax Increment Revenue Refunding Bonds, Series 1998A was fully paid off during the fiscal year.

In the event of default, only with the consent of the Bond Insurer, upon the occurrence and during the continuance of any event of default the trustee may, and at the written direction of the owners of a majority in aggregate principal amount of the bonds at the time outstanding, the trustee shall, declare the principal of all of the bonds then outstanding, and the interest accrued thereon, to be due and payable immediately, and upon any such declaration the same shall become and shall be immediately due and payable.

**15. Contingencies**

*COVID-19 considerations*

On March 11, 2020, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of businesses and shelter in place orders for all but those deemed essential services. While the business disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the closings and shelter in place orders. As a result, the outbreak has caused uncertainty in the financial markets. Although the City's services are considered essential, the City Hall was temporarily closed to the public, certain other services transitioned to online-only and because the City's major revenue sources, including businesses that collect sales taxes, are directly impacted by these events, it is probable that this matter will negatively impact the future revenue of the City. However, the ultimate financial impact and duration cannot be estimated at this time, and no adjustments have been made to these financial statements as a result of this uncertainty.

# **City of Sierra Madre, California**

*Village of the Foothills*



## **Required Supplementary Information For the Year Ending June 30, 2020**



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**CITY OF SIERRA MADRE**  
**Required Supplementary Information**  
**For the year ended June 30, 2020**

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**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.

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**CITY OF SIERRA MADRE**  
**Required Supplementary Information**  
**General Fund Budgetary Comparison Schedule**  
**For the year ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Property taxes	\$ 6,616,200	\$ 6,616,200	\$ 6,899,387	\$ 283,187
Other taxes	3,230,000	3,230,000	3,644,793	414,793
Charges for services	801,850	801,850	730,314	(71,536)
Intergovernmental	7,500	7,500	19,001	11,501
Licenses and permits	1,130,900	1,130,900	1,138,068	7,168
Fines and forfeitures	153,150	153,150	82,903	(70,247)
Investment income	50,000	50,000	185,583	135,583
Miscellaneous	51,900	51,900	1,296,056	1,244,156
Total revenues	<u>12,041,500</u>	<u>12,041,500</u>	<u>13,996,105</u>	<u>1,954,605</u>
<b>Expenditures:</b>				
Current:				
General government:				
Administrative Services	1,963,000	4,694,558	5,096,356	(401,798)
Elected and Appointed	272,450	390,450	459,833	(69,383)
Total general government	<u>2,235,450</u>	<u>5,085,008</u>	<u>5,556,189</u>	<u>(471,181)</u>
Public safety:				
Police	3,078,700	3,078,700	3,276,408	(197,708)
Fire	2,401,350	2,401,350	2,098,901	302,449
Total public safety	<u>5,480,050</u>	<u>5,480,050</u>	<u>5,375,309</u>	<u>104,741</u>
Public works	439,500	439,500	439,586	(86)
Development	1,012,903	1,034,903	962,732	72,171
Culture and recreation:				
Community Services	434,600	434,600	345,000	89,600
Library Services	619,100	619,100	510,177	108,923
Total culture and recreation	<u>1,053,700</u>	<u>1,053,700</u>	<u>855,177</u>	<u>198,523</u>
Contingency	100,000	100,000	-	100,000
Total expenditures	<u>10,321,603</u>	<u>13,193,161</u>	<u>13,188,993</u>	<u>4,168</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,719,897</u>	<u>(1,151,661)</u>	<u>807,112</u>	<u>1,958,773</u>
Other financing sources (uses):				
Transfers out	(189,800)	(189,800)	(167,088)	22,712
Total other financing sources (uses)	<u>(189,800)</u>	<u>(189,800)</u>	<u>(167,088)</u>	<u>22,712</u>
Net change in fund balance	1,530,097	(1,341,461)	640,024	1,981,485
Fund balance, beginning of year	<u>6,950,305</u>	<u>6,950,305</u>	<u>6,950,305</u>	<u>-</u>
Fund balance, end of year	<u>\$ 8,480,402</u>	<u>\$ 5,608,844</u>	<u>\$ 7,590,329</u>	<u>\$ 1,981,485</u>

**CITY OF SIERRA MADRE**  
**Required Supplementary Information**  
**For the year ended June 30, 2020**

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

***Schedule of Employer's Proportionate Share of the Plan's Net Pension Liability and related Ratios as of the Measurement Date – Last 10 Years\****

<u>Measurement Date</u>	<u>Employer's Proportion of the Collective Net Pension Liability<sup>1</sup></u>	<u>Employer's Proportionate Share of the Collective Net Pension Liability</u>	<u>Employer's Covered Payroll</u>	<u>Employer's Proportionate Share of the Collective Net Pension Liability as a percentage of the Employer's Covered Payroll</u>	<u>Pension Plan's Fiduciary Net Position as a percentage of the Total Pension Liability</u>
June 30, 2014	\$ 9,021,417	0.14780%	\$ 4,688,122	192.43%	77.90%
June 30, 2015	10,143,930	0.14779%	4,841,779	209.51%	75.43%
June 30, 2016	12,331,116	0.14251%	4,869,024	253.26%	71.10%
June 30, 2017	13,878,779	0.13995%	5,243,636	264.68%	70.40%
June 30, 2018	12,568,021	0.13042%	4,566,971	275.19%	74.85%
June 30, 2019	9,173,680	0.08953%	4,773,023	192.20%	82.91%

<sup>1</sup>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 the 1959 Survivors Risk Pool

\*Measurement date 6/30/2014 (fiscal year 2015) was the first year of implementation. Additional years will be presented as information becomes available.

**CITY OF SIERRA MADRE**  
**Required Supplementary Information**  
**For the year ended June 30, 2020**

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

*Schedule of Plan Contributions – Last 10 Years\**

<u>Fiscal year</u>	<u>Actuarially Determined Contribution</u>	<u>Contributions in Relation to the Actuarially Determined Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
June 30, 2015	\$ 1,004,211	\$ (1,004,211)	\$ -	\$ 4,841,779	20.74%
June 30, 2016	1,175,439	(1,175,439)	-	4,869,024	24.14%
June 30, 2017	1,272,198	(1,272,198)	-	5,243,636	24.26%
June 30, 2018	1,418,218	(1,418,218)	-	4,566,971	31.05%
June 30, 2019	1,585,121	(6,585,121)	(5,000,000)	4,773,023	137.97%
June 30, 2020	1,107,313	(4,107,313)	(3,000,000)	5,315,808	77.27%

**Notes to Schedule:**

Change in Benefit Terms: None

Changes in Assumptions: There were no changes in assumptions in 2019. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate in 2019. In 2017, the accounting discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes in the discount rate. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5 percent discount rate.

\*Measurement date 6/30/2014 (fiscal year 2015) was the first year of implementation. Additional years will be presented as information becomes available.

**CITY OF SIERRA MADRE**  
**Required Supplementary Information**  
**For the year ended June 30, 2020**

**2. OTHER POST EMPLOYMENT BENEFITS**

**Schedule of Change's Net OPEB Liability and Related Ratios as of the Measurement Date – Last 10 Years\***

	Measurement date		
	June 30, 2019	June 30, 2018	June 30, 2017
<b>Total OPEB Liability</b>			
Service cost	\$ 113,216	\$ 109,652	\$ 107,444
Interest cost	139,838	130,212	132,432
Plan experience	(352,670)	-	(186,345)
Changes in assumptions	47,406	-	13,329
Benefit payments	(105,241)	(95,572)	(108,541)
<b>Net change in Total OPEB Liability</b>	<b>(157,451)</b>	<b>144,292</b>	<b>(41,681)</b>
<b>Total OPEB Liability - beginning</b>	<b>2,017,229</b>	<b>1,872,937</b>	<b>1,914,618</b>
<b>Total OPEB Liability - ending (a)</b>	<b>1,859,778</b>	<b>2,017,229</b>	<b>1,872,937</b>
<b>Plan Fiduciary Net Position</b>			
Contribution - employer	163,349	95,572	108,541
Expected investment income/experience	118,856	98,236	99,406
Investment experience	-	-	15,348
Benefit payments	(105,241)	(95,572)	(108,541)
Administrative expense	(363)	(2,941)	(782)
<b>Net change in Plan Fiduciary Net Position</b>	<b>176,601</b>	<b>95,295</b>	<b>113,972</b>
<b>Plan Fiduciary Net Position - beginning</b>	<b>1,686,710</b>	<b>1,591,415</b>	<b>1,477,443</b>
<b>Plan Fiduciary Net Position - ending (b)</b>	<b>1,863,311</b>	<b>1,686,710</b>	<b>1,591,415</b>
<b>Net OPEB Liability (asset) - ending (a) - (b)</b>	<b>\$ (3,533)</b>	<b>\$ 330,519</b>	<b>\$ 281,522</b>
Plan fiduciary net position as a percentage of the total OPEB liability	100.19%	83.62%	84.97%
Covered payroll	\$ 5,884,525	\$ 5,537,332	\$ 4,937,800
Net OPEB liability (asset) as a percentage of covered payroll	-0.06%	5.97%	5.70%

**Notes to schedule:**

*The following assumptions were changed from the prior valuation:*

Discount rate: Decreased from 6.73% to 6.35%.

Demographic assumptions: Mortality rates updated from 2014 to 2017 experience study.

Mortality improvement: Scale updated from 2017 to 2018 MacLeod Watts Scale

General inflation rate: Decreased from 2.75% to 2.5%

Salary increase: Decreased from 3.25% to 3.0%.

Spouse coverage: Change percentage of retirees assumed spouse coverage from 35% to 70%.

Medical trend: updated to use Getzen healthcare trend.

PEMHCA MEC increases: Decreased assumed trend from 4.5% to 4.0%.

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

Future years' information will be displayed up to 10 years as information becomes available.

**CITY OF SIERRA MADRE**  
**Required Supplementary Information**  
**For the year ended June 30, 2020**

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**2. OTHER POST EMPLOYMENT BENEFITS, (continued)**

***Schedule of Plan Contributions – Last 10 Years\****

<b>Fiscal year</b>	<b>Actuarially Determined Contributions (ADC)</b>	<b>Contributions in relation to the ADC</b>	<b>Contribution deficiency (excess)</b>	<b>Covered payroll</b>	<b>Contributions as a percentage of covered payroll</b>
June 30, 2018	\$ 153,086	\$ (108,541)	\$ 44,545	\$ 5,537,332	1.96%
June 30, 2019	145,849	(163,349)	(17,500)	5,884,525	2.78%
June 30, 2020	150,528	(150,528)	-	6,061,061	2.48%

**Notes to schedule:**

Valuation Date: Actuarially determined contribution rates are calculated as of June 30, one year prior to the end of the fiscal year in which contributions are reported.

**Methods and assumptions used to determine contributions:**

Valuation date	June 30, 2019
Funding method	Entry age normal cost, level % of pay
Asset valuation	Market value of assets
Discount Rate	6.35%
Inflation	2.50%
Salary Increases	3.00%
Mortality Rate	MacLeod Watts Scale 2018 applied generationally
Healthcare Trend Rate	6.5% to 4.90% for 2020 and beyond

\*Fiscal year 2017-18 was the first year of implementation. Additional years to be presented as information becomes available.

# **City of Sierra Madre, California**

*Village of the Foothills*



## **Supplementary Information For the Year Ending June 30, 2020**



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**CITY OF SIERRA MADRE**  
**Combined Balance Sheet**  
**Non-Major Governmental Funds by Fund Type**  
**June 30, 2020**

	Special Revenue Funds	Capital Projects Funds	Citywide Debt Service Fund	Total Non-Major Governmental Funds
<b>Assets:</b>				
Cash and investments	\$ 4,746,064	\$ 540,551	\$ 13,338	\$ 5,299,953
Receivables:				
Accounts	361,531	-	-	361,531
Taxes	110,989	-	-	110,989
Land held for resale	-	1,500,000	-	1,500,000
Total assets	<u>\$ 5,218,584</u>	<u>\$ 2,040,551</u>	<u>\$ 13,338</u>	<u>\$ 7,272,473</u>
<b>Liabilities and Fund Balances:</b>				
Liabilities:				
Accounts payable	\$ 156,360	\$ 23,901	\$ -	\$ 180,261
Accrued payroll and related liabilities	7,369	-	-	7,369
Due to other funds	267,333	-	-	267,333
Deposits and retentions	55,796	2,500	-	58,296
Total liabilities	<u>486,858</u>	<u>26,401</u>	<u>-</u>	<u>513,259</u>
Fund balances (deficit):				
Restricted	4,355,128	1,500,190	-	5,855,318
Committed	408,881	513,960	13,338	936,179
Unassigned	(32,283)	-	-	(32,283)
Total fund balances	<u>4,731,726</u>	<u>2,014,150</u>	<u>13,338</u>	<u>6,759,214</u>
Total liabilities and fund balances	<u>\$ 5,218,584</u>	<u>\$ 2,040,551</u>	<u>\$ 13,338</u>	<u>\$ 7,272,473</u>

**CITY OF SIERRA MADRE**  
**Combined Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Non-Major Governmental Funds by Fund Type**  
**For the year ended June 30, 2020**

	Special Revenue Funds	Capital Projects Funds	City-wide Debt Service Fund	Total Non-Major Governmental Funds
<b>Revenues:</b>				
Property taxes	\$ 262,124	\$ -	\$ -	\$ 262,124
Charges for services	2,577	-	92,000	94,577
Intergovernmental	1,726,391	-	-	1,726,391
Licenses and permits	107,196	-	-	107,196
Investment income	120,397	14,480	-	134,877
Miscellaneous	744,068	-	-	744,068
Total revenues	<u>2,962,753</u>	<u>14,480</u>	<u>92,000</u>	<u>3,069,233</u>
<b>Expenditures:</b>				
Current:				
General government	4,937	-	-	4,937
Public safety	342,631	-	-	342,631
Public works	1,398,852	164,572	-	1,563,424
Development	21,266	-	-	21,266
Culture and recreation	94,933	-	-	94,933
Debt Service:				
Principal	-	-	87,016	87,016
Interest	-	-	4,026	4,026
Total expenditures	<u>1,862,619</u>	<u>164,572</u>	<u>91,042</u>	<u>2,118,233</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,100,134</u>	<u>(150,092)</u>	<u>958</u>	<u>951,000</u>
<b>Other financing sources (uses):</b>				
Transfers in	13,468	156,390	-	169,858
Total other financing sources (uses)	<u>13,468</u>	<u>156,390</u>	<u>-</u>	<u>169,858</u>
Net change to fund balances	1,113,602	6,298	958	1,120,858
Fund balances, beginning of year	<u>3,618,124</u>	<u>2,007,852</u>	<u>12,380</u>	<u>5,638,356</u>
Fund balances, end of year	<u>\$ 4,731,726</u>	<u>\$ 2,014,150</u>	<u>\$ 13,338</u>	<u>\$ 6,759,214</u>

**CITY OF SIERRA MADRE**  
**Combining Balance Sheet**  
**Non-Major Special Revenue Funds**  
**June 30, 2020**

	<u>Grant Funds</u>	<u>Assessment Funds</u>	<u>Other Special Revenue Funds</u>	<u>Total Special Revenue Funds</u>
<b>Assets:</b>				
Cash and investments	\$ 7,775	\$ 1,231,054	\$ 3,507,235	\$ 4,746,064
Receivables:				
Accounts	-	-	361,531	361,531
Taxes	-	4,267	106,722	110,989
Total assets	<u>\$ 7,775</u>	<u>\$ 1,235,321</u>	<u>\$ 3,975,488</u>	<u>\$ 5,218,584</u>
<b>Liabilities and Fund Balances:</b>				
Liabilities:				
Accounts payable	\$ 2,401	\$ 4,454	\$ 149,505	\$ 156,360
Accrued payroll and related liabilities	-	-	7,369	7,369
Due to other funds	21,266	-	246,067	267,333
Deposits and retentions	-	-	55,796	55,796
Total liabilities	<u>23,667</u>	<u>4,454</u>	<u>458,737</u>	<u>486,858</u>
Fund balances (deficit):				
Restricted	5,374	1,230,867	3,118,887	4,355,128
Committed	-	-	408,881	408,881
Unassigned	(21,266)	-	(11,017)	(32,283)
Total fund balances	<u>(15,892)</u>	<u>1,230,867</u>	<u>3,516,751</u>	<u>4,731,726</u>
 Total liabilities and fund balances	 <u>\$ 7,775</u>	 <u>\$ 1,235,321</u>	 <u>\$ 3,975,488</u>	 <u>\$ 5,218,584</u>

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**CITY OF SIERRA MADRE**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Non-Major Special Revenue Funds**  
**For the year ended June 30, 2020**

	<u>Grant Funds</u>	<u>Assessment Funds</u>	<u>Other Special Revenue Funds</u>	<u>Total Special Revenue Funds</u>
<b>Revenues:</b>				
Property taxes	\$ -	\$ 262,124	\$ -	\$ 262,124
Charges for services	-	-	2,577	2,577
Intergovernmental	11,334	-	1,715,057	1,726,391
Licenses and permits	-	-	107,196	107,196
Investment income	45	30,289	90,063	120,397
Miscellaneous	-	-	744,068	744,068
Total revenues	<u>11,379</u>	<u>292,413</u>	<u>2,658,961</u>	<u>2,962,753</u>
<b>Expenditures:</b>				
Current:				
General government	-	-	4,937	4,937
Public safety	-	-	342,631	342,631
Public works	-	78,343	1,320,509	1,398,852
Development	21,266	-	-	21,266
Culture and recreation	6,005	-	88,928	94,933
Total expenditures	<u>27,271</u>	<u>78,343</u>	<u>1,757,005</u>	<u>1,862,619</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(15,892)</u>	<u>214,070</u>	<u>901,956</u>	<u>1,100,134</u>
<b>Other financing sources (uses):</b>				
Transfers in	-	13,468	-	13,468
Total other financing sources (uses)	<u>-</u>	<u>13,468</u>	<u>-</u>	<u>13,468</u>
Net change in fund balances	(15,892)	227,538	901,956	1,113,602
Fund balances, beginning of year	<u>-</u>	<u>1,003,329</u>	<u>2,614,795</u>	<u>3,618,124</u>
Fund balances, end of year	<u>\$ (15,892)</u>	<u>\$ 1,230,867</u>	<u>\$ 3,516,751</u>	<u>\$ 4,731,726</u>

**CITY OF SIERRA MADRE**  
**Combining Balance Sheet**  
**Non-Major Special Revenue Funds – Grants**  
**June 30, 2020**

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	Local History State Grant	SB2 Grant Fund	Total Special Revenue-Grant Funds
<b>Assets:</b>			
Cash and investments	\$ 7,775	\$ -	\$ 7,775
Total assets	<u>\$ 7,775</u>	<u>\$ -</u>	<u>\$ 7,775</u>
<b>Liabilities and Fund Balances:</b>			
Liabilities:			
Accounts payable	\$ 2,401	\$ -	\$ 2,401
Due to other funds	-	21,266	21,266
Total liabilities	<u>2,401</u>	<u>21,266</u>	<u>23,667</u>
Fund balances:			
Restricted	5,374	-	5,374
Unassigned	-	(21,266)	(21,266)
Total fund balances	<u>5,374</u>	<u>(21,266)</u>	<u>(15,892)</u>
Total liabilities and fund balances	<u>\$ 7,775</u>	<u>\$ -</u>	<u>\$ 7,775</u>

**CITY OF SIERRA MADRE**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Non-Major Special Revenue Funds – Grants**  
**For the year ended June 30, 2020**

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	Local History State Grant	SB2 Grant Fund	Total Special Revenue-Grant Funds
<b>Revenues:</b>			
Intergovernmental	\$ 11,334	\$ -	\$ 11,334
Investment income	45	-	45
Total revenues	<u>11,379</u>	<u>-</u>	<u>11,379</u>
<b>Expenditures:</b>			
Current:			
Development	-	21,266	21,266
Culture and recreation	6,005	-	6,005
Total expenditures	<u>6,005</u>	<u>21,266</u>	<u>27,271</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,374</u>	<u>(21,266)</u>	<u>(15,892)</u>
Net change to fund balances	5,374	(21,266)	(15,892)
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 5,374</u>	<u>\$ (21,266)</u>	<u>\$ (15,892)</u>



**CITY OF SIERRA MADRE**  
**Combining Balance Sheet**  
**Non-Major Special Revenue Funds – Assessments**  
**June 30, 2020**

	Bonita Sewer Assessment District	Central Business Assessment District	Fane/Winwood Assessment District	Lighting District #1
<b>Assets:</b>				
Cash and investments	\$ 42,683	\$ 810	\$ 7,913	\$ 387,467
Taxes receivable	-	25	-	262
Total assets	<u>\$ 42,683</u>	<u>\$ 835</u>	<u>\$ 7,913</u>	<u>\$ 387,729</u>
<b>Liabilities and Fund Balances:</b>				
Liabilities:				
Accounts payable	\$ -	\$ 835	\$ -	\$ 167
Total liabilities	<u>-</u>	<u>835</u>	<u>-</u>	<u>167</u>
Fund balances:				
Restricted	<u>42,683</u>	<u>-</u>	<u>7,913</u>	<u>387,562</u>
Total fund balances	<u>42,683</u>	<u>-</u>	<u>7,913</u>	<u>387,562</u>
Total liabilities and fund balances	<u>\$ 42,683</u>	<u>\$ 835</u>	<u>\$ 7,913</u>	<u>\$ 387,729</u>

Lighting District Zone A	Lighting District Zone B	Parking Maintenance District	Sewer Assessment District	Sierra Madre CFD	Total Special Revenue- Assessment Funds
\$ 371,803	\$ 345,974	\$ 1,615	\$ 14,999	\$ 57,790	\$ 1,231,054
22	3,923	35	-	-	4,267
<u>\$ 371,825</u>	<u>\$ 349,897</u>	<u>\$ 1,650</u>	<u>\$ 14,999</u>	<u>\$ 57,790</u>	<u>\$ 1,235,321</u>
\$ 464	\$ 1,338	\$ 1,650	\$ -	\$ -	\$ 4,454
464	1,338	1,650	-	-	4,454
371,361	348,559	-	14,999	57,790	1,230,867
<u>371,361</u>	<u>348,559</u>	<u>-</u>	<u>14,999</u>	<u>57,790</u>	<u>1,230,867</u>
<u>\$ 371,825</u>	<u>\$ 349,897</u>	<u>\$ 1,650</u>	<u>\$ 14,999</u>	<u>\$ 57,790</u>	<u>\$ 1,235,321</u>

**CITY OF SIERRA MADRE**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Non-Major Special Revenue Funds – Assessments**  
**For the year ended June 30, 2020**

	Bonita Sewer Assessment District	Central Business Assessment District	Fane/Winwood Assessment District	Lighting District #1
<b>Revenues:</b>				
Property taxes	\$ 10,624	\$ 5,363	\$ -	\$ 63,450
Investment income	1,005	10	-	9,621
Total revenues	<u>11,629</u>	<u>5,373</u>	<u>-</u>	<u>73,071</u>
<b>Expenditures:</b>				
Current:				
Public works	-	10,206	-	2,102
Total expenditures	<u>-</u>	<u>10,206</u>	<u>-</u>	<u>2,102</u>
Excess (deficiency) of revenues over (under) expenditures	<u>11,629</u>	<u>(4,833)</u>	<u>-</u>	<u>70,969</u>
<b>Other financing sources (uses):</b>				
Transfers in	-	2,729	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>2,729</u>	<u>-</u>	<u>-</u>
Net change to fund balances	11,629	(2,104)	-	70,969
Fund balances, beginning of year	<u>31,054</u>	<u>2,104</u>	<u>7,913</u>	<u>316,593</u>
Fund balances, end of year	<u>\$ 42,683</u>	<u>\$ -</u>	<u>\$ 7,913</u>	<u>\$ 387,562</u>

Lighting District Zone A	Lighting District Zone B	Parking Maintenance District	Sewer Assessment District	Sierra Madre CFD	Total Special Revenue- Assessment Funds
\$ 76,628	83,151	\$ 9,055	\$ 7,008	\$ 6,845	\$ 262,124
9,468	8,423	-	287	1,475	30,289
<u>86,096</u>	<u>91,574</u>	<u>9,055</u>	<u>7,295</u>	<u>8,320</u>	<u>292,413</u>
28,637	17,604	19,794	-	-	78,343
<u>28,637</u>	<u>17,604</u>	<u>19,794</u>	<u>-</u>	<u>-</u>	<u>78,343</u>
57,459	73,970	(10,739)	7,295	8,320	214,070
-	-	10,739	-	-	13,468
-	-	-	-	-	-
-	-	10,739	-	-	13,468
57,459	73,970	-	7,295	8,320	227,538
313,902	274,589	-	7,704	49,470	1,003,329
<u>\$ 371,361</u>	<u>\$ 348,559</u>	<u>\$ -</u>	<u>\$ 14,999</u>	<u>\$ 57,790</u>	<u>\$ 1,230,867</u>

**CITY OF SIERRA MADRE**  
**Combining Balance Sheet**  
**Non-Major Special Revenue Funds – Other**  
**June 30, 2020**

	Development Impact Fees	Development Fees Art in Public Places	DUI Enforcement	Police Department Donations	Public Safety Augmentation Fund
<b>Assets:</b>					
Cash and investments	\$ 1,039,004	\$ 62,026	\$ 1,151	\$ 6,175	\$ 167,699
Receivables:					
Accounts	-	-	-	-	-
Taxes	-	-	-	-	20,545
Total assets	<u>\$ 1,039,004</u>	<u>\$ 62,026</u>	<u>\$ 1,151</u>	<u>\$ 6,175</u>	<u>\$ 188,244</u>
<b>Liabilities and Fund Balances:</b>					
Liabilities:					
Accounts payable	\$ 10,815	\$ -	\$ -	\$ -	\$ -
Accrued payroll and related liabilities	-	-	-	-	-
Due to other funds	-	-	-	-	-
Deposits and retentions	50,780	-	-	-	-
Total liabilities	<u>61,595</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficit):					
Restricted	977,409	62,026	1,151	-	188,244
Committed	-	-	-	6,175	-
Unassigned	-	-	-	-	-
Total fund balances	<u>977,409</u>	<u>62,026</u>	<u>1,151</u>	<u>6,175</u>	<u>188,244</u>
Total liabilities and fund balances	<u>\$ 1,039,004</u>	<u>\$ 62,026</u>	<u>\$ 1,151</u>	<u>\$ 6,175</u>	<u>\$ 188,244</u>

<u>State COPS</u>	<u>Fire Department Donations</u>	<u>Community Arts Commission</u>	<u>Recreation Department Donations</u>	<u>Local Transportation Prop A</u>	<u>Open Space</u>	<u>Senior Center</u>
\$ 191,554	\$ 5,336	\$ 6,643	\$ 32,337	\$ 430,893	\$ -	\$ 221,043
-	-	-	-	-	-	-
56,727	-	-	-	-	-	-
<u>\$ 248,281</u>	<u>\$ 5,336</u>	<u>\$ 6,643</u>	<u>\$ 32,337</u>	<u>\$ 430,893</u>	<u>\$ -</u>	<u>\$ 221,043</u>
\$ 1,020	\$ -	\$ -	\$ -	\$ 24,686	\$ -	\$ 564
2,354	-	-	-	172	-	-
-	-	-	-	-	11,017	-
-	-	-	-	-	-	-
<u>3,374</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,858</u>	<u>11,017</u>	<u>564</u>
244,907	-	-	-	406,035	-	-
-	5,336	6,643	32,337	-	-	220,479
-	-	-	-	-	(11,017)	-
<u>244,907</u>	<u>5,336</u>	<u>6,643</u>	<u>32,337</u>	<u>406,035</u>	<u>(11,017)</u>	<u>220,479</u>
<u>\$ 248,281</u>	<u>\$ 5,336</u>	<u>\$ 6,643</u>	<u>\$ 32,337</u>	<u>\$ 430,893</u>	<u>\$ -</u>	<u>\$ 221,043</u>

(continued)

**CITY OF SIERRA MADRE**  
**Combining Balance Sheet**  
**Non-Major Special Revenue Funds – Other, Continued**  
**June 30, 2020**

	SM Community Foundation	YAC-Youth Activity Center	Local Transit Prop C	County Prop A Park Development	CA Beverage Container	Community Development Block Grant	Clean Air Fund (AQMD)
<b>Assets:</b>							
Cash and investments	\$ 42,794	\$ 62,985	\$ 41,218	\$ -	\$ 25,305	\$ -	\$ 26,347
Receivables:							
Accounts	-	-	-	148,098	-	132,000	3,485
Taxes	-	-	-	-	-	-	-
Total assets	<u>\$ 42,794</u>	<u>\$ 62,985</u>	<u>\$ 41,218</u>	<u>\$ 148,098</u>	<u>\$ 25,305</u>	<u>\$ 132,000</u>	<u>\$ 29,832</u>
<b>Liabilities and Fund Balances:</b>							
Liabilities:							
Accounts payable	\$ -	\$ -	\$ 9,048	\$ 4,398	\$ -	\$ 72,000	\$ -
Accrued payroll and related liabilities	-	-	-	-	-	-	-
Due to other funds	-	-	-	143,700	-	60,000	-
Deposits and retentions	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>9,048</u>	<u>148,098</u>	<u>-</u>	<u>132,000</u>	<u>-</u>
Fund balances (deficit):							
Restricted	-	-	32,170	-	25,305	-	29,832
Committed	42,794	62,985	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
Total fund balances	<u>42,794</u>	<u>62,985</u>	<u>32,170</u>	<u>-</u>	<u>25,305</u>	<u>-</u>	<u>29,832</u>
Total liabilities and fund balances	<u>\$ 42,794</u>	<u>\$ 62,985</u>	<u>\$ 41,218</u>	<u>\$ 148,098</u>	<u>\$ 25,305</u>	<u>\$ 132,000</u>	<u>\$ 29,832</u>

Environmental Fund	Gas Tax Fund	Bikeway/Sidewalk TDA	Measure R	Traffic Congestion Relief Program	Measure M	Road Maintenance and Rehabilitation
\$ 12,792	\$ 20,327	\$ -	\$ 24,637	\$ 1,755	\$ 64,184	\$ 144,391
24,621	-	8,350	-	-	-	-
-	-	-	-	-	-	29,450
<u>\$ 37,413</u>	<u>\$ 20,327</u>	<u>\$ 8,350</u>	<u>\$ 24,637</u>	<u>\$ 1,755</u>	<u>\$ 64,184</u>	<u>\$ 173,841</u>
\$ -	\$ 4,618	\$ -	\$ -	\$ -	\$ -	\$ -
439	4,404	-	-	-	-	-
-	-	8,350	-	-	-	-
5,016	-	-	-	-	-	-
<u>5,455</u>	<u>9,022</u>	<u>8,350</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	11,305	-	24,637	1,755	64,184	173,841
31,958	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>31,958</u>	<u>11,305</u>	<u>-</u>	<u>24,637</u>	<u>1,755</u>	<u>64,184</u>	<u>173,841</u>
<u>\$ 37,413</u>	<u>\$ 20,327</u>	<u>\$ 8,350</u>	<u>\$ 24,637</u>	<u>\$ 1,755</u>	<u>\$ 64,184</u>	<u>\$ 173,841</u>

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**CITY OF SIERRA MADRE**  
**Combining Balance Sheet**  
**Non-Major Special Revenue Funds – Other, Continued**  
**June 30, 2020**

	Library Gift and Memorial	Friends of the Library	Local Historical Society	Measure W	Total Other Special Revenue Funds
<b>Assets:</b>					
Cash and investments	\$ 876,465	\$ -	\$ 174	\$ -	\$ 3,507,235
Receivables:					
Accounts	-	32,413	-	12,564	361,531
Taxes	-	-	-	-	106,722
Total assets	<u>\$ 876,465</u>	<u>\$ 32,413</u>	<u>\$ 174</u>	<u>\$ 12,564</u>	<u>\$ 3,975,488</u>
<b>Liabilities and Fund Balances:</b>					
Liabilities:					
Accounts payable	\$ 379	\$ 21,977	\$ -	\$ -	\$ 149,505
Accrued payroll and related liabilities	-	-	-	-	7,369
Due to other funds	-	10,436	-	12,564	246,067
Deposits and retentions	-	-	-	-	55,796
Total liabilities	<u>379</u>	<u>32,413</u>	<u>-</u>	<u>12,564</u>	<u>458,737</u>
Fund balances (deficit):					
Restricted	876,086	-	-	-	3,118,887
Committed	-	-	174	-	408,881
Unassigned	-	-	-	-	(11,017)
Total fund balances	<u>876,086</u>	<u>-</u>	<u>174</u>	<u>-</u>	<u>3,516,751</u>
Total liabilities and fund balances	<u>\$ 876,465</u>	<u>\$ 32,413</u>	<u>\$ 174</u>	<u>\$ 12,564</u>	<u>\$ 3,975,488</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, 2020**

	Development Impact Fees	Development Fees Art in Public Places	DUI Enforcement	Police Department Donations	Public Safety Augmentation Fund
<b>Revenues:</b>					
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	135,155
Licenses and permits	-	-	-	-	-
Investment income	30,098	1,721	32	162	4,406
Miscellaneous	-	-	-	985	-
Total revenues	<u>30,098</u>	<u>1,721</u>	<u>32</u>	<u>1,147</u>	<u>139,561</u>
<b>Expenditures:</b>					
Current:					
General government	-	-	-	-	-
Public safety	50,000	-	-	-	130,887
Public works	-	-	-	-	-
Culture and recreation	22,495	-	-	-	-
Total expenditures	<u>72,495</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>130,887</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(42,397)</u>	<u>1,721</u>	<u>32</u>	<u>1,147</u>	<u>8,674</u>
Net change to fund balances	(42,397)	1,721	32	1,147	8,674
Fund balances, beginning of year	<u>1,019,806</u>	<u>60,305</u>	<u>1,119</u>	<u>5,028</u>	<u>179,570</u>
Fund balances, end of year	<u>\$ 977,409</u>	<u>\$ 62,026</u>	<u>\$ 1,151</u>	<u>\$ 6,175</u>	<u>\$ 188,244</u>

<u>State COPS Grant</u>	<u>Fire Department Donations</u>	<u>Community Arts Commission</u>	<u>Recreation Department Donations</u>	<u>Local Transportation Prop A</u>	<u>Open Space</u>	<u>Senior Center</u>
\$ -	\$ -	\$ -	\$ -	\$ 2,577	\$ -	\$ -
156,727	-	-	-	213,096	-	-
-	-	-	-	-	-	-
6,026	133	184	1,017	11,056	-	5,787
-	1,526	-	-	-	49,578	32,719
<u>162,753</u>	<u>1,659</u>	<u>184</u>	<u>1,017</u>	<u>226,729</u>	<u>49,578</u>	<u>38,506</u>
-	-	-	-	-	-	-
161,744	-	-	-	-	-	-
-	-	-	-	155,545	-	-
-	-	-	7,662	-	-	10,839
<u>161,744</u>	<u>-</u>	<u>-</u>	<u>7,662</u>	<u>155,545</u>	<u>-</u>	<u>10,839</u>
1,009	1,659	184	(6,645)	71,184	49,578	27,667
1,009	1,659	184	(6,645)	71,184	49,578	27,667
243,898	3,677	6,459	38,982	334,851	(60,595)	192,812
<u>\$ 244,907</u>	<u>\$ 5,336</u>	<u>\$ 6,643</u>	<u>\$ 32,337</u>	<u>\$ 406,035</u>	<u>\$ (11,017)</u>	<u>\$ 220,479</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, 2020**

	SM Community Foundation	YAC-Youth Activity Center	Local Transit Prop C	County Prop A Park Development	CA Beverage Container Grant	CDBG- Community Development Block Grant
<b>Revenues:</b>						
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	176,763	134,335	-	132,000
Licenses and permits	-	-	-	-	-	-
Investment income	1,188	1,749	2,575	-	712	-
Miscellaneous	-	-	-	-	-	-
Total revenues	<u>1,188</u>	<u>1,749</u>	<u>179,338</u>	<u>134,335</u>	<u>712</u>	<u>132,000</u>
<b>Expenditures:</b>						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	155,240	134,335	-	132,000
Culture and recreation	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>155,240</u>	<u>134,335</u>	<u>-</u>	<u>132,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,188</u>	<u>1,749</u>	<u>24,098</u>	<u>-</u>	<u>712</u>	<u>-</u>
Net change to fund balances	1,188	1,749	24,098	-	712	-
Fund balances, beginning of year	<u>41,606</u>	<u>61,236</u>	<u>8,072</u>	<u>-</u>	<u>24,593</u>	<u>-</u>
Fund balances, end of year	<u>\$ 42,794</u>	<u>\$ 62,985</u>	<u>\$ 32,170</u>	<u>\$ -</u>	<u>\$ 25,305</u>	<u>\$ -</u>

Clean Air Fund (AQMD)	Environmental Fund	Gas Tax Fund	Bikeway/Sidewalk TDA	Measure R	Traffic Congestion Relief Program	Measure M	Road Maintenance and Rehabilitation
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13,967	-	245,316	8,350	132,383	12,518	149,026	192,857
-	107,196	-	-	-	-	-	-
515	465	323	-	2,711	354	1,992	3,201
-	-	-	-	-	-	-	-
<u>14,482</u>	<u>107,661</u>	<u>245,639</u>	<u>8,350</u>	<u>135,094</u>	<u>12,872</u>	<u>151,018</u>	<u>196,058</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	75,703	234,334	8,350	147,563	36,207	124,734	103,934
-	-	-	-	-	-	-	-
<u>-</u>	<u>75,703</u>	<u>234,334</u>	<u>8,350</u>	<u>147,563</u>	<u>36,207</u>	<u>124,734</u>	<u>103,934</u>
14,482	31,958	11,305	-	(12,469)	(23,335)	26,284	92,124
14,482	31,958	11,305	-	(12,469)	(23,335)	26,284	92,124
15,350	-	-	-	37,106	25,090	37,900	81,717
<u>\$ 29,832</u>	<u>\$ 31,958</u>	<u>\$ 11,305</u>	<u>\$ -</u>	<u>\$ 24,637</u>	<u>\$ 1,755</u>	<u>\$ 64,184</u>	<u>\$ 173,841</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, 2020**

	Library Gift and Memorial	Friends of the Library	Local Historical Society	Measure W	Total Other Special Revenue Funds
<b>Revenues:</b>					
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ 2,577
Intergovernmental	-	-	-	12,564	1,715,057
Licenses and permits	-	-	-	-	107,196
Investment income	13,656	-	-	-	90,063
Miscellaneous	607,480	51,780	-	-	744,068
Total revenues	<u>621,136</u>	<u>51,780</u>	<u>-</u>	<u>12,564</u>	<u>2,658,961</u>
<b>Expenditures:</b>					
Current:					
General government	-	4,937	-	-	4,937
Public safety	-	-	-	-	342,631
Public works	-	-	-	12,564	1,320,509
Culture and recreation	1,089	46,843	-	-	88,928
Total expenditures	<u>1,089</u>	<u>51,780</u>	<u>-</u>	<u>12,564</u>	<u>1,757,005</u>
Excess (deficiency) of revenues over (under) expenditures	<u>620,047</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>901,956</u>
Net change to fund balances	620,047	-	-	-	901,956
Fund balances, beginning of year	<u>256,039</u>	<u>-</u>	<u>174</u>	<u>-</u>	<u>2,614,795</u>
Fund balances, end of year	<u>\$ 876,086</u>	<u>\$ -</u>	<u>\$ 174</u>	<u>\$ -</u>	<u>\$ 3,516,751</u>

(concluded)

**CITY OF SIERRA MADRE**  
**Combining Balance Sheet**  
**Non-Major Capital Project Funds**  
**June 30, 2020**

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	Low & Moderate Income Housing Asset Fund	Capital Projects Fund	Total Capital Project Funds
<b>Assets:</b>			
Cash and investments	\$ 2,690	\$ 537,861	\$ 540,551
Land held for resale	1,500,000	-	1,500,000
Total assets	<u>\$ 1,502,690</u>	<u>\$ 537,861</u>	<u>\$ 2,040,551</u>
<b>Liabilities and Fund Balances:</b>			
Accounts payable	\$ -	\$ 23,901	\$ 23,901
Deposits and retentions	2,500	-	2,500
Total liabilities	<u>2,500</u>	<u>23,901</u>	<u>26,401</u>
<b>Fund balances:</b>			
Restricted	1,500,190	-	1,500,190
Committed	-	513,960	513,960
Total fund balances	<u>1,500,190</u>	<u>513,960</u>	<u>2,014,150</u>
Total liabilities and fund balances	<u>\$ 1,502,690</u>	<u>\$ 537,861</u>	<u>\$ 2,040,551</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, 2020**

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	Low & Moderate Income Housing Asset Fund	Capital Projects Fund	Total Capital Project Funds
<b>Revenues:</b>			
Investment income	\$ 75	\$ 14,405	\$ 14,480
Total revenues	<u>75</u>	<u>14,405</u>	<u>14,480</u>
<b>Expenditures:</b>			
Current:			
Public works	-	164,572	164,572
Total expenditures	<u>-</u>	<u>164,572</u>	<u>164,572</u>
Excess (deficiency) of revenues over (under) expenditures	<u>75</u>	<u>(150,167)</u>	<u>(150,092)</u>
Other financing sources (uses):			
Transfers in	-	156,390	156,390
Total other financing sources (uses)	<u>-</u>	<u>156,390</u>	<u>156,390</u>
Net change to fund balance	75	6,223	6,298
Fund balances, beginning of year	<u>1,500,115</u>	<u>507,737</u>	<u>2,007,852</u>
Fund Balances, end of year	<u>\$ 1,500,190</u>	<u>\$ 513,960</u>	<u>\$ 2,014,150</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Bonita Sewer Assessment District Special Revenue Fund**  
**For the year ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Property taxes	\$ 10,000	\$ 10,000	\$ 10,624	\$ 624
Investment income	-	-	1,005	1,005
Total revenues	<u>10,000</u>	<u>10,000</u>	<u>11,629</u>	<u>1,629</u>
<b>Expenditures:</b>				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	<u>10,000</u>	<u>10,000</u>	<u>11,629</u>	<u>1,629</u>
<b>Other financing sources (uses):</b>				
Transfers out	<u>(10,000)</u>	<u>(10,000)</u>	-	10,000
Total other financing sources (uses)	<u>(10,000)</u>	<u>(10,000)</u>	-	10,000
Net change to fund balance	-	-	11,629	11,629
Fund balance, beginning of year	<u>31,054</u>	<u>31,054</u>	<u>31,054</u>	-
Fund balance, end of year	<u>\$ 31,054</u>	<u>\$ 31,054</u>	<u>\$ 42,683</u>	<u>\$ 11,629</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Central Business Assessment District Special Revenue Fund**  
**For the year ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Property taxes	\$ 5,000	\$ 5,000	\$ 5,363	\$ 363
Investment income	-	-	10	10
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>5,373</u>	<u>373</u>
<b>Expenditures:</b>				
Current:				
Public works	11,600	11,600	10,206	1,394
Total expenditures	<u>11,600</u>	<u>11,600</u>	<u>10,206</u>	<u>1,394</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,600)</u>	<u>(6,600)</u>	<u>(4,833)</u>	<u>1,767</u>
<b>Other financing sources (uses):</b>				
Transfers in	6,600	6,600	2,729	(3,871)
Total other financing sources (uses)	<u>6,600</u>	<u>6,600</u>	<u>2,729</u>	<u>(3,871)</u>
Net change to fund balance	-	-	(2,104)	(2,104)
Fund balance, beginning of year	<u>2,104</u>	<u>2,104</u>	<u>2,104</u>	<u>-</u>
Fund balance, end of year	<u>\$ 2,104</u>	<u>\$ 2,104</u>	<u>\$ -</u>	<u>\$ (2,104)</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Lighting District #1 Special Revenue Fund**  
**For the year ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Property taxes	\$ 50,000	\$ 50,000	\$ 63,450	\$ 13,450
Investment income	-	-	9,621	9,621
Total revenues	<u>50,000</u>	<u>50,000</u>	<u>73,071</u>	<u>23,071</u>
<b>Expenditures:</b>				
Current:				
Public works	2,000	2,000	2,102	(102)
Total expenditures	<u>2,000</u>	<u>2,000</u>	<u>2,102</u>	<u>(102)</u>
Net change to fund balance	48,000	48,000	70,969	22,969
Fund balance, beginning of year	<u>316,593</u>	<u>316,593</u>	<u>316,593</u>	-
Fund balance, end of year	<u>\$ 364,593</u>	<u>\$ 364,593</u>	<u>\$ 387,562</u>	<u>\$ 22,969</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Lighting District Zone A Special Revenue Fund**  
**For the year ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Property taxes	\$ 60,000	\$ 60,000	\$ 76,628	\$ 16,628
Investment income	-	-	9,468	9,468
Total revenues	<u>60,000</u>	<u>60,000</u>	<u>86,096</u>	<u>26,096</u>
<b>Expenditures:</b>				
Current:				
Public works	28,700	28,700	28,637	63
Total expenditures	<u>28,700</u>	<u>28,700</u>	<u>28,637</u>	<u>63</u>
Net change to fund balance	31,300	31,300	57,459	26,159
Fund balance, beginning of year	<u>313,902</u>	<u>313,902</u>	<u>313,902</u>	-
Fund balance, end of year	<u>\$ 345,202</u>	<u>\$ 345,202</u>	<u>\$ 371,361</u>	<u>\$ 26,159</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Lighting District Zone B Special Revenue Fund**  
**For the year ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Property taxes	\$ 65,000	\$ 65,000	\$ 83,151	\$ 18,151
Investment income	-	-	8,423	8,423
Total revenues	<u>65,000</u>	<u>65,000</u>	<u>91,574</u>	<u>26,574</u>
<b>Expenditures:</b>				
Current:				
Public works	41,600	41,600	17,604	23,996
Total expenditures	<u>41,600</u>	<u>41,600</u>	<u>17,604</u>	<u>23,996</u>
Net change to fund balance	23,400	23,400	73,970	50,570
Fund balance, beginning of year	<u>274,589</u>	<u>274,589</u>	<u>274,589</u>	<u>-</u>
Fund balance, end of year	<u>\$ 297,989</u>	<u>\$ 297,989</u>	<u>\$ 348,559</u>	<u>\$ 50,570</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Parking Maintenance District Special Revenue Fund**  
**For the year ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Property taxes	\$ 8,800	\$ 8,800	\$ 9,055	\$ 255
Total revenues	<u>8,800</u>	<u>8,800</u>	<u>9,055</u>	<u>255</u>
<b>Expenditures:</b>				
Current:				
Public works	<u>21,900</u>	<u>21,900</u>	<u>19,794</u>	<u>2,106</u>
Total expenditures	<u>21,900</u>	<u>21,900</u>	<u>19,794</u>	<u>2,106</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(13,100)</u>	<u>(13,100)</u>	<u>(10,739)</u>	<u>2,361</u>
<b>Other financing sources (uses):</b>				
Transfers in	<u>13,100</u>	<u>13,100</u>	<u>10,739</u>	<u>(2,361)</u>
Total other financing sources (uses)	<u>13,100</u>	<u>13,100</u>	<u>10,739</u>	<u>(2,361)</u>
Net change to fund balance	-	-	-	-
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Sewer Assessment District Special Revenue Fund**  
**For the year ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Property taxes	\$ 6,500	\$ 6,500	\$ 7,008	\$ 508
Investment income	-	-	287	287
Total revenues	<u>6,500</u>	<u>6,500</u>	<u>7,295</u>	<u>795</u>
<b>Expenditures:</b>				
Current:				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,500</u>	<u>6,500</u>	<u>7,295</u>	<u>795</u>
<b>Other financing sources (uses):</b>				
Transfers out	<u>(6,500)</u>	<u>(6,500)</u>	<u>-</u>	<u>6,500</u>
Total other financing sources (uses)	<u>(6,500)</u>	<u>(6,500)</u>	<u>-</u>	<u>6,500</u>
Net change to fund balance	-	-	7,295	7,295
Fund balance, beginning of year	<u>7,704</u>	<u>7,704</u>	<u>7,704</u>	<u>-</u>
Fund balance, end of year	<u>\$ 7,704</u>	<u>\$ 7,704</u>	<u>\$ 14,999</u>	<u>\$ 7,295</u>



**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Sierra Madre CFD Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Property taxes	\$ 6,500	\$ 6,500	\$ 6,845	\$ 345
Investment income	-	-	1,475	1,475
Total revenues	<u>6,500</u>	<u>6,500</u>	<u>8,320</u>	<u>1,820</u>
<b>Expenditures:</b>				
Current:				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change to fund balance	6,500	6,500	8,320	1,820
Fund balance, beginning of year	<u>49,470</u>	<u>49,470</u>	<u>49,470</u>	<u>-</u>
Fund balance, end of year	<u>\$ 55,970</u>	<u>\$ 55,970</u>	<u>\$ 57,790</u>	<u>\$ 1,820</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Development Impact Fees Special Revenue Fund**  
**For the year ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Investment income	\$ -	\$ -	\$ 30,098	\$ 30,098
Total revenues	<u>-</u>	<u>-</u>	<u>30,098</u>	<u>30,098</u>
Expenditures:				
Current:				
Public safety	50,000	50,000	50,000	-
Public works	289,000	289,000	-	289,000
Culture and recreation	40,000	40,000	22,495	17,505
Total expenditures	<u>379,000</u>	<u>379,000</u>	<u>72,495</u>	<u>306,505</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(379,000)</u>	<u>(379,000)</u>	<u>(42,397)</u>	<u>336,603</u>
Net change to fund balance	(379,000)	(379,000)	(42,397)	336,603
Fund balance, beginning of year	<u>1,019,806</u>	<u>1,019,806</u>	<u>1,019,806</u>	<u>-</u>
Fund balance, end of year	<u>\$ 640,806</u>	<u>\$ 640,806</u>	<u>\$ 977,409</u>	<u>\$ 336,603</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Development Fees Art in Public Places Special Revenue Fund**  
**For the year ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Investment income	\$ -	\$ -	\$ 1,721	\$ 1,721
Total revenues	<u>-</u>	<u>-</u>	<u>1,721</u>	<u>1,721</u>
Expenditures:				
Current:				
Public works	58,600	58,600	-	58,600
Total expenditures	<u>58,600</u>	<u>58,600</u>	<u>-</u>	<u>58,600</u>
Net change to fund balance	(58,600)	(58,600)	1,721	60,321
Fund balance, beginning of year	<u>60,305</u>	<u>60,305</u>	<u>60,305</u>	<u>-</u>
Fund balance, end of year	<u>\$ 1,705</u>	<u>\$ 1,705</u>	<u>\$ 62,026</u>	<u>\$ 60,321</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Public Safety Augmentation Special Revenue Fund**  
**For the year ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Intergovernmental	\$ 120,000	\$ 120,000	\$ 135,155	\$ 15,155
Investment income	-	-	4,406	4,406
Total revenues	<u>120,000</u>	<u>120,000</u>	<u>139,561</u>	<u>19,561</u>
<b>Expenditures:</b>				
Current:				
Public safety	<u>121,700</u>	<u>121,700</u>	<u>130,887</u>	<u>(9,187)</u>
Total expenditures	<u>121,700</u>	<u>121,700</u>	<u>130,887</u>	<u>(9,187)</u>
Net change to fund balance	(1,700)	(1,700)	8,674	10,374
Fund balance, beginning of year	<u>179,570</u>	<u>179,570</u>	<u>179,570</u>	<u>-</u>
Fund balance, end of year	<u>\$ 177,870</u>	<u>\$ 177,870</u>	<u>\$ 188,244</u>	<u>\$ 10,374</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**State COPS Grant Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Intergovernmental	\$ 120,000	\$ 120,000	\$ 156,727	\$ 36,727
Investment income	-	-	6,026	6,026
Total revenues	<u>120,000</u>	<u>120,000</u>	<u>162,753</u>	<u>42,753</u>
<b>Expenditures:</b>				
Current:				
Public safety	106,000	106,000	161,744	(55,744)
Total expenditures	<u>106,000</u>	<u>106,000</u>	<u>161,744</u>	<u>(55,744)</u>
Net change to fund balance	14,000	14,000	1,009	(12,991)
Fund balance, beginning of year	<u>243,898</u>	<u>243,898</u>	<u>243,898</u>	<u>-</u>
Fund balance, end of year	<u>\$ 257,898</u>	<u>\$ 257,898</u>	<u>\$ 244,907</u>	<u>\$ (12,991)</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Fire Department Donations Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Investment income	\$ -	\$ -	\$ 133	\$ 133
Miscellaneous	-	-	1,526	1,526
Total revenues	-	-	1,659	1,659
<b>Expenditures:</b>				
Current:				
Public safety	3,500	3,500	-	3,500
Total expenditures	3,500	3,500	-	3,500
Net change to fund balance	(3,500)	(3,500)	1,659	5,159
Fund balance, beginning of year	3,677	3,677	3,677	-
Fund balance, end of year	<u>\$ 177</u>	<u>\$ 177</u>	<u>\$ 5,336</u>	<u>\$ 5,159</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Community Arts Commission Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Investment income	\$ -	\$ -	\$ 184	\$ 184
Total revenues	<u>-</u>	<u>-</u>	<u>184</u>	<u>184</u>
<b>Expenditures:</b>				
Current:				
Culture and recreation	3,000	3,000	-	3,000
Total expenditures	<u>3,000</u>	<u>3,000</u>	<u>-</u>	<u>3,000</u>
Net change to fund balance	(3,000)	(3,000)	184	3,184
Fund balance, beginning of year	<u>6,459</u>	<u>6,459</u>	<u>6,459</u>	<u>-</u>
Fund balance, end of year	<u>\$ 3,459</u>	<u>\$ 3,459</u>	<u>\$ 6,643</u>	<u>\$ 3,184</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Recreation Department Donations Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Investment income	\$ -	\$ -	\$ 1,017	\$ 1,017
Total revenues	<u>-</u>	<u>-</u>	<u>1,017</u>	<u>1,017</u>
<b>Expenditures:</b>				
Current:				
Culture and recreation	10,000	10,000	7,662	2,338
Total expenditures	<u>10,000</u>	<u>10,000</u>	<u>7,662</u>	<u>-</u>
Net change to fund balance	(10,000)	(10,000)	(6,645)	3,355
Fund balance, beginning of year	<u>38,982</u>	<u>38,982</u>	<u>38,982</u>	<u>-</u>
Fund balance, end of year	<u>\$ 28,982</u>	<u>\$ 28,982</u>	<u>\$ 32,337</u>	<u>\$ 3,355</u>



**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Local Transportation Prop A Special Revenue Fund**  
**For the year ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Charges for services	\$ 4,500	\$ 4,500	\$ 2,577	\$ (1,923)
Intergovernmental	222,360	222,360	213,096	(9,264)
Investment income	-	-	11,056	11,056
Total revenues	<u>226,860</u>	<u>226,860</u>	<u>226,729</u>	<u>(131)</u>
<b>Expenditures:</b>				
Current:				
Public works	<u>165,800</u>	<u>165,800</u>	<u>155,545</u>	<u>10,255</u>
Total expenditures	<u>165,800</u>	<u>165,800</u>	<u>155,545</u>	<u>10,255</u>
Net change to fund balance	61,060	61,060	71,184	10,124
Fund balance, beginning of year	<u>334,851</u>	<u>334,851</u>	<u>334,851</u>	<u>-</u>
Fund balance, end of year	<u>\$ 395,911</u>	<u>\$ 395,911</u>	<u>\$ 406,035</u>	<u>\$ 10,124</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Open Space Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Miscellaneous	\$ 45,000	\$ 45,000	\$ 49,578	\$ 4,578
Total revenues	<u>45,000</u>	<u>45,000</u>	<u>49,578</u>	<u>4,578</u>
<b>Expenditures:</b>				
Current:				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change to fund balance	45,000	45,000	49,578	4,578
Fund balance (deficit), beginning of year	<u>(60,595)</u>	<u>(60,595)</u>	<u>(60,595)</u>	<u>-</u>
Fund balance (deficit), end of year	<u>\$ (15,595)</u>	<u>\$ (15,595)</u>	<u>\$ (11,017)</u>	<u>\$ 4,578</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Senior Center Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Investment income	\$ -	\$ -	\$ 5,787	\$ 5,787
Miscellaneous	<u>26,400</u>	<u>26,400</u>	<u>32,719</u>	<u>6,319</u>
Total revenues	<u>26,400</u>	<u>26,400</u>	<u>38,506</u>	<u>12,106</u>
<b>Expenditures:</b>				
Current:				
Culture and recreation	<u>22,000</u>	<u>22,000</u>	<u>10,839</u>	<u>11,161</u>
Total expenditures	<u>22,000</u>	<u>22,000</u>	<u>10,839</u>	<u>11,161</u>
Net change to fund balance	4,400	4,400	27,667	23,267
Fund balance, beginning of year	<u>192,812</u>	<u>192,812</u>	<u>192,812</u>	<u>-</u>
Fund balance, end of year	<u>\$ 197,212</u>	<u>\$ 197,212</u>	<u>\$ 220,479</u>	<u>\$ 23,267</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Local Transit Prop C Special Revenue Fund**  
**For the year ended June 30, 2020**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Revenues:</b>				
Intergovernmental	\$ 184,440	\$ 184,440	\$ 176,763	\$ (7,677)
Investment income	-	-	2,575	2,575
Total revenues	<u>184,440</u>	<u>184,440</u>	<u>179,338</u>	<u>(5,102)</u>
<b>Expenditures:</b>				
Current:				
Public works	<u>184,400</u>	<u>184,400</u>	<u>155,240</u>	<u>29,160</u>
Total expenditures	<u>184,400</u>	<u>184,400</u>	<u>155,240</u>	<u>29,160</u>
Net change to fund balance	40	40	24,098	24,058
Fund balance, beginning of year	<u>8,072</u>	<u>8,072</u>	<u>8,072</u>	<u>-</u>
Fund balance, end of year	<u>\$ 8,112</u>	<u>\$ 8,112</u>	<u>\$ 32,170</u>	<u>\$ 24,058</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**County Prop A Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Intergovernmental	\$ 280,000	\$ 280,000	\$ 134,335	\$ (145,665)
Total revenues	<u>280,000</u>	<u>280,000</u>	<u>134,335</u>	<u>(145,665)</u>
<b>Expenditures:</b>				
Current:				
Public works	<u>280,000</u>	<u>280,000</u>	<u>134,335</u>	<u>145,665</u>
Total expenditures	<u>280,000</u>	<u>280,000</u>	<u>134,335</u>	<u>145,665</u>
Net change to fund balance	-	-	-	-
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**CA Beverage Container Grant Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Intergovernmental	\$ 5,000	\$ 5,000	\$ -	\$ (5,000)
Investment income	-	-	712	712
Total revenues	<u>5,000</u>	<u>5,000</u>	<u>712</u>	<u>(4,288)</u>
<b>Expenditures:</b>				
Current:				
Public works	15,000	15,000	-	15,000
Total expenditures	<u>15,000</u>	<u>15,000</u>	<u>-</u>	<u>15,000</u>
Net change to fund balance	(10,000)	(10,000)	712	10,712
Fund balance, beginning of year	<u>24,593</u>	<u>24,593</u>	<u>24,593</u>	<u>-</u>
Fund balance, end of year	<u>\$ 14,593</u>	<u>\$ 14,593</u>	<u>\$ 25,305</u>	<u>\$ 10,712</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**CDBG Community Development Block Grant Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Intergovernmental	\$ 90,000	\$ 90,000	\$ 132,000	\$ 42,000
Total revenues	<u>90,000</u>	<u>90,000</u>	<u>132,000</u>	<u>42,000</u>
Expenditures:				
Current:				
Public works	90,000	90,000	132,000	(42,000)
Total expenditures	<u>90,000</u>	<u>90,000</u>	<u>132,000</u>	<u>(42,000)</u>
Net change to fund balance	-	-	-	-
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Clear Air (AQMD) Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Intergovernmental	\$ 13,400	\$ 13,400	\$ 13,967	\$ 567
Investment income	-	-	515	515
Total revenues	<u>13,400</u>	<u>13,400</u>	<u>14,482</u>	<u>1,082</u>
<b>Expenditures:</b>				
Current:				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change to fund balance	13,400	13,400	14,482	1,082
Fund balance, beginning of year	<u>15,350</u>	<u>15,350</u>	<u>15,350</u>	<u>-</u>
Fund balance, end of year	<u>\$ 28,750</u>	<u>\$ 28,750</u>	<u>\$ 29,832</u>	<u>\$ 1,082</u>



**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Environmental Special Revenue Fund**  
**For the year ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Licenses and permits	\$ 82,500	\$ 82,500	\$ 107,197	\$ 24,697
Investment income	-	-	464	464
Total revenues	<u>82,500</u>	<u>82,500</u>	<u>107,661</u>	<u>25,161</u>
<b>Expenditures:</b>				
Current:				
Public works	<u>87,500</u>	<u>87,500</u>	<u>75,703</u>	<u>11,797</u>
Total expenditures	<u>87,500</u>	<u>87,500</u>	<u>75,703</u>	<u>11,797</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,000)</u>	<u>(5,000)</u>	<u>31,958</u>	<u>36,958</u>
<b>Other financing sources (uses):</b>				
Transfers in	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
Total other financing sources (uses)	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
Net change to fund balance	-	-	31,958	31,958
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 31,958</u></u>	<u><u>\$ 31,958</u></u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Gas Tax Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Intergovernmental	\$ 278,930	\$ 278,930	\$ 245,316	\$ (33,614)
Investment income	-	-	323	323
Total revenues	<u>278,930</u>	<u>278,930</u>	<u>245,639</u>	<u>(33,291)</u>
<b>Expenditures:</b>				
Current:				
Public works	<u>241,200</u>	<u>241,200</u>	<u>234,334</u>	<u>6,866</u>
Total expenditures	<u>241,200</u>	<u>241,200</u>	<u>234,334</u>	<u>6,866</u>
Net change to fund balance	37,730	37,730	11,305	(26,425)
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ 37,730</u>	<u>\$ 37,730</u>	<u>\$ 11,305</u>	<u>\$ (26,425)</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Bikeway/Sidewalk TDA Special Revenue Fund**  
**For the year ended June 30, 2020**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Revenues:</b>				
Intergovernmental	\$ 29,600	\$ 29,600	\$ 8,350	\$ (21,250)
Total revenues	<u>29,600</u>	<u>29,600</u>	<u>8,350</u>	<u>(21,250)</u>
<b>Expenditures:</b>				
Current:				
Public works	<u>29,600</u>	<u>29,600</u>	<u>8,350</u>	<u>21,250</u>
Total expenditures	<u>29,600</u>	<u>29,600</u>	<u>8,350</u>	<u>21,250</u>
Net change to fund balance	-	-	-	-
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Measure R Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Intergovernmental	\$ 138,350	\$ 138,350	\$ 132,383	\$ (5,967)
Investment income	-	-	2,711	2,711
Total revenues	<u>138,350</u>	<u>138,350</u>	<u>135,094</u>	<u>(3,256)</u>
<b>Expenditures:</b>				
Current:				
Public works	<u>138,300</u>	<u>138,300</u>	<u>147,563</u>	<u>(9,263)</u>
Total expenditures	<u>138,300</u>	<u>138,300</u>	<u>147,563</u>	<u>(9,263)</u>
Net change to fund balance	50	50	(12,469)	(12,519)
Fund balance, beginning of year	<u>37,106</u>	<u>37,106</u>	<u>37,106</u>	<u>-</u>
Fund balance, end of year	<u>\$ 37,156</u>	<u>\$ 37,156</u>	<u>\$ 24,637</u>	<u>\$ (12,519)</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Traffic Congestion Relief Program Special Revenue Fund**  
**For the year ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Intergovernmental	\$ 12,380	\$ 12,380	\$ 12,518	\$ 138
Investment income	-	-	354	354
Total revenues	<u>12,380</u>	<u>12,380</u>	<u>12,872</u>	<u>492</u>
<b>Expenditures:</b>				
Current:				
Public works	<u>37,000</u>	<u>37,000</u>	<u>36,207</u>	<u>793</u>
Total expenditures	<u>37,000</u>	<u>37,000</u>	<u>36,207</u>	<u>793</u>
Net change to fund balance	(24,620)	(24,620)	(23,335)	1,285
Fund balance, beginning of year	<u>25,090</u>	<u>25,090</u>	<u>25,090</u>	-
Fund balance, end of year	<u>\$ 470</u>	<u>\$ 470</u>	<u>\$ 1,755</u>	<u>\$ 1,285</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Measure M Special Revenue Fund**  
**For the year ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Intergovernmental	\$ 156,780	\$ 156,780	\$ 149,026	\$ (7,754)
Investment income	-	-	1,992	1,992
Total revenues	<u>156,780</u>	<u>156,780</u>	<u>151,018</u>	<u>(5,762)</u>
<b>Expenditures:</b>				
Current:				
Public works	<u>156,700</u>	<u>156,700</u>	<u>124,734</u>	<u>31,966</u>
Total expenditures	<u>156,700</u>	<u>156,700</u>	<u>124,734</u>	<u>31,966</u>
Net change to fund balance	80	80	26,284	26,204
Fund balance, beginning of year	<u>37,900</u>	<u>37,900</u>	<u>37,900</u>	<u>-</u>
Fund balance, end of year	<u>\$ 37,980</u>	<u>\$ 37,980</u>	<u>\$ 64,184</u>	<u>\$ 26,204</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Road Maintenance and Rehabilitation Special Revenue Fund**  
**For the year ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Intergovernmental	\$ 181,830	\$ 181,830	\$ 192,857	\$ 11,027
Investment income	-	-	3,201	3,201
Total revenues	<u>181,830</u>	<u>181,830</u>	<u>196,058</u>	<u>14,228</u>
<b>Expenditures:</b>				
Current:				
Public works	181,800	181,800	103,934	77,866
Total expenditures	<u>181,800</u>	<u>181,800</u>	<u>103,934</u>	<u>77,866</u>
Net change to fund balance	30	30	92,124	92,094
Fund balance, beginning of year	<u>81,717</u>	<u>81,717</u>	<u>81,717</u>	-
Fund balance, end of year	<u>\$ 81,747</u>	<u>\$ 81,747</u>	<u>\$ 173,841</u>	<u>\$ 92,094</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Library Gift and Memorial Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Investment income	\$ -	\$ -	\$ 13,656	\$ 13,656
Miscellaneous	-	-	607,480	607,480
Total revenues	<u>-</u>	<u>-</u>	<u>621,136</u>	<u>621,136</u>
<b>Expenditures:</b>				
Current:				
Culture and recreation	<u>20,000</u>	<u>20,000</u>	<u>1,089</u>	<u>18,911</u>
Total expenditures	<u>20,000</u>	<u>20,000</u>	<u>1,089</u>	<u>18,911</u>
Net change to fund balance	(20,000)	(20,000)	620,047	640,047
Fund balance, beginning of year	<u>256,039</u>	<u>256,039</u>	<u>256,039</u>	<u>-</u>
Fund balance, end of year	<u>\$ 236,039</u>	<u>\$ 236,039</u>	<u>\$ 876,086</u>	<u>\$ 640,047</u>



**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Friends of the Library Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Miscellaneous	\$ 55,000	\$ 55,000	\$ 51,780	\$ (3,220)
Total revenues	<u>55,000</u>	<u>55,000</u>	<u>51,780</u>	<u>(3,220)</u>
<b>Expenditures:</b>				
Current:				
General government	-	-	4,937	(4,937)
Culture and recreation	55,000	55,000	46,843	8,157
Total expenditures	<u>55,000</u>	<u>55,000</u>	<u>51,780</u>	<u>3,220</u>
Net change to fund balance	-	-	-	-
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit), end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Measure W Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Intergovernmental	\$ 75,000	\$ 75,000	\$ 12,564	\$ (62,436)
Total revenues	<u>75,000</u>	<u>75,000</u>	<u>12,564</u>	<u>(62,436)</u>
<b>Expenditures:</b>				
Current:				
Public works	75,000	75,000	12,564	62,436
Total expenditures	<u>75,000</u>	<u>75,000</u>	<u>12,564</u>	<u>62,436</u>
Net change to fund balance	-	-	-	-
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**Mira Monte Reservoir Capital Projects Fund**  
**For the year ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Investment income	\$ -	\$ -	\$ 14,405	\$ 14,405
Total revenues	<u>-</u>	<u>-</u>	<u>14,405</u>	<u>14,405</u>
Expenditures:				
Current:				
Public works	160,000	160,000	164,572	(4,572)
Total expenditures	<u>160,000</u>	<u>160,000</u>	<u>164,572</u>	<u>(4,572)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(160,000)</u>	<u>(160,000)</u>	<u>(150,167)</u>	<u>9,833</u>
Other financing sources (uses):				
Transfers in	160,000	160,000	156,390	(3,610)
Total other financing sources (uses)	<u>160,000</u>	<u>160,000</u>	<u>156,390</u>	<u>(3,610)</u>
Net change to fund balance	-	-	6,223	6,223
Fund balance, beginning of year	<u>50,737</u>	<u>50,737</u>	<u>50,737</u>	<u>-</u>
Fund balance, end of year	<u>\$ 50,737</u>	<u>\$ 50,737</u>	<u>\$ 56,960</u>	<u>\$ 6,223</u>

**CITY OF SIERRA MADRE**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**City-wide Debt Service Fund**  
**For the year ended June 30, 2020**

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	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues:</b>				
Charges for services	\$ 92,000	\$ 92,000	\$ 92,000	\$ -
Total revenues	<u>92,000</u>	<u>92,000</u>	<u>92,000</u>	<u>-</u>
<b>Expenditures:</b>				
Debt service:				
Principal	87,100	87,100	87,016	84
Interest	4,100	4,100	4,026	74
Total expenditures	<u>91,200</u>	<u>91,200</u>	<u>91,042</u>	<u>158</u>
Net change to fund balance	800	800	958	158
Fund balance, beginning of year	<u>12,380</u>	<u>12,380</u>	<u>12,380</u>	<u>-</u>
Fund balance, end of year	<u>\$ 13,180</u>	<u>\$ 13,180</u>	<u>\$ 13,338</u>	<u>\$ 158</u>

**CITY OF SIERRA MADRE**  
**Combining Statement of Net Position**  
**Non-Major Enterprise Funds**  
**June 30, 2020**

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	<u>Special Strike Team Services</u>	<u>Total Non-Major Enterprise Funds</u>
<b>Assets:</b>		
Current assets:		
Cash and investments	\$ 81,874	\$ 81,874
Total current assets	<u>81,874</u>	<u>81,874</u>
Total assets	<u>81,874</u>	<u>81,874</u>
<b>Liabilities:</b>		
Total liabilities	<u>-</u>	<u>-</u>
<b>Net Position:</b>		
Unrestricted	<u>81,874</u>	<u>81,874</u>
Total net position	<u>\$ 81,874</u>	<u>\$ 81,874</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, 2020**

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	<u>Special Strike Team Services</u>	<u>Total Non-Major Enterprise Funds</u>
<b>Operating revenues:</b>		
Total operating revenues	-	-
Total operating expenses	-	-
Operating income (losses)	-	-
<b>Nonoperating revenues (expenses):</b>		
Total nonoperating revenues (expenses)	-	-
Change in net position	-	-
Net position, beginning of year	<u>81,874</u>	<u>81,874</u>
Net position, end of year	<u>\$ 81,874</u>	<u>\$ 81,874</u>

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**CITY OF SIERRA MADRE**  
**Combining Statement of Cash Flows**  
**Non-Major Enterprise Funds**  
**For the year ended June 30, 2020**

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	<u>Special Strike Team Services</u>	<u>Total Non-Major Enterprise Funds</u>
<b>Cash flows from operating activities:</b>		
Net cash provided by operating activities	\$ -	\$ -
<b>Cash flows from non-capital financing activities:</b>		
Net cash provided by non-capital financing activities	-	-
Net decrease in cash and cash equivalents	-	-
<b>Cash and investments:</b>		
Beginning of year	<u>81,874</u>	<u>81,874</u>
End of year	<u>\$ 81,874</u>	<u>\$ 81,874</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>		
Operating income	\$ -	\$ -
Adjustments to reconcile operating income to net cash provided by operating activities:		
Changes in assets and liabilities:		
(Increase) decrease in prepaid expenses	-	-
Increase (decrease) in accounts payable	-	-
Increase (decrease) in accrued liabilities	-	-
Increase (decrease) in deposits payable	-	-
Increase (decrease) in compensated absences	-	-
Total adjustments	-	-
Net cash provided by operating activities	<u>\$ -</u>	<u>\$ -</u>



**CITY OF SIERRA MADRE**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
**June 30, 2020**

	Fleet	Facilities Management	Administration
<b>Assets:</b>			
Current assets:			
Cash and investments	\$ 595,199	\$ 1,111,061	\$ 1,003,321
Accounts Receivable	-	-	-
Total current assets	<u>595,199</u>	<u>1,111,061</u>	<u>1,003,321</u>
Noncurrent assets:			
Capital assets:			
Depreciable, net	575,885	142,474	72,604
Net OPEB asset	-	-	141
Total noncurrent assets	<u>575,885</u>	<u>142,474</u>	<u>72,745</u>
Total assets	<u>1,171,084</u>	<u>1,253,535</u>	<u>1,076,066</u>
<b>Deferred Outflows of Resources:</b>			
OPEB related	-	-	8,077
Pension related	-	-	340,890
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>348,967</u>
<b>Liabilities:</b>			
Current liabilities:			
Accounts payable	47,032	24,822	6,316
Accrued payroll and related liabilities	3,214	6,803	20,365
Compensated absences - current	4,201	7,323	7,268
Total current liabilities	<u>54,447</u>	<u>38,948</u>	<u>33,949</u>
Noncurrent liabilities:			
Compensated absences	16,805	29,293	29,074
Net pension liability	-	-	359,008
Total noncurrent liabilities	<u>16,805</u>	<u>29,293</u>	<u>388,082</u>
Total liabilities	<u>71,252</u>	<u>68,241</u>	<u>422,031</u>
<b>Deferred Inflows of Resources:</b>			
OPEB related	-	-	17,777
Pension related	-	-	137,740
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>155,517</u>
<b>Net Position:</b>			
Net investment in capital assets	575,885	142,474	72,604
Unrestricted	523,947	1,042,820	774,881
Total net position	<u>\$ 1,099,832</u>	<u>\$ 1,185,294</u>	<u>\$ 847,485</u>

<u>Technology</u>	<u>Personnel and Risk Management</u>	<u>General Plan and Housing Update</u>	<u>Total Internal Service Funds</u>
\$ 790,486	\$ 2,774,227	\$ 99,498	\$ 6,373,792
7,610	-	-	7,610
<u>798,096</u>	<u>2,774,227</u>	<u>99,498</u>	<u>6,381,402</u>
128,000	-	-	918,963
-	-	-	141
<u>128,000</u>	<u>-</u>	<u>-</u>	<u>919,104</u>
<u>926,096</u>	<u>2,774,227</u>	<u>99,498</u>	<u>7,300,506</u>
-	-	-	8,077
-	-	-	340,890
<u>-</u>	<u>-</u>	<u>-</u>	<u>348,967</u>
24,861	12,644	5,311	120,986
3,698	98,934	-	133,014
3,816	8,445	-	31,053
<u>32,375</u>	<u>120,023</u>	<u>5,311</u>	<u>285,053</u>
15,265	33,781	-	124,218
-	-	-	359,008
<u>15,265</u>	<u>33,781</u>	<u>-</u>	<u>483,226</u>
<u>47,640</u>	<u>153,804</u>	<u>5,311</u>	<u>768,279</u>
-	-	-	17,777
-	-	-	137,740
<u>-</u>	<u>-</u>	<u>-</u>	<u>155,517</u>
128,000	-	-	918,963
750,456	2,620,423	94,187	5,806,714
<u>\$ 878,456</u>	<u>\$ 2,620,423</u>	<u>\$ 94,187</u>	<u>\$ 6,725,677</u>

**CITY OF SIERRA MADRE**  
**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
**Internal Service Funds**  
**For the year ended June 30, 2020**

	Fleet	Facilities Management	Administration
<b>Operating revenues:</b>			
Charges for services	\$ 421,250	\$ 334,802	\$ 740,199
Licenses and permits	-	-	-
Miscellaneous	-	-	-
Total operating revenues	<u>421,250</u>	<u>334,802</u>	<u>740,199</u>
<b>Operating expenses:</b>			
Personnel services	124,318	171,183	(281,388) *
Contractual services	54,498	118,799	94,118
Materials and supplies	89,013	68,454	61,455
Utilities	62,970	253,406	-
Maintenance and operation	23,077	80,631	-
Insurance, claims and charges	-	-	-
Depreciation	112,608	1,228	48,403
Total operating expenses	<u>466,484</u>	<u>693,701</u>	<u>(77,412)</u>
Operating income (loss)	<u>(45,234)</u>	<u>(358,899)</u>	<u>817,611</u>
<b>Nonoperating revenues (expenses):</b>			
Investment income	15,506	36,616	24,465
Interest expense	(414)	-	-
Total nonoperating revenues (expenses)	<u>15,092</u>	<u>36,616</u>	<u>24,465</u>
Income (loss) before transfers and capital contributions	(30,142)	(322,283)	842,076
<b>Transfers:</b>			
Transfers out	-	(13,467)	-
Total transfers	<u>-</u>	<u>(13,467)</u>	<u>-</u>
Change in net position	(30,142)	(335,750)	842,076
Net position, beginning of year	<u>1,129,974</u>	<u>1,521,044</u>	<u>5,409</u>
Net position, end of year	<u>\$ 1,099,832</u>	<u>\$ 1,185,294</u>	<u>\$ 847,485</u>

\* Credit balance is due to large subsequent OPEB contribution made in the current year.

\*\* Credit balance is due to change in claims liability estimate made in the current year.

**CITY OF SIERRA MADRE**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the year ended June 30, 2020**

Technology	Personnel and Risk Management	General Plan and Housing Update	Total Internal Service Funds
\$ 516,799	\$ 1,407,945	\$ -	\$ 3,420,995
32,036	-	-	32,036
7,987	-	-	7,987
556,822	1,407,945	-	3,461,018
157,152	377,854	-	549,119
223,478	106,020	8,400	605,313
86,043	34,805	-	339,770
119,336	-	-	435,712
133,114	-	-	236,822
-	(51,896) **	-	(51,896)
12,835	-	-	175,074
731,958	466,783	8,400	2,289,914
(175,136)	941,162	(8,400)	1,171,104
22,889	60,790	2,679	162,945
-	-	-	(414)
22,889	60,790	2,679	162,531
(152,247)	1,001,952	(5,721)	1,333,635
-	-	-	(13,467)
-	-	-	(13,467)
(152,247)	1,001,952	(5,721)	1,320,168
1,030,703	1,618,471	99,908	5,405,509
\$ 878,456	\$ 2,620,423	\$ 94,187	\$ 6,725,677

**CITY OF SIERRA MADRE**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the year ended June 30, 2020**

	Fleet	Facilities Management	Administration
<b>Cash flows from operating activities:</b>			
Receipts from interfund services provided	\$ 421,250	\$ 334,802	\$ 740,199
Payments to suppliers	(223,302)	(514,854)	(157,290)
Payments to employees	(121,989)	(175,805)	(544,191)
Net cash provided (used) by operating activities	<u>75,959</u>	<u>(355,857)</u>	<u>38,718</u>
<b>Cash flows from non-capital financing activities:</b>			
Transfers to other funds	-	(13,467)	-
Net cash provided (used) by non-capital financing activities	<u>-</u>	<u>(13,467)</u>	<u>-</u>
<b>Cash flows from capital and related financing activities:</b>			
Acquisition and construction of capital assets	(94,169)	(83,551)	-
Principal paid	(13,404)	-	-
Interest paid	(621)	-	-
Net cash provided (used) by capital and related financing activities	<u>(108,194)</u>	<u>(83,551)</u>	<u>-</u>
<b>Cash flows from investing activities:</b>			
Investment income	15,506	36,616	24,465
Net cash provided (used) by investing activities	<u>15,506</u>	<u>36,616</u>	<u>24,465</u>
Net increase (decrease) in cash and cash equivalents	(16,729)	(416,259)	63,183
<b>Cash and investments:</b>			
Beginning of year	611,928	1,527,320	940,138
End of year	<u>\$ 595,199</u>	<u>\$ 1,111,061</u>	<u>\$ 1,003,321</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>			
Operating income (loss)	\$ (45,234)	\$ (358,899)	\$ 817,611
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	112,608	1,228	48,403
Changes in assets, liabilities and deferred amounts:			
(Increase) decrease in accounts receivable	-	-	-
(Increase) decrease in net OPEB asset	-	-	(141)
(Increase) decrease in deferred outflow of resources	-	-	753,251
Increase (decrease) in accounts payable	6,256	6,436	(1,717)
Increase (decrease) in accrued liabilities	1,117	(4,903)	10,887
Increase (decrease) in claims payable	-	-	-
Increase (decrease) in compensated absences	1,212	281	8,314
Increase (decrease) in deferred inflow of resources	-	-	41,086
Increase (decrease) in net OPEB liability	-	-	(23,136)
Increase (decrease) in net pension liability	-	-	(1,615,840)
Total adjustments	<u>121,193</u>	<u>3,042</u>	<u>(778,893)</u>
Net cash provided (used) by operating activities	<u>\$ 75,959</u>	<u>\$ (355,857)</u>	<u>\$ 38,718</u>

<u>Technology</u>	<u>Personnel and Risk Management</u>	<u>General Plan and Housing Update</u>	<u>Total Internal Service Funds</u>
\$ 556,969	\$ 1,407,945	\$ -	\$ 3,461,165
(635,467)	(95,261)	(3,089)	(1,629,263)
<u>(156,364)</u>	<u>(1,176,472)</u>	<u>-</u>	<u>(2,174,821)</u>
<u>(234,862)</u>	<u>136,212</u>	<u>(3,089)</u>	<u>(342,919)</u>
-	-	-	(13,467)
-	-	-	(13,467)
(50,991)	-	-	(228,711)
-	-	-	(13,404)
<u>-</u>	<u>-</u>	<u>-</u>	<u>(621)</u>
<u>(50,991)</u>	<u>-</u>	<u>-</u>	<u>(242,736)</u>
<u>22,889</u>	<u>60,790</u>	<u>2,679</u>	<u>162,945</u>
<u>22,889</u>	<u>60,790</u>	<u>2,679</u>	<u>162,945</u>
(262,964)	197,002	(410)	(436,177)
<u>1,053,450</u>	<u>2,577,225</u>	<u>99,908</u>	<u>6,809,969</u>
<u>\$ 790,486</u>	<u>\$ 2,774,227</u>	<u>\$ 99,498</u>	<u>\$ 6,373,792</u>
<u>\$ (175,136)</u>	<u>\$ 941,162</u>	<u>\$ (8,400)</u>	<u>\$ 1,171,104</u>
12,835	-	-	175,074
147	-	-	147
-	-	-	(141)
-	-	-	753,251
(73,496)	(6,332)	5,311	(63,542)
1,501	88,756	-	97,358
-	(893,451)	-	(893,451)
(713)	6,077	-	15,171
-	-	-	41,086
-	-	-	(23,136)
<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,615,840)</u>
<u>(59,726)</u>	<u>(804,950)</u>	<u>5,311</u>	<u>(1,514,023)</u>
<u>\$ (234,862)</u>	<u>\$ 136,212</u>	<u>\$ (3,089)</u>	<u>\$ (342,919)</u>

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# **City of Sierra Madre, California**

*Village of the Foothills*



**Statistical Section  
For the Year Ending  
June 30, 2020**



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This part of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

***Financial trend information:***

Intended to assist users in understanding and assessing how a government's financial position has changed over time.

***Revenue capacity information:***

Intended to assist users in understanding and assessing the factors affecting a government's ability to generate its own revenue.

***Debt capacity information:***

Intended to assist users in understanding and assessing a government's debt burden and its ability to issue additional debt.

***Demographic and economic information:***

Intended to assist users in understanding the socioeconomic environment within which a government operates and to provide information that facilitates comparison of financial statement information over time and among governments.

***Operating information:***

Intended to provide information about a government's operations and resources in order to assist readers in using financial information to understand and assess a government's economic condition.

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

<u>As of June 30,</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Governmental activities:				
Net investment in capital assets	\$ 186,635,375	\$ 185,544,420	\$ 184,344,066	\$ 183,026,172
Restricted	8,648,585	10,779,254	10,341,052	13,952,436
Unrestricted	<u>1,634,124</u>	<u>870,761</u>	<u>555,794</u>	<u>204,442</u>
Total governmental activities net position	<u>\$ 196,918,084</u>	<u>\$ 197,194,435</u>	<u>\$ 195,240,912</u>	<u>\$ 197,183,050</u>
Business-Type activities:				
Net investment in capital assets	\$ 15,842,534	\$ 15,665,079	\$ 15,804,079	\$ 15,963,941
Restricted	-	1,145,841	1,149,456	1,149,456
Unrestricted	<u>6,324,287</u>	<u>4,437,196</u>	<u>3,894,603</u>	<u>4,053,155</u>
Total business-type activities net position	<u>\$ 22,166,821</u>	<u>\$ 21,248,116</u>	<u>\$ 20,848,138</u>	<u>\$ 21,166,552</u>
Primary government:				
Net investment in capital assets	\$ 202,477,909	\$ 201,209,499	\$ 200,148,145	\$ 198,990,113
Restricted	8,648,585	11,925,095	11,490,508	15,101,892
Unrestricted	<u>7,958,411</u>	<u>5,307,957</u>	<u>4,450,397</u>	<u>4,257,597</u>
Total primary government net position	<u>\$ 219,084,905</u>	<u>\$ 218,442,551</u>	<u>\$ 216,089,050</u>	<u>\$ 218,349,602</u>

Source: City of Sierra Madre Finance Department

<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
\$ 181,862,536	\$ 181,328,167	\$ 180,505,323	\$ 181,067,634	\$ 180,934,074	\$ 180,629,535
6,051,883	5,794,991	5,119,384	4,926,003	4,861,587	5,887,957
<u>764,679</u>	<u>1,731,997</u>	<u>5,264,763</u>	<u>6,263,121</u>	<u>8,123,037</u>	<u>9,714,208</u>
<u>\$ 188,679,098</u>	<u>\$ 188,855,155</u>	<u>\$ 190,889,470</u>	<u>\$ 192,256,758</u>	<u>\$ 193,918,698</u>	<u>\$ 196,231,700</u>
\$ 16,668,550	\$ 16,824,482	\$ 16,892,266	\$ 17,975,946	\$ 19,580,635	\$ 21,201,025
1,149,456	1,149,456	1,149,456	-	-	-
<u>1,994,086</u>	<u>1,313,820</u>	<u>1,439,579</u>	<u>2,585,503</u>	<u>2,639,373</u>	<u>5,044,835</u>
<u>\$ 19,812,092</u>	<u>\$ 19,287,758</u>	<u>\$ 19,481,301</u>	<u>\$ 20,561,449</u>	<u>\$ 22,220,008</u>	<u>\$ 26,245,860</u>
\$ 198,531,086	\$ 198,152,649	\$ 197,397,589	\$ 199,043,580	\$ 200,514,709	\$ 201,830,560
7,201,339	6,944,447	6,268,840	4,926,003	4,861,587	5,887,957
<u>2,758,765</u>	<u>3,045,817</u>	<u>6,704,342</u>	<u>8,848,624</u>	<u>10,762,410</u>	<u>14,759,043</u>
<u>\$ 208,491,190</u>	<u>\$ 208,142,913</u>	<u>\$ 210,370,771</u>	<u>\$ 212,818,207</u>	<u>\$ 216,138,706</u>	<u>\$ 222,477,560</u>

**CITY OF SIERRA MADRE**  
**Changes in Net Position**  
**(accrual basis of accounting)**

<b>Fiscal year ended June 30,</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Expenses:</b>				
Governmental activities:				
General government	\$ 3,495,144	\$ 1,756,491	\$ 2,350,968	\$ 742,540
Public safety	5,504,146	5,243,664	5,240,506	5,525,072
Public works	1,756,538	2,669,022	1,311,100	1,499,333
Development	1,738,918	998,147	874,469	993,035
Culture and recreation	1,392,657	1,695,105	1,449,653	1,407,243
Interest on long-term debt	181,711	95,211	8,241	23,697
Total governmental activities expenses	<u>14,069,114</u>	<u>12,457,640</u>	<u>11,234,937</u>	<u>10,190,920</u>
Business-type activities:				
Water	3,442,699	3,806,990	3,980,084	3,542,092
Sewer	951,566	927,102	1,022,868	844,486
Recreation services	503,796	306,613	115,980	131,897
Special services	37,462	168,546	112,482	92,752
Film services	46,681	70,275	58,589	54,817
Total business-type activities expenses	<u>4,982,204</u>	<u>5,279,526</u>	<u>5,290,003</u>	<u>4,666,044</u>
Total primary government expenses	<u>\$ 19,051,318</u>	<u>\$ 17,737,166</u>	<u>\$ 16,524,940</u>	<u>\$ 14,856,964</u>
<b>Program revenues:</b>				
Governmental activities:				
Charges for services	\$ 2,390,204	\$ 2,013,245	\$ 2,512,450	\$ 3,525,563
Operating grants and contributions	957,136	1,331,720	992,239	1,237,489
Capital grants and contributions	1,008,836	51,342	-	-
Total governmental activities program revenues	<u>4,356,176</u>	<u>3,396,307</u>	<u>3,504,689</u>	<u>4,763,052</u>
Business-type activities:				
Charges for services	4,379,502	4,090,554	4,525,723	4,978,343
Capital grants and contributions	29,619	-	316,930	258,882
Total business-type activities program revenues	<u>4,409,121</u>	<u>4,090,554</u>	<u>4,842,653</u>	<u>5,237,225</u>
Total primary government program revenues	<u>\$ 8,765,297</u>	<u>\$ 7,486,861</u>	<u>\$ 8,347,342</u>	<u>\$ 10,000,277</u>
<b>Net revenue/(expense):</b>				
Governmental activities	\$ (9,712,938)	\$ (9,061,333)	\$ (7,730,248)	\$ (5,427,868)
Business-type activities	<u>(573,083)</u>	<u>(1,188,972)</u>	<u>(447,350)</u>	<u>571,181</u>
Total primary government net revenue/(expense)	<u>\$ (10,286,021)</u>	<u>\$ (10,250,305)</u>	<u>\$ (8,177,598)</u>	<u>\$ (4,856,687)</u>

Source: City of Sierra Madre Finance Department

	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
\$	1,581,532	\$ 1,791,927	\$ 1,710,653	\$ 1,334,388	\$ 3,416,581	\$ 5,111,963
	5,500,997	5,754,806	5,115,933	5,394,253	5,688,672	5,473,096
	2,255,560	1,401,974	1,961,343	2,196,985	1,883,420	2,260,036
	1,089,493	1,412,537	1,129,817	1,557,850	1,089,342	990,443
	1,325,706	1,280,228	1,078,262	1,388,943	1,457,670	1,065,948
	20,580	17,322	13,909	10,336	7,610	3,097
	<u>11,773,868</u>	<u>11,658,794</u>	<u>11,009,917</u>	<u>11,882,755</u>	<u>13,543,295</u>	<u>14,904,584</u>
	4,626,949	4,388,290	4,763,179	4,432,899	4,083,465	3,670,810
	939,202	1,172,547	1,371,492	1,029,623	629,988	582,658
	113,608	259,594	22,697	4,150	-	-
	101,219	108,211	125,547	171,228	-	-
	18,035	43,620	50,618	77,923	-	-
	<u>5,799,013</u>	<u>5,972,262</u>	<u>6,333,533</u>	<u>5,715,823</u>	<u>4,713,453</u>	<u>4,253,468</u>
\$	<u>17,572,881</u>	<u>17,631,056</u>	<u>17,343,450</u>	<u>17,598,578</u>	<u>18,256,748</u>	<u>19,158,052</u>
\$	2,374,090	\$ 2,350,878	\$ 2,377,056	\$ 2,305,382	\$ 2,602,516	\$ 2,406,865
	1,071,981	1,022,280	1,368,859	1,426,015	1,705,187	2,534,045
	-	-	-	-	-	-
	<u>3,446,071</u>	<u>3,373,158</u>	<u>3,745,915</u>	<u>3,731,397</u>	<u>4,307,703</u>	<u>4,940,910</u>
	5,497,755	5,606,012	6,337,602	6,719,044	6,675,962	8,160,577
	242,500	46,234	62,166	-	-	-
	<u>5,740,255</u>	<u>5,652,246</u>	<u>6,399,768</u>	<u>6,719,044</u>	<u>6,675,962</u>	<u>8,160,577</u>
\$	<u>9,186,326</u>	<u>9,025,404</u>	<u>10,145,683</u>	<u>10,450,441</u>	<u>10,983,665</u>	<u>13,101,487</u>
\$	(8,327,797)	\$ (8,285,636)	\$ (7,264,002)	\$ (8,151,358)	\$ (9,235,592)	\$ (9,963,674)
	(58,758)	(320,016)	66,235	1,003,221	1,962,509	3,907,109
\$	<u>(8,386,555)</u>	<u>(8,605,652)</u>	<u>(7,197,767)</u>	<u>(7,148,137)</u>	<u>(7,273,083)</u>	<u>(6,056,565)</u>

**CITY OF SIERRA MADRE**  
**Changes in Net Position, (continued)**  
**(accrual basis of accounting)**

<u>Fiscal year ended June 30,</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Governmental activities:				
Taxes	\$ 8,437,401	\$ 7,774,266	\$ 7,739,306	\$ 8,217,065
Investment income	54,370	16,405	21,761	11,671
Miscellaneous	-	-	-	-
Capital contributions	65,294	-	15,209	-
Extraordinary gain/(loss)	-	1,499,139	-	-
Loss on disposal of property	-	-	-	(854,341)
Transfers	(167,071)	(164,500)	(47,372)	(4,389)
Total governmental activities	<u>8,389,994</u>	<u>9,125,310</u>	<u>7,728,904</u>	<u>7,370,006</u>
Business-type activities:				
Investment income	11,044	2,827	-	6,826
Capital contributions	-	-	-	-
Transfers	167,071	164,500	47,372	4,389
Total business-type activities	<u>178,115</u>	<u>167,327</u>	<u>47,372</u>	<u>11,215</u>
Total primary government	<u>\$ 8,568,109</u>	<u>\$ 9,292,637</u>	<u>\$ 7,776,276</u>	<u>\$ 7,381,221</u>
Change in net position:				
Governmental activities	\$ (1,322,944)	\$ 63,977	\$ (1,344)	\$ 1,942,138
Business-type activities	(394,968)	(1,021,645)	(399,978)	582,396
Total primary government	<u>\$ (1,717,912)</u>	<u>\$ (957,668)</u>	<u>\$ (401,322)</u>	<u>\$ 2,524,534</u>

Source: City of Sierra Madre Finance Department

<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
\$ 8,435,031	\$ 8,487,077	\$ 9,332,367	\$ 9,512,791	\$ 9,981,892	\$ 10,635,408
11,875	38,125	85,587	87,400	373,205	393,927
-	-	-	673,942	148,141	1,258,038
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
(54,018)	(63,509)	(118,957)	(103,147)	394,294	(10,697)
<u>8,392,888</u>	<u>8,461,693</u>	<u>9,298,997</u>	<u>10,170,986</u>	<u>10,897,532</u>	<u>12,276,676</u>
6,425	11,201	7,691	32,935	90,344	108,046
-	-	-	-	-	-
<u>54,018</u>	<u>63,509</u>	<u>118,957</u>	<u>103,147</u>	<u>(394,294)</u>	<u>10,697</u>
<u>60,443</u>	<u>74,710</u>	<u>126,648</u>	<u>136,082</u>	<u>(303,950)</u>	<u>118,743</u>
<u>\$ 8,453,331</u>	<u>\$ 8,536,403</u>	<u>\$ 9,425,645</u>	<u>\$ 10,307,068</u>	<u>\$ 10,593,582</u>	<u>\$ 12,395,419</u>
\$ 65,091	\$ 176,057	\$ 2,034,995	\$ 2,019,628	\$ 1,661,940	\$ 2,313,002
<u>1,685</u>	<u>(245,306)</u>	<u>192,883</u>	<u>1,139,303</u>	<u>1,658,559</u>	<u>4,025,852</u>
<u>\$ 66,776</u>	<u>\$ (69,249)</u>	<u>\$ 2,227,878</u>	<u>\$ 3,158,931</u>	<u>\$ 3,320,499</u>	<u>\$ 6,338,854</u>



**CITY OF SIERRA MADRE**  
**Fund Balances of Governmental Funds**  
**(modified accrual basis of accounting)**

<u>As of June 30,</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General fund:				
Restricted	\$ -	\$ -	\$ -	\$ -
Nonspendable	-	-	-	2,547
Committed	800,000	250,000	635,000	1,255,290
Assigned	-	3,989,683	4,400,416	4,635,021
Unassigned	<u>4,721,717</u>	<u>870,761</u>	<u>900,121</u>	<u>553,476</u>
<b>Total General Fund</b>	<b><u>\$ 5,521,717</u></b>	<b><u>\$ 5,110,444</u></b>	<b><u>\$ 5,935,537</u></b>	<b><u>\$ 6,446,334</u></b>
All other governmental funds:				
Non-spendable	\$ 401,575	\$ -	\$ -	\$ -
Restricted	1,682,998	1,682,998	1,682,998	1,682,998
Committed	5,863,012	888,909	1,658,115	2,199,679
Assigned	854,020	1,453,098	981,304	1,237,371
Unassigned	<u>(2,902,573)</u>	<u>(395,035)</u>	<u>(344,327)</u>	<u>(348,734)</u>
<b>Total all other governmental funds</b>	<b><u>\$ 5,899,032</u></b>	<b><u>\$ 3,629,970</u></b>	<b><u>\$ 3,978,090</u></b>	<b><u>\$ 4,771,314</u></b>
<b>Total all governmental funds</b>	<b><u>\$ 11,420,749</u></b>	<b><u>\$ 8,740,414</u></b>	<b><u>\$ 9,913,627</u></b>	<b><u>\$ 11,217,648</u></b>

Source: City of Sierra Madre Finance Department

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$ -	\$ -	\$ -	\$ 15,802	\$ 32,727	\$ 32,639
19,535	-	-	-	2,365	-
1,280,500	-	-	-	-	-
5,133,278	4,720,472	-	-	-	-
<u>1,021,355</u>	<u>1,938,003</u>	<u>7,428,117</u>	<u>8,736,391</u>	<u>6,915,213</u>	<u>7,557,690</u>
<u>\$ 7,454,668</u>	<u>\$ 6,658,475</u>	<u>\$ 7,428,117</u>	<u>\$ 8,752,193</u>	<u>\$ 6,950,305</u>	<u>\$ 7,590,329</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4,113,442	4,406,441	5,119,384	4,856,087	4,828,860	5,855,318
661,036	1,457,095	1,391,394	903,576	870,091	936,179
-	-	-	-	-	-
<u>(256,676)</u>	<u>(206,006)</u>	<u>(155,931)</u>	<u>(117,280)</u>	<u>(60,595)</u>	<u>(32,283)</u>
<u>\$ 4,517,802</u>	<u>\$ 5,657,530</u>	<u>\$ 6,354,847</u>	<u>\$ 5,642,383</u>	<u>\$ 5,638,356</u>	<u>\$ 6,759,214</u>
<u>\$ 11,972,470</u>	<u>\$ 12,316,005</u>	<u>\$ 13,782,964</u>	<u>\$ 14,394,576</u>	<u>\$ 12,588,661</u>	<u>\$ 14,349,543</u>

**CITY OF SIERRA MADRE**  
**Changes in Fund Balances of Governmental Funds**  
**(modified accrual basis of accounting)**

<b>Fiscal year ended June 30,</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Revenues:</b>				
Taxes	\$ 8,437,444	\$ 6,758,148	\$ -	\$ -
Property Taxes	-	-	3,902,682	4,391,262
Other Taxes	-	-	3,724,541	3,707,633
Charges for services	616,947	595,203	897,281	820,236
Intergovernmental	1,965,972	2,249,029	1,065,088	1,248,338
Licenses and permits	1,221,741	1,160,456	1,131,957	2,431,117
Fines and forfeitures	235,260	223,902	328,707	240,188
Investment Income	49,439	10,571	-	6,636
Miscellaneous	<u>316,214</u>	<u>184,835</u>	<u>163,313</u>	<u>169,853</u>
<b>Total revenues</b>	<b><u>12,843,017</u></b>	<b><u>11,182,144</u></b>	<b><u>11,213,569</u></b>	<b><u>13,015,263</u></b>
<b>Expenditures:</b>				
<b>Current:</b>				
General government	1,444,497	2,107,607	1,921,278	1,871,441
Public safety	5,504,146	5,081,731	5,074,457	5,382,934
Public works	1,756,537	2,210,897	794,165	1,844,412
Development	1,132,604	1,259,802	842,273	940,335
Culture and recreation	1,392,657	1,540,117	1,284,435	1,244,718
<b>Debt service:</b>				
Principal	302,998	315,581	63,385	66,321
Interest	181,711	101,461	27,656	24,721
Capital outlay	<u>1,553,968</u>	<u>95,735</u>	<u>31,790</u>	<u>14,833</u>
<b>Total expenditures</b>	<b><u>13,269,118</u></b>	<b><u>12,712,931</u></b>	<b><u>10,039,439</u></b>	<b><u>11,389,715</u></b>
Excess (deficiency) of revenues over (under) expenditures	<u>(426,101)</u>	<u>(1,530,787)</u>	<u>1,174,130</u>	<u>1,625,548</u>
<b>Other financing sources (uses):</b>				
Sale of City property	65,294	-	-	-
Equipment Financing	-	-	-	-
Transfers in	3,590,490	2,845,339	1,376,732	881,171
Transfers out	<u>(3,579,472)</u>	<u>(3,017,170)</u>	<u>(1,377,649)</u>	<u>(1,288,508)</u>
<b>Total other financing sources (uses)</b>	<b><u>76,312</u></b>	<b><u>(171,831)</u></b>	<b><u>(917)</u></b>	<b><u>(407,337)</u></b>
Extraordinary gain (loss)	-	<u>(1,085,861)</u>	-	-
<b>Net change in fund balances</b>	<b>(349,789)</b>	<b>(2,788,479)</b>	<b>1,173,213</b>	<b>1,218,211</b>
<b>Fund balances, beginning of year, as restated</b>	<b><u>11,770,538</u></b>	<b><u>11,528,893</u></b>	<b><u>8,740,414</u></b>	<b><u>9,913,627</u></b>
<b>Fund balances, end of year</b>	<b><u>\$ 11,420,749</u></b>	<b><u>\$ 8,740,414</u></b>	<b><u>\$ 9,913,627</u></b>	<b><u>\$ 11,131,838</u></b>
Debt Service as a Percentage of Non-Capital Expenditures	4%	3%	1%	1%

\*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.

Source: City of Sierra Madre Finance Department

<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5,264,471	5,677,308	6,075,078	6,426,261	6,830,051	7,161,511
3,170,560	2,809,769	3,257,288	3,228,635	3,302,646	3,644,793
871,237	881,477	690,417	733,929	974,741	824,891
1,073,897	1,022,280	1,176,272	1,228,646	1,536,011	1,745,392
1,018,971	837,657	1,222,728	1,227,077	1,231,070	1,245,264
223,072	190,999	167,318	118,324	140,395	82,903
5,397	25,726	63,194	84,912	306,329	320,460
260,810	440,745	489,181	933,142	327,781	2,040,124
<b>11,888,415</b>	<b>11,885,961</b>	<b>13,141,476</b>	<b>13,980,926</b>	<b>14,649,024</b>	<b>17,065,338</b>
1,672,935	1,970,283	2,391,482	2,609,677	3,662,657	5,561,126
5,382,396	5,725,286	5,375,953	5,200,197	8,165,504	5,717,940
1,670,830	1,004,326	1,247,133	2,806,374	2,173,523	2,003,010
1,019,712	1,485,372	1,355,877	1,437,228	1,272,696	983,998
1,162,983	1,228,487	1,115,425	1,141,498	1,496,982	950,110
69,391	72,604	75,964	79,484	83,163	87,016
21,651	18,442	15,082	11,563	7,879	4,026
-	-	-	-	-	-
<b>10,999,898</b>	<b>11,504,800</b>	<b>11,576,916</b>	<b>13,286,021</b>	<b>16,862,404</b>	<b>15,307,226</b>
<b>888,517</b>	<b>381,161</b>	<b>1,564,560</b>	<b>694,905</b>	<b>(2,213,380)</b>	<b>1,758,112</b>
-	-	-	-	-	-
-	-	-	-	-	-
941,521	2,348,798	246,913	37,851	468,564	169,858
(989,406)	(2,386,421)	(343,835)	(121,145)	(61,099)	(167,088)
(47,885)	(37,623)	(96,922)	(83,294)	407,465	2,770
-	-	-	-	-	-
840,632	343,538	1,467,638	611,611	(1,805,915)	1,760,882
<b>11,131,838</b>	<b>11,972,467</b>	<b>12,315,326</b>	<b>13,782,965</b>	<b>14,394,576</b>	<b>12,588,661</b>
<b>\$ 11,972,470</b>	<b>\$ 12,316,005</b>	<b>\$ 13,782,964</b>	<b>\$ 14,394,576</b>	<b>\$ 12,588,661</b>	<b>\$ 14,349,543</b>
1%	1%	1%	1%	1%	1%

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

<b>Fiscal year ended June 30,</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Category				
Residential	\$ 1,482,410,204	\$ 1,522,225,014	\$ 1,569,368,492	\$ 1,657,387,265
Commercial	47,606,368	47,274,344	50,519,744	52,244,923
Industrial	7,447,664	7,503,723	7,653,776	7,806,831
Govt. Owned	155,935	157,109	542,759	163,456
Institutional	2,430,940	6,669,589	3,943,818	4,105,294
Irrigated	-	-	-	-
Recreational	613,810	618,428	1,647,693	1,680,645
Vacant	41,417,109	44,660,373	44,480,022	44,785,823
SBE Nonunitary	-	-	-	-
Cross Reference	1,530,912	1,542,439	1,573,286	1,604,751
Unsecured	<u>6,823,278</u>	<u>6,990,234</u>	<u>6,711,328</u>	<u>6,183,887</u>
Total assessed value	<u>\$ 1,590,436,220</u>	<u>\$ 1,637,641,253</u>	<u>\$ 1,686,440,918</u>	<u>\$ 1,775,962,875</u>
Tax-Exempt Property	<u>(3,605,034)</u>	<u>(3,605,034)</u>	<u>(3,605,034)</u>	<u>(3,605,138)</u>
Total taxable assessed value	<u>\$ 1,586,831,186</u>	<u>\$ 1,634,036,219</u>	<u>\$ 1,682,835,884</u>	<u>\$ 1,772,357,737</u>
Total direct rate	0.2852	0.2843	0.2821	0.2228

Source: HDL Coren & Cone

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$ 1,750,546,835	\$ 1,849,086,339	\$ 1,958,752,239	\$ 2,064,755,283	\$ 2,175,830,705	\$ 2,301,373,113
53,659,841	57,179,257	60,520,506	62,360,811	66,807,200	70,441,465
7,842,250	11,350,279	11,523,349	11,904,983	11,759,635	11,994,809
164,198	167,478	170,032	173,432	599,145	202,511
6,618,344	6,423,627	17,021,358	18,196,153	17,707,802	23,338,541
-	-	-	-	-	-
1,688,272	1,722,001	1,748,259	1,783,221	1,818,882	1,855,256
46,880,985	44,273,558	46,173,712	42,633,298	30,933,973	33,461,991
-	-	-	-	-	-
1,792,372	1,968,133	1,998,146	2,038,108	1,851,661	1,888,694
<u>6,657,788</u>	<u>7,011,648</u>	<u>6,843,871</u>	<u>6,959,470</u>	<u>7,981,925</u>	<u>7,608,348</u>
<u>\$ 1,875,850,885</u>	<u>\$ 1,979,182,320</u>	<u>\$ 2,104,751,472</u>	<u>\$ 2,210,804,759</u>	<u>\$ 2,315,290,928</u>	<u>\$ 2,452,164,728</u>
<u>(3,605,138)</u>	<u>(3,605,138)</u>	<u>(3,605,138)</u>	<u>(3,569,824)</u>	<u>(3,569,824)</u>	<u>(3,569,824)</u>
<u>\$ 1,872,245,747</u>	<u>\$ 1,975,577,182</u>	<u>\$ 2,101,146,334</u>	<u>\$ 2,207,234,935</u>	<u>\$ 2,311,721,104</u>	<u>\$ 2,448,594,904</u>
0.2231	0.2234	0.2243	0.2237	0.2236	0.2236

**CITY OF SIERRA MADRE**  
**Property Tax Rates**  
**Direct and Overlapping Governments**  
**(Rate per \$100 of Taxable Value)**  
**Last Ten Fiscal Years**

<u>Fiscal year ended June 30,</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Agency				
Basic Levy <sup>1</sup>	1.00000	1.00000	1.00000	1.00000
Arcadia Unified	0.07456	0.07691	0.07670	0.07550
County Detention Facilities 1987 Debt	0.00000	0.00000	0.00000	0.00000
La County Flood Control	0.00000	0.00000	0.00000	0.00000
Metropolitan Water District	0.01800	0.01800	0.01800	0.01800
Pasadena Community College Dist	0.01986	0.01956	0.02056	0.01899
Pasadena Unified School Dist	0.10195	0.11120	0.11403	0.10351
Sierra Madre Lighting	0.30902	0.30902	0.30902	0.30902
Total Direct & Overlapping <sup>2</sup> Tax Rates	1.52339	1.53469	1.53831	1.52502
City's Share of 1% Levy Per Prop 13 <sup>3</sup>	0.21911	0.21911	0.21911	0.21911
Voter Approved City Debt Rate	-	-	-	-
Redevelopment Rate <sup>4</sup>	1.01800	1.01800	-	-
Total Direct Rate <sup>5</sup>	0.28519	0.28433	0.28214	0.22284

<sup>1</sup> In 1978, California voters passed Proposition 13 which set the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as percentage of assessed property values for the payment of any voter approved bonds.

<sup>2</sup> Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all city property owners.

<sup>3</sup> City's share of 1.00% levy is based on the City's share of general fund tax rate area with the largest net taxable value within the City. ERAF general fund shifts may not be included in tax ratio figures.

<sup>4</sup> Redevelopment rate is based on the largest RDA tax rate area and only includes rate(s) from indebtedness adopted prior to 1989 per California State statute. RDA direct and overlapping rates are applied only to the incremental property values. The approval of ABX1 26 eliminated Redevelopment from the State of California from the fiscal year 2012/13 and thereafter.

<sup>5</sup> Total Direct Rate is the weighted average of all individual direct rates applied to by the government preparing statistical section information and excludes revenues derived from aircraft.

Beginning in 2013/14 the total Direct Rate no longer includes revenue generated from the former redevelopment tax rate areas. Challenges to recognize enforceable obligation are assumed to have been resolved during 2012/13. For the purpose of this report, residential revenue is assumed to be distributed to the City in the same proportions as general fund revenue.

Source: HDL Coren & Cone; LA County Assessor

2015	2016	2017	2018	2019	2020
1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
0.07653	0.07507	0.07788	0.07551	0.05365	0.05433
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	0.02300	0.03000	0.03000	0.03000
0.01032	0.00872	0.00885	0.00819	0.00767	0.00721
0.10601	0.11168	0.10673	0.10547	0.09491	0.04531
0.30902	0.30902	0.30902	0.30902	0.30902	0.30902
1.51988	1.52249	1.52548	1.52819	1.49526	1.44588
0.21911	0.21911	0.21911	0.21911	0.21911	0.21911
-	-	-	-	-	-
-	-	-	-	-	-
0.22310	0.22338	0.22428	0.22367	0.22363	0.22363



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

Taxpayer	2011			2020		
	Taxable Assessed Value	% of Net Assessed Value	Rank	Taxable Assessed Value	% of Net Assessed Value	Rank
CS One Carter LLC	\$21,293,847	1.34%	1			
CS Stonehouse LLC	\$10,834,257	0.68%	2			
William L Sullivan Trust	\$7,542,206	0.47%	3			
S M E Associates Limited	\$6,249,465	0.39%	4			
Barbera Family LP	\$4,781,109	0.30%	5	\$5,530,651	0.23%	7
MB Equity LLC	\$3,889,134	0.24%	6	\$8,502,206	0.35%	4
Time Warner NY Cable LLC	\$3,307,191	0.21%	7			
Zhang Hongmei	\$2,915,638	0.18%	8			
Montecito Development Group LLC	\$2,748,000	0.17%	9			
Jeffrey M. and Kimberly Stokes	\$2,726,661	0.17%	10			
Kensington SM GP LLC				\$15,019,747	0.61%	1
CETT Madre Limited				\$11,625,266	0.47%	2
Stanley A Sirott Trust				\$9,151,680	0.37%	3
Michael G and Rene C Hoffman Trust				\$6,733,229	0.27%	5
Ginkgo Stonehouse II LLC				\$6,141,655	0.25%	6
William L. Sullivan Cotrustee				\$5,354,640	0.22%	8
Avalanche Lake Realty				\$5,069,700	0.21%	9
Congregation of the Passion				\$5,016,783	0.20%	10
Top Ten Total	<u>\$66,287,508</u>	<u>4.17%</u>		<u>\$78,145,557</u>	<u>3.19%</u>	
City Total	<u>\$1,590,436,220</u>			<u>\$2,452,164,728</u>		

Data Source: HDL Coren & Cone

**CITY OF SIERRA MADRE**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

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Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections of Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2011	\$ 3,428,755	\$ 3,144,814	91.72%	\$ 283,941	\$ 3,144,814	91.72%
2012	3,420,520	3,013,111	88.09%	407,409	3,013,111	88.09%
2013	3,623,213	3,369,909	93.01%	253,304	3,369,909	93.01%
2014	3,873,971	3,669,464	94.72%	204,506	3,669,464	94.72%
2015	3,929,776	3,837,083	97.64%	92,694	3,837,083	97.64%
2016	4,229,810	4,129,506	97.63%	100,304	4,129,506	97.63%
2017	4,492,592	4,314,138	96.03%	178,455	4,314,138	96.03%
2018	4,772,165	4,553,848	95.43%	218,318	4,553,848	95.43%
2019	4,977,521	4,854,871	97.54%	122,650	4,854,871	97.54%
2020	5,451,576	5,262,884	96.54%	120,330	5,331,246	97.54%

Source: HDL Coren & Cone

**CITY OF SIERRA MADRE**  
**Total Direct and Overlapping Debt**  
**As of June 30, 2020**

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		<u>Gross Bonded Debt Balance</u>	<u>Percent Applicable to City</u>	<u>Net Bonded Debt</u>
<b>Total Direct Debt</b>				\$ -
<b>Overlapping Debt</b>				
812.55	PASADENA CCD DS 2014 REF SERIES A	\$ 12,405,000	2.612	324,024
812.56	PASADENA CCD DS 2016 REF SERIES A	54,045,000	2.612	1,411,678
817.53	ARCADIA UNIFIED DS 1993 SERIES C	220,889	0.374	826
817.57	ARCADIA UNIFIED DS 2006 SERIES B	28,850,000	0.374	107,896
817.58	ARCADIA UNIFIED DS 2017 REF	190,845,000	0.374	712,170
909.58	PASADENA USD DS 2008 SERIES 2012	7,525,000	5.363	403,564
909.61	PASADENA USD DS 2008 SERIES 2016	96,070,000	5.363	5,152,210
909.62	PASADENA USD DS 2016 REF BONDS SERIES /	1,035,000	5.363	555,068
909.63	PASADENA USD DS 2016 REF BONDS SERIES /	172,740,000	5.363	9,264,002
<b>Total Overlapping Debt</b>				<u>17,931,438</u>
<b>Total Direct and Overlapping Debt</b>				<u>\$ 17,931,438</u>

2019/20 Assessed Valuation: \$2,233,672,284 After Deducting \$218,492,444 Incremental Value.

Debt To Assessed Valuation Ratios:

Direct Debt	0.00%
Overlapping Debt	0.80%
Total Debt	0.80%

Data Source: HDL Coren & Cone

**CITY OF SIERRA MADRE**  
**Outstanding Debt by Type**

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Fiscal Year Ended June 30,	Governmental Activities			Total
	Master Lease Equipment Financing	General Obligation Bonds	Tax Increment Bonds <sup>(1)</sup>	
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
2017	288,119	-	-	288,119
2018	196,393	-	-	196,393
2019	100,420	-	-	100,420
2020	-	-	-	-

<sup>(1)</sup> 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.

Source: City of Sierra Madre Finance Department

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Business-type Activities					
Master Lease		Revenue Parity			Total Primary
Equipment		Bonds	Loans	Total	Government
Financing					
\$ 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	728,438	9,074,779	9,450,564
139,036		7,715,000	582,751	8,436,787	8,724,906
94,771		-	6,940,756	7,035,527	7,231,920
48,457		-	6,372,601	6,421,058	6,521,478
-		-	5,900,868	5,900,868	5,900,868

**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	
<i>Sierra Madre Water Revenue Refunding Bonds, Series 1998A</i>						
<i>Sierra Madre Water Revenue Parity Bonds, Series 2003</i>						
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	2,348,112	2,150,614	425,000	420,720	2.54
2017	5,249,123	2,567,912	2,681,211	450,000	398,845	3.16
2018	5,521,322	2,319,129	3,202,193	258,284	186,735	7.20
<i>City of Sierra Madre Installment Purchase Agreement**</i>						
2019	5,611,440	2,364,338	3,247,102	422,467	257,981	4.77
2020	6,954,132	1,905,193	5,048,939	326,046	243,699	8.86

\* The City recalculated coverage for the Revenue Bonds based on rate covenant definitions per official statements for FY 2010-2014.

\*\* The City determined that paying the prior installment sales agreements for the Revenue Bonds listed above with the proceeds from the *2017 Installment Purchase Agreement*, would reduce the City's interest expense payable from Water Revenues.

Funding was provided by Holman Capital Corporation and the City's Reserve Funds totaling \$6,761,976.01. The The proceeds were sufficient to defease the Revenue Bonds on November1, 2017, thereby satisfying and terminating the City's obligations under the prior installment sales agreements and indentures. Funding took place on October 31, 2017.

As with the original Revenue Bonds, the City irrevocably pledged all of the Net Water Revenues to the payment of the 2017 Installment Payments, and is a first priority lien on the collateral.

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

Source: City of Sierra Madre Finance Department

**CITY OF SIERRA MADRE**  
**Pledged Revenue Coverage**

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Fiscal Year Ended June 30,	Governmental Activities				Coverage
	Tax Increment <sup>(1)</sup>	Debt Service			
		Principal	Interest		
2011 <sup>(2)</sup>	\$ 1,174,727	\$ 245,000	\$ 148,125	2.99	
2012 <sup>(3)</sup>	1,249,669	255,000	156,042	3.04	
2013 <sup>(4)</sup>	555,072	270,000	120,187	1.42	
2014 <sup>(5)</sup>	505,387	300,000	106,188	1.24	
2015 <sup>(5)</sup>	738,195	300,000	94,000	1.87	
2016 <sup>(5)</sup>	528,157	315,000	78,625	1.34	
2017 <sup>(5)</sup>	567,950	330,000	62,500	1.45	
2018 <sup>(5)</sup>	581,097	345,000	45,625	1.49	
2019 <sup>(5)</sup>	190,991	360,000	28,000	0.49	
2020 <sup>(5)</sup>	215,315	380,000	19,000	0.54	

<sup>(1)</sup> Tax increment figures are net of related pass-through payments, beginning in 2008-2009, the City began paying AB1389 pass through payments.

<sup>(2)</sup> Tax increment figures are net of related pass-through payments, including AB1389 and State SERAF of \$542,513.

<sup>(3)</sup> Tax increment figures are net of related pass-through payments, including AB1389 and State SERAF of \$161,861.

<sup>(4)</sup> 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.

<sup>(5)</sup> 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.

Source: City of Sierra Madre Finance Department

**CITY OF SIERRA MADRE**  
**Demographic and Economic Statistics**

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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
2010	11,099	\$580,056	\$52,262	3.9%	45.7	0.975	0.584
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%	48.0	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%
2016	11,010	573,499	52,088	3.5%	46.2	98.4%	63.7%
2017	10,986	575,612	52,395	2.7%	45.0	99.2%	65.1%
2018	11,135	608,795	54,674	3.7%	46.6	99.3%	63.3%
2019	10,816	655,093	60,567	4.5%	47.6	98.7%	62.4%

*2020 data not available*

*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, 2020**

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<b>Business Name</b>	<b>Business Category</b>
Ad Security	Specialty Stores
Bottle Shop	Convenience Stores/Liquor
Buccaneer Lounge	Casual Dining
Casa Del Rey	Casual Dining
Denise Bosley Interiors	Personal Service-No Liquor
Frontier Hardware Co	Building Materials
Happy's Liquor	Convenience Stores/Liquor
Ixora Floral Studio	Florist Shops
Koi Loungewear Inc	Women's Apparel
Leonora Moss	Florist Shops
Lucky Baldwins Delirium Café	Casual Dining
Moes Automotive Service Center	Auto Repair Shops
Nano Café	Casual Dining
Only Place in Town	Casual Dining
Savor the Flavor	Art/Gift/Novelty Stores
Sierra Filtration Services	Specialty Stores
Sierra Madre Pizza Co	Quick-Service Restaurants
Sierra Madre Service Station Inc	Service Stations
Sierra Madre Valero	Service Stations
Starbucks	Quick-Service Restaurants
Tacos Ensenada Dom	Quick-Service Restaurants
Three Points Intermediate Holdings	Auto Repair Shops
Village Pizzeria	Fast-Casual Restaurants
Wistaria Restaurant & Bar	Casual Dining
Yui	Casual Dining

Source: HDL Coren & Cone

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

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<u>As of June 30,</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Government	8	8	7	7	11	11	11	13	12	15
Public Safety										
Police										
Officers	18	18	16	17	17	17	17	17	15	11
Civilians	5	5	4	4	7	6	6	7	7	11
Fire	12	15.8	15.4	15.2	16	18	19	19	20	16
Public Works	20	20	19	17.5	18	18	19	18	16	16
Development	4	4	3	3.5	4	5	5	5	5	4
Library and Recreation	<u>24.85</u>	<u>22.65</u>	<u>15.7</u>	<u>15.8</u>	<u>13</u>	<u>12</u>	<u>13</u>	<u>14</u>	<u>12</u>	<u>13</u>
Total	<u>91.85</u>	<u>93.45</u>	<u>80.1</u>	<u>80</u>	<u>86</u>	<u>87</u>	<u>90</u>	<u>93</u>	<u>87</u>	<u>86</u>

*Source: Various City of Sierra Madre Departments*

# CITY OF SIERRA MADRE

## Operating Indicators by Function

Fiscal year ended June 30,	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Police</b>										
Number of:										
Physical Arrests	129	328	399	345	327	214	248	223	231	210
Parking Violations	2,495	2,031	3,266	2,976	2,764	1,797	2,596	1,705	1,127	225
Traffic Violations	1,989	1,798	1,435	1,967	571	727	837	1,210	1,216	1,051
<b>Fire</b>										
Number of:										
Calls Answered	940	967	947	863	970	1,036	1,107	1,102	1,097	1,197
Inspections	1,970	2,002	1,943	2,000	1,739	1,678	2,084	1,687	1,905	1,935
<b>Public Works</b>										
Number of:										
Water Mains Repaired	24	45	30	25	58	550	388	395	374	303
Water service leaks repaired	13	19	19	8	7	19	30	46	62	78
Street resurfacing/repair (SF)	-	-	-	69,000	284,790	-	142,500	454,000	705,270	180,000
Sidewalk Repairs (SF)	4,755	3,207	12,000	4,096	4,605	3,000	4,700	9,500	3,250	6,500
Trees planted	28	14	8	63	-	-	12	16	31	15
Trees pruned	24	20	537	514	37	24	38	43	16	15
Trees removed	37	50	20	30	62	75	75	68	44	50
Sewer cleaned/inspected (LF)	155,761	151,659	102,720	143,711	167,168	186,176	146,000	120,817	98,000	80,000
Sewer Manhole inspected (each)	n/a	346	171	104	676	620	433	473	380	211
Sewer lines inspected (LF)	n/a	500	200	330	1,064	1,000	2,045	-	-	-
Meters replaced	479	398	138	129	168	-	172	507	643	605
Valves exercised	829	583	299	406	284	267	3	-	60	605
Pot holes repaired	87	14	100	188	380	575	657	727	622	-
Water Mains Replaced (LF)	150	4,165	n/a	n/a	2,870	1,750	1,200	2,000	5,800	7,095
<b>Recreation and Community Services</b>										
Number of participants:										
Recreation classes	1,658	1,382	2,510	1,730	731	371	271	217	n/a	n/a
Aquatic <sup>(1)</sup>	3,584	3,146	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Summer pool memberships	10	16	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Annual Events <sup>(2)</sup>	758	789								
Movie Series	n/a	n/a	1,100	1,050	1,400	1,500	1,700	1,850	1,900	2,200
Concert Series	n/a	n/a	3,600	4,550	4,835	4,400	4,600	4,800	5,600	5,800
Summer Fun in the Park	n/a	n/a	274	320	293	305	265	261	285	291
Huck Finn (campsites)	41	43	40	60	63	63	50	36	48	n/a
Mt. Wilson Trail Race	319	323	328	350	325	346	337	332	350	n/a
Window Painting	163	163	89	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Halloween Happenings	153	153	112	n/a	150	157	107	115	126	130
Excursions	n/a	n/a	n/a	n/a	n/a	511	477	464	569	262

<sup>(1)</sup> Aquatics contracted out beginning FY 2012-2013

<sup>(2)</sup> Annual events divided into new categories beginning FY 2012-2013

Source: Various City of Sierra Madre Departments

**CITY OF SIERRA MADRE**  
**Operating Indicators by Function, (continued)**

<u>Fiscal year ended June 30,</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Library										
Number of:										
Registered borrowers	11,292	11,994	13,044	11,366	10,530	11,429	11,574	11,098	14,162	10,175
Circulation	111,384	105,121	86,829	79,673	85,779	113,272	97,829	114,432	115,572	97,870
Reference	7,781	6,705	5,663	5,795	6,548	6,493	5,237	5,066	4,868	4,686
Book volumes held	56,415	55,845	51,681	54,663	56,891	47,746	41,680	39,164	40,126	39,949
User's of E-Resources	13,962	13,312	13,844	14,173	14,798	17,678	16,612	14,141	17,809	13,954
Media	5,301	5,323	5,512	5,993	6,307	18,238	6,084	5,904	5,892	5,545
Periodicals	115	115	109	95	98	61	95	82	73	71
Municipal Utilities										
Number of:										
Number of Customers										
Commercial	110	111	112	70	n/a	n/a	n/a	n/a	n/a	n/a
Multi-Unit	354	356	353	212	n/a	n/a	n/a	n/a	n/a	n/a
City	75	75	63	40	n/a	n/a	n/a	n/a	n/a	n/a
Residential	3,284	3,255	3,280	3,424	3,550	3,489	3,565	3,501	3,654	3,624
Non-Residential	n/a	n/a	n/a	n/a	204	195	210	193	163	248
Water Consumption in Units (000's)	1,086	1,212	1,232	1,325	821	667	925	765	741	860
Administrative Services										
Number of:										
Number of Customers										
Online Bill Pay (average)	n/a	155	131	156	211	246	288	333	421	435
Business Licenses Issued	1,288	1,232	1,360	2,358	1,374	1,276	1,438	1,665	1,584	2,767
Development Services										
Number of:										
Conditional Use Permit	5	13	5	5	37	5	6	7	-	-
Minor Conditional Use Permit	3	2	5	10	7	2	5	5	4	1
Design Review										11
Variance	2	4	1	-	1	1	-	-	1	-
Minor Variance	-	-	3	1	1	2	2	-	3	-
Municipal Code Text Amendment	3	2	3	1	6	5	7	-	5	-
Building Permit	242	304	278	249	231	230	274	281	258	320
Electrical Permit	57	81	165	208	159	174	206	223	223	203
Mechanical Permit	36	38	110	130	129	100	128	135	140	117
Plumbing Permit	49	59	161	166	215	194	204	230	191	141
Sewer Permit	6	13	25	26	3	14	23	2	7	3

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

Source: Various City of Sierra Madre Departments

**CITY OF SIERRA MADRE**  
**Capital Assets – Book Value (excludes construction in progress)**

Fiscal year ended June 30,		2011	2012	2013
Roadways				
	Pavement AC (Governmental Funds)	\$ 14,523,998	\$ 13,686,599	\$ 12,858,351
Street Appurtenances				
	Bridges (Governmental Funds)	65,713	58,796	51,878
Parks				
	Park Structures (Governmental Funds)	164,767	156,919	149,072
		73,317	167,586	162,738
	Trees (Governmental Funds)	1,206,214	1,206,214	1,206,214
Wastewater				
	Manholes (Sewer)	811,157	783,660	756,163
	Sewer Pipelines (Sewer)	2,875,733	2,778,250	2,680,768
Domestic Water Network				
	Spreading Basins (Water)	1,192,386	1,159,626	1,126,865
	Pump Stations (Water)	1,594,721	1,540,663	1,486,605
	Meters (Water)	-	-	-
	Pipelines (Water)	3,559,533	3,376,993	3,511,413
	Pressure Reducing Stations (Water)	332,864	316,626	300,389
	Fire Hydrants (Water)	195,177	185,168	175,159
	Wells (Water)	784,209	743,993	703,777
	Reservoirs (Water)	14,195,770	13,992,147	13,788,524
Buildings	All			
	Buildings (Water Fund)	160,152	151,939	143,726
	Buildings (Sewer Fund)	160,152	151,939	143,726
	Buildings (Governmental Funds)	6,825,034	6,599,074	6,373,114
	Buildings (Governmental-ISF Facilities)			
Land	All			
	Land (Water Fund)	1,483,250	1,483,250	1,483,250
	Land (Governmental Funds)	162,275,945	162,275,946	162,275,946
General Equipment	All			
	Vehicle & Equipment (Water Fund)	20,780	14,820	10,360
	Vehicle & Equipment (Sewer Fund)	404,918	404,918	341,205
	Vehicle & Equipment (Governmental Funds)	794,752	740,834	686,766
	Vehicle & Equipment (Governmental-ISF fleet)	980,860	881,965	784,751
	Software (Governmental-ISF Administration)	484,029	459,827	411,425
<b>Total</b>		<b>\$ 215,165,429</b>	<b>\$ 213,317,751</b>	<b>\$ 211,612,185</b>

Source: Various City of Sierra Madre Departments

	2014	2015	2016	2017	2018	2019	2020
\$	12,041,539	\$ 11,331,409	\$ 10,731,909	\$ 9,854,028	\$ 9,549,273	\$ 10,482,847	\$ 11,776,829
	44,961	38,044	29,591	21,137	12,682	4,227	-
	141,224	133,376	267,258	392,374	371,422	350,470	329,873
	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
	728,666	701,169	672,551	643,932	615,313	586,693	558,074
	2,583,285	2,993,188	2,576,706	2,469,342	2,361,979	2,254,616	2,147,252
	1,094,105	1,061,345	1,025,528	989,710	953,893	918,075	889,342
	1,432,546	1,378,488	1,322,223	1,265,958	1,209,694	1,153,429	1,097,164
	-	-	-	-	-	-	-
	3,587,725	3,731,255	4,141,639	4,143,901	4,352,079	5,620,212	5,421,687
	284,152	267,915	250,630	233,345	216,061	198,776	181,491
	165,149	155,140	144,440	133,741	123,042	112,343	101,643
	663,561	623,345	580,356	537,366	494,377	451,387	408,398
	13,584,901	13,381,279	13,174,440	12,967,602	12,760,764	12,553,926	12,347,088
	135,513	127,300	118,766	110,328	101,799	93,316	84,833
	135,513	127,300	118,813	110,284	101,840	93,353	84,866
	6,147,154	5,733,392	5,642,913	5,409,185	5,175,456	5,127,521	5,033,771
					61,379	60,152	58,924
	1,483,250	1,483,250	1,483,250	1,483,250	1,483,250	1,483,250	1,483,250
	162,275,946	162,275,946	162,275,946	162,275,946	162,275,946	162,275,946	162,275,946
	24,555	30,890	59,040	71,118	62,638	54,158	882,988
	336,248	292,587	230,880	169,174	107,464	45,756	13,039
	641,723	541,302	501,492	387,136	555,906	1,089,506	1,051,061
	704,962	591,833	654,076	821,597	745,502	-	-
	363,022	314,619	394,552	333,326	272,087	210,851	149,613
<b>\$</b>	<b>209,961,890</b>	<b>\$ 208,676,562</b>	<b>\$ 207,603,213</b>	<b>\$ 206,029,994</b>	<b>\$ 205,170,057</b>	<b>\$ 206,427,024</b>	<b>\$ 207,583,346</b>